

THE TIMBERLAND COMPANY
REVENUE ANALYSIS
(Amounts in Thousands, Unaudited)

	For the Quarter Ended			For the Six Months Ended		
	June 27, 2008	June 29, 2007	Change	June 27, 2008	June 29, 2007	Change
Revenue by Segment:						
North America	\$99,556	\$114,964	-13.4%	\$237,286	\$259,502	-8.6%
Europe	78,760	79,819	-1.3%	243,511	233,955	4.1%
Asia	31,600	29,343	7.7%	69,521	66,998	3.8%
Total Revenue	\$209,916	\$224,126	-6.3%	\$550,318	\$560,455	-1.8%
Revenue by Product:						
Footwear	\$142,935	\$154,511	-7.5%	\$379,551	\$390,148	-2.7%
Apparel and Accessories	62,635	66,503	-5.8%	160,558	161,909	-0.8%
Royalty and Other	4,346	3,112	39.7%	10,209	8,398	21.6%
Revenue by Channel:						
Wholesale	\$136,077	\$151,266	-10.0%	\$391,598	\$410,574	-4.6%
Consumer Direct	73,839	72,860	1.3%	158,720	149,881	5.9%
Comparable Store Sales:						
Domestic Retail	-8.0%	-4.2%		-3.0%	-1.2%	
Global Retail	-1.1%	-6.2%		2.4%	-3.8%	

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

Total Company Revenue Reconciliation:

	For the Quarter Ended		For the Six Months Ended	
	June 27, 2008		June 27, 2008	
	\$ Change	% Change	\$ Change	% Change
Revenue decrease (GAAP)	(\$14,210)	-6.3%	(\$10,137)	-1.8%
Increase due to foreign exchange rate changes	8,831	3.9%	25,113	4.5%
Revenue decrease in constant dollars	(\$23,041)	-10.2%	(\$35,250)	-6.3%

North America Revenue Reconciliation:

	For the Quarter Ended		For the Six Months Ended	
	June 27, 2008		June 27, 2008	
	\$ Change	% Change	\$ Change	% Change
Revenue decrease (GAAP)	(\$15,408)	-13.4%	(\$22,216)	-8.6%
Increase due to foreign exchange rate changes	314	0.3%	871	0.3%
Revenue decrease in constant dollars	(\$15,722)	-13.7%	(\$23,087)	-8.9%

Europe Revenue Reconciliation:

	For the Quarter Ended		For the Six Months Ended	
	June 27, 2008		June 27, 2008	
	\$ Change	% Change	\$ Change	% Change
Revenue (decrease)/increase (GAAP)	(\$1,059)	-1.3%	\$9,556	4.1%
Increase due to foreign exchange rate changes	5,614	7.0%	18,712	8.0%
Revenue decrease in constant dollars	(\$6,673)	-8.3%	(\$9,156)	-3.9%

Asia Revenue Reconciliation:

	For the Quarter Ended		For the Six Months Ended	
	June 27, 2008		June 27, 2008	
	\$ Change	% Change	\$ Change	% Change
Revenue increase (GAAP)	\$2,257	7.7%	\$2,523	3.8%
Increase due to foreign exchange rate changes	2,903	9.9%	5,530	8.3%
Revenue decrease in constant dollars	(\$646)	-2.2%	(\$3,007)	-4.5%

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, North America, Europe, and Asia revenues because we use the measures to understand the underlying growth rate of revenue excluding the impact of items that are not under management's direct control, such as changes in foreign exchange rates.

THE TIMBERLAND COMPANY

**RECONCILIATION OF OPERATING EXPENSE, OPERATING LOSS, NET LOSS AND DILUTED LOSS PER SHARE TO
OPERATING EXPENSE, OPERATING LOSS, NET LOSS AND DILUTED LOSS PER SHARE EXCLUDING
RESTRUCTURING AND RELATED COSTS**
(Unaudited)

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

(Dollars in Thousands, Unaudited)

	For the Quarter Ended June 27, 2008	For the Quarter Ended June 29, 2007
Operating expense (GAAP)	<u>\$122,173</u>	<u>\$130,626</u>
Restructuring and related costs	<u>317</u>	<u>988</u>
Operating expense excluding restructuring and related costs	<u><u>\$121,856</u></u>	<u><u>\$129,638</u></u>

Operating expense excluding restructuring and related costs is not a Generally Accepted Accounting Principle (“GAAP”) performance measure. Management provides operating expense excluding restructuring and related costs because it is used to analyze the operating expenses of the Company. Management believes this measure is a reasonable reflection of the underlying expense levels and trends from core business activities.

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

(Dollars in Thousands, Unaudited)

	For the Quarter Ended June 27, 2008	For the Quarter Ended June 29, 2007
Operating loss (GAAP)	<u>(\$29,973)</u>	<u>(\$31,459)</u>
Restructuring and related costs	<u>317</u>	<u>988</u>
Operating loss excluding restructuring and related costs	<u><u>(\$29,656)</u></u>	<u><u>(\$30,471)</u></u>

Operating loss excluding restructuring and related costs is not a Generally Accepted Accounting Principle (“GAAP”) performance measure. Management provides operating loss excluding restructuring and related costs because it is used to analyze the operating loss of the Company. Management believes this measure is a reasonable reflection of the underlying income levels and trends from core business activities.

RECONCILIATION OF NET LOSS TO NET LOSS EXCLUDING RESTRUCTURING AND RELATED COSTS
(Dollars in Thousands, Unaudited)

	For the Quarter Ended June 27, 2008	For the Quarter Ended June 29, 2007
Net loss (GAAP)	<u>(\$18,929)</u>	<u>(\$19,226)</u>
Restructuring and related costs, net of tax effect	203	647
Net loss excluding restructuring and related costs	<u>(\$18,726)</u>	<u>(\$18,579)</u>

Net loss excluding restructuring and related costs is not a Generally Accepted Accounting Principle (“GAAP”) performance measure. Management provides net loss excluding restructuring and related costs because it is used to analyze the net loss of the Company. Management believes this measure is a reasonable reflection of the underlying net income levels and trends from core business activities.

RECONCILIATION OF DILUTED LOSS PER SHARE TO DILUTED LOSS PER SHARE EXCLUDING RESTRUCTURING AND RELATED COSTS

	For the Quarter Ended June 27, 2008	For the Quarter Ended June 29, 2007
Diluted loss per share (GAAP)	<u>(\$0.32)</u>	<u>(\$0.31)</u>
Per share impact of restructuring and related costs	-	0.01
Diluted loss per share excluding restructuring and related costs	<u>(\$0.32)</u>	<u>(\$0.30)</u>

Diluted loss per share excluding restructuring and related costs is not a Generally Accepted Accounting Principle (“GAAP”) performance measure. We provide diluted loss per share excluding restructuring and related costs because it is used to analyze the earnings of the Company. Management believes this measure is a reasonable reflection of the earnings levels and trends from core business activities.