



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

Husky Energy Inc.

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1. Supplemental Financial Information

	Three months ended							
	Dec. 31 2017	Sept. 30 2017	Jun. 30 2017	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016
<i>(\$ millions, except where indicated)</i>								
Gross revenues and marketing and other ⁽¹⁾	5,534	4,713	4,351	4,348	3,865	3,520	3,261	2,578
Net earnings (loss) by segment								
Upstream ⁽²⁾	143	38	(34)	113	216	1,369	(193)	(301)
Downstream ⁽³⁾	216	161	29	42	59	66	155	62
Corporate	313	(63)	(88)	(84)	(89)	(45)	(158)	(219)
Net earnings (loss)	672	136	(93)	71	186	1,390	(196)	(458)
Net earnings (loss)								
Per share – Basic (\$/share)	0.66	0.13	(0.10)	0.06	0.19	1.37	(0.20)	(0.47)
Per share – Diluted (\$/share)	0.66	0.13	(0.10)	0.06	0.19	1.37	(0.20)	(0.47)
Funds from operations ⁽⁴⁾	1,039	891	715	661	662	619	505	412
Per share – Basic (\$/share)	1.03	0.89	0.71	0.66	0.66	0.62	0.50	0.41
Per share – Diluted (\$/share)	1.03	0.89	0.71	0.66	0.66	0.62	0.50	0.41
Total assets	32,927	32,157	32,372	32,894	32,260	31,563	30,978	31,986
Cash and cash equivalents	2,513	2,486	2,500	2,245	1,319	1,380	20	—
Total debt ⁽⁵⁾	5,440	5,436	5,952	6,053	5,339	5,508	6,333	6,977
Debt to capital employed (percent) ⁽⁶⁾	23.2	23.9	25.5	25.5	23.2	24.1	28.5	30.2

⁽¹⁾ During the third quarter of 2017, the Company had corrected certain intrasegment sales eliminations. Gross revenues and purchases of crude oil and products have been recast for the first two quarters of 2017. There was no impact on net earnings.

⁽²⁾ Upstream includes Exploration and Production and Infrastructure and Marketing.

⁽³⁾ Downstream includes Upgrading, Canadian Refined Products and U.S. Refining and Marketing.

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

⁽⁵⁾ Total debt includes long-term debt, long-term debt due within one year and short-term debt.

⁽⁶⁾ 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⁽¹⁾

(\$ millions)	Three Months Ended								Year Ended	
	Dec. 31 2017	Sept. 30 2017	Jun. 30 2017	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016	Dec. 31 2017	Dec. 31 2016
Upstream										
Exploration and Development										
Exploration										
Western Canada	16	27	11	9	8	6	2	2	63	18
Thermal developments	7	—	1	—	1	1	1	3	8	6
Atlantic	1	1	3	62	2	(3)	8	11	67	18
Asia Pacific ⁽²⁾	4	3	1	2	3	1	—	—	10	4
	28	31	16	73	14	5	11	16	148	46
Development										
Western Canada	105	39	22	30	24	10	37	45	196	116
Thermal developments	177	131	108	118	113	59	54	86	534	312
Non - thermal developments	54	20	21	11	37	6	8	—	106	51
Atlantic	153	134	87	43	70	52	87	17	417	226
Asia Pacific ⁽²⁾	2	—	(4)	4	16	36	51	11	2	114
	491	324	234	206	260	163	237	159	1,255	819
Acquisitions										
Western Canada	—	—	15	10	—	—	—	—	25	—
Thermal developments	6	—	42	—	—	5	2	—	48	7
Total Exploration and Development	525	355	307	289	274	173	250	175	1,476	872
Infrastructure and Marketing ⁽³⁾	—	—	—	—	3	(5)	24	32	—	54
Total Upstream	525	355	307	289	277	168	274	207	1,476	926
Downstream										
Upgrading	14	27	168	21	19	13	13	6	230	51
Canadian Refined Products	25	14	37	11	12	3	29	8	87	52
U.S. Refining and Marketing	122	88	52	51	67	107	267	182	313	623
Total Downstream	161	129	257	83	98	123	309	196	630	726
Corporate	59	27	16	12	16	18	12	7	114	53
Total Company	745	511	580	384	391	309	595	410	2,220	1,705

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

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

⁽³⁾ 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⁽⁶⁾

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

Operating Netback Analysis ⁽¹⁾	Three Months Ended								Year Ended	
	Dec. 31 2017	Sept. 30 2017	Jun. 30 2017	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016	Dec. 31 2017	Dec. 31 2016
Upstream⁽⁹⁾										
Crude oil equivalent (\$/boe) ⁽²⁾										
Sales volume (mboe/day)	320.4	317.7	319.5	334.0	327.0	301.0	315.8	341.3	322.9	321.2
Gross revenue (\$/boe) ⁽⁷⁾	46.69	40.05	41.58	41.58	39.90	33.11	34.59	25.02	42.47	33.08
Royalties (\$/boe)	3.28	2.45	3.14	3.47	3.46	2.01	3.12	1.74	3.07	2.60
Production and operating costs (\$/boe) ⁽⁷⁾	13.20	14.12	14.65	13.75	13.92	15.15	13.90	13.31	13.93	14.04
Offshore transportation (\$/boe) ⁽³⁾	0.21	0.23	0.26	0.19	0.20	0.25	0.27	0.29	0.22	0.25
Operating netback (\$/boe)	30.00	23.25	23.53	24.17	22.32	15.70	17.30	9.68	25.25	16.19
Depletion, depreciation, amortization and impairment (\$/boe)	16.17	17.78	24.28	18.24	7.93	17.11	18.81	18.13	19.08	15.45
Administrative expenses and other (\$/boe)	3.80	3.10	2.97	2.67	2.59	2.99	2.82	2.15	3.13	2.62
Earnings (loss) before taxes (\$/boe)	10.03	2.37	(3.72)	3.26	11.80	(4.40)	(4.33)	(10.60)	3.04	(1.88)
Operating netbacks by commodity										
Crude Oil & NGL's Total										
Sales volumes (mmbbls/day)	231.2	223.8	233.7	243.5	234.5	214.1	227.7	238.2	233.0	228.6
Gross revenue (\$/bbl) ⁽⁷⁾	51.06	43.62	44.53	45.10	42.27	36.83	39.94	24.41	46.09	35.78
Royalties (\$/bbl)	3.97	3.33	3.98	4.36	4.33	2.65	4.10	2.33	3.92	3.36
Production and operating costs (\$/bbl) ⁽⁷⁾	14.32	15.91	16.18	15.05	15.80	16.79	14.66	14.52	15.36	15.42
Offshore Transportation (\$/bbl) ⁽³⁾	0.29	0.33	0.36	0.27	0.28	0.35	0.37	0.41	0.31	0.36
Operating netback (\$/bbl)	32.48	24.05	24.01	25.42	21.86	17.04	20.81	7.15	26.50	16.64
Natural Gas Total ⁽⁹⁾										
Sales volumes (mmcf/day)	534.9	563.4	514.8	543.1	555.4	521.3	528.8	618.6	539.1	555.9
Gross revenue (\$/mcf) ⁽⁷⁾	5.89	5.25	5.59	5.35	5.65	3.99	3.46	4.41	5.52	4.40
Royalties (\$/mcf)	0.24	0.05	0.14	0.17	0.22	0.08	0.10	0.07	0.15	0.12
Production and operating costs (\$/mcf) ⁽⁷⁾	1.72	1.64	1.75	1.71	1.52	1.85	1.99	1.75	1.70	1.77
Operating netback (\$/mcf)	3.93	3.56	3.70	3.47	3.91	2.06	1.37	2.59	3.67	2.51
Thermal Development										
Lloydminster Thermal										
Bitumen										
Sales volumes (mmbbls/day)	75.3	76.4	76.5	80.4	77.6	68.4	59.1	56.3	77.1	65.5
Gross revenue (\$/bbl) ⁽⁷⁾	45.12	39.79	39.30	38.02	35.54	30.98	34.54	17.35	40.53	30.22
Royalties (\$/bbl)	2.31	2.77	3.22	2.73	2.54	1.02	3.62	0.70	2.76	1.98
Production and operating costs (\$/boe) ⁽⁷⁾	8.83	9.64	11.94	10.41	10.98	10.24	6.31	6.63	10.21	8.72
Operating netback (\$/bbl)	33.98	27.38	24.14	24.88	22.02	19.72	24.61	10.02	27.56	19.52
Tucker Thermal										
Bitumen										
Sales volumes (mmbbls/day)	22.6	21.1	21.8	22.3	20.8	19.9	19.4	16.2	21.9	19.1
Gross revenue (\$/bbl) ⁽⁷⁾	41.45	37.92	36.80	34.57	33.16	29.76	31.43	12.92	37.73	27.57
Royalties (\$/bbl)	1.02	0.60	1.09	0.88	1.36	0.52	(0.21)	0.23	0.90	0.50
Production and operating costs (\$/bbl) ⁽⁷⁾	8.64	8.97	11.62	10.16	10.46	9.20	5.09	7.41	9.84	8.11
Operating netback (\$/bbl)	31.79	28.35	24.09	23.53	21.34	20.04	26.55	5.28	26.99	18.96
Sunrise Energy Project										
Bitumen										
Sales volumes (mmbbls/day)	23.0	20.2	19.1	17.9	16.9	15.3	9.5	9.3	20.1	12.8
Gross revenue (\$/bbl) ⁽⁷⁾	31.74	32.15	30.87	23.32	26.58	22.77	7.63	(14.55)	29.79	14.46
Royalties (\$/bbl)	0.96	0.52	0.75	0.82	0.56	0.45	0.36	0.07	0.77	0.40
Production and operating costs (\$/bbl) ⁽⁷⁾	14.28	15.58	18.45	20.26	20.60	21.42	33.79	38.67	16.91	26.56
Operating netback (\$/bbl)	16.50	16.05	11.67	2.24	5.42	0.90	(26.52)	(53.29)	12.11	(12.50)
Thermal Development Bitumen Total										
Sales volumes (mmbbls/day)	120.9	117.7	117.4	120.6	115.3	103.6	88.0	81.8	119.1	97.4
Gross revenue (\$/bbl) ⁽⁷⁾	41.88	38.14	37.46	35.20	33.79	29.53	30.95	12.83	38.20	27.63
Royalties (\$/bbl)	1.81	1.99	2.43	2.10	2.04	0.84	2.42	0.54	2.08	1.48
Production and operating costs (\$/bbl) ⁽⁷⁾	9.83	10.54	12.94	11.83	12.30	11.69	9.01	10.43	11.27	10.94
Operating netback (\$/bbl)	30.24	25.61	22.09	21.27	19.45	17.00	19.52	1.86	24.85	15.21

Operating Netback Analysis (continued)	Three Months Ended								Year Ended	
	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Dec. 31
	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
Non - Thermal Development⁽⁸⁾										
Medium Oil										
Sales volumes (mbbls/day)	2.1	2.1	2.0	2.2	2.2	2.2	2.2	2.1	2.1	2.1
Gross revenue (\$/bbl) ⁽⁷⁾	51.91	46.68	47.88	46.69	43.83	39.62	39.50	24.06	48.30	36.97
Royalties (\$/bbl)	2.57	2.46	1.61	2.93	1.88	1.73	2.38	1.16	2.41	1.80
Heavy Oil										
Sales volumes (mbbls/day) ⁽⁸⁾	41.9	43.7	42.0	46.4	42.6	43.3	45.6	48.5	43.5	44.9
Gross revenue (\$/bbl) ⁽⁷⁾	48.66	41.99	42.05	41.19	36.57	35.84	35.27	18.16	43.41	31.13
Royalties (\$/bbl)	5.34	4.27	4.48	3.66	3.24	3.11	2.62	1.08	4.42	2.44
Natural Gas										
Sales volumes (mmcf/day) ⁽⁸⁾	24.0	24.7	25.5	24.1	17.4	18.2	18.2	17.3	24.6	17.7
Gross revenue (\$/mcf) ⁽⁷⁾	1.68	1.43	2.60	2.38	2.70	1.88	0.98	1.51	2.02	1.76
Royalties (\$/mcf)	0.07	0.06	0.16	0.16	0.19	0.06	(0.03)	0.13	0.11	0.09
Non - Thermal Development Medium Oil, Heavy Oil & Natural Gas Total ⁽²⁾										
Sales volumes (mboe/day)	48.0	49.9	48.3	52.6	47.7	48.5	50.8	53.5	49.7	50.0
Gross revenue (\$/boe) ⁽⁷⁾	45.59	39.43	39.96	39.37	35.66	34.50	33.72	17.90	41.04	30.17
Royalties (\$/boe)	4.81	3.86	4.04	3.44	3.04	2.89	2.44	1.07	4.03	2.34
Production and operating costs (\$/boe) ⁽⁷⁾	21.42	23.11	23.22	21.13	21.04	20.33	16.23	16.33	22.21	18.52
Operating netback (\$/boe)	19.36	12.46	12.70	14.80	11.58	11.28	15.05	0.50	14.80	9.31
Western Canada⁽⁸⁾										
Crude Oil										
Light Oil and Medium										
Sales volumes (mbbls/day)	8.9	9.0	9.8	12.3	12.9	14.3	27.4	30.9	10.0	21.3
Gross revenue (\$/bbl) ⁽⁷⁾	60.64	48.22	51.84	55.96	52.08	46.98	49.61	26.90	54.13	41.35
Royalties (\$/bbl)	8.22	6.07	7.30	6.46	5.63	3.73	3.79	3.79	6.97	4.04
Heavy Oil										
Sales volumes (mbbls/day) ⁽⁸⁾	0.4	0.4	1.1	1.6	5.8	6.2	11.9	13.0	0.9	9.2
Gross revenue (\$/bbl) ⁽⁷⁾	46.73	31.70	42.60	43.69	34.35	29.25	33.31	17.96	42.14	27.39
Royalties (\$/bbl)	17.97	4.49	0.84	4.71	5.91	2.71	3.95	2.69	4.86	3.60
Western Canada Crude Oil Total										
Sales volumes (mboe/day)	9.3	9.4	10.9	13.9	18.7	20.5	39.3	43.9	10.9	30.5
Gross revenue (\$/bbl) ⁽⁷⁾	60.08	47.42	50.89	54.53	46.54	41.62	44.67	24.25	53.15	37.14
Royalties (\$/bbl)	8.62	5.99	6.64	6.26	5.68	3.42	3.84	3.46	6.80	3.91
Production and operating costs (\$/bbl) ⁽⁷⁾	38.47	37.79	32.22	29.09	35.80	26.83	21.88	22.73	33.69	25.16
Operating netback (\$/bbl)	12.99	3.64	12.03	19.18	5.06	11.37	18.95	(1.94)	12.66	8.07
Natural Gas & NGLs										
Natural Gas Liquids										
Sales volumes (mbbls/day)	11.7	11.4	10.8	8.0	7.3	7.9	8.0	8.8	10.5	8.0
Gross revenue (\$/bbl) ⁽⁷⁾	35.22	26.58	27.76	41.28	38.78	29.18	31.09	26.59	32.08	31.14
Royalties (\$/bbl)	11.04	9.09	8.76	12.35	10.01	7.22	7.77	5.77	10.16	7.59
Natural Gas										
Sales volumes (mmcf/day) ⁽⁸⁾	317.8	354.8	356.7	385.7	388.6	396.0	423.3	491.4	353.6	424.7
Gross revenue (\$/mcf) ⁽⁴⁾⁽⁷⁾	1.84	1.64	2.88	2.79	2.92	2.24	1.24	1.92	2.31	2.06
Royalties (\$/mcf) ⁽⁴⁾⁽⁵⁾	(0.12)	(0.31)	(0.08)	(0.01)	0.04	(0.06)	(0.02)	(0.11)	(0.12)	(0.04)
Western Canada Natural Gas & NGLs Total ⁽²⁾										
Sales volumes (mmcfe/day)	387.9	423.2	421.5	433.7	432.4	443.4	471.3	544.2	416.6	472.7
Gross revenue (\$/mcf) ⁽⁷⁾	2.57	2.09	3.15	3.24	3.28	2.52	1.64	2.16	2.77	2.37
Royalties (\$/mcf)	0.24	(0.01)	0.16	0.22	0.21	0.08	0.11	(0.01)	0.15	0.08
Production and operating costs (\$/mcf) ⁽⁷⁾	2.18	1.98	1.98	1.97	1.71	1.99	2.09	1.81	2.02	1.90
Operating netback (\$/mcf)	0.15	0.12	1.01	1.05	1.36	0.45	(0.56)	0.36	0.60	0.39

Operating Netback Analysis (continued)	Three Months Ended								Year Ended	
	Dec. 31 2017	Sept. 30 2017	Jun. 30 2017	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016	Dec. 31 2017	Dec. 31 2016
Atlantic										
Light Oil										
Sales volumes (mbbls/day)	33.0	25.7	38.0	39.6	34.3	24.8	32.7	40.5	34.0	33.1
Gross revenue (\$/bbl)	82.12	67.82	66.36	70.53	69.19	61.05	61.83	50.00	71.69	60.01
Royalties (\$/bbl)	5.71	4.09	6.27	9.86	11.92	7.14	10.44	5.51	6.75	8.70
Production and operating costs (\$/bbl)	15.36	24.98	15.82	14.64	14.85	28.07	20.27	14.20	17.12	18.48
Offshore Transportation (\$/bbl) ⁽³⁾	2.05	2.89	2.19	1.64	1.93	3.01	2.57	2.47	2.13	2.46
Operating netback (\$/bbl)	59.00	35.86	42.08	44.39	40.49	22.83	28.55	27.82	45.69	30.37
Asia Pacific - China										
Light Oil										
Sales volumes (mbbls/day)	2.6	5.9	6.2	6.6	5.5	6.3	7.1	7.4	5.3	6.6
Gross revenue (\$/bbl)	89.37	71.09	67.44	70.45	68.65	54.35	60.34	40.62	72.08	54.98
Royalties (\$/bbl)	6.44	5.06	4.80	4.79	4.68	3.75	4.17	2.48	5.08	3.68
NGLs										
Sales volumes (mbbls/day)	7.4	7.9	6.4	6.2	8.6	5.5	4.8	5.2	7.0	6.0
Gross revenue (\$/bbl)	67.83	54.39	55.21	60.33	53.04	44.83	45.94	40.92	59.50	47.14
Royalties (\$/bbl)	3.82	3.08	3.11	3.48	3.00	2.57	2.59	2.25	3.38	2.65
Natural Gas										
Sales volumes (mmcf/day)	176.5	168.6	132.6	133.3	149.4	107.1	87.3	109.9	152.9	113.5
Gross revenue (\$/mcf)	13.40	13.05	13.44	13.31	13.10	10.86	14.81	15.96	13.29	13.58
Royalties (\$/mcf)	0.82	0.70	0.71	0.71	0.68	0.57	0.78	0.82	0.74	0.72
Asia Pacific - China Light Oil, NGLs & Natural Gas Total ⁽²⁾										
Sales volumes (mboe/day)	39.4	41.9	34.7	35.0	39.0	29.7	26.5	30.9	37.8	31.5
Gross revenue (\$/boe)	78.64	72.82	73.61	74.59	71.60	58.99	73.28	73.38	74.94	69.40
Royalties (\$/boe)	4.84	4.11	4.15	4.20	3.97	3.33	4.16	3.89	4.33	3.84
Production and operating costs (\$/boe)	6.04	6.19	7.56	5.96	6.54	7.89	9.91	8.38	6.16	8.01
Operating netback (\$/boe)	67.76	62.52	61.90	64.43	61.09	47.77	59.21	61.11	64.45	57.55
Asia Pacific - Indonesia⁽⁹⁾										
NGLs										
Sales volumes (mbbls/day)	2.3	—	—	—	—	—	—	—	0.6	—
Gross revenue (\$/bbl)	77.79	—	—	—	—	—	—	—	77.79	—
Royalties (\$/bbl)	12.32	—	—	—	—	—	—	—	12.32	—
Natural Gas										
Sales volumes (mmcf/day)	16.6	15.3	—	—	—	—	—	—	8.0	—
Gross revenue (\$/mcf)	9.62	9.39	—	—	—	—	—	—	9.51	—
Royalties (\$/mcf)	1.04	1.02	—	—	—	—	—	—	1.03	—
Asia Pacific - Indonesia NGLs & Natural Gas Total ⁽²⁾										
Sales volumes (mboe/day)	5.1	2.6	—	—	—	—	—	—	1.9	—
Gross revenue (\$/boe)	67.00	56.31	—	—	—	—	—	—	63.46	—
Royalties (\$/boe)	9.05	6.10	—	—	—	—	—	—	8.08	—
Production and operating costs (\$/boe)	11.39	15.04	—	—	—	—	—	—	12.59	—
Operating netback (\$/boe)	46.56	35.17	—	—	—	—	—	—	42.79	—

Operating Netback Analysis (continued)	Three Months Ended								Year Ended	
	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Dec. 31
	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
Asia Pacific - Total⁽⁹⁾										
Light Oil										
Sales volumes (mbbls/day)	2.6	5.9	6.2	6.6	5.5	6.3	7.1	7.4	5.3	6.6
Gross revenue (\$/bbl)	89.37	71.09	67.44	70.45	68.65	54.35	60.34	40.62	72.08	54.98
Royalties (\$/bbl)	6.44	5.06	4.80	4.79	4.68	3.75	4.17	2.48	5.08	3.68
NGLs										
Sales volumes (mbbls/day)	9.8	7.9	6.4	6.2	8.6	5.5	4.8	5.2	7.6	6.0
Gross revenue (\$/bbl)	70.25	54.39	55.21	60.33	53.04	44.83	45.94	40.92	60.94	47.14
Royalties (\$/bbl)	5.88	3.08	3.11	3.48	3.00	2.57	2.59	2.25	4.08	2.65
Natural Gas										
Sales volumes (mmcf/day)	193.1	183.9	132.6	133.3	149.4	107.1	87.3	109.9	160.9	113.5
Gross revenue (\$/mcf)	13.08	12.74	13.44	13.31	13.10	10.86	14.81	15.96	13.10	13.58
Royalties (\$/mcf)	0.85	0.72	0.71	0.71	0.68	0.57	0.78	0.82	0.76	0.72
Asia Pacific - Light Oil, NGLs & Natural Gas Total ⁽²⁾										
Sales volumes (mboe/day)	44.6	44.4	34.7	35.0	39.0	29.7	26.5	30.9	39.7	31.5
Gross revenue (\$/boe)	77.29	71.88	73.61	74.59	71.60	58.99	73.28	73.38	74.38	69.40
Royalties (\$/boe)	5.33	4.24	4.15	4.20	3.97	3.33	4.16	3.89	4.52	3.84
Production and operating costs (\$/boe)	6.65	5.83	7.56	5.96	6.54	7.89	9.91	8.38	6.47	8.01
Operating netback (\$/boe)	65.31	61.81	61.90	64.43	61.09	47.77	59.21	61.11	63.39	57.55

⁽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 and mcf.

⁽³⁾ Includes offshore transportation costs shown separately from price received.

⁽⁴⁾ Includes sulphur sales revenues/royalties.

⁽⁵⁾ Alberta Gas Cost Allowance reported exclusively as gas royalties.

⁽⁶⁾ 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 percent investment in. Husky's investment is considered a joint venture and is prospectively being accounted for using the equity method.

⁽⁷⁾ 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.

⁽⁸⁾ 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.

⁽⁹⁾ Reported production volumes and associated per unit values include Husky's working interest production from the BD Project (40 percent). Revenues and expenses related to the Husky-CNOOC Madura Ltd. joint venture are accounted for under the equity method for financial statement purposes.

3. Supplemental Downstream Operating Statistics

Upgrader and Refinery Selected Operating Data	Three Months Ended								Year Ended	
	Dec. 31 2017	Sept. 30 2017	Jun. 30 2017	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016	Dec. 31 2017	Dec. 31 2016
Upgrader										
Upgrader throughput (mbbls/day) ⁽¹⁾	78.2	76.7	41.1	77.9	66.5	69.2	76.9	77.6	68.5	72.5
Total sales (mbbls/day)	77.9	79.4	40.3	76.2	66.9	69.7	76.5	78.3	68.5	72.8
Synthetic crude oil sales (mbbls/day)	56.5	58.2	30.3	54.1	50.0	53.3	59.8	57.7	49.8	55.2
Upgrading differential (\$/bbl)	21.46	13.60	18.70	20.88	20.36	19.45	20.85	22.23	18.66	20.74
Unit margin (\$/bbl)	20.65	12.32	22.63	19.83	18.85	17.00	21.12	20.21	18.28	19.37
Unit operating cost (\$/bbl) ⁽²⁾	6.81	6.38	14.44	6.99	8.01	6.75	5.72	5.10	7.88	6.33
Canadian Refined Products										
Prince George Refinery throughput (mbbls/day)	11.3	11.9	9.7	11.8	11.8	9.7	5.1	11.0	11.2	9.4
Lloydminster Refinery throughput (mbbls/day)	30.1	30.0	19.5	28.0	28.4	26.7	28.2	28.0	26.8	27.8
Ethanol production (thousands of litres/day)	823.7	845.9	709.9	839.6	865.8	796.3	809.2	810.7	804.8	820.6
Number of fuel outlets ⁽³⁾	558	557	476	480	480	481	482	481	518	481
Fuel sales volume (millions of litres/day)	8.0	8.1	6.5	6.4	6.6	6.8	6.8	6.2	7.3	6.6
Fuel sales per retail outlet (thousands of litres/day)	12.6	12.4	11.8	11.5	12.0	12.4	11.6	11.1	12.1	11.8
U.S. Refining and Marketing										
Lima Refinery throughput (mbbls/day)	164.5	178.3	174.1	172.0	165.1	155.6	103.9	127.5	172.2	138.2
BP-Husky Toledo Refinery throughput (mbbls/day) ⁽⁴⁾	81.0	77.3	71.1	77.0	78.8	58.4	41.2	69.4	76.6	62.2
Superior Refinery throughput (mbbls/day) ⁽⁵⁾	22.0	—	—	—	—	—	—	—	5.5	—
Refining margin (U.S. \$/bbl crude throughput)	14.71	13.38	7.42	8.33	9.86	7.34	16.46	3.76	11.09	8.94
Refinery inventory (mmbbls) ⁽⁶⁾	9.2	8.4	8.4	8.6	10.8	11.2	11.1	10.1	9.2	10.8

⁽¹⁾ Upgrader throughput includes diluent returned to the field.

⁽²⁾ Based on throughput.

⁽³⁾ Average number of fuel outlets for period indicated.

⁽⁴⁾ 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.

⁽⁵⁾ Superior Refinery was acquired in November 2017 and does not reflect an entire quarter.

⁽⁶⁾ Included in refinery inventory is feedstock and refined products.

4. Common Share Information

	Three months ended							
	Dec. 31 2017	Sept. 30 2017	Jun. 30 2017	Mar. 31 2017	Dec. 31 2016	Sept. 30 2016	Jun. 30 2016	Mar. 31 2016
Number of common shares outstanding, except where indicated (millions)								
Period end	1,005.1	1,005.1	1,005.5	1,005.5	1,005.5	1,005.5	1,005.5	1,005.5
Weighted average – basic	1,005.1	1,005.2	1,005.5	1,005.5	1,005.5	1,005.5	1,005.5	1,003.1
Weighted average – diluted	1,005.1	1,005.2	1,005.5	1,005.5	1,005.5	1,005.5	1,005.5	1,003.1
Share price – HSE: TSX (\$/share)								
High	17.83	15.78	16.61	17.42	17.35	17.22	18.10	17.09
Low	15.09	13.39	14.71	14.94	13.92	15.01	14.35	11.34
Close	17.75	15.62	14.72	15.01	16.29	16.07	15.77	16.17
Ordinary quarterly dividend per common share ⁽¹⁾	0.075	—	—	—	—	—	—	—

⁽¹⁾ On February 28, 2018, the Board of Directors declared a quarterly dividend of \$0.075 per common share for the three-month period ended December 31, 2017. The dividend will be payable on April 2, 2018 to shareholders of record at the close of business on March 20, 2018.

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 measures primarily based on IFRS and also on secondary non-GAAP measures. The non-GAAP measures included in this Interim Supplemental Information are: debt to capital employed, funds from operations and operating netback. None of these measures are used to enhance the Company's reported financial performance or position. These are useful complementary measures 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 measures 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. Operating netback is calculated as gross revenue less royalties, production and operating 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 change in non-cash working capital.

Funds from operations has been restated in the second quarter of 2017 in order to be more comparable to similar non-GAAP measures presented by other companies. Changes from prior period presentation include the removal of adjustments for settlement of asset retirement obligations and deferred revenue. Prior periods have been restated to conform to current presentation.

The following table shows the reconciliation of net earnings to funds from operations for the periods noted:

Reconciliation of Cash Flow <i>(\$ millions)</i>	Three months ended December 31,		Year ended December 31,	
	2017	2016	2017	2016
Net earnings	672	186	786	922
Items not affecting cash:				
Accretion	28	30	112	126
Depletion, depreciation, amortization and impairment	647	405	2,882	2,462
Inventory write-down to net realizable value	—	9	—	9
Exploration and evaluation expenses	—	56	6	86
Deferred income taxes	(360)	45	(359)	29
Foreign exchange loss (gain)	1	(29)	(4)	(4)
Stock-based compensation	25	3	45	33
Gain on sale of assets	(13)	(52)	(46)	(1,634)
Unrealized mark to market loss	57	26	56	38
Share of equity investment gain	(1)	(38)	(61)	(15)
Other	8	29	16	24
Settlement of asset retirement obligations	(45)	(31)	(136)	(87)
Deferred revenue	(5)	23	(16)	209
Distribution from joint ventures	25	—	25	—
Change in non-cash working capital	337	(18)	398	(227)
Cash flow - operating activities	1,376	644	3,704	1,971
Change in non-cash working capital	(337)	18	(398)	227
Funds from operations	1,039	662	3,306	2,198
Funds from operations – basic	1.03	0.66	3.29	2.19
Funds from operations – diluted	1.03	0.66	3.29	2.19