

The Timberland Company's third-quarter 2006 earnings conference call, held on October 27, 2006, contains reference to constant dollar revenue changes, diluted EPS excluding restructuring and related costs, diluted EPS excluding restructuring and related costs and including stock-based employee compensation costs for 2005, operating income excluding restructuring and related costs and including share-based compensation costs related to stock option and employee stock purchase plans, and operating expense excluding restructuring and related costs. These measures are non-GAAP (generally accepted accounting principles) measures as defined in Securities and Exchange Commission Regulation G. Consistent with Regulation G, a reconciliation of these financial measures to our GAAP information is included below. Management provides constant dollar revenue changes for total Company and International results because we use the measure to understand revenue changes excluding any impact from foreign exchange rate changes. We provide diluted EPS excluding restructuring and related costs because we use the measure to understand earnings excluding non-recurring costs. We provide diluted EPS, operating income and operating expense excluding restructuring and related costs and including stock-based employee compensation costs for 2005 to provide comparability to 2006 reported results.

**THE TIMBERLAND COMPANY**  
**UNAUDITED RECONCILIATION OF TOTAL AND INTERNATIONAL REVENUE CHANGES**  
**TO CONSTANT DOLLAR REVENUE CHANGES**  
(Amounts in Millions)

**Total Company Revenue Reconciliation:**

	For the Three Months Ended September 29, 2006		For the Nine Months Ended September 29, 2006	
	\$ Change	% Change	\$ Change	% Change
Revenue (decrease) (GAAP)	\$ (2.9)	-0.6%	\$(21.0)	-1.9%
Increase/(decrease) due to foreign exchange rate changes	7.9	1.5%	(6.3)	-0.6%
Revenue (decrease) in constant dollars	\$(10.8)	-2.1%	\$(14.7)	-1.3%

**International Revenue Reconciliation:**

	For the Three Months Ended September 29, 2006		For the Nine Months Ended September 29, 2006	
	\$ Change	% Change	\$ Change	% Change
Revenue increase (GAAP)	\$16.4	6.9%	\$10.5	1.9%
Increase/(decrease) due to foreign exchange rate changes	7.9	3.3%	(6.3)	-1.2%
Revenue increase in constant dollars	\$ 8.5	3.6%	\$16.8	3.1%

**THE TIMBERLAND COMPANY**  
**UNAUDITED RECONCILIATION OF DILUTED EPS TO**  
**DILUTED EPS EXCLUDING RESTRUCTURING AND RELATED COSTS**  
**AND INCLUDING SHARE-BASED EMPLOYEE COMPENSATION COSTS**  
**RELATED TO STOCK OPTION AND EMPLOYEE STOCK PURCHASE PLANS**

	<b>For the Three Months Ended September 30, 2005</b>	<b>For the Twelve Months Ended December 31, 2005</b>
Diluted EPS (GAAP)	\$1.02	\$2.43
Per share impact of restructuring and related costs	.02	.04
Diluted EPS excluding restructuring and related costs	1.04	2.47
Per share impact of share-based employee compensation costs related to stock option and employee stock purchase plans	(.03)	(.12)
Diluted EPS excluding restructuring and related costs and including share-based employee compensation costs related to stock option and employee stock purchase plans	<u>\$1.01</u>	<u>\$2.35</u>

**THE TIMBERLAND COMPANY**  
**RECONCILIATION OF OPERATING INCOME**  
**EXCLUDING RESTRUCTURING AND RELATED COSTS AND**  
**INCLUDING SHARE-BASED EMPLOYEE COMPENSATION COSTS**  
**RELATED TO STOCK OPTION AND EMPLOYEE STOCK PURCHASE PLANS**

	<b>For the Three Months Ended</b>		
	<b>September 29, 2006</b>	<b>September 30, 2005</b>	<b>Change</b>
Operating income, as reported	\$80,788	\$105,106	
Add: Restructuring and related costs included in reported operating income	(92)	2,531	
Operating income excluding restructuring and related costs	80,696	107,637	
Add: Share-based employee compensation costs included in reported operating income	-	2,468	
Deduct: Total share-based employee compensation costs determined under fair value based method for all awards	-	(5,797)	
Proforma operating income	<u>\$80,696</u>	<u>\$104,308</u>	<u>-23%</u>

**THE TIMBERLAND COMPANY**  
**RECONCILIATION OF OPERATING EXPENSE**  
**EXCLUDING RESTRUCTURING AND RELATED COSTS**

	For the Three Months Ended		
	September 29, 2006	September 30, 2005	Change
Operating expense, as reported	\$155,868	\$142,252	
Less: Restructuring and related costs included in reported operating expense	(92)	2,531	
Proforma operating expense	\$155,960	\$139,721	12%