

**RECONCILIATION OF OPERATING EXPENSE TO OPERATING EXPENSE
EXCLUDING RESTRUCTURING AND RELATED COSTS**

(Dollars in Thousands, Unaudited)

	For the Three Months Ended		
	March 30, 2007	March 31, 2006 (As Restated)	Change
Operating expense, as reported	\$147,960	\$133,864	10.5%
Restructuring and related costs	6,526	481	
Operating expense excluding restructuring and related costs	<u>\$141,434</u>	<u>\$133,383</u>	<u>6.0%</u>

Operating expense excluding restructuring and related costs is not a Generally Accepted Accounting Principle (“GAAP”) performance measure. We provide operating expense excluding restructuring and related costs because it is used to analyze the operating expenses of the Company. Management believes this measure is more indicative of the expense level necessary to support the businesses on an ongoing basis.

THE TIMBERLAND COMPANY
RECONCILIATION OF TOTAL AND INTERNATIONAL REVENUE CHANGES
TO CONSTANT DOLLAR REVENUE CHANGES, continued
(Amounts in Thousands, Unaudited)

Other Foreign Revenue Reconciliation:

	For the Three Months Ended March 30, 2007	
	<u>\$ Change</u>	<u>% Change</u>
Revenue decrease (GAAP)	\$(250)	(3.0%)
Decrease due to foreign exchange rate changes	(68)	(0.8%)
Revenue decrease in constant dollars	\$(182)	(2.2%)

Constant dollar revenue changes, which exclude the impact of changes in foreign exchange rates, are not Generally Accepted Accounting Principle (“GAAP”) performance measures. We provide constant dollar revenue changes for total Company, total International, Europe, Asia and Other Foreign revenues because we use the measures to understand revenue changes excluding the impact of items which are not under management’s direct control, such as changes in foreign exchange rates.