

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

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**FORM 8-K**

**CURRENT REPORT**

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

**Date of Report: November 10, 2008**  
(Date of earliest event reported)

**Natural Health Trends Corp.**  
(Exact name of registrant as specified in its charter)

**TX**  
(State or other jurisdiction  
of incorporation)

**0-26272**  
(Commission File  
Number)

**59-2705336**  
(IRS Employer  
Identification Number)

**2050 Diplomat Drive**  
(Address of principal executive offices)

**75234**  
(Zip Code)

**(972) 241-4080**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(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 November 10, 2008, Natural Health Trends Corp. issued an earnings release announcing its results for the quarter ended September 30, 2008. The press release is attached hereto as exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits**

**(a) Financial statements:**

None

**(b) Pro forma financial information:**

None

**(c) Shell company transactions:**

None

**(d) Exhibits**

99.1 [Press Release of Natural Health Trends Corp. dated November 10, 2008](#)

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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.

Dated: November 10, 2008

**NATURAL HEALTH TRENDS CORP.**

By: /s/ Chris Sharng  
Chris Sharng  
*President*

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**Exhibit Index**

**Exhibit No.**

**Description**

99.1

Press Release of Natural Health Trends Corp. dated  
November 10, 2008

## Natural Health Trends Announces Third Quarter 2008 Results

DALLAS, TX -- 11/10/2008 -- Natural Health Trends Corp. (NASDAQ: BHIP) today announced its financial results for the quarter ended September 30, 2008. The company generated sales in the third quarter of 2008 of \$11.0 million, and its operating loss totaled \$1.3 million.

Chris Sharnq, the company's president, said, "As we had anticipated, in the third quarter our sales were impacted by a summer lull that we have seen before and the extraordinary event of the Beijing Olympic Games. Despite the distraction of the Games, the Greater Chinese sales were stable compared to the first half. Also contributing to sales was the emerging and quickly growing Russian business. Furthermore, we expect the many marketing events we have planned for the fourth quarter will restart the momentum."

"We have several margin improvement measures that will be implemented in the next few weeks which we think will favorably influence our gross profit margin and commissions payout. In addition, I believe our company may benefit from the global economic slowdown as our members become more motivated to supplement their income and find that this business provides them with the opportunity."

The company plans to host a conference call at 11:30 a.m. EST, November 11, 2008. Those who wish to participate may call telephone number (866) 672-2663, or (973) 582-2772 for international callers, 15 minutes before 11:30 a.m. EST. Callers will need to give the conference identification number, which is 72471442. If you cannot participate in the call, but wish to hear it, you may log in to the company's homepage at [www.naturalhealthtrendsCorp.com](http://www.naturalhealthtrendsCorp.com) and click on the conference call 1 1/2 hours after the completion of the call.

About Natural Health Trends Corp.

Natural Health Trends Corp. is an international direct-selling and e-commerce company operating through its subsidiaries throughout Asia, North America, and Europe. The company markets premium quality personal care products under the NHT Global brand. Additional information can be found on the company's website, and management encourages interested parties to register for updated corporate information via email on the company's home page, [www.naturalhealthtrendsCorp.com](http://www.naturalhealthtrendsCorp.com).

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Forward-looking statements in this release do not constitute guarantees of future performance. Such forward-looking statements are subject to risks and uncertainties that could cause our actual results to differ materially from those anticipated. Such risks and uncertainties include the risks and uncertainties detailed under the caption "Risk Factors" in our Annual Report on Form 10-K filed on March 31, 2008, with the Securities and Exchange Commission. We assume no obligation to update any forward-looking information contained in this press release or with respect to the announcements described herein.

NATURAL HEALTH TRENDS CORP.

CONSOLIDATED BALANCE SHEETS (UNAUDITED)  
(In Thousands, Except Share Data)

	June 30, 2008	September 30, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 5,209	\$ 3,969
Restricted cash	201	227
Accounts receivable	314	222
Inventories, net	2,875	1,974
Other current assets	1,103	894
Total current assets	9,702	7,286
Property and equipment, net	1,343	1,321
Goodwill	1,764	1,764
Intangible assets, net	2,200	2,000
Restricted cash	3,766	3,678
Deferred tax assets	187	164
Other assets	2,002	1,657

Total assets	\$ 20,964	\$ 17,870
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$ 1,472	\$ 1,387
Income taxes payable	391	376
Accrued distributor commissions	1,512	1,063
Other accrued expenses	2,980	2,806
Deferred revenue	2,598	2,116
Current portion of convertible debentures, net of discount of \$541 and \$609 at June 30, 2008 and September 30, 2008, respectively	876	1,339
Other current liabilities	3,362	3,192
	-----	-----
Total current liabilities	13,191	12,279
Convertible debentures, net of discount of \$2,833 and \$2,302 at June 30, 2008 and September 30, 2008, respectively	-	-
	-----	-----
Total liabilities	13,191	12,279
Commitments and contingencies		
Minority interest	37	34
Stockholders' equity:		
Preferred stock, \$0.001 par value; 5,000,000 shares authorized; 1,761,900 shares designated Series A convertible preferred stock, 138,400 shares issued and outstanding at June 30, 2008 and September 30, 2008, aggregate liquidation value of \$259	124	124
Common stock, \$0.001 par value; 50,000,000 shares authorized; 10,359,626 and 10,343,582 shares issued and outstanding at June 30, 2008 and September 30, 2008, respectively	10	10
Additional paid-in capital	79,451	79,579
Accumulated deficit	(72,766)	(75,082)
Accumulated other comprehensive income:		
Foreign currency translation adjustments	917	926
	-----	-----
Total stockholders' equity	7,736	5,557
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Total liabilities and stockholders' equity	\$ 20,964	\$ 17,870

NATURAL HEALTH TRENDS CORP.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)  
(In Thousands, Except Per Share Data)

	Three Months Ended	
	June 30,	September
	2008	30, 2008
	-----	-----
Net sales	\$ 12,323	\$ 11,016
Cost of sales	3,445	3,050
	-----	-----
Gross profit	8,878	7,966
Operating expenses:		
Distributor commissions	4,600	4,573
Selling, general and administrative expenses (including stock-based compensation expense of \$129 and \$128 during the three months ended		

June 30, 2008 and September 30, 2008, respectively)	4,272	4,358	
Depreciation and amortization		366	338
Impairment of long-lived assets		4	2
	-----	-----	
Total operating expenses		9,242	9,271
	-----	-----	
Loss from operations		(364)	(1,305)
Other expense:			
Loss on foreign exchange		(118)	(345)
Interest income		33	18
Interest expense (including amortization of debt issuance costs and accretion of debt discount of \$449 and \$559 during the three months ended June 30, 2008 and September 30, 2008, respectively)		(556)	(666)
Other		(22)	19
	-----	-----	
Total other expense, net		(663)	(974)
	-----	-----	
Loss before income taxes and minority interest		(1,027)	(2,279)
Income tax provision		(42)	(37)
	-----	-----	
Net loss		(1,069)	(2,316)
Preferred stock dividends		(4)	(4)
	-----	-----	
Net loss attributable to common stockholders		\$ (1,073)	\$ (2,320)
	=====	=====	
Loss per share - basic and diluted		\$ (0.11)	\$ (0.24)
	=====	=====	
Weighted-average number of shares outstanding		9,619	9,719
	=====	=====	

NATURAL HEALTH TRENDS CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)  
(In Thousands)

Three Months Ended

June 30,    September  
2008      30, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$ (1,069)	\$ (2,316)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization of property and equipment	166	138
Amortization of intangibles	200	200
Amortization of debt issuance costs	76	96
Accretion of debt discount	373	463
Stock-based compensation	129	128
Impairment of long-lived assets	4	2
Changes in assets and liabilities:		
Accounts receivable	36	73
Inventories, net	(69)	828
Other current assets	638	193
Other assets	83	143
Accounts payable	(410)	(70)
Income taxes payable	(16)	7
Accrued distributor commissions	(121)	(406)

Other accrued expenses	(294)	(143)		
Deferred revenue	46	(471)		
Other current liabilities	84	(157)		
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Net cash used in operating activities	(144)	(1,292)		
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<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchases of property and equipment	(140)	(130)		
Decrease in restricted cash	614	(42)		
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Net cash provided by (used in) investing activities	474	(172)		
	-----	-----		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from debt	145	-		
Payments on debt		(145)		
	-----	-----		
Net cash provided by (used in) financing activities	145	(145)		
	-----	-----		
Effect of exchange rates on cash and cash equivalents	77	369		
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Net increase (decrease) in cash and cash equivalents	552	(1,240)		
CASH AND CASH EQUIVALENTS, beginning of period			4,657	5,209
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CASH AND CASH EQUIVALENTS, end of period			\$ 5,209	\$ 3,969
	=====	=====		

Contact:

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