



New Income Statistics Reflect Melaleuca's Growth ...

The new income statistics reflect the effect Melaleuca's continued growth is having on the earning potential of Marketing Executives in the United States and Canada.

The 2003 Annual Income Statistics

also track the number of months in which Marketing Executives have achieved the various leadership levels. It details the shortest time, longest time and average time Melaleuca Marketing Executives have taken in advancing.

The Melaleuca Income Opportunity: Important Information, Facts and Figures

So how much does a Melaleuca Independent Marketing Executive earn in a year? Is it worth it financially? What are the steps along the way?

These legitimate questions are asked often by Marketing Executives, and although the questions are simple, the answers are not nearly as easy. The chart on the next page shows statistics that shed some light on these questions. As you review these figures, you will realize that the answer depends more on the individual than any other factor.

Note that some Marketing Executives have achieved Director, Senior Director or Executive Director status in only a few months. Everyone works at his or her own pace: some are willing to work to advance and receive the rewards quickly; others have less of a sense of urgency.

It is significant to note that hundreds of thousands of households across North America use Melaleuca products month after month but seek no financial reward. They are valued customers — and they just love Melaleuca products! They wouldn't consider using anything else in their homes. Quality is everything to them. As far as they are concerned, they just want the products! These customers are precious to us; they make our efforts worthwhile.

Often those who enroll with the idea of just using the products quickly learn how easy it is to talk about them and share the concept of consumer-direct marketing — and earn a little

extra income. The income starts as soon as they enroll their first customer.

Sharing Melaleuca's Income Potential

The objective of this sheet is to provide all prospective Marketing Executives with accurate data about the earnings potential of a Melaleuca Independent Business. Melaleuca discourages the showing of Commission and Bonus Checks. It would be inappropriate to show an individual commission check without showing the total information regarding these income statistics. These income statistics on the entire company better reflect the true potential and provide the new Marketing Executive a more fair and accurate representation of the Melaleuca opportunity.

The showing of individual Commission and Bonus Checks and other income representations may be illegal in some states and provinces. The information contained herein reflects average Marketing Executive earnings only for the periods specified, and may not be considered representative of future earnings. With this in mind, the chart on the back has been developed based on commissions and bonuses actually paid during the 12-month period ending December 31, 2003. We ask that whenever you share information of any individual's success with Melaleuca you also provide a copy of this Income Statistic sheet.

How to Use This Information

As you present the Melaleuca opportunity, please emphasize the following during your discussion:

1. Melaleuca is *not* a "get-rich-quick scheme."
Success in Melaleuca depends upon hard work, determination, productivity, and a demonstrated ability to help and motivate others.
2. *Every* active Melaleuca Marketing Executive receives a Commission and Bonus Check.
Unlike other compensation plans, Melaleuca pays everyone for their efforts, based on productivity.
3. All commissions and bonuses are based *only* on the sale of products to the end consumer.
Marketing Executives should never purchase products solely for the purpose of receiving a commission, nor should they encourage others to do so. "Inventory-loading" is a violation of Melaleuca policy.
4. A legitimate Melaleuca business cannot be built on promising to build someone else's organization if they will "just sign up." Rather, it is each Marketing Executive's responsibility to encourage, train and support his or her organization in the development of their own businesses.

2003 ANNUAL INCOME STATISTICS MELALEUCA MARKETING EXECUTIVES

Leadership Levels

Active Executive Status	Percentage of Leaders With This Status	Annual Income			Number of Months to Achieve Status		
		HIGH (at this level)	LOW (at this level)	AVERAGE (at this level)	SHORTEST TIME	LONGEST TIME ³	AVERAGE TIME ³
Exec. & Corp. Director ¹	1.4%	\$1,752,869	\$60,687	\$185,606	2	112	27
Senior Director ²	2.6%	\$184,281	\$13,111	\$50,904	1	105	21
Director V	0.9%	\$46,001	\$7,607	\$21,289	1	118	20
Director IV	1.9%	\$31,965	\$4,818	\$14,962	1	115	18
Director III	5.3%	\$29,423	\$2,487	\$9,410	1	115	15
Director II	12.6%	\$14,106	\$1,395	\$5,140	1	114	13
Director	75.3%	\$7,487	\$229	\$1,759	1	120	8

Developmental Levels

Most Customers enroll in Melaleuca initially to use the superior products. Later, after they have experienced the products as Customers, many become Marketing Executives to share the products with others. Of those who actively market Melaleuca for at least one year, one in five advances from a Developmental Level to a Leadership Level.

Active Executive Status	Percentage Within Developmental Level With This Status	Annual Income			Number of Months to Achieve Status		
		HIGH (at this level)	LOW (at this level)	AVERAGE (at this level)	SHORTEST TIME	LONGEST TIME	AVERAGE TIME
Executive III	13.3%	\$3,204	\$48	\$473	1	120	7
Executive II	18.7%	\$1,492	\$28	\$220	1	120	6
Marketing Executive	67.9%	\$2,028	\$24	\$102			

¹Includes statistics for all positions of Executive Director and higher.

²Includes statistics for Senior Directors through Senior Directors V.

³Includes all active Marketing Executives joining Melaleuca within the past 10 years.

The above annual income statistics include all Melaleuca North American Marketing Executives who were active during all 12 months of the period ending December 2003 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 at least for three 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.