



Cenovus Energy Inc.

Interim Supplemental Information (unaudited)

For the period ended March 31, 2017

(Canadian Dollars)

SUPPLEMENTAL INFORMATION (unaudited)

Financial Statistics

(\$ millions, except per share amounts)

	2017		2016			
	Q1	Year	Q4	Q3	Q2	Q1
Revenues						
Gross Sales						
Upstream	1,436	4,196	1,326	1,123	1,003	744
Refining and Marketing	2,604	8,439	2,477	2,245	2,129	1,588
Corporate and Eliminations	(98)	(353)	(108)	(89)	(89)	(67)
Less: Royalties	77	148	53	39	36	20
Revenues	3,865	12,134	3,642	3,240	3,007	2,245

	2017		2016			
	Q1	Year	Q4	Q3	Q2	Q1
Operating Margin ⁽¹⁾						
Crude Oil and Natural Gas Liquids						
Foster Creek	101	399	165	125	98	11
Christina Lake	148	476	168	140	134	34
Conventional	100	402	100	108	106	88
Natural Gas	45	141	50	47	10	34
Other Upstream Operations	3	3	4	(1)	-	-
	397	1,421	487	419	348	167
Refining and Marketing	53	346	108	68	193	(23)
Operating Margin	450	1,767	595	487	541	144

	2017		2016			
	Q1	Year	Q4	Q3	Q2	Q1
Adjusted Funds Flow ⁽²⁾						
Cash From Operating Activities	328	861	164	310	205	182
Deduct (Add Back):						
Net Change in Other Assets and Liabilities	(31)	(91)	(32)	(13)	(17)	(29)
Net Change in Non-Cash Working Capital	36	(471)	(339)	(99)	(218)	185
Adjusted Funds Flow	323	1,423	535	422	440	26
Per Share - Basic	0.39	1.71	0.64	0.51	0.53	0.03
- Diluted	0.39	1.71	0.64	0.51	0.53	0.03

	2017		2016			
	Q1	Year	Q4	Q3	Q2	Q1
Earnings						
Operating Earnings (Loss) ⁽³⁾	(39)	(377)	321	(236)	(39)	(423)
Per Share - Diluted	(0.05)	(0.45)	0.39	(0.28)	(0.05)	(0.51)
Net Earnings (Loss)	211	(545)	91	(251)	(267)	(118)
Per Share - Basic and Diluted	0.25	(0.65)	0.11	(0.30)	(0.32)	(0.14)

	2017		2016			
	Q1	Year	Q4	Q3	Q2	Q1
Income Tax & Exchange Rates						
Effective Tax Rates Using:						
Net Earnings	18.8%	41.2%				
Operating Earnings, Excluding Divestitures	47.3%	33.0%				
Canadian Statutory Rate	27.0%	27.0%				
U.S. Statutory Rate	38.0%	38.0%				

	2017		2016			
	Q1	Year	Q4	Q3	Q2	Q1
Foreign Exchange Rates (US\$ per C\$1)						
Average	0.756	0.755	0.750	0.766	0.776	0.728
Period End	0.751	0.745	0.745	0.762	0.769	0.771

⁽¹⁾ Operating Margin is an additional subtotal found in Note 1 of the Consolidated Financial Statements and is used to provide a consistent measure of the cash generating performance of our assets for comparability of our underlying financial performance between periods. Operating Margin is defined as revenues less purchased product, transportation and blending, operating expenses, production and mineral taxes plus realized gains less realized losses on risk management activities. Items within the Corporate and Eliminations segment are excluded from the calculation of Operating Margin.

⁽²⁾ Adjusted Funds Flow is a non-GAAP measure commonly used in the oil and gas industry to assist in measuring a company's ability to finance its capital programs and meet its financial obligations. Adjusted Funds Flow is defined as Cash From Operating Activities excluding net change in other assets and liabilities and net change in non-cash working capital. Net change in other assets and liabilities is composed of site restoration costs and pension funding. Non-cash working capital is composed of current assets and current liabilities, excluding cash and cash equivalents and risk management.

⁽³⁾ Operating Earnings (Loss) is a non-GAAP measure used to provide a consistent measure of the comparability of our underlying financial performance between periods by removing non-operating items. Operating Earnings (Loss) is defined as Earnings (Loss) Before Income Tax excluding gain (loss) on discontinuance, gain on bargain purchase, unrealized risk management gains (losses) on derivative instruments, unrealized foreign exchange gains (losses) on translation of U.S. dollar denominated notes issued from Canada, foreign exchange gains (losses) on settlement of intercompany transactions, gains (losses) on divestiture of assets, less income taxes on Operating Earnings (Loss) before tax, excluding the effect of changes in statutory income tax rates and the recognition of an increase in U.S. tax basis.

	2017		2016			
	Q1	Year	Q4	Q3	Q2	Q1
Financial Metrics (Non-GAAP Measures)						
Net Debt to Capitalization ^{(1) (2)}	19%	18%	18%	17%	17%	16%
Debt to Capitalization ^{(3) (4)}	35%	35%	35%	35%	34%	34%
Net Debt to Adjusted EBITDA ^{(3) (5)}	1.6x	1.9x	1.9x	2.0x	1.9x	1.3x
Debt to Adjusted EBITDA ^{(3) (5)}	3.7x	4.5x	4.5x	5.3x	4.8x	3.6x
Return on Capital Employed ⁽⁶⁾	0%	(2)%	(2)%	(6)%	6%	8%
Return on Common Equity ⁽⁷⁾	(2)%	(5)%	(5)%	(10)%	7%	10%

⁽¹⁾ Net debt includes the Company's short-term borrowings, and the current and long-term portions of long-term debt, net of cash and cash equivalents.

⁽²⁾ Net debt to capitalization is defined as net debt divided by net debt plus shareholders' equity.

⁽³⁾ Debt includes the Company's short-term borrowings and the current and long-term portions of long-term debt.

⁽⁴⁾ Capitalization is a non-GAAP measure defined as debt plus shareholders' equity.

⁽⁵⁾ Adjusted EBITDA is defined as earnings before finance costs, interest income, income tax expense, depreciation, depletion and amortization, goodwill impairments, asset impairments and reversals, unrealized gains (losses) on risk management, foreign exchange gains (losses), gains (losses) on divestiture of assets and other income (loss), net, calculated on a trailing twelve-month basis.

⁽⁶⁾ Return on capital employed is calculated, on a trailing twelve-month basis, as net earnings before after-tax interest divided by average shareholders' equity plus average debt.

⁽⁷⁾ Return on common equity is calculated, on a trailing twelve-month basis, as net earnings divided by average shareholders' equity.

SUPPLEMENTAL INFORMATION (unaudited)
Financial Statistics (continued)

Common Share Information	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Common Shares Outstanding (millions)						
Period End ⁽¹⁾	833.3	833.3	833.3	833.3	833.3	833.3
Average - Basic and Diluted	833.3	833.3	833.3	833.3	833.3	833.3
Price Range (\$ per share)						
TSX - C\$						
High	20.88	22.07	22.07	20.06	21.00	18.15
Low	14.81	12.70	17.96	17.15	16.12	12.70
Close	15.05	20.30	20.30	18.83	17.87	16.90
NYSE - US\$						
High	15.54	16.82	16.82	15.72	16.56	13.97
Low	11.12	9.10	13.36	12.93	12.25	9.10
Close	11.30	15.13	15.13	14.37	13.82	13.00
Dividends (\$ per share)	0.05	0.20	0.05	0.05	0.05	0.05
Share Volume Traded (millions)	493.2	1,491.7	322.6	313.0	373.3	482.8

⁽¹⁾ On April 6, 2017, Cenovus closed a bought-deal common share financing for 187.5 million common shares.

Net Capital Investment	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Capital Investment (\$ millions)						
Oil Sands						
Foster Creek	70	263	52	54	68	89
Christina Lake	63	282	60	47	61	114
Total	133	545	112	101	129	203
Other Oil Sands	39	59	16	9	10	24
Total	172	604	128	110	139	227
Conventional Refining and Marketing	88	171	57	41	34	39
Corporate	46	220	64	51	53	52
Total	7	31	10	6	10	5
Capital Investment	313	1,026	259	208	236	323
Acquisitions	-	11	-	-	11	-
Divestitures	-	(8)	-	(8)	-	-
Net Acquisition and Divestiture Activity	-	3	-	(8)	11	-
Net Capital Investment	313	1,029	259	200	247	323

Operating Statistics - Before Royalties

Upstream Production Volumes	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Crude Oil and Natural Gas Liquids (bbls/d)						
Oil Sands						
Foster Creek	80,866	70,244	81,588	73,798	64,544	60,882
Christina Lake	100,635	79,449	82,808	79,793	78,060	77,093
Total	181,501	149,693	164,396	153,591	142,604	137,975
Conventional						
Heavy Oil	27,277	29,185	28,913	28,096	28,500	31,247
Light and Medium Oil	25,089	25,915	25,065	25,311	26,177	27,121
Natural Gas Liquids ⁽¹⁾	1,047	1,065	1,177	1,074	799	1,208
Total	53,413	56,165	55,155	54,481	55,476	59,576
Total Crude Oil and Natural Gas Liquids	234,914	205,858	219,551	208,072	198,080	197,551
Natural Gas (MMcf/d)						
Oil Sands	15	17	17	18	18	17
Conventional	348	377	362	374	381	391
Total Natural Gas	363	394	379	392	399	408
Total Production ⁽²⁾ (BOE/d)	295,414	271,525	282,718	273,405	264,580	265,551

Upstream Sales Volumes	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Crude Oil and Natural Gas Liquids (bbls/d)						
Oil Sands						
Foster Creek	78,562	69,647	79,827	76,318	62,089	60,169
Christina Lake	89,919	79,481	81,398	80,313	76,066	80,118
Total	168,481	149,128	161,225	156,631	138,155	140,287
Conventional						
Heavy Oil	26,222	28,958	28,833	27,953	28,294	30,764
Light and Medium Oil	25,074	25,965	24,903	25,359	26,407	27,210
Natural Gas Liquids ⁽¹⁾	1,047	1,065	1,177	1,074	799	1,208
Total	52,343	55,988	54,913	54,386	55,500	59,182
Total Crude Oil and Natural Gas Liquids	220,824	205,116	216,138	211,017	193,655	199,469
Natural Gas (MMcf/d)						
Oil Sands	15	17	17	18	18	17
Conventional	348	377	362	374	381	391
Total Natural Gas	363	394	379	392	399	408
Total Sales ⁽²⁾ (BOE/d)	281,324	270,783	279,305	276,350	260,155	267,469

⁽¹⁾ Natural gas liquids include condensate volumes.

⁽²⁾ Natural gas volumes have been converted to barrels of oil equivalent ("BOE") on the basis of six thousand cubic feet ("Mcf") to one barrel ("bbl"). BOE may be misleading, particularly if used in isolation. A conversion ratio of one bbl to six Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil compared to natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is not an accurate reflection of value.

Average Royalty Rates

(Excluding Impact of Realized Gain (Loss) on Risk Management)

Oil Sands	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Foster Creek	8.5%	0.0%	(0.9)%	0.8%	1.0%	(4.9)%
Christina Lake	2.7%	1.6%	1.8%	1.6%	1.2%	1.2%
Conventional Oil						
Pelican Lake	19.8%	12.5%	11.9%	14.1%	14.3%	8.3%
Weyburn	28.3%	23.6%	28.3%	23.0%	23.9%	16.6%
Other	12.4%	12.8%	19.3%	10.4%	8.6%	12.0%
Natural Gas Liquids	13.3%	13.5%	12.2%	12.0%	15.0%	16.1%
Natural Gas	4.8%	4.6%	5.3%	4.5%	3.7%	4.3%

Refining	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Refinery Operations ⁽¹⁾						
Crude Oil Capacity (Mbbbls/d)	460	460	460	460	460	460
Crude Oil Runs (Mbbbls/d)	406	444	421	463	458	435
Heavy Oil	200	233	223	241	228	241
Light/Medium	206	211	198	222	230	194
Crude Utilization	88%	97%	92%	101%	100%	95%
Refined Products (Mbbbls/d)	433	471	448	494	483	460

⁽¹⁾ Represents 100% of the Wood River and Borger refinery operations.

SUPPLEMENTAL INFORMATION (unaudited)
Operating Statistics - Before Royalties (continued)

Selected Average Benchmark Prices	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Crude Oil Prices (US\$/bbl)						
Brent	54.66	45.04	51.13	46.98	46.97	35.08
West Texas Intermediate ("WTI")	51.91	43.32	49.29	44.94	45.59	33.45
Differential Brent - WTI	2.75	1.72	1.84	2.04	1.38	1.63
Western Canadian Select ("WCS")	37.33	29.48	34.97	31.44	32.29	19.21
WCS (C\$)	49.38	39.05	46.63	41.04	41.61	26.39
Differential WTI - WCS	14.58	13.84	14.32	13.50	13.30	14.24
Condensate (C5 @ Edmonton)	52.26	42.47	48.33	43.07	44.07	34.39
Differential WTI - Condensate (Premium)/Discount	(0.35)	0.85	0.96	1.87	1.52	(0.94)
Refining Margins 3-2-1 Crack Spreads ⁽¹⁾ (US\$/bbl)						
Chicago	11.54	13.07	10.96	14.58	17.15	9.58
Group 3	13.18	12.27	10.95	14.56	13.03	10.52
Natural Gas Prices						
AECO (C\$/Mcf)	2.94	2.09	2.81	2.20	1.25	2.11
NYMEX (US\$/Mcf)	3.32	2.46	2.98	2.81	1.95	2.09
Differential NYMEX - AECO (US\$/Mcf)	1.10	0.89	0.86	1.13	0.99	0.56

⁽¹⁾ The 3-2-1 crack spread is an indicator of the refining margin generated by converting three barrels of crude oil into two barrels of regular unleaded gasoline and one barrel of ultra-low sulphur diesel using current month WTI based crude oil feedstock prices and on a last in, first out accounting basis ("LIFO").

Netbacks ⁽¹⁾

(Excluding Impact of Realized Gain (Loss) on Risk Management)

	2017	2016				
	Q1	Year	Q4	Q3	Q2	Q1
Heavy Oil - Foster Creek (\$/bbl)						
Sales Price	40.62	30.32	38.59	33.61	33.40	11.82
Royalties	2.83	(0.01)	(0.27)	0.19	0.23	(0.16)
Transportation and Blending	7.72	8.84	7.37	8.38	11.44	8.70
Operating	9.99	10.55	10.60	9.63	10.15	12.05
Netback	20.08	10.94	20.89	15.41	11.58	(8.77)
Heavy Oil - Christina Lake (\$/bbl)						
Sales Price	35.86	25.30	34.78	29.11	28.31	8.85
Royalties	0.86	0.33	0.56	0.41	0.28	0.05
Transportation and Blending	4.13	4.68	4.08	4.49	4.90	5.28
Operating	8.08	7.48	8.15	7.72	6.35	7.61
Netback	22.79	12.81	21.99	16.49	16.78	(4.09)
Total Heavy Oil - Oil Sands (\$/bbl)						
Sales Price	38.08	27.64	36.67	31.30	30.59	10.13
Royalties	1.78	0.17	0.14	0.30	0.26	(0.04)
Transportation and Blending	5.81	6.62	5.71	6.39	7.84	6.75
Operating	8.97	8.91	9.37	8.65	8.06	9.52
Netback	21.52	11.94	21.45	15.96	14.43	(6.10)
Heavy Oil - Conventional (\$/bbl)						
Sales Price	47.77	35.82	40.72	40.50	36.77	25.99
Royalties	7.03	3.31	4.08	3.97	3.95	1.40
Transportation and Blending	3.40	4.60	4.90	4.86	3.85	4.77
Operating	12.86	13.38	14.69	12.43	12.34	13.98
Production and Mineral Taxes	0.02	0.01	0.01	0.01	0.01	-
Netback	24.46	14.52	17.04	19.23	16.62	5.84
Light and Medium Oil (\$/bbl)						
Sales Price	56.84	46.48	55.35	48.97	48.09	34.36
Royalties	12.75	9.28	14.87	8.91	8.52	5.18
Transportation and Blending	2.70	2.73	2.69	2.71	2.77	2.73
Operating	16.77	15.65	16.05	13.94	16.21	16.34
Production and Mineral Taxes	1.95	1.24	1.50	1.48	1.18	0.82
Netback	22.67	17.58	20.24	21.93	19.41	9.29
Total Crude Oil (\$/bbl)						
Sales Price	41.38	31.20	39.37	34.66	33.89	15.91
Royalties	3.66	1.77	2.38	1.83	1.93	0.90
Transportation and Blending	5.16	5.84	5.25	5.74	6.56	5.89
Operating	10.32	10.40	10.85	9.79	9.80	11.14
Production and Mineral Taxes	0.22	0.16	0.17	0.18	0.16	0.11
Netback	22.02	13.03	20.72	17.12	15.44	(2.13)
Natural Gas Liquids (\$/bbl)						
Sales Price	48.35	31.16	40.79	29.71	28.11	24.99
Royalties	6.42	4.21	4.97	3.58	4.20	4.03
Netback	41.93	26.95	35.82	26.13	23.91	20.96
Total Liquids (\$/bbl)						
Sales Price	41.41	31.20	39.38	34.64	33.87	15.97
Royalties	3.67	1.79	2.39	1.84	1.94	0.92
Transportation and Blending	5.14	5.81	5.22	5.71	6.53	5.85
Operating	10.27	10.35	10.80	9.74	9.76	11.08
Production and Mineral Taxes	0.22	0.16	0.17	0.18	0.16	0.11
Netback	22.11	13.09	20.80	17.17	15.48	(1.99)
Total Natural Gas (\$/Mcf)						
Sales Price	2.99	2.32	2.99	2.49	1.53	2.31
Royalties	0.14	0.10	0.15	0.10	0.04	0.09
Transportation and Blending	0.12	0.11	0.12	0.10	0.13	0.10
Operating	1.34	1.15	1.25	1.05	1.06	1.23
Production and Mineral Taxes	0.02	-	-	0.01	-	-
Netback	1.37	0.96	1.47	1.23	0.30	0.89
Total ⁽²⁾ (\$/BOE)						
Sales Price	36.37	27.01	34.53	29.98	27.56	15.43
Royalties	3.06	1.49	2.06	1.55	1.51	0.82
Transportation and Blending	4.20	4.56	4.20	4.51	5.07	4.51
Operating	9.80	9.51	10.05	8.92	8.89	10.14
Production and Mineral Taxes	0.20	0.12	0.13	0.15	0.12	0.08
Netback	19.11	11.33	18.09	14.85	11.97	(0.12)
Realized Gain (Loss) on Risk Management						
Liquids (\$/bbl)	(4.53)	3.23	0.91	2.14	1.97	8.16
Natural Gas (\$/Mcf)	-	-	-	-	-	-
Total ⁽²⁾ (\$/BOE)	(3.56)	2.44	0.70	1.63	1.46	6.08

⁽¹⁾ Netback is a non-GAAP measure commonly used in the oil and gas industry to assist in measuring operating performance on a per-unit basis. Netbacks reflect our margin on a per-barrel basis of unblended crude oil. Netback is defined as gross sales less royalties, transportation and blending, operating expenses and production and mineral taxes divided by sales volumes. Netbacks do not reflect the non-cash write-downs of product inventory until the product is sold. The crude oil sales price, transportation and blending costs, and sales volumes exclude the impact of purchased condensate. Condensate is blended with the heavy oil to reduce its thickness in order to transport it to market. Our Netback calculation is aligned with the definition found in the Canadian Oil and Gas Evaluation Handbook. The reconciliation of the financial components of each Netback to Operating Margin can be found in our quarterly and annual Management's Discussion and Analysis and our Annual Information Form.

⁽²⁾ Natural gas volumes have been converted to BOE on the basis of six Mcf to one bbl. BOE may be misleading, particularly if used in isolation. A conversion ratio of one bbl to six Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil compared to natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is not an accurate reflection of value.