

**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**

Date of Report: August 10, 2009
(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))

Item 2.02. Results of Operations and Financial Condition

On August 10, 2009, Natural Health Trends Corp. issued an earnings release announcing its results for the quarter ended June 30, 2009. The press release is attached hereto as exhibit 99.1

Item 9.01. Financial Statements and Exhibits

99.1 Press Release of Natural Health Trends Corp. dated August 10, 2009

(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 August 10, 2009](#)

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: August 10, 2009

NATURAL HEALTH TRENDS CORP.

By: /s/ Gary C. Wallace

Gary C. Wallace

General Counsel

Exhibit Index

Exhibit No.

Description

99.1

Press Release of Natural Health Trends Corp. dated
August 10, 2009

Natural Health Trends Announces Second Quarter 2009 Results and Early Redemption of Convertible Debentures

DALLAS, TX -- (Marketwire - August 10, 2009) - Natural Health Trends Corp. (NASDAQ: BHIP) today announced its financial results for the quarter ended June 30, 2009. The company reported sales of \$8.5 million and an operating loss of \$1.4 million for the quarter.

Chris Sharnq, president of Natural Health Trends, said, "Despite a difficult operating environment in the second quarter, we continue to make progress toward the goal of cash flow breaking even. Our cash used in operations was a negative \$92,000, almost breaking even, compared to \$486,000 cash used in the first quarter, or \$1.5 million in the first half of 2008. The other important milestone is that, as of today, we have entered into an early redemption arrangement with the holders of the convertible debentures that were to mature in October 2009 and have paid off the remaining balance. We are debt free once again.

"On the other hand, in the second quarter, orders were not as robust as we anticipated. The orders taken, which are roughly measured as revenue adjusted by the change in deferred revenue, were slightly greater in the second quarter, about \$8.5 million, than the \$8.2 million in the first quarter. During the quarter, we had to reckon with the unexpected development that one of our members' groups in Greater China went through an internal reorganization. Certain sub-groups were re-aligned to work separately. This change required us to make adjustments to our marketing plans and effectively defer some marketing activities into the late third quarter or fourth quarter. The disruptive effect this has had on our marketing programs lingers on into the 3rd quarter, a traditionally slower season."

The company plans to host a conference call at 11:30 a.m. EDT, August 12, 2009. 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. EDT. Callers will need to give the conference identification number, 24633385. 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 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.

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 23, 2009, 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 (In Thousands, Except Share Data)

	December 31, 2008	June 30, 2009

	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,491	\$ 5,031
Restricted cash	340	377
Accounts receivable	71	99
Inventories, net	2,141	1,607
Other current assets	735	578

Total current assets	6,778	7,692
Property and equipment, net	1,173	1,006
Goodwill	1,764	1,764
Intangible assets, net	1,800	1,400

Restricted cash	3,646	369
Other assets	1,464	1,082
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Total assets	\$ 16,625	\$ 13,313
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$ 1,746	\$ 2,585
Income taxes payable	187	211
Accrued distributor commissions	554	1,030
Other accrued expenses	2,456	3,007
Deferred revenue	2,841	1,065
Current portion of convertible debentures, net of discount of \$2,320 and \$970 at December 31, 2008 and June 30, 2009, respectively	1,534	1,863
Deferred tax liability	351	351
Other current liabilities	1,170	1,188
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Total liabilities	10,839	11,300
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Commitments and contingencies

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 December 31, 2008 and June 30, 2009, aggregate liquidation value of \$271	124	124
Common stock, \$0.001 par value; 50,000,000 shares authorized; 10,691,582 and 10,788,714 shares issued and outstanding at December 31, 2008 and June 30, 2009, respectively	11	11
Additional paid-in capital	79,711	80,077
Accumulated deficit	(74,853)	(78,946)
Accumulated other comprehensive income: Foreign currency translation adjustments	759	734
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Total Natural Health Trends stockholders' equity	5,752	2,000
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Noncontrolling interest	34	13
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Total stockholders' equity	5,786	2,013
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Total liabilities and stockholders' equity	\$ 16,625	\$ 13,313
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NATURAL HEALTH TRENDS CORP.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(In Thousands, Except Per Share Data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2008	2009	2008	2009
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Net sales	\$ 12,323	\$ 8,472	\$ 23,718	\$ 18,341
Cost of sales	3,445	2,505	6,535	5,302
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Gross profit	8,878	5,967	17,183	13,039
Operating expenses:				
Distributor commissions	4,600	3,322	8,597	7,101
Selling, general and administrative expenses (including stock-based compensation expense of \$129 and \$255 during				

the three months ended June 30, 2008 and 2009, respectively, and \$293 and \$366 during the six months ended June 30, 2008 and 2009, respectively)	4,272	3,718	8,868	7,489
Depreciation and amortization	366	338	752	668
Impairment of long-lived assets	4	-	28	-
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Total operating expenses	9,242	7,378	18,245	15,258
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Loss from operations	(364)	(1,411)	(1,062)	(2,219)
Other income (expense), net:				
Gain (loss) on foreign exchange	(118)	(41)	253	(43)
Interest income	33	10	68	24
Interest expense (including amortization of debt issuance costs and accretion of debt discount of \$449 and \$853 during the three months ended June 30, 2008 and 2009, respectively, and \$811 and \$1,628 during the six months ended June 30, 2008 and 2009, respectively)	(556)	(989)	(943)	(1,855)
Other	(22)	3	(14)	14
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Total other income (expense), net	(663)	(1,017)	(636)	(1,860)
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Loss before income taxes	(1,027)	(2,428)	(1,698)	(4,079)
Income tax provision	(42)	79	(79)	(35)
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Net loss	(1,069)	(2,349)	(1,777)	(4,114)
Plus: Net loss attributable to the noncontrolling interest	-	-	-	21
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Net loss attributable to Natural Health Trends	(1,069)	(2,349)	(1,777)	(4,093)
Preferred stock dividends	(4)	(4)	(8)	(8)
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Net loss attributable to common stockholders of Natural Health Trends	\$ (1,073)	\$ (2,353)	\$ (1,785)	\$ (4,101)
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Loss per share of Natural Health Trends - basic and diluted	\$ (0.11)	\$ (0.23)	\$ (0.19)	\$ (0.41)
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Weighted-average number of shares outstanding	9,619	10,068	9,610	9,986
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NATURAL HEALTH TRENDS CORP.

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

Six Months Ended June 30, 2008	Three Months Ended March 31, 2009	Three Months Ended June 30, 2009	
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CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$ (1,777)	\$ (1,765)	\$ (2,349)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization of property and equipment	352	130	138
Amortization of intangibles	400	200	200
Amortization of debt issuance costs	138	132	146
Accretion of debt discount	673	643	707
Stock-based compensation	293	111	255
Impairment of long-lived assets	28	-	-
Changes in assets and liabilities:			
Accounts receivable	86	(34)	6
Inventories, net	712	31	482
Other current assets	239	(61)	216
Other assets	142	96	(9)
Accounts payable	(703)	977	(136)
Income taxes payable	2	114	(83)
Accrued distributor commissions	(495)	362	114
Other accrued expenses	(683)	396	158
Deferred revenue	(892)	(1,723)	(52)
Other current liabilities	(43)	(95)	115
Net cash used in operating activities	(1,528)	(486)	(92)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	(146)	(58)	(41)
Decrease in restricted cash	707	266	2,954
Net cash provided by investing activities	561	208	2,913

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from debt	145	-	-
Payments on debt	-	(490)	(531)
Net cash provided by (used in) financing activities	145	(490)	(531)

Effect of exchange rates on cash and cash equivalents	(251)	(87)	105
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Net increase (decrease) in cash and cash equivalents	(1,073)	(855)	2,395
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CASH AND CASH EQUIVALENTS, beginning of period	6,282	3,491	2,636
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CASH AND CASH EQUIVALENTS, end of period	\$ 5,209	\$ 2,636	\$ 5,031
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Contact:
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