

ZALE CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT DATA
(Unaudited, amounts in thousands, except per share amounts)

	Three Months Ended January 31,		Six Months Ended January 31,	
	2010	2009	2010	2009
		As Restated		As Restated
Revenues	\$ 582,252	\$ 679,391	\$ 911,462	\$ 1,043,520
Cost and expenses:				
Cost of sales	292,539	380,691	461,916	568,134
Selling, general and administrative	251,220	290,749	452,495	514,062
Cost of insurance operations	1,170	1,396	2,952	3,156
Depreciation and amortization	13,168	14,944	26,531	30,044
Other charges	27,472	13,221	27,472	13,221
Operating loss	(3,317)	(21,610)	(59,904)	(85,097)
Interest expense	2,050	3,233	3,971	6,704
Loss before income taxes	(5,367)	(24,843)	(63,875)	(91,801)
Income tax (benefit) expense	(12,023)	6,933	(10,819)	(11,642)
Net earnings (loss)	<u>\$ 6,656</u>	<u>\$ (31,776)</u>	<u>\$ (53,056)</u>	<u>\$ (80,159)</u>
Net earnings (loss) per common share:				
Basic	\$ 0.21	\$ (1.00)	\$ (1.66)	\$ (2.52)
Diluted	\$ 0.21	\$ (1.00)	\$ (1.66)	\$ (2.52)
Weighted average number of common shares outstanding:				
Basic	32,060	31,911	32,018	31,834
Diluted	32,170	31,911	32,018	31,834