

SUPPLEMENTAL FINANCIAL AND OPERATING INFORMATION

Selected Ten-year Financial and Operating Summary

(\$ millions, except where indicated)	2014	2013	2012 ⁽¹⁾	2011 ⁽¹⁾	2010 ⁽²⁾	2009 ⁽²⁾⁽³⁾	2008 ⁽²⁾⁽³⁾	2007 ⁽²⁾⁽³⁾	2006 ⁽²⁾⁽³⁾	2005 ⁽²⁾⁽³⁾
Financial Highlights										
Gross Revenues	25,122	24,181	22,948	22,829	18,085	15,935	26,744	16,583	13,478	11,085
Net earnings	1,258	1,829	2,022	2,224	947	1,416	3,751	3,201	2,734	1,996
Earnings per share										
Basic	1.26	1.85	2.06	2.40	1.11	1.67	4.42	3.77	3.21	2.35
Diluted	1.20	1.85	2.06	2.34	1.05	1.67	4.42	3.77	3.21	2.35
Expenditures on PP&E ⁽⁴⁾	5,023	5,028	4,701	4,618	3,571	2,797	4,108	2,974	3,201	3,099
Total debt ⁽⁹⁾	5,292	4,119	3,918	3,911	4,187	3,229	1,957	2,814	1,611	1,886
Debt to capital employed (percent) ⁽⁵⁾	20	17	17	18	22	18	12	19	14	20
Corporate reinvestment ratio (percent) ⁽⁵⁾	101	108	106	98	134	111	66	86	71	80
Return on capital employed (percent) ⁽⁵⁾	7.7	8.7	9.5	12.1	6.4	9.1	25.1	25.6	27.1	22.7
Return on equity (percent) ⁽⁵⁾	6.2	9.3	10.9	13.8	6.7	9.8	28.9	30.1	31.9	29.2
Upstream										
Daily production, before royalties										
Light crude oil and NGL (mbbls/day)	83.7	81.1	72.3	87.6	80.4	89.1	122.9	138.7	111.0	64.6
Medium crude oil (mbbls/day)	21.5	23.2	24.1	24.5	25.4	25.4	26.9	27.1	28.5	31.1
Heavy crude oil (mbbls/day)	76.8	74.5	76.9	74.5	74.5	78.6	84.3	86.5	88.5	88.0
Bitumen (mbbls/day)	54.6	47.7	35.9	24.7	22.3	23.1	22.7	20.4	19.6	18.0
	236.6	226.5	209.2	211.3	202.6	216.2	256.8	272.7	247.6	201.7
Natural gas (mmcf/day)	621.0	512.7	554.0	607.0	506.8	541.7	594.4	623.3	672.3	680.0
Total production (mboe/day)	340.1	312.0	301.5	312.5	287.1	306.5	355.9	376.6	359.7	315.0
Total proved reserves, before royalties (mboe) ⁽⁶⁾	1,279	1,265	1,192	1,172	1,081	933	896	1,014	1,004	985
Downstream										
Upgrading										
Synthetic crude oil sales (mbbls/day)	53.3	50.5	60.4	55.3	54.1	61.8	58.7	53.1	62.5	57.5
Upgrading differential (\$/bbl)	21.80	29.14	22.34	27.34	14.52	11.89	28.77	30.73	26.16	30.70
Canadian Refined Products										
Fuel sales (million of litres/day) ⁽⁷⁾	8.0	8.1	8.7	9.5	8.2	7.6	7.9	8.7	8.7	8.9
Refinery throughput										
Prince George refinery (mbbls/day)	11.7	10.3	11.1	10.6	10.0	10.3	10.1	10.5	9.0	9.7
Lloydminster refinery (mbbls/day)	28.8	26.4	28.3	28.1	27.8	24.1	26.1	25.3	27.1	25.5
Refinery utilization (percent) ⁽⁸⁾	98	89	96	92	92	86	91	90	90	101
US Refining and Marketing										
Refinery throughput										
Lima Refinery (mbbls/day)	141.6	149.4	150	144.3	136.6	114.6	136.6	143.8	–	–
Toledo Refinery (mbbls/day)	63.2	65.0	60.6	63.9	64.4	64.9	60.6	–	–	–
Refining Margin (U.S. \$/bbl crude throughput)	9.37	15.06	17.48	17.60	7.29	11.37	(0.86)	12.42	–	–

⁽¹⁾ Gross revenues and U.S. refining margin have been recast for 2012 and 2011 to reflect a change in the classification of certain trading transactions.

⁽²⁾ Results reported for 2010 and previous years have not been adjusted for the change in presentation of the former Midstream.

⁽³⁾ Results are reported in accordance with previous Canadian GAAP. Certain reclassifications have been made to conform with current presentation.

⁽⁴⁾ Excludes capitalized costs related to asset retirement obligations and capitalized interest incurred during the period.

⁽⁵⁾ The financial ratios constitute non-GAAP measures. Refer to Section 11.3 of the Management's Discussion and Analysis for disclosures on non-GAAP measures.

⁽⁶⁾ Total proved reserves, before royalties for 2010 onwards were prepared in accordance with the Canadian Securities Administrators' National Instrument 51-101, "Standards of Disclosure for Oil and Gas Activities." Prior to 2010, reserves were prepared in accordance with the rules of the United States Securities and Exchange Commission guidelines and the United States Financial Accounting Standards Board. Refer to Section 11.2 of the Management's Discussion and Analysis for a discussion.

⁽⁷⁾ Fuel sales have been recast to exclude non-retail products, results reported for 2010 and previous years have not been adjusted for the change in presentation.

⁽⁸⁾ Refinery utilization averages Prince George and Lloydminster utilization percentages.

⁽⁹⁾ Total debt includes long-term debt, long-term debt due within one year and commercial paper.

Segmented Financial Information

(\$ millions)	Upstream								Downstream			
	Exploration and Production				Infrastructure and Marketing				Upgrading			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
Year ended December 31												
Gross revenues ⁽²⁾⁽³⁾	8,634	7,333	6,581	7,556	2,202	2,134	2,377	1,945	2,212	2,023	2,191	2,217
Royalties	(1,030)	(864)	(693)	(1,125)	–	–	–	–	–	–	–	–
Marketing - other ⁽²⁾⁽³⁾	–	–	–	–	70	312	398	94	–	–	–	–
Revenues, net of royalties	7,604	6,469	5,888	6,431	2,272	2,446	2,775	2,039	2,212	2,023	2,191	2,217
Expenses												
Purchase of crude oil and products ⁽²⁾	96	91	73	99	2,056	2,004	2,258	1,818	1,676	1,378	1,636	1,628
Production and operating expenses ⁽³⁾	2,172	2,016	1,875	1,751	32	21	12	6	180	161	150	146
Selling, general and administrative expenses	253	240	175	153	8	12	21	17	9	7	3	3
Depletion, depreciation, amortization and impairment	3,434	2,515	2,121	2,018	25	20	22	24	108	96	102	164
Exploration and evaluation expenses	214	246	344	470	–	–	–	–	–	–	–	–
Other – net	(60)	(35)	(105)	(261)	(2)	(3)	–	1	11	(27)	(17)	67
Total Expenses	6,109	5,073	4,483	4,230	2,119	2,054	2,313	1,866	1,984	1,615	1,874	2,008
Earnings from operating activities	1,495	1,396	1,405	2,201	153	392	462	173	228	408	317	209
Share of equity investment	(6)	(10)	(11)	–	–	–	–	–	–	–	–	–
Net financial items	(152)	(103)	(73)	(64)	–	–	–	–	(1)	(7)	(11)	(7)
Earnings (loss) before income tax	1,337	1,283	1,321	2,137	153	392	462	173	227	401	306	202
Current income taxes	386	162	134	41	99	222	171	64	47	19	31	(2)
Deferred income taxes	(41)	169	211	515	(60)	(122)	(55)	(20)	12	85	49	54
Total income tax provision (recovery)	345	331	345	556	39	100	116	44	59	104	80	52
Net earnings (loss)	992	952	976	1,581	114	292	346	129	168	297	226	150
Total assets as at December 31	26,035	24,653	22,774	20,141	1,969	1,670	1,506	1,509	1,243	1,355	1,242	1,316

⁽¹⁾ Eliminations relate to sales and operating revenues between segments recorded at transfer prices based on current market prices.

⁽²⁾ Gross revenues, marketing and other and purchases have been recast for the comparative periods presented above to reflect a change in the classification of certain trading transactions.

⁽³⁾ Results have been restated for the change in presentation of reclassification of processing facilities from Infrastructure and Marketing to Exploration and Production.

Downstream								Corporate and Eliminations ⁽¹⁾				Total			
Canadian Refined Products				U.S. Refining and Marketing											
2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
4,020	3,737	3,848	3,877	10,663	10,728	9,856	9,500	(2,679)	(2,086)	(2,303)	(2,360)	25,052	23,869	22,550	22,735
-	-	-	-	-	-	-	-	-	-	-	-	(1,030)	(864)	(693)	(1,125)
-	-	-	-	-	-	-	-	-	-	-	-	70	312	398	94
4,020	3,737	3,848	3,877	10,663	10,728	9,856	9,500	(2,679)	(2,086)	(2,303)	(2,360)	24,092	23,317	22,255	21,704
3,319	3,134	3,208	3,265	9,941	9,546	8,544	8,200	(2,679)	(2,086)	(2,303)	(2,360)	14,409	14,067	13,416	12,650
263	227	184	182	472	420	385	391	-	-	4	-	3,119	2,845	2,610	2,476
44	26	58	49	9	4	13	12	139	217	178	194	462	506	448	428
102	90	83	80	268	233	212	195	73	51	40	38	4,010	3,005	2,580	2,519
-	-	-	-	-	-	-	-	-	-	-	-	214	246	344	470
-	(5)	(2)	-	-	-	4	-	(5)	(17)	(3)	-	(56)	(87)	(123)	(193)
3,728	3,472	3,531	3,576	10,690	10,203	9,158	8,798	(2,472)	(1,835)	(2,084)	(2,128)	22,158	20,582	19,275	18,350
292	265	317	301	(27)	525	698	702	(207)	(251)	(219)	(232)	1,934	2,735	2,980	3,354
-	-	-	-	-	-	-	-	-	-	-	-	(6)	(10)	(11)	-
(5)	(5)	(6)	(6)	(3)	(3)	(5)	(4)	17	21	(38)	(133)	(144)	(97)	(133)	(214)
287	260	311	295	(30)	522	693	698	(190)	(230)	(257)	(365)	1,784	2,628	2,836	3,140
80	65	89	25	1	18	(1)	76	104	103	112	150	717	589	536	354
(7)	1	(9)	50	(12)	165	258	178	(83)	(88)	(176)	(215)	(191)	210	278	562
73	66	80	75	(11)	183	257	254	21	15	(64)	(65)	526	799	814	916
214	194	231	220	(19)	339	436	444	(211)	(245)	(193)	(300)	1,258	1,829	2,022	2,224
1,676	1,788	1,646	1,632	5,788	5,537	5,326	5,476	2,137	1,901	2,667	2,352	38,848	36,904	35,161	32,426

Segmented Financial Information

	Upstream		Downstream			Corporate and Eliminations ⁽¹⁾	Total
	Exploration and Production	Infrastructure and Marketing	Upgrading	Canadian Refined Products	U.S. Refining and Marketing		
(\$ millions)	2010	2010	2010	2010	2010	2010	2010
Year ended December 31							
Gross revenues ⁽²⁾	5,744	7,002	1,570	2,975	7,107	(6,313)	18,085
Royalties	(978)	–	–	–	–	–	(978)
Revenues, net of royalties	4,766	7,002	1,570	2,975	7,107	(6,313)	17,107
Expenses							
Purchase of crude oil and products and production and operating expenses ⁽²⁾	1,403	6,684	1,439	2,679	6,935	(6,251)	12,889
Selling, general and administrative expenses	152	22	–	49	7	61	291
Depletion, depreciation, amortization and impairment	1,521	43	74	88	191	75	1,992
Exploration and evaluation expenses	438	–	–	–	–	–	438
Other – net	1	34	(41)	(2)	–	(7)	(15)
Total expenses	3,515	6,783	1,472	2,814	7,133	(6,122)	15,595
Earnings from operating activities	1,251	219	98	161	(26)	(191)	1,512
Net financial items	40	–	9	2	6	238	295
Earnings (loss) before income tax	1,211	219	89	159	(32)	(429)	1,217
Current income taxes	(23)	62	1	56	–	92	188
Deferred income taxes	373	(3)	25	(14)	(12)	(287)	82
Total income tax provision	350	59	26	42	(12)	(195)	270
Net earnings (loss)	861	160	63	117	(20)	(234)	947
Total assets - as at December 31	17,354	1,325	1,987	1,517	5,092	775	28,050

⁽¹⁾ Eliminations relate to sales and operating revenues between segments recorded at transfer prices based on current market prices.

⁽²⁾ Results have not been restated for the change in presentation of the former Midstream segment, the reclassification of certain trading activities, and reclassification of processing facilities from Infrastructure and Marketing.

Upstream Operating Information

	2014	2013	2012	2011	2010
Daily Production, before royalties					
Light crude oil and NGL (mmbbls/day)	83.7	81.1	72.3	87.6	80.4
Medium crude oil (mmbbls/day)	21.5	23.2	24.1	24.5	25.4
Heavy crude oil (mmbbls/day)	76.8	74.5	76.9	74.5	74.5
Bitumen (mmbbls/day)	54.6	47.7	35.9	24.7	22.3
	236.6	226.5	209.2	211.3	202.6
Natural gas (mmcf/day)	621.0	512.7	554.0	607.0	506.8
Total production (mboe/day)	340.1	312.0	301.5	312.5	287.1
Average sales prices					
Light crude oil and NGL (\$/bbl)	96.70	102.35	99.22	104.06	76.90
Medium crude oil (\$/bbl)	80.69	74.29	71.51	76.59	64.92
Heavy crude oil (\$/bbl)	71.91	63.44	61.91	68.13	58.91
Bitumen (\$/bbl)	70.57	61.68	59.49	65.75	57.84
Natural gas (\$/mcf)	5.99	3.19	2.60	3.89	3.86
Operating costs (\$/boe)	16.12	16.28	15.49	14.01	13.35
Operating netbacks ⁽¹⁾⁽²⁾⁽³⁾					
Light crude oil and NGL (\$/boe)	61.60	69.42	66.13	70.86	47.58
Medium crude oil (\$/boe)	43.66	41.53	38.22	42.41	36.88
Heavy crude oil (\$/boe)	41.95	34.61	38.31	41.72	34.51
Bitumen (\$/boe)	51.17	43.92	42.32	39.34	28.96
Natural gas (\$/mcf)	2.12	1.06	0.77	1.96	1.93

⁽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.

⁽²⁾ Operating netbacks are determined as realized price less royalties and operating costs and transportation on a per unit basis. Operating costs exclude accretion, which is included in administrative expenses and other.

⁽³⁾ Includes associated co-products converted to boe.

Western Canada and Oil Sands Wells Drilled ⁽¹⁾

		2014		2013		2012		2011		2010	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Exploration	Oil	53	45	39	24	47	30	50	40	60	51
	Gas	9	5	19	14	19	12	24	24	37	31
	Dry	3	3	–	–	–	–	3	3	8	8
		65	53	58	38	66	42	77	67	105	90
Development	Oil	469	419	768	709	775	715	880	765	815	722
	Gas	78	68	68	41	23	17	57	42	73	53
	Dry	3	3	1	–	5	4	4	4	10	9
		550	490	837	750	803	736	941	811	898	784
		615	543	895	788	869	778	1,018	878	1,003	874
Success Ratio (percent)		99	99	100	100	99	99	99	99	98	98

⁽¹⁾ Excludes service/stratigraphic test wells for evaluation purposes.

Supplemental Upstream Operating Statistics

Netback Analysis ⁽¹⁾	2014	2013	2012
Total Upstream ⁽¹⁾			
Crude Oil Equivalent (\$/boe) ⁽²⁾			
Sales volume (mboe/day)	340.1	312.0	301.5
Price received (\$/boe)	67.38	61.96	57.16
Royalties (\$/boe)	8.30	7.59	6.29
Operating costs (\$/boe) ⁽³⁾	16.12	16.28	15.49
Offshore transportation (\$/boe) ⁽⁴⁾	0.33	0.37	0.24
Operating netback (\$/boe)	42.63	37.72	35.14
Depletion, depreciation, amortization and impairment (\$/boe)	27.63	22.09	19.20
Administration expenses and other (\$/boe) ⁽³⁾	3.30	2.51	1.75
Earnings before taxes	11.70	13.12	14.19
Lloydminster Heavy Oil			
Thermal Oil			
Bitumen			
Sales volumes (mmbbls/day)	43.8	37.4	26.3
Price received (\$/bbl)	71.64	63.36	61.03
Royalties (\$/bbl)	6.50	5.69	3.82
Operating costs (\$/boe) ⁽³⁾	10.78	9.90	10.34
Operating netback (\$/boe)	54.36	47.77	46.87
Non Thermal Oil			
Medium Oil			
Sales volumes (mmbbls/day)	1.8	1.9	2.1
Price received (\$/bbl)	76.83	71.41	70.22
Royalties (\$/bbl)	5.88	4.90	5.13
Heavy Oil			
Sales volumes (mmbbls/day)	61.8	58.6	61.1
Price received (\$/bbl)	72.53	64.26	62.35
Royalties (\$/bbl) ⁽⁵⁾	8.40	7.67	4.88
Natural Gas			
Sales volumes (mmcf/day)	17.7	19.6	25.4
Price received (\$/mcf)	4.01	2.89	2.25
Royalties (\$/mcf)	0.53	0.34	0.16
Non Thermal Oil Total ⁽²⁾			
Sales volumes (mboe/day)	66.6	63.8	67.4
Price received (\$/bbl)	70.50	62.07	59.53
Royalties (\$/boe)	8.10	7.30	4.64
Operating costs (\$/boe) ⁽³⁾	21.14	21.17	17.75
Operating netback (\$/boe)	41.26	33.60	37.14
Oil Sands			
Bitumen			
Total sales volumes (mmbbls/day)	10.8	10.3	9.6
Price received (\$/bbl)	66.24	55.60	55.29
Royalties (\$/boe)	5.50	4.18	3.76
Operating costs (\$/boe) ⁽³⁾	22.49	21.44	21.61
Operating netback (\$/boe)	38.25	29.98	29.92

Netback Analysis (continued)	2014	2013	2012
Western Canada Conventional			
Crude Oil			
Light Oil			
Sales volumes (mbbls/day)	20.3	20.5	21.3
Price received (\$/bbl)	89.65	88.27	80.98
Royalties (\$/bbl)	11.67	10.38	10.56
Medium Oil			
Sales volumes (mbbls/day)	19.7	21.3	22.0
Price received (\$/bbl)	81.04	74.56	71.63
Royalties (\$/bbl)	14.24	12.89	13.48
Heavy Oil			
Sales volumes (mboe/day)	15.0	15.9	15.8
Price received (\$/bbl)	68.90	60.41	60.21
Royalties (\$/boe)	11.37	10.12	10.55
Western Canada Crude Oil Total			
Total sales volumes (mboe/day)	55.0	57.7	59.1
Price received (\$/bbl)	80.92	75.54	71.96
Royalties (\$/boe)	12.51	11.23	11.64
Operating costs (\$/boe) ⁽³⁾	25.75	23.58	20.93
Operating netback (\$/boe)	42.66	40.73	39.39
Natural Gas & NGLs			
Natural Gas Liquids			
Sales volumes (mbbls/day)	9.8	9.2	8.8
Price received (\$/bbl)	67.85	70.34	66.92
Royalties (\$/bbl)	15.13	18.45	18.69
Natural Gas			
Sales volumes (mmcf/day)	489.1	493.1	528.6
Price received (\$/mcf) ⁽⁶⁾	4.42	3.20	2.61
Royalties (\$/mcf) ⁽⁶⁾⁽⁷⁾	0.20	(0.02)	(0.10)
Western Canada Natural Gas and NGL Total ⁽²⁾			
Total sales volumes (mmcf/day)	547.9	548.3	581.4
Price received (\$/mcf)	5.16	4.05	3.39
Royalties (\$/mcf)	0.45	0.29	0.19
Operating costs (\$/mcf) ⁽³⁾	2.03	2.08	1.88
Operating netback (\$/mcf)	2.68	1.68	1.32
Atlantic Region			
Light Oil			
Sales volumes (mbbls/day)	44.6	44.1	33.8
Price received (\$/bbl)	107.50	114.60	115.78
Royalties (\$/boe)	18.43	14.65	12.36
Operating costs (\$/boe) ⁽³⁾	13.38	12.47	17.12
Transportation (\$/boe) ⁽⁴⁾	2.49	2.62	2.14
Operating netback (\$/boe)	73.20	84.86	84.16

Netback Analysis (continued)	2014	2013	2012
Asia Pacific Region			
Light Oil and NGL ⁽²⁾			
Sales volumes (mboe/day)	9.0	7.3	8.4
Price received (\$/bbl)	90.14	107.95	113.01
Royalties (\$/boe)	12.04	26.23	26.89
Natural Gas			
Sales volumes (mmcf/day)	114.20	–	–
Price received (\$/mcf)	13.03	–	–
Royalties (\$/mcf)	0.64	–	–
Asia Pacific Light Oil, NGL & Natural Gas Total ⁽²⁾			
Total sales volumes (mboe/day)	28.0	7.3	8.4
Price received (\$/boe)	82.02	107.95	113.01
Royalties (\$/boe)	6.47	26.23	26.89
Operating costs (\$/boe) ⁽³⁾	8.06	11.39	10.08
Operating netback (\$/boe)	67.49	70.33	76.04

⁽¹⁾ The Upstream netback includes results from Upstream Exploration and Production and excludes results from Upstream Infrastructure and Marketing. Operating netback is a non-GAAP measure.

⁽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 first quarter.

⁽⁶⁾ Includes sulphur sales revenues/royalties.

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