



Encana Corporation

Interim Supplemental Information  
*(unaudited)*

For the period ended March 31, 2014

U.S. Dollars / U.S. Protocol

## Supplemental Financial Information *(unaudited)*

### Financial Results

(\$ millions, except per share amounts)	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
Cash Flow <sup>(1)</sup>	<b>1,094</b>	2,581	677	660	665	579
Per share - Diluted <sup>(3)</sup>	<b>1.48</b>	3.50	0.91	0.89	0.90	0.79
Operating Earnings <sup>(2)</sup>	<b>515</b>	802	226	150	247	179
Per share - Diluted <sup>(3)</sup>	<b>0.70</b>	1.09	0.31	0.20	0.34	0.24
Net Earnings (Loss)	<b>116</b>	236	(251)	188	730	(431)
Per share - Diluted <sup>(3)</sup>	<b>0.16</b>	0.32	(0.34)	0.25	0.99	(0.59)
Effective Tax Rate using Canadian Statutory Rate	<b>25.7%</b>	25.1%				
Foreign Exchange Rates (US\$ per C\$1)						
Average	<b>0.906</b>	0.971	0.953	0.963	0.977	0.992
Period end	<b>0.905</b>	0.940	0.940	0.972	0.951	0.985
<b>Cash Flow Summary</b>						
Cash From (Used in) Operating Activities	<b>943</b>	2,289	462	935	554	338
Deduct (Add back):						
Net change in other assets and liabilities	<b>(9)</b>	(80)	(21)	(15)	(22)	(22)
Net change in non-cash working capital	<b>(142)</b>	(179)	(183)	300	(81)	(215)
Cash tax on sale of assets	<b>-</b>	(33)	(11)	(10)	(8)	(4)
Cash Flow <sup>(1)</sup>	<b>1,094</b>	2,581	677	660	665	579
<b>Operating Earnings Summary</b>						
Net Earnings (Loss)	<b>116</b>	236	(251)	188	730	(431)
After-tax (addition) deduction:						
Unrealized hedging gain (loss)	<b>(203)</b>	(232)	(209)	(89)	332	(266)
Impairments	<b>-</b>	(16)	-	(16)	-	-
Restructuring charges	<b>(10)</b>	(64)	(64)	-	-	-
Non-operating foreign exchange gain (loss)	<b>(194)</b>	(282)	(124)	105	(162)	(101)
Income tax adjustments	<b>8</b>	28	(80)	38	313	(243)
Operating Earnings <sup>(2)</sup>	<b>515</b>	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 a non-GAAP measure 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 income 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:

(millions)	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
Weighted Average Common Shares Outstanding						
Basic	<b>741.0</b>	737.7	740.4	738.3	736.1	736.2
Diluted	<b>741.0</b>	737.7	740.4	738.3	736.1	736.2

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

Financial Metrics	2014	2013
	Q1	Year
Net Debt to Debt Adjusted Cash Flow	1.2x	1.5x
Debt to Adjusted Capitalization	33%	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 (\$ millions)	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
Capital Investment						
Canadian Operations	281	1,365	354	301	301	409
USA Operations	226	1,283	343	330	327	283
Market Optimization	1	3	1	-	2	-
Corporate & Other	3	61	19	10	9	23
Capital Investment	511	2,712	717	641	639	715
Net Acquisitions & (Divestitures) <sup>(1)</sup>	(24)	(776)	(72)	(51)	(312)	(341)
Net Capital Investment	487	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.

Capital Investment (\$ millions)	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
Capital Investment						
Montney	206	565	186	136	107	136
Duvernay	71	155	68	11	28	48
DJ Basin	59	181	46	55	50	30
San Juan	52	166	33	61	46	26
	388	1,067	333	263	231	240
Other Upstream Operations <sup>(1)</sup>	119	1,581	364	368	397	452
Market Optimization	1	3	1	-	2	-
Corporate & Other	3	61	19	10	9	23
Capital Investment	511	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 prospective plays which are under appraisal, including the Tuscaloosa Marine Shale ("TMS"). Q1 2014 capital investment for the TMS was \$20 million (Q1 2013 - \$40 million).

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

Production Volumes - After Royalties	2014		2013				
	(average)	Q1	Year	Q4	Q3	Q2	Q1
Natural Gas (MMcf/d)		2,809	2,777	2,744	2,723	2,766	2,877
Oil (Mbbbls/d)		32.1	25.8	33.0	27.2	22.9	20.0
NGLs (Mbbbls/d)		35.8	28.1	33.0	31.0	24.7	23.5
Oil & NGLs (Mbbbls/d)		67.9	53.9	66.0	58.2	47.6	43.5
Total (MMcfe/d)		3,216	3,100	3,140	3,072	3,052	3,138

Production Volumes - After Royalties	2014		2013				
	(average)	Q1	Year	Q4	Q3	Q2	Q1
Natural Gas (MMcf/d)							
Canadian Operations		1,568	1,432	1,528	1,414	1,364	1,422
USA Operations		1,241	1,345	1,216	1,309	1,402	1,455
		2,809	2,777	2,744	2,723	2,766	2,877
Oil (Mbbbls/d)							
Canadian Operations		16.4	11.9	16.8	12.3	10.3	8.0
USA Operations		15.7	13.9	16.2	14.9	12.6	12.0
		32.1	25.8	33.0	27.2	22.9	20.0
NGLs (Mbbbls/d)							
Canadian Operations		24.6	18.5	21.7	20.5	15.7	16.0
USA Operations		11.2	9.6	11.3	10.5	9.0	7.5
		35.8	28.1	33.0	31.0	24.7	23.5
Oil & NGLs (Mbbbls/d)							
Canadian Operations		41.0	30.4	38.5	32.8	26.0	24.0
USA Operations		26.9	23.5	27.5	25.4	21.6	19.5
		67.9	53.9	66.0	58.2	47.6	43.5
Total (MMcfe/d)							
Canadian Operations		1,814	1,614	1,759	1,611	1,520	1,566
USA Operations		1,402	1,486	1,381	1,461	1,532	1,572
		3,216	3,100	3,140	3,072	3,052	3,138

Oil & NGLs Production Volumes - After Royalties	2014		2013		
	(average Mbbbls/d)	Q1	% of Total	Year	% of Total
Oil		32.1	47	25.8	49
Plant Condensate		10.1	15	8.7	16
Butane		5.7	8	4.5	8
Propane		8.7	13	7.2	13
Ethane		11.3	17	7.7	14
		67.9	100	53.9	100

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

### Results of Operations

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

(\$ millions)	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
<b>Natural Gas - Canadian Operations</b>						
Revenues, Net of Royalties, excluding Hedging	1,017	1,771	509	381	459	422
Realized Financial Hedging Gain (Loss)	(75)	271	84	102	19	66
Expenses						
Production and mineral taxes	2	4	2	1	-	1
Transportation and processing	201	724	207	183	165	169
Operating	84	322	82	72	80	88
Operating Cash Flow	655	992	302	227	233	230
<b>Natural Gas - USA Operations</b>						
Revenues, Net of Royalties, excluding Hedging	596	1,872	426	440	547	459
Realized Financial Hedging Gain (Loss)	(65)	260	80	84	27	69
Expenses						
Production and mineral taxes	29	77	19	16	27	15
Transportation and processing	163	722	175	184	179	184
Operating	68	339	97	78	78	86
Operating Cash Flow	271	994	215	246	290	243
<b>Natural Gas - Total Operations</b>						
Revenues, Net of Royalties, excluding Hedging	1,613	3,643	935	821	1,006	881
Realized Financial Hedging Gain (Loss)	(140)	531	164	186	46	135
Expenses						
Production and mineral taxes	31	81	21	17	27	16
Transportation and processing	364	1,446	382	367	344	353
Operating	152	661	179	150	158	174
Operating Cash Flow	926	1,986	517	473	523	473
<b>Liquids - Canadian Operations</b>						
Revenues, Net of Royalties, excluding Hedging	245	722	222	204	156	140
Realized Financial Hedging Gain (Loss)	-	5	6	(7)	2	4
Expenses						
Production and mineral taxes	3	11	2	7	1	1
Transportation and processing	14	32	18	7	4	3
Operating	6	39	7	11	9	12
Operating Cash Flow	222	645	201	172	144	128
<b>Liquids - USA Operations</b>						
Revenues, Net of Royalties, excluding Hedging	179	602	177	169	134	122
Realized Financial Hedging Gain (Loss)	-	4	3	(7)	3	5
Expenses						
Production and mineral taxes	13	42	14	11	9	8
Transportation and processing	-	-	-	-	-	-
Operating	8	59	10	12	14	23
Operating Cash Flow	158	505	156	139	114	96
<b>Liquids - Total Operations</b>						
Revenues, Net of Royalties, excluding Hedging	424	1,324	399	373	290	262
Realized Financial Hedging Gain (Loss)	-	9	9	(14)	5	9
Expenses						
Production and mineral taxes	16	53	16	18	10	9
Transportation and processing	14	32	18	7	4	3
Operating	14	98	17	23	23	35
Operating Cash Flow	380	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

	2014		2013			
	Q1	Year	Q4	Q3	Q2	Q1
<b>Natural Gas - Canadian Operations (\$/Mcf)</b>						
Price <sup>(1)</sup>	7.17	3.35	3.60	2.90	3.69	3.21
Production and mineral taxes	0.01	0.01	0.02	0.01	-	0.01
Transportation and processing	1.42	1.37	1.46	1.38	1.33	1.29
Operating	0.59	0.61	0.59	0.55	0.65	0.66
Netback	5.15	1.36	1.53	0.96	1.71	1.25
<b>Natural Gas - USA Operations (\$/Mcf)</b>						
Price	5.34	3.81	3.81	3.66	4.29	3.50
Production and mineral taxes	0.26	0.16	0.18	0.13	0.21	0.11
Transportation and processing	1.46	1.47	1.56	1.53	1.40	1.40
Operating	0.61	0.69	0.86	0.65	0.61	0.66
Netback	3.01	1.49	1.21	1.35	2.07	1.33
<b>Natural Gas - Total Operations (\$/Mcf)</b>						
Price <sup>(2)</sup>	6.37	3.57	3.69	3.26	3.99	3.35
Production and mineral taxes	0.12	0.08	0.09	0.07	0.11	0.06
Transportation and processing	1.44	1.42	1.51	1.46	1.36	1.35
Operating	0.60	0.65	0.70	0.60	0.63	0.66
Netback	4.21	1.42	1.39	1.13	1.89	1.28
<b>Liquids - Canadian Operations (\$/bbl)</b>						
Price	66.36	65.06	62.80	67.33	65.88	64.72
Production and mineral taxes	0.80	0.96	0.61	1.91	0.62	0.58
Transportation and processing	3.80	2.89	5.15	2.41	1.53	1.33
Operating	1.75	3.56	2.03	3.74	3.77	5.61
Netback	60.01	57.65	55.01	59.27	59.96	57.20
<b>Liquids - USA Operations (\$/bbl)</b>						
Price	73.61	70.18	69.46	72.53	68.56	69.91
Production and mineral taxes	5.46	4.79	5.06	4.90	4.57	4.50
Transportation and processing	-	-	-	-	-	-
Operating	3.16	7.02	4.11	5.13	7.54	13.16
Netback	64.99	58.37	60.29	62.50	56.45	52.25
<b>Liquids - Total Operations (\$/bbl)</b>						
Price	69.23	67.30	65.58	69.60	67.10	67.04
Production and mineral taxes	2.65	2.63	2.46	3.22	2.41	2.33
Transportation and processing	2.30	1.63	3.01	1.36	0.84	0.73
Operating	2.31	5.07	2.90	4.35	5.48	8.98
Netback	61.97	57.97	57.21	60.67	58.37	55.00
<b>Total Operations Netback - Canadian Operations (\$/Mcf)</b>						
Price	7.70	4.19	4.50	3.90	4.44	3.89
Production and mineral taxes	0.03	0.03	0.03	0.05	0.01	0.02
Transportation and processing	1.31	1.27	1.38	1.27	1.22	1.19
Operating	0.55	0.61	0.55	0.56	0.65	0.69
Netback	5.81	2.28	2.54	2.02	2.56	1.99
<b>Total Operations Netback - USA Operations (\$/Mcf)</b>						
Price	6.14	4.56	4.74	4.54	4.89	4.10
Production and mineral taxes	0.33	0.22	0.26	0.20	0.26	0.16
Transportation and processing	1.29	1.33	1.37	1.37	1.28	1.30
Operating	0.60	0.74	0.84	0.67	0.66	0.77
Netback	3.92	2.27	2.27	2.30	2.69	1.87
<b>Total Operations Netback (\$/Mcf)</b>						
Price	7.02	4.37	4.61	4.20	4.66	3.99
Production and mineral taxes	0.16	0.12	0.13	0.12	0.13	0.09
Transportation and processing	1.30	1.30	1.38	1.32	1.25	1.25
Operating <sup>(3)</sup>	0.57	0.67	0.68	0.61	0.65	0.73
Netback	4.99	2.28	2.42	2.15	2.63	1.92

(1) Canadian Operations price reflects Deep Panuke price for Q1 2014 of \$19.14/Mcf on natural gas production volumes of 253 MMcf/d. Excluding the impact of the Panuke operations, the natural gas price for Q1 2014 is \$4.88/Mcf.

(2) Excluding the impact of the Panuke operations, the natural gas price for Q1 2014 is \$5.10/Mcf.

(3) Q1 2014 operating expense includes costs related to long-term incentives of \$0.05/Mcfe (Q1 2013 - \$0.02/Mcfe).

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

### Operating Statistics - After Royalties (continued)

#### Impact of Realized Financial Hedging

	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
Natural Gas (\$/Mcf)						
Canadian Operations	<b>(0.53)</b>	0.51	0.60	0.78	0.15	0.50
USA Operations	<b>(0.58)</b>	0.53	0.72	0.69	0.21	0.53
Total Operations	<b>(0.55)</b>	0.52	0.65	0.74	0.18	0.51
Liquids (\$/bbl)						
Canadian Operations	<b>(0.09)</b>	0.46	1.62	(2.59)	1.00	2.20
USA Operations	<b>0.04</b>	0.44	1.15	(2.73)	1.32	2.67
Total Operations	<b>(0.04)</b>	0.45	1.43	(2.65)	1.15	2.41
Total (\$/Mcf)						
Canadian Operations	<b>(0.46)</b>	0.46	0.55	0.63	0.15	0.49
USA Operations	<b>(0.51)</b>	0.49	0.66	0.57	0.21	0.52
Total Operations	<b>(0.48)</b>	0.47	0.60	0.60	0.18	0.51

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

	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
Natural Gas Price (\$/Mcf)						
Canadian Operations	<b>6.64</b>	3.86	4.20	3.68	3.84	3.71
USA Operations	<b>4.76</b>	4.34	4.53	4.35	4.50	4.03
Total Operations	<b>5.82</b>	4.09	4.34	4.00	4.17	3.86
Natural Gas Netback (\$/Mcf)						
Canadian Operations	<b>4.62</b>	1.87	2.13	1.74	1.86	1.75
USA Operations	<b>2.43</b>	2.02	1.93	2.04	2.28	1.86
Total Operations	<b>3.66</b>	1.94	2.04	1.87	2.07	1.79
Liquids Price (\$/bbl)						
Canadian Operations	<b>66.27</b>	65.52	64.42	64.74	66.88	66.92
USA Operations	<b>73.65</b>	70.62	70.61	69.80	69.88	72.58
Total Operations	<b>69.19</b>	67.75	67.01	66.95	68.25	69.45
Liquids Netback (\$/bbl)						
Canadian Operations	<b>59.92</b>	58.11	56.63	56.68	60.96	59.40
USA Operations	<b>65.03</b>	58.81	61.44	59.77	57.77	54.92
Total Operations	<b>61.93</b>	58.42	58.64	58.02	59.52	57.41
Total Price (\$/Mcf)						
Canadian Operations	<b>7.24</b>	4.65	5.05	4.53	4.59	4.38
USA Operations	<b>5.63</b>	5.05	5.40	5.11	5.10	4.62
Total Operations	<b>6.54</b>	4.84	5.21	4.80	4.84	4.50
Total Netback (\$/Mcf)						
Canadian Operations	<b>5.35</b>	2.74	3.09	2.65	2.71	2.48
USA Operations	<b>3.41</b>	2.76	2.93	2.87	2.90	2.39
Total Operations	<b>4.51</b>	2.75	3.02	2.75	2.81	2.43

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

### Results by Resource Play

	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
<b>Natural Gas Production (MMcf/d) - After Royalties</b>						
Canadian Operations						
Montney	484	463	500	513	424	413
Duvernay	8	4	7	5	2	1
Other Upstream Operations <sup>(1)</sup>						
Clearwater	324	335	329	332	331	347
Bighorn	246	255	283	253	242	243
Deep Panuke	253	41	133	30	-	-
Other and emerging	253	334	276	281	365	418
<b>Total Canadian Operations</b>	<b>1,568</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	40	39	43	37	39	37
San Juan	7	3	6	3	1	1
Other Upstream Operations <sup>(1)</sup>						
Piceance	436	455	452	444	465	459
Haynesville	331	348	261	336	375	420
Jonah	282	323	296	320	332	346
East Texas	113	136	123	132	145	145
Other and emerging	32	41	35	37	45	47
<b>Total USA Operations</b>	<b>1,241</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	16.1	10.0	13.5	11.8	7.8	6.7
Duvernay	1.4	0.7	1.2	0.7	0.5	0.3
Other Upstream Operations <sup>(1)</sup>						
Clearwater	11.3	9.9	12.2	9.8	9.2	8.5
Bighorn	12.1	8.9	10.9	9.9	7.4	7.4
Other and emerging	0.1	0.9	0.7	0.6	1.1	1.1
<b>Total Canadian Operations</b>	<b>41.0</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	10.5	8.4	10.7	8.2	7.8	6.8
San Juan	2.7	1.4	2.9	1.9	0.4	0.3
Other Upstream Operations <sup>(1)</sup>						
Piceance	5.4	5.1	5.3	5.5	5.2	4.3
Jonah	4.7	4.7	4.6	4.8	4.9	4.6
East Texas	1.2	1.0	1.0	1.1	0.9	0.8
Other and emerging	2.4	2.9	3.0	3.9	2.4	2.7
<b>Total USA Operations</b>	<b>26.9</b>	<b>23.5</b>	<b>27.5</b>	<b>25.4</b>	<b>21.6</b>	<b>19.5</b>

<sup>(1)</sup> Other Upstream Operations includes results from resource plays that are not part of the Company's current strategic focus as well as prospective plays which are under appraisal, including the TMS which is reported in Other and emerging in the USA Operations.



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

### Results by Resource Play (continued)

	2014	2013				
	Q1	Year	Q4	Q3	Q2	Q1
<b>Drilling Activity (net wells drilled)</b>						
Canadian Operations						
Montney	27	61	18	14	13	16
Duvernay	6	12	4	4	2	2
Other Upstream Operations <sup>(1)</sup>						
Clearwater	66	283	115	81	-	87
Bighorn	-	21	1	3	9	8
Other and emerging	-	13	2	2	5	4
<b>Total Canadian Operations</b>	<b>99</b>	<b>390</b>	<b>140</b>	<b>104</b>	<b>29</b>	<b>117</b>
USA Operations						
DJ Basin	18	51	11	13	15	12
San Juan	4	19	4	7	6	2
Other Upstream Operations <sup>(1)</sup>						
Piceance	1	85	20	20	23	22
Haynesville	-	19	7	5	5	2
Jonah	12	49	9	13	13	14
East Texas	-	7	3	2	-	2
Other and emerging	2	7	2	2	-	3
<b>Total USA Operations</b>	<b>37</b>	<b>237</b>	<b>56</b>	<b>62</b>	<b>62</b>	<b>57</b>

<sup>(1)</sup> Other Upstream Operations includes net wells drilled in resource plays that are not part of the Company's current strategic focus as well as prospective plays which are under appraisal, including the TMS which is reported in Other and emerging in the USA Operations.