



TO: Analysts and Investors  
FROM: Range Investor Relations Team  
DATE: October 24, 2017  
RE: Third Quarter Earnings Highlights

---

Range released third quarter 2017 earnings this afternoon.

### **Third quarter highlights**

- Year to date 2017 GAAP net income was \$112 million, or \$0.45 per diluted share, compared to a net loss of \$361 million, or \$2.10 per share in the comparable period of 2016
- Year to date net cash provided from operating activities (GAAP) was \$601 million, compared to \$206 million in the comparable period of 2016, an improvement of 192% while year to date cash flow from operations before changes in working capital, (non-GAAP), reached \$656 million, compared to \$316 million, an improvement of 108%
- Two recently completed Marcellus super-rich pads were brought on line with average per well 24-hour IPs of 41.3 Mmcf per day, containing 64% liquids, with 20% being condensate
- Record third quarter production totaled 1.99 Bcfe per day, an increase of 32% compared to the prior-year quarter
- Third quarter NGL pre-hedge realized prices improved to \$16.93 per barrel versus \$11.17 per barrel in the prior-year quarter, a 52% improvement
- Third quarter natural gas price differential including the impact of basis hedges improved to minus (\$0.51) per mcf, compared to minus (\$0.68) in the prior-year quarter, a 25% improvement
- Third quarter crude oil and condensate realized prices improved to \$4.80 per barrel below WTI versus \$5.81 per barrel below WTI in the prior-year quarter, a 17% improvement.

### **Third quarter pricing**

Year to date cash margins have improved substantially, to \$1.21 per mcf, compared to \$0.77 per mcf in the prior year, an improvement of 57%, as a result of improved pricing combined with lower costs. Pre-hedge realized prices for all products improved in third quarter 2017 compared to the third quarter of 2016. NGL prices were especially noteworthy, improving by 52%, to \$16.93 per barrel, or 35% of WTI. For comparison with Appalachian peers, on a gross basis, without processing fees, Range's Marcellus C3+ NGL barrel for the third quarter was approximately 69% of WTI.

### **Operations**

Several multi-well pads with impressive results (22 wells) were brought on line in Appalachia, with third quarter lateral lengths averaging 11,700 feet compared to 6,171 feet in third quarter 2016. The division projects 46 wells brought to sales in the fourth quarter. In North Louisiana, the first three Range drilled wells announced previously continue to perform well, plus a new extension well was completed that looks promising, with a production rate over 3.5 Mmcf per day per 1,000 feet of lateral. Planned offsets to the two previously announced extension wells are beginning with one well currently drilling. The division expects 16 wells brought to sales in

the fourth quarter. The increased fourth quarter activity and corresponding ramp in production will be timely with the start-up of three natural gas pipeline projects expected in late 2017 and early 2018, allowing Range's growing natural gas volumes to flow to expanding markets, especially the Gulf Coast where significant natural gas demand is expected over the next several years.

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.

**New slides added to the presentation.**

- Slide 9- 2017 high quality pads covering southwest Marcellus acreage
- Slide 12- High-level North Louisiana acquisition lookback
- Slide 16- Differential improvements driving margin expansion
- Slide 18- Margin expansion drives strong unhedged recycle ratio
- Slide 21- Well-structured, resilient balance sheet
- Slides 60-62- Updated hedge position

**Website information –**

On Range's website ([www.rangeresources.com](http://www.rangeresources.com)), you will 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 that reflect prices including and excluding transportation, gathering and transmission fees.

**Conference Call and Webcast Information –**

A conference call to review the financial results is scheduled on Wednesday, October 25 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 95985702 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 November 25th.

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

Laith Sando, Vice President - Investor Relations  
817-869-4267  
[lsando@rangeresources.com](mailto:lsando@rangeresources.com)

David Amend, Investor Relations Manager  
817-869-4266  
[damend@rangeresources.com](mailto:damend@rangeresources.com)

Michael Freeman, Senior Financial Analyst  
817-869-4264  
[mfreeman@rangeresources.com](mailto:mfreeman@rangeresources.com)

Josh Stevens, Financial Analyst  
817-869-1564  
[jrstevens@rangeresources.com](mailto:jrstevens@rangeresources.com)