CORRAL PETROLEUM HOLDINGS AB (publ)

REPORT FOR THE YEAR ENDED DECEMBER 31, 2009

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This report includes unaudited consolidated financial information of Corral Petroleum Holdings AB (publ) ("Corral") for the fourth quarter of 2009, for the year ended December 31, 2009 and for the comparative periods in 2008. Audited results for the year ended December 2009 are not yet available and may differ from the unaudited financial information presented herein.

Financial highlights

- Sales revenue for the fourth quarter of 2009 amounted to 17,692 MSEK compared to 17,870 MSEK in the fourth quarter of 2008.
- EBITDA for the fourth quarter of 2009 amounted to 962 MSEK compared to negative 3,547 MSEK in the fourth quarter of 2008.
- Operating income for the fourth quarter of 2009 amounted to 713 MSEK compared to an operating loss of 3,798 MSEK in the fourth quarter of 2008.
- Net income for the fourth quarter of 2009 amounted to 149 MSEK compared to a net loss of 4,120 MSEK in the fourth quarter of 2008.
- Cash flow from operating activities for the fourth quarter of 2009 was 633 MSEK compared to cash flow used in operating activities of 1,552 MSEK in the fourth quarter of 2008.
- Weighted business refining margin for the fourth quarter of 2009 was 2.85 $/bbl compared to 7.60 $/bbl in the fourth quarter of 2008.

Market overview

After having finished the third quarter at 65.7 $/bbl for Dated Brent, prices continued to rise into the fourth quarter with a peak at 78.9 $/bbl on November 18. Then prices turned to a downward trend but turned up again and finished the quarter and the full year at 77.7 $/bbl. The high inventory levels continued to be slightly reduced globally. However, the measure "Days Supply Forward Cover" was still at a record high level at around 65 days for the OECD markets, whereas a normal level for the last 10 years was 55 days. The contango (forward price higher than prompt) in the crude market remained at around 50-70 cents/bbl and month.

The product markets showed the same pattern in the fourth quarter as in the third, i.e. relatively strong gasoline and heavy fuel oil markets and a relatively weak gasoil/diesel market.

The market for gasoline continued to be stronger in the fourth quarter of 2009 compared to the fourth quarter 2008. The average crack was over 7 $/bbl for the fourth quarter of 2009 compared to 2 $/bbl in the fourth quarter of 2008. The fourth quarter tends to be the period with the weakest gasoline market. The market was mostly in backwardation (prompt price higher than forward) during October and November but turned into contango during December.

The market for gasoil/diesel continued to be in contango giving an incentive for storing. Volumes stored onshore and in floating storage continued to put pressure on the market and did not allow cracks or quality premiums to increase much. The diesel crack during the fourth quarter of 2009 averaged 10 $/bbl compared with 27 $/bbl in the fourth quarter of 2008. The weaker market 2009 is also shown by the low quality premium for 10 ppm diesel which was 19 $/ton above the prompt futures gasoil contract in the fourth quarter of 2009 compared with 32 $/ton in the fourth quarter of 2008.

The market for heavy fuel oil remained at a comparatively strong level during the fourth quarter of 2009. Less supply of high sulphur and heavy crude oil globally and decreased refinery throughput led to cracks of about -7 $/bbl for High Sulphur Cracked Fuel Oil compared with below -16 $/bbl for the fourth quarter of 2008. The difference between 1% fuel oil and high sulphur fuel oil was about 13 $/ton compared to an average of 50 $/ton during fourth quarter of 2008.

The refining margins during the fourth quarter of 2009 were lower than for the same period in 2008 primarily due to weaker demand for gasoil and diesel.

Key indicators

	October 1 - December 31	
	2009	**2008**
Weighted business refining margin, $/bbl	2,85	7,60
Average Brent Dated crude oil, $/bbl	74,53	55,48
Feedstock throughput, thousand bbls	28.389	30.696
USD/SEK average exchange rate	7,01	7,79

Sales and results for the fourth quarter

Sales revenue for the fourth quarter 2009 amounted to 17,692 MSEK, a decrease of 178 MSEK, or approximately 1%, compared to 17,870 MSEK in the fourth quarter of 2008. Despite higher market prices for refined products compared to the same period last year, the lower average exchange rate for USD against SEK and lower sales volumes resulted in sales revenues in 2009 almost at the same level compared to the same period 2008.

Operating income amounted to 713 MSEK, an increase of 4,511 MSEK, compared to an operating loss of 3,798 MSEK for the fourth quarter of 2008. The increase in operating income is primarily a result of price gains on inventories which to some extent have been offset by lower refining margins compared to the same period last year.

MSEK	October 1- December 31 2009	2008	Change %
Sales revenue	17,692	17,870	-1.0%
Gross profit	932	-3,740	124.9%
EBITDA	962	-3,547	127.1%
Operating income	713	-3,798	118.8%
Income before taxes	215	-5,978	103.6%
Net income	149	-4,120	103.6%

Segment reporting

Corral and its consolidated subsidiaries (the "Group") have two lines of business – Supply & Refining and Marketing. Exchange rate differences consist of foreign exchange gains or losses related to our inventory and our accounts payable/receivable. Other expenses consist mainly of administrative and personnel-related expenses for our corporate cost center.

<u>Sales Revenue</u>

MSEK	October 1 - December 31 2009	2008
Supply & Refining	17.122	17.025
Marketing	3.810	3.508
Exchange rate differences	54	366
Group eliminations	-3.294	-3.029
Total Sales Revenue	**17.692**	**17.870**

<u>Operating Income</u>

MSEK	October 1 - December 31 2009	2008
Supply & Refining	693	-3.727
Marketing	26	-8
Total Segment Operating income	719	-3.735
Exchange rate differences	91	-44
Other expenses	-97	-19
Total Operating income	**713**	**-3.798**

<u>Supply & Refining</u>

Our Supply & Refining segment reported an operating income of 693 MSEK for the fourth quarter of 2009, an increase of 4,420 MSEK compared to an operating loss of 3,727 MSEK for the fourth quarter of 2008.

The normalized operating income (i.e., excluding price effects on oil inventory) for the fourth quarter of 2009 was 4 MSEK, a decrease of 1,305 MSEK, compared to 1,309 MSEK in the fourth quarter of 2008. The decrease was primarily caused by lower than average refining margins compared to the same period last year.

The average business refining margin reached 2.85 $/bbl for the fourth quarter of 2009 compared to 7.60 $/bbl for the fourth quarter of 2008.

Marketing

Our Marketing segment reported an operating income of 26 MSEK for the fourth quarter of 2009, an increase of 34 MSEK, compared to negative 8 MSEK in the fourth quarter of 2008. The enhanced results came partly from increased sales margins on fuel oil and heating oil in our business-to-business division. In addition, our retail division continues to improve results by increased margins on gasoline and higher volumes on both gasoline and diesel.

Depreciation

Total depreciation in the fourth quarter of 2009 amounted to 249 MSEK, a decrease of 2 MSEK, compared to 251 MSEK in 2008.

Financing

Net financing expense in the fourth quarter 2009 amounted to 498 MSEK compared to 2,180 MSEK for the fourth quarter of 2008. Net financing expenses in the fourth quarter of 2009 were negatively affected by exchange rate losses, realized and unrealized, of approximately 240 MSEK on US dollar and EURO-denominated loans, compared to a loss for the fourth quarter of 2008 of approximately 1,725 MSEK. The total interest expense for the fourth quarter of 2009 amounted to 276 MSEK compared to 558 MSEK for the same period in 2008, mainly attributable to lower interest rates for the fourth quarter 2009 compared to 2008.

The year ended December 31

- Sales revenue in 2009 amounted to 63,813 MSEK compared to 87,375 MSEK in 2008.
- EBITDA in 2009 amounted to 5,242 MSEK compared to negative 62 MSEK in 2008. Depreciation in 2009 amounted to 984 MSEK compared to 978 MSEK in 2008.
- Operating income in 2009 amounted to 4,259 MSEK compared to an operating loss of 1,040 MSEK in 2008.
- Net income in 2009 amounted to 2,753 MSEK compared to a net loss of 3,349 MSEK in 2008.
- Cash flow from operating activities in 2009 amounted to 1,371 MSEK compared to cash flow used in operating activities of 295 MSEK in 2008.
- Weighted business refining margin in 2009 was 4.09 $/bbl compared to 7.33 $/bbl in 2008.

Cash flow

Income before taxes amounted to 3,748 MSEK in 2009 compared to a loss of 4,824 MSEK in 2008, an increase of 8,572 MSEK. Cash flow from operating activities before changes in working capital has increased by 3,687 MSEK, from negative 945 MSEK in 2008 to positive 2,742 MSEK in 2009. Adjustments for non-cash items was negative 725 MSEK in 2009 compared to positive 4,398 MSEK in 2008, or a change of 5,123 MSEK. This change in adjustments for non-cash items is mainly attributable to unrealized gains from revaluation in US dollar and EURO-denominated loans of approximately 730 MSEK in 2009 compared to a loss of approximately 1,760 MSEK in 2008, a change of 2,490 MSEK. In addition, the reversal in 2009 of the write-down in our inventory for 2008 has a negative effect on adjustment of non-cash items of 1,098 MSEK in 2009 compared to a positive effect of 1,098 MSEK for 2008, a total change of 2,196 MSEK. In 2009, there is no write-down on inventory.

Cash flow from operating activities after changes in working capital was 1,371 MSEK in 2009 compared to negative 295 MSEK for 2008, an increase of 1,666 MSEK. The increase in cash flow after changes in working capital is mainly attributable to the increase in cash flow from operating activities partly offset by an increase in inventory 2009 due to an increase in prices for crude oil in 2009 which in turn has been to some extent offset by lower volumes and exchange rate losses in 2009. The increase in liabilities is to a large extent attributable to the same factors as for those affecting inventory.

Cash flow used in investing activities in 2009 was 619 MSEK, a decrease of 147 MSEK, compared to 766 MSEK for 2008.

Cash flow used in financing activities was 1,019 MSEK in 2009, a decrease of 2,320 MSEK, compared to cash flow from financing activities of 1,301 MSEK for 2008. As a consequence of a higher cash flow generated from operations in 2009 compared to 2008, borrowings could be repaid instead of being increased. Equity contribution received amounted to 153 MSEK in 2009 compared to no contribution received in 2008. The equity contributions in 2009 correspond to payments of interest expense for the bond loans in April 15, July 15 and October 15.

At December 31, 2009, the Group's financial net debt amounted to 19,286 MSEK, compared to 20,651 MSEK at December 31, 2008, a decrease of 1,365 MSEK or approximately 7%. Cash and cash equivalents amounted to 809 MSEK at December 31, 2009, a decrease of 266 MSEK compared with the opening balance of the year of 1,075 MSEK.

Recent Developments

Corral has commenced discussions with an Ad Hoc Committee of holders of the €355,000,000 and US$350,000,000 Floating Rate Split Coupon Notes due April 15, 2010 (collectively the "Notes"), through their financial and legal advisors, Blackstone Advisory Partners and Bingham McCutchen, regarding a refinancing of the Notes. Corral is confident that a transaction can be successfully implemented prior to the maturity date and looks forward to a constructive dialogue to support the long term success of the business.

Corral has become aware of that an affiliate owns, directly or indirectly, €77million and $35million of the Notes.

In connection with the interest payments on the Notes due April 15, July 15, October 15, 2009 and January 15, 2010, Corral's ultimate shareholder made an equity contribution of $2.4 million and €3.9 million for the payment due April 15, 2009 $2.5 million and €2.8 million for the payment due July 15, 2009 $2.0 million and €2.5 million for the payment due October 15, 2009 and $2.0 million and €2.2 million for the payment due January 15, 2010. The equity contribution for the payment due January 15, 2010, has been booked as an equity contribution in 2010.

On January 25, 2010, Preem entered into an agreement with its banks with respect to its Syndicated Bank Facility Agreement to obtain certain waivers. Preem is in full compliance with its Syndicated Bank Facility Agreement as of December 31, 2009 and as of the date of this report.

Parent company

The parent company had no revenues in 2009 and 2008. Operating loss in 2009 amounted to 2 MSEK in 2009 compared to 3 MSEK in 2008 and the loss before taxes amounted to 795 MSEK in 2009 compared to a loss of 1,674 MSEK in 2008.

Shareholders equity as of December 31, 2009, amounted to 164 MSEK compared to 70 MSEK as of December 31, 2008.

The parent company has received a group contribution of 970 MSEK, or 715 MSEK after tax effects, from Preem to avoid tax payments in Preem by utilizing the tax deficit in the parent company. This transaction is settled by a shareholders contribution from the parent company to Preem with the same amount, and there was no cash distributed based on this transaction.

Risk factors

If a transaction is not implemented with respect to the Notes by the maturity date of April 15, Corral anticipates that its cash and cash equivalents will be insufficient to repay the Notes at that time. In that event, Corral would need to raise substantial additional funds from investors or lenders or through an equity contribution. There is no assurance that Corral would be successful in obtaining those funds. The inability to repay the Notes at maturity results in a failure to comply with the terms of agreements governing other indebtedness of Corral's subsidiaries, which may result in a default thereunder.

Our results of operations from refining are influenced by the relationship between market prices for crude oil and refined products. In recent years, both crude oil and refined product prices have fluctuated substantially. Consequently, our inventory of crude oil and refined products is exposed to fluctuations in price. These fluctuations have an impact on our results. During periods of rising/falling crude oil prices, the cost of replenishing our crude oil inventories increases/decreases and, thus, our working capital requirement similarly increases/decreases.

Prices of crude oil and refined products depend on numerous factors, including global and regional demand for, and supply of, crude oil and refined products, and regulatory, legislative and emergency actions of national, regional and local agencies and governments. Decreases in the supply of crude oil or demand for refined products may adversely affect our liquidity and capital resources.

For additional information on risks relating to our business, please see the Annual Report 2008 for Corral.

Accounting principles

The financial information in this quarterly report has been prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 "Interim Financial Reporting". For further information regarding accounting principles applied, please see the Annual Report 2008 for Corral.

London, March 5, 2010
On behalf of the Board of Directors

Richard Öhman
Managing Director

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Review report

Introduction
We have reviewed the interim report of Corral Petroleum Holdings AB (publ) and subsidiaries as of December 31, 2009 and for the twelve-month period then ended. The Board of directors and the Managing Director are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this year-end report based on our review.

Scope of Review
We conducted our review in accordance with International Standards of Auditing, ISA 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the year-end report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act.

Stockholm, March 5, 2010
KPMG AB

Cronie Wallquist
Authorized public accountant

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Oct 1 -Dec 31		Jan 1 - Dec 31	
MSEK	**2009**	**2008**	**2009**	**2008**
Revenues	20.256	19.939	73.592	95.807
Excise duties	-2.564	-2.069	-9.778	-8.432
Sales revenue	17.692	17.870	63.813	87.375
Cost of goods sold	-16.760	-21.610	-58.880	-87.992
Gross profit	**932**	**-3.740**	**4.934**	**-617**
Selling expenses	-206	-176	-685	-605
Administrative expenses	-149	-69	-434	-384
Other operating income	136	187	443	567
Operating income	**713**	**-3.798**	**4.259**	**-1.040**
Interest income	43	69	178	214
Interest expense	-276	-558	-1.373	-1.655
Other financial, net	-266	-1.691	685	-2.343
Income before taxes	**215**	**-5.978**	**3.748**	**-4.824**
Income taxes	-66	1.859	-995	1.475
Net income	**149**	**-4.120**	**2.753**	**-3.349**
Attributable to:				
Parent Company Shareholders	149	-4.120	2.752	-3.352
Minority Shareholders	0	1	1	4
	149	**-4.120**	**2.753**	**-3.349**

Consolidated statement of comprehensive income:

Net income	149	-4.120	2.753	-3.349
Other income	0	0	0	0
Comprehensive income	**149**	**-4.120**	**2.753**	**-3.349**

CONDENSED CONSOLIDATED BALANCE SHEETS

MSEK	December 31 2009	December 31 2008
ASSETS		
Goodwill	308	308
Tangible assets	9.611	9.979
Financial assets	3.266	3.222
Total fixed assets	**13.185**	**13.509**
Inventories	8.266	5.223
Accounts receivable	3.674	3.327
Other receivables	649	1.145
Prepaid expenses and accrued income	245	263
Cash and cash equivalents	809	1.075
Total current assets	**13.642**	**11.034**
Total assets	**26.827**	**24.542**
EQUITY AND LIABILITIES		
Share capital	1	1
Other paid-in capital	1.560	1.407
Retained loss	-3.259	-6.011
	-1.698	-4.603
Minority interests	10	11
Total equity	**-1.689**	**-4.592**
Financial debts	20.095	21.726
Provision for deferred taxes	1.103	111
Other provisions	102	116
Accounts payable	4.193	4.104
Other liabilities	1.518	2.125
Accrued expenses and deferred income	1.506	952
Total liabilites	**28.516**	**29.134**
Total equity and liabilities	**26.827**	**24.542**

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Oct 1 -Dec 31		Jan 1 - Dec 31	
MSEK	**2009**	**2008**	**2009**	**2008**
Continuous operation				
Income before taxes	215	-5.978	3.748	-4.824
Adjustments for non-cash items	55	2.506	-725	4.398
	269	-3.472	3.023	-426
Taxes paid	1	85	-281	-519
Cash flow from/used in operating activites before changes in working capital	270	-3.387	2.742	-945
Cash flow in working capital				
Decrease(+)/Increase(-) in inventories	-824	4.533	-1.945	1.858
Decrease(+)/Increase(-) in current receivables	-240	2.448	-303	1.579
Decrease(-)/Increase(+) in liabilities	1.427	-5.146	877	-2.787
Cash flow from/used in operating activites	633	-1.552	1.371	-295
Capital investments operation				
Investment in tangible fixed assets	-198	-282	-641	-726
Sale of tangible fixed assets	17	3	22	12
Decrease(+)/Increase(-) in financial fixed assets	-	-2	-	-52
Cash flow used in investing activities	-181	-281	-619	-766
Financing operation				
Raising of loan	827	2.146	4.690	16.654
Amortization of borrowings	-1.504	-1.510	-5.853	-14.915
Contribution received	39	-	153	-
Dividends paid to minority	-	-1	-3	-2
Loan expenditures	-	-44	-5	-436
Cash flow used in/from financing activities	-639	591	-1.019	1.301
CASH FLOW FOR THE PERIOD	-187	-1.242	-267	240
Cash and cash equivalents at the beginning of the period	995	2.317	1.075	835
Cash and cash equivalents at the end of the period	**809**	**1.075**	**809**	**1.075**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	Capital stock *)	Other paid-in capital	Retained profit/loss	Minority interest	Total equity
Equity January 1	1	1.407	-6.011	11	-4.592
Equity contribution received	-	153	-	-	153
Dividends paid	-	-	-	-3	-3
Net income	-	-	2.752	1	2.753
Equity December 31	**1**	**1.560**	**-3.259**	**10**	**-1.689**

*1) 5,000 shares were issued with a par value of 100 SEK.

STATEMENT OF CHANGES IN EQUITY - PARENT COMPANY

MSEK	Capital stock	Restricted reserves	Unrestricted reserves	Total equity
Equity January 1	1	-	70	70
Equity Contribution received	-	-	153	153
Group contribution received net	-	-	715	715
Net income	-	-	-774	-774
Equity December 31	**1**	**-**	**164**	**164**

*1) 5,000 shares were issued with a par value of 100 SEK.