

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 below 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			Six Months Ended	
	6/30/2017	3/31/2017	6/30/2016	6/30/2017	6/30/2016
Operating Loss:					
GAAP Operating Loss	\$ (127)	\$ (196)	\$ (460)	\$ (323)	\$ (907)
Severance, Restructuring and Exited Businesses	31	75	51	106	128
Litigation Charges, Net	—	—	114	—	181
Impairments, Asset Write-Downs and Other ^(a)	(12)	(3)	154	(15)	212
Legacy Contract	—	—	(50)	—	2
Total Non-GAAP Adjustments	19	72	269	91	523
Non-GAAP Adjusted Operating Loss	<u>\$ (108)</u>	<u>\$ (124)</u>	<u>\$ (191)</u>	<u>\$ (232)</u>	<u>\$ (384)</u>
Loss Before Income Taxes:					
GAAP Loss Before Income Taxes	\$ (148)	\$ (410)	\$ (664)	\$ (558)	\$ (1,256)
Operating Income Adjustments	19	72	269	91	523
Bond Tender Premium, Net	—	—	78	—	78
Warrant Fair Value Adjustment	(127)	62	—	(65)	—
Currency Devaluation Charges	—	—	—	—	31
Non-GAAP Loss Before Income Taxes	<u>\$ (256)</u>	<u>\$ (276)</u>	<u>\$ (317)</u>	<u>\$ (532)</u>	<u>\$ (624)</u>
(Provision) Benefit for Income Taxes:					
GAAP (Provision) Benefit for Income Taxes	\$ (17)	\$ (33)	\$ 102	\$ (50)	\$ 203
Tax Effect on Non-GAAP Adjustments	(3)	(4)	(35)	(7)	(61)
Non-GAAP (Provision) Benefit for Income Taxes	<u>\$ (20)</u>	<u>\$ (37)</u>	<u>\$ 67</u>	<u>\$ (57)</u>	<u>\$ 142</u>
Net Loss Attributable to Weatherford:					
GAAP Net Loss	\$ (171)	\$ (448)	\$ (565)	\$ (619)	\$ (1,063)
Non-GAAP Adjustments, net of tax	(111)	130	312	19	571
Non-GAAP Net Loss	<u>\$ (282)</u>	<u>\$ (318)</u>	<u>\$ (253)</u>	<u>\$ (600)</u>	<u>\$ (492)</u>
Diluted Loss Per Share Attributable to Weatherford:					
GAAP Diluted Loss per Share	\$ (0.17)	\$ (0.45)	\$ (0.63)	\$ (0.63)	\$ (1.24)
Non-GAAP Adjustments, net of tax	(0.11)	0.13	0.35	0.02	0.67
Non-GAAP Diluted Loss per Share	<u>\$ (0.28)</u>	<u>\$ (0.32)</u>	<u>\$ (0.28)</u>	<u>\$ (0.61)</u>	<u>\$ (0.57)</u>
GAAP Effective Tax Rate ^(b)	(12)%	(8)%	15%	(9)%	16%
Non-GAAP Effective Tax Rate ^(c)	(8)%	(14)%	21%	(11)%	23%

(a) Impairments, asset write-downs and other of \$154 million in the second quarter of 2016 include \$84 million to adjust a note from our largest customer in Venezuela to fair value and other impairments and write-offs of \$70 million.

(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.