

RANGE RESOURCES CORPORATION
CALCULATION OF NET INCOME AND CASH FLOW EXCLUDING CERTAIN ITEMS
A NON-GAAP MEASURE

TABLE 1

(Dollar amounts in thousands, except per share)

	Quarter Ended December 31,				Twelve Months Ended December 31,			
	2003		2002		2003		2002	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
Net income (loss) as reported	\$ 4,633	\$ 0.06 ¹	\$ 4,893	\$ 0.09 ¹	\$ 35,415	\$ 0.60 ¹	\$ 25,766	\$ 0.47 ¹
Less certain items not included by analysts -								
(Gains) losses on sales of properties ²	(103)	(0.00)	131	0.00	15	0.00	(161)	(0.00)
Non cash valuation on equity stock held ²	-	-	-	-	-	-	1,220	0.02
Addition (recovery) to IPF valuation provision	979	0.02	1,497	0.03	1,863	0.03	4,240	0.08
SFAS 133 ineffective commodity hedges (gains) losses ²	1,060	0.02	149	0.00	1,238	0.02	2,730	0.05
SFAS 133 ineffective interest hedges (gains) losses ³	(319)	(0.01)	85	0.00	(559)	(0.01)	275	0.01
Treasury stock mark-to-market expense (income) ⁴	4,364	0.07	952	0.02	6,559	0.11	1,023	0.02
Inducement expense on exchange of securities	-	-	-	-	465	0.01	-	-
(Gains) losses on exchange of securities	(279)	(0.00)	(18)	(0.00)	(18,991)	(0.33)	(3,098)	(0.06)
Call premium on 8.75% Notes & write-off of deferred financing	-	-	-	-	2,376	0.04	-	-
Deferred tax (benefit) on special items	(1,996)	(0.03)	(979)	(0.02)	3,378	0.06	(5,529)	(0.10)
Change in accounting principle, net of deferred taxes	-	-	-	-	(4,491)	(0.08)	-	-
Total certain items	3,706	0.06	1,817	0.03	(8,147)	(0.14)	700	0.01
Net income (loss) excluding certain items, non-GAAP measure	\$ 8,339	\$ 0.12	\$ 6,710	\$ 0.12 + 24%	\$ 27,268	\$ 0.46	\$ 26,466	\$ 0.49 + 3%
Add back:								
DD&A	21,366		19,700		82,032		76,820	
Accretion of discount on change in accounting ⁵	1,071		-		4,517		-	
Deferred income taxes (benefit), excluding special items	4,744		2,175		14,941		2,175	
Exploration expense	5,173		2,268		13,946		11,525	
Allowance for bad debt provision	50		75		275		150	
Amortization of debt issuance costs and discount ⁶	155		230		837		899	
Discretionary cash flow, a non-GAAP measure	\$ 40,898		\$ 31,158	+ 31%	\$ 143,816		\$ 118,035	+ 22%
Less preferred dividends	(738)		-		(803)		-	
Cash flow after preferred dividends, a non-GAAP measure	\$ 40,160		\$ 31,158		\$ 143,013		\$ 118,035	
Dilutive average shares outstanding, a non-GAAP measure ⁷	62,904		54,962	+ 14%	57,850		54,418	+ 6%
Cash flow per share, a non-GAAP measure comparable to analysts	\$ 0.65		\$ 0.57	+ 15%	\$ 2.49		\$ 2.17	+ 15%

¹ Deducts preferred dividends for per share common stock amounts.

² Included in Other revenues on Range's income statement.

³ Amortization of Ineffective interest rate hedges and debt issuance costs included in Interest expense on Range's income statement.

⁴ Mark-to-market of the Company's common stock held in the rabbi trust as treasury shares is included in G&A in the income statement.

⁵ Included in Depreciation, depletion and amortization.

⁶ Included in Interest expense and IPF expenses on Range's income statement.

⁷ Dilutive shares outstanding excludes the reduction for treasury shares contained in rabbi trust and adjusts dilutive effect of stock options and convertible debt for items excluded above using the "if converted method."