



**Interim Supplemental Information** *(unaudited)*  
**For the period ended March 31, 2017**

**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

	Three months ended							
	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016	Dec. 31 2015	Sept. 30 2015	Jun. 30 2015
<i>(\$ millions, except where indicated)</i>								
Gross revenues and marketing and other	4,615	3,865	3,520	3,261	2,578	3,903	4,286	4,526
Net earnings (loss) by segment								
Upstream <sup>(1)</sup>	113	216	1,369	(193)	(301)	(124)	(4,071)	(3)
Downstream <sup>(2)</sup>	42	59	66	155	62	101	76	239
Corporate	(84)	(89)	(45)	(158)	(219)	(46)	(97)	(116)
Net earnings (loss)	71	186	1,390	(196)	(458)	(69)	(4,092)	120
Net earnings (loss)								
Per share – Basic (\$/share)	0.06	0.19	1.37	(0.20)	(0.47)	(0.08)	(4.17)	0.11
Per share – Diluted (\$/share)	0.06	0.19	1.37	(0.20)	(0.47)	(0.09)	(4.19)	0.10
Funds from operations <sup>(3)</sup>	709	670	484	488	434	640	674	1,177
Per share – Basic (\$/share)	0.71	0.67	0.48	0.49	0.43	0.65	0.68	1.20
Per share – Diluted (\$/share)	0.71	0.67	0.48	0.49	0.43	0.65	0.68	1.20
Total assets	32,894	32,260	31,563	30,978	31,986	33,056	33,545	38,482
Cash and cash equivalents	2,245	1,319	1,380	20	—	70	—	177
Total debt <sup>(4)</sup>	6,053	5,339	5,508	6,333	6,977	6,756	6,842	6,176
Debt to capital employed (percent) <sup>(5)</sup>	25.5	23.2	24.1	28.5	30.2	28.9	28.9	22.8

<sup>(1)</sup> Upstream includes Exploration and Production and Infrastructure and Marketing.

<sup>(2)</sup> Downstream includes Upgrader, Canadian Refined Products and U.S Refining and Marketing.

<sup>(3)</sup> Funds from operations is a non-GAAP measure. Refer to section 6 for a reconciliation to the GAAP measure.

<sup>(4)</sup> Total debt includes long-term debt, long-term debt due within one year and short-term debt.

<sup>(5)</sup> Debt to capital employed is a non-GAAP measure. Refer to section 6.

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

**Capital Expenditures Summary<sup>(1)</sup>**

(\$ millions)	Three Months Ended				
	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016
<b>Upstream</b>					
Exploration and Development					
Exploration					
Western Canada	9	8	6	2	2
Thermal Developments	—	1	1	1	3
Atlantic	62	2	(3)	8	11
Asia Pacific <sup>(2)</sup>	2	3	1	—	—
	73	14	5	11	16
Development					
Western Canada	30	24	10	37	45
Thermal Developments	118	113	59	54	86
Non-Thermal Developments	11	37	6	8	—
Atlantic	43	70	52	87	17
Asia Pacific <sup>(2)</sup>	4	16	36	51	11
	206	260	163	237	159
Acquisitions					
Western Canada	10	—	—	—	—
Thermal Developments	—	—	5	2	—
Total Exploration and Development	289	274	173	250	175
Infrastructure and Marketing <sup>(3)</sup>	—	3	(5)	24	32
<b>Total Upstream</b>	<b>289</b>	<b>277</b>	<b>168</b>	<b>274</b>	<b>207</b>
<b>Downstream</b>					
Upgrading	21	19	13	13	6
Canadian Refined Products	11	12	3	29	8
U.S. Refining and Marketing	51	67	107	267	182
<b>Total Downstream</b>	<b>83</b>	<b>98</b>	<b>123</b>	<b>309</b>	<b>196</b>
<b>Corporate</b>	<b>12</b>	<b>16</b>	<b>18</b>	<b>12</b>	<b>7</b>
<b>Total Company</b>	<b>384</b>	<b>391</b>	<b>309</b>	<b>595</b>	<b>410</b>

<sup>(1)</sup> Excluding capitalized costs related to asset retirement obligations and capitalized interest incurred during the period.

<sup>(2)</sup> Capital expenditures in Asia Pacific exclude amounts related to the Husky-CNOOC Madura Ltd. joint venture, which is accounted for under the equity method.

<sup>(3)</sup> Subsequent to the second quarter of 2016, capital expenditures in Infrastructure and Marketing excludes amounts related to the Husky Midstream Limited Partnership ("HMLP") joint venture which is accounted for under the equity method.

## 2. Supplemental Upstream Operating Statistics<sup>(6)</sup>

The following table summarizes Husky's operating netback analysis by product and area:

	Three Months Ended				
	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016
<b>Operating Netback Analysis<sup>(4)</sup></b>					
<b>Upstream</b>					
Crude oil equivalent (\$/boe) <sup>(2)</sup>					
Sales volume (mboe/day)	334.0	327.0	301.0	315.8	341.3
Gross revenue (\$/boe) <sup>(7)</sup>	41.58	39.90	33.11	34.59	25.02
Royalties (\$/boe)	3.47	3.46	2.01	3.12	1.74
Production and operating costs (\$/boe) <sup>(7)</sup>	13.75	13.92	15.15	13.90	13.31
Offshore transportation (\$/boe) <sup>(3)</sup>	0.19	0.20	0.25	0.27	0.29
Operating netback (\$/boe)	24.17	22.32	15.70	17.30	9.68
Depletion, depreciation, amortization and impairment (\$/boe)	18.24	7.93	17.11	18.81	18.13
Administrative expenses and other (\$/boe)	2.67	2.59	2.99	2.82	2.15
Earnings (loss) before taxes (\$/boe)	3.26	11.80	(4.40)	(4.33)	(10.60)
<b>Operating netbacks by commodity</b>					
<b>Crude Oil &amp; NGL's Total</b>					
Sales volumes (mmbbls/day)	243.5	234.5	214.1	227.7	238.2
Gross revenue (\$/bbl) <sup>(7)</sup>	45.10	42.27	36.83	39.94	24.41
Royalties (\$/bbl)	4.36	4.33	2.65	4.10	2.33
Production and operating costs (\$/bbl) <sup>(7)</sup>	15.05	15.80	16.79	14.66	14.52
Offshore Transportation (\$/bbl) <sup>(3)</sup>	0.27	0.28	0.35	0.37	0.41
Operating netback (\$/bbl)	25.42	21.86	17.04	20.81	7.15
<b>Natural Gas Total<sup>(2)</sup></b>					
Sales volumes (mmcf/day)	543.1	555.4	521.3	528.8	618.6
Gross revenue (\$/mcf) <sup>(7)</sup>	5.35	5.65	3.99	3.46	4.41
Royalties (\$/mcf)	0.17	0.22	0.08	0.10	0.07
Production and operating costs (\$/mcf) <sup>(7)</sup>	1.71	1.52	1.85	1.99	1.75
Operating netback (\$/mcf)	3.47	3.91	2.06	1.37	2.59
<b>Thermal Development</b>					
<b>Lloydminster Thermal</b>					
<b>Bitumen</b>					
Sales volumes (mmbbls/day)	80.4	77.6	68.4	59.1	56.3
Gross revenue (\$/bbl) <sup>(7)</sup>	38.02	35.54	30.98	34.54	17.35
Royalties (\$/bbl)	2.73	2.54	1.02	3.62	0.70
Production and operating costs (\$/bbl) <sup>(7)</sup>	10.41	10.98	10.24	6.31	6.63
Operating netback (\$/bbl)	24.88	22.02	19.72	24.61	10.02
<b>Tucker Thermal</b>					
<b>Bitumen</b>					
Sales volumes (mmbbls/day)	22.3	20.8	19.9	19.4	16.2
Gross revenue (\$/bbl) <sup>(7)</sup>	34.57	33.16	29.76	31.43	12.92
Royalties (\$/bbl)	0.88	1.36	0.52	(0.21)	0.23
Production and operating costs (\$/bbl) <sup>(7)</sup>	10.16	10.46	9.20	5.09	7.41
Operating netback (\$/bbl)	23.53	21.34	20.04	26.55	5.28
<b>Sunrise Energy Project</b>					
<b>Bitumen</b>					
Sales volumes (mmbbls/day)	17.9	16.9	15.3	9.5	9.3
Gross revenue (\$/bbl) <sup>(7)</sup>	23.32	26.58	22.77	7.63	(14.55)
Royalties (\$/bbl)	0.82	0.56	0.45	0.36	0.07
Production and operating costs (\$/bbl) <sup>(7)</sup>	20.26	20.60	21.42	33.79	38.67
Operating netback (\$/bbl)	2.24	5.42	0.90	(26.52)	(53.29)
<b>Thermal Development Bitumen Total</b>					
Sales volumes (mmbbls/day)	120.6	115.3	103.6	88.0	81.8
Gross revenue (\$/bbl) <sup>(7)</sup>	35.20	33.79	29.53	30.95	12.83
Royalties (\$/bbl)	2.10	2.04	0.84	2.42	0.54
Production and operating costs (\$/bbl) <sup>(7)</sup>	11.83	12.30	11.69	9.01	10.43
Operating netback (\$/bbl)	21.27	19.45	17.00	19.52	1.86

	Three Months Ended				
	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016
<i>Operating Netback Analysis, continued</i>					
<b>Non Thermal Development<sup>(8)</sup></b>					
Medium Oil					
Sales volumes (mmbbls/day)	2.2	2.2	2.2	2.2	2.1
Gross revenue (\$/bbl) <sup>(7)</sup>	46.69	43.83	39.62	39.50	24.06
Royalties (\$/bbl)	2.93	1.88	1.73	2.38	1.16
Heavy Oil					
Sales volumes (mmbbls/day) <sup>(8)</sup>	46.4	42.6	43.3	45.6	48.5
Gross revenue (\$/bbl) <sup>(7)</sup>	41.19	36.57	35.84	35.27	18.16
Royalties (\$/bbl)	3.66	3.24	3.11	2.62	1.08
Natural Gas					
Sales volumes (mmcf/day) <sup>(8)</sup>	24.1	17.4	18.2	18.2	17.3
Gross revenue (\$/mcf) <sup>(7)</sup>	2.38	2.70	1.88	0.98	1.51
Royalties (\$/mcf)	0.16	0.19	0.06	(0.03)	0.13
Non Thermal Development Medium Oil, Heavy Oil & Natural Gas Total <sup>(2)</sup>					
Sales volumes (mboe/day)	52.6	47.7	48.5	50.8	53.5
Gross revenue (\$/boe) <sup>(7)</sup>	39.37	35.66	34.50	33.72	17.90
Royalties (\$/boe)	3.44	3.04	2.89	2.44	1.07
Production and operating costs (\$/boe) <sup>(7)</sup>	21.13	21.04	20.33	16.23	16.33
Operating netback (\$/boe)	14.80	11.58	11.28	15.05	0.50
<b>Western Canada<sup>(8)</sup></b>					
Crude Oil					
Light Oil and Medium					
Sales volumes (mmbbls/day)	12.3	12.9	14.3	27.4	30.9
Gross revenue (\$/bbl) <sup>(7)</sup>	55.96	52.08	46.98	49.61	26.90
Royalties (\$/bbl)	6.46	5.63	3.73	3.79	3.79
Heavy Oil					
Sales volumes (mmbbls/day) <sup>(8)</sup>	1.6	5.8	6.2	11.9	13.0
Gross revenue (\$/bbl) <sup>(7)</sup>	43.69	34.35	29.25	33.31	17.96
Royalties (\$/bbl)	4.71	5.91	2.71	3.95	2.69
Western Canada Crude Oil Total					
Total sales volumes (mboe/day)	13.9	18.7	20.5	39.3	43.9
Gross revenue (\$/bbl) <sup>(7)</sup>	54.53	46.54	41.62	44.67	24.25
Royalties (\$/bbl)	6.26	5.68	3.42	3.84	3.46
Production and operating costs (\$/bbl) <sup>(7)</sup>	29.09	35.80	26.83	21.88	22.73
Operating netback (\$/bbl)	19.18	5.06	11.37	18.95	(1.94)
Natural Gas & NGLs					
Natural Gas Liquids					
Sales volumes (mmbbls/day)	8.0	7.3	7.9	8.0	8.8
Gross revenue (\$/bbl) <sup>(7)</sup>	41.28	38.78	29.18	31.09	26.59
Royalties (\$/bbl)	12.35	10.01	7.22	7.77	5.77
Natural Gas					
Sales volumes (mmcf/day) <sup>(8)</sup>	385.7	388.6	396.0	423.3	491.4
Gross revenue (\$/mcf) <sup>(4)(7)</sup>	2.79	2.92	2.24	1.24	1.92
Royalties (\$/mcf) <sup>(4)(5)</sup>	(0.01)	0.04	(0.06)	(0.02)	(0.11)
Western Canada Natural Gas & NGLs Total <sup>(2)</sup>					
Total sales volumes (mmcfe/day)	433.7	432.4	443.4	471.3	544.2
Gross revenue (\$/mcfe) <sup>(7)</sup>	3.24	3.28	2.52	1.64	2.16
Royalties (\$/mcfe)	0.22	0.21	0.08	0.11	(0.01)
Production and operating costs (\$/mcfe) <sup>(7)</sup>	1.97	1.71	1.99	2.09	1.81
Operating netback (\$/mcfe)	1.05	1.36	0.45	(0.56)	0.36

	Three Months Ended				
	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016
<b>Operating Netback Analysis, continued</b>					
<b>Atlantic</b>					
Light Oil					
Sales volumes (mmbbls/day)	39.6	34.3	24.8	32.7	40.5
Gross revenue (\$/bbl)	70.53	69.19	61.05	61.83	50.00
Royalties (\$/bbl)	9.86	11.92	7.14	10.44	5.51
Production and operating costs (\$/bbl)	14.64	14.85	28.07	20.27	14.20
Offshore Transportation (\$/bbl) <sup>(3)</sup>	1.64	1.93	3.01	2.57	2.47
Operating netback (\$/bbl)	44.39	40.49	22.83	28.55	27.82
<b>Asia Pacific</b>					
Light Oil					
Sales volumes (mmbbls/day)	6.6	5.5	6.3	7.1	7.4
Gross revenue (\$/bbl)	70.45	68.65	54.35	60.34	40.62
Royalties (\$/bbl)	4.79	4.68	3.75	4.17	2.48
NGLs					
Sales volumes (mboe/day)	6.2	8.6	5.5	4.8	5.2
Gross revenue (\$/boe)	60.33	53.04	44.83	45.94	40.92
Royalties (\$/boe)	3.48	3.00	2.57	2.59	2.25
Natural Gas					
Sales volumes (mmcf/day)	133.3	149.4	107.1	87.3	109.9
Gross revenue (\$/mcf)	13.31	13.10	10.86	14.81	15.96
Royalties (\$/mcf)	0.71	0.68	0.57	0.78	0.82
Asia Pacific Light Oil, NGLs & Natural Gas Total <sup>(2)</sup>					
Total sales volumes (mboe/day)	35.0	39.0	29.7	26.5	30.9
Gross revenue (\$/boe)	74.59	71.60	58.99	73.28	73.38
Royalties (\$/boe)	4.20	3.97	3.33	4.16	3.89
Production and operating costs (\$/boe)	5.96	6.54	7.89	9.91	8.38
Operating netback (\$/boe)	64.43	61.09	47.77	59.21	61.11

<sup>(1)</sup> The operating netback includes results from Upstream Exploration and Production and excludes results from Upstream Infrastructure and Marketing. Operating netback is a non-GAAP measure. Refer to section 6.

<sup>(2)</sup> Includes associated co-products converted to boe and mcf.

<sup>(3)</sup> Includes offshore transportation costs shown separately from price received.

<sup>(4)</sup> Includes sulphur sales revenues/royalties.

<sup>(5)</sup> Alberta Gas Cost Allowance reported exclusively as gas royalties.

<sup>(6)</sup> In the third quarter of 2016, Husky completed the sale of its ownership interest in select midstream assets. These assets are held by HMLP, of which Husky has a 35% investment in. Husky's investment is considered a joint venture and is prospectively being accounted for using the equity method.

<sup>(7)</sup> Transportation expenses for Western Canada, Non-Thermal Development and Thermal Development has been deducted from both gross revenue and production and operating costs to reflect the actual price received at the oil and gas lease.

<sup>(8)</sup> In the first quarter of 2017, approximately 6.0 mboe/day equivalent of heavy oil and natural gas production was transferred from Western Canada to Non-Thermal Development.

### 3. Supplemental Downstream Operating Statistics

	Three Months Ended				
	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016
<b>Upgrader and Refinery Selected Operating Data</b>					
<b>Upgrader</b>					
Upgrader throughput (mbbls/day) <sup>(1)</sup>	77.9	66.5	69.2	76.9	77.6
Total sales (mbbls/day)	76.2	66.9	69.7	76.5	78.3
Synthetic crude oil sales (mbbls/day)	54.1	50.0	53.3	59.8	57.7
Upgrading differential (\$/bbl)	20.88	20.36	19.45	20.85	22.23
Unit margin (\$/bbl)	19.83	18.85	17.00	21.12	20.21
Unit operating cost (\$/bbl) <sup>(2)</sup>	6.99	8.01	6.75	5.72	5.10
<b>Canadian Refined Products</b>					
Prince George Refinery throughput (mbbls/day)	11.8	11.8	9.7	5.1	11.0
Lloydminster Refinery throughput (mbbls/day)	28.0	28.4	26.7	28.2	28.0
Ethanol production (thousands of litres/day)	839.6	865.8	796.3	809.2	810.7
Number of fuel outlets <sup>(3)</sup>	480	480	481	482	481
Fuel sales volume (millions of litres/day)	6.4	6.6	6.8	6.8	6.2
Fuel sales per retail outlet (thousands of litres/day)	11.5	12.0	12.4	11.6	11.1
<b>U.S. Refining and Marketing</b>					
Lima Refinery throughput (mbbls/day)	172.0	165.1	155.6	103.9	127.5
BP-Husky Toledo Refinery throughput (mbbls/day) <sup>(4)</sup>	77.0	78.8	58.4	41.2	69.4
Refining margin (U.S. \$/bbl crude throughput)	8.33	9.86	7.34	16.46	3.76
Refinery inventory (mmbbls) <sup>(5)</sup>	8.6	10.8	11.2	11.1	10.1

<sup>(1)</sup> Upgrader throughput includes diluent returned to the field.

<sup>(2)</sup> Based on throughput.

<sup>(3)</sup> Average number of fuel outlets for period indicated.

<sup>(4)</sup> BP-Husky Toledo Refinery throughput was revised in the first quarter of 2016 to reflect total throughput. Prior periods reflected crude throughput only and have been restated to conform with current presentation.

<sup>(5)</sup> Included in refinery inventory is feedstock and refined products.

### 4. Common Share Information

	Three months ended							
	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016	Dec. 31 2015	Sept. 30 2015	Jun. 30 2015
Number of common shares outstanding, except where indicated (millions)								
Period end	1,005.5	1,005.5	1,005.5	1,005.5	1,005.5	984.3	984.1	984.0
Weighted average – basic	1,005.5	1,005.5	1,005.5	1,005.5	1,003.1	984.3	984.1	984.0
Weighted average – diluted	1,005.5	1,005.5	1,005.5	1,005.5	1,003.1	984.3	984.1	984.1
Share price – HSE: TSX (\$/share)								
High	17.42	17.35	17.22	18.10	17.09	23.50	24.41	28.06
Low	14.94	13.92	15.01	14.35	11.34	14.03	20.43	23.22
Close	15.01	16.29	16.07	15.77	16.17	14.31	20.81	23.89
Ordinary quarterly dividend per common share	—	—	—	—	—	—	0.30	0.30

### 5. Cautionary Note Required by National Instrument 51-101

The Company uses the term barrels of oil equivalent ("boe"), which is consistent with other oil and gas producers' disclosures, and is calculated on an energy equivalence basis applicable at the burner tip whereby one barrel of crude oil is equivalent to six thousand cubic feet of natural gas. The term boe is used to express the sum of the total company products in one unit that can be used for comparisons. Readers are cautioned that the term boe may be misleading, particularly if used in isolation. This measure is used for consistency with other oil and gas companies and does not represent value equivalency 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: debt to capital employed, funds from operations and operating netback. 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 funds 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.

Debt to capital employed is calculated as long-term debt, long-term debt due within one year, and short-term debt divided by capital employed. Capital employed is equal to long-term debt, long-term debt due within one year, short-term debt and shareholders' equity. Management believes this measurement assists management and investors in evaluating the Company's financial strength.

Operating netback is a common non-GAAP metric used in the oil and gas industry. Management believes this measurement assists management and investors to evaluate the specific operating performance by product at the oil and gas lease level. The operating netback is determined as gross revenue less royalties, production and operating costs and transportation costs on a per unit basis.

This Interim Supplemental Information contains the term "funds 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. Funds from operations is presented in Husky's financial reports to assist management and investors in analyzing operating performance by business in the stated period. Funds from operations equals cash flow – operating activities plus the settlement of asset retirement obligations, income taxes paid (received), interest received and change in non-cash working capital.

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

<i>(\$ millions)</i>		Three months ended March 31,	
		2017	2016
GAAP	Cash flow - operating activities	621	122
	Settlement of asset retirement obligations	48	22
	Income taxes paid (received)	21	(35)
	Interest received	(2)	(3)
	Changed in non-cash working capital	21	328
Non-GAAP	Funds from operations	709	434
	Fund from operations – basic	0.71	0.43
	Fund from operations – diluted	0.71	0.43