



**RANGE RESOURCES®**

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TO: Analysts and Investors  
FROM: Range Investor Relations Team  
DATE: February 27, 2018  
RE: Fourth Quarter Earnings Highlights

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Range released fourth quarter and full year 2017 earnings this afternoon.

### **Highlights**

- GAAP earnings for 2017 reached \$333 million (\$1.34 per diluted share) versus a loss of \$521 million (\$2.75 per diluted share) in 2016
- Net cash provided from operating activities in 2017 increased to \$816 million in 2017 compared to \$387 million in 2016, an increase of 111%
- GAAP revenues increased to \$2.6 billion in 2017 compared to \$1.1 billion in 2016, a 137% increase
- Production increased 30% to 2.0 Bcfe per day in 2017 compared to 1.5 Bcfe per day in 2016
- Liquids production increased to 121 Mbbls per day in fourth quarter 2017, making Range one of the largest NGL producers in the U.S. among independent E&Ps
- Southwest Marcellus production in fourth quarter 2017 increased to 1,657 net Mmcfe per day, a 34% increase over the prior year

### **Operations**

Several multi-well pads with impressive results were brought on line in the fourth quarter spanning the dry, wet and super-rich areas of southwest Pennsylvania.

- A five-well pad in the dry area produced at a 24-hour IP rate of 36.1 Mmcfe per day per well completed with average lateral lengths of 14,400 feet and 73 stages per well
- A five-well pad in the wet area produced at a 24-hour IP rate of 36.7 Mmcfe per day (including 2,814 NGL bbls per day) per well was completed with average lateral lengths of 13,600 feet and 68 stages per well
- A four-well pad in the super rich area (3 wells in 3Q17 and 1 well in 4Q17) produced at a 24-hour IP rate of 40.3 Mmcfe per day (2,880 bbls NGLs and 1,707 bbls condensate per day) per well completed with average lateral lengths of 9,800 feet and 49 stages per well

### **Capital Spending Plans**

Range's 2018 capital budget is \$941 million. Approximately 85% of the budget is expected to be allocated to the Appalachia division, where ~60% of the activity will be directed towards liquids-rich drilling, where successful results like those mentioned above have led to improved type curves over time, most recently in the super-rich area. The company expects production of approximately 2.23 Bcfe per day in 2018, which equates to 11% growth compared to 2017

## 2017 Proved Reserves Results

- Proved reserves increased by 26% to 15.3 Tcfe
- SEC PV<sub>10</sub> reserve value increased by 119% to \$8.1 billion
- Record low drill-bit finding costs were \$0.31 per mcfe

## Five-Year Outlook

- ~\$1 billion in cumulative free cash flow from 2018 through 2022
- Leverage below 2x net debt to EBITDAX in 2022, without asset sales
- 13% production CAGR on a debt-adjusted per share basis
- 3,200 core Marcellus locations remaining after the 5 year period ending in 2022

## Company Presentation and Website information –

An updated Company presentation has been added to the website at [www.rangeresources.com](http://www.rangeresources.com). The presentation reflects revised information for the quarter.

On Range's website, you will also find links to the earnings press release, updated guidance, hedging details, as well as supplemental information that will assist you in reconciling GAAP to non-GAAP results, EBITDAX, cash margins, trends per mcfe and pricing tables for gas, NGLs, and crude oil.

## Conference Call and Webcast Information –

A conference call to review the financial results is scheduled on Wednesday, February, 28 at 9:00 a.m. ET (8:00 a.m. CT). To participate in the call, please dial 866-900-7525 and provide conference code 7649028 about 10 minutes prior to the scheduled start time.

A simultaneous webcast of the call may be accessed at [www.rangeresources.com](http://www.rangeresources.com). The webcast will be archived for replay on the Company's website until March 28, 2018.

**If you have questions on any of the information, the IR staff is staying late to take calls.**

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