

**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 (Date of earliest event reported): May 9, 2005

MANNATECH, INCORPORATED

(Exact Name of Registrant as Specified in its Charter)

Texas
(State or other Jurisdiction of
Incorporation or Organization)

000-24657
(Commission File Number)

75-2508900
(I.R.S. Employer
Identification No.)

600 S. Royal Lane, Suite 200
Coppell, Texas 75019
(Address of Principal Executive Offices, including Zip Code)

Registrant's Telephone Number, including Area Code: (972) 471-7400

(Former name or former address, if change 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 May 9, 2005, Mannatech, Incorporated issued a press release announcing its results of operations and financial condition for the three months ended March 31, 2005. A copy of this press release is attached hereto as Exhibit 99.1.

The information disclosed under this Item 2.02 (including Exhibit 99.1) shall not be deemed to be “filed” for the purposes of Section 18, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section.

Item 9.01 Financial Statements and Exhibits.

(a) *Financial Statements or Business Acquired.*

None.

(b) *Pro Forma Financial Information.*

None.

(c) *Exhibits.*

<u>Exhibit Number</u>	<u>Exhibit</u>
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99.1*	Press release dated May 9, 2005 entitled “Mannatech, Inc. Announces New First Quarter Records: Sales Increase 46%, E.P.S. up 55%”.
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* Filed herewith.

[SIGNATURE PAGE TO FOLLOW]

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.

MANNATECH, INCORPORATED

Dated: May 10, 2005

By: /s/ Stephen D. Fenstermacher

Name: Stephen D. Fenstermacher
Title: Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit</u>
99.1*	Press release dated May 9, 2005 entitled "Mannatech, Inc. Announces New First Quarter Records: Sales Increase 46%, E.P.S. up 55%".

* Filed herewith.

Mannatech, Inc. Announces New First Quarter Records: Sales Increase 46%, E.P.S. up 55%

Coppell, TX - May 9, 2005 – Mannatech, Inc. (NASDAQ: MTEX) today announced record first quarter financial results. For the three months ended March 31, 2005, consolidated net sales increased 46% as compared to the prior year quarter to reach a new quarterly record of \$85.1 million. In addition current independent Associates and members totaled 401,000 and reached a new record level. Net sales by country for the three months ended March 31, in millions, and as a percentage of net sales are as follows:

Net Sales in Dollars and as a Percentage of Consolidated Net Sales

(in millions)	United States	Canada	Australia	United Kingdom	Japan	New Zealand	South* Korea	Total
2004	\$36.8	\$ 4.7	\$ 6.5	\$ 2.8	\$ 5.0	\$ 2.6	\$ —	\$ 58.4
2005	\$56.1	\$ 6.7	\$ 8.1	\$ 2.4	\$ 7.8	\$ 3.6	\$ 0.4	\$ 85.1
	United States	Canada	Australia	United Kingdom	Japan	New Zealand	South* Korea	Total
2004	63.0%	8.0%	11.1%	4.8%	8.6%	4.5%	—	100.0%
2005	65.9%	7.9%	9.5%	2.8%	9.2%	4.2%	0.5%	100.0%

* South Korea began operations in September 2004.

The strong sales trend for the first quarter of 2005 resulted in record-setting sales and earnings as well as with net income of \$4.7 million up 50% from a year ago and diluted earnings per share of \$0.17, which increased by 55% as compared to \$0.11 per share for the first quarter of 2004.

Sam Caster, Founder, Chairman, and Chief Executive Officer of Mannatech, commented on the quarterly results, saying “We have now completed ten consecutive quarters of sales increases and during this period our quarterly volume has grown 245% to reach a new quarterly record of \$85.1 million. Our current independent Associate count as of March 31, 2005 grew 210% over the same ten quarters. Our recent new product introduction of Advanced Ambrotose™ has become one of our best-sellers, since its introduction in March 2005. Our earnings are growing at an accelerated rate, and we have a new market opening planned in June 2005 with Taiwan and plan to distribute our products in Germany and Denmark later in 2005. We believe, the future has never looked better for Mannatech, and we intend to continue to build further on the successes of the past ten quarters.” The number of new and continuing Mannatech independent associates and members who purchased Mannatech’s products within the last 12 months is as follows:

	For the twelve months ended March 31,			
	2004		2005	
New	141,000	49.1%	192,000	47.8%
Continuing	146,000	50.9%	209,000	52.2%
Total	287,000	100.0%	401,000	100.0%

About Mannatech

Based in Coppell, Texas, Mannatech, Inc. is a wellness solutions provider that develops innovative, high-quality, proprietary nutritional supplements, topical products and weight management products, which are sold through a global network marketing system throughout the United States and the international markets of Canada, Australia, the United Kingdom, Japan, New Zealand, and South Korea.

Please Note: This release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by use of phrases or terminology such as “may,” “believes,” “estimates,” “projects,” and “plans” or other similar words or the negative of such terminology. Similarly, descriptions of Mannatech’s objectives, strategies, plans, goals or targets contained herein are also considered forward-looking statements. Mannatech believes this release should be read in conjunction with all of its filings with the Securities and Exchange Commission and cautions its readers that these forward-looking statements are subject to certain events, risks, uncertainties, and other factors. Some of these factors include, among others, Mannatech’s inability to attract and retain associates and members, increases in competition, litigation, regulatory changes, and its planned growth into new international markets. Although Mannatech believes that its expectations, statements, and assumptions reflected in these forward-looking statements are reasonable, it cautions its readers to always consider all of the risk factors and any other cautionary statements carefully in evaluating each forward-looking statement in this release, as well as those set forth in its latest Annual Report on Form 10-K, and other filings filed with the Securities and Exchange Commission, including its current reports.

Contact Information:
 Steve Fenstermacher, CFO
 Investor Relations
 972-471-6512

MANNATECH, INCORPORATED
CONSOLIDATED BALANCE SHEETS – (UNAUDITED)
(in thousands, except share amounts)

	December 31, 2004	March 31, 2005
ASSETS		
Cash and cash equivalents	\$ 44,198	\$ 51,191
Short-term investments	—	2,366
Restricted cash	393	—
Income tax receivable	4,161	4,160
Accounts receivable	392	929
Inventories	13,157	14,034
Prepaid expenses and other current assets	3,188	2,660
Deferred tax assets	1,850	1,523
Current portion of notes receivable from affiliates	144	146
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Total current assets	67,483	77,009
Long-term investments	17,073	14,933
Property and equipment, net	10,013	11,891
Restricted cash	1,571	1,478
Other assets	1,203	1,198
Deferred tax assets	1,003	1,013
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Total assets	\$ 98,346	\$ 107,522
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	\$ 2,227	\$ 932
Accrued expenses	22,319	23,751
Commission payable	12,718	13,756
Deferred revenue	2,256	6,637
Current portion of accrued severance related to former executives	375	274
Current portion of capital leases	8	8
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Total current liabilities	39,903	45,358
Long-term royalties due to an affiliate	1,658	2,718
Long-term liabilities	530	533
Capital leases, excluding current portion	26	23
Deferred tax liabilities	4	4
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Total liabilities	42,121	48,636
Commitments and contingencies	—	—
Shareholders' equity:		
Preferred stock, \$0.01 par value, 1,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.0001 par value, 99,000,000 shares authorized, 27,115,440 shares issued and 27,041,125 outstanding in 2004 and 27,190,692 shares issued and 27,116,377 outstanding in 2005	3	3
Additional paid-in capital	34,917	35,217
Retained earnings	21,672	24,434
Accumulated other comprehensive (income) loss	195	(206)
	<hr/>	<hr/>
	56,787	59,448
Less treasury stock, at cost, 74,315 shares in 2004 and 2005	(562)	(562)
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Total shareholders' equity	56,225	58,886
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Total liabilities and shareholders' equity	\$ 98,346	\$ 107,522

MANNATECH, INCORPORATED
CONSOLIDATED STATEMENTS OF OPERATIONS – (UNAUDITED)
(in thousands, except per share information)

	For the three months ended March 31,	
	2004	2005
Net sales	\$58,386	\$85,145
Cost of sales	8,657	12,930
Commissions and incentives	25,866	37,563
	<u>34,523</u>	<u>50,493</u>
Gross profit	23,863	34,652
Operating expenses:		
Selling and administrative expenses	12,305	16,120
Other operating costs	6,984	10,921
	<u>19,289</u>	<u>27,041</u>
Income from operations	4,574	7,611
Interest income	138	332
Other income (expense), net	(93)	(92)
	<u>4,619</u>	<u>7,851</u>
Income before income taxes	4,619	7,851
Income tax expense	(1,514)	(3,189)
	<u>\$ 3,105</u>	<u>\$ 4,662</u>
Net income	\$ 3,105	\$ 4,662
<u>Earnings per common share:</u>		
Basic	\$ 0.12	\$ 0.17
Diluted	\$ 0.11	\$ 0.17
<u>Weighted-average common shares outstanding:</u>		
Basic	26,279	27,098
Diluted	27,414	28,035