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

THREE MONTHS ENDED:	March 31, 2012	December 31, 2011	March 31, 2011
CASH PROVIDED BY OPERATING ACTIVITIES	$ 251	$ 2,179	$ 718
Changes in assets and liabilities	659	(868)	663
OPERATING CASH FLOW[(a)]	$ 910	$ 1,311	$ 1,381

THREE MONTHS ENDED:	March 31, 2012	December 31, 2011	March 31, 2011
NET INCOME (LOSS)	$ (3)	$ 487	$ (162)
Income tax expense (benefit)	(2)	312	(104)
Interest expense	12	7	7
Depreciation and amortization of other assets	84	85	68
Natural gas and liquids depreciation, depletion and amortization	506	484	358
EBITDA[(b)]	$ 597	$ 1,375	$ 167

THREE MONTHS ENDED:	March 31, 2012	December 31, 2011	March 31, 2011
CASH PROVIDED BY OPERATING ACTIVITIES	$ 251	$ 2,179	$ 718
Changes in assets and liabilities	659	(868)	663
Interest expense	12	7	7
Unrealized gains (losses) on natural gas and oil derivatives	(270)	(345)	(1,182)
Gains (losses) on sales and impairments of fixed assets	2	397	5
Gains (losses) on investments	(33)	22	5
Stock-based compensation	(32)	(34)	(40)
Other items	8	17	(9)
EBITDA[(b)]	$ 597	$ 1,375	$ 167

(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 accounting principles generally accepted in the United States (GAAP). Operating cash flow is widely accepted as a financial indicator of a natural gas and oil company's ability to generate cash which 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 natural gas and oil 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 income tax expense, interest expense 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 NET INCOME AVAILABLE TO COMMON STOCKHOLDERS
($ in millions, except per-share data)
(unaudited)

THREE MONTHS ENDED:	March 31, 2012	December 31, 2011	March 31, 2011
Net income (loss) available to common stockholders	$ (71)	$ 429	$ (205)
Adjustments, net of tax:			
Unrealized (gains) losses on derivatives	167	207	725
(Gains) losses on sales and impairments of fixed assets	(1)	(242)	(3)
Losses on purchases or exchanges of debt	—	—	1
Other	(1)	—	—
Adjusted net income available to common stockholders[(a)]	94	394	518
Preferred stock dividends	43	43	43
Total adjusted net income	$ 137	$ 437	$ 561
Weighted average fully diluted shares outstanding[(b)]	752	750	750
Adjusted earnings per share assuming dilution[(a)]	$ 0.18	$ 0.58	$ 0.75

(a) 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 discloses these non-GAAP financial measures as a useful adjunct to GAAP earnings because:

i. Management uses adjusted net income available to common stockholders to evaluate the company's operational trends and performance relative to other natural gas and oil 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.

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

THREE MONTHS ENDED:	March 31, 2012	December 31, 2011	March 31, 2011
EBITDA	$ 597	$ 1,375	$ 167
Adjustments:			
Unrealized (gains) losses on natural gas and oil derivatives	270	345	1,182
(Gains) losses on sales and impairments of fixed assets	(2)	(397)	(5)
Net income attributable to noncontrolling interests	(25)	(15)	—
Losses on purchases or exchanges of debt	—	—	2
Other	(2)	—	—
Adjusted EBITDA[(a)]	$ 838	$ 1,308	$ 1,346

(a) Adjusted ebitda excludes certain items that management believes affect the comparability of operating results. The company discloses these non-GAAP financial measures as a useful adjunct to ebitda because:

i. Management uses adjusted ebitda to evaluate the company's operational trends and performance relative to other natural gas and oil 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.

CHESAPEAKE ENERGY CORPORATION
RECONCILIATION OF 2012 FIRST QUARTER ADDITIONS TO NATURAL GAS AND OIL PROPERTIES
BASED ON SEC PRICING OF TRAILING 12-MONTH AVERAGE PRICES AT MARCH 31, 2012
($ in millions, except per-unit data)
(unaudited)

	Proved Reserves		
	Cost	Bcfe[a]	$/Mcfe
PROVED PROPERTIES:			
Well costs on proved properties[b]	$ 2,159	1,816[c]	1.19
Acquisition of proved properties	5	8	0.61
Sale of proved properties	(783)	(159)	4.92
Total net proved properties	1,381	1,665	0.83
Revisions – price	—	(300)	—
UNPROVED PROPERTIES:			
Well costs on unproved properties	321	—	—
Acquisition of unproved properties, net	919	—	—
Sale of unproved properties	(56)	—	—
Total net unproved properties	1,184	—	—
OTHER:			
Capitalized interest on unproved properties	186	—	—
Geological and geophysical costs	67	—	—
Asset retirement obligations	7	—	—
Total other	260	—	—
Total	$ 2,825	1,365	2.07

CHESAPEAKE ENERGY CORPORATION
ROLL-FORWARD OF PROVED RESERVES
THREE MONTHS ENDED MARCH 31, 2012
BASED ON SEC PRICING OF TRAILING 12-MONTH AVERAGE PRICES AT MARCH 31, 2012
(unaudited)

	Bcfe[a]
Beginning balance, January 1, 2012	18,789
Production	(333)
Acquisitions	8
Divestitures	(159)
Revisions – changes to previous estimates	342
Revisions – price	(300)
Extensions and discoveries	1,474
Ending balance, March 31, 2012	19,821
Proved reserves growth rate before acquisitions and divestitures	6.3 %
Proved reserves growth rate after acquisitions and divestitures	5.5 %
Proved developed reserves	10,621
Proved developed reserves percentage	53.6 %
PV-10 ($ in billions)[a]	$ 20,634

(a) Reserve volumes and PV-10 value estimated using SEC reserve recognition standards and pricing assumptions based on the trailing 12-month average first-day-of-the-month prices as of March 31, 2012 of $3.73 per mcf of natural gas and $98.25 per bbl of oil, before field differential adjustments.

(b) Net of well cost carries of $448 million associated with the Statoil-Marcellus, CNOOC-Eagle Ford, CNOOC-Niobrara and Total-Utica joint ventures.

(c) Includes 342 bcfe of positive revisions resulting from changes to previous estimates and excludes downward revisions of 300 bcfe resulting from lower natural gas prices using the average first-day-of-the-month price for the twelve months ended March 31, 2012, compared to the twelve months ended December 31, 2011.

CHESAPEAKE ENERGY CORPORATION
RECONCILIATION OF 2012 FIRST QUARTER ADDITIONS TO NATURAL GAS AND OIL PROPERTIES
BASED ON 10-YEAR AVERAGE NYMEX STRIP PRICES AT MARCH 31, 2012
($ in millions, except per-unit data)
(unaudited)

	Proved Reserves		
	Cost	Bcfe[(a)]	$/Mcfe
PROVED PROPERTIES:			
Well costs on proved properties[(b)]	$ 2,159	1,692[(c)]	1.28
Acquisition of proved properties	5	8	0.61
Sale of proved properties	(783)	(159)	4.92
Total net proved properties	1,381	1,541	0.90
Revisions – price	—	(204)	—
UNPROVED PROPERTIES:			
Well costs on unproved properties	321	—	—
Acquisition of unproved properties, net	919	—	—
Sale of unproved properties	(56)	—	—
Total net unproved properties	1,184	—	—
OTHER:			
Capitalized interest on unproved properties	186	—	—
Geological and geophysical costs	67	—	—
Asset retirement obligations	7	—	—
Total other	260	—	—
Total	$ 2,825	1,337	2.11

CHESAPEAKE ENERGY CORPORATION
ROLL-FORWARD OF PROVED RESERVES
THREE MONTHS ENDED MARCH 31, 2012
BASED ON 10-YEAR AVERAGE NYMEX STRIP PRICES AT MARCH 31, 2012
(unaudited)

	Bcfe[(a)]
Beginning balance, January 1, 2012	19,887
Production	(333)
Acquisitions	8
Divestitures	(159)
Revisions – changes to previous estimates	(233)
Revisions – price	(204)
Extensions and discoveries	1,926
Ending balance, March 31, 2012	20,892
Proved reserves growth rate before acquisitions and divestitures	5.8 %
Proved reserves growth rate after acquisitions and divestitures	5.1 %
Proved developed reserves	11,187
Proved developed reserves percentage	53.5 %
PV-10 ($ in billions)[(a)]	$ 24,699

(a) Reserve volumes and PV-10 value estimated using SEC reserve recognition standards and 10-year average NYMEX strip prices as of March 31, 2012 of $4.65 per mcf of natural gas and $94.54 per bbl of oil, before field differential adjustments. Futures prices, such as the 10-year average NYMEX strip prices, represent an unbiased consensus estimate by market participants about the likely prices to be received for our future production. Chesapeake uses such forward-looking market-based data in developing its drilling plans, assessing its capital expenditure needs and projecting future cash flows. Chesapeake believes these prices are better indicators of the likely economic producibility of proved reserves than the trailing 12-month average price required by the SEC's reporting rule.

(b) Net of well cost carries of $448 million associated with the Statoil-Marcellus, CNOOC-Eagle Ford, CNOOC-Niobrara and Total-Utica joint ventures.

(c) Includes 233 bcfe of downward revisions resulting from changes to previous estimates and excludes downward revisions of 204 bcfe resulting from lower natural gas prices using 10-year average NYMEX strip prices as of March 31, 2012, compared to December 31, 2011.