Ovintiv Reports First Quarter 2026 Financial and Operating Results

Efficiency, Best-in-Class Inventory, and Clean Balance Sheet Delivering Superior Returns

Highlights:

- Generated first quarter cash from operating activities of $1.1 billion, Non-GAAP Cash Flow of $1.2 billion and Non-GAAP Free Cash Flow of $634 million after capital expenditures of $605 million
- Produced average first quarter volumes of 679 thousand barrels of oil equivalent per day ("MBOE/d"), at the high end of company guidance across all products including 225 thousand barrels per day ("Mbbls/d") of oil and condensate, 100 Mbbls/d of other NGLs (C2 to C4) and 2,124 million cubic feet per day ("MMcf/d") of natural gas
- Closed the acquisition of NuVista Energy Ltd., adding approximately 100 MBOE/d of production, 930 net 10,000-foot equivalent well locations, and approximately 140,000 net acres of land for approximately $2.8 billion
- Closed the sale of the Company's Anadarko assets in April for total cash proceeds of approximately $2.85 billion after preliminary closing adjustments
- Redeemed the Company's $700 million, 5.65% senior notes due May 15, 2028, on April 20, 2026, using proceeds from the Anadarko divestiture; annualized interest savings to total approximately $40 million
- Net Debt of less than $3.3 billion as of April 30, 2026; approximately 40% lower than one year prior
- Resumed share buybacks in March with the repurchase of approximately 1.5 million shares for total consideration of approximately $84 million; year-to-date share buybacks as of April 30, 2026, totaled 3.2 million shares for total consideration of $180 million
- Released the 2025 Sustainability Report on the Company's website

DENVER, May 11, 2026 /CNW/ - Ovintiv Inc. (NYSE: OVV) (TSX: OVV) ("Ovintiv" or the "Company") today announced its first quarter 2026 financial and operating results. The Company plans to hold a conference call and webcast at 8:00 a.m. MT (10:00 a.m. ET) on May 12, 2026. Please see dial-in details within this release, as well as additional details on the Company's website at www.ovintiv.com under Presentations and Events – Ovintiv.

"We've built a track record of leading execution efficiency and disciplined capital allocation and now we've combined those strengths with best-in-class inventory depth in the two best E&P assets, and a clean balance sheet," said Ovintiv President and CEO, Brendan McCracken. "With the enhanced stability of our business today, we are intensely focused on efficient execution and profitability. Our strong first quarter continues to demonstrate differentiated results that reflect the moat we have created through disciplined portfolio management and stacked innovation."

First Quarter 2026 Financial and Operating Results

- Reported first quarter net loss of $630 million, or $2.35 per share diluted, including non-cash ceiling test impairments of $1.2 billion, after tax, or $4.30 per share diluted; impairment primarily driven by a weaker SEC 12-month trailing oil price relative to the previous quarter
- Recognized a net loss on risk management in revenues of $63 million, before tax
- Generated cash from operating activities of $1.1 billion and Non-GAAP Cash Flow of $1.2 billion
- First quarter average total production volumes were approximately 679 MBOE/d, including 225 Mbbls/d of oil and condensate, 100 Mbbls/d of other NGLs (C2 to C4) and 2,124 MMcf/d of natural gas; all products were at the high end of guidance
- First quarter capital investment of $605 million was at the low end of the guidance range of $600 million to $650 million
- First quarter upstream operating expense of $3.71 per BOE, upstream transportation and processing costs of $7.53 per BOE, production, mineral and other taxes of $1.30 per BOE, or

3.6% of upstream product revenue; costs were at the low end of guidance on a combined basis.
- Including the impact of hedges, first quarter average realized price for oil and condensate was $70.14 per barrel (98% of WTI), $18.12 per barrel for other NGLs, and $3.24 per Mcf (64% of NYMEX) for natural gas, resulting in a total average realized price of $36.08 per BOE

2026 Guidance
The Company issued its second quarter 2026 guidance and reiterated its full year guidance. Full year production volumes are expected to average 620 to 645 MBOE/d, with full year expected capital investment of $2.25 billion to $2.35 billion.

2026 Guidance	2Q 2026	Full Year 2026
Total Production (MBOE/d)	610 – 635	**620 – 645**
Oil & Condensate (Mbbls/d)	200 – 205	**205 – 212**
NGLs (C2 to C4) (Mbbls/d)	75 – 80	**80 – 85**
Natural Gas (MMcf/d)	2,000 – 2,100	**2,000 – 2,100**
Capital Investment ($ Millions)	$550 – $600	**$2,250 – $2,350**

Shareholder Returns
First quarter shareholder returns totaled approximately $169 million, consisting of share buybacks of approximately $84 million, or approximately 1.5 million shares of common stock, and base dividend payments of approximately $85 million. As of April 30, 2026, year to date share buybacks totaled $180 million, or approximately 3.2 million shares of common stock.

Continued Balance Sheet Focus
Ovintiv had approximately $2.8 billion in total liquidity as of March 31, 2026, which included available credit facilities of $3.4 billion, available uncommitted demand lines of $162 million, and cash and cash equivalents of $26 million, net of outstanding commercial paper of $824 million. The Company's Net Debt was approximately $6.4 billion of March 31, 2026.

Following the receipt of proceeds from the Anadarko disposition on April 9, 2026, Ovintiv repaid the balance under its Term Credit Agreement and the facility was terminated. The Company also redeemed its $700 million, 5.65% senior notes due May 15, 2028 on April 20, 2026. Annualized interest savings from the note redemption are expected to total approximately $40 million.

As of April 30, 2026, Ovintiv's Net Debt was less than $3.3 billion and Net Debt to Adjusted EBITDA was less than 0.8 times using twelve-month trailing EBITDA as of March 31, 2026.

The Company remains committed to maintaining a strong balance sheet and is currently rated investment grade by four credit rating agencies.

Dividend Declared
On May 11, 2026, Ovintiv's Board declared a quarterly dividend of $0.30 per share of common stock payable on June 30, 2026, to shareholders of record as of June 15, 2026.

Asset Highlights

Permian
Permian production averaged 221 MBOE/d (79% liquids) in the first quarter with 34 net wells turned in line ("TIL"). In 2026, Ovintiv plans to invest approximately $1.325 billion to $1.375 billion in the play to run approximately 5 rigs and bring on an expected 125 to 135 net wells. 2026 oil and condensate production is expected to average 117 to 123 Mbbls/d and natural gas production is expected to average 270 to 295 MMcf/d.

Montney
Montney production averaged 365 MBOE/d (27% liquids) in the first quarter with 26 net wells TIL. In 2026, Ovintiv plans to invest approximately $875 million to $925 million in the play to run approximately 6 rigs and bring on an expected 130 to 140 net wells. 2026 oil and condensate production is expected to average 80 to 84 Mbbls/d and natural gas production is expected to average 1.7 to 1.8 Bcf/d.

2025 Sustainability Report Released

Today, the Company released its 21st annual Sustainability Report, highlighting its progress and performance on several key sustainability initiatives.

"We take our role as a responsible producer seriously," said McCracken. "We are proud of our track record of integrating tangible actions into our business that allow us to deliver superior returns to our shareholders while continuing to make progress on sustainability outcomes."

Key Sustainability Highlights

- Achieved greater than 85% of the Company's goal to reduce Scope 1 & 2 greenhouse gas (GHG) emissions intensity by 50% by 2030, relative to 2019 levels
- Continued advancing Ovintiv's safety culture through collective dedication to serious injury prevention with the expansion of the Leading with Safety program and the introduction of Safe Decision-Making training
- Announced investment in the Ovintiv Tool Hub at Northwestern Polytechnic, supporting skilled-trades training and equipping students with practical experience for the workforce
- Announced the retirement of current Board Chair and the unanimous election of a new Chair, Steven Nance
- Welcomed a new independent director, Gregory Hill, in January 2026, adding a wealth of energy industry and leadership experience to the Board, maintaining an ongoing Board refreshment process

Ovintiv's sustainability report can be found on the Company's website atDownload Sustainability Report – Ovintiv.

For additional information, please refer to the First Quarter 2026 Results Presentation available on Ovintiv's website, www.ovintiv.com under Presentations and Events – Ovintiv. Supplemental Information, and Non-GAAP Definitions and Reconciliations, are available on Ovintiv's website under Financial Document Library – Ovintiv.

Conference Call Information
A conference call and webcast to discuss the Company's first quarter 2026 results will be held at 8:00 a.m. MT (10:00 a.m. ET) on May 12, 2026.

To join the conference call without operator assistance, you may register and enter your phone number at https://emportal.ink/4aQ9VDs to receive an instant automated call back. You can also dial direct to be entered to the call by an Operator. Please dial 888-510-2154 (toll-free in North America) or 437-900-0527 (international) approximately 15 minutes prior to the call.

The live audio webcast of the conference call, including slides and financial statements, will be available on Ovintiv's website, www.ovintiv.com under Investors/Presentations and Events. The webcast will be archived for approximately 90 days.

Refer to Note 1 Non-GAAP measures and the tables in this release for reconciliation to comparable GAAP financial measures.

Capital Investment and Production

(for the period ended March 31)	**1Q 2026**	1Q 2025
Capital Expenditures (1) ($ millions)	**605**	617
Oil (Mbbls/d)	**141.8**	150.5
NGLs – Plant Condensate (Mbbls/d)	**83.5**	55.2
Oil & Plant Condensate (Mbbls/d)	**225.3**	205.7
NGLs – Other (Mbbls/d)	**99.6**	88.7
Total Liquids (Mbbls/d)	**324.9**	294.4
Natural gas (MMcf/d)	**2,124**	1,764
Total production (MBOE/d)	**678.9**	588.3

1) Including capitalized directly attributable internal costs.

First Quarter Financial Summary

(for the period ended March 31) ($ millions)	**1Q 2026**	1Q 2025
Cash From (Used In) Operating Activities Deduct (Add Back): Net change in other assets and liabilities Net change in non-cash working capital	**1,056** **(14)** **(169)**	873 (11) (120)
Non-GAAP Cash Flow (1)	**1,239**	1,004
Non-GAAP Cash Flow (1)	**1,239**	1,004
Less: Capital Expenditures (2)	**605**	617
Non-GAAP Free Cash Flow (1)	**634**	387
Net Earnings (Loss) Before Income Tax Before-tax (Addition) Deduction: Unrealized gain (loss) on risk management Impairments Non-operating foreign exchange gain (loss)	**(827)** **(53)** **(1,485)** **2**	(193) (46) (730) 87
Adjusted Earnings (Loss) Before Income Tax Income tax expense (recovery)	**709** **172**	496 126
Non-GAAP Adjusted Earnings (1)	**537**	370

1) Non-GAAP Cash Flow, Non-GAAP Free Cash Flow and Non-GAAP Adjusted Earnings are non-GAAP measures as defined in Note 1.

2) Including capitalized directly attributable internal costs.

Realized Pricing Summary (Including the impact of realized gains (losses) on risk management)

(for the period ended March 31)	**1Q 2026**	1Q 2025
Liquids ($/bbl)		
WTI	**71.93**	71.42
Realized Liquids Prices		
Oil	**70.78**	71.79
NGLs – Plant Condensate	**69.06**	66.22
Oil & Plant Condensate	**70.14**	70.30
NGLs – Other	**18.12**	23.21
Total NGLs	**41.35**	39.71
Natural Gas		
NYMEX ($/MMBtu)	**5.04**	3.65
Realized Natural Gas Price ($/Mcf)	**3.24**	3.16

Cost Summary

(for the period ended March 31) ($/BOE)	1Q 2026	1Q 2025
Production, mineral and other taxes	**1.30**	1.64
Upstream transportation and processing	**7.53**	7.36
Upstream operating	**3.71**	3.89
Administrative, excluding long-term incentive, restructuring, transaction and legal costs	**1.31**	1.36

Debt to EBITDA (1)

($ millions, except as indicated)	March 31, 2026	December 31, 2025
Long-Term Debt, including Current Portion	**6,398**	5,202
Net Earnings (Loss)	**771**	1,242
Add back (Deduct):		
Depreciation, depletion and amortization	**2,195**	2,179
Interest	**383**	376
Income tax expense (recovery)	**(635)**	(472)
EBITDA	**2,714**	3,325
Debt to EBITDA (times)	**2.4**	1.6

1) Debt to EBITDA is a non-GAAP measure as defined in Note 1.

Debt to Adjusted EBITDA (1)

($ millions, except as indicated)	March 31, 2026	December 31, 2025
Long-Term Debt, including Current Portion	**6,398**	5,202
Net Earnings (Loss)	**771**	1,242
Add back (Deduct):		
Depreciation, depletion and amortization	**2,195**	2,179
Impairments	**1,675**	920
Accretion of asset retirement obligation	**29**	28
Interest	**383**	376
Unrealized (gains) losses on risk management	**1**	(6)
Foreign exchange (gain) loss, net	**19**	31
Other (gains) losses, net	**(72)**	(46)
Income tax expense (recovery)	**(635)**	(472)
Adjusted EBITDA	**4,366**	4,252
Debt to Adjusted EBITDA (times)	**1.5**	1.2

1) Debt to Adjusted EBITDA is a non-GAAP measure as defined in Note 1.

Hedge Details[1] as of March 31, 2026

Oil and Condensate Hedges ($/bbl)	2Q 2026	3Q 2026	4Q 2026	1Q 2027	2Q 2027	3Q 2027	4Q 2027
WTI Fixed Price Swaps	**4 Mbbls/d** $62.86	**4 Mbbls/d** $63.29	**4 Mbbls/d** $63.59	**0** -	**0** -	**0** -	**0** -
WTI 3-Way Options Call Strike Put Strike Sold Put Strike	**51 Mbbls/d** $70.65 $61.25 $51.08	**51 Mbbls/d** $70.89 $59.28 $50.10	**41 Mbbls/d** $70.23 $57.25 $50.13	**30 Mbbls/d** $75.50 $59.11 $50.00	**0** - - -	**0** - - -	**0** - - -
WTI Collars Call Strike Put Strike	**1 Mbbls/d** $69.01 $57.33	**1 Mbbls/d** $69.01 $57.33	**1 Mbbls/d** $69.01 $57.33	**0** - -	**0** - -	**0** - -	**0** - -

Natural Gas Hedges ($/Mcf)	2Q 2026	3Q 2026	4Q 2026	1Q 2027	2Q 2027	3Q 2027	4Q 2027
NYMEX Fixed Price Swaps	**20 MMcf/d** $4.07	**20 MMcf/d** $4.07	**20 MMcf/d** $4.07	**0** -	**0** -	**0** -	**0** -
NYMEX 3-Way Options Call Strike Put Strike Sold Put Strike	**450 MMcf/d** $5.92 $3.33 $2.58	**450 MMcf/d** $5.92 $3.33 $2.58	**450 MMcf/d** $5.92 $3.33 $2.58	**300 MMcf/d** $5.04 $3.50 $2.50	**200 MMcf/d** $4.49 $3.50 $2.50	**200 MMcf/d** $4.49 $3.50 $2.50	**200 MMcf/d** $4.49 $3.50 $2.50
NYMEX Collars Call Strike Put Strike	**95 MMcf/d** $5.27 $3.75	**95 MMcf/d** $5.27 $3.75	**95 MMcf/d** $5.27 $3.75	**15 MMcf/d** $4.72 $3.50	**15 MMcf/d** $4.72 $3.50	**15 MMcf/d** $4.72 $3.50	**15 MMcf/d** $4.72 $3.50
AECO Nominal Basis Swaps	**338 MMcf/d** ($1.25)	**338 MMcf/d** ($1.25)	**338 MMcf/d** ($1.25)	**260 MMcf/d** ($1.17)	**260 MMcf/d** ($1.17)	**260 MMcf/d** ($1.17)	**260 MMcf/d** ($1.17)
AECO Fixed Price Swaps	**133 MMcf/d** $2.31	**152 MMcf/d** $2.28	**118 MMcf/d** $2.31	**100 MMcf/d** $2.00	**119 MMcf/d** $2.00	**119 MMcf/d** $2.00	**106 MMcf/d** $2.00
AECO Collars Call Strike Put Strike	**10 MMcf/d** $2.19 $1.72	**10 MMcf/d** $2.19 $1.72	**3 MMcf/d** $2.19 $1.72	**0** - -	**0** - -	**13 MMcf/d** $2.40 $1.79	**20 MMcf/d** $2.40 $1.79
NuVista Cash Flow Deduction ($MM)[2]	$30	$34	$24	$16	$8	$12	$10

1) Ovintiv also manages other key market basis differential risks for gas, oil and condensate.

2) NuVista's financial hedge position at close of the acquisition was valued at ~$199 MM. Those gains are booked as assets and realized into cash over time as they are settled but are not included in Non-GAAP Cash Flow.

Important information

Ovintiv reports in U.S. dollars unless otherwise noted. Production, sales and reserves estimates are reported on an after-royalties basis, unless otherwise noted. Unless otherwise specified or the context otherwise requires, references to "Ovintiv," "we," "its," "our" or to "the Company" includes reference to subsidiaries of and partnership interests held by Ovintiv Inc. and its subsidiaries.

Please visit Ovintiv's website and Investor Relations page at www.ovintiv.com and investor.ovintiv.com, where Ovintiv often discloses important information about the Company, its business, and its results of operations.

NI 51-101 Exemption
The Canadian securities regulatory authorities have issued a decision document (the "Decision") granting Ovintiv exemptive relief from the requirements contained in Canada's National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). As a result of the Decision, and provided that certain conditions set out in the Decision are met on an on-going basis, Ovintiv will not be required to comply with the Canadian requirements of NI 51-101 and the Canadian Oil and Gas Evaluation Handbook. The Decision permits Ovintiv to provide disclosure in respect of its oil and gas activities in the form permitted by, and in accordance with, the legal requirements imposed by the U.S. Securities and Exchange Commission ("SEC"), the Securities Act of 1933, the Securities and Exchange Act of 1934, the Sarbanes-Oxley Act of 2002 and the rules of the NYSE. The Decision also provides that Ovintiv is required to file all such oil and gas disclosures with the Canadian securities regulatory authorities on www.sedarplus.ca as soon as practicable after such disclosure is filed with the SEC.

NOTE 1: Non-GAAP Measures
Certain measures in this news release do not have any standardized meaning as prescribed by U.S. GAAP and, therefore, are considered non-GAAP measures. These measures may not be comparable to similar measures presented by other companies and should not be viewed as a substitute for measures reported under U.S. GAAP. These measures are commonly used in the oil and gas industry and/or by Ovintiv to provide shareholders and potential investors with additional information regarding the Company's liquidity and its ability to generate funds to finance its operations. For additional information regarding non-GAAP measures, see the Company's website. This news release contains references to non-GAAP measures as follows:

- **Non-GAAP Cash Flow** is a non-GAAP measure defined as cash from (used in) operating activities excluding net change in other assets and liabilities, and net change in non-cash working capital.
- **Non-GAAP Free Cash Flow** is a non-GAAP measure defined as Non-GAAP Cash Flow in excess of capital expenditures, excluding net acquisitions and divestitures.
- **Non-GAAP Adjusted Earnings** is a non-GAAP measure defined as net earnings (loss) excluding non-cash items that the Company's management believes reduces the comparability of the Company's financial performance between periods. These items may include, but are not limited to, unrealized gains/losses on risk management, impairments, non-operating foreign exchange gains/losses, and gains/losses on divestitures. Income taxes includes adjustments to normalize the effect of income taxes calculated using the estimated annual effective income tax rate. In addition, valuation allowances and the effect of non-recurring discrete transactions are excluded in the calculation of income taxes.
- **Net Debt** is defined as long-term debt, including the current portion, less cash and cash equivalents.
- **Adjusted EBITDA, Debt to EBITDA, Debt to Adjusted EBITDA (Leverage Target/Ratio) and Net Debt to Adjusted EBITDA** are non-GAAP measures. EBITDA is defined as trailing 12-month net earnings (loss) before income taxes, depreciation, depletion and amortization, and interest. Adjusted EBITDA is EBITDA adjusted for impairments, accretion of asset retirement obligation, unrealized gains/losses on risk management, foreign exchange gains/losses, gains/losses on divestitures and other gains/losses. Debt to EBITDA is calculated as long-term debt, including the current portion, divided by EBITDA. Debt to Adjusted EBITDA is calculated as long-term debt, including the current portion, divided by Adjusted EBITDA. Net Debt to Adjusted EBITDA is calculated as Net Debt, divided by Adjusted EBITDA. The forecasted April 30, 2026, Net Debt to Adjusted EBITDA is calculated using Net Debt as at April 30, 2026, divided by the 12-month trailing EBITDA as at March 31, 2026. Adjusted EBITDA, Debt to EBITDA, Debt to Adjusted EBITDA and Net Debt to Adjusted EBITDA are non-GAAP measures monitored by management as indicators of the Company's overall financial strength.

ADVISORY REGARDING OIL AND GAS INFORMATION – The conversion of natural gas volumes to barrels of oil equivalent (BOE) is on the basis of six thousand cubic feet to one barrel. BOE is based on a generic energy equivalency conversion method primarily applicable at the burner tip and does not represent economic value equivalency at the wellhead. Readers are cautioned that BOE may be misleading, particularly if used in isolation.

ADVISORY REGARDING FORWARD-LOOKING STATEMENTS – This news release contains forward-looking statements or information (collectively, "forward-looking statements") within the meaning of applicable securities legislation, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, except for statements of historical fact, that relate to the anticipated future activities, plans, strategies, objectives or expectations of the Company, including the first quarter and fiscal year 2026 guidance and expected free cash flow, the presence of recoverability of estimated reserves, the expectation of delivering sustainable durable returns to shareholders in future years, plans regarding share buybacks and debt reduction, and timing and expectations regarding capital efficiencies and well completion and performance, are forward-looking statements. When used in this news release, the use of words and phrases including "anticipates," "believes," "continue," "could," "estimates," "expects," "focused on," "forecast," "guidance," "intends," "maintain," "may," "opportunities," "outlook," "plans," "potential," "strategy," "targets," "will," "would" and other similar terminology are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words or phrases. Readers are cautioned against unduly relying on forward-looking statements which, are based on current expectations and by their nature, involve numerous assumptions that are subject to both known and unknown risks and uncertainties (many of which are beyond our control) that may cause such statements not to occur, or actual results to differ materially and/or adversely from those expressed or implied. These assumptions include, without limitation: future commodity prices and basis differentials; the ability of the Company to access credit facilities and capital markets; the availability of attractive commodity or financial hedges and the enforceability of risk management programs; the Company's ability to capture and maintain gains in productivity and efficiency; the ability for the Company to generate cash returns and execute on its share buyback plan; expectations of plans, strategies and objectives of the Company, including anticipated production volumes and capital investment; the Company's ability to manage cost inflation and expected cost structures, including expected operating, transportation, processing and labor expenses; the outlook of the oil and natural gas industry generally, including impacts from war and changes to the geopolitical environment, including tariffs between the United States and Canada; and projections made in light of, and generally consistent with, the Company's historical experience and its perception of historical industry trends; and the other assumptions contained herein.

Although the Company believes the expectations represented by its forward-looking statements are reasonable based on the information available to it as of the date such statements are made, forward-looking statements are only predictions and statements of our current beliefs and there can be no assurance that such expectations will prove to be correct. All forward-looking statements contained in this news release are made as of the date of this news release and, except as required by law, the Company undertakes no obligation to update publicly, revise or keep current any forward-looking statements. The forward-looking statements contained or incorporated by reference in this news release, and all subsequent forward-looking statements attributable to the Company, whether written or oral, are expressly qualified by these cautionary statements.

The reader should carefully read the risk factors described in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, and in other filings with the SEC or Canadian securities regulators, for a description of certain risks that could, among other things, cause actual results to differ from these forward-looking statements. Other unpredictable or unknown factors not discussed in this news release could also have material adverse effects on forward-looking statements.

Further information on Ovintiv Inc. is available on the Company's website,www.ovintiv.com, or by contacting:

Investor contact:	**Media contact:**
(888) 525-0304	(403) 645-2252

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Additional assets available online: Documents (1)