



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

Husky Energy Inc.

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1.0 Supplemental Financial Information

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

(\$ millions, except where indicated)	Three months ended							
	Mar. 31 2012	Dec. 31 2011	Sept. 30 2011	Jun. 30 2011	Mar. 31 2011	Dec. 31 2010	Sept. 30 2010 ⁽¹⁾	Jun. 30 2010 ⁽¹⁾
Gross revenues ⁽²⁾⁽³⁾	5,984	5,894	6,073	6,043	5,072	4,294	4,124	4,539
Net earnings by sector								
Upstream	511	293	310	443	456	157	229	138
Midstream ⁽⁴⁾	–	68	56	43	79	46	25	40
Downstream	150	171	246	243	153	85	40	26
Corporate and eliminations	(70)	(124)	(91)	(60)	(62)	(149)	(33)	(25)
Net earnings	591	408	521	669	626	139	261	179
Net earnings								
Per share – Basic (\$/share)	0.61	0.42	0.55	0.73	0.70	0.16	0.31	0.21
Per share – Diluted (\$/share)	0.60	0.42	0.53	0.71	0.70	0.16	0.30	0.19
Cash flow from operations ⁽⁵⁾	1,172	1,197	1,326	1,511	1,164	685	794	739
Per share – Basic (\$/share)	1.21	1.25	1.40	1.68	1.31	0.80	0.93	0.87
Per share – Diluted (\$/share)	1.20	1.24	1.39	1.67	1.30	0.80	0.93	0.87
Total assets	33,286	32,426	31,686	30,091	28,793	28,050	26,281	26,236
Cash and cash equivalents	2,671	1,841	1,772	1,391	58	252	31	104
Total long-term debt including current portion	4,346	3,911	3,990	3,722	4,085	4,187	4,086	4,016
Ratios								
Return on equity ⁽⁶⁾⁽⁷⁾	(percent)	13.1	13.8	12.5	10.8	8.3	6.7	8.2
Return on average capital employed ⁽⁶⁾⁽⁷⁾	(percent)	11.2	11.8	10.8	9.8	7.6	6.4	7.7
Debt to cash flow ⁽⁶⁾⁽⁷⁾	(times)	0.8	0.8	0.8	0.9	1.2	1.4	1.4
Debt to capital employed ⁽⁷⁾	(percent)	19.3	18.0	18.6	18.0	21.2	22.3	21.6

⁽¹⁾ Ratios calculated using previous Canadian GAAP information.

⁽²⁾ Gross revenues have been recast to reflect a change in the treatment of intersegment sales eliminations.

⁽³⁾ 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 4 of the Condensed Interim Consolidated Financial Statements.

⁽⁴⁾ 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 and Downstream segments to align with how the Company's results are assessed by management. Prior period disclosures were not changed in the Interim Supplemental Information.

⁽⁵⁾ Cash flow from operations is a non-GAAP measure. Refer to section 6.0 for a reconciliation to the GAAP measure.

⁽⁶⁾ Calculated for the 12 months ended for the dates shown.

⁽⁷⁾ The financial ratios constitute non-GAAP measures. Refer to section 6.0.

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

Capital Expenditures Summary ⁽¹⁾ (\$ millions)	Three months ended March 31	
	2012	2011
Upstream		
Exploration and Development		
Exploration		
Western Canada	87	122
Development		
Western Canada	731	439
Atlantic Region	58	62
International	134	47
	923	548
Acquisitions		
Western Canada	5	842
Total Exploration and Development	1,015	1,512
Infrastructure and Marketing	10	6
Total Upstream	1,025	1,518
Downstream		
Upgrading	8	10
Canadian Refined Products	13	15
U.S. Refining and Marketing	43	22
Total Downstream	64	47
Corporate	5	3
Total Company	1,094	1,568

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

2.0 Supplemental Upstream Operating Statistics

The following tables show Husky's netback analysis by product and area. During the first 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. Prior quarter has been restated to reflect current presentation.

Netback Analysis	Three months ended March 31	
	2012	2011
Total Upstream		
Crude oil equivalent (\$/boe) ⁽¹⁾		
Sales volume (mboe/day)	319.9	310.4
Price received (\$/boe)	65.26	61.03
Royalties (\$/boe)	7.52	9.25
Operating costs (\$/boe) ⁽²⁾	14.56	13.40
Offshore transportation (\$/boe) ⁽³⁾	0.18	0.34
Netback (\$/boe)	43.00	38.04
Depletion, depreciation and amortization (\$/boe)	18.18	15.62
Administration expenses and other (\$/boe) ⁽²⁾	1.39	0.79
Earnings before taxes	23.43	21.63
Lloydminster Heavy Oil		
Thermal Oil		
Bitumen		
Sales volumes (mmbbls/day)	19.6	18.0
Price received (\$/bbl)	68.12	59.53
Royalties (\$/bbl)	6.00	12.65
Operating costs (\$/bbl) ⁽²⁾	11.87	13.54
Netback (\$/bbl)	50.25	33.34
Non Thermal Oil		
Medium Oil		
Sales volumes (mmbbls/day)	2.1	2.3
Price received (\$/bbl)	77.78	66.96
Royalties (\$/bbl)	5.74	4.42
Heavy Oil		
Sales volumes (mmbbls/day)	61.4	58.5
Price received (\$/bbl)	68.92	61.28
Royalties (\$/bbl) ⁽⁴⁾	0.27	6.79
Natural Gas		
Sales volumes (mmcf/day)	27.0	31.5
Price received (\$/mcf)	2.37	3.47
Royalties (\$/mcf)	0.15	0.10
Non Thermal Oil Total ⁽¹⁾		
Sales volumes (boe/day)	68.0	66.1
Price received (\$/boe)	65.58	58.27
Royalties (\$/boe)	0.49	6.22
Operating costs (\$/boe) ⁽²⁾	17.15	16.72
Netback (\$/boe)	47.94	35.33
Oil Sands		
Bitumen		
Total sales volumes (mmbbls/day)	10.0	6.2
Price received (\$/boe)	61.31	54.01
Royalties (\$/boe)	4.82	3.04
Operating costs (\$/boe) ⁽²⁾	20.61	26.65
Netback (\$/bbl)	35.88	24.32

Netback Analysis, continued

Three months ended March 31

	2012	2011
Western Canada Conventional		
Crude Oil		
Light Oil		
Sales volumes (mbbls/day)	20.7	18.6
Price received (\$/bbl)	87.18	83.93
Royalties (\$/bbl)	10.79	13.30
Medium Oil		
Sales volumes (mbbls/day)	22.8	22.3
Price received (\$/bbl)	78.71	68.56
Royalties (\$/bbl)	16.84	13.24
Heavy Oil		
Sales volumes (mbbls/day)	14.8	14.9
Price received (\$/bbl)	68.98	59.97
Royalties (\$/bbl)	13.05	12.08
Western Canada Crude Oil Total		
Total sales volumes (boe/day)	58.3	55.8
Price received (\$/boe)	79.24	71.40
Royalties (\$/boe)	13.73	12.95
Operating costs (\$/boe) ⁽²⁾	21.84	21.64
Netback (\$/bbl)	43.67	36.81
Natural Gas & NGLs		
Natural Gas Liquids		
Sales volumes (mbbls/day)	9.8	7.3
Price received (\$/bbl)	79.28	75.51
Royalties (\$/bbl)	24.64	21.19
Natural Gas		
Sales volumes (mmcf/day)	561.3	551.8
Price received (\$/mcf) ⁽⁵⁾	2.66	3.89
Royalties (\$/mcf) ⁽⁵⁾⁽⁶⁾	(0.03)	0.14
Western Canada Natural Gas & NGLs Total ⁽¹⁾		
Total sales volumes (mmcf/day)	620.1	595.6
Price received (\$/mcf)	3.66	4.53
Royalties (\$/mcf)	0.36	0.39
Operating costs (\$/mcf) ⁽²⁾	1.78	1.58
Netback (\$/bbl)	1.52	2.56
Atlantic Region		
Light Oil		
Sales volumes (mbbls/day)	52.1	55.5
Price received (\$/boe)	124.74	108.04
Royalties (\$/boe)	17.65	18.31
Operating costs (\$/boe) ⁽²⁾	11.63	7.67
Transportation (\$/boe) ⁽³⁾	1.12	1.91
Netback (\$/boe)	94.34	80.15
Asia Pacific Region		
Light Oil & NGL ⁽¹⁾		
Sales volumes (mboe/day)	8.6	9.6
Price received (\$/boe)	126.74	105.30
Royalties (\$/boe)	30.73	25.54
Operating costs (\$/boe) ⁽²⁾	7.85	6.34
Netback (\$/boe)	88.16	73.42

⁽¹⁾ Includes associated co-products converted to boe.

⁽²⁾ Operating costs exclude accretion, which is included in administration expenses and other.

⁽³⁾ Offshore transportation costs shown separately from price received.

⁽⁴⁾ The three months ended March 31, 2012 royalties includes a royalty credit adjustment received during the quarter.

⁽⁵⁾ Includes sulphur sales revenues/royalties.

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

3.0 Supplemental Downstream Operating Statistics

Upgrader and Refinery Throughput Summary

		Three months ended Mar. 31	
		2012	2011
Selected operating data:			
Upgrader throughput	(mbbls/day)	78.8	53.2
Prince George Refinery throughput	(mbbls/day)	11.1	11.0
Lloydminster Refinery throughput	(mbbls/day)	27.2	28.9
Lima Refinery throughput	(mbbls/day)	139.4	148.9
Toledo Refinery throughput	(mbbls/day)	67.3	67.9
Total Upgrader and Refinery Throughput	(mbbls/day)	323.8	309.9

4.0 Common Share Information

	Three months ended							
	Mar. 31 2012	Dec. 31 2011	Sept. 30 2011	Jun. 30 2011	Mar. 31 2011	Dec. 31 2010	Sept. 30 2010	Jun. 30 2010
Number of common shares outstanding (millions)								
Period end	965.8	957.5	948.9	941.6	890.7	890.7	849.9	849.9
Weighted average – basic	965.6	957.3	948.1	898.2	890.7	861.0	849.9	849.9
– diluted	973.5	965.5	956.8	905.5	897.2	861.0	849.9	849.9
Share price – HSE: TSX (\$/share)								
High	26.99	26.21	27.19	30.00	30.58	26.58	27.10	30.70
Low	23.78	20.63	21.36	26.11	25.60	24.41	24.21	25.13
Close	25.38	24.55	22.69	26.30	26.46	26.55	25.02	25.24
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 first quarter of 2012 is expected to be declared by the Board of Directors following the April 25, 2012 board meeting.

5.0 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.

6.0 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 from operations to cash flow – operating activities for the periods noted:

<i>(\$ millions)</i>		Three months ended Mar. 31	
		2012	2011
Non-GAAP	Cash flow from operations	1,172	1,164
	Settlement of asset retirement obligations	(33)	(23)
	Income taxes paid	(199)	(21)
	Interest received	11	–
	Change in non-cash working capital	532	163
GAAP	Cash flow – operating activities	1,483	1,283