



Cenovus Energy Inc.

Interim Supplemental Information (unaudited)

For the period ended December 31, 2018

(Canadian Dollars)

SUPPLEMENTAL INFORMATION (unaudited)

Financial Statistics

(\$ millions, except per share amounts)

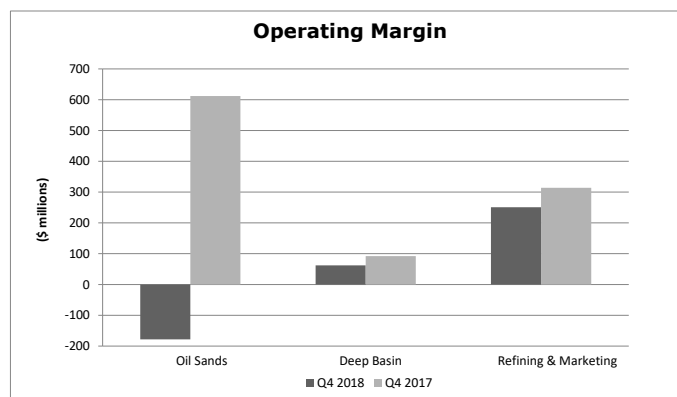
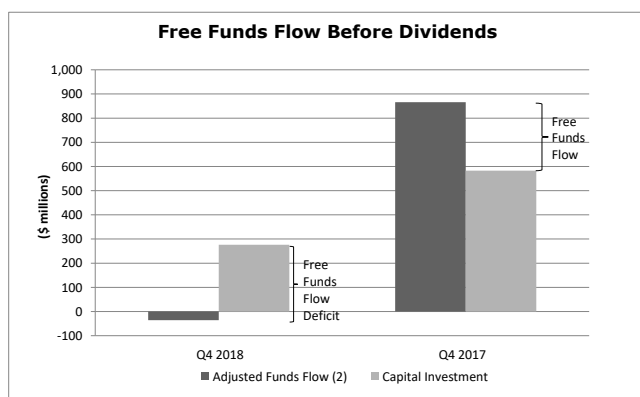
	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Revenues						
Gross Sales						
Oil Sands	10,026	1,380	2,992	3,248	2,406	7,362
Deep Basin	904	190	214	241	259	555
Refining and Marketing	11,183	3,048	3,126	2,777	2,232	9,852
Corporate and Eliminations	(724)	(102)	(189)	(239)	(194)	(455)
Less: Royalties	545	(29)	286	195	93	271
Revenues from Continuing Operations	20,844	4,545	5,857	5,832	4,610	17,043
Conventional (Net of Royalties) - Discontinued Operations	11	(2)	(1)	(3)	17	1,135
Total Revenues	20,855	4,543	5,856	5,829	4,627	18,178

	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Operating Margin ⁽¹⁾						
Oil Sands	1,086	(178)	682	476	106	2,187
Deep Basin	312	62	73	78	99	207
Refining and Marketing	1,398	(116)	755	554	205	2,394
Corporate	996	251	436	357	(48)	598
Operating Margin from Continuing Operations	2,394	135	1,191	911	157	2,992
Conventional - Discontinued Operations	37	(3)	1	27	12	491
Total Operating Margin	2,431	132	1,192	938	169	3,483

	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Adjusted Funds Flow ⁽²⁾						
Total Cash From Operating Activities	2,154	485	1,259	533	(123)	3,059
Deduct (Add Back):						
Net Change in Other Assets and Liabilities	(72)	(22)	(15)	(17)	(18)	(107)
Net Change in Non-Cash Working Capital	552	543	297	(224)	(64)	252
Total Adjusted Funds Flow	1,674	(36)	977	774	(41)	2,914
Total Per Share - Basic	1.36	(0.03)	0.80	0.63	(0.03)	2.64
Total Per Share - Diluted	1.36	(0.03)	0.79	0.63	(0.03)	2.64

	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Earnings						
Operating Earnings (Loss) from Continuing Operations ⁽³⁾	(2,755)	(1,670)	(41)	(292)	(752)	(34)
Per Share from Continuing Operations - Diluted	(2.24)	(1.36)	(0.03)	(0.24)	(0.61)	(0.03)
Total Operating Earnings (Loss) ⁽³⁾	(2,729)	(1,672)	(42)	(272)	(743)	126
Total Per Share - Diluted	(2.22)	(1.36)	(0.03)	(0.22)	(0.60)	0.11
Net Earnings (Loss) from Continuing Operations	(2,916)	(1,350)	(242)	(410)	(914)	2,268
Per Share from Continuing Operations - Basic and Diluted	(2.37)	(1.10)	(0.20)	(0.33)	(0.74)	2.06
Total Net Earnings (Loss)	(2,669)	(1,356)	(241)	(418)	(654)	3,366
Total Per Share - Basic and Diluted	(2.17)	(1.10)	(0.20)	(0.34)	(0.53)	3.05

	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Net Capital Investment						
Oil Sands						
Foster Creek	379	52	80	108	139	455
Christina Lake	445	89	81	111	164	426
Other Oil Sands	63	28	15	5	15	92
Total Oil Sands	887	169	176	224	318	973
Deep Basin	211	18	22	26	145	225
Refining and Marketing	208	61	59	35	53	180
Corporate	57	28	14	9	6	77
Capital Investment from Continuing Operations	1,363	276	271	294	522	1,455
Conventional (Discontinued Operations)	-	-	-	(2)	2	206
Total Capital Investment	1,363	276	271	292	524	1,661
Acquisitions ⁽⁴⁾	341	15	319	2	5	18,388
Divestitures	(1,375)	(2)	(959)	39	(453)	(3,210)
Net Acquisition and Divestiture Activity	(1,034)	13	(640)	41	(448)	15,178
Net Capital Investment	329	289	(369)	333	76	16,839



⁽¹⁾ Operating Margin is an additional subtotal found in Note 1 and Note 11 of the Annual Consolidated Financial Statements as well as Note 1 and Note 9 of the Interim 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, risk management, the contingent payment, assets held for sale and liabilities related to assets held for sale.

⁽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, revaluation gain, 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.

⁽⁴⁾ In connection with the Acquisition that was completed in the second quarter of 2017, Cenovus was deemed to have disposed of its pre-existing interest in FCCL and re-acquired it at fair value as required by IFRS 3, which is not reflected in the table above. The carrying value of the pre-existing interest was \$9,081 million and the fair value was \$11,605 million as at May 17, 2017.

SUPPLEMENTAL INFORMATION (unaudited)

Financial Statistics (continued)

Financial Metrics (Non-GAAP Measures)	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Net Debt to Adjusted EBITDA ^{(1) (2)}	5.9x	5.9x	3.5x	3.3x	3.3x	2.8x
Return on Capital Employed ⁽³⁾	(8)%	(8)%	(1)%	0%	12%	16%
Return on Common Equity ⁽⁴⁾	(14)%	(14)%	(4)%	(3)%	16%	21%

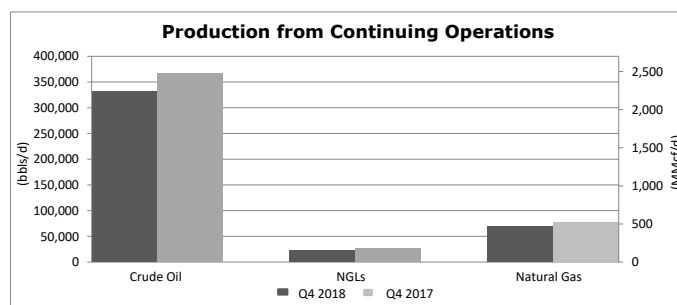
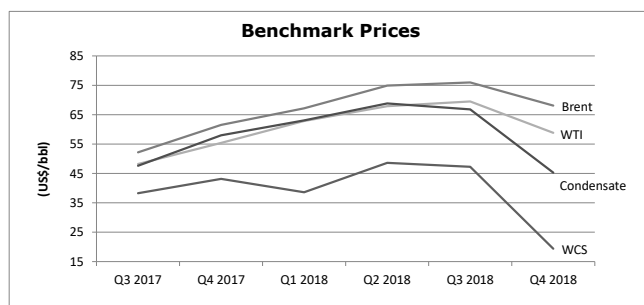
Income Tax & Exchange Rates	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Effective Tax Rates Using:						
Net Earnings From Continuing Operations	25.7%					(2.3)%
Operating Earnings From Continuing Operations, Excluding Divestitures	27.3%					86.9%
Foreign Exchange Rates (US\$ per C\$1)						
Average	0.772	0.758	0.765	0.775	0.791	0.771
Period End	0.733	0.733	0.773	0.759	0.776	0.797

Common Share Information	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Common Shares Outstanding (millions)						
Period End	1,228.8	1,228.8	1,228.8	1,228.8	1,228.8	1,228.8
Average - Basic	1,228.8	1,228.8	1,228.8	1,228.8	1,228.8	1,102.5
Average - Diluted	1,229.2	1,228.9	1,229.3	1,229.3	1,228.8	1,102.5
Dividends (\$ per share)	0.20	0.05	0.05	0.05	0.05	0.20
Closing Price - TSX (C\$ per share)	9.60	9.60	12.97	13.65	10.97	11.48
- NYSE (US\$ per share)	7.03	7.03	10.03	10.38	8.54	9.13
Share Volume Traded (millions)	3,243.3	842.3	657.7	939.3	804.0	2,908.3

Operating Statistics - Before Royalties

Upstream Production Volumes	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Crude Oil and Natural Gas Liquids (bbls/d)						
Oil Sands						
Foster Creek	161,979	155,507	163,939	171,079	157,390	124,752
Christina Lake	201,017	170,974	212,733	218,299	202,276	167,727
	362,996	326,481	376,672	389,378	359,666	292,479
Deep Basin						
Crude Oil	5,916	5,228	5,674	6,263	6,517	3,922
Natural Gas Liquids ⁽⁵⁾	26,538	22,883	26,595	27,778	28,962	16,928
	32,454	28,111	32,269	34,041	35,479	20,850
Total Liquids Production from Continuing Operations	395,450	354,592	408,941	423,419	395,145	313,329
Natural Gas (MMcf/d)						
Oil Sands	1	-	-	1	4	10
Deep Basin ⁽⁶⁾	527	469	520	570	549	316
Total Natural Gas Production from Continuing Operations	528	469	520	571	553	326
Total Production from Continuing Operations⁽⁷⁾ (BOE per day)	483,458	432,713	495,592	518,530	487,464	367,635

Selected Average Benchmark Prices	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Crude Oil Prices (US\$/bbl)						
Brent	71.53	68.08	75.97	74.90	67.18	54.82
West Texas Intermediate ("WTI")	64.77	58.81	69.50	67.88	62.87	50.95
Differential Brent - WTI	6.76	9.27	6.47	7.02	4.31	3.87
Western Canadian Select at Hardisty ("WCS")	38.46	19.39	47.25	48.61	38.59	38.97
WCS (C\$)	49.81	25.60	61.75	62.75	48.79	50.56
Differential WTI - WCS	26.31	39.42	22.25	19.27	24.28	11.98
Mixed Sweet Blend	53.65	32.51	62.67	62.42	56.98	48.49
Condensate (C\$ @ Edmonton)	61.00	45.28	66.82	68.83	63.04	51.57
Differential WTI - Condensate (Premium)/Discount	3.77	13.53	2.68	(0.95)	(0.17)	(0.62)
West Texas Sour ("WTS")	57.24	52.38	55.48	59.64	61.46	49.91
Differential WTI - WTS	7.53	6.43	14.02	8.24	1.41	1.04
Refining Margins 3-2-1 Crack Spreads⁽⁸⁾ (US\$/bbl)						
Chicago	15.97	13.43	19.14	18.36	12.96	16.77
Group 3	16.74	14.57	18.71	18.04	15.66	16.61
Natural Gas Prices						
AECO 7A Monthly Index (C\$/Mcf) ⁽⁹⁾	1.53	1.90	1.35	1.03	1.85	2.43
NYMEX (US\$/Mcf)	3.09	3.64	2.90	2.80	3.00	3.11
Differential NYMEX - AECO (US\$/Mcf)	1.90	2.19	1.88	2.00	1.52	1.26



- (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) Adjusted EBITDA is defined as earnings before finance costs, interest income, income tax expense, depreciation, depletion and amortization, revaluation gain, remeasurement gains (losses) on contingent payment, 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.
- (3) 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.
- (4) Return on common equity is calculated, on a trailing twelve-month basis, as net earnings divided by average shareholders' equity.
- (5) Natural gas liquids include condensate volumes.
- (6) Includes production used for internal consumption by the Oil Sands segment of 310 MMcf/d and 306 MMcf/d for the three and twelve months ended December 31, 2018, respectively (2017 - no internal usage of Deep Basin production).
- (7) 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.
- (8) 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").
- (9) Alberta Energy Company ("AECO") natural gas monthly index.

SUPPLEMENTAL INFORMATION (unaudited)

Operating Statistics - Before Royalties (continued)

Average Royalty Rates (Excluding Realized Gain (Loss) on Risk Management)	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Oil Sands						
Foster Creek	18.0%	(3.3)%	24.9%	19.6%	10.4%	11.4%
Christina Lake ⁽¹⁾	4.8%	1,117.2%	11.4%	4.2%	2.3%	2.5%
Deep Basin						
Crude Oil	15.8%	12.3%	16.4%	18.2%	14.3%	15.0%
Natural Gas Liquids	11.5%	3.4%	6.6%	7.2%	26.7%	10.8%
Natural Gas	3.6%	8.3%	(4.7)%	1.0%	6.0%	4.4%

Netbacks

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.

The Oil Sands and Deep Basin netbacks are calculated on a gross basis and exclude adjustments for the natural gas that is produced by the Deep Basin segment and used as fuel by the Oil Sands segment. The consolidated netback is calculated on a net basis, after adjustments for natural gas produced by the Deep Basin segment and used as fuel by the Oil Sands segment.

Oil Sands Netbacks (Excluding Realized Gain (Loss) on Risk Management)	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Heavy Oil - Foster Creek (\$/bbl)						
Sales Price	42.63	20.09	53.35	54.08	39.29	43.75
Royalties	6.25	(0.35)	11.81	9.14	3.17	4.00
Transportation and Blending	8.34	10.68	6.63	7.54	8.93	8.73
Operating	8.97	9.28	7.48	8.75	10.51	10.46
Netback	19.07	0.48	27.43	28.65	16.68	20.56
Heavy Oil - Christina Lake (\$/bbl)						
Sales Price	33.42	4.87	46.07	48.74	30.20	39.78
Royalties	1.37	(1.96)	4.64	1.84	0.59	0.87
Transportation and Blending	5.25	5.99	5.70	4.95	4.78	4.52
Operating	6.60	7.06	5.86	6.22	7.38	6.84
Netback	20.20	(5.82)	29.87	35.73	17.45	27.55
Total Heavy Oil - Oil Sands (\$/bbl)						
Sales Price	37.51	11.50	49.38	51.07	34.27	41.49
Royalties	3.54	(1.26)	7.89	5.02	1.75	2.22
Transportation and Blending	6.62	7.80	6.13	6.08	6.64	6.33
Operating	7.65	8.03	6.59	7.32	8.78	8.40
Netback	19.70	(3.07)	28.77	32.65	17.10	24.54

Deep Basin Netbacks (Excluding Realized Gain (Loss) on Risk Management)	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Total Deep Basin ⁽²⁾ (\$/BOE)						
Sales Price	19.31	17.97	18.45	18.92	21.68	19.52
Royalties	1.64	1.09	0.95	1.34	3.09	1.54
Transportation and Blending	1.97	1.91	1.85	1.92	2.21	2.08
Operating	8.58	9.53	8.89	8.68	7.36	8.56
Production and Mineral Taxes	0.03	0.02	0.03	0.04	0.03	0.02
Netback	7.09	5.42	6.73	6.94	8.99	7.32

Continuing Operations Netbacks (Excluding Realized Gain (Loss) on Risk Management)	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Total Continuing Operations ⁽²⁾ (\$/BOE)						
Sales Price	35.74	13.38	45.73	46.87	33.20	36.86
Royalties	3.43	(0.78)	6.91	4.55	2.34	2.07
Transportation and Blending	6.11	7.17	5.66	5.59	6.16	5.43
Operating	7.68	8.11	7.10	7.66	7.89	8.46
Production and Mineral Taxes	0.01	0.01	0.01	0.01	0.01	0.01
Netback	18.51	(1.13)	26.05	29.06	16.80	20.89

Realized Gain (Loss) on Risk Management - Continuing Operations	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Sales ⁽²⁾ (\$/BOE)	(9.90)	(2.40)	(8.00)	(16.27)	(11.69)	(2.35)

Refinery Operations ⁽³⁾	2018					2017
	Year	Q4	Q3	Q2	Q1	Year
Crude Oil Capacity ⁽⁴⁾ (Mbbls/d)	460	460	460	460	460	460
Crude Oil Runs (Mbbls/d)	446	477	492	464	349	442
Heavy Oil	191	197	204	203	162	202
Light/Medium	255	280	288	261	187	240
Crude Utilization	97%	104%	107%	101%	76%	96%
Refined Products (Mbbls/d)	470	502	518	490	369	470

⁽¹⁾ In August 2018, Christina Lake achieved project payout resulting in royalties thereafter being based on an annualized calculation using the greater of either net profit or gross revenues of the project. In Q4, due to the significant widening of light-heavy oil differentials, Christina Lake incurred a negative revenue base (sales less diluent and transportation) and recorded associated royalty credits, as the annualized royalty expense through Q4 had dropped significantly versus Q3. At the same time, the widening differentials also caused the post payout royalty calculation to be based on gross revenues in Q4 versus the net profit calculation used in Q3. On an annual basis the effective rate of 4.8% is consistent with the annual gross Government posted rate of 4.7%.

⁽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.

⁽³⁾ Represents 100% of the Wood River and Borger refinery operations.

⁽⁴⁾ Total gross crude oil capacity increased effective January 1, 2019 to 482,000 gross barrels per day.