

**RANGE RESOURCES CORPORATION**  
**CALCULATION OF CASH FLOW EXCLUDING SPECIAL ITEMS**

**TABLE 1B**

(Dollar amounts in thousands, except per share)

	Nine Months Ended September 30,					Nine Months Ended September 30,		
	2002		2001			2001		Inc (Dec) in Net Income from As Filed to Restated
	Amount	Per Share	Amount	Per Share		Amount	Per Share	
			Restated *		As Filed			
Net income (loss) as reported	\$ 20,873	\$ 0.39 <sup>1</sup>	\$ 45,219 *	\$ 0.89 <sup>1</sup>	-54%	\$ 39,941	\$ 0.78 <sup>1</sup>	\$ 5,278
Less special items -								
(Gains) losses on sales of properties <sup>2</sup>	(292)	(0.01)	(1,169)	(0.02)		(1,169)	(0.02)	
Non cash valuation on equity stock held <sup>2</sup>	1,220	0.02	1,398	0.03		1,398	0.03	
Addition (recovery) IPF valuation provision	2,743	0.05	32	0.00		32	0.00	
SFAS 133 ineffective commodity hedges (gains) losses <sup>2</sup>	2,581	0.05	(2,929) *	(0.06)		(2,929)	(0.06)	\$ -
SFAS 133 ineffective interest rate hedges (gains) losses <sup>3</sup>	190	0.00	1,588 *	0.03				(1,588)
Treasury stock mark-to-market expense (income) <sup>4</sup>	71	0.00	(2,277) *	(0.04)		-	-	2,277
Deferred tax (benefit) on special items	(5,628)	(0.10)	(715) *	(0.01)		496	0.01	1,211
(Gain) on exchange of securities, net of taxes	(2,002)	(0.04)	(1,646) *	(0.03)		(1,646)	(0.03)	
Total special items	(1,117)	(0.02)	(5,718)	(0.11)		(3,818)	(0.08)	
Net income (loss) excluding special items	\$ 19,756	\$ 0.37	\$ 39,501	\$ 0.78	-50%	\$ 36,123	\$ 0.71	
Add back:								
DD&A	57,120		54,858 *			56,967		2,109
Deferred income taxes, recurring income	-		2,808 *			4,462		1,654
Exploration	9,257		3,684			3,684		
Allowance for bad debt provision	75		-			-		
Amortization of debt issuance costs <sup>5</sup>	670		1,776			1,776		
								\$ 5,663
Discretionary cash flow	86,878		102,627		-15%	103,012		
Less preferred dividends	-		(9)			(9)		
Cash flow after preferred dividends	\$ 86,878		\$ 102,618		-15%	\$ 103,003		
Weighted average shares outstanding <sup>6</sup>	54,101		50,875		6%	50,875		
Cash flow per share	\$ 1.61		\$ 2.02		-20%	\$ 2.02		

<sup>1</sup> Deducts preferred dividends but excludes gain on exchange of \$2.03 Preferred for common included in EPS under GAAP.

<sup>2</sup> Included in Interest and other revenues on Range's income statement.

<sup>3</sup> Ineffective interest rate hedges included in Interest expense on Range's income statement.

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

<sup>5</sup> Included in Interest expense and IPF expenses on Range's income statement.

<sup>6</sup> Weighted shares outstanding excludes the reduction for treasury shares contained in rabbi trust and the dilutive effect of stock options.

\* Restated amounts involved the calculation of DD&A, addition of ineffective interest hedges, rabbi trust consolidation with mark to market and the resulting changes in deferred taxes.