

# Welcome to Herbalife International

Herbalife International is a global network marketing company that promotes health and wellness through the sale of nutritional supplements, weight management and personal care products. These products include protein shakes; protein snacks; energy and fitness supplements; and vitamin infused outer nutrition. Herbalife International pursues its mission of 'changing people's lives' by marketing and selling its products through a network of over 1.9 million independent distributors who conduct business in 70 countries worldwide. These numbers are continuously growing and now they include YOU! This is good news, as your decision to become an Independent Herbalife Distributor now offers you a financially rewarding business opportunity.

## Where Herbalife International began...



**Mark Hughes**  
**Herbalife International Founder**

Herbalife International was founded by entrepreneur Mark Hughes in California in 1980. When Mark still was a teenager, his mother died from unsafe dieting at the age of 36. Motivated by this tragic loss, Mark made a profound promise; to find a way to help people lose weight **safely**. Mark was determined to develop a nutritionally sound program that would be simple, yet offer life changing results.

In his quest to learn more about good nutrition and weight management, Mark traveled to China. There, he studied the power of traditional Chinese herbal medicine and when he returned, Mark drew upon all he'd learned to fulfill his promise. By bringing together a team of respected medical and nutritional experts, Herbalife's breakthrough formulas were soon created.

A handful of exceptional products produced powerful health solutions and the news spread quickly as hundreds, and then thousands, of delighted customers achieved weight loss while improving their overall wellness. The Herbalife product line was proudly expanded as the company continued to grow, including targeted nutritional supplements and personal care formulas.

Mark Hughes had a vision to take nutrition around the globe and although Mark passed away in May 2000 his vision lives on through Independent Distributors like you.

## At the Helm...



**Michael O. Johnson**  
**Chairman and Chief Executive Officer**

Michael O. Johnson has a track record of success as a leader. Named chief executive officer of Herbalife in 2003 and chairman in 2007, he sets the vision and strategy, and is the voice of the company to over 1.9 million Independent Distributors. He oversees all aspects of the company's global operations, ensures the company has the resources necessary to meet its goals and pursues profitability and growth to increase shareholder value.

Under Michael's direction, Herbalife International has grown in sales from \$2.1 billion dollars to \$3.81 billion in 2008. He has built a global brand through its sponsorship of athletes, events and teams around the world, including the LA Galaxy, the LA Triathlon, Amgen Tour of California and the American Youth Soccer Organization (AYSO).

He has strengthened Herbalife's product development through the creation of Scientific and Nutrition Advisory Boards, the continued funding of the Mark Hughes Cellular and Molecular Nutrition Laboratory at UCLA, research and clinical studies at other leading universities and the development of the Herbalife Product and Science Center in Los Angeles. **Prior to joining Herbalife International, Michael spent 17 years with the Walt Disney Company and completed his time there as President of Walt Disney International.**

Michael is also chairman of the Herbalife Family Foundation (HFF), which is funded through donations from Herbalife International, its Independent Distributors, employees, families and friends. In 2005, HFF launched its worldwide Casa Herbalife program to help bring good nutrition to needy children. Its first US-based site was at A Place Called Home and there are now 38 Casa Herbalife programs around the world.

Outside the boardroom, Michael is a fitness enthusiast and has been participating in triathlons for more than 20 years. He has encouraged Herbalife employees and Independent Distributors to join with him in participating in triathlons around the world.

## The Science behind Herbalife



Herbalife is committed to providing the highest quality products to its customers. The company's research and development organization combines the experience of the company's own product development specialists with a team of highly accomplished scientists and doctors. Product research and development is supported by the **Nutrition Advisory Board (NAB)** made up of experts in the fields of nutrition and health and a **Scientific Advisory Board (SAB)**, made up of leading experts whose work furthers the field of nutrition science.

Herbalife is advancing dietary supplement research and development through several venues. In 2003, Herbalife awarded a grant to **UCLA's Center for Human Nutrition** to establish the **Mark Hughes Cellular and Molecular Nutrition Laboratory** to further advance research in human nutritional science. Additionally, the company recently opened a new 10,000 sq ft **Product and Science Center** at its South Bay facility in Torrance, California.

In August 2007, the company awarded a research grant to the National Center for Natural Products Research (NCNPR) at the University of Mississippi's School of Pharmacy. The grant will allow NCNPR scientists to identify and study the biologically active chemicals found in botanicals, which may be used in the development of future dietary supplements and skin care products for Herbalife.

Two clinical studies using our Formula 1 Nutritional Shake Mix were completed; one at UCLA using the US formulation, and one at the University of Ulm Germany, using our European formula.

**Study 1:** The study conducted at UCLA demonstrated that drinking a Formula 1 shake every day is an effective way to manage weight, as part of a healthy active lifestyle; and personalizing your shake with additional Personalized Protein Powder helps promote the loss of body fat. The results of this study were published in The Nutrition Journal, August 2008.

**Study 2:** The study conducted at the University of Ulm, Germany was conducted by Dr. Marion Flechtner-Mors, a member of our Nutrition Advisory Board. The study showed that when counting calories, drinking two Formula 1 shakes as meal replacements, is a more effective way to manage weight than that of a conventional food diet where weight loss is achieved.

*More detail on these studies is available on [www.herbalife.com](http://www.herbalife.com) (Science)*

## Meet the TEAM...



**David Heber, M.D., Ph.D., F.A.C.P., F.A.C.N.**  
**Chairman, Nutrition and Scientific Advisory Boards**

David Heber, M.D. serves as chairman of Herbalife's Nutrition Advisory Board made up of leading health and nutrition experts, and the company's Scientific Advisory Board comprised of world—renowned scientists whose work furthers the field of nutrition science.

The boards support the company's internal product development team by providing expertise on obesity and human nutrition and educating and training Herbalife independent distributors on the principles of nutrition, physical activity and healthy lifestyle.

Heber's main research interests are obesity treatment and nutrition for cancer prevention and treatment. He is the director of the Center for Human Nutrition at the University of California, Los Angeles\*. Heber has been on the faculty of the UCLA School of Medicine since 1978, and is currently professor of medicine and public health and the founding chief of the division of clinical nutrition in the department of medicine.

He directs the National Cancer Institute (NCI) funded clinical research unit and the National Institutes of Health (NIH) nutrition and obesity grants at UCLA. For five years, he also directed the NIH-funded UCLA Center for dietary supplement research in botanicals.

Heber is included in "The Best Doctors in America" and "Who's Who in America." In addition to writing over 70 peer-reviewed scientific articles and two professional texts, he has also written four books for the public: "Natural Remedies for a Healthy Heart," "The Resolution Diet," "What Color is Your Diet?" and "The L. A. Shape Diet."

Heber holds a B.S. in chemistry, Magna Cum Laude, UCLA, 1969; M.D. from Harvard Medical School, 1973; and Ph.D. in Physiology, University of California, 1978. He is board certified in internal medicine and endocrinology and metabolism by the American Board of Internal Medicine and in clinical nutrition by the American Board of Nutrition.

*\* The University of California as a matter of policy does not endorse specific products or services. Dr. Heber's credentials as a Professor are for identification purposes only.*



**Y. Steve Henig, Ph.D.**  
**Chief Scientific Officer**

Steve Henig is Herbalife's chief scientific officer, having responsibility for the company's product development, and research and quality functions, including licensing, safety, and R&D. He also leads Herbalife's Scientific Advisory Board (SAB).

Before joining Herbalife, Henig served as senior vice president, technology and innovation at Ocean Spray Cranberries, Inc. where he revitalized the company's new products program and medical research program. He has also consulted with a number of leading companies including POM Wonderful.

At ConAgra's Grocery Products, Henig served as senior vice president, technology and marketing services. Under his direction, several leading consumer products were created and marketed for brands such as Hunt's and Healthy Choice.

Before joining ConAgra, Henig was responsible for the technology group at Hunt-Wesson with responsibility for tomato products, oil products, Oriental and Mexican products, among others. He also held posts at Land O'Lakes, Inc., The Pillsbury Company and General Food Corp. Henig holds a Ph.D. in food science from Rutgers University, a M.S. in food and biotechnology and a B.S. in chemical engineering from Technion-Israel Institute of Technology.



**Louis Ignarro, Ph.D.,  
Nutrition and Scientific Advisory Boards**

Louis Ignarro, Ph.D., is a member of Herbalife's Nutrition and Scientific Advisory Boards (NAB, SAB).

The NAB is made up of leading experts around the world in the fields of nutrition and health who educate and train Herbalife independent distributors on the principles of nutrition, physical activity and healthy lifestyle. The SAB advises the company on advancements in the field of nutrition science.

Ignarro has made exceptional contributions to science. His efforts were recognized with the Nobel Prize in Physiology or Medicine in 1998 for his discovery of nitric oxide and its range of benefits to the human body. His work has since led to additional research by scientists around the globe on nitric oxide. After working with Herbalife to develop Niteworks™, a dietary supplement designed to boost the body's own production of nitric oxide; Ignarro became a member of the Company's Scientific Advisory Board.

Ignarro is currently a distinguished professor of pharmacology at the UCLA School of Medicine's Department of Molecular and Medical Pharmacology in Los Angeles, which he joined in 1985. Before relocating to California, he was a professor of pharmacology at Tulane University School of Medicine, New Orleans, for 12 years. Previously, Ignarro was a staff scientist, research department, for the pharmaceutical division of CIBA-GEIGY Corporation in New York.

Ignarro has published numerous articles on his research. In addition to the Nobel Prize, he also received the Basic Research Prize of the American Heart Association in 1998, in recognition of his outstanding contributions to the advancement of cardiovascular science. That same year, he was inducted into the National Academy of Sciences and the following year, into the American Academy of Arts and Sciences.

He is the founder of the Nitric Oxide Society, and founder and editor-in-chief of "Nitric Oxide Biology and Chemistry." Ignarro holds a B.S. in pharmacology, Columbia University, 1962, and a Ph.D. in pharmacology, University of Minnesota, 1966. He also received a postdoctoral fellowship in chemical pharmacology from National Institutes of Health in 1968.



**Luigi Gratton, M.D., M.P.H.  
Vice President, Medical Affairs and Education**

As vice president, medical affairs and education, Luigi Gratton, M.D. coordinates the strategic management and direction of Herbalife's Nutrition Advisory Board to ensure Distributors have a thorough understanding of products, ingredients and their benefits.

In addition, he manages the day-to-day operations of the Medical Affairs and Education Department, assuring all Distributor and medical inquires receive a quick and accurate response.

Gratton, a physician specialist in family medicine and clinical physician at the UCLA Center for Human Nutrition in the risk factor obesity program, works closely with Distributor trainers around the world to ensure the dissemination of accurate product information. He also speaks at major Herbalife events, enhancing Distributors' knowledge about Herbalife products. He has written numerous articles on nutrition and obesity and has appeared on television speaking on nutrition anti-aging medicine, sports nutrition and other medical topics.

Gratton earned an undergraduate degree in science and his masters in public health from the University of California, Los Angeles. He was awarded a medical degree from Mount Sinai Medical School of New York University and fulfilled his residency in family medicine at Los Angeles County Hubert Humphrey Family Medicine Center. He completed a postdoctoral fellowship in clinical nutrition at the David Geffen School of Medicine at UCLA.

Gratton has been awarded Diplomat of The American Board of Family Practice and The American Board of Physician Nutrition.



**Marion Flechtner- Mors, Ph.D.**  
**Herbalife International Nutrition Advisory Board**

Marion Flechtner-Mors, Ph.D., based in Germany, is a member of Herbalife's Nutrition Advisory Board, made up of leading experts around the world in the fields of nutrition and health who educate and train Herbalife independent distributors on the principles of nutrition, physical activity and healthy lifestyle.

Flechtner-Mors is currently head of the clinical nutrition research unit and obesity research group in the department of gastroenterology, endocrinology, nutrition and metabolism at the University of Ulm, Germany. She specializes in healthy nutrition and the relationship between obesity and associated metabolic disorders. She has undertaken substantial experimental research focusing on this subject, specifically the alleviation of obesity through energy-restricted diets, low-calorie diets, meal replacements and medication. Her work is dedicated to developing and evaluating long-term weight-loss programs and preventative strategies for nutrition-related disorders.

Flechtner-Mors is a graduate of the University of Ulm, where she earned a Ph.D. in human biology. Prior to this, she studied mathematics and chemistry at the University of Ulm. She also studied nutrition and earned a diploma degree at the University of Hohenheim.

Flechtner-Mors began her career as a laboratory technician at the Fa. Reinz, Neu in Ulm and then in the biochemistry department at Ulm. She went on to become a researcher in the department of medicine before gaining valuable experience at the School of Medicine at the University of California, Los Angeles (UCLA).

Since 1999, Flechtner-Mors has also worked as a senior researcher in nutrition at the University of Hohenheim Institute of Biological Chemistry and Nutrition. Over the last 13 years, her research has been widely published around the world.

## Corporate Responsibility

The **Herbalife Family Foundation** (HFF) is a non-profit organization supported by Herbalife Ltd., its independent Distributors, employees, friends and families. Created in 1994 by Herbalife founder Mark Hughes, HFF is dedicated to enhancing the quality of children's lives by creating programs and supporting non-profit organizations in the community that feed at-risk children. In 2005, HFF was proud to introduce Casa Herbalife, a program to help provide healthy and nutritious meals by partnering with existing charities serving children. This program for children-at-risk is named after Casa Herbalife, an orphanage HFF built in Brazil in 1998 and continues to support today. We now have over 30 Casa Herbalife programs around the world.

To learn more, visit: <http://www.herbalifefamilyfoundation.org/>

## Sports Sponsorship

In March 2007, the company announced a five-year, multimillion dollar expansion of its agreement with AEG making Herbalife the presenting sponsor of the Los Angeles Galaxy Major League Soccer Team. The agreement gives Herbalife on-jersey exposure for its brand beginning with the 2007 season.

Most recently, the company announced a four-year breakthrough agreement with the American Youth Soccer Organization (AYSO) that makes Herbalife the Official Nutrition Advisor and Official Health and Wellness Provider of the country's leading youth soccer organization. Similar to Herbalife's agreement with the Los Angeles Galaxy Major League Soccer club, the AYSO sponsorship gives Herbalife the rights to display its name and logo on the front of AYSO jerseys, a first for the non-profit national organization.

The company also sponsors over 50 sporting and fitness-related events, activities and athletes around the world that define the company's commitment to a healthy active lifestyle supported by good nutrition. These include the Chinese Cycling Team, East West Bank Classic and Amgen Tour of California. Herbalife also sponsored the AVP Pro Beach Volleyball Tour during the 2004 – 2007 seasons.

The London Triathlon, the largest event of its kind in the world, is among several triathlons sponsored by Herbalife, which includes the company's role as presenting sponsor of the LA Triathlon. In 2007 approximately 2000 independent distributors and staff competed as Team Herbalife, many for the first time.

Other sponsored events range from tennis in Japan to dragon boat races in Hong Kong to badminton tournaments in the Philippines.

Many Herbalife sponsored athletes had their sights set on competing in the 2008 Olympics in Beijing China. Seven of Herbalife's global athletes were there. Hungary's very first Gold Medal at the games was won by Herbalife Athlete Atilla Vajda, flat-water canoeist.

To learn more about Herbalife in sports, visit Herbalife International's designated website: [www.herbalifesports.com](http://www.herbalifesports.com)

## Employee Wellness

Finally, we like to say that Herbalife is a company that 'walks the talk.' In February 2008, **Herbalife was voted one of 'America's 15 fittest companies' by Men's Fitness magazine.** Employees are encouraged to participate in the company's Wellness for Life program to improve their health, through monthly informational sessions, fitness, healthy eating, and participation in company-sponsored events such as triathlons. The program was also recognized with a Success Award by the Direct Selling Association in 2008.

## Herbalife Countries

Herbalife is proud to be in **70 countries on 6 continents** including:

**North America:** Canada, Mexico and USA

**South (Latin) America:** Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama, Peru, Puerto Rico, Venezuela

**Europe:** Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Latvia, Lithuania, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovak Republic, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom

**Asia Pacific:** China/ Hong Kong, India, Indonesia, Japan, South Korea, Macau, Malaysia, Philippines, Singapore, Taiwan, Thailand

**Africa:** Botswana, Lesotho, Namibia, South Africa, Swaziland, Zambia

**Australia:** Australia, New Zealand



# Dateline

Herbalife's history has reflected extraordinary personal success. From the founder's original mission, to the life changing achievements of distributors like you, we're excited that you've decided to join the company in sharing proud milestones toward helping people live better.

## 1980

Mark Hughes launches Herbalife in February 1980, selling the "original" weight management program straight from the trunk of his car!

## 1982

Herbalife becomes international as it begins operations in Canada. Many more countries are to follow. Meanwhile, annual sales are already topping the Two million dollar mark and climbing.

## 1986

Herbalife opens trading on the NASDAQ exchange. Renowned business philosopher Jim Rohn brings his motivational inspiration to the company and two new Formula 1 Protein Drink flavors are introduced: Chocolate and Strawberry.

## 1988

The Company expands internationally at breathtaking speed, so much so that *four* Extravanzas take place around the world, including events in the United States, the United Kingdom, Australia and Canada.

## 1992

New products launch and monthly sales soar from Three million to an impressive Twenty-One million dollars US.

## 1994

Mark Hughes unveils the Herbalife Family Foundation, a charity dedicated to helping at-risk children around the world to begin a better future.

## 1996

Herbalife reaches the One billion dollar milestone and celebrates as its home office relocates to an office tower in Century City, California.

## 1998

Nineteen new products launch at the USA Extravanza in Orlando, Florida while Thousands are in attendance. Herbalife also records its largest production bonus payout of Sixteen million dollars US.

## 2000

Herbalife celebrates its 20th Anniversary with a sales force of more than one million independent distributors marketing over 100 Inner and Outer Nutrition® products in 50 countries. Mark Hughes' legacy lives on.

## 2003

Michael O. Johnson is appointed CEO as Herbalife sales exceed 1.8 billion dollars US and Herbalife expands to 58 countries. As the Mark Hughes Cellular & Molecular Nutrition Laboratory opens, Herbalife's Scientific & Medical Advisory Boards form and more groundbreaking products debut.

## 2004

Herbalife launches ShapeWorks® and goes public. With the participation of world-renowned weight-loss scientists, Herbalife brings its revolutionary ShapeWorks® weight-management program to the market. It is the company's largest corporate initiative ever, paving the way for unprecedented success. The year ends on a high note in December with Herbalife's Initial Public Offering. Its shares are traded on the New York Stock Exchange (NYSE) under the symbol "HLF."

## 2005

Herbalife celebrates its Silver Anniversary, changing people's lives through health and happiness for 25 years. The Pro Beach Volleyball Tour, a wholly owned subsidiary of AVP, inked Herbalife's new effervescent energy drink Liftoff as an official sponsor of the AVP Nissan Series through the 2007 season.

## 2007

Herbalife Scores in a Los Angeles Galaxy Jersey Sponsorship Agreement: A cornerstone of the multi-year, multimillion dollar agreement is the ability for Herbalife to showcase its brand name on the front of the team jersey. David Beckham, globally known soccer star wears the 'Herbalife' jersey on the front cover of Sport's Illustrated Magazine's March issue.

## 2008

Herbalife sponsors Seven Global athletes in the 2008 Beijing Olympics. Hungary's own flat-water canoeist Atilla Vajda takes Hungary's first Gold Medal at the games while Herbalife's nutrition in sports makes headlines again. Herbalife hosts a record eight Extravaganzas during 2008 and continues the rollout of our science-based nutrition products worldwide. Two clinical studies showing the effectiveness of Formula 1 were completed, one in the U.S., the other in Germany. The digestive health line is launched in the U.S. with two new products – Herbal Aloe Powder and Active Fiber Complex while two new flavors of Liftoff in the U.S. are introduced. **Finally... Herbalife reports record sales of over \$3.8 billion dollars US.**