

We report our financial results in accordance with generally accepted accounting principles (GAAP). However, Weatherford's management believes that certain non-GAAP performance measures and ratios may provide users of this financial information additional meaningful comparisons between current results and results in prior operating periods. One such non-GAAP financial measure we may present from time to time is operating income or income from continuing operations excluding certain charges or amounts. This adjusted income amount is not a measure of financial performance under GAAP. Accordingly, it should not be considered as a substitute for operating income, net income or other income data prepared in accordance with GAAP. See the table below for supplemental financial data and corresponding reconciliations to GAAP financial measures for the three months ended September 30, 2005, and the nine months ended September 30, 2005 and 2004. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

Weatherford International Ltd.
Reconciliation of GAAP to Non-GAAP Financial Measures
(Unaudited)
(In thousands, except per share data)

	For the three months ended September 30, 2005		
	GAAP	Items impacting the period*	Non-GAAP Adjusted Earnings
Operating Income	\$ 74,206	\$ 97,258	\$ 171,464
Other Income (Expense), Net	(14,658)	4,733	(9,925)
Income from Continuing Operations Before Income Taxes	59,548	101,991	161,539
Provision for Income Taxes	(12,249)	(31,740)	(43,989)
Income from Continuing Operations	<u>\$ 47,299</u>	<u>\$ 70,251</u>	<u>\$ 117,550</u>
Diluted Earnings Per Share from Continuing Operations	\$ 0.30		\$ 0.74
Diluted Weighted Average Shares Outstanding **	155,894		161,755

* Exit costs and restructuring charges associated with the acquisition of the Precision divisions and debt redemption expense incurred with the settlement of the Zero Coupon Convertible Debentures.

** The effect of our Zero Coupon Convertible Debentures is anti dilutive for GAAP purposes, however, after adjusting for non-GAAP items, the effect of the Zero Coupon Convertible Debentures is dilutive.

	For the nine months ended September 30, 2005		
	GAAP	Items impacting the period*	Non-GAAP Adjusted Earnings
Operating Income	\$ 336,193	\$ 104,020	\$ 440,213
Other Income (Expense), Net	(39,002)	4,733	(34,269)
Income from Continuing Operations Before Income Taxes	297,191	108,753	405,944
Provision for Income Taxes	(74,732)	(32,452)	(107,184)
Income from Continuing Operations	<u>\$ 222,459</u>	<u>\$ 76,301</u>	<u>\$ 298,760</u>
Diluted Earnings Per Share from Continuing Operations	\$ 1.48		\$ 1.97
Diluted Weighted Average Shares Outstanding	155,708		155,708

* Exit costs and restructuring charges associated with the acquisition of the Precision divisions, debt redemption expense incurred with the settlement of the Zero Coupon Convertible Debentures and debt restructuring costs related to our equity investment in Universal Compression Holdings, Inc.

	For the nine months ended September 30, 2004		
	GAAP	Items impacting the period*	Non-GAAP Adjusted Earnings
Operating Income	\$ 290,661	\$ -	\$ 290,661
Other Income (Expense), Net	(22,036)	(25,280)	(47,316)
Income from Continuing Operations Before Income Taxes	268,625	(25,280)	243,345
Provision for Income Taxes	(64,255)	-	(64,255)
Income from Continuing Operations	<u>\$ 204,370</u>	<u>\$ (25,280)</u>	<u>\$ 179,090</u>
Diluted Earnings Per Share from Continuing Operations	\$ 1.44		\$ 1.27
Diluted Weighted Average Shares Outstanding	147,829		147,829

* Gain on sale of shares of Universal Compression Holdings, Inc., with no related income tax effects.