

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**October 29, 2015**

Date of Report (Date of earliest event reported)

**NU SKIN ENTERPRISES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation)

**001-12421**

(Commission File Number)

**87-0565309**

(IRS Employer Identification  
Number)

**75 West Center Street**  
**Provo, Utah 84601**

(Address of principal executive offices and zip code)

**(801) 345-1000**

(Registrant's telephone number, including area code)

**N/A**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))
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**Item 2.02 Results of Operations and Financial Condition.**

On October 29, 2015, Nu Skin Enterprises, Inc. (the "Company") issued a press release announcing its financial results for the three- and nine-month periods ended September 30, 2015, and certain other information. A copy of the Company's press release is attached as Exhibit 99.1 to this report and incorporated by reference.

The information furnished pursuant to this Item 2.02 and the exhibit hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and shall not be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act except as shall be expressly set forth by specific reference in such filing.

The press release furnished herewith in Exhibit 99.1 may contain non-GAAP financial measures. Management believes non-GAAP financial measures assist management and investors in evaluating and comparing period-to-period results and projections in a more meaningful and consistent manner.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibit.

99.1	Nu Skin Enterprises' press release dated October 29, 2015, regarding financial results for the three- and nine-month periods ended September 30, 2015.
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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**NU SKIN ENTERPRISES, INC.**  
(Registrant)

/s/ Ritch Wood  
Ritch Wood  
Chief Financial Officer

Date: October 29, 2015

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## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Nu Skin Enterprises' press release dated October 29, 2015, regarding financial results for the three- and nine-month periods ended September 30, 2015.



**FOR IMMEDIATE RELEASE**

**CONTACTS:**

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Media — Kara Schneck (801) 345-2116, [kschneck@nuskin.com](mailto:kschneck@nuskin.com)

**NU SKIN ENTERPRISES REPORTS THIRD-QUARTER 2015 RESULTS**

PROVO, Utah — Oct. 29, 2015 — Nu Skin Enterprises, Inc. (NYSE: NUS) today announced third-quarter results, with revenue of \$571.3 million compared to \$638.8 million in the prior-year period. Revenue improved on a sequential basis and was relatively even with the prior year in constant currency, but was negatively impacted 10 percent by foreign currency fluctuations. Revenue in the prior year was positively impacted by \$81 million of product launch volume, versus \$47 million in the third quarter of 2015. Earnings per share of \$0.28 were significantly impacted by several factors, including a \$37.9 million charge, or approximately \$0.43 per share, to write down inventory in China, foreign currency translation expenses of approximately \$0.13 per share, and a higher-than-normal tax rate primarily related to the inventory write down.

"Our business continued to progress sequentially in each quarter of 2015, with constant-currency revenue improving in the third quarter to be even with the prior year," said Truman Hunt, president and chief executive officer. "We kicked off our current business cycle with a third-quarter introduction of our ageLOC Youth anti-aging supplement in the South Asia/Pacific region. This introduction generated local-currency sales growth of 44 percent, or 22 percent on a reported basis over the prior year, with a 36 percent sequential increase in sales leaders. We expect to see continued trend improvement in the fourth quarter with the introduction of ageLOC Youth in the Americas and our ageLOC Me customized skin care system in the North Asia region.

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"While we are excited about our upcoming product introductions and anticipate continued improvements in our global business, the Greater China region underperformed in the quarter," continued Hunt. "Results for the region were impacted by a combination of lower-than-expected sales of our cosmetic oils, and the scale back of product promotions during the quarter that were being used to reduce inventory levels. Economic conditions may have also impacted results. Looking forward, we believe the Greater China business will benefit by focusing sales leaders on the upcoming launch of our ageLOC Me skin care system rather than focusing on discounted product promotions. These factors resulted in a decision to take an inventory write-down charge."

### Regional Results

The company's regional revenue results for the three-month periods ended September 30 are presented in the following table.

	<u>2015</u>	<u>2014</u>	<u>% Change</u>	<u>Constant Currency % Change</u>
Greater China	\$ 188,669	\$ 226,744	(17%)	(15%)
North Asia	167,748	205,488	(18%)	(6%)
South Asia/Pacific	108,857	88,915	22%	44%
Americas	70,775	76,737	(8%)	2%
EMEA	<u>35,259</u>	<u>40,916</u>	(14%)	4%
Total	<u>\$ 571,308</u>	<u>\$ 638,800</u>	(11%)	---*

\*Less than 1% change.

Mainland China revenue declined eight percent in local currency and 10 percent on a reported basis. Taiwan and Hong Kong declined 32 percent and 30 percent, respectively, due primarily to a large product introduction in the prior-year quarter.

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The company's regional revenue results for the nine-month periods ended September 30 are presented in the following table.

	<u>2015</u>	<u>2014</u>	<u>% Change</u>	<u>Constant Currency % Change</u>
Greater China	\$ 576,172	\$ 735,542	(22%)	(20%)
North Asia	512,757	596,944	(14%)	(4%)
South Asia/Pacific	247,697	241,762	2%	15%
Americas	234,115	246,557	(5%)	9%
EMEA	<u>104,108</u>	<u>139,083</u>	(25%)	(8%)
Total	<u>\$ 1,674,849</u>	<u>\$ 1,959,888</u>	(15%)	(7%)

The company's regional actives and sales leaders statistics are presented in the following table.

	<u>As of September 30, 2015</u>		<u>As of September 30, 2014</u>		<u>% Increase (Decrease)</u>	
	<u>Actives</u>	<u>Sales Leaders</u>	<u>Actives</u>	<u>Sales Leaders</u>	<u>Actives</u>	<u>Sales Leaders</u>
Greater China	211,000	25,044	238,000	24,823	(11%)	---*
North Asia	374,000	18,038	398,000	17,153	(6%)	5%
South Asia/Pacific	120,000	9,925	121,000	7,881	---*	26%
Americas	178,000	7,962	186,000	7,244	(4%)	10%
EMEA	<u>110,000</u>	<u>4,120</u>	<u>113,000</u>	<u>4,103</u>	(3%)	---*
Total	<u>993,000</u>	<u>65,089</u>	<u>1,056,000</u>	<u>61,204</u>	(6%)	6%

\*Less than 1% change.

"Actives" are persons who purchased products directly from the company during the previous three months.

"Sales Leaders" are independent distributors, and sales employees and independent marketers in China, who achieve certain qualification requirements.

### Operational Performance

The company's operating and gross margins were both negatively impacted by the China inventory write-down. Operating margin for the quarter was 7.4 percent, compared to 16.4 percent in the third quarter of 2014. Excluding the impact of the inventory write down, operating margin was 14.1 percent. Gross margin during the quarter was 73.3 percent, versus 82.9 percent in the prior-year period. Selling expenses were 42.1 percent of sales in the third quarter, compared to 41.2 percent in the prior-year period. General and administrative expenses were 23.8 percent of sales compared to 25.3 percent. The company's effective income tax rate for the quarter increased from 35.6 percent in the prior year to 42.1 percent. The higher tax rate was primarily related to the inventory write-down. Cash and current investments at the end of the quarter were \$316.7 million and debt was \$253.0 million. Dividend payments during the quarter were \$20.2 million. Cash flow from operations for the quarter was \$82.4 million, and the company repurchased \$28.2 million of its outstanding shares.

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### Outlook

"With the introductions of ageLOC Me and ageLOC Youth, we are beginning a new business cycle that we believe will drive meaningful growth," said Hunt. "Based on the successful third-quarter introduction of ageLOC Youth in South Asia/Pacific, we anticipate positive global momentum from the introduction of these new products to continue in the fourth quarter and throughout 2016.

"Our balance sheet is strong, with a solid net-cash position. We are generating healthy cash flow and plan to use it to improve shareholder value, as demonstrated by today's announcement of an increase in the company's stock repurchase authorization to \$500 million," concluded Hunt.

"We project fourth-quarter revenue of \$570 to \$590 million, which anticipates a negative foreign currency impact of 10 to 11 percent," said Ritch Wood, chief financial officer. "We also anticipate fourth-quarter earnings per share of \$0.70 to \$0.73. We look forward to discussing our 2016 business plans with shareholders at our investor day on December 4, 2015 in New York," concluded Wood.

The Nu Skin management team will host a conference call with the investment community on Oct. 29, at 5 p.m. (EDT). Those wishing to access the webcast, as well as the financial information presented during the call, can visit the Investor Relations page on the company's website at [ir.nuskin.com](http://ir.nuskin.com). A replay of the webcast will be available at the same URL through Nov. 16, 2015.

### About Nu Skin Enterprises, Inc.

Nu Skin Enterprises, Inc. demonstrates its tradition of innovation through its comprehensive anti-aging product portfolio, independent business opportunity and corporate social responsibility initiatives. The company's scientific leadership in both skin care and nutrition has established Nu Skin as a premier anti-aging company. The company's anti-aging products feature the ageLOC® line of products including ageLOC® Tru Face® Essence Ultra firming serum, the ageLOC® TR90® weight management and body shaping system, ageLOC® R<sup>2</sup> nutritional supplement, and ageLOC® Transformation daily skin care system. A global direct selling company, Nu Skin operates in 53 markets worldwide and is traded on the New York Stock Exchange under the symbol "NUS." More information is available at <http://www.nuskin.com>.

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**Please Note:** This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that represent the company's current expectations and beliefs. All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws and include, but are not limited to, statements of management's expectations regarding the company's performance, growth, initiatives, new product introductions, and sales force; projections regarding revenue, earnings per share, foreign currency fluctuations, uses of cash and other financial items; statements of belief; and statements of assumptions underlying any of the foregoing. In some cases, you can identify these statements by forward-looking words such as "believe," "expect," "project," "anticipate," "estimate," "intend," "plan," "targets," "likely," "will," "would," "could," "may," "might," the negative of these words and other similar words.

The forward-looking statements and related assumptions involve risks and uncertainties that could cause actual results and outcomes to differ materially from any forward-looking statements or views expressed herein. These risks and uncertainties include, but are not limited to, the following:

- any failure of current or planned initiatives or products to generate interest among our sales force and customers and generate sponsoring and selling activities on a sustained basis;
- risk of foreign currency fluctuations and the currency translation impact on the company's business associated with these fluctuations;
- risk that direct selling laws and regulations in any of our markets, including the United States and China, may be modified, interpreted or enforced in a manner that results in negative changes to our business model or negatively impacts our revenue, sales force or business, including through the interruption of sales activities, loss of licenses, imposition of fines, or any other adverse actions or events;
- risks related to accurately predicting, delivering or maintaining sufficient quantities of products to support our planned initiatives or launch strategies, and increased risk of inventory write-offs if we over-forecast demand for a product or change our planned initiatives or launch strategies;
- regulatory risks associated with the company's products, which could require the company to modify its claims or inhibit the company's ability to import or continue selling a product in a market if it is determined to be a medical device or if it is unable to register the product in a timely manner under applicable regulatory requirements;
- adverse publicity related to the company's business, products, industry or any legal actions or complaints by the company's sales force or others;
- unpredictable economic conditions and events globally;
- any prospective or retrospective increases in duties on the company's products imported into the company's markets outside of the United States and any adverse results of tax audits or unfavorable changes to tax laws in the company's various markets; and
- continued competitive pressures in the company's markets.

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*The company's financial performance and the forward-looking statements contained herein are further qualified by a detailed discussion of associated risks set forth in the documents filed by the company with the Securities and Exchange Commission. The forward-looking statements set forth the company's beliefs as of the date that such information was first provided and the company assumes no duty to update the forward-looking statements contained in this release to reflect any change except as required by law.*

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**NU SKIN ENTERPRISES, INC.**  
**Consolidated Statements of Income (Unaudited)**  
**For the Third Quarters Ended September 30, 2015 and 2014**  
 (in thousands, except per share amounts)

	<b>2015</b>	<b>2014</b>
<b>Revenue</b>	\$ 571,308	\$ 638,800
Cost of sales	152,755	109,275
<b>Gross profit</b>	<b>418,553</b>	<b>529,525</b>
Operating expenses:		
Selling expenses	240,260	263,203
General and administrative expenses	135,752	161,366
Total operating expenses	<b>376,012</b>	<b>424,569</b>
<b>Operating income</b>	42,541	104,956
Other income, net	(14,428)	1,073
Income before provision for income taxes	28,113	106,029
Provision for income taxes	11,846	37,721
<b>Net income</b>	<b>\$ 16,267</b>	<b>\$ 68,308</b>
<b>Net income per share:</b>		
Basic	\$ 0.28	\$ 1.15
Diluted	\$ 0.28	\$ 1.12
<b>Weighted average common shares outstanding:</b>		
Basic	57,725	59,249
Diluted	58,663	60,777

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**NU SKIN ENTERPRISES, INC.**  
**Consolidated Statements of Income (Unaudited)**  
**For the Nine-Month Periods Ended September 30, 2015 and 2014**  
 (in thousands, except per share amounts)

	<u>2015</u>	<u>2014</u>
<b>Revenue</b>	\$ 1,674,849	\$ 1,959,888
Cost of sales	<u>368,073</u>	<u>371,929</u>
<b>Gross profit</b>	<u>1,306,776</u>	<u>1,587,959</u>
Operating expenses:		
Selling expenses	713,714	859,879
General and administrative expenses	<u>410,074</u>	<u>467,190</u>
Total operating expenses	<u>1,123,788</u>	<u>1,327,069</u>
<b>Operating income</b>	182,988	260,890
Other (expense), net	<u>(29,454)</u>	<u>(37,554)</u>
Income before provision for income taxes	153,534	223,336
Provision for income taxes	<u>56,328</u>	<u>80,667</u>
<b>Net income</b>	<u>\$ 97,206</u>	<u>\$ 142,669</u>
<b>Net income per share:</b>		
Basic	\$ 1.66	\$ 2.42
Diluted	\$ 1.63	\$ 2.34
<b>Weighted average common shares outstanding:</b>		
Basic	58,403	59,058
Diluted	59,565	61,010

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**NU SKIN ENTERPRISES, INC.**  
**Consolidated Balance Sheets (Unaudited)**  
 (in thousands)

	<b>September 30,</b>	<b>December 31,</b>
	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 305,808	\$ 288,415
Current investments	10,883	11,793
Accounts receivable	35,682	35,834
Inventories, net	260,464	338,491
Prepaid expenses and other	<u>164,046</u>	<u>160,134</u>
	776,883	834,667
Property and equipment, net	459,644	464,783
Goodwill	112,446	112,446
Other intangible assets, net	68,862	75,062
Other assets	<u>135,623</u>	<u>127,476</u>
Total assets	<u>\$ 1,553,458</u>	<u>\$ 1,614,434</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 35,718	\$ 34,712
Accrued expenses	308,600	300,847
Current portion of long-term debt	<u>66,743</u>	<u>82,770</u>
	411,061	418,329
Long-term debt	186,222	164,567
Other liabilities	<u>95,657</u>	<u>89,100</u>
Total liabilities	<u>692,940</u>	<u>671,996</u>
Stockholders' equity:		
Class A common stock	91	91
Additional paid-in capital	415,026	414,394
Treasury stock, at cost	(959,504)	(862,608)
Accumulated other comprehensive loss	(73,000)	(51,521)
Retained earnings	<u>1,477,905</u>	<u>1,442,082</u>
	860,518	942,438
Total liabilities and stockholders' equity	<u>\$ 1,553,458</u>	<u>\$ 1,614,434</u>

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**NU SKIN ENTERPRISES, INC.**  
**Reconciliation of Operating Income to**  
**Operating Income Excluding Write-down of China Inventory**  
(in thousands)

	<b>Quarter Ended</b>	
	<b>September 30,</b>	
	<b>2015</b>	<b>2014</b>
Revenue as reported	\$ 571,308	\$ 638,800
Operating income as reported	\$ 42,541	\$ 104,956
Write-down of China inventory	37,900	—
Operating income excluding write-down of China inventory	\$ 80,441	\$ 104,956
Operating income as a percent of revenue excluding write-down of China inventory	14.1%	16.4%
Operating income as a percent of revenue as reported	7.4%	16.4%

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