



Interim Supplemental Information *(unaudited)*
For the period ended December 31, 2012

Husky Energy Inc.

Table of Contents

1. Supplemental Financial Information
2. Supplemental Upstream Operating Statistics
3. Supplemental Downstream Operating Statistics
4. Common Share Information
5. Cautionary Note Required by National Instrument 51-101
6. Non-GAAP Measures

1. Supplemental Financial Information

The following table shows Husky's net earnings by industry sector and includes corporate expenses.

	Three months ended							
	Dec. 31 2012	Sept. 30 2012	Jun. 30 2012	Mar. 31 2012	Dec. 31 2011	Sept. 30 2011	Jun. 30 2011	Mar. 31 2011
<i>(\$ millions, except where indicated)</i>								
Gross revenues ⁽¹⁾⁽²⁾	5,945	5,451	5,748	5,984	5,888	6,079	6,043	5,072
Net earnings by sector ⁽³⁾								
Upstream	308	211	290	511	297	394	502	518
Downstream	195	366	184	150	176	250	234	153
Corporate	(29)	(51)	(43)	(70)	(65)	(123)	(67)	(45)
Net earnings	474	526	431	591	408	521	669	626
Net earnings								
Per share – Basic (\$/share)	0.48	0.53	0.44	0.61	0.42	0.55	0.73	0.70
Per share – Diluted (\$/share)	0.48	0.53	0.43	0.60	0.42	0.53	0.71	0.70
Cash flow from operations ⁽⁴⁾	1,414	1,271	1,153	1,172	1,197	1,326	1,511	1,164
Per share – Basic (\$/share)	1.44	1.29	1.18	1.21	1.25	1.40	1.68	1.31
Per share – Diluted (\$/share)	1.44	1.29	1.17	1.20	1.24	1.39	1.67	1.30
Total assets	35,140	33,466	32,842	33,286	32,426	31,686	30,091	28,793
Cash and cash equivalents	2,025	2,265	2,074	2,671	1,841	1,772	1,391	58
Total long-term debt including current portion	3,918	3,887	4,004	4,346	3,911	3,990	3,722	4,085
Ratios								
Return on equity ⁽⁵⁾⁽⁶⁾ (percent)	10.9	10.7	11.0	13.1	13.8	12.5	10.8	8.3
Return on average capital employed ⁽⁵⁾⁽⁶⁾ (percent)	9.5	9.4	9.7	11.2	11.8	10.8	9.8	7.6
Debt to cash flow ⁽⁵⁾⁽⁶⁾ (times)	0.8	0.8	0.8	0.8	0.8	0.8	0.9	1.2
Debt to capital employed ⁽⁶⁾ (percent)	17.0	17.0	17.7	19.3	18.0	18.6	18.0	21.2

⁽¹⁾ Gross revenues have been recast to reflect a change in the treatment of intersegment sales eliminations.

⁽²⁾ During the first quarter of 2012, the Company completed a review of the trading activities within its infrastructure and marketing segment and noted that the realized and the unrealized gains and losses on its physically settled derivative instruments, which were presented on a gross basis in revenues, purchases of crude oil and products and other – net, are more appropriately reflected if presented on a net basis. Refer to Note 3 of the Condensed Interim Consolidated Financial Statements.

⁽³⁾ During the first quarter of 2012, the Company completed an evaluation of the activities of the Midstream segment as a service provider to the Upstream and Downstream operations. As a result, the segmented financial information for activities within the previously reported Midstream segment are presented under Upstream or Downstream segments to align with how the Company's results are assessed by management. Prior period disclosures have been restated to conform with current year presentation.

⁽⁴⁾ Cash flow from operations is a non-GAAP measure. Refer to section 6 for a reconciliation to the GAAP measure.

⁽⁵⁾ Calculated for the 12 months ended for the dates shown.

⁽⁶⁾ The financial ratios constitute non-GAAP measures. Refer to section 6.

The following table is a summary of Husky's capital expenditures:

<i>Capital Expenditures Summary</i> ⁽¹⁾	Three months ended December 31,		Year ended December 31,	
(\$ millions)	2012	2011	2012	2011
Upstream				
Exploration and Development				
Exploration				
Western Canada	79	87	238	233
Atlantic Region	(28)	—	13	2
Asia Pacific Region	5	37	22	168
	56	124	273	403
Development				
Western Canada	662	653	2,029	1,787
Oil Sands	220	81	658	263
Atlantic Region	91	61	400	258
Asia Pacific Region	213	226	725	546
	1,186	1,021	3,812	2,854
Acquisitions				
Western Canada	—	14	21	874
Total Exploration and Development	1,242	1,159	4,106	4,131
Infrastructure and Marketing	19	14	54	43
Total Upstream	1,261	1,173	4,160	4,174
Downstream				
Upgrading	17	20	47	55
Canadian Refined Products	33	33	97	94
U.S. Refining and Marketing	113	72	313	224
Total Downstream	163	125	457	373
Corporate	49	34	84	71
Total Company	1,473	1,332	4,701	4,618

⁽¹⁾ Excludes capitalized costs related to asset retirement obligations and capitalized interest incurred during the period.

2. Supplemental Upstream Operating Statistics

The following table summarizes Husky's netback analysis by product and area. During the second quarter of 2012, the Company completed an evaluation of activities of the Midstream segment as a service provider to the Upstream or Downstream operations. As a result, and consistent with the Company's strategic view of its integrated business, the previously reported Midstream segment activities are aligned and reported within the Company's core exploration and production, or in upgrading and refining businesses. The netback analysis has been revised to align with the change in segment presentation and prior quarters have been restated to reflect the current presentation.

<i>Netback Analysis</i>	Three months ended December 31,		Year ended December 31,	
	2012	2011	2012	2011
Upstream⁽¹⁾				
Crude oil equivalent (\$/boe) ⁽²⁾				
Sales volume (mboe/day)	319.3	318.9	301.5	312.5
Price received (\$/boe)	57.77	68.35	57.16	64.17
Royalties (\$/boe)	6.45	11.26	6.29	9.86
Operating costs (\$/boe) ⁽³⁾	15.05	14.17	15.49	14.01
Offshore transportation (\$/boe) ⁽⁴⁾	0.28	0.27	0.24	0.26
Netback (\$/boe)	35.99	42.65	35.14	40.04
Depletion, depreciation and amortization (\$/boe)	20.81	20.47	19.20	17.69
Administration expenses and other (\$/boe) ⁽³⁾	0.98	1.31	1.75	1.34
Earnings before taxes	14.20	20.87	14.19	21.01
Lloydminster Heavy Oil				
Thermal Oil				
Bitumen				
Sales volumes (mmbbls/day)	37.4	18.0	26.3	17.4
Price received (\$/bbl)	57.10	76.53	61.03	67.43
Royalties (\$/bbl)	2.60	12.91	3.82	10.78
Operating costs (\$/bbl) ⁽³⁾	9.03	13.72	10.34	14.59
Netback (\$/bbl)	45.47	49.90	46.87	42.06
Non Thermal Oil				
Medium Oil				
Sales volumes (mmbbls/day)	1.9	2.3	2.1	2.3
Price received (\$/bbl)	65.02	83.35	70.22	75.19
Royalties (\$/bbl)	4.19	4.98	5.13	5.10
Heavy Oil				
Sales volumes (mmbbls/day)	58.9	61.5	61.1	60.3
Price received (\$/bbl)	58.09	76.92	62.35	68.44
Royalties (\$/bbl) ⁽⁵⁾	7.29	8.57	4.88	7.81
Natural Gas				
Sales volumes (mmbbls/day)	22.9	27.4	25.4	29.3
Price received (\$/bbl)	2.90	3.12	2.25	3.44
Royalties (\$/bbl)	0.46	0.56	0.16	0.27
Non Thermal Oil Total ⁽²⁾				
Sales volumes (mmbbls/day)	64.7	68.4	67.4	67.5
Price received (\$/bbl)	55.89	73.25	59.53	65.20
Royalties (\$/bbl)	6.93	8.10	4.64	7.27
Operating costs (\$/boe) ⁽³⁾	18.87	17.68	17.75	17.34
Netback (\$/boe)	30.09	47.47	37.14	40.59

<i>Netback Analysis, continued</i>	Three months ended December 31,		Year ended December 31,	
	2012	2011	2012	2011
Oil Sands				
Bitumen				
Total sales volumes (mbbls/day)	9.3	9.4	9.6	7.3
Price received (\$/boe)	50.25	69.72	55.29	61.77
Royalties (\$/boe)	3.03	3.73	3.76	3.75
Operating costs (\$/boe) ⁽³⁾	27.73	27.54	21.61	25.13
Netback (\$/bbl)	19.49	38.45	29.92	32.89
Western Canada Conventional				
Crude Oil				
Light Oil				
Sales volumes (mbbls/day)	23.3	20.1	21.3	16.5
Price received (\$/bbl)	76.88	92.87	80.98	88.23
Royalties (\$/bbl)	9.24	18.69	10.56	14.61
Medium Oil				
Sales volumes (mbbls/day)	21.3	22.0	22.0	22.2
Price received (\$/bbl)	67.78	86.10	71.63	76.73
Royalties (\$/bbl)	11.77	16.33	13.48	15.05
Heavy Oil				
Sales volumes (mbbls/day)	17.1	14.3	15.8	14.2
Price received (\$/bbl)	57.26	74.04	60.21	66.81
Royalties (\$/bbl)	9.77	13.30	10.55	13.16
Western Canada Crude Oil Total				
Total sales volumes (mbbls/day)	61.6	56.4	59.0	53.0
Price received (\$/bbl)	68.29	85.45	71.96	77.66
Royalties (\$/bbl)	10.26	16.40	11.64	14.41
Operating costs (\$/boe) ⁽³⁾	19.72	20.93	20.93	21.69
Netback (\$/bbl)	38.31	48.12	39.39	41.56
Natural Gas & NGLs				
Natural Gas Liquids				
Sales volumes (mbbls/day)	8.6	8.6	8.8	8.3
Price received (\$/bbl)	60.01	78.51	66.92	75.62
Royalties (\$/bbl)	13.87	22.99	18.69	21.87
Natural Gas				
Sales volumes (mmcf/day)	500.8	570.4	528.6	577.7
Price received (\$/bbl) ⁽⁶⁾	3.27	3.55	2.61	3.91
Royalties (\$/bbl) ^{(6)/(7)}	0.06	0.21	(0.10)	0.18
Western Canada Natural Gas & NGLs Total ⁽²⁾				
Total sales volumes (mmcf/day)	552.4	622.2	581.8	627.4
Price received (\$/mcf)	3.90	4.34	3.39	4.60
Royalties (\$/mcf)	0.27	0.51	0.19	0.46
Operating costs (\$/mcf) ⁽³⁾	2.14	1.80	1.88	1.71
Netback (\$/bbl)	1.49	2.03	1.32	2.43
Atlantic Region				
Light Oil				
Sales volumes (mbbls/day)	45.7	54.6	33.8	54.3
Price received (\$/boe)	108.88	114.74	115.78	112.21
Royalties (\$/boe)	11.15	22.35	12.36	19.36
Operating costs (\$/boe) ⁽³⁾	10.73	8.54	17.12	8.76
Transportation (\$/boe) ⁽⁴⁾	1.95	1.59	2.14	1.50
Netback (\$/boe)	85.05	82.26	84.16	82.59

<i>Netback Analysis, continued</i>	Three months ended December 31,		Year ended December 31,	
	2012	2011	2012	2011
Asia Pacific Region				
Light Oil & NGL ⁽²⁾				
Sales volumes (mbbls/day)	8.5	8.3	8.4	8.5
Price received (\$/boe)	104.25	115.61	113.01	110.54
Royalties (\$/boe)	22.96	36.39	26.89	32.75
Operating costs (\$/boe) ⁽³⁾	12.01	9.18	10.08	8.17
Netback (\$/boe)	69.28	70.04	76.04	69.62

⁽¹⁾ The Upstream netback includes results from Upstream Exploration and Production and excludes results from Upstream Infrastructure and Marketing.

⁽²⁾ Includes associated co-products converted to boe.

⁽³⁾ Operating costs exclude accretion, which is included in administration expenses and other.

⁽⁴⁾ Offshore transportation costs shown separately from price received.

⁽⁵⁾ The year ended December 31, 2012 royalties includes a royalty credit adjustment received during the second quarter.

⁽⁶⁾ Includes sulphur sales revenues/royalties.

⁽⁷⁾ Alberta Gas Cost Allowance reported exclusively as gas royalties.

3. Supplemental Downstream Operating Statistics

<i>Upgrader and Refinery Throughput Summary</i> (\$ millions)	Three months ended December 31,		Year ended December 31,	
	2012	2011	2012	2011
Selected operating data:				
Upgrader throughput (mbbls/day)	81.1	76.3	77.4	69.6
Prince George Refinery throughput (mbbls/day)	11.4	11.1	11.1	10.6
Lloydminster Refinery throughput (mbbls/day)	28.3	29.0	28.3	28.1
Lima Refinery throughput (mbbls/day)	155.9	142.9	150.0	144.3
Toledo Refinery throughput (mbbls/day)	58.1	64.4	60.6	63.9
Total Upgrader and Refinery throughput (mbbls/day)	334.8	323.7	327.4	316.5

4. Common Share Information

(millions)	Three months ended							
	Dec. 31 2012	Sept. 30 2012	Jun. 30 2012	Mar. 31 2012	Dec. 31 2011	Sept. 30 2011	Jun. 30 2011	Mar. 31 2011
Number of common shares outstanding								
Period end	982.2	982.0	973.7	965.8	957.5	948.9	941.6	890.7
Weighted average – basic	982.1	981.8	973.6	965.6	957.3	948.1	898.2	890.7
Weighted average – diluted	982.2	981.9	981.8	973.5	965.5	956.8	905.5	897.2
Share price – HSE: TSX (\$/share)								
High	29.50	27.18	25.86	26.99	26.21	27.19	30.00	30.58
Low	26.08	24.52	22.04	23.78	20.63	21.36	26.11	25.60
Close	29.40	26.42	25.45	25.38	24.55	22.69	26.30	26.46
Ordinary quarterly dividend per common share ⁽¹⁾	–	0.30	0.30	0.30	0.30	0.30	0.30	0.30

⁽¹⁾ Dividend for the fourth quarter of 2012 is expected to be declared by the Board of Directors following the February 6, 2013 board meeting.

5. Cautionary Note Required by National Instrument 51-101

The Company uses the term barrels of oil equivalent (“boe”) which is calculated on an energy equivalence basis whereby one barrel of crude oil is equivalent to six thousand cubic feet of natural gas. Readers are cautioned that the term boe may be misleading, particularly if used in isolation. This measure is primarily applicable at the burner tip and does not represent value equivalence at the wellhead.

6. Non-GAAP Measures

Husky uses measurements primarily based on IFRS and also on secondary non-GAAP measurements. The non-GAAP measurements included in this Interim Supplemental Information are: return on equity, return on average capital employed, debt to cash flow, debt to capital employed and cash flow from operations. None of these measurements are used to enhance the Company’s reported financial performance or position. These are useful complementary measurements in assessing Husky’s financial performance, efficiency and liquidity. With the exception of cash flow from operations, there are no comparable measures in accordance with IFRS. The non-GAAP measurements do not have a standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other users. They are common in the reports of other companies but may differ by definition and application.

Return on equity is calculated as net earnings divided by the two-year average of shareholders’ equity. Return on average capital employed is calculated as net earnings plus after-tax finance expense divided by the two-year average of long-term debt including long-term debt due within one year and total shareholders’ equity. Debt to cash flow is calculated as long-term debt including long-term debt due within one year divided by cash flow from operations. Debt to capital employed is calculated as long-term debt including long-term debt due within one year divided by shareholder’s equity.

This Interim Supplemental Information contains the term “cash flow from operations,” which should not be considered an alternative to, or more meaningful than “cash flow – operating activities” as determined in accordance with IFRS, as an indicator of Husky’s financial performance. Cash flow from operations is presented in Husky’s financial reports to assist management and investors in analyzing operating performance by business in the stated period. Cash flow from operations equals net earnings plus items not affecting cash which include accretion, depletion, depreciation, and amortization, exploration and evaluation expenses, deferred income taxes, foreign exchange, stock-based compensation, gain or loss on sale of assets, and other non-cash items.

The following table shows the reconciliation of cash flow – operating activities to cash flow from operations and the related per share amounts for the periods noted:

(\$ millions)		Three months ended December 31,		Year ended December 31,	
		2012	2011	2012	2011
GAAP	Cash flow – operating activities	1,297	1,035	5,189	5,092
	Settlement of asset retirement obligations	38	37	123	105
	Income taxes paid	87	40	575	282
	Interest received	(10)	(8)	(34)	(12)
	Change in non-cash working capital	2	93	(843)	(269)
Non-GAAP	Cash flow from operations	1,414	1,197	5,010	5,198
	Cash flow from operations – basic	1.44	1.25	5.13	5.63
	Cash flow from operations – diluted	1.44	1.24	5.13	5.58