

**CHESAPEAKE ENERGY CORPORATION**  
**RECONCILIATION OF ADJUSTED NET INCOME AVAILABLE TO COMMON STOCKHOLDERS**  
(\$ in millions, except per share data)  
(unaudited)

THREE MONTHS ENDED:	September 30, 2015	June 30, 2015	September 30, 2014
<b>Net income (loss) available to common stockholders</b>	\$ (4,695)	\$ (4,151)	\$ 169
<b>Adjustments, net of tax:</b>			
Unrealized (gains) losses on commodity derivatives	58	220	(384)
Unrealized gains on supply contract derivatives	(58)	(161)	—
Restructuring and other termination costs	44	(3)	(9)
Provision for legal contingencies	—	244	62
Impairment of oil and natural gas properties	4,506	3,666	—
Impairments of fixed assets and other	66	61	9
Net (gains) losses on sales of fixed assets	(1)	1	(54)
Repurchase of preferred shares of CHK Utica	—	—	447
Other	(3)	(3)	11
<b>Adjusted net income (loss) available to common stockholders<sup>(a)</sup></b>	<b>\$ (83)</b>	<b>\$ (126)</b>	<b>\$ 251</b>
Preferred stock dividends	43	43	43
Earnings allocated to participating securities	—	—	3
<b>Total adjusted net income (loss) attributable to Chesapeake</b>	<b>\$ (40)</b>	<b>\$ (83)</b>	<b>\$ 297</b>
<b>Weighted average fully diluted shares outstanding (in millions)<sup>(b)</sup></b>	<b>777</b>	<b>777</b>	<b>776</b>
<b>Adjusted earnings (loss) per share assuming dilution<sup>(a)</sup></b>	<b>\$ (0.05)</b>	<b>\$ (0.11)</b>	<b>\$ 0.38</b>

(a) Adjusted net income and adjusted earnings per share assuming dilution are not measures of financial performance under accounting principles generally accepted in the United States (GAAP), and should not be considered as an alternative to net income available to common stockholders or diluted earnings per share. Adjusted net income available to common stockholders and adjusted earnings per share assuming dilution exclude certain items that management believes affect the comparability of operating results. The company believes these adjusted financial measures are a useful adjunct to earnings calculated in accordance with GAAP because:

- (i) Management uses adjusted net income available to common stockholders to evaluate the company's operational trends and performance relative to other oil and natural gas producing companies.
- (ii) Adjusted net income available to common stockholders is more comparable to earnings estimates provided by securities analysts.
- (iii) Items excluded generally are one-time items or items whose timing or amount cannot be reasonably estimated. Accordingly, any guidance provided by the company generally excludes information regarding these types of items.

(b) Weighted average fully diluted shares outstanding include shares that were considered antidilutive for calculating earnings per share in accordance with GAAP.

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NINE MONTHS ENDED:	September 30, 2015	September 30, 2014
<b>Net income (loss) available to common stockholders</b>	\$ (12,628)	\$ 687
<b>Adjustments, net of tax:</b>		
Unrealized (gains) losses on commodity derivatives	486	(324)
Unrealized gains on supply contract derivatives	(222)	—
Restructuring and other termination costs	30	7
Provision for legal contingencies	275	62
Impairment of oil and natural gas properties	11,794	—
Impairments of fixed assets and other	128	46
Net (gains) losses on sales of fixed assets	2	(125)
Impairments of investments	—	3
Net gain on sales of investments	—	(42)
Losses on purchases of debt	—	121
Repurchase of preferred shares of CHK Utica	—	447
Tax rate adjustment	(17)	—
Other	(10)	5
<b>Adjusted net income (loss) available to common stockholders<sup>(a)</sup></b>	<u>\$ (162)</u>	<u>\$ 887</u>
Preferred stock dividends	128	128
Earnings allocated to participating securities	—	15
<b>Total adjusted net income (loss) attributable to Chesapeake</b>	<u>\$ (34)</u>	<u>\$ 1,030</u>
<b>Weighted average fully diluted shares outstanding (in millions)<sup>(b)</sup></b>	776	776
<b>Adjusted earnings (loss) per share assuming dilution<sup>(a)</sup></b>	\$ (0.04)	\$ 1.33

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(b) Weighted average fully diluted shares outstanding include shares that were considered antidilutive for calculating earnings per share in accordance with GAAP.

**CHESAPEAKE ENERGY CORPORATION**  
**RECONCILIATION OF OPERATING CASH FLOW AND EBITDA**  
(\$ in millions)  
(unaudited)

THREE MONTHS ENDED:	September 30, 2015	June 30, 2015	September 30, 2014
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 318	\$ 314	\$ 1,184
Changes in assets and liabilities	158	258	109
<b>OPERATING CASH FLOW<sup>(a)</sup></b>	<u>\$ 476</u>	<u>\$ 572</u>	<u>\$ 1,293</u>

THREE MONTHS ENDED:	September 30, 2015	June 30, 2015	September 30, 2014
<b>NET INCOME (LOSS)</b>	\$ (4,639)	\$ (4,090)	\$ 692
Interest expense	88	71	17
Income tax expense (benefit)	(937)	(1,506)	437
Depreciation and amortization of other assets	31	34	37
Oil, natural gas and NGL depreciation, depletion and amortization	488	601	688
<b>EBITDA<sup>(b)</sup></b>	<u>\$ (4,969)</u>	<u>\$ (4,890)</u>	<u>\$ 1,871</u>

THREE MONTHS ENDED:	September 30, 2015	June 30, 2015	September 30, 2014
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 318	\$ 314	\$ 1,184
Changes in assets and liabilities	158	258	109
Interest expense, net of unrealized gains (losses) on derivatives	86	71	11
Gains (losses) on commodity derivatives, net	227	(48)	564
Gains on supply contract derivatives, net	70	220	—
Cash (receipts) payments on oil, natural gas and NGL derivative settlements, net	(223)	(223)	34
Stock-based compensation	(18)	(20)	(19)
Restructuring and other termination costs	(53)	4	42
Provision for legal contingencies	—	(334)	(100)
Impairment of oil and natural gas properties	(5,416)	(5,015)	—
Impairments of fixed assets and other	(78)	(79)	(15)
Net gains (losses) on sales of fixed assets	1	(1)	86
Losses on investments	(33)	(17)	(27)
Other items	(8)	(20)	2
<b>EBITDA<sup>(b)</sup></b>	<u>\$ (4,969)</u>	<u>\$ (4,890)</u>	<u>\$ 1,871</u>

(a) Operating cash flow represents net cash provided by operating activities before changes in assets and liabilities. Operating cash flow is presented because management believes it is a useful adjunct to net cash provided by operating activities under GAAP. Operating cash flow is widely accepted as a financial indicator of an oil and natural gas company's ability to generate cash that is used to internally fund exploration and development activities and to service debt. This measure is widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies within the oil and natural gas exploration and production industry. Operating cash flow is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing or financing activities as an indicator of cash flows, or as a measure of liquidity.

- (b) Ebitda represents net income before interest expense, income taxes, and depreciation, depletion and amortization expense. Ebitda is presented as a supplemental financial measurement in the evaluation of our business. We believe that it provides additional information regarding our ability to meet our future debt service, capital expenditures and working capital requirements. This measure is widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies. Ebitda is also a financial measurement that, with certain negotiated adjustments, is reported to our lenders pursuant to our bank credit agreements and is used in the financial covenants in our bank credit agreements. Ebitda is not a measure of financial performance under GAAP. Accordingly, it should not be considered as a substitute for net income, income from operations or cash flow provided by operating activities prepared in accordance with GAAP.

**CHESAPEAKE ENERGY CORPORATION**  
**RECONCILIATION OF OPERATING CASH FLOW AND EBITDA**  
(\$ in millions)  
(unaudited)

NINE MONTHS ENDED:	September 30, 2015	September 30, 2014
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 1,055	\$ 3,805
Changes in assets and liabilities	877	348
<b>OPERATING CASH FLOW<sup>(a)</sup></b>	<u>\$ 1,932</u>	<u>\$ 4,153</u>

NINE MONTHS ENDED:	September 30, 2015	September 30, 2014
<b>NET INCOME (LOSS)</b>	\$ (12,450)	\$ 1,387
Interest expense	210	82
Income tax expense (benefit)	(3,814)	859
Depreciation and amortization of other assets	100	194
Oil, natural gas and NGL depreciation, depletion and amortization	1,773	1,977
<b>EBITDA<sup>(b)</sup></b>	<u>\$ (14,181)</u>	<u>\$ 4,499</u>

NINE MONTHS ENDED:	September 30, 2015	September 30, 2014
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 1,055	\$ 3,805
Changes in assets and liabilities	877	348
Interest expense, net of unrealized gains (losses) on derivatives	218	123
Gains (losses) on commodity derivatives, net	340	(30)
Gains on supply contract derivatives, net	290	—
Cash (receipts) payments on oil, natural gas and NGL derivative settlements, net	(859)	352
Stock-based compensation	(61)	(59)
Restructuring and other termination costs	(39)	18
Provision for legal contingencies	(359)	(100)
Impairment of oil and natural gas properties	(15,407)	—
Impairments of fixed assets and other	(159)	(44)
Net gains (losses) on sales of fixed assets	(3)	201
Losses on investments	(57)	(72)
Net gain on sales of investments	—	67
Losses on purchases of debt	—	(61)
Other items	(17)	(49)
<b>EBITDA<sup>(b)</sup></b>	<u>\$ (14,181)</u>	<u>\$ 4,499</u>

- (a) Operating cash flow represents net cash provided by operating activities before changes in assets and liabilities. Operating cash flow is presented because management believes it is a useful adjunct to net cash provided by operating activities under GAAP. Operating cash flow is widely accepted as a financial indicator of an oil and natural gas company's ability to generate cash that is used to internally fund exploration and development activities and to service debt. This measure is widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies within the oil and natural gas exploration and production industry. Operating cash flow is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing or financing activities as an indicator of cash flows, or as a measure of liquidity.

- (b) Ebitda represents net income before interest expense, income taxes, and depreciation, depletion and amortization expense. Ebitda is presented as a supplemental financial measurement in the evaluation of our business. We believe that it provides additional information regarding our ability to meet our future debt service, capital expenditures and working capital requirements. This measure is widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies. Ebitda is also a financial measurement that, with certain negotiated adjustments, is reported to our lenders pursuant to our bank credit agreements and is used in the financial covenants in our bank credit agreements. Ebitda is not a measure of financial performance under GAAP. Accordingly, it should not be considered as a substitute for net income, income from operations or cash flow provided by operating activities prepared in accordance with GAAP.

**CHESAPEAKE ENERGY CORPORATION**  
**RECONCILIATION OF ADJUSTED EBITDA**  
(\$ in millions)  
(unaudited)

<b>THREE MONTHS ENDED:</b>	<b>September 30, 2015</b>	<b>June 30, 2015</b>	<b>September 30, 2014</b>
<b>EBITDA</b>	\$ (4,969)	\$ (4,890)	\$ 1,871
<b>Adjustments:</b>			
Unrealized (gains) losses on oil, natural gas and NGL derivatives	67	301	(622)
Unrealized gains on supply contract derivatives	(70)	(220)	—
Restructuring and other termination costs	53	(4)	(14)
Provision for legal contingencies	—	334	100
Impairment of oil and natural gas properties	5,416	5,015	—
Impairments of fixed assets and other	79	84	15
Net (gains) losses on sales of fixed assets	(1)	1	(86)
Net income attributable to noncontrolling interests	(13)	(18)	(30)
Other	(2)	(3)	2
<b>Adjusted EBITDA<sup>(a)</sup></b>	<u>\$ 560</u>	<u>\$ 600</u>	<u>\$ 1,236</u>

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(\$ in millions)  
(unaudited)

<b>NINE MONTHS ENDED:</b>	<b>September 30, 2015</b>	<b>September 30, 2014</b>
<b>EBITDA</b>	\$ (14,181)	\$ 4,499
<b>Adjustments:</b>		
Unrealized (gains) losses on oil, natural gas and NGL derivatives	642	(479)
Unrealized gains on supply contract derivatives	(290)	—
Restructuring and other termination costs	39	12
Provision for legal contingencies	359	100
Impairment of oil and natural gas properties	15,407	—
Impairments of fixed assets and other	167	75
Net (gains) losses on sales of fixed assets	3	(201)
Impairments of investments	—	5
Net gains on sales of investments	—	(67)
Losses on purchases of debt	—	195
Net income attributable to noncontrolling interests	(50)	(110)
Other	(9)	—
<b>Adjusted EBITDA<sup>(a)</sup></b>	<u>\$ 2,087</u>	<u>\$ 4,029</u>

- (a) Adjusted ebitda excludes certain items that management believes affect the comparability of operating results. The company believes these non-GAAP financial measures are a useful adjunct to ebitda because:
- (i) Management uses adjusted ebitda to evaluate the company's operational trends and performance relative to other oil and natural gas producing companies.
  - (ii) Adjusted ebitda is more comparable to estimates provided by securities analysts.
  - (iii) Items excluded generally are one-time items or items whose timing or amount cannot be reasonably estimated. Accordingly, any guidance provided by the company generally excludes information regarding these types of items.

Accordingly, adjusted EBITDA should not be considered as a substitute for net income, income from operations or cash flow provided by operating activities prepared in accordance with GAAP.