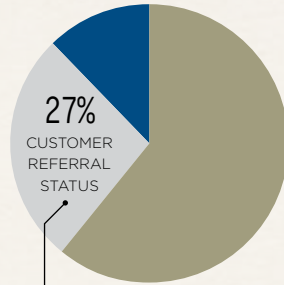
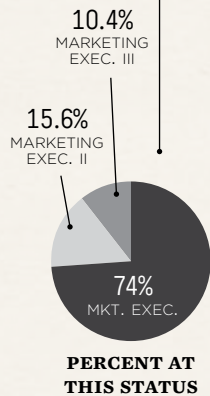


Melaleuca 2011 Annual Income Statistics



Customers

The majority (62%) of those who buy Melaleuca products each month are strictly customers. They're not interested in pursuing the Melaleuca financial opportunity. They just love Melaleuca products. Only a few of them will ever decide to build a Melaleuca business.



PERCENT AT THIS STATUS

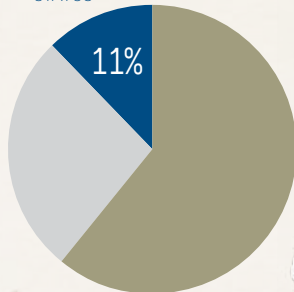
MKT. EXEC. (74%)	\$2,477	\$24	\$87	0	1	0	4	1 Mo.	120 Mo.	3 Mo.
MKT. EXEC. II (15.6%)	\$2,368	\$24	\$231	2	2	2	10	1 Mo.	120 Mo.	6 Mo.
MKT. EXEC. III (10.4%)	\$5,335	\$25	\$557	4	5	4	21	1 Mo.	120 Mo.	6 Mo.

Customer Referrals Status

27% of all Melaleuca customers have referred at least one customer but fewer than eight customers. As those customers purchase products directly from Melaleuca, those who referred them receive a small commission. These households are not necessarily interested in the financial opportunity. Their relationship with Melaleuca is primarily because they love Melaleuca products. Their "status" is determined by how many customers they have referred. A Marketing Executive has at least one customer. A Marketing Executive II has referred at least two customers and a Marketing Executive III has referred at least four customers at some time in their life. While these individuals may not be considered serious business builders, their customers (like the vast majority of Melaleuca customers) come from word-of-mouth referrals. Therefore, the overall contribution of these individuals is significant.

	ANNUAL INCOME			PERSONAL CUSTOMERS		TOTAL ACTIVE CUSTOMERS		TIME TO ACHIEVE STATUS ¹		
	HIGH	LOW	AVERAGE	MINIMUM	AVERAGE	MINIMUM	AVERAGE	SHORTEST	LONGEST	AVERAGE
MKT. EXEC. (74%)	\$2,477	\$24	\$87	0	1	0	4	1 Mo.	120 Mo.	3 Mo.
MKT. EXEC. II (15.6%)	\$2,368	\$24	\$231	2	2	2	10	1 Mo.	120 Mo.	6 Mo.
MKT. EXEC. III (10.4%)	\$5,335	\$25	\$557	4	5	4	21	1 Mo.	120 Mo.	6 Mo.

BUSINESS BUILDER STATUS



Developmental Status

Only 1 out of 9 customers (11%) will decide to start their own Melaleuca business and eventually achieve Director status or above. Directors have made a substantial effort (probably spent at least 50 hours) in developing at least eight Melaleuca customers. Those estimated 50 hours could have been spent in a single week or could have been spent over several years. But at some point in their lives, Directors have invested enough time to develop (and maintain) at least eight Melaleuca customers.

DIRECTOR I / II (85.3%)

	ANNUAL INCOME			PERSONAL CUSTOMERS		TOTAL ACTIVE CUSTOMERS		TIME TO ACHIEVE STATUS ¹		
	HIGH	LOW	AVERAGE	MINIMUM	AVERAGE	MINIMUM	AVERAGE	SHORTEST	LONGEST	AVERAGE
DIRECTOR I / II (85.3%)	\$17,017	\$120	\$2,054	10	14	10	67	1 Mo.	120 Mo.	7 Mo.

Initial Leadership Status

Leaders at these statuses have made a more serious effort at building a Melaleuca business. Those who have reached these leadership statuses have not only invested enough time to develop several customers, but they have also helped some of those customers start a business and become Marketing Executives. Those Marketing Executives have, in turn, referred additional customers who purchase Melaleuca products each month. Commissions are paid based on the development of customers and the development of leaders who help others reach their goals.

	ANNUAL INCOME			PERSONAL CUSTOMERS		TOTAL ACTIVE CUSTOMERS		TIME TO ACHIEVE STATUS ¹		
	HIGH	LOW	AVERAGE	MINIMUM	AVERAGE	MINIMUM	AVERAGE	SHORTEST	LONGEST	AVERAGE
DIRECTOR III (5.5%)	\$27,762	\$2,724	\$7,482	11	28	40	196	1 Mo.	120 Mo.	12 Mo.
DIRECTOR IV / V (3%)	\$31,183	\$5,020	\$12,613	13	39	100	300	1 Mo.	120 Mo.	17 Mo.
DIRECTOR VI / VII (1.4%)	\$43,708	\$10,758	\$20,627	15	44	213	471	1 Mo.	120 Mo.	21 Mo.
DIRECTOR VIII / IX (0.7%)	\$64,318	\$15,134	\$31,454	18	55	321	567	1 Mo.	120 Mo.	21 Mo.

Advanced Leadership Status

Those Marketing Executives who reach Senior or Executive Director status have shown substantial interest and dedication in building a Melaleuca business. While they may not work their business full-time, it is essential that they invest some time each month nurturing, training, and helping those in their marketing organization. Melaleuca advocates that Marketing Executives keep their full-time job and work their Melaleuca business in their spare time. However, some Executive Directors at the higher income levels do work their business close to full-time. Melaleuca strongly advocates that Marketing Executives do not quit their full-time job until their Melaleuca income far surpasses the income they receive from their full-time employer. Rather, they should add their Melaleuca income to their regular income, thereby making a substantial difference in their family finances.

	ANNUAL INCOME			PERSONAL CUSTOMERS		TOTAL ACTIVE CUSTOMERS		TIME TO ACHIEVE STATUS ¹		
	HIGH	LOW	AVERAGE	MINIMUM	AVERAGE	MINIMUM	AVERAGE	SHORTEST	LONGEST	AVERAGE
SENIOR DIRECTOR ² (2.5%)	\$270,643	\$25,031	\$62,430	20	70	431	1,136	1 Mo.	120 Mo.	22 Mo.
EXECUTIVE DIR. ³ (1.4%)	\$596,268	\$60,752	\$153,183	20	101	1,058	2,635	4 Mo.	120 Mo.	27 Mo.
CORPORATE DIRECTOR ⁴ (LESS THAN 0.1%)	\$2,176,375	\$488,330	\$1,031,143	20	171	6,903	12,177	29 Mo.	120 Mo.	29 Mo.

The above annual income statistics include all Melaleuca North American Marketing Executives who were active during all 12 months of the period ending December 2011 and performed the minimum activity required at each status level. The incomes stated include all commissions and bonuses actually paid during the period.

For the purpose of these statistics, a Marketing Executive's leadership or developmental level was calculated by taking the highest status achieved and maintained for at least seven consecutive months. The information on this page is not necessarily representative of what any individual Marketing Executive will earn with this program. Any representation or guarantee of specific earnings would be misleading. Success with any business takes hard work, diligence, perseverance, and leadership. Success with Melaleuca will depend on how effectively a Marketing Executive exercises those qualities.

¹ Includes all Active Marketing Executives joining Melaleuca within the past 10 years.

² Includes statistics for Senior Director through Senior Director IX.

³ Includes statistics for all positions of Executive Director through Executive Director IX.

⁴ Includes statistics for positions of Corporate Director and higher.