

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): February 11, 2002

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 No.)

75 West Center Street
Provo, UT 84601
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code:
(801) 345-6100

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

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

Exhibit No.	Description
99.1	Press Release dated February 4, 2002.

Item 9. Regulation FD Disclosure.

On February 4th, the Company issued a press release discussing its 2001 earnings and outlook for 2002, a copy of which is furnished hereunder as Exhibit 99.1. In connection with such press release, the Company held a conference call that was open to the public where management discussed its 2001 results and outlook for 2002 and also outlined its five-year goals, including the goal of reaching \$2 billion in revenue. The replay of this call is available on the Company's website at www.nuskinenterprises.com through February 18th. The Company is furnishing the following additional information.

(a) The Company currently has various products under development for launch over the next 18 months, including an acne product, a weight loss product, and a nutritional supplement designed to help the body fight the effects of stress. The Company believes that the acne product and stress product could become leading sellers (\$40 to \$50 million per year in sales) by 2003 or 2004 if the Company is able to successfully complete the development and clinical testing of such products.

(b) The Company has established internal goals to exceed its current expectations for revenue and earnings growth in 2002 as discussed in the Company's February 4th press release and related conference call. Management's current internal goal is to generate 14% revenue growth on a constant currency basis and 20% earnings growth (on a constant currency basis and including the impact of the elimination of amortization of goodwill) in 2002. The Company's current expectations for 2002 based on current business, economic and competitive conditions and expected currency fluctuations still remains consistent with the information provided in the February 4th press release and related conference call.

(c) In order to achieve its five-year revenue goals discussed in its conference call, the Company would need to achieve a 13.6% annual growth rate in its existing markets and generate \$335 million in revenue from new markets in year 5, including potential revenue from China and Eastern Europe. The Company's five-year revenue goal is based on desired growth rates of 10.8% in Japan, 17.8% in Asia (excluding Japan), 14.3% in the United States, 21.0% in Europe and 15.0% in other markets. The Company's five year goal is also based on the assumption that the yen will strengthen over this period to 120 yen to the dollar, which the Company believes approximates the average level of the yen during the past 8 years.

The disclosure set forth above includes forward-looking statements related to new product development and sales potential, internal revenue and earnings goals for 2002 and assumptions related to its five year goals and its operating expectations for 2002. 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: (a) adverse changes in currency exchange rates, particularly the Japanese yen; (b) risks related to new product development including risks that clinical trials will not support or verify the anticipated benefits of the products, the products will not gain market acceptance, competitors will introduce products that make the new products obsolete, or governmental regulations could limit the Company's ability to market and distribute such products; (c) the 2002 and five-year goals are internal goals and are not projections with respect to future performance and there are significant risks that could affect the ability of the Company to achieve these goals including risks of adverse changes in the company's operations in the Japan, including any worsening of economic conditions, increased competition, or the company's failure to execute effective initiatives in this market, any inability of the company to renew growth in the United States and Taiwan, and any inability to operate in new markets such as China as a result of legal or regulatory issues; (d) continued uncertainty concerning the long-term effects of recent and planned initiatives, and the risk that the recent growth in revenue and executive distributors may not be sustained; (e) continued competitive pressures in the company's markets; and (f) regulatory risks associated with the company's business and product offerings, including possible restrictions on or challenges to the company's marketing practices or products and any associated negative publicity. 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, including the company's most recent Form 10-K and Form 10-Q. The forward-looking statements set forth the company's beliefs as of the date of this release, and the company assumes no duty to update the forward-looking statements contained in this release to reflect any change.

SIGNATURES

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/ Truman Hunt
Truman Hunt
Executive Vice President and General Counsel

Date: February 11, 2002

EXHIBIT INDEX

(c) Exhibits.

Exhibit No.
99.1

Description
Press Release dated February 4, 2002.

CONTACTS:

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(801) 345-2112

NU SKIN ENTERPRISES REPORTS FOURTH QUARTER AND YEAR-END RESULTS
Fourth Quarter Revenue up 12 percent in Constant Currency

PROVO, Utah-- Feb. 4, 2002-- Nu Skin Enterprises, Inc. (NYSE: NUS) today reported increases in both revenue and distributor counts for the fourth quarter and year-end 2001, despite a difficult global economy and currency volatility.

Financial Results

Revenue was up 12 percent and earnings were up 3 percent during the fourth quarter on a constant currency basis. The company's distributor leadership count grew 16 percent over last year to 24,839 executive distributors and the number of active distributors increased 12 percent to 558,000, both record levels. The company reported revenue of \$232.6 million compared to \$223.6 million for the fourth quarter of 2000, an increase of 4 percent. Earnings per share were \$0.16 compared to consensus estimates of \$0.15. Net income of \$13.6 million, was down from fourth quarter 2000 results when the company reported net income of \$16.2 million and earnings per share of \$0.19. The decline in quarterly earnings per share was due primarily to a 13 percent decrease in the value of the Japanese yen, as well as expenses associated with a convention in Japan.

For the year ended Dec. 31, 2001, revenue was up 9 percent and earnings per share were up 8 percent in local currency. Reported revenue increased to \$885.6 million from \$879.8 million in 2000. Net income was \$50.3 million and earnings per share were \$0.60 compared to net income of \$61.7 million and earnings per share of \$0.72 for the same period in 2000. The decline in earnings per share for the year is due primarily to the weakening of the Japanese yen.

"We are pleased with improving distributor trends and local currency revenue growth for the year, which increased in the latter half of the year," said Steven J. Lund, president and chief executive officer. "Fourth quarter results were bolstered by local currency revenue growth in Japan and the opening of Malaysia in early November."

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Regional Highlights

North Asia. Revenue was up 7 percent in constant currency terms compared to the fourth quarter of 2000. However, North Asia revenue was down 5 percent on a reported basis due to the weakening of the Japanese yen. Local currency revenue growth was driven by a distributor convention hosted during the quarter in Japan and the 9 percent increase in executive distributors in that market. South Korea posted strong results during the fourth quarter with revenue of \$14.5 million, up 71 percent in local currency. This is on top of 83 percent local currency revenue growth in South Korea during the fourth quarter of 2000. South Korea posted a 60 percent increase in executive distributors during the quarter. For the year, North Asia revenue was up 7 percent in constant currency terms, but down 5 percent on a reported basis.

Southeast Asia. The opening of Malaysia drove 50 percent local currency revenue growth in the Southeast Asia region. Revenue was up 45 percent on a reported basis. Excluding revenue from Singapore and Malaysia, which together increased 25 percent sequentially in the quarter to \$14.6 million, the region posted modest constant currency revenue growth. Revenue growth from the region's smaller markets offset the slight local currency decline in Taiwan during the quarter. However, Taiwan's executive distributor count increased 5 percent and the region's executive distributor count grew almost 50 percent during the quarter. For the year, revenue in the region was up 28 percent in constant currency terms and up 26 percent on a reported basis.

North America. Revenue was up 3 percent, while the core US business remained flat on a year-over-year basis in the fourth quarter. The executive count in North America declined compared to last year, but the region experienced a slight increase in active distributors. For the year, North America revenue was level with last year's results.

Other Markets. Revenue from Europe was up 36 percent during the quarter in constant currency and up 34 percent on a reported basis. Latin America revenue remained unchanged from fourth quarter 2000 results. For the year, revenue in these markets was up 39 percent in constant currency and up 34 percent on a reported basis, primarily due to growth in Europe.

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Divisional Overview

Nu Skin. The company's personal care division revenue was up 12 percent on a constant currency basis during the fourth quarter and up 4 percent on a reported basis to \$113.1 million. The launch of new products during the Japan convention and the opening of Malaysia drove a strong 10 percent sequential increase in Nu Skin revenue from the third quarter. For the year, Nu Skin revenue was up 4 percent in constant currency as compared to last year's results, but down 4 percent on a reported basis to \$423.7 million.

Pharmanex. Nutritional revenue for the company was up 11 percent during the fourth quarter in constant currency and up 2 percent on a reported basis to \$102.6 million. The launch of the division's Solutions™ product line in Japan positively impacted fourth quarter results. For the year, Pharmanex revenue was up 13 percent in local currency and grew 3 percent from 2000 to \$396.3 million.

Big Planet. Revenue increased 20 percent to \$16.9 million in the fourth quarter, up from \$14.1 million last year. The division's most recent quarterly revenue includes \$7.1 million of revenue from an incubating business development initiative — a professional employer organization (PEO) that provides human resource services to small businesses — as well as \$2.6 million of international revenue. For the year, Big Planet generated \$65.6 million in revenue, up 21 percent over 2000. The 2001 revenue results include \$24.7 million from the PEO and \$10.4 million of international revenue.

Operational Performance

During the quarter, the company reported gross margin of 80.0 percent, down from last year, but improved from the third quarter. Distributor incentives were at 39.1 percent, and selling, general and administrative (SG&A) costs were at 33.0 percent of revenue. The increase in SG&A expenses is due to \$4.0 million of additional costs associated with the convention in Japan during the quarter. Operating margin for the quarter was at 8.0 percent, down from 8.8 percent in the prior year. On a constant currency basis, operating margin increased to 10.7 percent in the quarter. Other income was \$3.0 million, which was due to hedging gains related to the stronger U.S. dollar against the Japanese yen.

For the year, gross margin was 79.9 percent compared to 83.0 percent in 2000. Although gross margin improved for Nu Skin and Pharmanex products, the negative impact of foreign currency

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translation and the increase in revenue from the lower-margin Big Planet products caused gross margin erosion during the year. Distributor incentives as a percent of revenue remained unchanged and the company's SG&A expenses were down \$6.1 million compared to last year. Operating margin was 8.1 percent for the year, down from 10.3 percent in 2000. On a constant currency basis, operating margin improved to 10.5 percent. The company's cash position increased by \$12.0 million. This increase in cash also considers \$16.4 million paid in dividends and \$18.1 million of stock repurchases during 2001.

Outlook

"Record active distributor and executive counts, solid momentum in Asia and Europe and compelling product pipelines present good opportunities for growth in 2002," Lund said. "Our commitment to focus promotion on higher margin product lines and to continue to contain SG&A expenses also gives us confidence that we will continue to generate significant cash flow going forward. We expect our core operations to generate high single-digit revenue and earnings growth in 2002.

"In the last two months the Japanese yen has lost significant value relative to the U.S. dollar. With more than 50 percent of our revenue coming from Japan, this has a significant negative impact on our reported results. The yen is currently in the range of 133-135 yen per U.S. dollar. Some analysts project the yen to continue to devalue in the near term, but to strengthen to 130 yen to the U.S. dollar later in the year. For the year, we are assuming the yen will average 130 yen to the U.S. dollar. If currencies continue to weaken against the U.S. dollar, our reported results will be negatively impacted.

"Later this week, the 2002 Olympic Winter Games begin in Salt Lake City. We believe our Olympic sponsorship positively impacts our business. However, we anticipate first quarter earnings to be tempered by company expenses surrounding our sponsorship of the Olympic Games. As a result, we expect first quarter earnings per share to be in the range of \$0.13 - \$0.15."

The company will host a webcast to discuss fourth quarter and year-end results and to outline plans for 2002 today at 11:30 a.m. (EST). You can listen to the webcast at the company's website at www.nuskinenterprises.com.

The Company

Nu Skin Enterprises, Inc. is a global direct selling company operating in more than 30 countries throughout the Americas, Europe and the Asia Pacific region. The company sells consumer products and

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services from three divisions. The Nu Skin division markets premium quality face, body and hair care products. The Pharmanex division is a science-based developer and marketer of nutritional supplements. The Big Planet division markets technology-based products and services and operates a PEO. Nu Skin Enterprises is traded on the New York Stock Exchange under the symbol "NUS."

Nu Skin Enterprises' news releases are available online at www.nuskinenterprises.com.

Please note: This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 that represent the company's current expectations and beliefs, including, among other things: (i) the expectation that the company has good opportunities for growth in 2002; (ii) confidence that the company will continue to generate significant cash flow; (iii) the belief that core operations will generate high single-digit revenue and earnings growth in 2002 and that earnings per share will be around \$0.13 to \$0.15 in the first quarter of 2002. The company wishes to caution and advise readers that these statements are based on assumptions that may not materialize, including assumptions that the Japanese yen will return to 130 to the U.S. dollar before year end. 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: (a) adverse changes in currency exchange rates, particularly the Japanese yen; (b) risks that could result in adverse changes in the company's operations in Japan, including any worsening of economic conditions, increased competition, or the company's failure to execute effective initiatives in this market; (c) higher than anticipated expenses associated with company's Olympic activities or its international convention; (d) adverse publicity related to the Company's business, products or industry, including recent adverse press concerning nutritional supplements used by athletes; (e) continued uncertainty concerning the long-term effects of recent and planned initiatives, and the risk that the recent growth in revenue and executive distributors may not be sustained; (f) continued competitive pressures in the company's markets; and (g) regulatory risks associated with the company's business and product offerings, including possible restrictions on or challenges to the company's marketing practices or products and any associated negative publicity. 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, including the company's most recent Form 10-K and Form 10-Q. The forward-looking statements set forth the company's beliefs as of the date of this release, and the company assumes no duty to update the forward-looking statements contained in this release to reflect any change.

- financial tables follow -

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Nu Skin Enterprises, Inc.
Consolidated Statements of Income
For the Fourth Quarters Ended December 31, 2001 and 2000
(in thousands, except per share amounts)

	2001	2000
	-----	-----
Revenue		
North Asia	\$ 145,331	\$ 152,393
Southeast Asia	43,163	29,684
North America	37,183	36,175
Other	6,883	5,355
	-----	-----
Total revenue	232,560	223,607
Cost of sales	46,395	39,607
	-----	-----
Gross margin	186,165	184,000
	-----	-----
Operating expenses		
Distributor incentives	90,859	90,223
Selling, general and administrative	76,684	74,128
	-----	-----
Total operating expenses	167,543	164,351
	-----	-----
Operating income	18,622	19,649
Other income (expense)	2,981	5,672
	-----	-----
Income before provision for income taxes	21,603	25,321
Provision for income taxes	7,993	9,116
	-----	-----
Net income	\$ 13,610	\$ 16,205
	=====	=====
Net income per share		
Basic	\$ 0.16	\$ 0.19
Diluted	\$ 0.16	\$ 0.19
Weighted average number of shares outstanding		
Basic	82,729	84,556
Diluted	83,292	84,785

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Nu Skin Enterprises, Inc.
Consolidated Statements of Income
For the Years Ended December 31, 2001 and 2000
(in thousands, except per share amounts)

	2001	2000
	-----	-----
Revenue		
North Asia	\$ 553,910	\$ 585,373
Southeast Asia	150,290	119,456

