



Interim Supplemental Information *(unaudited)*
For the period ended September 30, 2014

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 segment and includes corporate expenses.

	Three months ended							
	Sept. 30 2014	Jun. 30 2014	Mar. 31 2014	Dec. 31 2013	Sept. 30 2013	Jun. 30 2013	Mar. 31 2013	Dec. 31 2012
<i>(\$ millions, except where indicated)</i>								
Gross revenues ⁽¹⁾	6,690	6,614	5,943	6,132	6,036	6,206	5,807	5,889
Net earnings by segment								
Upstream ⁽¹⁾	460	570	422	185	460	344	255	309
Downstream ⁽¹⁾	117	153	259	94	89	295	352	194
Corporate	(6)	(95)	(19)	(102)	(37)	(34)	(72)	(29)
Net earnings	571	628	662	177	512	605	535	474
Net earnings								
Per share – Basic <i>(\$/share)</i>	0.58	0.63	0.67	0.18	0.52	0.61	0.54	0.48
Per share – Diluted <i>(\$/share)</i>	0.52	0.63	0.66	0.18	0.52	0.59	0.54	0.48
Cash flow from operations ⁽²⁾	1,341	1,504	1,536	1,143	1,347	1,449	1,283	1,414
Per share – Basic <i>(\$/share)</i>	1.36	1.53	1.56	1.16	1.37	1.47	1.31	1.44
Per share – Diluted <i>(\$/share)</i>	1.36	1.52	1.56	1.16	1.37	1.47	1.30	1.44
Total assets ⁽³⁾	39,050	37,653	38,677	36,904	36,600	35,994	35,519	35,161
Cash and cash equivalents	893	48	1,518	1,097	1,607	1,770	1,895	2,025
Total debt	4,877	4,113	5,068	4,119	4,011	4,088	3,979	3,918
Ratios ⁽⁴⁾								
Return on equity <i>(percent)</i> ⁽⁵⁾	9.9	9.7	9.8	9.3	10.9	11.1	10.4	10.9
Return on capital employed <i>(percent)</i> ⁽⁵⁾⁽⁶⁾	8.4	8.3	8.0	8.7	9.3	9.4	8.9	9.5
Debt to cash flow <i>(times)</i> ⁽⁵⁾	0.9	0.7	0.9	0.8	0.7	0.8	0.8	0.8
Debt to capital employed <i>(percent)</i>	18.7	16.5	19.8	17.0	16.7	17.0	17.0	17.0

⁽¹⁾ Gross revenues and certain net earnings by segment for the three months ended December 31, 2012 have been recast to reflect a change in the classification of certain trading transactions.

⁽²⁾ Cash flow from operations is a non-GAAP measure. Refer to section 6 for a reconciliation to the GAAP measure.

⁽³⁾ During the first quarter of 2013, the Company adopted IFRS 11, "Joint Arrangements" which required interest in a joint venture to be accounted for on an equity basis. Total assets presented in this Interim Supplemental Information reflects the adoption of IFRS 11 from December 31, 2012 onwards.

⁽⁴⁾ The financial ratios constitute non-GAAP measures. Refer to section 6.

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

⁽⁶⁾ The calculation of return on capital employed for December 31, 2013 only was adjusted for an after-tax impairment charge of \$204 million related to Western Canada natural gas properties. Return on capital employed based on the calculation used in prior periods is 7.9% for December 31, 2013.

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

<i>Capital Expenditures Summary</i> ⁽¹⁾ (\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Upstream				
Exploration and Development				
Exploration				
Western Canada ⁽²⁾	42	99	172	273
Oil Sands ⁽²⁾	—	—	5	—
Atlantic Region	12	102	34	146
Asia Pacific Region	2	1	11	7
	56	202	222	426
Development				
Western Canada	456	505	1,515	1,285
Oil Sands	203	146	483	441
Atlantic Region	201	148	445	403
Asia Pacific Region	139	133	368	418
	999	932	2,811	2,547
Acquisitions				
Western Canada	15	1	20	11
Total Exploration and Development	1,070	1,135	3,053	2,984
Infrastructure and Marketing ⁽³⁾	59	27	113	55
Total Upstream	1,129	1,162	3,166	3,039
Downstream				
Upgrading	23	129	36	162
Canadian Refined Products ⁽³⁾	25	24	55	77
U.S. Refining and Marketing	89	52	256	121
Total Downstream	137	205	347	360
Corporate	13	40	91	92
Total Company	1,279	1,407	3,604	3,491

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

⁽²⁾ During the second quarter of 2014, the Company redefined its McMullen property as a Heavy Oil thermal project resulting in the reclassification of capital expenditures from Oil Sands to Western Canada including Heavy Oil.

⁽³⁾ Includes a year to date adjustment for pipeline capital expenditures previously reported in the Canadian Refined Product Segment now reported in the Infrastructure and Marketing Segment.

2. Supplemental Upstream Operating Statistics

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

<i>Operating Netback Analysis</i> ⁽¹⁾	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Upstream⁽¹⁾				
Crude oil equivalent (\$/boe) ⁽²⁾				
Sales volume (mboe/day)	341.1	308.5	333.6	313.2
Price received (\$/boe)	68.35	72.13	71.71	63.09
Royalties (\$/boe)	8.33	8.35	9.37	7.59
Operating costs (\$/boe) ⁽³⁾	16.61	17.20	16.48	16.27
Offshore transportation (\$/boe) ⁽⁴⁾	0.36	0.43	0.35	0.37
Operating netback (\$/boe)	43.05	46.15	45.51	38.86
Depletion, depreciation and amortization (\$/boe)	21.36	20.93	20.64	20.16
Administrative expenses and other (\$/boe) ⁽³⁾	3.26	2.73	3.23	2.67
Earnings before taxes	18.43	22.49	21.64	16.03
Lloydminster Heavy Oil				
Thermal Oil				
Bitumen				
Sales volumes (mbbls/day)	45.4	38.8	43.3	38.0
Price received (\$/bbl)	76.38	84.11	76.08	65.63
Royalties (\$/bbl)	6.79	6.69	6.75	5.15
Operating costs (\$/boe) ⁽³⁾	10.67	9.85	11.24	9.87
Operating netback (\$/boe)	58.92	67.57	58.09	50.61
Non Thermal Oil				
Medium Oil				
Sales volumes (mbbls/day)	1.7	1.9	1.7	1.9
Price received (\$/bbl)	76.04	89.79	81.54	74.16
Royalties (\$/bbl)	6.29	5.85	5.63	4.69
Heavy Oil				
Sales volumes (mbbls/day)	62.3	59.6	61.9	58.2
Price received (\$/bbl)	77.94	84.83	77.14	66.75
Royalties (\$/bbl)	9.06	9.99	8.74	7.85
Natural Gas				
Sales volumes (mmcf/day)	16.3	18.8	18.2	19.8
Price received (\$/mcf)	3.40	2.70	4.16	2.96
Royalties (\$/mcf)	0.55	0.28	0.62	0.28
Non Thermal Oil Total ⁽²⁾				
Sales volumes (mboe/day)	66.7	64.6	66.6	63.4
Price received (\$/bbl)	75.55	81.65	74.88	64.43
Royalties (\$/boe)	8.75	9.46	8.44	7.43
Operating costs (\$/boe) ⁽³⁾	21.30	22.50	21.48	21.24
Operating netback (\$/boe)	45.50	49.69	44.96	35.76
Oil Sands				
Bitumen				
Total sales volumes (mbbls/day)	10.8	9.2	11.0	10.0
Price received (\$/bbl)	71.78	79.18	69.95	58.65
Royalties (\$/boe)	7.14	6.34	6.10	4.21
Operating costs (\$/boe) ⁽³⁾	20.96	20.16	22.17	21.29
Operating netback (\$/boe)	43.68	52.68	41.68	33.15

<i>Operating Netback Analysis, continued</i>	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Western Canada Conventional				
Crude Oil				
Light Oil				
Sales volumes (<i>mbbls/day</i>)	21.2	20.2	20.2	20.4
Price received (<i>\$/bbl</i>)	93.59	100.68	95.70	90.54
Royalties (<i>\$/bbl</i>)	13.07	7.56	12.89	10.63
Medium Oil				
Sales volumes (<i>mbbls/day</i>)	18.5	21.3	20.4	21.2
Price received (<i>\$/bbl</i>)	84.01	94.01	85.86	76.71
Royalties (<i>\$/bbl</i>)	16.25	17.14	14.74	13.35
Heavy Oil				
Sales volumes (<i>mboe/day</i>)	13.8	15.7	14.6	15.8
Price received (<i>\$/bbl</i>)	74.63	83.01	73.14	62.43
Royalties (<i>\$/boe</i>)	13.34	14.51	12.38	10.31
Western Canada Crude Oil Total				
Total sales volumes (<i>mboe/day</i>)	53.6	57.2	55.2	57.4
Price received (<i>\$/bbl</i>)	85.30	93.35	86.07	77.71
Royalties (<i>\$/boe</i>)	14.23	13.05	13.44	11.54
Operating costs (<i>\$/boe</i>) ⁽³⁾	27.03	25.89	26.39	24.36
Operating netback (<i>\$/boe</i>)	44.04	54.41	46.24	41.81
Natural Gas & NGLs				
Natural Gas Liquids				
Sales volumes (<i>mbbls/day</i>)	9.1	9.0	9.6	9.1
Price received (<i>\$/bbl</i>)	65.13	71.96	74.15	70.04
Royalties (<i>\$/bbl</i>)	15.47	18.50	16.72	18.23
Natural Gas				
Sales volumes (<i>mmcf/day</i>)	493.0	486.7	483.8	496.0
Price received (<i>\$/mcf</i>) ⁽⁵⁾	4.02	2.66	4.57	3.16
Royalties (<i>\$/mcf</i>) ⁽⁵⁾⁽⁶⁾	0.18	(0.10)	0.24	0.01
Western Canada Natural Gas & NGLs Total ⁽²⁾				
Total sales volumes (<i>mmcf/day</i>)	547.6	540.7	541.4	550.6
Price received (<i>\$/mcf</i>)	4.70	3.59	5.40	4.00
Royalties (<i>\$/mcf</i>)	0.42	0.21	0.51	0.30
Operating costs (<i>\$/mcf</i>) ⁽³⁾	1.99	2.17	2.03	2.10
Operating netback (<i>\$/mcf</i>)	2.29	1.21	2.86	1.60
Atlantic Region				
Light Oil				
Sales volumes (<i>mbbls/day</i>)	37.3	41.7	45.0	45.2
Price received (<i>\$/bbl</i>)	105.24	117.84	117.26	113.60
Royalties (<i>\$/boe</i>)	18.28	14.22	22.40	14.24
Operating costs (<i>\$/boe</i>) ⁽³⁾	17.86	13.31	13.33	11.64
Transportation (<i>\$/boe</i>) ⁽⁴⁾	3.32	3.16	2.56	2.57
Operating netback (<i>\$/boe</i>)	65.78	87.15	78.97	85.15

<i>Operating Netback Analysis, continued</i>	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Asia Pacific Region				
Light Oil & NGL ⁽²⁾				
Sales volumes (mboe/day)	9.3	6.8	6.9	7.4
Price received (\$/bbl)	97.54	115.30	106.09	107.22
Royalties (\$/boe)	11.77	27.98	17.93	26.26
Natural Gas				
Sales volumes (mmcf/day)	161.0	—	91.9	—
Price received (\$/mcf)	12.78	—	12.89	—
Royalties (\$/mcf)	0.55	—	0.61	—
Asia Pacific Light Oil, NGL & Natural Gas Total ⁽²⁾				
Total sales volumes (mboe/day)	36.1	6.8	22.2	7.4
Price received (\$/boe)	82.07	115.30	86.26	107.22
Royalties (\$/boe)	5.48	27.98	8.08	26.26
Operating costs (\$/boe) ⁽³⁾	9.38	12.72	7.97	10.64
Operating netback (\$/boe)	67.21	74.60	70.21	70.32

⁽¹⁾ 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.

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

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

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

⁽⁵⁾ Includes sulphur sales revenues/royalties.

⁽⁶⁾ Alberta Gas Cost Allowance reported exclusively as gas royalties.

3. Supplemental Downstream Operating Statistics

<i>Upgrader and Refinery Throughput Summary</i>	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Selected operating data:				
Upgrader throughput (mbbls/day)	73.9	51.3	71.5	66.3
Prince George Refinery throughput (mbbls/day)	11.7	11.8	11.7	9.7
Lloydminster Refinery throughput (mbbls/day)	28.3	28.7	28.8	25.4
Lima Refinery throughput (mbbls/day)	156.0	148.8	134.3	148.6
BP-Husky Toledo Refinery throughput (mbbls/day)	64.2	59.1	63.0	64.4
Total Upgrader and Refinery throughput (mbbls/day)	334.1	299.7	309.3	314.4

4. Common Share Information

	Three months ended							
	Sept. 30 2014	Jun. 30 2014	Mar. 31 2014	Dec. 31 2013	Sept. 30 2013	Jun. 30 2013	Mar. 31 2013	Dec. 31 2012
Number of common shares outstanding, except where indicated (millions)								
Period end	983.6	983.5	983.5	983.4	983.3	983.1	982.7	982.2
Weighted average – basic	983.6	983.5	983.5	983.4	983.3	983.0	982.5	982.1
Weighted average – diluted	985.4	987.7	985.7	984.8	983.8	983.6	983.8	982.2
Share price – HSE: TSX (\$/share)								
High	34.83	37.31	34.28	33.85	30.68	31.51	32.34	29.50
Low	30.55	33.24	31.70	28.50	27.25	26.97	28.80	26.08
Close	30.74	34.46	33.16	33.70	29.62	28.02	29.16	29.40
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 third quarter of 2014 is expected to be declared by the Board of Directors following the October 22, 2014 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 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 capital employed is calculated as net earnings before impairment plus after-tax finance expense divided by the two-year average of total debt and total shareholders’ equity. The calculation of return on capital employed for December 31, 2013 was adjusted for the after-tax impairment charge of \$204 million related to Western Canada natural gas properties. Return on capital employed based on the calculation used in prior periods is 7.9% for December 31, 2013. Debt to cash flow is calculated as total debt divided by cash flow from operations. Debt to capital employed is calculated as total debt divided by capital employed.

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, amortization and impairment, exploration and evaluation expenses, deferred income taxes, foreign exchange, stock-based compensation, gain or loss on sale of property, plant, and equipment 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 Sept. 30,		Nine months ended Sept. 30,	
		2014	2013	2014	2013
GAAP	Cash flow – operating activities	1,518	1,276	4,001	3,816
	Settlement of asset retirement obligations	41	29	113	92
	Income taxes paid	145	(21)	526	352
	Interest received	—	(6)	(6)	(14)
	Change in non-cash working capital	(363)	69	(253)	(167)
Non-GAAP	Cash flow from operations	1,341	1,347	4,381	4,079
	Cash flow from operations – basic	1.36	1.37	4.45	4.15
	Cash flow from operations – diluted	1.36	1.37	4.44	4.15

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