



Encana Corporation

Supplemental Information  
*(unaudited)*

For the period ended December 31, 2013

U.S. Dollars / U.S. Protocol

## Supplemental Financial Information *(unaudited)*

### Financial Results

(\$ millions, except per share amounts)

	2013				
	Year	Q4	Q3	Q2	Q1
Cash Flow <sup>(1)</sup>	2,581	677	660	665	579
Per share - Diluted <sup>(3)</sup>	3.50	0.91	0.89	0.90	0.79
Operating Earnings <sup>(2)</sup>	802	226	150	247	179
Per share - Diluted <sup>(3)</sup>	1.09	0.31	0.20	0.34	0.24
Net Earnings (Loss)	236	(251)	188	730	(431)
Per share - Diluted <sup>(3)</sup>	0.32	(0.34)	0.25	0.99	(0.59)
Effective Tax Rate using Canadian Statutory Rate	25.1%				
Foreign Exchange Rates (US\$ per C\$1)					
Average	0.971	0.953	0.963	0.977	0.992
Period end	0.940	0.940	0.972	0.951	0.985
<b>Cash Flow Summary</b>					
Cash From (Used in) Operating Activities	2,289	462	935	554	338
Deduct (Add back):					
Net change in other assets and liabilities	(80)	(21)	(15)	(22)	(22)
Net change in non-cash working capital	(179)	(183)	300	(81)	(215)
Cash tax on sale of assets	(33)	(11)	(10)	(8)	(4)
Cash Flow <sup>(1)</sup>	2,581	677	660	665	579
<b>Operating Earnings Summary</b>					
Net Earnings (Loss)	236	(251)	188	730	(431)
After-tax (addition) deduction:					
Unrealized hedging gain (loss)	(232)	(209)	(89)	332	(266)
Impairments	(16)	-	(16)	-	-
Restructuring charges	(64)	(64)	-	-	-
Non-operating foreign exchange gain (loss)	(282)	(124)	105	(162)	(101)
Income tax adjustments	28	(80)	38	313	(243)
Operating Earnings <sup>(2)</sup>	802	226	150	247	179

<sup>(1)</sup> Cash Flow is a non-GAAP measure defined as cash from operating activities excluding net change in other assets and liabilities, net change in non-cash working capital and cash tax on sale of assets.

<sup>(2)</sup> Operating Earnings is defined as Net Earnings excluding non-recurring or non-cash items that Management believes reduces the comparability of the Company's financial performance between periods. These after-tax items may include, but are not limited to, unrealized hedging gains/losses, impairments, restructuring charges, foreign exchange gains/losses, income taxes related to divestitures and adjustments to normalize the effect of income taxes calculated using the estimated annual effective tax rate.

<sup>(3)</sup> Net earnings, operating earnings and cash flow per common share are calculated using the weighted average number of Encana common shares outstanding as follows:

	2013				
(millions)	Year	Q4	Q3	Q2	Q1
Weighted Average Common Shares Outstanding					
Basic	737.7	740.4	738.3	736.1	736.2
Diluted	737.7	740.4	738.3	736.1	736.2

## Supplemental Financial & Operating Information *(unaudited)*

Financial Metrics	2013
	Year
Net Debt to Debt Adjusted Cash Flow	1.5x
Debt to Debt Adjusted Cash Flow	2.4x
Debt to Adjusted EBITDA	2.5x
Debt to Adjusted Capitalization	36%

The financial metrics disclosed above are non-GAAP measures monitored by Management as indicators of the Company's overall financial strength. These non-GAAP measures are defined and calculated in the Non-GAAP Measures section of Encana's Management's Discussion and Analysis.

Net Capital Investment	2013				
	Year	Q4	Q3	Q2	Q1
(\$ millions)					
Capital Investment					
Canadian Operations	1,365	354	301	301	409
USA Operations	1,283	343	330	327	283
Market Optimization	3	1	-	2	-
Corporate & Other	61	19	10	9	23
Capital Investment	2,712	717	641	639	715
Net Acquisitions & (Divestitures) <sup>(1)</sup>	(776)	(72)	(51)	(312)	(341)
Net Capital Investment	1,936	645	590	327	374

<sup>(1)</sup> Q1 2013 Net Acquisitions & (Divestitures) includes proceeds received from the sale of the Company's 30 percent interest in the proposed Kitimat liquefied natural gas export terminal in British Columbia and associated undeveloped lands in the Horn River Basin. The transaction closed on February 8, 2013.

Capital Investment	2013				
	Year	Q4	Q3	Q2	Q1
(\$ millions)					
Capital Investment					
Montney	565	186	136	107	136
Duvernay	155	68	11	28	48
DJ Basin	181	46	55	50	30
San Juan	166	33	61	46	26
	1,067	333	263	231	240
Other Upstream Operations <sup>(1)</sup>	1,581	364	368	397	452
Market Optimization	3	1	-	2	-
Corporate & Other	61	19	10	9	23
Capital Investment	2,712	717	641	639	715

<sup>(1)</sup> Other Upstream Operations includes capital investment for Encana's base production properties as well as capital investment for appraisal plays yet to reach commercial viability, including the Tuscaloosa Marine Shale ("TMS").

## Supplemental Financial & Operating Information *(unaudited)*

Production Volumes - After Royalties		2013			
(average)	Year	Q4	Q3	Q2	Q1
Natural Gas (MMcf/d)	<b>2,777</b>	2,744	2,723	2,766	2,877
Oil (Mbbbls/d)	<b>25.8</b>	33.0	27.2	22.9	20.0
NGLs (Mbbbls/d)	<b>28.1</b>	33.0	31.0	24.7	23.5
Oil & NGLs (Mbbbls/d)	<b>53.9</b>	66.0	58.2	47.6	43.5
Total (MMcfe/d)	<b>3,100</b>	3,140	3,072	3,052	3,138

Production Volumes - After Royalties		2013			
(average)	Year	Q4	Q3	Q2	Q1
Natural Gas (MMcf/d)					
Canadian Operations	<b>1,432</b>	1,528	1,414	1,364	1,422
USA Operations	<b>1,345</b>	1,216	1,309	1,402	1,455
	<b>2,777</b>	2,744	2,723	2,766	2,877
Oil (Mbbbls/d)					
Canadian Operations	<b>11.9</b>	16.8	12.3	10.3	8.0
USA Operations	<b>13.9</b>	16.2	14.9	12.6	12.0
	<b>25.8</b>	33.0	27.2	22.9	20.0
NGLs (Mbbbls/d)					
Canadian Operations	<b>18.5</b>	21.7	20.5	15.7	16.0
USA Operations	<b>9.6</b>	11.3	10.5	9.0	7.5
	<b>28.1</b>	33.0	31.0	24.7	23.5
Oil & NGLs (Mbbbls/d)					
Canadian Operations	<b>30.4</b>	38.5	32.8	26.0	24.0
USA Operations	<b>23.5</b>	27.5	25.4	21.6	19.5
	<b>53.9</b>	66.0	58.2	47.6	43.5
Total (MMcfe/d)					
Canadian Operations	<b>1,614</b>	1,759	1,611	1,520	1,566
USA Operations	<b>1,486</b>	1,381	1,461	1,532	1,572
	<b>3,100</b>	3,140	3,072	3,052	3,138

Oil & NGLs Production Volumes - After Royalties		2013	
(average Mbbbls/d)	Year	% of Total	
Oil	<b>25.8</b>	<b>49</b>	
Plant Condensate	<b>8.7</b>	<b>16</b>	
Butane	<b>4.5</b>	<b>8</b>	
Propane	<b>7.2</b>	<b>13</b>	
Ethane	<b>7.7</b>	<b>14</b>	
	<b>53.9</b>	<b>100</b>	

## Supplemental Financial & Operating Information *(unaudited)*

### Results of Operations

#### Product and Operational Information, Including the Impact of Realized Financial Hedging

	2013				
(\$ millions)	Year	Q4	Q3	Q2	Q1
<b>Natural Gas - Canadian Operations</b>					
Revenues, Net of Royalties, excluding Hedging	1,771	509	381	459	422
Realized Financial Hedging Gain	271	84	102	19	66
Expenses					
Production and mineral taxes	4	2	1	-	1
Transportation and processing	724	207	183	165	169
Operating	322	82	72	80	88
Operating Cash Flow	992	302	227	233	230
<b>Natural Gas - USA Operations</b>					
Revenues, Net of Royalties, excluding Hedging	1,872	426	440	547	459
Realized Financial Hedging Gain	260	80	84	27	69
Expenses					
Production and mineral taxes	77	19	16	27	15
Transportation and processing	722	175	184	179	184
Operating	339	97	78	78	86
Operating Cash Flow	994	215	246	290	243
<b>Natural Gas - Total Operations</b>					
Revenues, Net of Royalties, excluding Hedging	3,643	935	821	1,006	881
Realized Financial Hedging Gain	531	164	186	46	135
Expenses					
Production and mineral taxes	81	21	17	27	16
Transportation and processing	1,446	382	367	344	353
Operating	661	179	150	158	174
Operating Cash Flow	1,986	517	473	523	473
<b>Liquids - Canadian Operations</b>					
Revenues, Net of Royalties, excluding Hedging	722	222	204	156	140
Realized Financial Hedging Gain (Loss)	5	6	(7)	2	4
Expenses					
Production and mineral taxes	11	2	7	1	1
Transportation and processing	32	18	7	4	3
Operating	39	7	11	9	12
Operating Cash Flow	645	201	172	144	128
<b>Liquids - USA Operations</b>					
Revenues, Net of Royalties, excluding Hedging	602	177	169	134	122
Realized Financial Hedging Gain (Loss)	4	3	(7)	3	5
Expenses					
Production and mineral taxes	42	14	11	9	8
Transportation and processing	-	-	-	-	-
Operating	59	10	12	14	23
Operating Cash Flow	505	156	139	114	96
<b>Liquids - Total Operations</b>					
Revenues, Net of Royalties, excluding Hedging	1,324	399	373	290	262
Realized Financial Hedging Gain (Loss)	9	9	(14)	5	9
Expenses					
Production and mineral taxes	53	16	18	10	9
Transportation and processing	32	18	7	4	3
Operating	98	17	23	23	35
Operating Cash Flow	1,150	357	311	258	224

## Supplemental Oil and Gas Operating Statistics *(unaudited)*

### Operating Statistics - After Royalties

#### Per-unit Results, Excluding the Impact of Realized Financial Hedging

	<b>2013</b>				
	Year	Q4	Q3	Q2	Q1
<b>Natural Gas - Canadian Operations (\$/Mcf)</b>					
Price <sup>(1)</sup>	3.35	3.60	2.90	3.69	3.21
Production and mineral taxes	0.01	0.02	0.01	-	0.01
Transportation and processing	1.37	1.46	1.38	1.33	1.29
Operating	0.61	0.59	0.55	0.65	0.66
Netback	1.36	1.53	0.96	1.71	1.25
<b>Natural Gas - USA Operations (\$/Mcf)</b>					
Price	3.81	3.81	3.66	4.29	3.50
Production and mineral taxes	0.16	0.18	0.13	0.21	0.11
Transportation and processing	1.47	1.56	1.53	1.40	1.40
Operating	0.69	0.86	0.65	0.61	0.66
Netback	1.49	1.21	1.35	2.07	1.33
<b>Natural Gas - Total Operations (\$/Mcf)</b>					
Price	3.57	3.69	3.26	3.99	3.35
Production and mineral taxes	0.08	0.09	0.07	0.11	0.06
Transportation and processing	1.42	1.51	1.46	1.36	1.35
Operating	0.65	0.70	0.60	0.63	0.66
Netback	1.42	1.39	1.13	1.89	1.28
<b>Liquids - Canadian Operations (\$/bbl)</b>					
Price	65.06	62.80	67.33	65.88	64.72
Production and mineral taxes	0.96	0.61	1.91	0.62	0.58
Transportation and processing	2.89	5.15	2.41	1.53	1.33
Operating	3.56	2.03	3.74	3.77	5.61
Netback	57.65	55.01	59.27	59.96	57.20
<b>Liquids - USA Operations (\$/bbl)</b>					
Price	70.18	69.46	72.53	68.56	69.91
Production and mineral taxes	4.79	5.06	4.90	4.57	4.50
Transportation and processing	-	-	-	-	-
Operating	7.02	4.11	5.13	7.54	13.16
Netback	58.37	60.29	62.50	56.45	52.25
<b>Liquids - Total Operations (\$/bbl)</b>					
Price	67.30	65.58	69.60	67.10	67.04
Production and mineral taxes	2.63	2.46	3.22	2.41	2.33
Transportation and processing	1.63	3.01	1.36	0.84	0.73
Operating	5.07	2.90	4.35	5.48	8.98
Netback	57.97	57.21	60.67	58.37	55.00
<b>Total Operations Netback - Canadian Operations (\$/Mcf)</b>					
Price	4.19	4.50	3.90	4.44	3.89
Production and mineral taxes	0.03	0.03	0.05	0.01	0.02
Transportation and processing	1.27	1.38	1.27	1.22	1.19
Operating	0.61	0.55	0.56	0.65	0.69
Netback	2.28	2.54	2.02	2.56	1.99
<b>Total Operations Netback - USA Operations (\$/Mcf)</b>					
Price	4.56	4.74	4.54	4.89	4.10
Production and mineral taxes	0.22	0.26	0.20	0.26	0.16
Transportation and processing	1.33	1.37	1.37	1.28	1.30
Operating	0.74	0.84	0.67	0.66	0.77
Netback	2.27	2.27	2.30	2.69	1.87
<b>Total Operations Netback (\$/Mcf)</b>					
Price	4.37	4.61	4.20	4.66	3.99
Production and mineral taxes	0.12	0.13	0.12	0.13	0.09
Transportation and processing	1.30	1.38	1.32	1.25	1.25
Operating	0.67	0.68	0.61	0.65	0.73
Netback	2.28	2.42	2.15	2.63	1.92

(1) Canadian Operations price reflects Deep Panuke price for Q4 of \$7.36/Mcf on natural gas production volumes of 133 MMcf/d. Excluding the impact of the Panuke operations, the natural gas price for Q4 was \$3.25/Mcf.

## Supplemental Oil and Gas Operating Statistics *(unaudited)*

### Operating Statistics - After Royalties (continued)

#### Impact of Realized Financial Hedging

	Year	2013			
		Q4	Q3	Q2	Q1
Natural Gas (\$/Mcf)					
Canadian Operations	<b>0.51</b>	0.60	0.78	0.15	0.50
USA Operations	<b>0.53</b>	0.72	0.69	0.21	0.53
Total Operations	<b>0.52</b>	0.65	0.74	0.18	0.51
Liquids (\$/bbl)					
Canadian Operations	<b>0.46</b>	1.62	(2.59)	1.00	2.20
USA Operations	<b>0.44</b>	1.15	(2.73)	1.32	2.67
Total Operations	<b>0.45</b>	1.43	(2.65)	1.15	2.41
Total (\$/Mcf)					
Canadian Operations	<b>0.46</b>	0.55	0.63	0.15	0.49
USA Operations	<b>0.49</b>	0.66	0.57	0.21	0.52
Total Operations	<b>0.47</b>	0.60	0.60	0.18	0.51

#### Per-unit Results, Including the Impact of Realized Financial Hedging

	Year	2013			
		Q4	Q3	Q2	Q1
Natural Gas Price (\$/Mcf)					
Canadian Operations	<b>3.86</b>	4.20	3.68	3.84	3.71
USA Operations	<b>4.34</b>	4.53	4.35	4.50	4.03
Total Operations	<b>4.09</b>	4.34	4.00	4.17	3.86
Natural Gas Netback (\$/Mcf)					
Canadian Operations	<b>1.87</b>	2.13	1.74	1.86	1.75
USA Operations	<b>2.02</b>	1.93	2.04	2.28	1.86
Total Operations	<b>1.94</b>	2.04	1.87	2.07	1.79
Liquids Price (\$/bbl)					
Canadian Operations	<b>65.52</b>	64.42	64.74	66.88	66.92
USA Operations	<b>70.62</b>	70.61	69.80	69.88	72.58
Total Operations	<b>67.75</b>	67.01	66.95	68.25	69.45
Liquids Netback (\$/bbl)					
Canadian Operations	<b>58.11</b>	56.63	56.68	60.96	59.40
USA Operations	<b>58.81</b>	61.44	59.77	57.77	54.92
Total Operations	<b>58.42</b>	58.64	58.02	59.52	57.41
Total Price (\$/Mcf)					
Canadian Operations	<b>4.65</b>	5.05	4.53	4.59	4.38
USA Operations	<b>5.05</b>	5.40	5.11	5.10	4.62
Total Operations	<b>4.84</b>	5.21	4.80	4.84	4.50
Total Netback (\$/Mcf)					
Canadian Operations	<b>2.74</b>	3.09	2.65	2.71	2.48
USA Operations	<b>2.76</b>	2.93	2.87	2.90	2.39
Total Operations	<b>2.75</b>	3.02	2.75	2.81	2.43

## Supplemental Oil and Gas Operating Statistics *(unaudited)*

### Results by Resource Play

	2013				
	Year	Q4	Q3	Q2	Q1
<b>Natural Gas Production (MMcf/d) - After Royalties</b>					
Canadian Operations					
Montney	463	500	513	424	413
Duvernay	4	7	5	2	1
Other					
Bighorn	255	283	253	242	243
Clearwater	335	329	332	331	347
Deep Panuke	41	133	30	-	-
Other *	334	276	281	365	418
<b>Total Canadian Operations</b>	<b>1,432</b>	<b>1,528</b>	<b>1,414</b>	<b>1,364</b>	<b>1,422</b>
USA Operations					
DJ Basin	39	43	37	39	37
San Juan	3	6	3	1	1
Other					
Haynesville	348	261	336	375	420
East Texas	136	123	132	145	145
Piceance	455	452	444	465	459
Jonah	323	296	320	332	346
Other *	41	35	37	45	47
<b>Total USA Operations</b>	<b>1,345</b>	<b>1,216</b>	<b>1,309</b>	<b>1,402</b>	<b>1,455</b>
<b>Oil &amp; NGLs Production (Mbbbls/d) - After Royalties</b>					
Canadian Operations					
Montney	10.0	13.5	11.8	7.8	6.7
Duvernay	0.7	1.2	0.7	0.5	0.3
Other					
Bighorn	8.9	10.9	9.9	7.4	7.4
Clearwater	9.9	12.2	9.8	9.2	8.5
Other *	0.9	0.7	0.6	1.1	1.1
<b>Total Canadian Operations</b>	<b>30.4</b>	<b>38.5</b>	<b>32.8</b>	<b>26.0</b>	<b>24.0</b>
USA Operations					
DJ Basin	8.4	10.7	8.2	7.8	6.8
San Juan	1.4	2.9	1.9	0.4	0.3
Other					
East Texas	1.0	1.0	1.1	0.9	0.8
Piceance	5.1	5.3	5.5	5.2	4.3
Jonah	4.7	4.6	4.8	4.9	4.6
Other *	2.9	3.0	3.9	2.4	2.7
<b>Total USA Operations</b>	<b>23.5</b>	<b>27.5</b>	<b>25.4</b>	<b>21.6</b>	<b>19.5</b>

\* Other includes production from smaller base production and growth plays, including the TMS in the USA.



## Supplemental Oil and Gas Operating Statistics *(unaudited)*

### Results by Resource Play (continued)

	2013				
	Year	Q4	Q3	Q2	Q1
<b>Drilling Activity (net wells drilled)</b>					
Canadian Operations					
Montney	61	18	14	13	16
Duvernay	12	4	4	2	2
Other					
Bighorn	21	1	3	9	8
Clearwater	283	115	81	-	87
Other *	13	2	2	5	4
<b>Total Canadian Operations</b>	<b>390</b>	<b>140</b>	<b>104</b>	<b>29</b>	<b>117</b>
USA Operations					
DJ Basin	51	11	13	15	12
San Juan	19	4	7	6	2
Other					
Haynesville	19	7	5	5	2
East Texas	7	3	2	-	2
Piceance	85	20	20	23	22
Jonah	49	9	13	13	14
Other *	7	2	2	-	3
<b>Total USA Operations</b>	<b>237</b>	<b>56</b>	<b>62</b>	<b>62</b>	<b>57</b>

\* Other includes net wells drilled on smaller base production and growth plays, including the TMS in the USA.