

We report our financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, Weatherford's management believes that certain non-GAAP financial measures and ratios (as defined under the SEC's Regulation G) may provide users of this financial information, additional meaningful comparisons between current results and results of prior periods. The non-GAAP amounts shown in the following tables should not be considered as substitutes for operating income, provision for income taxes, net income or other data prepared and reported in accordance with GAAP, but should be viewed in addition to the Company's reported results prepared in accordance with GAAP.

Weatherford International plc
Reconciliation of GAAP to Non-GAAP Financial Measures

(Unaudited)

(In Millions, Except Per Share Amounts)

	Three Months Ended			Nine Months Ended	
	9/30/2017	6/30/2017	9/30/2016	9/30/2017	9/30/2016
Operating Loss:					
GAAP Operating Loss	\$ (64)	\$ (127)	\$ (945)	\$ (387)	\$ (1,852)
Severance, Restructuring and Exited Businesses	34	31	22	140	150
Litigation Charges, Net	(4)	—	9	(4)	190
Impairments, Asset Write-Downs and Other ^(a)	(2)	(12)	740	(17)	952
Legacy Contract	—	—	—	—	2
Total Non-GAAP Adjustments	28	19	771	119	1,294
Non-GAAP Adjusted Operating Loss	<u>\$ (36)</u>	<u>\$ (108)</u>	<u>\$ (174)</u>	<u>\$ (268)</u>	<u>\$ (558)</u>
Loss Before Income Taxes:					
GAAP Loss Before Income Taxes	\$ (226)	\$ (148)	\$ (1,084)	\$ (784)	\$ (2,340)
Operating Income Adjustments	28	19	771	119	1,294
Bond Tender Premium, Net	—	—	—	—	78
Warrant Fair Value Adjustment	7	(127)	—	(58)	—
Currency Devaluation Charges	—	—	—	—	31
Non-GAAP Loss Before Income Taxes	<u>\$ (191)</u>	<u>\$ (256)</u>	<u>\$ (313)</u>	<u>\$ (723)</u>	<u>\$ (937)</u>
(Provision) Benefit for Income Taxes:					
GAAP Provision for Income Taxes	\$ (25)	\$ (17)	\$ (692)	\$ (75)	\$ (489)
Tax Effect on Non-GAAP Adjustments	—	(3)	660	(7)	599
Non-GAAP (Provision) Benefit for Income Taxes	<u>\$ (25)</u>	<u>\$ (20)</u>	<u>\$ (32)</u>	<u>\$ (82)</u>	<u>\$ 110</u>
Net Loss Attributable to Weatherford:					
GAAP Net Loss	\$ (256)	\$ (171)	\$ (1,780)	\$ (875)	\$ (2,843)
Non-GAAP Adjustments, net of tax	35	(111)	1,431	54	2,002
Non-GAAP Net Loss	<u>\$ (221)</u>	<u>\$ (282)</u>	<u>\$ (349)</u>	<u>\$ (821)</u>	<u>\$ (841)</u>
Diluted Loss Per Share Attributable to Weatherford:					
GAAP Diluted Loss per Share	\$ (0.26)	\$ (0.17)	\$ (1.98)	\$ (0.88)	\$ (3.27)
Non-GAAP Adjustments, net of tax	0.04	(0.11)	1.59	0.05	2.30
Non-GAAP Diluted Loss per Share	<u>\$ (0.22)</u>	<u>\$ (0.28)</u>	<u>\$ (0.39)</u>	<u>\$ (0.83)</u>	<u>\$ (0.97)</u>
GAAP Effective Tax Rate ^(b)	(11)%	(12)%	(64)%	(10)%	(21)%
Non-GAAP Effective Tax Rate ^(c)	(13)%	(8)%	(10)%	(11)%	12 %

(a) Impairments, asset write-downs and other of \$740 million in the third quarter of 2016 include \$436 million of long-lived asset impairments and \$304 million of inventory write-downs, accounts receivable and other charges.

(b) GAAP Effective Tax Rate is the GAAP provision for income taxes divided by GAAP income before income taxes.

(c) Non-GAAP Effective Tax Rate is the Non-GAAP provision for income taxes divided by Non-GAAP income before income taxes and calculated in thousands.