BUILDING ON A STABLE FOUNDATION

Superior Plus

2009 ANNUAL REPORT

2009 Performance Highlights

FINANCIAL RESULTS	**2009**	2008
(millions of dollars)		
Revenues	**2,246.7**	2,487.3
Gross profit	**653.4**	669.1
EBITDA from operations (1)	**213.4**	257.2
Adjusted operating cash flow (1)	**163.9**	192.3
Net earnings	**68.3**	67.7
Dividends	**148.2**	142.2
(dollar per basic share except shares outstanding)		
EBITDA from operations (1)	**2.35**	2.91
Adjusted operating cash flow (1)	**1.80**	2.18
Net earnings	**0.75**	0.77
Dividends	**1.62**	1.61
Weighted average shares outstanding (millions)	**91.0**	88.3

FINANCIAL POSITION		
(millions of dollars except debt ratios)		
Total assets	**2,274.0**	2,026.9
Total liabilities	**1,689.5**	1,452.7
Net capital expenditures	**134.5**	123.0
Acquisitions	**322.0**	24.5
Senior debt (2) (3)	**743.2**	577.7
Total debt (2) (3)	**1,059.9**	825.3
Senior debt to Compliance EBITDA (4)	**2.8x**	2.4x
Total debt to Compliance EBITDA (4)	**3.9x**	3.4x

(1) Earnings before interest, taxes, depreciation and amortization (EBITDA), EBITDA from operations and adjusted operating cash flow are not recognized financial measures under Canadian generally accepted accounting principles (GAAP). See Superior's Management's Discussion and Analysis, "Non-GAAP Financial Measures" for additional details.

(2) Includes off-balance sheet accounts receivable securitization program.

(3) Senior debt and total debt are stated before deferred issue costs.

(4) See Superior's Management's Discussion and Analysis for additional details and Superior's Consolidated Financial Statements for the calculation of Compliance EBITDA.

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Superior Plus Corp.

THREE BUSINESSES –
ONE INVESTMENT

1 Energy Services

- Canadian Propane Distribution
- U.S. Refined Fuels
- Supply Portfolio Management
- Fixed-Price Energy Services

2 Specialty Chemicals

- Sodium Chlorate
- Chloralkali
- Technology and Related Services

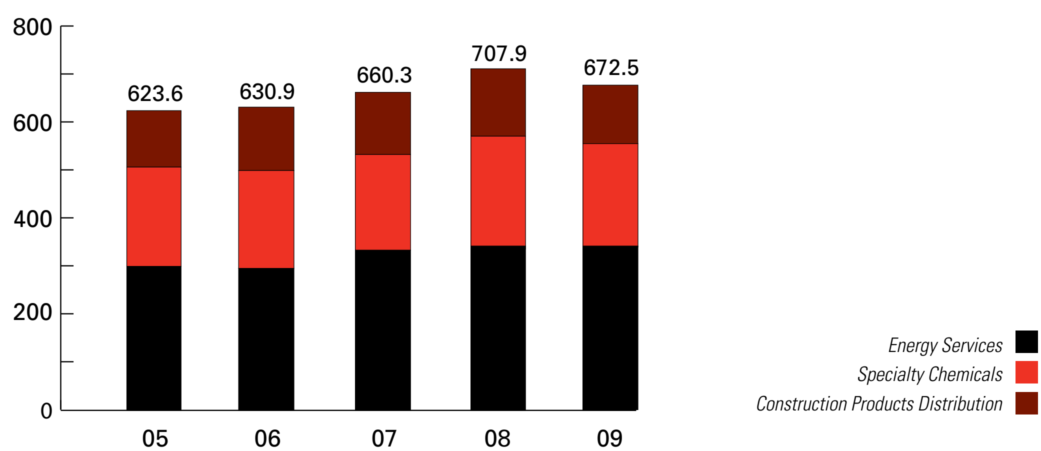
3 Construction Products Distribution

- Residential and Commercial Walls and Ceilings (Architectural)
- Commercial and Industrial Insulation

Characteristics of Our Business

- Modest Capital Requirements
- Mature Industries
- Market-Leading Positions
- Historically Stable Cash Flows
- Organic Growth Opportunities

HISTORICAL GROSS PROFIT BY BUSINESS (1) (millions of dollars)



(1) See Superior's Management's Discussion and Analysis for additional details.

2009 Growth Initiatives

Superior successfully completed the following significant growth initiatives during 2009

Energy Services

- Acquisition of two significant refined fuels assets located in the northeast United States for consideration of US$167.4 million.

Specialty Chemicals

- Completed the US$138.0 million expansion and conversion of its Port Edwards, Wisconsin chloralkali facility from mercury-based technology to membrane technology.

Construction Products Distribution

- Completed the US$132.1 million acquisition of Specialty Products & Insulation Co., a nationwide United States distributor of insulation and architectural products in the commercial and industrial markets.

Benefits of 2009 Growth Initiatives

- **Further diversification of Superior's cash flows**
- **Expansion within Superior's existing business segments**
- **Accretive to Superior's shareholders**

2010 Financial Outlook

BUILDING ON 2009

2010 FINANCIAL OUTLOOK (1) (2)

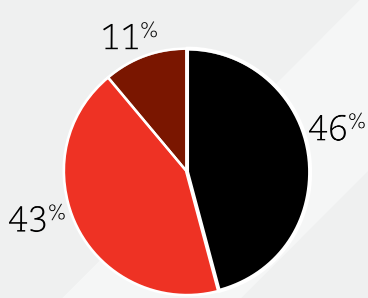
(millions of dollars except per share amounts)	2010 Outlook
EBITDA from operations:	
Energy Services	140-150
Specialty Chemicals	105-115
Construction Products Distribution	40-50
Adjusted operating cash flow per share	$1.95-$2.15

(1) The assumptions, definitions, and risk factors relating to the 2010 Financial Outlook are discussed in Superior's Management's Discussion and Analysis.

(2) Superior's 2010 Financial Outlook is unchanged from the update provided in the press release "Superior Plus announces a US$125 million acquisition expanding its U.S. Refined Fuels business, preliminary unaudited 2009 year end results and an updated 2010 outlook" on January 20, 2010.

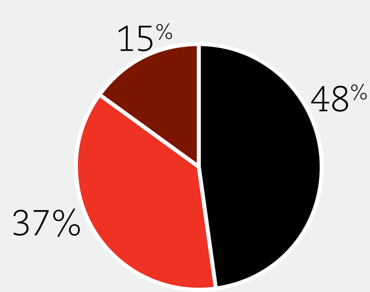
EBITDA FROM OPERATIONS

2009



Energy Services
Specialty Chemicals
Construction Products Distribution

2010 (1) (2)



(1) Based on mid-point of Superior's 2010 Financial Outlook.

(2) Includes the US$125 million acquisition of Griffith Holdings, Inc., completed on January 20, 2010.

Letter to Shareholders

For Superior, 2009 was a year of significant achievements accomplished within the framework of an extremely challenging business environment.

The year was defined by the global financial turmoil that began in the latter half of 2008 and the recession that continued through 2009 and included one of the most uncertain economic environments of the last half-century.

Superior's businesses were not immune to the difficult operating environment, but despite these challenges, our businesses continued to perform strongly. The relative strength of Superior's results in the worst economic environments in recent times provides strong evidence of the merits of Superior's diversified business model and the ongoing execution of our growth strategy.

Throughout 2009 Superior continued to execute the growth strategy originally outlined in 2007. The ability of Superior to implement its growth strategy and achieve its objectives in a year of serious financial turmoil is a testament to Superior's strong financial and operational foundation that was solidified in 2007 and 2008.

Significant corporate achievements or highlights during 2009 were:

- Superior began 2009 as a corporation, having completed its conversion from an income trust to a corporation on December 31, 2008.
- The conversion to a corporation benefited Superior's shareholders by eliminating the uncertainty of the impending 2011 SIFT taxation rules and provided increased Canadian tax pools, in addition to the fact that the dividends that are now being paid in place of the previous trust distributions are considered to be eligible dividends for Canadian income tax purposes.
- Superior had well-supported access to the capital markets throughout 2009, and was able to extend its bank facility, issue $134.5 million of common equity, issue $69.0 million of convertible debentures and issue $150 million of senior unsecured debentures.
- Superior's shareholders realized a total rate of return (share appreciation plus dividends) of 49% for 2009 compared to the average return on the TSX of 31%.

49%
TOTAL RATE OF RETURN

Superior's shareholders realized a total rate of return (share appreciation plus dividends) of 49% for 2009 compared to the average return on the TSX of 31%.

Business Unit Achievements…

1

ENERGY SERVICES' ACQUISITION OF REFINED FUEL ASSETS

- Superior's Energy Services business completed the acquisition of two significant refined fuels assets located in the northeast United States for consideration of approximately US$167.4 million; these acquisitions are anticipated to be accretive for our shareholders.
- The aforementioned acquisitions are an important component of Superior's overall growth strategy. The nature and location of these assets represent a complementary fit to Superior's existing propane distribution network and provide the platform for expansion of our propane business into the United States.

2

SPECIALTY CHEMICALS' COMPLETION OF ITS PORT EDWARDS, WISCONSIN FACILITY EXPANSION

- Superior's Specialty Chemicals business completed the US$138.0 million expansion and conversion of its Port Edwards, Wisconsin chloralkali facility from mercury-based technology to membrane technology.
- Completion of the project results in increased diversification of the Specialty Chemicals business, expands the Port Edwards facility's capacity and increases its operating efficiency, provides significant environmental benefits, and extends the life of the facility by 25 to 30 years.

3

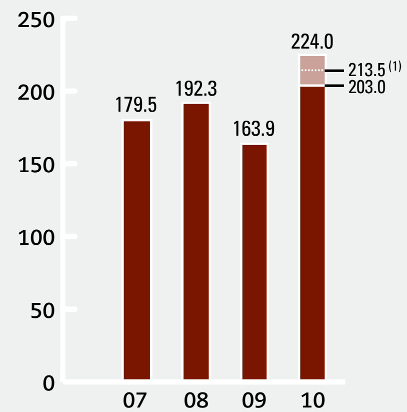
CONSTRUCTION PRODUCTS DISTRIBUTIONS' ACQUISITION OF SPECIALTY PRODUCTS & INSULATION CO. (SPI)

- Superior expanded its Construction Products Distribution business with the US $132.1 million acquisition of SPI, a leading U.S. nationwide distributor of insulation and architectural named brand products that is focused on the commercial and industrial insulation markets in the United States.
- The acquisition of SPI expanded Superior's geographical footprint in the U.S. from four to 31 states, provided increased diversification from residential construction to commercial and industrial construction, and will allow for the integration of various product lines with expected operating efficiencies due to the complementary nature of SPI and our existing Construction Products Distribution business.

… Advances on All Fronts

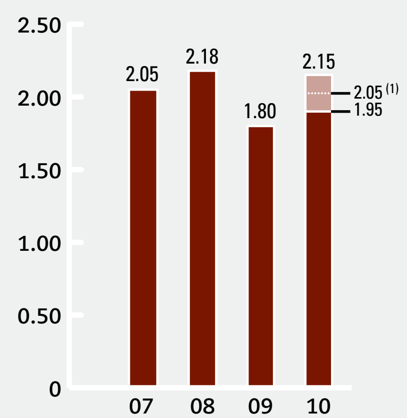
Superior understands the importance of our dividend to our shareholders.

ADJUSTED OPERATING CASH FLOW
(millions of dollars)



Range for 2010 is based upon Superior's 2010 Financial Outlook.
(1) Based on mid-point of Superior's 2010 Financial Outlook.

ADJUSTED OPERATING CASH FLOW
($ per share)



Range for 2010 is based upon Superior's 2010 Financial Outlook.
(1) Based on mid-point of Superior's 2010 Financial Outlook.

FINANCIAL PERFORMANCE

In 2009 Superior generated adjusted operating cash flow of $163.9 million or $1.80 per share, compared to $192.3 million or $2.18 per share in the prior year. Although operating results were lower than in the prior year, Superior was not disappointed with these results when considered in the context of the global recession as well as the three-month downtime required to complete the Port Edwards project.

LONG-TERM DIVIDEND STABILITY

Superior's confidence in its operating businesses allowed us to maintain our dividend throughout 2009 at a rate of $0.135 per share per month, which amounted to $1.62 per share on an annualized basis. Superior understands the importance of our dividend to our shareholders and we continue to maintain the strict management discipline of ensuring that our short- and long-term decisions are made with the purpose of providing our shareholders with a stable long-term dividend.

We are confident that executing our strategy will provide us with continued strong and stable cash flows.

OUR STRATEGY MOVING FORWARD

The achievements of Superior in 2009 solidified the foundation for our future success and growth by increasing the size and scope of our three operating businesses: Energy Services, Specialty Chemicals and Construction Products Distribution. As we move forward in 2010 and beyond, we are optimistic that the recent economic turmoil will subside and that we will soon return to reasonable growth levels throughout the North American and global economies. Renewed economic growth will allow us to profitably grow our businesses.

To ensure that Superior grows in a measured and profitable manner, we anticipate taking advantage of additional consolidation opportunities within our existing businesses while conducting the integration and refinement of acquisitions made throughout 2009 and executing internal growth projects. We are confident that executing our strategy will provide us with continued strong and stable cash flows, providing the foundation for the long-term stability of Superior's dividend and total return for our shareholders.

Superior anticipates that the growth initiatives completed throughout 2009 and a gradual continued improvement in the overall economy will result in an improvement to our operating results. As a result, Superior anticipates that its 2010 adjusted operating cash flow per share will be between $1.95 and $2.15 per share.

ACKNOWLEDGEMENTS

Superior continues to execute its growth strategy and achieve success thanks to the hard work and dedication of over 4,200 employees. I would like to thank all of our employees for their commitment to their respective businesses. I also welcome all of the new employees to the Superior organization. In addition, I would like to thank each of our directors for your guidance, stewardship and efforts in ensuring the success of Superior. Finally, on behalf of the entire organization, I would like to thank our securityholders for your continued support and confidence in Superior.

On behalf of the Board of Directors,

(signed) Grant D. Billing

Grant D. Billing
Chairman and Chief Executive Officer
March 1, 2010

Energy Services

Superior's Energy Services business provides distribution, supply portfolio management and related services in relation to propane, heating oil and other refined fuels throughout Canada and the northeast United States. Energy Services also provides fixed-price natural gas supply services in Ontario, Quebec and British Columbia and fixed-price electricity supply services in Ontario.

Superior's Energy Services business's EBITDA from operations for 2009 was $97.6 million compared to $103.3 million in the prior year. The business's EBITDA from operations is calculated as follows:

(millions of dollars)	**2009**	2008
Gross profit summary		
Canadian propane distribution	**236.4**	253.3
U.S. refined fuels [(1)]	**15.3**	–
Other services	**29.0**	29.4
Supply portfolio management	**27.9**	21.6
Fixed-price energy services	**31.6**	27.6
	340.2	331.9
Operating expenses	**(242.6)**	(228.6)
EBITDA from operations	**97.6**	103.3

(1) Superior's northeast U.S. refined fuels business was acquired in the third and fourth quarters of 2009; as such, there is no contribution for 2008.

Superior's 2009 Energy Services results were impacted by the economic recession which reduced sales volumes and sales margins within the Canadian propane distribution business. This reduction was partially offset by the acquisition of the U.S. refined fuels businesses in the fourth quarter of 2009 and improved results in the supply portfolio and fixed-price energy services businesses.

The Energy Services business continued to invest in its operations throughout 2009. The propane distribution business completed its reorganization into two national operating centres, continued to roll-out its new business management system as part of the ongoing business transformation project, and implemented a new logistical routing software system to increase scheduling efficiencies. Additionally, the propane distribution business continued to invest in its delivery fleet, with 36 new delivery vehicles with a capital equivalent of $8.2 million leased during 2009.

ENERGY SERVICES 2010 FINANCIAL OUTLOOK

Superior Energy Services' 2010 EBITDA from operations is expected to increase to $140-$150 million compared to $97.6 million in 2009. The expected increase is primarily due to the full-year benefits to be received from three northeast United States refined fuels acquisitions completed by Energy Services in the third and fourth quarters of 2009 and the first quarter of 2010, and an expected improvement in Canadian propane volumes as a result of improved economic conditions.

Benefits of Growth Initiatives

The acquisition of three significant refined fuels and propane distribution assets located in the northeast United States, is a complementary addition to the Energy Services business's existing Canadian propane distribution business, supply portfolio management and fixed-price energy services business. The benefits of the acquisitions:

- The northeast U.S. refined fuels and propane assets are a strategic fit with the Energy Services business's growth strategy.
- Expand the energy service customer base in terms of customer numbers and the geographic location.
- Complementary product offerings amongst Superior's existing businesses:
  - Ability to market and distribute propane across the northeast United States.
  - Ability to cross-market Energy Services' fixed-price energy offerings across a broader and larger customer base.
- Increase the storage and delivery capacity for propane and refined fuels which will provide the supply portfolio management business with increased market opportunities.
- Operating efficiencies are anticipated as the distribution network is rationalized and integrated.

Strategy Moving Forward

Superior reshaped its Energy Services business in 2009 and into the first quarter of 2010, providing the foundation for future growth:

- Acquired refined fuels assets for US$90.0 million, located in Pennsylvania and New York, on September 30, 2009.
- Acquired refined fuels assets for US$77.4 million, located in Pennsylvania, Connecticut and Rhode Island, on December 10, 2009.
- Acquired a refined fuels and propane distribution business for US$125.0 million, located in upstate New York, on January 20, 2010.

The expanded operations will provide the Energy Services business with opportunities to grow organically, leveraging its customer base by providing a full complement of propane and refined fuels offerings, including the ability to provide fixed-cost supply options.

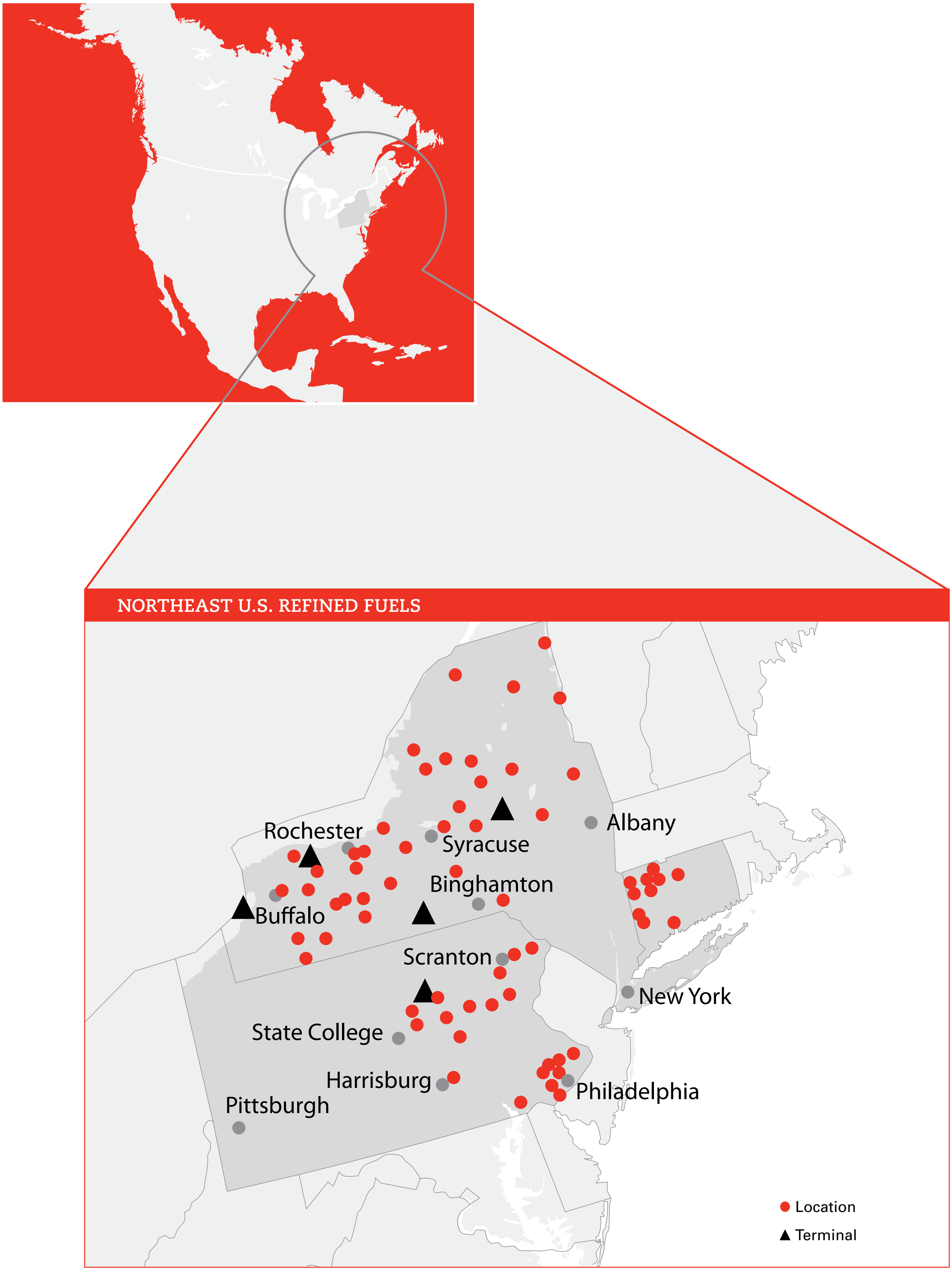
Superior intends to continue to pursue additional acquisition opportunities within its energy services business. The refined fuels and propane distribution business is highly fragmented throughout the northeast United States and eastern Canada, which provides Superior with continued opportunities to further consolidate its business.

ENERGY SERVICES AT A GLANCE

The acquisition of the northeast United States refined fuels and propane assets has provided the Energy Services business with a significant, well diversified customer base.

	Canadian Propane Distribution	U.S. Refined Fuels	Fixed-Price Energy Services	Total
Customers (1)	160,000	244,400	91,935	**496,335**
Propane sales volumes (millions of litres) (1) (2)	1,263	184	–	**1,447**
Refined fuels sales volumes (millions of litres) (1) (2)	14	1,584	–	**1,598**
Fleet (number of vehicles) (1)	779	978	–	**1,757**
Employees (1)	1,605	1,355	56	**3,016**

(1) Includes the acquisition of propane and refined fuels assets on January 20, 2010.
(2) Volume amounts assume that all U.S. refined fuels acquisitions were completed on January 1, 2009.


NORTHEAST U.S. REFINED FUELS
Rochester
Syracuse
Albany
Binghamton
Buffalo
Scranton
New York
State College
Harrisburg
Pittsburgh
Philadelphia
Location
Terminal

Specialty Chemicals

Superior's Specialty Chemicals business is a leading supplier of sodium chlorate and technology to the pulp and paper industries, and a Midwest United States regional supplier of potassium and chloralkali products.

Specialty Chemicals' EBITDA from operations for 2009 was $93.0 million compared to $116.5 million in the prior year. The business's EBITDA from operations is calculated as follows:

	2009	2008
Gross profit summary		
Chemicals	**204.7**	227.8
Technology	**5.3**	7.5
	210.0	235.3
Operating expenses	**(117.0)**	(118.8)
EBITDA from operations	**93.0**	116.5
Chemical sales volumes (thousands of metric tonnes)	**634**	727

Specialty Chemicals' 2009 operating results were impacted by the economic recession which reduced overall chemical sales volumes and margins. Sodium chlorate gross profits were affected by lower sales volumes than in the prior year due to reduced demand for pulp, as the economic recession resulted in temporary or permanent closures of various North American pulp mills.

Although weaker than in the prior year, sodium chlorate sales volumes showed signs of stability throughout the latter half of 2009. Chloralkali gross profits were similarly impacted by the economic recession which reduced sales volumes and margins. Additionally, sales volumes and margins were negatively impacted by down-time associated with the start-up of the Port Edwards, Wisconsin conversion project in the third and fourth quarters of 2009.

SPECIALTY CHEMICALS 2010 FINANCIAL OUTLOOK

Specialty Chemicals' 2010 EBITDA from operations is expected to increase to $105-$115 million compared to $93.0 million in 2009. The expected increase is primarily due to the enhanced EBITDA resulting from completion of the Port Edwards conversion project in the fourth quarter of 2009, as well as an expected increase in chemical sales volumes as a result of improved economic conditions.

Port Edwards, Wisconsin Conversion Project

During the last quarter of 2009, Superior completed the US$138 million conversion of its chloralkali facility from mercury-based technology to membrane technology. The facility, which is strategically located in the Midwest United States, was fully commissioned in 2009 and by the end of the year was operating above pre-expansion levels.

Benefits of the Port Edwards Conversion Project:

- Provides significant environmental benefits by removing mercury from the manufacturing process.
- Extends facility life for a further 25–30 years.
- Allows the facility to manufacture both sodium and potassium products.
- Increases the facility's production capacity by approximately 30%.
- Enhances the facility's electrical efficiency, reducing costs and greenhouse gas admissions.
- Long-term EBITDA of the facility is projected to average US$35 to $40 million.

Other Efficiency Projects

In addition to converting its Port Edwards facility, the Specialty Chemicals business continued to invest in ongoing capital efficiency projects in 2009. These were focused on improving the electrical efficiency of the chemical facilities and exploring uses for hydrogen, a by-product of the chemical manufacturing process. These projects reduced operating costs and greenhouse gas emissions.

Strategy Moving Forward

- Optimize our existing chemical facilities' operating efficiency by continuing to invest in projects that reduce our operating costs to ensure our facilities remain competitive over the long term.
- Continue to leverage our proprietary chlorine dioxide technology by exploring international expansion opportunities similar to that of our Chilean operations.
- Explore opportunities over the long term to expand into additional inorganic chemicals that are a strategic fit to our existing business.

SPECIALTY CHEMICALS MANUFACTURING FACILITIES

Construction Products Distribution

Superior's Construction Products Distribution business is a leading distributor of commercial and industrial insulation in North America and the largest distributor of specialty construction products to the walls and ceilings industry in Canada.

Construction Products Distribution's EBITDA from operations for 2009 was $22.8 million compared to $37.4 million in the prior year. The business's EBITDA from operations is calculated as follows:

(millions of dollars)	**2009**	2008
Gross profit	**122.3**	140.7
Operating expenses	**(99.5)**	(103.3)
EBITDA from operations	**22.8**	37.4

The 2009 operating results were affected by the economic recession which reduced overall sales volumes. The economic recession negatively impacted new home residential housing starts and commercial building activity in most of North America which in turn resulted in reduced demand for architectural products and commercial and industrial insulation. The Construction Products Distribution business was able to reduce operating costs relative to the prior year due to aggressive cost reduction programs. In addition, variable costs associated with reduced sales volumes were lower.

ACQUISITION OF SPECIALTY PRODUCTS & INSULATION CO.

During the last quarter of 2009, Superior completed the US$132.1 million acquisition of Specialty Products & Insulation Co. (SPI), a nationwide United States distributor of insulation and architectural products in the commercial and industrial markets. The acquisition of SPI positively benefited Construction Products Distribution's EBITDA from operations throughout the fourth quarter of 2009.

CONSTRUCTION PRODUCTS DISTRIBUTION 2010 FINANCIAL OUTLOOK

Construction Products Distribution's 2010 EBITDA from operations is expected to be $40-$50 million compared to $22.8 million in 2009. The expected increase is primarily due to the full-year benefit to be received from the acquisition of SPI completed at the end of the third quarter of 2009, as well as an expected marginal improvement in sales volumes throughout the year as a result of improved economic conditions.

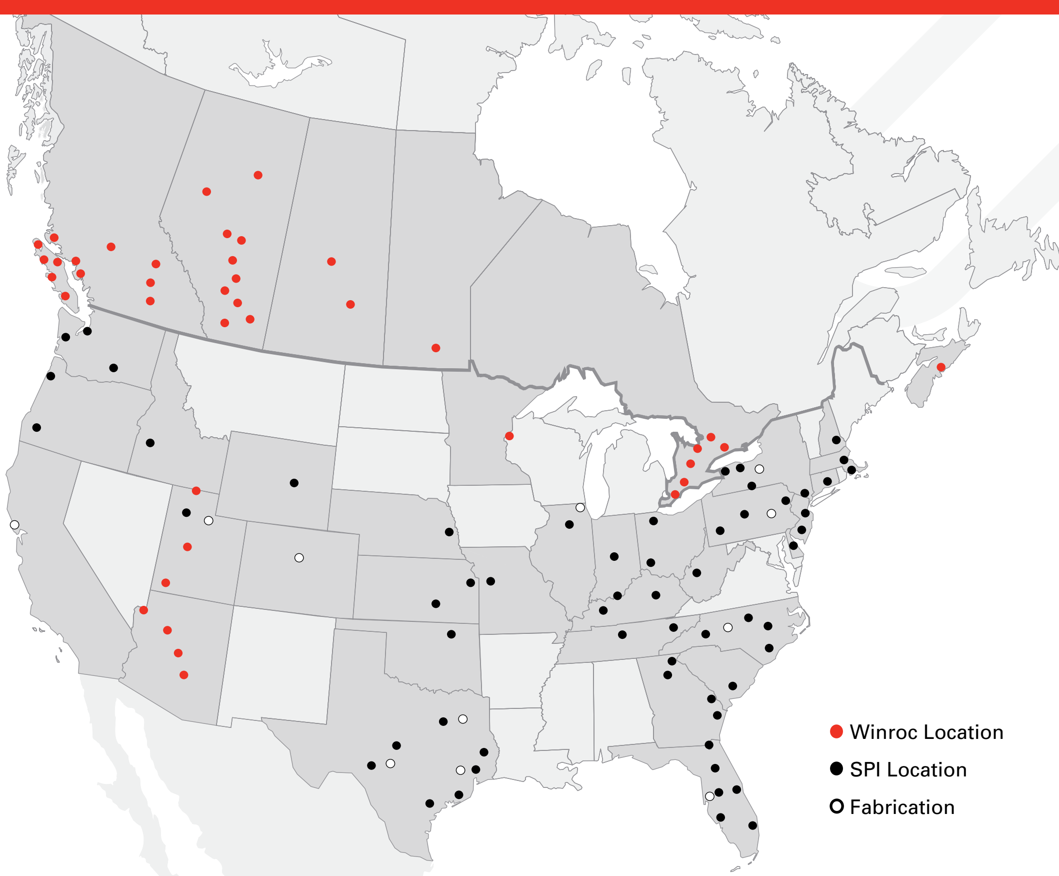
Benefits of the SPI Acquisition:

- Further diversifies the Construction Products Distribution business through SPI's leading market position in 28 states and 71 operations centres, including 11 primary fabrication centres.
- Enhances the focus on commercial and industrial insulation products.
  - Insulation is key to increasing energy efficiency and reducing greenhouse gas emissions.
- Creates operational efficiencies with Superior's existing Construction Products Distribution business.
- SPI's fabrication facilities provide a value-added service to its customers that enhances the value proposition.

Strategy Moving Forward

- Integrate the product offerings and operations of Superior's existing business with those of SPI to provide a full-service complement of architectural products and commercial and industrial insulation across the businesses' North American footprint.
- Explore opportunities to continue to consolidate the highly fragmented construction products distribution market throughout North America.

CONSTRUCTION PRODUCTS DISTRIBUTION IN CANADA AND UNITED STATES



Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) is a review of the financial performance and position of Superior Plus Corp. (Superior) for the years ended December 31, 2009 and 2008. The information in this MD&A is current to February 22, 2010. This discussion should be read in conjunction with Superior's audited Consolidated Financial Statements and notes to those statements which have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and are expressed in Canadian dollars, except where otherwise noted. Tables throughout this MD&A labelled "2009", "2008" and ""2007" cover the full-year periods ending December 31 of each year, and references in the text to "2009", "2008" and "2007" refer to the same full years. References in the text to "2010" refer to the full-year period ending December 31, 2010.

OVERVIEW OF SUPERIOR

Superior is a diversified business corporation. Superior holds 100% of Superior LP, a limited partnership formed between Superior General Partner Inc. as general partner and Superior as limited partner. Superior owns 100% of the shares of Superior General Partner Inc. The cash flow of Superior is solely dependent on the results of Superior LP and is derived from the allocation of Superior LP's income to Superior by means of partnership allocations. Superior, through its ownership of Superior LP, has three operating segments: the Energy Services segment which includes a Canadian propane distribution business, a U.S. refined fuels distribution business, a fixed-price energy services business and a supply portfolio management business; the Specialty Chemicals segment; and the Construction Products Distribution segment.

SUMMARY OF ADJUSTED OPERATING CASH FLOW

(millions of dollars except per share amounts)	**2009**	2008
EBITDA from operations: (1)		
Energy Services	**97.6**	103.3
Specialty Chemicals	**93.0**	116.5
Construction Products Distribution	**22.8**	37.4
	213.4	257.2
Interest	**(34.8)**	(36.5)
Cash taxes	**(1.1)**	(13.8)
Corporate costs	**(13.6)**	(14.6)
Adjusted operating cash flow	**163.9**	192.3
Adjusted operating cash flow per share, basic (2) and diluted (3)	**$ 1.80**	$ 2.18

(1) EBITDA and adjusted operating cash flow are not GAAP measures. See "Non-GAAP Financial Measures."
(2) The weighted average number of shares outstanding for the year ended December 31, 2009 was 91.0 million (2008 – 88.3 million).
(3) For the years ended December 31, 2009 and 2008, there were no dilutive instruments.

Adjusted Operating Cash Flow Reconciled to Cash Flows From Operating Activities (1)

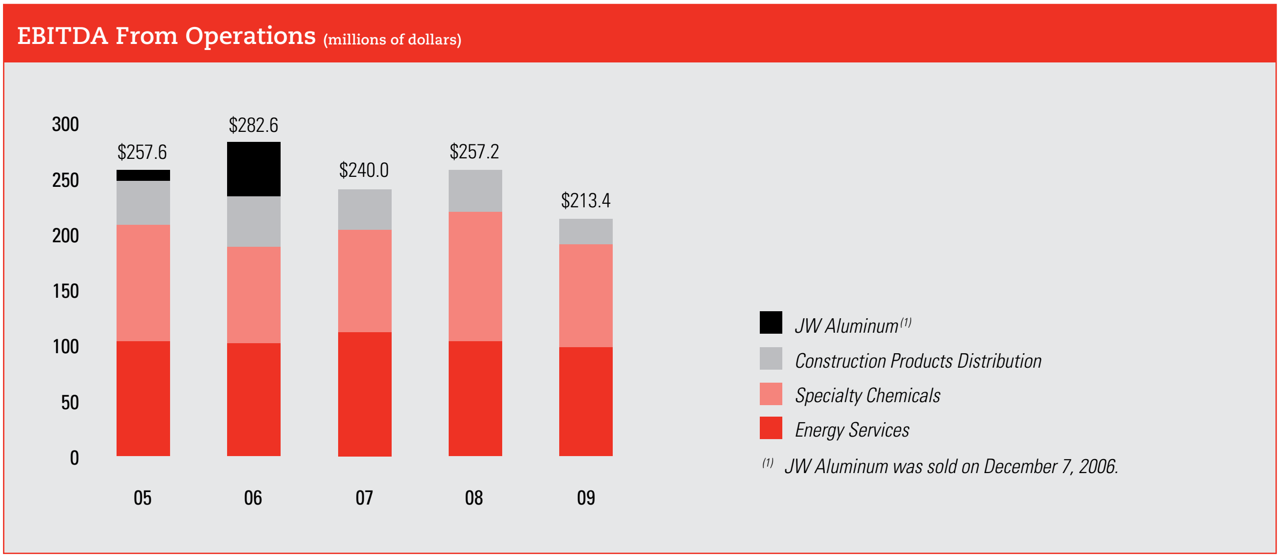
(millions of dollars)	**2009**	2008
Cash flows from operating activities	**191.3**	207.6
Add: Customer contract related costs capitalized	**4.0**	6.8
Corporate conversion costs	**–**	5.0
Less: Decrease in non-cash working capital	**(24.4)**	(20.6)
Amortization of customer contract related costs	**(7.0)**	(6.5)
Adjusted operating cash flow	**163.9**	192.3

(1) See the Consolidated Financial Statements for cash flows from operating activities, customer contract related costs, corporate conversion costs and changes in non-cash working capital.

Adjusted operating cash flow for the year ended December 31, 2009 was $163.9 million, a decrease of $28.4 million or 15% from the prior year, as reduced operating results at Energy Services, Specialty Chemicals and Construction Products Distribution were offset in part by lower cash taxes and corporate costs. Adjusted operating cash flow was $1.80 per share, compared to $2.18 per share in the prior year due to a 15% decrease in the adjusted operating cash flow and a 2% increase in the weighted average number of shares outstanding. The average number of shares outstanding increased in 2009 as a result of shares issued to partially finance the acquisition of Specialty Products and Insulation Co. (SPI) on September 24, 2009, the acquisition of certain assets that comprise a U.S. heating oil and propane distribution business from Sunoco Inc. (Sunoco U.S. refined fuels assets) on September 30, 2009 and the acquisition of certain assets that comprise a retail heating oil, propane and motor fuels distribution business from Griffith Energy Services Inc. (Griffith CH U.S. refined fuels assets) on December 11, 2009 (the Sunoco U.S. refined fuels assets and the Griffith CH U.S. refined fuels assets, collectively referred to as the "U.S. refined fuels assets").

As demonstrated in the following chart, Superior is well diversified with Energy Services, Specialty Chemicals, and Construction Products Distribution contributing 46%, 43%, and 11% of EBITDA from operations in 2009, respectively.

EBITDA FROM OPERATIONS



Superior had net earnings of $68.3 million for 2009, compared to net earnings of $67.7 million for 2008. Consolidated revenues of $2,246.7 million in 2009 were $240.6 million lower than in the prior year due principally to a decrease in the selling price of propane as a result of a reduction in the wholesale cost of propane and reduced volumes, in addition to reduced sales volumes and selling prices within Construction Products Distribution offset in part by the contribution from the acquisition of SPI and from the acquisition of the U.S. refined fuels assets. Gross profit of $653.4 million was $15.7 million lower than the prior year, primarily due to reduced sales volumes across all businesses, offset in part by the contribution from the acquisition of SPI and from the acquisition of the U.S. refined fuels assets. Operating expenses of $476.1 million in 2009 were $5.3 million higher than in the prior year, the increase in operating costs due to the acquisitions completed during the year offset in part by lower operating costs due to lower sales volumes across Superior's businesses. Amortization was higher than in the prior year primarily due to increased amortization at Energy Services due to the acquisitions completed in the third and fourth quarters of 2009. Total interest expense of $43.8 million was $5.3 million higher than the prior year due principally to higher debt levels related to the completion of acquisitions noted above and capital expenditures related to the completion of the Port Edwards conversion. Unrealized losses on financial instruments were $20.6 million in 2009 compared to losses of $61.2 million in the prior year. The decrease from the prior year is primarily due to lower unrealized losses in the current year on Superior's natural gas derivative contracts due to changes in the spot price of natural gas as compared to the prior year, offset in part by increased unrealized losses on Specialty Chemicals fixed-price electricity contracts. Gains or losses on Superior's various financial instruments are without consideration of the fair value of the underlying customer or supplier commitment. Total income tax expense was $12.7 million for 2009 compared to an expense of $9.9 million for 2008. Income taxes were impacted by lower U.S. cash income taxes due to the tax basis associated with commissioning the Port Edwards conversion, while future income taxes were primarily impacted by the acquisitions completed during 2009.

A more detailed discussion and analysis of the annual financial and operating results of Superior's operating segments is provided on the following pages.

ENERGY SERVICES

Energy Services' condensed operating results for 2009 and 2008 are provided in the following table.

(millions of dollars)	**2009**	2008
Revenue [(1)]	**1,312.1**	1,491.2
Cost of sales [(2)]	**(971.9)**	(1,159.3)
Gross profit	**340.2**	331.9
Less: Cash operating and administration costs	**(242.6)**	(228.6)
EBITDA from operations	**97.6**	103.3

(1) Effective January 1, 2007, Superior discontinued hedge accounting for all economic hedging activities. As such, amounts related to these contracts must be accounted for separately on Superior's financial statements (see Notes 11 and 18 to the Consolidated Financial Statements). In order to better reflect the results of its operations, Superior has reclassified these amounts for purposes of this financial discussion to present its results as if it had accounted for these transactions as accounting hedges. As such, included in revenue for 2009 is $0.1 million in realized foreign currency forward contract gains, and included in revenue for 2008 is $2.8 million in realized foreign currency forward contract losses. For 2009 for purposes of the financial discussion, Superior has reclassified $0.1 million of foreign currency translation losses related to U.S.-denominated working capital from operating and administrative expense to revenue, and for 2008 has reclassified $0.8 million of foreign currency translation losses related to U.S.-denominated working capital from operating and administrative expense to revenue. Reclassification of the translation gains or losses provides improved matching to the income statement recognition of the underlying working capital item that resulted in the translation gains or losses.

(2) For 2009 for purposes of the MD&A, Superior has reclassified $1.0 million of foreign currency translation gains related to U.S.-denominated working capital from operating and administrative expense to cost of sales, and for 2008 reclassified $4.0 million of foreign currency translation losses related to U.S.-denominated working capital from operating and administrative expense to cost of sales. Reclassification of the translation gains or losses provides improved matching to the income statement recognition of the underlying working capital item that resulted in the translation gains or losses. Included in cost of sales for 2009 is $6.6 million in realized foreign currency forward contract losses and $102.6 million related to natural gas commodity realized fixed price losses. Included in cost of sales for 2008 is $(17.6) million in realized foreign currency forward contract gains (losses) and $34.3 million related to natural gas commodity realized fixed price gains (losses).

Revenues were $1,312.1 million in 2009, a decrease of $179.1 million from revenues of $1,491.2 million in 2008. The decrease in revenues is primarily due to the impact of lower propane prices and sales volumes, offset in part by the contribution from the acquisition of the Sunoco U.S. refined fuels assets on September 30, 2009 and acquisition of the Griffith CH U.S. refined fuels assets on December 11, 2009 (the Sunoco U.S. refined fuels assets and the Griffith CH U.S. refined fuels assets, collectively referred to as the "U.S. refined fuels assets"). Total gross profit for 2009 was $340.2 million, an increase of $8.3 million over the prior year due to the contribution from the acquisition of U.S. refined fuels assets, offset in part by reduced Canadian propane distribution gross profit from lower volumes and gross margin. A summary and detailed review of gross profit is provided below.

Gross Profit Detail

(millions of dollars)	2009	2008
Canadian propane distribution	**236.4**	253.3
U.S. refined fuels	**15.3**	–
Other services	**29.0**	29.4
Supply portfolio management	**27.9**	21.6
Fixed-price energy services	**31.6**	27.6
Total gross profit	**340.2**	331.9

Canadian propane distribution gross profit for 2009 was $236.4 million, a decrease of $16.9 million or 7% from 2008, primarily due to a 100 million litre (7%) reduction in sales volumes. Residential and commercial sales volumes in 2009 decreased by 21 million litres or 5% from the prior year and were negatively impacted by a weaker overall economic environment throughout most of Canada and the ongoing impact of a customer conservation trend which began in 2008. Ongoing marketing efforts have been successful in acquiring new customers, partially offsetting the impact of reduced volumes due to the weaker economic environment. Average weather across Canada, as measured by degree days, for the year was 1% warmer than the prior year and 5% warmer than the five-year average, contributing to the decline in heating related volumes. Industrial volumes decreased by 68 million litres or 9%, due principally to the impact of a weaker economic environment as noted above. In particular, volumes were negatively impacted by customer cutbacks and closures in the manufacturing and mining sectors throughout eastern Canada and western Canada in addition to the impact of reduced activity levels in the oil and natural gas sector. Automotive propane volumes declined by 11 million litres or 10%, which was modestly below the historical decline trend in this end-use market due to a favourable pricing differential between propane and retail gasoline.

Annual Canadian Propane Distribution Sales Volumes:

Volumes by End-Use Application

(millions of litres)	2009	2008
Residential	**151**	159
Commercial	**286**	299
Agricultural	**86**	86
Industrial	**651**	719
Automotive	**103**	114
	1,277	1,377

Volumes by Region [(1)]

	2009	2008
Western Canada	**699**	772
Eastern Canada	**480**	510
Atlantic Canada	**98**	95
	1,277	1,377

(1) **Regions:** Western Canada region consists of British Columbia, Alberta, Saskatchewan, Manitoba, Northwest Ontario, Yukon and Northwest Territories; Eastern Canada region consists of Ontario (except for Northwest Ontario) and Quebec; and Atlantic Canada consists of New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island.

Superior continues to actively manage propane sales margins, resulting in average propane sales margins of 18.5 cents per litre in 2009, consistent with the prior year sales margins of 18.4 cents per litre. Average margins compared to the prior year were positively impacted by margin management offset in part by the volatility and high cost of wholesale propane and competitive pressures.

U.S. refined fuels gross profit for 2009 was $15.3 million and represents the contribution from the previously announced acquisitions of the U.S. refined fuels assets. The gross profit was generated by the sale of heating oil, propane and other refined fuels throughout the northeast United States. Volume contribution from the U.S. refined fuels assets was 153 million litres from October 1, 2009 through December 31, 2009. U.S. refined fuels also offers a broad range of services including heating, ventilation and air conditioning repair, and other related services which contributed $3.0 million in gross profits included within the other services segment.

Annual U.S. Refined Fuels Sales Volumes:

Volumes by End-Use Application [1]

(millions of litres)	2009	2008
Residential	**61**	–
Commercial	**74**	–
Automotive	**18**	–
	153	–

Volumes by Region [2]

	2009	2008
Northeast United States	**153**	–
	153	–

(1) **Volume:** Volume of heating oil, propane, diesel and gasoline sold.

(2) **Regions:** Northeast United States region consists of Pennsylvania, Connecticut, New York, and Rhode Island.

Other services gross profit was $29.0 million in 2009, a decrease of $0.4 million or 1% from the prior year. The decrease is due to lower demand for service and installations offset in part by increased rental gross profits and the contribution from the acquisitions of the U.S. refined fuels assets.

Supply portfolio management gross profits were $27.9 million in 2009, an increase of $6.3 million or 29% from the prior year due to volatility in the wholesale cost of propane and market related opportunities during 2009.

Fixed-price energy services gross profit was $31.6 million in 2009, an increase of $4.0 million (14%) from $27.6 million in 2008. Natural gas gross profit was $29.6 million, an increase of $2.9 million from the prior year due to higher margins offset in part by lower volumes. Gross profit per unit was 90.2 cents per gigajoules (GJ), an increase of 9.7 cents per GJ (12%) from the prior year. The increase in gross margins is primarily due to foreign currency translation gains on U.S.-denominated working capital compared to losses in 2008 and the impact of a one-time, $2.4 million adjustment for utility transportation charges which reduced the prior year's gross margin. Sales volumes of natural gas were 32.8 million GJ, 0.4 million GJ (1%) lower than the prior year as reduced residential volumes were partially offset by higher commercial volumes. The mix between commercial and residential volumes was impacted by Superior's determination during the first quarter of 2009 that it would refocus its efforts away from direct residential natural gas and electricity marketing in Ontario and focus on commercial natural gas and electricity marketing. Superior made this determination based on the challenges in the Ontario residential market in the acquisition of new customers and the retention of existing customers as a result of the regulatory framework for consumer energy marketing in the province. Superior has continued to grow its British Columbia residential business where marketing rules are more favourable. Electricity gross profit in 2009 was $2.0 million, an increase of $1.1 million from the prior year due to the aggregation of additional commercial customers over the past year.

Fixed-Price Energy Services Gross Profit

(millions of dollars except volume and per unit amounts)	2009			2008		
	Gross Profit	**Volume**	**Per Unit**	Gross Profit	Volume	Per Unit
Natural gas [1]	**29.6**	**32.8 GJ**	**90.2¢/GJ**	26.7	33.2 GJ	80.5¢/GJ
Electricity [2]	**2.0**	**193.0 kWh**	**1.04¢/kWh**	0.9	69.9 kWh	1.23¢/kWh
Total	**31.6**			27.6		

(1) Natural gas volumes are expressed in millions of gigajoules (GJ), while per unit amounts are expressed in gigajoules.

(2) Electricity volumes are expressed in millions of kilowatt hours (KWh), while per unit amounts are expressed in kWh.

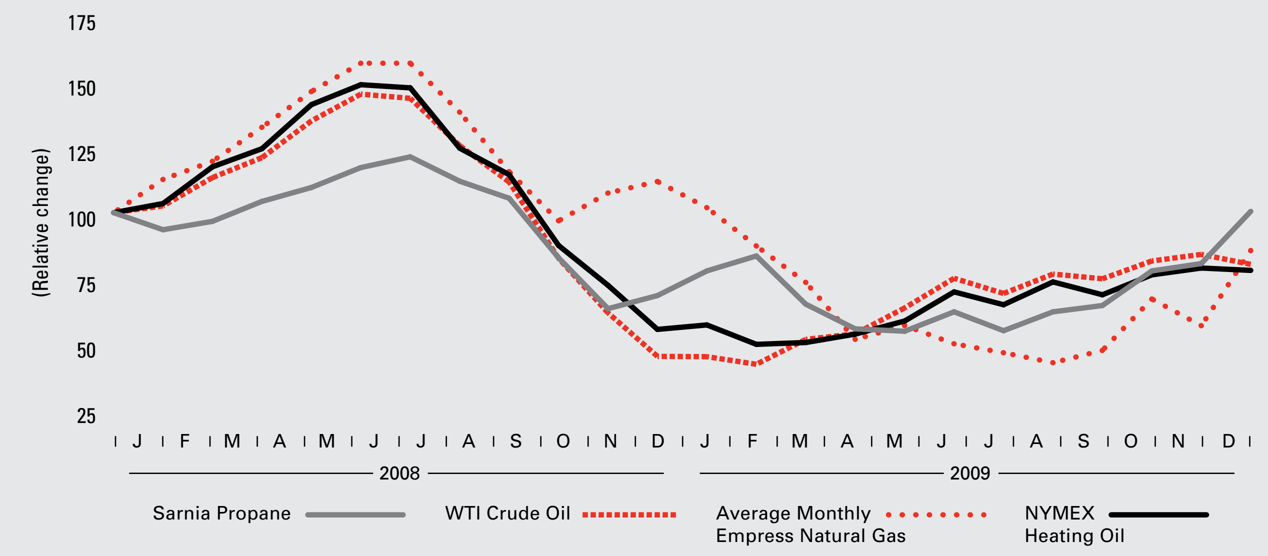
Cash operating and administrative costs were $242.6 million in 2009, an increase of $14.0 million or 6% from 2008. The increase in expenses was primarily due to contribution from the acquisition of the U.S. refined fuels assets and to higher Canadian propane distribution operating costs offset in part by reduced fixed-price energy services operating costs.

The increase in Canadian propane distribution operating costs is due to increased selling and marketing costs related to ongoing new customer marketing efforts, offset in part by lower wages and benefits and fuel costs. The decrease in fixed-price energy services operating costs was due to lower operating and selling costs as result of exiting the Ontario residential market.

Overall Energy Services' operations benefit from leading market share in the Canadian propane distribution market and considerable operational and customer diversification throughout Canada and the northeast United States through Superior's U.S. refined fuels assets. Superior's Energy Services customer base is well diversified geographically and across end-use applications and its largest customer contributed approximately 3% of gross profits in 2009.

As shown in the chart below, wholesale propane and heating oil prices fluctuated throughout 2009. Approximately 50% of Superior's fuel distribution sales volumes are due to heating-related applications and 50% to general economic activity levels.

Relative Change in WTI Crude Oil, Natural Gas and Heating Oil Prices vs. Sarnia Propane Price



Acquisition of U.S. Refined Fuels Assets

On September 30, 2009, Superior acquired certain assets which make up a U.S. retail heating oil and propane distribution business (Sunoco U.S. refined fuels assets) from Sunoco, Inc. (R&M), and Sunoco, Inc., both of which are Pennsylvania corporations, for an aggregate purchase price of $96.5 million (US$90.0 million), inclusive of transaction related costs. The Sunoco U.S. refined fuels assets distribute a broad range of liquid fuels and propane gas and related services, serving markets in Pennsylvania and New York.

On December 11, 2009, Superior acquired certain assets which make up a retail heating oil, propane and motor fuels distributions business (Griffith CH U.S. refined fuels assets) from Griffith Energy Services Inc., for an aggregate purchase price, including working capital for $82.0 million (US$77.4 million), inclusive of transaction related costs. The Griffith CH U.S. refined fuels assets distribute a broad range of liquid fuels and propane gas, serving markets in Connecticut, Pennsylvania and Rhode Island.

On January 20, 2010, Superior completed its acquisition of the shares of Griffith Holdings, Inc. (Griffith) for an aggregate purchase price of US$125.0 million before adjustments for working capital. Griffith is a retail and wholesale distributor of retail propane, heating oil and motor fuels in upstate New York.

Together, the above acquisitions form the foundation for Superior's U.S. refined fuels distribution platform. The acquisitions are complementary to Superior's existing Energy Services business and will expand Energy Services' customer base and product diversification.

Outlook

Energy Services expects EBITDA from operations for 2010 to be between $140 million and $150 million, consistent with the previous outlook provided in Superior's press release dated January 20, 2010. Significant assumptions underlying its current outlook are:

- Average temperatures across Canada and the northeast United States are expected to be consistent with the most recent five-year average;
- Total propane and refined fuels related sales volumes are anticipated to increase over 2009 due to increased economic activity and resulting demand;
- Wholesale propane and refined fuels related prices will not significantly impact demand for propane, refined fuels and related services;
- Supply portfolio management and fixed-price energy services gross profit will be consistent with 2009 assuming normal volatility in the wholesale markets;
- Fixed-price energy services will be able to access sales channel agents on acceptable contract terms;
- Natural gas markets in Ontario, Quebec and British Columbia will provide growth opportunities for fixed-priced energy services; and
- The commercial electricity market in Ontario and the retail electricity market in the northeastern U.S. are expected to provide additional growth opportunities for fixed-price energy services.

Energy Services' EBITDA from operations of $97.6 million for 2009 was lower than the outlook provided in Superior's 2009 third quarter MD&A of $104 million to $117 million due to reduced Canadian propane distribution gross profits and volumes throughout the fourth quarter as a result of lower than expected heating degree days and the continued general economic slowdown.

In addition to Energy Services significant assumptions detailed above, refer to the section "Risk Factors to Superior" for a detailed review of Energy Services' significant business risks.

SPECIALTY CHEMICALS

Specialty Chemicals' condensed operating results for 2009 and 2008 are provided in the following table.

(millions of dollars except per metric tonne (MT) amounts)	**2009**		2008	
Revenue		**$/MT**		$/MT
Chemicals (1) (3)	**448.6**	**708**	460.1	633
Technology	**8.2**	**13**	19.5	27
Cost of sales				
Chemicals (2)	**(243.9)**	**(385)**	(232.3)	(319)
Technology	**(2.9)**	**(5)**	(12.0)	(17)
Gross profit	**210.0**	**331**	235.3	324
Less: cash operating and administration costs	**(117.0)**	**(184)**	(118.8)	(164)
EBITDA from operations	**93.0**	**147**	116.5	160
Chemical volumes sold (thousands of MT)	**634**		727	

(1) Effective January 1, 2007, Superior discontinued hedge accounting for all economic hedging activities. As such, amounts related to these contracts must be accounted for separately on Superior's financial statements (see Notes 11 and 18 to the Consolidated Financial Statements). In order to better reflect the results of its operations, Superior has reclassified these amounts for purposes of this MD&A to present its results as if it had accounted for these transactions as accounting hedges. As such, included in revenue for 2009 is $(6.2) million in realized foreign currency forward contract losses and included in chemical cost of sales and for 2009 is $0.1 million in realized fixed-price electricity gains. Included in revenue for 2008 is $4.0 million in realized foreign currency forward contract gains (losses) and included in chemical cost of sales for 2008 is $22.0 million in realized fixed-price electricity gains.

(2) Effective January 1, 2008, Superior adopted a revised Canadian Institute of Chartered Accountants (CICA) Handbook section related to Inventory. This section impacts the calculation of the cost of inventory at Specialty Chemicals due to the requirement to inventory the cost of certain fixed overhead items, principally the amortization of property, plant and equipment. Additionally, this section requires that the amortization that is inventoried be classified as a component of cost of products sold once sold. As such, for 2009, for purposes of the MD&A Superior has excluded $37.5 million in non-cash amortization from cost of sales in the calculation of Specialty Chemicals' EBITDA from operations, and for 2008 Superior has excluded $38.9 million.

(3) For 2009 for purposes of the MD&A Superior has reclassified $2.6 million of foreign currency translation losses related to U.S.-denominated working capital from operating and administrative expense to revenue and for 2008 has reclassified $5.9 million of foreign currency translation gains related to U.S.-denominated working capital from operating and administrative expense to revenue. Reclassification of the translation gains or losses provides improved matching to the income statement recognition of the underlying working capital item that resulted in the translation gains or losses.

Chemicals and technology revenues were $456.8 million in 2009, $22.8 million or 5% lower than in the prior year, as reduced sales volumes more than offset an improvement to the average chemical sales price. Technology revenues were lower than the prior year due to lower project activity. Gross profit of $210.0 million in 2009 decreased by $25.3 million or 11% from 2008 due to lower chemical and technology gross profits.

Chemicals gross profits of $204.7 million decreased by $23.1 million or 10% due to a decrease in sodium chlorate and chloralkali/potassium gross profits. Sodium chlorate gross profit decreased by $12.5 million or 9%, as a decrease in volumes more than offset the impact of higher average selling prices. Sodium chlorate sales volumes decreased by 68,200 tonnes (14%) due principally to reduced sales volumes in North America as a result of reduced demand for pulp. Weaker demand for pulp and therefore sodium chlorate in North America in the first half of the year was due to the general economic slowdown. During the second half of the year pulp market fundamentals improved, supporting increased sodium chlorate demand.

Average selling prices for sodium chlorate were 9% higher than the prior year due principally to the appreciation of the US dollar relative to the Canadian dollar on U.S.-denominated sales and higher international sales at improved price levels which more than offset hedging losses. The average Canadian dollar equivalent selling price trended higher in the first half of 2009, offset in part by reduced selling prices in the second half of 2009 as contract renewals occurred at reduced average price levels and the Canadian dollar strengthened relative to the US dollar. Average pricing was also negatively affected by lower average hedge rates from the Specialty Chemicals currency hedging program. See "Financial Instruments – Risk Management" for a discussion of hedge positions.

Cost of sales for sodium chlorate was modestly higher than in the prior year as the impact of reduced sales volumes was offset by higher electrical input costs and increased transportation costs. Electrical costs, which represent approximately 70% to 85% of the variable costs of the production of sodium chlorate, were higher than the prior year as upward pressure on overall electricity pricing more than offset production management activities at facilities where the cost of electricity is subject to market fluctuations.

Chloralkali/potassium gross profits decreased by $10.6 million or 11%, as a decrease in sales volumes and higher input costs more than offset higher selling prices of potassium based products. Chloralkali/potassium sales volumes decreased by 25,000 tonnes (11%) due principally to the general economic slowdown and production capacity curtailment during the Port Edwards conversion. Cost of sales was negatively impacted by higher potash costs, the primary input cost in the production of potassium products, and finished products purchases made to supply customers during the Port Edwards conversion.

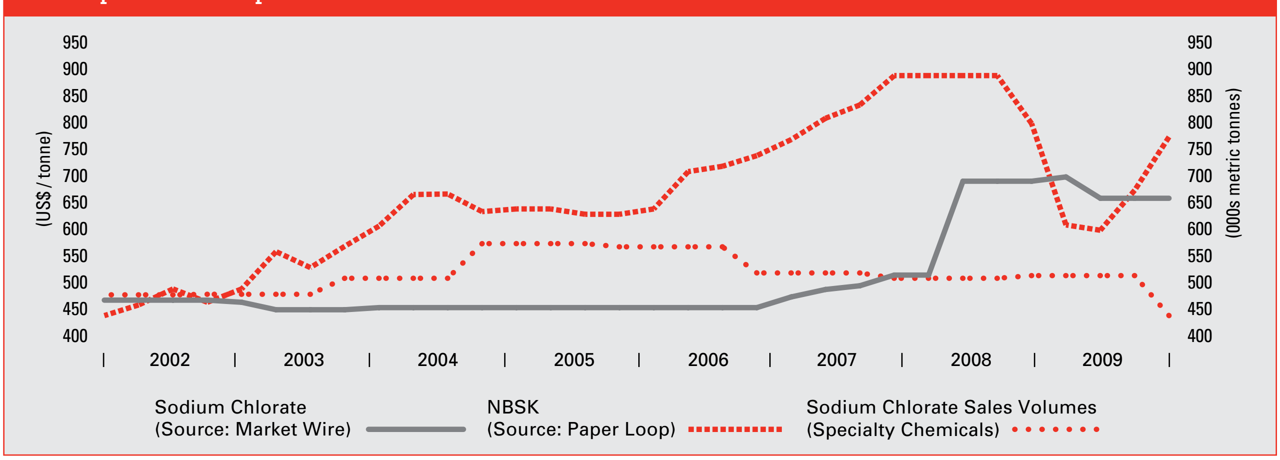
Technology gross profits of $5.3 million were $2.2 million lower than in the prior year due to reduced project activity.

Total chemical sales volumes were 634,000 tonnes in 2009, a decrease of 93,000 tonnes or 13% from the prior year, due to reduced sales volumes of sodium chlorate and chloralkali/potassium as noted above. Average chemical revenue was $708 per metric tonne (MT) in 2009 compared to $633 per MT in 2008, an increase of 12%, reflecting improved overall pricing on sodium chlorate and chloralkali/potassium. Sodium chlorate and chloralkali/potassium production capacity utilization averaged 85% (2008 – 96%) and 82% (2008 – 96%), respectively.

Cash operating and administration costs were $117.0 million in 2009, a decrease of $1.8 million or 2% from the prior year. Operating expenses were impacted by reduced operating costs at the Valdosta, Georgia facility due to production curtailments, lower employee-related costs and provisions for bad debts, partially offset by the impact of the appreciation of the US dollar on U.S.-denominated expenses.

Chloralkali/potassium sales in 2009 contributed 37% of EBITDA from operations, a decrease of 6% from the 43% contribution in 2008. Sodium chlorate sales in 2009 represented 63% of Specialty Chemicals' EBITDA from operations, an increase of 6% from the 57% contribution in 2008, primarily due to the Port Edwards conversion. Sodium chlorate is principally sold to bleached pulp manufacturers, as it is a required input to generate chlorine dioxide, which is in turn used to bleach pulp. Sodium chlorate represents approximately 5% of the variable cost to manufacture bleached pulp. As a result, sodium chlorate sales volumes and prices tend to be stable over time despite the volatility of bleached pulp prices (see the following chart). Specialty Chemicals' top 10 customers comprised approximately 44% of its revenues in 2009, with its largest customer representing 6% of its revenues.

Pulp Prices Compared to Sodium Chlorate Prices and Sales Volumes



Port Edwards Conversion Project Completion

Superior's project to convert its Port Edwards, Wisconsin chloralkali facility from mercury based technology to membrane technology was completed and fully commissioned in the fourth quarter of 2009. Production was curtailed during most of the fourth quarter while final equipment installation, testing and commissioning were completed. Production was restarted in November 2009 and the facility was operating at full load production levels in December.

The conversion project maintains the facility's ability to produce sodium and potassium products, increases the production capacity by approximately 30%, provides a significant extension of the plant life and enhances the efficiency of electrical energy use. The total costs to complete the conversion were US$138.0 million, slightly above the estimate of US$130 million included in Superior's 2009 third quarter MD&A due to scope changes identified and addressed during the final stages of construction. See "Consolidated Capital Expenditure Summary" for additional details on costs incurred related to the Port Edwards conversion.

Outlook

Superior expects 2010 EBITDA from operations from Specialty Chemicals to be between $105 million and $115 million, consistent with the previous outlook provided in Superior's press release dated January 20, 2010. Significant assumptions underlying the current outlook are:

- Supply and demand fundamentals for sodium chlorate will be stronger than in 2009, resulting in increased sale volumes for 2010;
- Chloralkali/potassium revenues will be higher than 2009 due to the expansion of the Port Edwards conversion in late 2009 and increased economic activity resulting in increased sales volumes for 2010; and
- Average plant utilization for 2010 will be approximately 85-90%.

Specialty Chemicals' EBITDA from operations of $93.0 million for 2009 was modestly lower than the outlook provided in Superior's 2009 third quarter MD&A of $95 million to $105 million due principally to the delayed start-up of the Port Edwards conversion which negatively impacted chloralkali/potassium product gross profit in the fourth quarter.

In addition to Specialty Chemicals' significant assumptions detailed above, refer to the section "Risk Factors to Superior" for a detailed review of Specialty Chemicals' significant business risks.

CONSTRUCTION PRODUCTS DISTRIBUTION

Construction Products Distribution's condensed operating results for 2009 and 2008 are provided in the following table.

(millions of dollars)	**2009**	2008
Distribution and direct sales revenue [(1)]	**469.5**	523.6
Distribution and direct sales cost of sales	**(347.2)**	(382.9)
Distribution and direct sales gross profit	**122.3**	140.7
Less: cash operating and administrative costs	**(99.5)**	(103.3)
EBITDA from operations	**22.8**	37.4

(1) Effective January 1, 2007, Superior discontinued hedge accounting for all economic hedging activities. As such, amounts related to these contracts must be accounted for separately on Superior's financial statements (see Notes 11 and 18 to the Consolidated Financial Statements). In order to better reflect the results of its operations, Superior has reclassified these amounts for purposes of this MD&A to present its results as if it had accounted for these transactions as accounting hedges. As such, included in revenue for 2009 is $0.5 million in realized foreign currency forward contract gains and for 2008 is $nil in realized foreign currency forward contract gains.

Distribution and direct sales revenues of $469.5 million were $54.1 million (10%) lower than in the prior year due to reduced sales volumes and lower overall average selling prices, offset in part by the contribution from the acquisition of SPI on September 24, 2009. Distribution and direct sales gross profit was $122.3 million in 2009, a decrease of $18.4 million or 13% from 2008, due principally to the impact of reduced sales volumes and lower percentage sales margins offset in part by the contribution from the acquisition of SPI. Distribution drywall sales volumes, an indicator of overall distribution sales volumes, decreased by 26% from the prior year. The decrease in distribution sales volumes was largely due to the ongoing slowdown in the new home residential housing starts and commercial building activity which negatively impacted volumes in all operating regions, particularly British Columbia and the U.S. Sales volumes were also negatively impacted by the general economic slowdown throughout North America. Percentage sales margins were modestly lower than the prior year as a result of lower average selling prices and lower margin product mix due to the contribution from SPI, offset in part by margin management initiatives. Sales margins and average selling prices continue to be challenged as a result of ongoing competitive pressures.

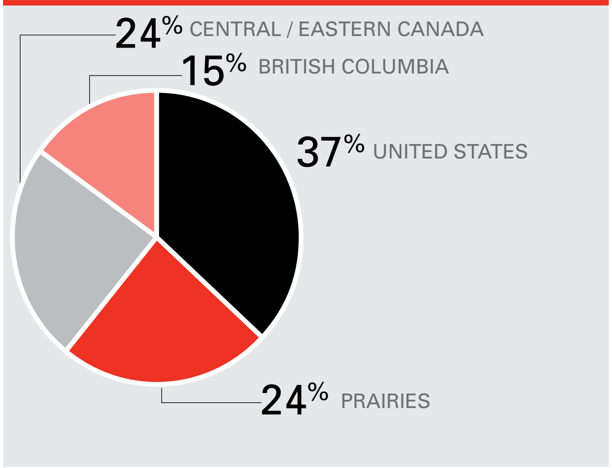
Cash operating and administration costs were $99.5 million for 2009, a decrease of $3.8 million or 4% from 2008 due to the impact of aggressive cost reduction programs, and lower warehouse wages and fleet cost due to reduced volumes, offset in part by the operating cost contribution from the acquisition of SPI. Construction Products Distribution continues to actively manage its cost structure in response to the ongoing economic slowdown.

Acquisition of Specialty Products & Insulation Co. (SPI)

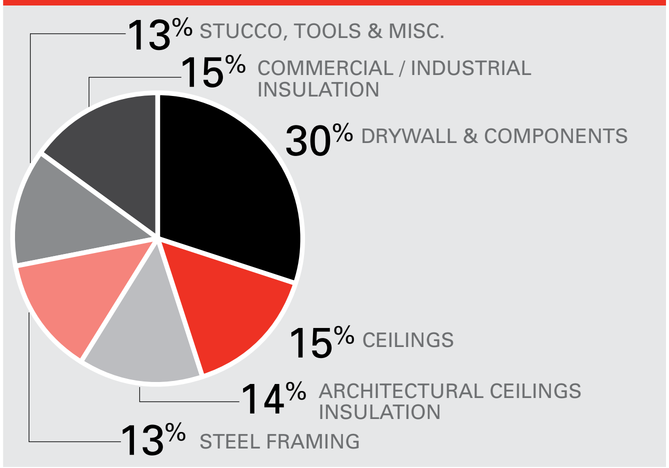
On September 24, 2009, Superior completed its acquisition of the shares of SPI for consideration of approximately $142.1 million (US$132.1 million), inclusive of transaction related costs. SPI is a U.S. national distributor of insulation and architectural products in the commercial and industrial markets. The acquisition of SPI further diversifies Superior's Construction Products Distribution segment through SPI's leading market position in 28 states, served by its 71 operation centres and 11 primary fabrication facilities.

Construction Products Distribution enjoys considerable geographical and customer diversification, servicing over 18,000 customers from 113 distribution branches. (See "Distribution Revenues by Region" pie chart, below.) Construction Products Distribution's 10 largest customers represent approximately 11% of its annual distribution sales with the largest customer representing approximately 2% of annual distribution sales. Construction Products Distribution enjoys a strong position in the distribution markets where it operates, supported by its complete walls, ceilings, residential insulation, commercial and industrial insulation product lines, and by its procurement capabilities. (See "Distribution Revenues by Product" pie chart, below.)

Distribution Revenues by Region – 2009

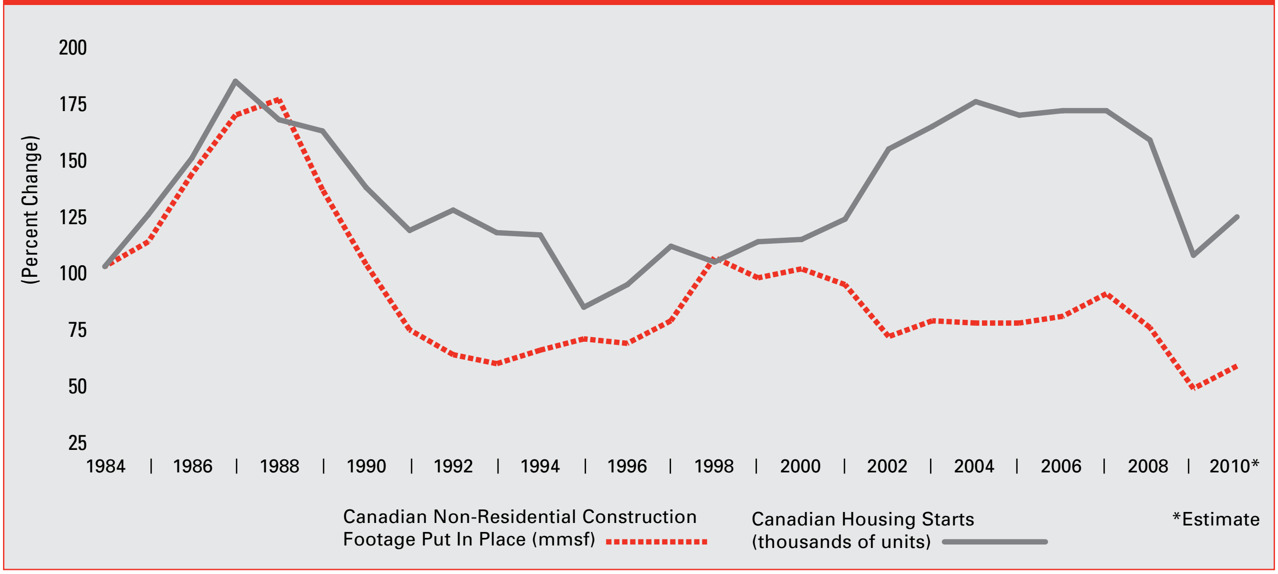


Distribution Revenues by Product – 2009

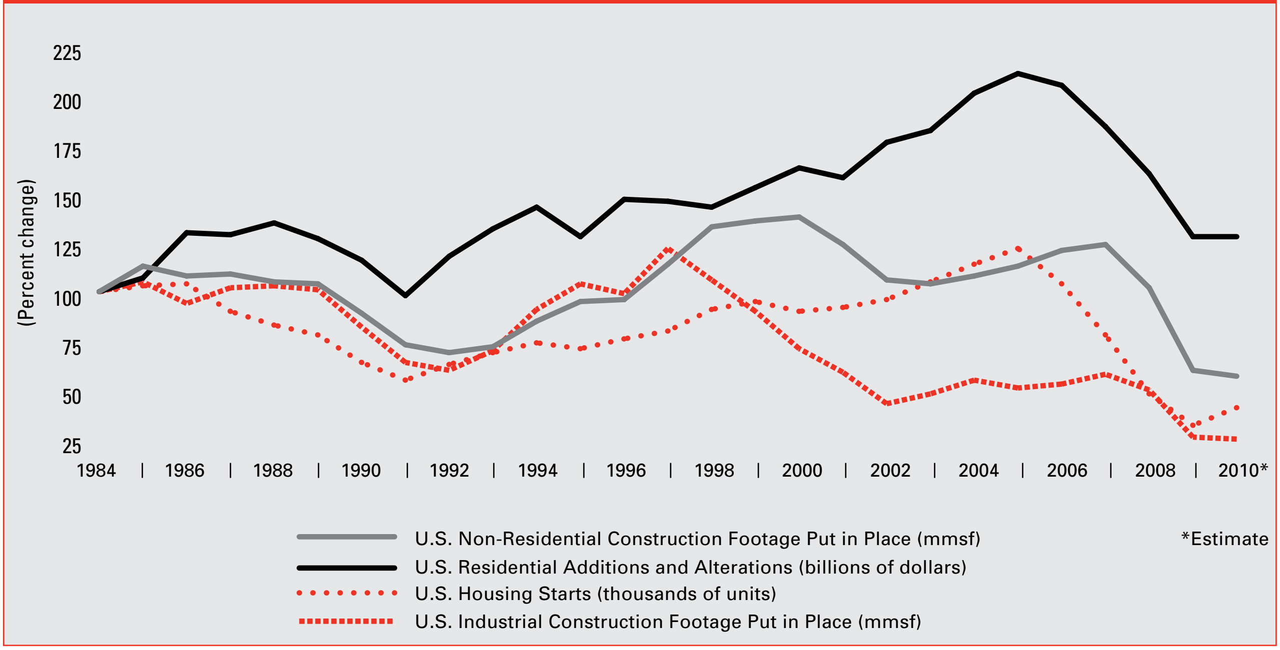


Sales to commercial and industrial builders and contractors are comprised of Construction Products Distribution's full product line whereas sales to residential builders and contractors are principally comprised of drywall and components, insulation and plaster products. Demand for walls and ceiling construction products is influenced by overall economic conditions with approximately 57% of sales from servicing commercial new construction and remodelling activity, 28% from servicing residential new construction and remodeling activity, and 15% of sales from servicing industrial activity. New commercial construction and industrial demand trends have historically lagged new residential construction. (See "U.S. and Canadian End-Use Construction Segments" charts below.)

Canadian End-Use Construction Segments (Index 1984=100)



U.S. End-Use Construction Segments (Index 1984=100)



Outlook

Superior expects Construction Products Distribution's EBITDA from operations for 2010 to be between $40 million and $50 million, consistent with the previous outlook provided in Superior's press release dated January 20, 2010. Significant assumptions underlying its current outlook are:

- Sales volumes in 2010 compared to 2009 are expected to modestly improve as suggested by positive leading indicators in new home residential activity in Canada and the United States; and
- Sales volumes for industrial insulation products in 2010 will be consistent with the prior year while commercial volumes in 2010 will be lower due to reduced commercial economic activity compared to the prior year.

Construction Products Distribution's EBITDA from operations of $22.8 million for 2009 was consistent with the outlook provided in Superior's 2009 third quarter MD&A of $20 million to $25 million.

In addition to the Construction Products Distribution segment's significant assumptions detailed above, refer to the section "Risk Factors to Superior" for a detailed review of Construction Products Distribution's significant business risks.

CONSOLIDATED CAPITAL EXPENDITURE SUMMARY

(millions of dollars)	**2009**	2008
Efficiency, process improvement and growth related	**22.9**	26.3
Other capital	**9.9**	7.6
Port Edwards conversion project	**106.5**	49.8
	139.3	83.7
Acquisition of SPI [1]	**142.1**	–
Acquisition of U.S. refined fuels assets	**178.5**	–
Other acquisitions	**0.8**	24.5
Earn-out payment on prior acquisition	**0.6**	0.5
Transaction with Ballard Power Systems Inc. (Ballard)	**–**	46.3
Proceeds on disposition of capital	**(4.8)**	(7.5)
Total net capital expenditures	**456.5**	147.5
Capital-equivalent of operating leases [2]	**8.2**	27.4
Total capital including operating leases	**464.7**	174.9

(1) Includes the issuance of $32.6 million of common shares that were issued by way of private placement at a deemed price of $11.63 per share.
(2) Capital-equivalent of operating leases reflects the total dollar value of capital items that have been acquired through operating leases.

Efficiency, process improvement and growth related expenditures were $22.9 million in 2009 compared to $26.3 million in 2008. Efficiency, process improvement and growth related expenditures were principally incurred in relation to Specialty Chemicals' electrical cell replacement program, hydrogen capture and utilization projects and Energy Services' business transformation project. Other capital expenditures were $9.9 million in 2009 compared to $7.6 million in the prior year, consisting primarily of required maintenance and general capital at Specialty Chemicals and Energy Services. Specialty Chemicals incurred $106.5 million (US$93.3 million) in 2009 related to its Port Edwards conversion project. Upon completion of the conversion in the fourth quarter, Specialty Chemicals had incurred US$138.0 million cumulatively on the project which is $8.0 million higher than the previously estimated cost of US$130.0 million in aggregate. The increase was due to scope changes identified and addressed during the final stages of construction.

Acquisition costs for 2009 totalled $320.6 million and were comprised of the acquisition of SPI for total consideration of $142.1 million, as previously discussed in the review of Construction Products Distribution, the acquisition of Sunoco U.S. refined fuels assets for $96.5 million and the acquisition of Griffith U.S. refined fuels assets for $82.0 million, as previously discussed in the review of Energy Services.

Acquisition costs for 2008 totalled $24.5 million and were comprised of the acquisition of Fackoury's for $21.1 million and the acquisition of certain propane assets in Atlantic Canada for $3.4 million.

Proceeds on the disposal of capital were $4.8 million in 2009 compared to $7.5 million in the prior year. Proceeds consisted principally of Energy Services surplus tanks and cylinders.

Capital expenditures were funded from a combination of operating cash flow, the issuance of common shares, the issuance of convertible unsecured subordinated debentures ("Debentures" includes all series of convertible unsecured subordinated debentures) and revolving term bank credit facilities.

CORPORATE AND INTEREST COSTS

Cash corporate and administrative costs were $13.6 million in 2009, a decrease of $1.0 million from 2008. The prior year's corporate costs included foreign currency translation losses of $3.2 million on the revaluation of US dollar cash transactions and US dollar-denominated interest payables compared to a gain of $0.2 million in 2009. When this item is excluded, corporate costs increased by $2.4 million. Excluding the impact of foreign currency translation losses, the increase in corporate costs was due to higher long-term incentive plan costs, due to the year-over-year price appreciation of Superior's shares, and higher professional and consulting costs due principally to corporate development activities that are not eligible to be capitalized, offset in part by lower short term incentive bonuses.

Interest expense on Superior's revolving term bank credits and term loans was $18.0 million for 2009, net of $2.9 million in realized gains on interest rate swaps and $6.1 million in realized gains due to the early termination of Superior's interest rate swaps, resulting in a decrease of $3.7 million from $21.7 million incurred in the prior year. Excluding the impact of gains from the early termination of interest rate swaps, the increase in interest expense was due to higher debt levels as a result of Port Edwards conversion related expenditures and the net debt associated with the acquisition of SPI and U.S. refined fuels assets as previously discussed.

Interest on Superior's Debentures was $16.8 million for 2009, an increase of $2.0 million from 2008. The increase in Debenture interest is due to the issuance of $69.0 million, 7.5% convertible debentures on August 28, 2009, due in part to the acquisition of SPI as previously discussed.

CORPORATE CONVERSION AND OTHER STRATEGIC COSTS

Superior did not incur any corporate conversion or strategic plan costs during 2009. Corporate conversion costs in the prior year totalled $5.0 million and consisted primarily of professional fees related to the planning and execution of the transaction with Ballard.

During 2008, Specialty Chemicals completed the sale of its Bruderheim, Alberta facility for proceeds of $4.0 million, which have been treated as a recovery of strategic plan costs previously expensed. Specialty Chemicals has retained 130 acres of the surrounding property.

INCOME TAXES

Consistent with prior periods, Superior recognizes a provision for income taxes for its subsidiaries that are subject to current and future income taxes, including United States income tax, United States non-resident withholding tax and Chilean income tax.

Total income tax expense for 2009 was $12.7 million, comprised of $1.1 million in cash income taxes and a $11.6 million future income expense, compared to a total income tax expense of $9.9 million in the prior year, comprised of $13.8 million in cash income taxes and a $3.9 million future income tax recovery.

Cash income, withholding and capital taxes for the year ended 2009 were $1.1 million, consisting of cash recoveries in the United States of $0.5 million, withholding taxes of $0.5 million and capital taxes of $1.1 million (2008 – $12.3 million in current taxes and $1.5 million in withholding taxes). The decrease in United States cash income taxes was primarily due to the tax amortization resulting from the commissioning of the Port Edwards conversion in the fourth quarter of 2009.

Future income tax expense for the year ended 2009 was $11.6 million (2008 – $3.9 million future income tax recovery), resulting in a corresponding net future income tax asset of $202.6 million as at December 31, 2009 and a net deferred credit of $270.9 million. The change in future income taxes and the deferred credit is principally the result of Superior utilizing capital and non-capital losses during 2009 and the normal amortization of the deferred credit.

As at December 31, 2009, Superior had the following tax pools available to be used in future years:

Canada	(millions of dollars)
Tax basis	**450.7**
Non-capital losses	**97.6**
Capital losses	**598.3**
Canadian scientific research expenditures	**585.9**
Investment tax credits	**177.9**
United States	
Tax basis	**294.9**
Capital loss carry-forwards	**48.5**
Non-capital losses	**50.0**
Chile	
Tax basis	**27.7**
Non-capital loss carry-forwards	**22.9**

See the audited Consolidated Financial Statements for the year ended December 31, 2009 for a summary of the expiration of the non-capital loss carry-forwards and investment tax credits. Capital loss carry-forwards, Canadian scientific research expenditures and Chilean non-capital losses are eligible to be carried forward indefinitely.

CONSOLIDATED OUTLOOK

Superior expects adjusted cash flow from operations for 2010 to be between $1.95 and $2.15 per share. Superior's previous outlook for 2010 as provided in the 2009 third quarter MD&A was between $2.05 and $2.25 per share. Superior's consolidated adjusted operating cash flow outlook is dependent on the operating results of its three operating segments. See the discussion of operating results by segment for additional details on Superior's 2010 guidance. In addition to the operating results of Superior's three operating segments, significant assumptions underlying Superior's current 2010 outlook are:

- The economic conditions in Canada and the United States are expected to improve in 2010 compared to 2009;
- Superior continues to attract capital and obtain financing on acceptable terms;
- The foreign currency exchange rate between the Canadian and US dollar is expected to average 1.05 in 2010 on all unhedged foreign currency transactions;
- Financial and physical counterparties continue to fulfill their obligations to Superior;
- Regulatory authorities do not impose any new regulations impacting Superior;
- The 2010 average floating interest rates and floating debt are expected to increase modestly over 2009; and
- U.S. based cash taxes for 2010 are expected to be minimal in 2010 as a result of the tax basis associated with the completion of the Port Edwards conversion.

Consolidated adjusted operating cash flow for 2009 of $1.80 per share was below Superior's outlook provided in its 2009 third quarter MD&A of $1.90 to $2.05. The shortfall was due principally to lower than expected operating results from Energy Services due to reduced propane margins and volumes, lower operating results from Specialty Chemicals due primarily to lower gross margin on chloralkali/potassium products and the continued impact of the recession on customers. Refer to the Energy Services and Specialty Chemicals sections for a detailed review of their operating results.

In addition to Superior's significant assumptions detailed above, refer to the section "Risk Factors to Superior" for a detailed review of Superior's significant business risks.

LIQUIDITY

Superior's total and available sources of credit are detailed in the chart below:

Available Credit Facilities	**As at December 31, 2009**			
(millions of dollars)	Total Amount	Borrowings	Letters of Credit Issued	Amount Available
Revolving term bank credit facilities [1]	570.0 [2]	327.0	19.4	223.6
Term loans [1]	318.4	318.4	–	–
Accounts receivable sales program	92.7	92.7	–	–
Total	981.1	738.1	19.4	223.6

(1) Revolving term bank credit facilities and term loan balances are presented before deferred financing fees.

(2) On January 27, 2010 Superior expanded the secured revolving syndicated bank credit facility to $600 million; see "Expansion of Superior's Credit Facility".

As at December 31, 2009 Superior had a secured revolving syndicated bank facility (Credit Facility) of $570.0 million with a syndicate of 11 banks. The Credit Facility matures on June 28, 2011 and can be expanded to $600.0 million.

Superior's revolving term bank credit and term loans before deferred financing fees, including $92.7 million related to the accounts receivable securitization program totalled $738.1 million as at December 31, 2009, an increase of $160.4 million from the prior year. The increase in revolving term bank credits and term loans is predominately due to Superior's acquisition of SPI, Sunoco U.S. refined fuels assets, and the Griffith U.S. refined fuels assets, in addition to capital expenditures related to the Port Edwards conversion, offset in part by the non-cash impact of the depreciation of the US dollar relative to the Canadian dollar on US dollar-denominated debt (approximately a $40 million impact), the issuance of equity during the year, the issuance of $69.0 million in convertible unsecured subordinated debentures and by operating cash flow in excess of dividends. See "Summary of Cash Flows" for a complete summary of Superior's sources and uses of cash.

As at December 31, 2009, Debentures before deferred issue costs issued by Superior totalled $316.7 million, $69.1 million higher than the balance at December 31, 2008. The increase in Debentures is due to the issuance of $69.0 million in 7.50% convertible unsecured subordinated debentures on August 28, 2009, to finance a portion of the acquisition of the U.S. refined fuels assets as previously discussed and the accretion of the original discount to interest expense during 2009.

As at December 31, 2009, $223.6 million was available under the Credit Facility and accounts receivable sales program, which is considered sufficient to meet Superior's net working capital funding requirements and expected capital expenditures. Principal covenants are described in "Contractual Obligations and Other Commitments".

Consolidated net working capital was $183.8 million as at December 31, 2009, an increase of $37.1 million from December 31, 2008 ($146.7 million). The increase in net working capital from the prior year is due to higher net working capital at Energy Services as a result of the acquisition of the U.S. refined fuels assets offset in part by a year over year reduction in the retail cost of propane and lower sales volumes. Higher net working capital levels at Construction Products Distribution are due primarily to the impact of the acquisition of SPI offset in part by reduced sales activity and inventory management initiatives, while net working capital at Specialty Chemicals was impacted by reduced sales volumes. Superior's net working capital requirements are financed from revolving term bank credit facilities and by proceeds raised from a trade accounts receivable sales program.

As at December 31, 2009, Superior's senior debt and total debt to compliance EBITDA ratios are 2.7 and 3.8 times, respectively, (December 31, 2008 – 2.3 and 3.4 times, respectively), after taking into account the impact of the off-balance sheet receivable sales program amounts and the impact of cash on hand. These ratios are within the requirements contained in Superior's debt covenants, which restrict its ability to pay dividends. In accordance with Superior's credit facilities, Superior must maintain a consolidated debt to compliance EBITDA ratio of not more than 5.0 to 1.0. In addition, Superior must maintain a consolidated senior debt to compliance EBITDA ratio of not more than 3.0 to 1.0 and not more than 3.5 to 1.0 as a result of acquisitions. Distributions (including payments to debenture holders) cannot exceed compliance EBITDA, less cash income taxes and certain capital expenditures, plus $25.0 million on a trailing twelve month rolling basis. At December 31, 2009, the senior debt ratio when calculated in accordance with Superior's senior banking agreements was 2.8 times (December 31, 2008 – 2.4 times) and the total debt ratio when calculated in accordance with Superior's senior bank agreements was 2.8 times (December 31, 2008 – 2.4 times). The total debt to compliance EBITDA for purposes of senior credit agreements does not include the Debentures.

Proceeds received from Superior's dividend/distribution reinvestment plan (DRIP) were $nil for 2009 (2008 – $8.9 million). The reduction is a result of Superior announcing on February 28, 2008 that it would suspend the DRIP after the February 2008 distribution. In February 2009, Superior adopted a dividend reinvestment plan (also called DRIP) in relation to its conversion to a corporation. The current DRIP can be implemented at Superior's request, subject to meeting certain regulatory requirements.

Superior has entered into an agreement to sell, with limited recourse, certain accounts receivable on a 30-day revolving basis to an entity sponsored by a Canadian chartered bank to finance a portion of its working capital requirements, which represents an off-balance-sheet obligation. The receivables are sold at a discount to face value based on prevailing money market rates. As at December 31, 2009, proceeds of $92.7 million (December 31, 2008 – $100.0 million) had been raised from this program and were used to repay revolving term bank credits (see Note 4 to the Consolidated Financial Statements). Superior is able to adjust the size of the sales program on a seasonal basis in order to match the fluctuations of its accounts receivable funding requirements. The program requires Superior to maintain a minimum secured credit rating of BB and meet certain collection performance standards. Superior is currently fully compliant with program requirements. Effective April 30, 2009, Superior extended the maturity of its accounts receivable securitization program until June 29, 2010.

On October 16, 2009, DBRS confirmed Superior Plus LP's senior secured notes rating at BBB(low) and issued a new rating on Superior Plus LP's senior unsecured debentures of BB(high). On October 19, 2009, Standard and Poor's confirmed Superior Plus LP's senior secured long-term debt credit rating at BBB- and a corporate credit rating of BB+ with a negative outlook. Standard and Poor's issued a new rating on Superior Plus LP's senior unsecured debentures of BB-.

On January 20, 2010, DBRS confirmed Superior Plus LP's senior secured notes and senior unsecured debenture ratings at BBB(low) and BB(high), respectively, both with stable trends. On January 21, 2010, Standard and Poor's confirmed Superior Plus LP's credit ratings were unaffected upon the announcement by Superior to acquire Griffith Holdings Inc. on January 20, 2010.

Expansion of Superior's Credit Facility

On January 27, 2010, Superior expanded the Credit Facility from $570 million to $600 million and certain amendments were made to Superior's financial covenant ratios. In particular, the previous consolidated senior debt coverage ratio requirement was replaced with a consolidated secured debt coverage ratio of not more than 3.0 to 1.0. Under the new test, senior unsecured debt, such as the senior unsecured debentures are excluded from the calculation but remain part of the total debt to compliance EBITDA calculation. Superior is permitted, as a result of acquisitions, to increase its consolidated secured debt to compliance EBITDA ratio to 3.5 to 1.0 for a period of 90 days. Superior's total debt to compliance EBITDA coverage ratio requirement remains unchanged at not more than 5.0 to 1.0.

CONTRACTUAL OBLIGATIONS AND OTHER COMMITMENTS

			Payments Due In			
(millions of dollars)	Notes [1]	Total	2010	2011-2012	2013-2014	Thereafter
Revolving term bank credits and term loans	7	645.4	5.1	394.0	64.9	181.4
Debentures	8	318.9	–	174.9	69.0	75.0
Operating lease and capital commitments [2]	17(i)	150.1	36.8	56.7	35.9	20.7
Cdn$ equivalent of US$ foreign currency forward purchase contracts	11	61.3	55.3	6.0	–	–
US$ foreign currency forward sales contracts (US$)	11	472.4	162.4	229.0	81.0	–
Euro€ foreign currency forward sales contracts (US$)	11	5.4	5.1	0.3	–	–
Fixed-price electricity purchase commitments	11	141.6	17.7	35.4	35.4	53.1
Natural gas, propane, butane, heating oil, and electricity purchase commitments [3] [4]	11	156.8	131.0	18.9	6.9	–
Future employee benefits [5]	10	20.3	5.6	12.4	2.3	–
Total contractual obligations		1,972.2	419.0	927.6	295.4	330.2

(1) Notes to the Consolidated Financial Statements.

(2) Operating lease and capital commitments together with the accounts receivable sales program comprise Superior's off balance sheet obligations.

(3) Superior, with respect to its natural gas and propane commitments, is similarly committed to long-term natural gas and propane customer sales commitments.

(4) Does not include the impact of financial derivatives. See Note 11 to the Consolidated Financial Statements.

(5) Does not include the Energy Services defined benefit pension asset.

Revolving term bank credits and term loans are secured by a general charge over the assets of Superior and certain of its subsidiaries. As at December 31, 2009, Superior's senior debt to bank compliance EBITDA ratio (see Bank Compliance EBITDA in "Non-GAAP Financial Measures") was 2.7 times after taking into account the impact of the off-balance sheet receivable sales program and the impact of cash on hand (December 31, 2008 – 2.3 times).

Debentures are obligations of Superior and consist of $174.9 million in Series I, 5.75% Debentures maturing on December 31, 2012, $75.0 million in Series 1, 5.85% Debentures maturing on October 31, 2015 and $69.0 million, 7.50% Debentures maturing on December 31, 2014. The 5.75% Series I, 5.85% Series I and 7.50% Debentures are convertible at the option of the holder into common shares at $36.00, $31.25 and $13.10 per common share, respectively. Superior may elect to satisfy interest and principal Debenture obligations by the issuance of common shares.

As at December 31, 2009, approximately 22% of Superior's revolving term bank credits and term loans and Debenture obligations were not repayable for at least five years and approximately 60% of Superior's total debt obligations (including accounts receivable sales program) are subject to fixed interest rates. Superior's policy is to target a fixed-to-floating interest rate profile of approximately 50%.

Operating leases consist of rail cars, distribution/delivery fleet, other vehicles, premises and other equipment. Rail car leases at December 31, 2009 comprised 19% (2008 – 22%) of total operating lease commitments and are used to transport Specialty Chemicals' finished product to its customer locations and by Energy Services to transport propane from supply sources to its branch distribution locations. Distribution/delivery operating leases at December 31, 2009 comprised 28% (2008 – 31%) of total operating lease commitments and are used by Energy Services and Construction Products Distribution to deliver product to customers.

Natural gas and propane fixed-price supply commitments are used to resource similar volume and term fixed-price sales commitments to customers of Energy Services. Specialty Chemicals has entered into fixed-price electricity contracts for a term of up to eight years, representing 100% of its annual power requirements in deregulated jurisdictions.

Superior's operating lease and capital commitments, natural gas, propane and electricity purchase commitments and future employee benefits are normal course operating commitments. Superior expects to fund these commitments through a combination of cash flow from operations, proceeds on revolving term bank credits and proceeds on the issuance of common share equity.

At December 31, 2009 Superior had an estimated defined benefit pension solvency deficiency of approximately $24 million. Funding requirements required by applicable pension legislation are based upon solvency actuarial assumptions. These assumptions differ from the going concern actuarial assumptions used in Superior's financial statements. Superior has sufficient liquidity through existing revolving term bank credits and anticipated future operating cash flows to fund this deficiency over the prescribed funding period.

In the normal course of business, Superior is subject to lawsuits and claims. Superior believes the resolution of these matters will not have a material adverse effect, individually or in the aggregate, on Superior's liquidity, consolidated financial position or results of operations. Superior records costs as they are incurred or when they become determinable.

SHAREHOLDERS' CAPITAL

The weighted average number of common shares outstanding was 91.0 million in 2009 compared to 88.3 million in 2008, an increase of 3% due to the issuance of 11,535,302 common shares issued during the year. Superior issued 2,803,135 common shares for gross consideration of $32,607,000 or $11.63 per common share on September 24, 2009, issued 3,970,000 common shares for gross consideration of $45,059,500 or $11.35 per common share on September 23, 2009, issued 595,500 common shares for gross consideration of $6,758,925 or $11.35 per common share on October 8, 2009, and issued 4,166,667 common shares for gross consideration of $50,000,004 or $12.00 per common share on November 26, 2009. The common shares were issued in order to partially finance the acquisitions completed during the year. The quoted market value of Superior's share capital and debentures was $1,463.7 million and $329.9 million, respectively, based on closing prices on December 31, 2009 on the Toronto Stock Exchange.

As at February 22, 2010, December 31, 2009 and December 31, 2008, the following common shares and securities convertible into common shares were outstanding:

	February 22, 2010		**December 31, 2009**		December 31, 2008	
(millions)	**Convertible Securities**	**Shares**	**Convertible Securities**	**Shares**	Convertible Securities	Shares
Common shares outstanding [1]		**104.9**		**99.9**		88.4
5.75% Debentures [2]	**$ 174.9**	**4.9**	**$ 174.9**	**4.9**	$ 174.9	4.9
5.85% Debentures [3]	**$ 75.0**	**2.4**	**$ 75.0**	**2.4**	$ 75.0	2.4
7.50% Debentures [4]	**$ 69.0**	**5.3**	**$ 69.0**	**5.3**	–	–
Shares outstanding and issuable upon conversion of Debentures		**117.5**		**112.5**		95.7

(1) Common shares outstanding as at February 22, 2010, includes 5,002,500 common shares issued subsequent to December 31, 2009, in relation to the acquisition of Griffith Energy Holdings Inc.

(2) Convertible at $36.00 per share.

(3) Convertible at $31.25 per share.

(4) Convertible at $13.10 per share.

DIVIDENDS/DISTRIBUTIONS PAID TO SHAREHOLDERS/UNITHOLDERS

Superior's dividends/distributions to its shareholders/unitholders are dependent on its cash flow from operating activities with consideration for changes in working capital requirements, investing activities and financing activities of Superior. See "Summary of Adjusted Operating Cash Flow" and "Summary of Cash Flows" for additional details on the sources and uses of Superior's cash flow.

Dividends paid to shareholders for 2009 were $148.2 million or $1.62 per share compared to distributions of $142.2 million or $1.61 per trust unit in 2008. The increase in dividends paid to shareholders over the prior year resulted from the issuance of approximately 11.5 million shares over the course of the year to partially finance the three acquisitions completed during the year.

For income tax purposes, distributions paid in 2009 of $1.62 per share are classified as eligible dividends for Canadian income tax purposes. A summary of cash dividends since inception and related tax information is posted under the "Investor Information" section of Superior's website at *www.superiorplus.com.*

Superior's primary sources and uses of cash are detailed below:

Summary of Cash Flows (1) (millions of dollars)	**2009**	2008
Cash flows from operating activities	**191.3**	207.6
Investing activities:		
Purchase of property, plant and equipment (2)	**(139.3)**	(84.2)
Proceeds on disposal of property, plant and equipment (2)	**4.8**	7.5
Gain on sale of facility	**–**	4.0
Acquisition of SPI (1)	**(109.5)**	–
Acquisition of U.S. refined fuels assets (1)	**(178.5)**	–
Other acquisitions	**(0.8)**	(24.0)
Transaction with Ballard	**–**	(46.3)
Earn-out payment on prior acquisition	**(0.6)**	(0.5)
Cash flows used in investing activities	**(423.9)**	(143.5)
Financing activities:		
Dividends/distributions to shareholders/unitholders	**(148.2)**	(142.2)
Revolving term bank credits and term loans	**63.1**	82.6
Issuance of 8.25% senior unsecured debentures	**147.0**	–
Issuance of 7.50% convertible debentures	**65.8**	–
Issuance of common shares	**97.8**	–
Net proceeds from the accounts receivable securitization program	**(7.3)**	–
Realized gain on financial instruments	**7.7**	–
Other	**14.9**	(11.4)
Proceeds from distribution reinvestment plan	**–**	8.9
Cash flows from financing activities	**240.8**	(62.1)
Net increase in cash	**8.2**	2.0
Cash, beginning of period	**16.1**	14.1
Cash, end of period	**24.3**	16.1

(1) See the "Consolidated Statements of Cash Flows" for additional details.

(2) See "Consolidated Capital Expenditure Summary" for additional details.

FINANCIAL INSTRUMENTS – RISK MANAGEMENT

Derivative and non-financial derivatives are used by Superior to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. Superior assesses the inherent risks of these instruments by grouping derivative and non-financial derivatives related to the exposures these instruments mitigate. Superior's policy is not to use derivative or non-financial derivative instruments for speculative purposes. Superior does not formally designate its derivatives as hedges; as a result, Superior does not apply hedge accounting and is required to designate its derivatives and non-financial derivatives as held for trading.

Effective 2008, Energy Services enters into natural gas financial swaps primarily with Macquarie Cook Energy Canada Ltd. (formerly, Constellation Energy Commodities Group Inc.) for distributor billed natural gas business in Canada to manage its economic exposure of providing fixed-price natural gas to its customers. Energy Services also maintains natural gas swap positions with seven additional counterparties. Energy Services monitors its fixed-price natural gas positions on a daily basis to evaluate compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price natural gas position in relation to its customer supply commitments.

Energy Services enters into electricity financial swaps with counterparties to manage the economic exposure of providing fixed-price electricity to its customers. Energy Services monitors its fixed-price electricity positions on a daily basis to evaluate compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price electricity position in relation to its customer supply commitments.

Energy Services enters into various propane forward purchase and sale agreements with more than 20 counterparties to manage the economic exposure of its wholesale customer supply contracts. Superior monitors its fixed-price propane positions on a daily basis to monitor compliance with established risk management policies. Superior maintains a substantially balanced fixed-price propane gas position in relation to its wholesale customer supply commitments.

Specialty Chemicals has entered into fixed-price electricity purchase agreements to manage the economic exposure of certain of its chemical facilities to changes in the market price of electricity, in markets where the price of electricity is not fixed. Substantially all of the fair value with respect to these agreements is with a single counterparty.

Superior, on behalf of its operating divisions, enters into foreign currency forward contracts with ten counterparties to manage the economic exposure of Superior's operations to movements in foreign currency exchange rates. Energy Services contracts a portion of its fixed-price natural gas, propane and heating oil purchases and sales in US dollars and enters into forward US dollar purchase contracts to create an effective Canadian dollar fixed-price purchase cost. Specialty Chemicals enters into US dollar forward sales contracts on an ongoing basis to mitigate the impact of foreign exchange fluctuations on sales margins on production from its Canadian plants that is sold in US dollars. Interest expense on Superior's US dollar debt is also used to mitigate the impact of foreign exchange fluctuations.

As at December 31, 2009, Energy Services had hedged approximately 100% of its estimated US dollar natural gas and propane purchase (sales) obligations and Specialty Chemicals had hedged 94% and 61% of its estimated US dollar exposure for the remainder of 2010 and 2011, respectively. Energy Services had hedged approximately 45% of its estimated US dollar exposure for the remainder of 2010 and 2011. Construction Products Distribution had hedged approximately 95% and 62% of its estimated US dollar exposure for the remainder of 2010 and 2011. The estimated adjusted operating cash flow sensitivity for Superior including segmented U.S. exposures and the impact on U.S.-denominated debt with respect to a $0.01 change in the Canadian to US dollar exchange rate for 2010 is $0.2 million, after giving effect to United States forward contracts for 2010, as shown in the table below. Superior's sensitivities and guidance are based on an anticipated Canadian to US dollar exchange rate of 1.05 for 2010.

(US$ millions)	2010	2011	2012	2013	2014	2015 and Thereafter	Total
Energy Services – US$ forward purchases [1]	(54.8)	(5.4)	–	–	–	–	(60.2)
Energy Services – US$ forward purchases (sales)	28.9	24.6	24.0	24.0	–	–	101.5
Construction Products Distribution – US$ forward sales	23.5	18.0	24.0	24.0	–	–	89.5
Specialty Chemicals – US$ forward sales	117.4	82.5	56.5	33.0	–	–	289.4
Net US$ forward sales	115.0	119.7	104.5	81.0	–	–	420.2
Energy Services – Average US$ forward purchase rate [1]	1.16	1.11	–	–	–	–	1.15
Energy Services – Average US$ forward sales	1.09	1.06	1.06	1.06	–	–	1.07
Construction Products Distribution – Average US$ forward sales	1.08	1.06	1.06	1.07	–	–	1.07
Specialty Chemicals – US$ forward sales	1.08	1.17	1.10	1.08	–	–	1.11
Net average external US$/Cdn$ exchange rate	1.10	1.13	1.08	1.07	–	–	1.10
Specialty Chemicals – Euro forward sales	5.1	0.3	–	–	–	–	5.4
Specialty Chemicals – Average Euro forward sales rate	1.58	1.58	–	–	–	–	1.58

(1) Fixed-price energy services is now sourcing its fixed-price natural gas requirements in Canadian dollars; as such, fixed-price energy services will no longer be required to use US dollar forward contracts to fix its Canadian dollar exposure.

Superior manages its overall liquidity risk in relation to its general funding requirements by utilizing a mix of short-term and longer-term debt instruments. Superior reviews it mix of short-term and longer-term debt instruments on an ongoing basis to ensure it is able to meet its liquidity requirements.

Superior utilizes a variety of counterparties in relation to its derivative and non-financial derivative instruments in order to mitigate its counterparty risk. Superior assesses the credit worthiness of its significant counterparties at the inception and throughout the term of a contract. Superior is also exposed to customer credit risk. Energy Services and Construction Products Distribution deal with a large number of small customers, thereby reducing this risk. Specialty Chemicals, due to the nature of its operations, sells its products to a relatively small number of customers. Specialty Chemicals mitigates its customer credit risk by actively monitoring the overall credit worthiness of its customers. Energy Services has minimal exposure to customer credit risk as local natural gas and electricity distribution utilities have been mandated, for a nominal fee, to provide Energy Services with invoicing, collection and the assumption of bad debts risk for residential and small commercial customers. Energy Services actively monitors the credit worthiness of its industrial customers.

For additional details on Superior’s financial instruments, including the amount and classification of gains and losses recorded in Superior’s Consolidated Financial Statements, and significant assumptions used in the calculation of the fair value of Superior’s financial instruments, see Note 11 to the Consolidated Financial Statements.

SENSITIVITY ANALYSIS

Superior's estimated cash flow sensitivity in 2009 to the following changes is provided below:

	Change	Change	Impact on Adjusted Operating Cash Flow	Per Share
Energy Services				
Change in propane sales margin	$0.005/litre	3%	$ 6.4 million	$ 0.07
Change in propane sales volume	50 million litres	4%	$ 8.6 million	$ 0.09
Change in U.S. refined fuels sales margin	$0.005/litre	5%	$ 0.8 million	$ 0.01
Change in U.S. refined fuels sales volume	7.7 million litres	5%	$ 0.6 million	$ 0.01
Change in natural gas sales margin	$0.02/GJ	2%	$ 0.7 million	$ 0.01
Change in natural gas sales volume	2 million GJ	6%	$ 1.6 million	$ 0.02
Specialty Chemicals				
Change in sales price	$10.00/tonne	1%	$ 6.3 million	$ 0.07
Change in sales volume	15,000 metric tonnes	2%	$ 4.8 million	$ 0.05
Construction Products Distribution				
Change in distribution sales margin	1% point change in average gross margin	3%	$ 4.2 million	$ 0.05
Change in sales volume	5% change in sales volume	5%	$ 3.4 million	$ 0.04
Corporate				
Change in Cdn$/US$ exchange rate [1]	$0.01	1%	$ 0.1 million	–
Corporate change in interest rates	0.5%	10%	$ 1.7 million	$ 0.02

(1) After giving effect to US$ forward sales contracts for 2009. See "Financial Instruments – Risk Management".

CRITICAL ACCOUNTING ESTIMATES

Superior's significant accounting policies are contained in Note 2 to the Consolidated Financial Statements. Certain of these policies involve critical accounting estimates because they require Superior to make particularly subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions. Superior constantly evaluates these estimates and assumptions.

Allowance for Doubtful Accounts

Superior expects that a certain portion of required customer payments will not be made and maintains an allowance for these doubtful accounts. This allowance is based on Superior's estimate of the likelihood of recovering its accounts receivable. It incorporates current and expected collection trends. If economic conditions change, actual results or specific industry trends differ from Superior's expectations, Superior will adjust its allowance for doubtful accounts and its bad debts expense accordingly.

Employee Future Benefits

The accrued benefit obligation is determined by independent actuaries using the projected benefit method prorated on service and based on management's best economic and demographic estimates. The benefit relates to Superior's defined benefit plans. The expected return on plan assets is determined by considering long-term historical returns, future estimates of long-term investment returns and asset allocations.

Asset Impairment

Superior reviews long-lived assets and intangible assets with finite lives whenever events or changes in circumstances indicate that the carrying amounts of such assets may not be fully recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows, and measurement of an impairment loss is based on the fair value of the assets.

Goodwill is not amortized, but is assessed for impairment at the reporting unit level annually, or sooner if events or changes in circumstances indicate that the carrying amount could exceed fair value. Goodwill is assessed for impairment using a two-step approach, with the first step being to assess whether the fair value of the reporting unit to which the goodwill is assigned is less than its carrying value. If this is the case, a second impairment test is performed which requires a comparison of the fair value of goodwill to its carrying amount. If fair value is less than the carrying value, goodwill is considered to be impaired and an impairment charge would be recognized immediately.

Valuation of Derivatives and Non-Financial Derivatives

The valuation of derivatives and non-financial derivatives is determined by reference to quoted bid or asking prices, as appropriate, in the most advantageous active market for that instrument to which Superior has immediate access. Where bid and ask prices are unavailable, Superior uses the closing price of the most recent transaction of the instrument. In the absence of an active market, Superior determines fair value based on prevailing market rates (bid and ask prices, as appropriate) for instruments with similar characteristics and risk profiles or internal or external valuation models, such as discounted cash flow analysis, using observable market-based inputs.

Fair values determined using valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates. In determining these assumptions, Superior looks primarily to external readily observable market inputs including interest rate yield curves, currency rates, and price and rate volatilities as applicable. With respect to the valuation of Specialty Chemicals' fixed-price electricity agreements, Superior makes assumptions about the long-term price of electricity in electricity markets for which active market information is not available. This assumption has a material impact on the fair value of these agreements. Any changes in the fair values of financial instruments classified or designated as held-for-trading are measured at fair value and are recognized in net income.

Asset Retirement Obligations

Certain of Specialty Chemicals' assets may be subject to what is commonly referred to as asset retirement obligations as the segment is required to remove or remedy the effect of its activities on the environment at its operating sites by dismantling and removing production facilities at the end of a respective plant's operating life. Specialty Chemicals potential asset retirement obligations could also be impacted by interpretation and changes to environmental laws and regulations in the countries in which Specialty Chemicals operates. In certain instances, Specialty Chemicals does not view the potential asset retirement obligations to be significant based on a combination of past experience related to the prior remediation of similar facilities and/or the existence of indemnification agreements related to environmental liabilities. Additionally, at some facilities, Specialty Chemicals is currently unable to accurately estimate its potential asset retirement obligations, as these facilities currently have an indeterminate life. The asset retirement obligation for these assets is reviewed regularly, and will be recorded in the first period in which the lives of the assets and the extent of obligations are known. Accordingly, Specialty Chemicals has not recorded a provision for asset retirement obligations.

CHANGES IN ACCOUNTING POLICIES

Financial Assets and Financial Liabilities

On January 1, 2009, Superior adopted the requirements of guidance provided by the Canadian Institute of Chartered Accountants (CICA) related to the application of credit risk and the determination of the fair value of financial assets and liabilities. Superior adopted the guidance retrospectively, but did not restate prior periods. Accordingly, Superior decreased the carrying value of its net financial instrument assets and liabilities as at January 1, 2009 by $0.4 million, with a corresponding increase of $0.1 million to Superior's future income tax asset and an increase of $0.3 million to Superior's opening accumulated deficit; comparative earnings and financial assets and liabilities for prior periods have not been restated.

Financial Instruments – Disclosure

The CICA has amended Handbook Section 3862 Financial Instruments – Disclosure. These amendments require enhanced disclosure on the fair value of certain financial instruments. The amendments were effective for annual financial statements on or after September 30, 2009. These amendments to Section 3862 are to enhance the disclosures about the fair value measurements including the relative reliability of the inputs used in those measurements, and about the liquidity of financial instruments. Superior adopted these amendments in the fourth quarter of 2009.

Goodwill and Intangible Assets

On January 1, 2009, Superior adopted CICA Handbook Section 3064 Goodwill and Intangible Assets. This standard provides more specific guidance on the recognition of internally developed intangible assets and requires that research and development expenditures be evaluated against the same criteria as expenditures for intangible assets. The section harmonizes GAAP with International Financial Reporting Standards (IFRS). Adoption of this standard did not have an impact on Superior.

FUTURE ACCOUNTING CHANGES

Business Combinations

In January 2009, the CICA issued Handbook Section 1582 Business Combinations, which will replace CICA Handbook Section 1581 of the same name. Under this guidance, the purchase price used in a business combination is based on the fair value of shares exchanged at their market price at the date of the exchange. Currently the purchase price used is based on the market price of the shares for a reasonable period before and after the date the acquisition is agreed upon and announced. This new guidance generally requires all acquisition costs to be expensed, which currently are capitalized as part of the purchase price. Contingent liabilities are to be recognized at fair value at the acquisition date and re-measured at fair value through earnings each period until settled. Currently only contingent liabilities that are resolved and payable are included in the cost to acquire the business. In addition, negative goodwill is required to be recognized immediately in earnings, unlike the current requirement to eliminate it by deducting it from non current assets in the purchase price allocation. Handbook Section 1582 is effective for Superior on January 1, 2011 with prospective application and early adoption permitted. The adoption of this standard will impact the accounting treatment of future business combinations.

Consolidated Financial Statements

In January 2009, the CICA issued section 1601 Consolidated Financial Statements, which will replace CICA Handbook Section 1600 of the same name. This guidance requires uniform accounting policies to be consistent throughout all consolidated entities, which is not explicitly required under the current standard. Handbook Section 1601 is effective for Superior on January 1, 2011 with early adoption permitted. The adoption of this standard should not have a material impact on Superior's Consolidated Financial Statements.

Non-Controlling Interests

In January 2009, the CICA issued Handbook Section 1602, Non-controlling Interests, which will replace CICA Handbook Section 1600, Consolidated Financial Statements. Minority interest is now referred to as non-controlling interest (“NCI”), and is presented within equity. Under this new guidance, when there is a loss or gain of control the Company’s previously held interest is revalued at fair value. Currently an increase in an investment is accounted for using the purchase method and a decrease in an investment is accounted for as a sale resulting in a gain or loss in earnings. In addition, NCI may be reported at fair value or at the proportionate share of the fair value of the acquired net assets and allocation of the net income to the NCI will be on this basis. Currently, NCI is recorded at the carrying amount and can only be in a deficit position if the NCI has an obligation to fund the losses. Handbook Section 1602 is effective for Superior on January 1, 2011 with early adoption permitted. The adoption of this standard should not have a material impact on Superior’s Consolidated Financial Statements.

International Financial Reporting Standards

The Accounting Standards Board of Canada (AcSB) has announced plans that will require the convergence of GAAP with IFRS for publicly accountable enterprises, including Superior Plus Corp. The changeover date from GAAP to IFRS is for annual and interim financial statements relating to fiscal years beginning on or after January 1, 2011.

During 2008, Superior formed an IFRS project team to develop an IFRS transition plan. Superior’s approach was to assess and coordinate ongoing training requirements in conjunction with the development of a comprehensive diagnostic/planning document throughout the first and second quarters of 2009. Superior’s diagnostic plan included the assessment of differences between GAAP and IFRS, options available under IFRS, potential system requirements as a result of the adoption of IFRS, and the impact on internal controls and other business activities. During the fourth quarter of 2009, Superior completed the majority of its comprehensive diagnostic, and began the development and execution of a detailed IFRS transition plan.

At this time, Superior is not able to reasonably estimate the impact that the adoption of IFRS may have on its future operating results and financial position. Superior’s assessment of areas that will have a significant impact upon adoption of IFRS consists of, but may not be limited to:

- Property, plant and equipment may be impacted by the requirement to record and amortize on the basis of material components;
- Employee future benefit obligations will be impacted as IFRS does not allow the deferral of certain actuarial gains and losses which are currently deferred under GAAP;
- Asset impairments recorded in prior years, under certain circumstances, are eligible to be reversed under IFRS;
- The classification of a lease arrangement as either an operating lease or a finance/capital lease may differ under IFRS;
- The assessment and accounting treatment of off-balance sheet arrangements such as Superior’s accounts receivable securitization program may differ under IFRS;
- The classification of financial statement items may differ under IFRS;
- Financial statement disclosures under IFRS tend to be more comprehensive than those under GAAP; and
- The impact on various credit agreements, if any.

Superior will continue to assess the impact of IFRS throughout 2010, including the impact on its Consolidated Financial Statements, financial reporting systems and internal control systems, and Superior is expected to disclose the quantitative impact of IFRS during 2010.

SELECTED FINANCIAL INFORMATION

(millions of dollars except per share amounts)		2009		2008		2007
Total assets (as at December 31)		**2,274.0**		2,026.9		1,542.8
Total revenues		**2,246.7**		2,487.3		2,350.5
Gross profit		**653.4**		669.1		661.8
Net earnings from continuing operations		**68.3**		67.7		119.4
Net earnings		**68.3**		67.7		119.8
Per share from continuing operations, basic and diluted	**$**	**0.75**	$	0.77	$	1.38
Per share, basic and diluted	**$**	**0.75**	$	0.77	$	1.38
Cash flow from continuing operating activities		**191.3**		207.6		134.3
Adjusted operating cash flow		**163.9**		192.3		179.5
Per share, basic and diluted	**$**	**1.80**	$	2.18	$	2.08
Cash dividends per share [1]	**$**	**1.62**	$	1.61	$	1.56
Current and long-term debt [2] (as at December 31)		**645.4**		477.7		340.5

(1) Cash dividends per share paid in fiscal 2009 and distributions per share paid in fiscal 2008 and 2007.

(2) Current and long-term debt before deferred financing fees and convertible unsecured subordinated debentures.

FOURTH QUARTER RESULTS

Fourth quarter 2009 adjusted operating cash flow was $64.4 million, a decrease of $0.6 million or 1% compared to the prior year quarter. The decrease in adjusted operating cash flow was due to reduced EBITDA from operations at Specialty Chemicals and Construction Products Distribution, offset in part by improved EBITDA from Energy Services, lower interest costs, cash income taxes and corporate costs. Adjusted operating cash flow per share was $0.65 per share in the fourth quarter, a decrease of 12% from $0.74 per share in the prior year's quarter due to an increase of the weighted average number of shares outstanding of 10.1 million related to the issuance of common shares to partially finance the acquisition of SPI, and the acquisition of U.S. refined fuels assets.

Net earnings for the fourth quarter were $17.4 million, compared to a net loss of $19.9 million in the prior year's quarter. Net earnings were impacted by $0.2 million in unrealized losses on financial instruments in the current quarter, compared to unrealized losses of $83.6 million in the prior year's quarter. The change in the unrealized gains and losses on financial instruments was due principally to gains in the current quarter on Superior's natural gas financial derivatives compared to losses in the prior year as a result of fluctuations in the spot and forward price for natural gas. Revenues of $747.5 million were $89.0 million higher than the prior year's quarter due principally to higher Energy Services revenue from the acquisitions of the U.S. refined fuels assets and higher Construction Products Distribution revenue due to the acquisition of SPI, offset set in part by reduced propane and chemical sales volumes. Gross profit of $203.3 million was $10.2 million higher than the prior year's quarter due principally to contribution of the acquisitions completed in 2009, offset in part by reduced sales volumes at Energy Services and Construction Products Distribution, and lower Specialty Chemicals gross margin. Total income tax for the fourth quarter was an expense of $21.0 million compared to an income tax recovery of $15.8 million in the prior year's quarter. Income taxes were impacted by the commissioning of the Port Edwards expansion and acquisitions completed in 2009. The prior year recovery was primarily due to Superior's conversion to a corporation on December 31, 2008, the reversal of Superior's deferred tax credit and financial instrument losses. Further discussion of the 2009 fourth quarter results is provided in Superior's Fourth Quarter and 2009 Earnings Release, dated February 18, 2010.

QUARTERLY FINANCIAL AND OPERATING INFORMATION

Quarterly financial and operating information for 2009 and 2008 is provided in the table below. Superior's overall adjusted operating cash flow and working capital funding requirements are modestly seasonal. Approximately 80% of Energy Services' fuel distribution related operating cash flow is generated during the first and fourth quarters of each year as approximately 50% of its sales are generated from space heating end-uses. Net working capital funding requirements follow a similar seasonal trend, peaking during the first quarter of each year and declining to seasonal lows during the third quarter. The seasonality of Construction Products Distribution's operating cash flow and working capital funding requirements is modestly complementary to Energy Services' seasonality as new construction and remodelling activity typically peaks during the second and third quarters of each year. Specialty Chemicals and fixed-price energy services operating cash flow and net working capital requirements do not have significant seasonal fluctuations.

	2009 Quarter				2008 Quarter			
	Fourth	**Third**	**Second**	**First**	Fourth	Third	Second	First
Canadian propane sales volumes (millions of litres)	**373**	**224**	**249**	**431**	390	244	274	469
U.S. refined fuels sales volumes (millions of litres)	**153**	**–**	**–**	**–**	–	–	–	–
Natural gas sales volumes (millions of GJ)	**8**	**8**	**8**	**8**	8	8	8	9
Electricity sales volumes (millions of kWh)	**68**	**56**	**38**	**31**	28	18	14	10
Chemical sales volumes (thousands of MT)	**160**	**163**	**155**	**155**	160	188	188	191
Gross profit (millions of dollars)	**203.3**	**126.9**	**134.9**	**188.3**	193.1	152.8	153.3	169.9
Net earnings (loss) (millions of dollars)	**17.4**	**33.0**	**23.4**	**(5.5)**	(19.9)	(203.9)	164.3	127.2
Per share, basic	**$ 0.18**	**$ 0.37**	**$ 0.26**	**$ (0.06)**	$ (0.23)	$ (2.31)	$ 1.86	$ 1.44
Per share, diluted	**$ 0.18**	**$ 0.37**	**$ 0.26**	**$ (0.06)**	$ (0.23)	$ (2.31)	$ 1.86	$ 1.44
Adjusted operating cash flow (millions of dollars)	**64.4**	**19.3**	**18.9**	**61.3**	65.0	33.5	38.1	55.7
Per share, basic	**$ 0.65**	**$ 0.22**	**$ 0.21**	**$ 0.69**	$ 0.74	$ 0.38	$ 0.43	$ 0.63
Per share, diluted	**$ 0.65**	**$ 0.22**	**$ 0.21**	**$ 0.69**	$ 0.74	$ 0.38	$ 0.43	$ 0.63
Net working capital [1] (millions of dollars)	**183.8**	**132.0**	**72.0**	**83.7**	168.9	252.2	231.4	273.9

(1) Net working capital reflects amounts as at the quarter-end and is comprised of cash and cash equivalents, accounts receivable and inventories, less bank indebtedness, accounts payable and accrued liabilities.

RECONCILIATION OF NET EARNINGS TO EBITDA FROM OPERATIONS [(1) (2)]

2009 (millions of dollars)	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**
Net earnings	**53.1**	**19.6**	**17.0**
Add: Amortization of property, plant and equipment, intangible assets and accretion of convertible debenture issue costs	**19.9**	**4.8**	**5.8**
Amortization included in cost of sales	**–**	**37.5**	**–**
Energy Services non-cash pension expense	**1.7**	**–**	**–**
Unrealized losses on financial instruments	**22.9**	**31.1**	**–**
EBITDA from operations	**97.6**	**93.0**	**22.8**

2008 (millions of dollars)	Energy Services	Specialty Chemicals	Construction Products Distribution
Net earnings	14.2	90.3	33.0
Add: Amortization of property, plant and equipment, intangible assets and accretion of convertible debenture issue costs	12.7	6.5	4.4
Amortization included in cost of sales	–	38.9	–
Energy Services non-cash pension expense	2.4	–	–
Unrealized (gains) losses on financial instruments	74.0	(15.2)	–
Gain on disposal of facility	–	(4.0)	–
EBITDA from operations	103.3	116.5	37.4

(1) See the Consolidated Financial Statements for net earnings (loss), amortization of property, plant and equipment, intangible assets and accretion of convertible debenture issue costs, tax expense (recovery), non-cash pension expense and unrealized (gains) losses on financial instruments.

(2) See "Non-GAAP Financial Measures" for additional details.

RECONCILIATION OF NET EARNINGS TO BANK COMPLIANCE EBITDA (1) (2)

(millions of dollars)	**2009**	2008
Net earnings	**68.3**	67.7
Adjusted for:		
Interest on revolving term bank credits and term loans	**27.0**	23.7
Interest on convertible unsecured subordinated debentures	**16.8**	14.8
Accretion of convertible debenture issue costs	**1.4**	1.4
Amortization of property, plant and equipment	**22.6**	18.3
Amortization included in cost of sales	**37.5**	38.9
Amortization of intangible assets	**7.9**	5.3
Income tax expense	**12.7**	9.9
Unrealized losses on financial instruments	**20.6**	61.2
Gain on sale of facility	**–**	(4.0)
Non-cash pension expense	**1.7**	2.4
Proforma impact of acquisitions	**51.4**	2.5
Bank compliance EBITDA	**267.9**	242.1

(1) See the Consolidated Financial Statements for additional details.

(2) See "Non-GAAP Financial Measures" for additional details.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures are designed by or designed under the supervision of Superior's Chairman and Chief Executive Officer (CEO) and the Executive Vice President and Chief Financial Officer (CFO) in order to provide reasonable assurance that all material information relating to Superior is communicated to them by others in the organizations as it becomes known and is appropriately disclosed as required under the continuous disclosure requirements of securities legislation and regulation. In essence, these types of controls are related to the quality and timeliness of financial and non-financial information in securities filings. The CEO and CFO are assisted in this responsibility by a Disclosure Committee (DC), which is composed of senior managers of Superior. The DC has established procedures so that it can be aware of any material information affecting Superior in order to evaluate and discuss this information and determine the appropriateness and timing of its public releases. An evaluation of the effectiveness of the design and operation of

Superior's disclosure controls and procedures was conducted as at December 31, 2009 by and under the supervision of Superior's management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that Superior's disclosure controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, are effective to ensure that information required to be disclosed in reports that are filed or submitted under Canadian securities legislation and regulation is recorded, processed, summarized and reported within the times specified in those rules and forms.

Superior's management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

The evaluation of the design of Superior's internal controls over financial reporting was conducted as at December 31, 2009 by and under the supervision of Superior's management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that the design of Superior's internal controls over financial reporting, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP.

The evaluation of effectiveness of Superior's internal controls over financial reporting was conducted as at December 31, 2009 by and under the supervision of Superior's management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that Superior's internal controls over financial reporting, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, were effective at December 31, 2009.

No changes have been made in Superior's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, Superior's internal controls over financial reporting in the quarter ended December 31, 2009.

The certifying officers have limited the scope of their certification in accordance with National Instrument 52-109 for the design and effectiveness of disclosure controls and procedures and internal controls over financial reporting to exclude controls, policies and procedures resulting from the acquisition of SPI on September 24, 2009 and the acquisition of U.S. refined fuel assets on September 30, 2009 and December 11, 2009. The businesses are described in the MD&A under Construction Products Distribution and Energy Services – U.S. refined fuel assets.

Superior's consolidated results include revenues and net income of $88.8 million and $3.5 million, respectively, related to the SPI business. Superior's consolidated balance sheet at December 31, 2009 includes $180.8 million in total assets related to the SPI business, of which 51% are current, and total liabilities of $42.0 million, of which 67% are current.

Superior's consolidated results include revenues and net income of $104.4 million and $4.4 million, respectively, related to the U.S. refined fuel assets acquired on September 30, 2009 and December 11, 2009. Superior's consolidated balance sheet at December 31, 2009 includes $249.9 million in total assets related to the U.S. refined fuel assets, of which 31% are current and total liabilities of $65.2 million, of which 93% are current. The financial information for the U.S. refined fuel assets has been combined to reflect the consistent management and operating control structures, the similarity in the risks in business operations and to be consistent with how the businesses are managed and disclosed to investors.

With respect to the acquisitions of SPI and the U.S. refined fuel assets where the scope of the CEO and CFO's certification has been limited in accordance with National Instrument 52-109, Superior's management, under the supervision of the CEO and the CFO, has evaluated the overall risk, reviewed the results of operations with operating management, and confirmed that consistent controls have operated since Superior's acquisitions and continued to operate at year end. Management is confident in the reliability of financial reporting and the preparation of financial statements included in Superior's consolidated results. In 2010, Superior will certify that the internal controls over financial reporting and the disclosure controls and procedures are designed and effective under National Instrument 52-109.

FORWARD-LOOKING INFORMATION

Certain information included or incorporated by reference herein is forward-looking, within the meaning of applicable Canadian securities laws. Forward-looking information includes, without limitation, statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, adjusted operating cash flow, EBITDA from operations, taxes, and plans and objectives of or involving Superior Plus Corp. (Superior) or Superior Plus LP (Superior LP or the Partnership). Much of this information can be identified by looking for words such as "believe", "expects", "expected", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words. Forward-looking information in this MD&A includes but is not limited to consolidated and business segment outlooks, expected EBITDA from operations, expected adjusted operating cash flow, expected adjusted operating cash flow per share, future capital expenditures, business strategy and objectives, dividend strategy, expected senior debt and total debt to EBITDA ratios, future cash flows, anticipated taxes, expected impact of proposed productivity improvement initiatives and statements regarding the future financial position of Superior and Superior LP. Specifically, under the heading "Outlook" for each operating business and corporate, Superior has disclosed certain forward-looking information. Superior believes the expectations reflected in such forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

Forward-looking information is based on various assumptions. Those assumptions are based on information currently available to Superior, including information obtained from third party industry analysts and other third party sources and include the historic performance of Superior's businesses, current business and economic trends, availability and utilization of tax basis, currency, exchange and interest rates, trading data, cost estimates and the other assumptions set forth under the "Outlook" sections contained in this MD&A. Readers are cautioned that the preceding list of assumptions is not exhaustive.

Forward-looking information is not a guarantee of future performance and involves a number of risks and uncertainties some of which are described herein. Such forward-looking information necessarily involves known and unknown risks and uncertainties, which may cause Superior's or Superior LP's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking information. These risks and uncertainties include but are not limited to the risks referred to under the section entitled "Risk Factors to Superior", and the risks identified in Superior's 2009 Annual Information Form under the heading "Risk Factors". Any forward-looking information is made as of the date hereof and, except as required by law, Superior does not undertake any obligation to publicly update or revise such information to reflect new information, subsequent or otherwise.

NON-GAAP FINANCIAL MEASURES

Adjusted Operating Cash Flow

Adjusted operating cash flow is equal to cash flow from operating activities as defined by GAAP, adjusted for changes in non-cash working capital and customer contract related costs. Superior may deduct or include additional items in its calculation of adjusted operating cash flow; these items would generally, but not necessarily, be items of a non-recurring nature. Adjusted operating cash flow is the main performance measure used by management and investors to evaluate the performance of Superior. Readers are cautioned that adjusted operating cash flow is not a defined performance measure under GAAP and that adjusted operating cash flow cannot be assured. Superior's calculation of adjusted operating cash flow may differ from similar calculations used by comparable entities. Adjusted operating cash flow represents cash flow generated by Superior that is available for, but not necessarily limited to, changes in working capital requirements, investing activities and financing activities of Superior.

The seasonality of Superior's individual quarterly results must be assessed in the context of annualized adjusted operating cash flow. Adjustments recorded by Superior as part of its calculation of adjusted operating cash flow include, but are not limited to, the impact of the seasonality of Superior's businesses, principally the Energy Services segment, by adjusting for non-cash working capital items, thereby eliminating the impact of the timing between the recognition and collection/payment of Superior's revenues and expense, which can differ significantly from quarter to quarter. Adjustments are also made to reclassify the cash flows related to natural gas and electricity customer contract related costs in a manner consistent with the income statement recognition of these costs. Adjusted operating cash flow is reconciled to cash flow from operating activities on page 16.

EBITDA

EBITDA represents earnings before interest, taxes, depreciation, amortization and other non-cash expenses, and is used by Superior to assess its consolidated results and the results of its operating segments. EBITDA is not a defined performance measure under GAAP. Superior's calculation of EBITDA may differ from similar calculations used by comparable entities. EBITDA of Superior's operating segments may be referred to as EBITDA from operations.

Compliance EBITDA

Compliance EBITDA represents earnings before interest, taxes, depreciation, amortization and other non-cash expenses calculated on a 12 month trailing basis giving pro forma effect to acquisitions and divestitures and is used by Superior to calculate its debt covenants and other credit information. Compliance EBITDA is not a defined performance measure under GAAP. Superior's calculation of compliance EBITDA may differ from similar calculations used by comparable entities.

Distributable Cash Flow

Distributable cash flow was a financial measure previously reported by Superior. In the fourth quarter of 2008, as a result of Superior's conversion to a corporation, management discontinued the use of this financial measure to evaluate the performance of Superior; the measure is now only used to calculate Superior's debt covenants. Management now focuses on the financial measure of adjusted operating cash flow. The primary difference between these measures is the focus and disclosure of capital expenditures. Superior has provided disclosure of adjusted operating cash flow on a comparative basis. Distributable cash flow is not a defined performance measure under GAAP. Superior's calculation of distributable cash flow may differ from similar calculations used by comparable entities.

Risk Factors to Superior

The risk factors and uncertainties detailed below are a summary of Superior's assessment of its material risk factors as identified in Superior's 2009 Annual Information Form under the heading "Risk Factors". For a detailed discussion of these risks along with additional information related to Superior, see Superior's 2009 Annual Information Form, filed on the Canadian Securities Administrators' website, www.sedar.com and Superior's website, www.superiorplus.com.

Risks to Superior

Superior is entirely dependent upon the operations and assets of Superior LP. Superior's ability to make dividend payments to shareholders is dependent upon the ability of Superior LP to make distributions on its outstanding limited partnership units as well as the operations and business of Superior LP.

Although Superior intends to distribute the income allocated from Superior LP, less the amount of its expenses, indebtedness and other obligations and less amounts, if any, Superior pays in connection with the redemption of common shares, there is no assurance regarding the amounts of cash to be distributed by Superior LP or generated by Superior LP and therefore funds available for dividends to shareholders. The actual amount distributed in respect of the limited partnership units will depend on a variety of factors including, without limitation, the performance of Superior LP's operating businesses, the effect of acquisitions or dispositions on Superior LP, and other factors that may be beyond the control of Superior LP or Superior. In the event significant sustaining capital expenditures are required by Superior LP or the profitability of Superior LP declines, there would be a decrease in the amount of cash available for dividends to shareholders and such decrease could be material.

Superior's dividend policy and the distribution policy of Superior LP are subject to change at the discretion of the board of directors of Superior or the board of directors of Superior General Partner Inc., as applicable. Superior's dividend policy and the distribution policy of Superior LP are also limited by contractual agreements including agreements with lenders to Superior and its affiliates and by restrictions under corporate law.

The credit facilities of Superior LP contain covenants that require Superior LP to meet certain financial tests and that restrict, among other things, the ability of Superior LP to incur additional debt, dispose of assets or pay dividends/distributions in certain circumstances. These restrictions may preclude Superior LP from returning capital or making distributions on the limited partnership units.

The payout by Superior LP of substantially all of its available cash flow means that capital expenditures to fund growth opportunities can only be made in the event that other sources of financing are available. Lack of access to such additional financing could limit the future growth of the business of Superior LP and, over time, have a material adverse effect on the amount of cash available for dividends to shareholders.

To the extent that external sources of capital, including public and private markets, become limited or unavailable, Superior's and Superior LP's ability to make the necessary capital investments to maintain or expand the current business and to make necessary principal payments, uncertainties and assumptions under its term credit facilities may be impaired.

Superior maintains a substantial floating interest rate exposure through a combination of floating interest rate borrowings and the use of derivative instruments. Demand levels for approximately half of Energy Services' sales and substantially all of Specialty Chemicals' and Construction Products Distribution's sales are affected by general economic trends. Generally speaking, when the economy is strong, interest rates increase as does sales demand from Superior's customers, thereby increasing Superior's ability to pay higher interest costs and vice versa. In this way, there is a common relationship between economic activity levels, interest rates and Superior's ability to pay higher or lower rates.

A portion of Superior's net cash flows is denominated in US dollars. Accordingly, fluctuations in the Canadian/US dollar exchange rate can impact profitability. Superior attempts to mitigate this risk by hedging.

The timing and amount of capital expenditures incurred by Superior LP or by its subsidiaries will directly affect the amount of cash available to Superior for dividends to shareholders. Dividends may be reduced, or even eliminated, at times when significant capital expenditures are incurred or other unusual expenditures are made.

If the board of directors of Superior decides to issue additional common shares, preferred shares or securities convertible into common shares, existing shareholders may suffer significant dilution.

Superior has, through the contractual provisions in the Arrangement Agreement, the Indemnity Agreement and the Divestiture Agreement, and through securing certain insurance coverage, attempted to ensure that the liabilities and obligations relating to the business of Ballard are transferred to and assumed by New Ballard, that Superior is released from any such obligations and, even where such transfer or release is not effective or is not obtained, Superior is indemnified by New Ballard for all such obligations. However, in the event New Ballard fails or is unable to meet such contractual obligations to Superior, Superior could be exposed to liabilities and risks associated with the operations of Ballard which include, without limitation, risks relating to claims with respect to intellectual property matters, product liability or environmental damages.

There can be no assurances that income tax laws in the numerous jurisdictions in which Superior operates will not be changed in a manner which adversely affects Superior and its shareholders. In addition, there can be no assurance that the Canada Revenue Agency (or provincial tax agency), U.S. Internal Revenue Service (or a state or local tax agency), or the Chilean Internal Revenue Service (collectively the "Tax Agencies") will agree with how Superior calculates its income for tax purposes or that the various Tax Agencies will not change their administrative practices to the detriment of Superior or its shareholders. In particular, there is the possibility that the Canada Revenue Agency could challenge the tax consequences of the Plan of Arrangement or prior Ballard transactions, which could potentially affect the availability or amount of the tax basis or other tax accounts of Superior.

Risks to Superior's Segments

Energy Services

Canadian Propane Distribution and U.S. Refined Fuels

Propane is sold in competition with other energy sources such as fuel oil, electricity and natural gas, along with alternative energy sources that are currently under development. In addition to competition from other energy sources, Superior competes with other retail marketers. Superior's ability to remain an industry leader depends on its ability to provide reliable service at competitive selling prices.

Competition in the U.S. refined fuels business markets generally occurs on a local basis between large full service, multi-state marketers and smaller local independent marketers. Although the industry has seen a continued trend of consolidation over the past several years, the top ten multi-state marketers still generate only one-third of total retail sales in the United States. Marketers primarily compete based upon price and service and tend to operate in close proximity to customers, typically within a 35-mile marketing radius from a central depot, to lower delivery costs and provide prompt service.

Weather and general economic conditions affect propane and refined fuels market volumes. Weather influences the demand for propane and heating oil used primarily for space heating uses and also for agricultural applications.

The trend towards increased conservation measures and technological advances in energy efficiency may have a detrimental effect on propane demand and Superior's sales. Further, increases in the cost of propane encourage customers to conserve fuel and to invest in more energy-efficient equipment, reducing demand. Changes in propane supply costs are normally passed through to customers, but timing lags (the time between when Superior purchases the propane and when the customer purchases the propane) may result in positive or negative gross margin fluctuations.

Superior offers its customers various fixed-price propane and heating oil programs. In order to mitigate the price risk from offering these services, Superior uses its physical inventory position, supplemented by forward commodity transactions with various third parties having terms and volumes substantially the same as its customers' contracts. In periods of high propane price volatility the fixed-price programs create exposure to over or under supply positions as the demand from customers may significantly exceed or fall short of supply procured. In addition, if propane prices decline significantly subsequent to customers signing up for a fixed-price program there is a risk that customers will default on their commitments.

Superior's operations are subject to the risks associated with handling, storing and transporting propane in bulk. Slight quantities of propane may also be released during transfer operations. To mitigate risks, Superior has established a comprehensive program directed at environmental, health and safety protection. This program consists of an environmental policy, codes of practice, periodic self-audits, employee training, quarterly and annual reporting and emergency prevention and response.

The U.S. refined fuels business, through a centralized safety and environment management system, ensures that safety practices and regulatory compliance are an important part of its business. The storage and delivery of refined fuels poses the potential for spills which impact the soils and water of storage facilities and customer properties.

Superior's fuel distribution businesses are based and operate in Canada and the United States, and, as a result, such operations could be affected by changes to laws, rules or policies which may either be more favourable to competing energy sources or increase costs or otherwise negatively affect the operations of Energy Services in comparison to such competing energy sources. Any such changes could have an adverse effect on the operations of Energy Services.

Approximately 18% of Superior's propane and U.S. refined fuels distribution business employees are unionized. Collective bargaining agreements are renegotiated in the normal course of business.

Fixed-Price Energy Services Business

New entrants in the energy retailing business may enter the market and compete directly for the customer base that Superior targets, slowing or reducing its market share.

Fixed-price energy services purchases natural gas to meet its estimated commitments to its customers based upon their historical consumption. Depending on a number of factors, including weather, customer attrition and poor economic conditions affecting commercial customers' production levels, customers' combined natural gas consumption may vary from the volume purchased. This variance must be reconciled and settled at least annually and may require Superior to purchase or sell natural gas at market prices, which may have an adverse impact on the results of this business. To mitigate balancing risk, Superior closely monitors its balancing position and takes measures such as adjusting gas deliveries and transferring gas between pools of customers, so that imbalances are minimized. In addition, Superior maintains a reserve for potential balancing costs. The reserve is reviewed on a monthly basis to ensure that it is sufficient to absorb any losses that might arise from balancing.

Fixed-price energy services matches its customers' estimated electricity requirements by entering into electricity swaps in advance of acquiring customers. Depending on several factors, including weather, customer energy consumption may vary from the volumes purchased by Superior. Superior is able to invoice existing commercial electricity customers for balancing charges when the amount of energy used is greater than or less than the tolerance levels set initially. In certain circumstances, there can be balancing issues for which Superior is responsible when customer aggregation forecasts are not realized.

Fixed-price energy services resources its fixed-price term natural gas sales commitments by entering into various physical natural gas and US dollar foreign exchange purchase contracts for similar terms and volumes to create an effective Canadian dollar fixed-price cost of supply. Superior transacts with nine financial and physical natural gas counterparties. There can be no assurance that any of these counterparties will not default on any of their obligations to Superior. However, the financial condition of each counterparty is evaluated and credit limits are established to minimize Superior's exposure to this risk. There is also a risk that supply commitments and foreign exchange positions may become unmatched; however, this is monitored daily in compliance with Superior's risk management policy.

Fixed-price energy services must retain qualified sales agents in order to properly execute its business strategy. The continued growth of fixed-price energy services is reliant on the services of agents to sign up new customers. There can be no assurance that competitive conditions will allow these agents to achieve these customer additions. Lack of success in the marketing programs of fixed-price energy services would limit future growth of cash flow.

Fixed-price energy services operates in the highly regulated energy industry in Ontario, British Columbia and Quebec. Changes to existing legislation could impact this business operations. As part of the current regulatory framework, local delivery companies are mandated to perform certain services on behalf of fixed-price energy services, including invoicing, collection, assuming specific bad debt risks and storage and distribution of natural gas. Any elimination or changes to these rules could have a significant adverse effect on the results of this business.

In November 2009 the Ontario government introduced a new piece of legislation (Bill 235) to address energy consumer protection. Bill 235 proposes a new Energy Consumer Protection Act (ECPA) that, if passed, would affect how fixed-price energy services maintains its existing Ontario residential and small commercial base and acquires new small commercial customers that fall within the low volume definition of the OEB Codes of Conduct for Gas Marketers and Electricity Retailers (less than 50,000m3 annually for natural gas and less than 150,000 kWh annually for electricity). The new ECPA could also influence any potential plans for fixed-price energy services to re-enter the Ontario residential energy market in the future.

The Bill passed first reading on December 8, 2009. The second reading and comment period is anticipated early in 2010 and, if passed, will likely take effect toward the middle of 2010. The bill includes limitations on renewals; increased marketer accountability, including licensing of individual sales agents; the elimination of telemarketing; increased cancellation alternatives for residential consumers; rules regarding smart sub-metering, and a requirement for retailers to offer time-of-use products.

Specialty Chemicals

Specialty Chemicals competes with sodium chlorate, chloralkali and potassium producers on a worldwide basis. Key competitive factors include price, product quality, logistics capability, reliability of supply, technical capability and service. The end-use markets for products are correlated to the general economic environment and the competitiveness of customers, all of which are outside of its control.

Specialty Chemicals has long-term electricity contracts or electricity contracts that renew automatically with power producers in each of the jurisdictions where its plants are located. There is no assurance that Specialty Chemicals will continue to be able to secure adequate supplies of electricity at reasonable prices or on acceptable terms.

Potassium chloride (KCl) is a major raw material used in the production of potassium hydroxide at the Port Edwards, Wisconsin facility. Substantially all of Specialty Chemicals KCl is received from Potash Corporation of Saskatchewan (Potash). Specialty Chemicals currently has a limited ability to source KCl from additional suppliers.

Specialty Chemicals is exposed to fluctuations in the US dollar and the Euro versus the Canadian dollar.

Specialty Chemicals' operations involve the handling, production, transportation, treatment and disposal of materials that are classified as hazardous and are regulated by environmental and health and safety laws, regulations and requirements. The potential exists for the release of highly toxic and lethal substances, including chlorine. Equipment failure could result in damage to facilities, death or injury and liabilities to third parties. If at any time the appropriate regulatory authorities deem any of the facilities unsafe, they may order that such facilities be shut down.

Specialty Chemicals' operations and activities in various jurisdictions require regulatory approvals for the handling, production, transportation and disposal of chemical products and waste substances. The failure to obtain or comply fully with such applicable regulatory approvals may materially adversely affect Specialty Chemicals.

Approximately 25% of Specialty Chemicals' employees are unionized. Collective bargaining agreements are renegotiated in the normal course of business.

Construction Products Distribution

Construction Products Distribution competes with other specialty construction distributors servicing the builder/contractor market, in addition to big-box home centres and independent lumber yards. The ability to remain competitive depends on its ability to provide reliable service at competitive prices.

Demand for walls and ceilings building materials is affected by changes in general and local economic factors including demographic trends, employment levels, interest rates, consumer confidence and overall economic growth. These factors in turn impact the level of existing housing sales, new home construction, new non-residential construction, and office/commercial space turnover, all of which are significant factors in the determination of demand for products and services.

The commercial & industrial (C&I) market is driven largely by C&I construction spending and economic growth. Sectors within the C&I market that are particularly influential to demand include commercial construction and renovation, construction or expansion of industrial process facilities, such as oil refineries and petrochemical plants, as well as institutional facilities (e.g., government, health care and schools).

Approximately 4% of Construction Products Distribution's employees are unionized. Collective bargaining agreements are renegotiated in the normal course of business.

Management's Report

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying Consolidated Financial Statements of Superior Plus Corp. (Superior) and all of the information in this annual report are the responsibility of management and have been approved by the Board of Directors.

The Consolidated Financial Statements have been prepared by management in accordance with Canadian generally accepted accounting principles and include certain estimates that are based on management's best judgments. Actual results may differ from these estimates and judgments. Management has ensured that the Consolidated Financial Statements are presented fairly in all material respects.

Management has developed and maintains a system of internal controls to provide reasonable assurance that Superior's assets are safeguarded, transactions are accurately recorded, and the financial statements report Superior's operating and financial results in a timely manner. Financial information presented elsewhere in this annual report has been prepared on a consistent basis with that in the Consolidated Financial Statements.

The Board of Directors of Superior is responsible for reviewing and approving the financial statements and primarily through its Audit Committee ensures that management fulfills its responsibilities for financial reporting. The Audit Committee meets with management and Superior's external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities and to review the annual report, the financial statements and the external auditors' report. The Committee reports its findings to the Board for the Board's consideration in approving the financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or re-appointment of the external auditors.

Deloitte & Touche LLP, an independent firm of chartered accountants, was appointed at Superior's last annual meeting to audit Superior's Consolidated Financial Statements in accordance with Canadian generally accepted auditing standards. They have provided an independent professional opinion. Deloitte & Touche LLP has full and free access to the Audit Committee.

(signed) Grant D. Billing

Grant D. Billing
Chairman and Chief Executive Officer
Superior Plus Corp.

(signed) Wayne M. Bingham

Wayne M. Bingham
Executive Vice-President and Chief Financial Officer
Superior Plus Corp.

Calgary, Alberta
February 15, 2010

Auditors' Report

TO THE SHAREHOLDERS OF SUPERIOR PLUS CORP.

We have audited the consolidated balance sheets of Superior Plus Corp. (Superior) as at December 31, 2009 and 2008 and the consolidated statements of net earnings, comprehensive income and deficit and cash flows for the years then ended. These financial statements are the responsibility of Superior's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Superior as at December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

(signed) Deloitte & Touche LLP

Calgary, Alberta
February 15, 2010

Deloitte & Touche LLP
Chartered Accountants

Consolidated Balance Sheets

As at December 31 (millions of dollars)	2009	2008
ASSETS		
Current assets		
Cash and cash equivalents	**24.3**	16.1
Accounts receivable and other (Notes 4 and 11)	**313.8**	246.8
Inventories (Note 5)	**145.7**	128.0
Future income tax asset (Note 12)	**59.0**	65.9
Current portion of unrealized gains on financial instruments (Note 11)	**22.2**	42.0
	565.0	498.8
Property, plant and equipment (Note 6)	**668.0**	562.3
Customer contract related costs (Note 6)	**14.7**	17.7
Intangible assets (Note 6)	**165.3**	28.8
Goodwill	**528.4**	472.7
Accrued pension asset (Note 10)	**18.2**	19.5
Future income tax asset (Note 12)	**165.7**	185.9
Investment tax credits (Note 12)	**120.2**	133.1
Long-term portion of unrealized gains on financial instruments (Note 11)	**28.5**	108.1
	2,274.0	2,026.9
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**280.7**	230.5
Unearned revenue	**5.8**	–
Current portion of term loans (Note 7)	**5.1**	13.0
Distributions and interest payable to shareholders and debenture holders	**14.2**	0.7
Current portion of deferred credit (Note 12)	**24.5**	37.9
Current portion of unrealized losses on financial instruments (Note 11)	**77.8**	87.8
	408.1	369.9
Revolving term bank credits and term loans (Note 7)	**633.2**	462.8
Convertible unsecured subordinated debentures (Note 8)	**309.0**	241.7
Employee future benefits (Note 10)	**17.2**	18.0
Asset retirement obligation (Note 9)	**0.9**	–
Future income tax liability (Note 12)	**22.1**	–
Deferred credit (Note 12)	**246.4**	269.8
Long-term portion of unrealized losses on financial instruments (Note 11)	**52.6**	90.5
Total liabilities	**1,689.5**	1,452.7
Shareholders' equity		
Shareholders' capital (Note 13)	**1,502.0**	1,370.9
Contributed surplus (Note 13)	**5.3**	4.8
Accumulated deficit	**(883.3)**	(803.1)
Accumulated other comprehensive income (loss) (Note 13)	**(39.5)**	1.6
	(922.8)	(801.5)
Total shareholders' equity	**584.5**	574.2
	2,274.0	2,026.9

(See Notes to Consolidated Financial Statements)

Approved by the Board of Directors of Superior Plus inc.

(signed) Grant D. Billing

Grant D. Billing
Director

(signed) Peter Valentine

Peter Valentine
Director

Consolidated Statements of Net Earnings, Comprehensive Income and Deficit

Years ended December 31 (millions of dollars except per share amounts)	**2009**	2008
Revenues	**2,246.7**	2,487.3
Cost of products sold	**(1,495.3)**	(1,860.1)
Realized gains (losses) on financial instruments (Note 11)	**(98.0)**	41.9
Gross profit	**653.4**	669.1
Expenses		
Operating and administrative	**476.1**	470.8
Amortization of property, plant and equipment	**22.6**	18.3
Amortization of intangible assets	**7.9**	5.3
Interest on revolving term bank credits and term loans	**27.0**	23.7
Interest on convertible unsecured subordinated debentures	**16.8**	14.8
Accretion of convertible debenture issue costs	**1.4**	1.4
Gain on disposal of facility	**–**	(4.0)
Unrealized losses on financial instruments (Note 11)	**20.6**	61.2
	572.4	591.5
Net earnings before income taxes	**81.0**	77.6
Income tax expense (Note 12)	**(12.7)**	(9.9)
Net earnings	**68.3**	67.7
Net earnings	**68.3**	67.7
Other comprehensive income (loss):		
Unrealized foreign currency gains (losses) on translation of self-sustaining foreign operations	**(39.4)**	30.1
Reclassification of derivative gains and (losses) previously deferred	**(1.7)**	(8.2)
Comprehensive income	**27.2**	89.6
Deficit, beginning of year	**(803.1)**	(728.6)
Cumulative impact of adopting new guidance on the valuation of financial instrument assets and liabilities (Note 2(b))	**(0.3)**	–
Net earnings	**68.3**	67.7
Dividends to shareholders (Note 2(a))	**(148.2)**	(142.2)
Deficit, end of year	**(883.3)**	(803.1)
Net earnings per share, basic and diluted (Note 14)	**$ 0.75**	$ 0.77

(See Notes to Consolidated Financial Statements)

Consolidated Statements of Cash Flows

Years ended December 31 (millions of dollars)	2009	2008
Operating activities		
Net earnings	**68.3**	67.7
Items not affecting cash:		
Amortization of property, plant and equipment and intangible assets and accretion of convertible debenture issue costs	**31.9**	25.0
Amortization of customer contract related costs	**7.0**	6.5
Amortization included in cost of sales	**37.5**	38.9
Pension expense	**1.7**	2.4
Unrealized losses on financial instruments	**20.6**	61.2
Future income tax expense (recovery)	**11.6**	(3.9)
Customer contract related costs	**(4.0)**	(6.8)
Realized gains on financial instruments	**(7.7)**	–
Proceeds on disposal of facility	**–**	(4.0)
Decrease in non-cash operating working capital items (Note 16)	**24.4**	20.6
Cash flows from operating activities	**191.3**	207.6
Investing activities		
Purchase of property, plant and equipment	**(139.3)**	(84.2)
Proceeds on disposal of property, plant and equipment	**4.8**	7.5
Acquisition of SPI (Note 3)	**(109.5)**	–
Acquisition of U.S. refined fuels assets (Note 3)	**(178.5)**	–
Other acquisitions (Note 3)	**(0.8)**	(24.5)
Earn-out payment on prior acquisition	**(0.6)**	–
Proceeds on disposal of facility	**–**	4.0
Transaction with Ballard Power Systems Inc.	**–**	(46.3)
Cash flows used in investing activities	**(423.9)**	(143.5)
Financing activities		
Revolving term bank credits and term loans	**63.1**	82.6
Issuance of common shares (Note 13)	**97.8**	–
Issuance of 8.25% senior unsecured debentures (Note 7)	**147.0**	–
Issuance of 7.50% convertible debentures (Note 8)	**65.8**	–
Net repayment of accounts receivable sales program	**(7.3)**	–
Proceeds from distribution reinvestment plan	**–**	8.9
Dividends to shareholders	**(148.2)**	(142.2)
Realized gains on financial instruments	**7.7**	–
Increase (decrease) in non-cash operating working capital	**14.9**	(11.4)
Cash flows from (used in) financing activities	**240.8**	(62.1)
Net increase in cash	**8.2**	2.0
Cash and cash equivalents, beginning of year	**16.1**	14.1
Cash and cash equivalents, end of year	**24.3**	16.1
Supplementary cash flow information:		
Cash income taxes paid	**1.1**	14.1
Cash interest paid	**40.8**	37.8

(See Notes to Consolidated Financial Statements)

Notes to Consolidated Financial Statements

(Tabular amounts are in Canadian millions of dollars, unless noted otherwise, except per share amounts. Tables labelled "2009" and "2008" are for the full years ended December 31.)

1. ORGANIZATION

Superior Plus Corp. (Superior) is a diversified business corporation, incorporated under the Canada Business Corporations Act. Superior holds 100% of Superior Plus LP (Superior LP), a limited partnership formed between Superior General Partner Inc., as general partner and Superior as limited partner. Superior holds 100% of the shares of Superior General Partner Inc. Superior does not conduct active business operations but rather distributes to shareholders the income it receives from Superior Plus LP in the form of partnership allocations, net of expenses and interest payable on the convertible unsecured subordinated debentures (the debentures). Superior's investments in Superior Plus LP are financed by share capital and debentures.

On December 31, 2008, Superior Plus Income Fund (the Fund) completed a transaction with Ballard Power Systems Inc. (Ballard) which resulted in Superior converting from a publicly traded income trust to a publicly traded corporation. The transaction resulted in the unitholders of the Fund becoming Shareholders of Superior with no substantive changes to the underlying business operations.

2. ACCOUNTING POLICIES

(a) Basis of Presentation

The accompanying Consolidated Financial Statements have been prepared according to Canadian generally accepted accounting principles (GAAP), applied on a consistent basis, and include the accounts of Superior and its wholly owned subsidiaries. Superior Plus Corp. is considered a continuation of Superior Plus Income Fund; as such, these consolidated financial statements follow the continuity of interests method of accounting. Under the continuity of interests method of accounting, Superior's transfer of the assets, liabilities and equity from the Fund to Superior upon the completion of its transaction with Ballard were recorded at their net book values. As a result of the application of the continuity of interests method of accounting, certain terms such as shareholder/unitholder and dividend/distribution may be used interchangeably throughout these Consolidated Financial Statements. For the period ended December 31, 2009, payments to shareholders were in the form of dividends, whereas for the period ended December 31, 2008, payments to unitholders were in the form of trust unit distributions. The accounting principles applied are consistent with those as set out in Superior's annual financial statements for the year ended December 31, 2008, except as noted in Note 2(b). All significant transactions and balances between Superior and Superior's subsidiaries have been eliminated on consolidation.

(b) Changes in Accounting Policies

Financial Assets and Financial Liabilities

On January 1, 2009, Superior adopted the requirements of guidance provided by the Canadian Institute of Chartered Accountants (CICA) related to the application of credit risk and the determination of the fair value of financial assets and liabilities. Superior adopted the guidance retrospectively, but did not restate prior periods. Accordingly, Superior decreased the carrying value of its net financial instrument assets and liabilities as at January 1, 2009 by $0.4 million, with a corresponding increase of $0.1 million to Superior's future income tax asset and an increase of $0.3 million to Superior's opening accumulated deficit; comparative earnings and financial assets and liabilities for prior periods have not been restated.

Financial Instruments – Disclosure

The CICA has amended Handbook Section 3862 Financial Instruments – Disclosure. These amendments require enhanced disclosure on the fair value of certain financial instruments. The amendments were effective for annual financial statements on or after September 30, 2009. These amendments to Section 3862 are to enhance the disclosures about the fair value measurements including the relative reliability of the inputs used in those measurements, and about the liquidity of financial instruments. Superior adopted these amendments in the fourth quarter of 2009. The required disclosures are incorporated in Note 11.

Goodwill and Intangible Assets

On January 1, 2009, Superior adopted CICA Handbook Section 3064 Goodwill and Intangible Assets. This standard provides more specific guidance on the recognition of internally developed intangible assets and requires that research and development expenditures be evaluated against the same criteria as expenditures for intangible assets. The section harmonizes Canadian GAAP with International Financial Reporting Standards (IFRS). Adoption of this standard did not have an impact on Superior.

(c) Future Accounting Changes

International Financial Reporting Standards

The Accounting Standards Board of Canada (AcSB) has announced plans that will require the convergence of Canadian GAAP with IFRS for publicly accountable enterprises, including Superior. The changeover date from Canadian GAAP to IFRS is for annual and interim financial statements relating to fiscal years beginning on or after January 1, 2011. Superior is currently assessing the future impact of these new standards on its Consolidated Financial Statements.

Business Combinations

In January 2009, the CICA issued Handbook Section 1582, Business Combinations, which will replace CICA Handbook Section 1581 of the same name. Under this guidance, the purchase price used in a business combination is based on the fair value of shares exchanged at their market price at the date of the exchange. Currently the purchase price used is based on the market price of the shares for a reasonable period before and after the date the acquisition is agreed upon and announced. This new guidance generally requires all acquisition costs to be expensed, which currently are capitalized as part of the purchase price. Contingent liabilities are to be recognized at fair value at the acquisition date and re-measured at fair value through earnings each period until settled. Currently only contingent liabilities that are resolved and payable are included in the cost to acquire the business. In addition, negative goodwill is required to be recognized immediately in earnings, unlike the current requirement to eliminate it by deducting it from non current assets in the purchase price allocation. Section 1582 is effective for Superior on January 1, 2011 with prospective application and early adoption permitted. The adoption of this standard will impact the accounting treatment of future business combinations.

Consolidated Financial Statements

In January 2009, the CICA issued Handbook Section 1601, Consolidated Financial Statements, which will replace CICA Handbook Section 1600 of the same name. This guidance requires uniform accounting policies to be consistent throughout all consolidated entities, which is not explicitly required under the current standard. Handbook Section 1601 is effective for Superior on January 1, 2011 with early adoption permitted. The adoption of this standard should not have a material impact on Superior's Consolidated Financial Statements.

Non-Controlling Interests

In January 2009, the CICA issued Handbook Section 1602, *Non-controlling Interests*, which will replace CICA Handbook Section 1600, *Consolidated Financial Statements*. Minority interest is now referred to as non-controlling interest ("NCI"), and is presented within equity. Under this new guidance, when there is a loss or gain of control the Company's previously held interest is revalued at fair value. Currently an increase in an investment is accounted for using the purchase method and a decrease in an investment is accounted for as a sale resulting in a gain or loss in earnings. In addition, NCI may be reported at fair value or at the proportionate share of the fair value of the acquired net assets and allocation of the net income to the NCI will be on this basis. Currently, NCI is recorded at the carrying amount and can only be in a deficit position if the NCI has an obligation to fund the losses. Section 1602 is effective for Superior on January 1, 2011 with early adoption permitted. The adoption of this standard should not have a material impact on Superior's Consolidated Financial Statements.

(d) Business Segments

Superior operates three distinct operating segments: Energy Services, Specialty Chemicals and Construction Products Distribution. Superior's Energy Services operating segment provides distribution, wholesale procurement and related services in relation to propane, heating oil and other refined fuels. Energy Services also provides fixed-price natural gas and electricity supply services. Superior's Specialty Chemicals operating segment is a leading supplier of sodium chlorate and technology to the pulp and paper industries and is a regional supplier of potassium and chloralkali products to the U.S. Midwest. Superior's Construction Products Distribution operating segment is one of the largest distributors of commercial and industrial insulation in North America and the largest distributor of specialty construction products to the walls and ceilings industry in Canada (see Note 18).

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid short-term investments which, on acquisition, have a term to maturity of three months or less.

(f) Accounts Receivable Sales Program

Superior has a revolving trade accounts receivable sales program under which all transactions are accounted for as sales. Losses on sales depend in part on the previous carrying amount of trade accounts receivable involved in the sales and have been included in interest on revolving term bank credits and term loans. The carrying amount is allocated between the assets sold and retained interests based on their relative fair value at the date of the sale, which is calculated by discounting expected cash flows at prevailing money market rates.

(g) Inventories

Energy Services

Energy Services inventories are valued at the lower of weighted average cost and market determined on the basis of estimated net realizable value. Appliances, materials, supplies and other inventories are stated at the lower of cost and market determined on the basis of estimated replacement cost or net realizable value, as appropriate.

Specialty Chemicals

Inventories are valued at the lower of cost and net realizable value. The cost of chemical inventories is determined on a first-in, first-out basis. Stores and supply inventories are costed on an average basis. Transactions are entered into from time to time with other companies to exchange chemical inventories in order to minimize working capital requirements and to facilitate distribution logistics. Balances related to quantities due to or payable by Specialty Chemicals are included in accounts receivable.

Construction Products Distribution

Inventories of building products are valued at the lower of cost and net realizable value. Cost is calculated on a weighted average cost basis.

(h) Financial Instruments and Derivatives

Financial Instruments

Financial instruments are recognized at fair value upon their initial recognition. Measurement in subsequent periods is dependent on whether the financial instrument has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables, or other financial liabilities. After initial recognition, items classified as held-for-trading or available-for-sale are revalued at fair values, while items classified as held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method. Transaction costs are expensed as incurred for financial instruments classified or designated as held-for-trading. For other financial instruments, transaction costs are recorded as part of the underlying financial instrument and are amortized or accreted into net income.

Derivatives

Financial and non-financial derivatives, including derivatives that are embedded in financial or non-financial contracts that are considered to be derivatives, are recognized at fair value upon their initial recognition. Measurement in subsequent periods is at fair value with changes in fair value recorded to net income. Superior does not formally designate and document economic hedges in accordance with the requirements of applying hedge accounting under GAAP.

(i) Property, Plant and Equipment

Cost

Property, plant and equipment is recorded at cost less accumulated amortization. Major renewals and improvements which extend the useful lives of equipment are capitalized, while repair and maintenance expenses are charged to operations as incurred. Disposals are removed at carrying costs less accumulated amortization with any resulting gain or loss reflected in operations.

Interest Capitalization

Interest costs relating to major capital projects are capitalized as part of property, plant and equipment. Capitalization of interest ceases when the related asset is substantially complete and ready for its intended use. During 2009 $3.9 million was capitalized (2008 – $0.6 million).

Amortization

Energy Services and Construction Products Distribution

Property, plant and equipment assets are amortized over their respective estimated useful lives using the straight line method except for loaned propane dispensers, which use the declining balance method at an annual rate of 10%. The estimated useful lives of major classes of property, plant and equipment are:

Buildings	20 to 40 years
Tanks and cylinders	20 years
Truck tank bodies, chassis and other Construction Products Distribution products	7 to 10 years

Specialty Chemicals

Property, plant and equipment assets are amortized on a straight-line basis. The estimated useful lives of major classes of property, plant and equipment are:

Furniture and fixtures	3 to 5 years
Plant and equipment	15 to 30 years

Asset Retirement Obligations

Specialty Chemicals

Certain of Specialty Chemcials' assets may be subject to what is commonly referred to as asset retirement obligations as Specialty Chemicals is required to remove or remedy the effect of its activities on the environment at its operating sites by dismantling and removing production facilities at the end of a respective plant's operating life. Specialty Chemicals' potential asset retirement obligations could also be impacted by interpretation and changes to environmental laws and regulations in the countries in which it operates. In certain instances, Specialty Chemicals does not view the potential asset retirement obligations to be significant based on a combination of past experience related to the prior remediation of similar facilities and/or the existence of indemnification agreements related to environmental liabilities. Additionally, at some facilities, Specialty Chemicals is currently unable to accurately estimate its potential asset retirement obligations, as these facilities currently have an indeterminate life. The asset retirement obligation for these assets is reviewed regularly, and will be recorded in the first period in which the lives of the assets and the extent of obligations are capable of reasonably being estimated. Accordingly, Specialty Chemicals has not recorded a provision for asset retirement obligations.

Energy Services

Energy Services recognizes the fair value of an asset retirement obligation in the period in which it is incurred or when a reasonable estimate of the fair value can be made. The obligation is recorded as a liability on a discounted basis when incurred using Superior's average credit-adjusted risk-free rate, with a corresponding increase to the carrying amount of the related asset. The capitalized costs are depleted on a straight line basis over the life of the asset. The liability is adjusted each reporting period to reflect the passage of time, with the accretion charged to earnings, and for revisions to the estimated future cash flows. Actual costs incurred upon settlement of the obligation are charged against the liability. Differences between the actual costs incurred upon settlement and the liability are recognized in earnings in the period in which the settlement occurs.

Impairment

Superior reviews long-lived assets and intangible assets with finite lives whenever events or changes in circumstances indicate that the carrying amounts of such assets may not be fully recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows, and measurement of an impairment loss is based on the fair value of the assets.

(j) Intangible Assets and Customer Acquisition Costs

Energy Services and Construction Products Distribution

The value of intangible assets such as trademarks, customer base and non-compete agreements are amortized on a straight-line basis over their estimated useful lives. The estimated useful lives of the major classes of intangibles are:

Trademarks	10 to 15 years
Customer base	10 to 15 years
Non-compete agreements	3 to 5 years

Costs incurred by Energy Services to acquire natural gas and electricity customer contracts are capitalized as deferred costs at the time the cost is incurred. The costs are recognized into net earnings as an operating and administrative expense over the term of the underlying contracts. The contracts range from one to five years with the average remaining life approximately three years.

Specialty Chemicals

The value of acquired royalty assets is amortized over the remaining term of the royalty agreements up to 10 years. The costs of patents are amortized on a straight-line basis over their estimated useful lives.

(k) Goodwill

All business combinations are accounted for using the purchase method. Goodwill is carried at cost, is not amortized and represents the excess of the purchase price and related costs over the fair value assigned to the net assets of businesses acquired. Goodwill is tested for impairment on an annual basis using a two-step approach, with the first being to assess whether the fair value of the reporting unit with which goodwill is associated is less than its carrying value. If this is the case, a second impairment test is performed which requires a comparison of the fair value of goodwill to its carrying amount. If the fair value is less than the carrying value, goodwill is considered to be impaired and an impairment charge would be recognized immediately.

(l) Revenue Recognition

Energy Services

Revenues from sales are recognized at the time of delivery, or when related services are performed and there is evidence of an arrangement at a fixed or determinable price and the collectability of the sale is assured.

Natural gas revenues are recognized as gas is delivered to local natural gas distribution companies and when there is evidence of an arrangement at a fixed or determinable price and the collectability of the sale is assured. Costs associated with balancing the amount of gas used by Energy Services customers with the volumes delivered by Energy Services to the local distribution companies are recognized as period costs. Electricity revenues are recognized as the electricity is consumed by the end-use customer or sold to third parties.

Specialty Chemicals

Revenues from chemical sales are recognized at the time of delivery and when there is evidence of an arrangement at a fixed or determinable price and the collectability of the sale is assured. Revenues associated with the construction of chlorine dioxide generators are recognized using the percentage-of-completion method based on cost incurred compared to the total estimated cost.

Construction Products Distribution

Revenue is recognized when products are delivered to the customer and when there is evidence of an arrangement at a fixed or determinable price and the collectability of the sale is assured. Revenue is stated net of discounts and rebates granted.

(m) Rebates – Construction Products Distribution

Purchase rebates are recognized as a reduction of cost of goods sold when the related performance is completed and the inventory is sold. Vendor rebates that are contingent upon completing a specified level of purchases are recognized as a reduction of cost of goods sold based on a systematic and rational allocation of the cash consideration to each of the underlying transactions that results in progress toward earning that rebate or refund, assuming that the rebate can be reasonably estimated and it is probable that the specified target will be obtained. Otherwise, the rebate is recognized as the milestone is achieved and the inventory is sold.

(n) Employee Future Benefits

Superior has a number of defined benefit and defined contribution plans providing pension and other post-employment benefits to most of its employees, and accrues its obligations under the plans and the related costs, net of plan assets. Past service costs and actuarial gains and losses in excess of 10% of the greater of the accrued benefit obligation and the fair value of the plan assets, are amortized into income over the expected average remaining life of the active employees participating in the plans.

(o) Income Taxes

Current income taxes are recorded based on the estimated income taxes payable on taxable income for the current year. Future income tax assets and liabilities are determined based on differences between the accounting and tax basis of assets and liabilities, and are measured using substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. A future tax asset is recognized if it is more likely than not to be realized. The effect of a change in tax rates on future income tax assets and liabilities is recorded in the period in which the change is substantively enacted.

(p) Foreign Currency Translation

The accounts of the operations of Energy Services, Specialty Chemicals and Construction Products Distribution in the United States and the operations of Specialty Chemicals operations in Chile are considered to be self-sustaining foreign operations and are translated using the current rate method, under which all assets and liabilities are translated at the exchange rate prevailing at the balance sheet date, and revenues and expenses at average rates of exchange during the period. Exchange gains and losses arising from this translation, representing the net unrealized foreign currency translation gain or loss on Superior's net investment in these foreign operations, are recorded as a component of accumulated other comprehensive income. Other monetary assets and liabilities held by Superior are translated using the current rate method.

Transactions denominated in a foreign currency, other than the translation of self-sustaining operations, are translated into the functional currency at rates in effect at the date of the transaction. At the balance sheet date, monetary foreign currency assets and liabilities are translated at exchange rates then in effect. The resulting translation gains or losses are recognized in the determination of earnings.

(q) Share-Based Compensation

Superior has established share-based compensation plans whereby restricted shares and/or performance shares may be granted to employees. The fair value of these shares is estimated and recorded as an expense and accrued liabilities, with the payments settled in cash.

(r) Net Earnings per Share

Basic net earnings per share is calculated by dividing the net earnings by the weighted average number of shares outstanding during the period. The weighted average number of shares outstanding during the year is calculated using the number of shares outstanding at the end of each month during the year. Diluted net earnings per share is calculated by factoring in the dilutive impact of the dilutive instruments, including the conversion of debentures to shares using the "if-converted" method to assess the impact of dilution. Superior uses the treasury stock method to determine the impact of dilutive options, which assumes that the proceeds from in-the-money share options are used to repurchase shares at the average market price during the period.

(s) Use of Estimates and Assumptions

The preparation of Superior's Consolidated Financial Statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, net income and related disclosures. Certain estimates, including the calculation of the fair value of various financial instruments, the allowance for doubtful accounts, employee future benefits, future income tax assets and liabilities and asset impairments, require management to make subjective or complex judgments. Accordingly, actual results could differ from these and other estimates, thereby impacting Superior's Consolidated Financial Statements.

3. ACQUISITIONS

On December 11, 2009, Superior acquired certain assets that comprise a retail heating oil, propane and motor fuels distribution business (Griffith CH U.S. refined fuels assets) from Griffith Energy Services, Inc. for an aggregate purchase price of $82.0 million (US$77.4 million), inclusive of transaction related costs. Griffith CH U.S. refined fuels assets distribute a broad range of liquid fuels and propane gas, serving markets in Connecticut, Pennsylvania and Rhode Island. In addition Griffith CH U.S. refined fuels assets also distributes a broad range of services, including heating, ventilation and air conditioning repair and other related services.

On September 30, 2009, Superior acquired certain assets which make up a U.S. retail heating oil and propane distribution business (Sunoco U.S. refined fuels assets) from Sunoco, Inc. (R&M), and Sunoco, Inc., both of which are Pennsylvania corporations, for an aggregate purchase price of $96.5 million (US$90.0 million), inclusive of transaction related costs. The heating oil assets distribute a broad range of liquid fuels and propane gas and related services, serving markets in Pennsylvania and New York.

On September 24, 2009, Superior acquired the shares of Specialty Products & Insulation Co. (SPI) for an aggregate purchase price of $142.1 million (US$132.1 million), inclusive of transaction related costs. SPI is a leading U.S. national distributor of a comprehensive selection of insulation and architectural named brand products focused on the commercial and industrial markets.

Using the purchase method of accounting for acquisitions, Superior consolidated the assets and liabilities from the acquisitions and included earnings as of the respective closing date. As a result of the timing of the completion of these acquisitions towards the end of 2009 it is likely that adjustments to the allocation of the assets and liabilities will be required.

A preliminary allocation of the consideration paid for these acquisitions is as follows:

	Acquisition of Griffith CH	Acquisition of Sunoco	Acquisition of SPI	Total
Cash consideration paid	79.3	91.6	107.0	277.9
Transaction costs	2.7	4.9	2.5	10.1
Total cash consideration	82.0	96.5	109.5	288.0
Common shares issued to former shareholders of SPI [1]	–	–	32.6	32.6
Total consideration	82.0	96.5	142.1	320.6
Working capital, net	1.7	3.0	55.6	60.3
Property, plant and equipment	12.2	52.5	3.7	68.4
Intangible assets	63.5	34.9	43.6	142.0
Goodwill [2]	4.6	8.6	45.0	58.2
Future income tax liability	0.1	(1.7)	(5.8)	(7.4)
Asset retirement obligations	(0.1)	(0.8)	–	(0.9)
	82.0	96.5	142.1	320.6

(1) Relates to the issuance of 2,803,135 common shares for gross consideration of $32,607,000 or $11.63 per common share.

(2) The amount of goodwill that is expected to be deductible for tax purposes is approximately $58.2 million.

The allocation of consideration paid for these acquisitions to intangibles is as follows:

	Acquisition of Griffith CH	Acquisition of Sunoco	Acquisition of SPI	Total
Trademarks	21.5	4.5	20.7	46.7
Customer base	41.4	18.7	22.9	83.0
Restrictive covenants	0.6	11.7	–	12.3
Total intangible assets	63.5	34.9	43.6	142.0

Additionally during the third quarter of 2009, Energy Services acquired the assets of two small propane distributors for consideration of $0.8 million.

4. ACCOUNTS RECEIVABLE AND OTHER

Superior sells, with limited recourse, certain trade accounts receivable on a revolving basis to an entity sponsored by a Canadian chartered bank. The accounts receivable are sold at a discount to face value based on prevailing money market rates. Superior has retained the servicing responsibility for the accounts receivable sold and has therefore recognized a servicing liability. The level of accounts receivable sold under the program fluctuates seasonally with the level of accounts receivable. As at December 31, 2009, proceeds of $92.7 million (December 31, 2008 – $100.0 million) had been received. The existing accounts receivable securitization program matures on June 29, 2010.

Included in accounts receivable and other as at December 31, 2009 is $21.4 million (December 31, 2008 – $15.4 million) of prepaid expenses.

A summary of accounts receivable and other is as follows:

December 31,	**2009**	2008
Accounts receivable trade	**270.4**	225.5
Accounts receivable other	**22.0**	5.9
Prepaid expenses	**21.4**	15.4
Accounts receivable and other	**313.8**	246.8

5. INVENTORIES

For the year ended December 31, 2009 inventories of $1,206.7 million were expensed through cost of products sold (2008 – $1,405.6). No write-downs of inventory or reversals of write-downs were recorded during the years ended December 31, 2009 and 2008.

December 31,	**2009**	2008
Propane, heating oil and other refined fuels	**55.0**	55.2
Propane retailing materials, supplies, appliances and other	**3.8**	4.1
Chemical finished goods and raw materials	**12.3**	15.7
Chemical stores, supplies and other	**11.3**	11.9
Walls, ceilings and insulation construction products	**63.3**	41.1
	145.7	128.0

6. PROPERTY, PLANT AND EQUIPMENT, CUSTOMER ACQUISITION COSTS AND INTANGIBLE ASSETS

	2009			2008		
	Cost	**Accumulated Amortization**	**Net Book Value**	Cost	Accumulated Amortization	Net Book Value
Land	**22.2**	**–**	**22.2**	22.5	–	22.5
Buildings	**110.2**	**35.1**	**75.1**	98.8	35.5	63.3
Specialty Chemicals plant and equipment	**669.4**	**229.7**	**439.7**	646.8	248.2	398.6
Energy Services retailing equipment	**386.2**	**275.3**	**110.9**	352.5	294.7	57.8
Construction Products Distribution equipment	**37.2**	**17.4**	**19.8**	29.7	9.6	20.1
Leasehold improvements	**0.3**	**–**	**0.3**	–	–	–
Property, plant and equipment	**1,225.5**	**557.5**	**668.0**	1,150.3	588.0	562.3
Customer contract related costs	**36.5**	**21.8**	**14.7**	24.2	6.5	17.7
Specialty Chemicals royalty assets and patents	**51.1**	**35.7**	**15.4**	51.1	30.8	20.3
Energy Services trademarks, customer base and non-compete agreements	**108.3**	**2.0**	**106.3**	9.1	2.5	6.6
Construction Products Distribution intangible assets	**45.6**	**2.0**	**43.6**	3.3	1.4	1.9
Intangible assets	**205.0**	**39.7**	**165.3**	63.5	34.7	28.8
Total property, plant and equipment, customer contract related costs and intangible assets	**1,467.0**	**619.0**	**848.0**	1,238.0	629.2	608.8

7. REVOLVING TERM BANK CREDITS AND TERM LOANS

	Year of Maturity	Effective Interest Rate	**December 31, 2009**	December 31, 2008
Revolving Term Bank Credits [1]				
Bankers' Acceptances (BA)	2011	Floating BA rate plus applicable credit spread	**174.6**	168.9
LIBOR Loans (US$145.5 million; 2008 – US$71.6 million)	2011	Floating LIBOR rate plus applicable credit spread	**152.4**	90.1
			327.0	259.0
Other Debt				
Notes payable	2010	Prime	**0.6**	6.2
Deferred consideration	2010	Non-interest bearing	**2.4**	4.8
Loan payable		6.3%	**–**	11.8
			3.0	22.8
Senior Secured Notes				
Senior secured notes subject to floating interest rates (US$nil ; 2008 – US$60.0 million) [2]		Floating LIBOR rate plus 1.7%	**–**	73.5
Senior secured notes subject to fixed interest rates (US$158.0 million; 2008 – US$100.0 million) [2]	2010-2015	6.65%	**165.4**	122.4
			165.4	195.9
Senior Unsecured Notes				
Senior unsecured debentures	2016	8.25%	**150.0**	–
Total revolving term bank credits and term loans before deferred financing fees			**645.4**	477.7
Deferred financing fees			**(7.1)**	(1.9)
Revolving term bank credits and term loans			**638.3**	475.8
Current maturities			**(5.1)**	(13.0)
Revolving term bank credits and term loans			**633.2**	462.8

(1) Superior and its wholly-owned subsidiaries, Superior Plus U.S. Holdings Inc. and Commercial e Industrial (Chile) Limitada, have revolving term bank credit borrowing capacity of $570.0 million. The credit facilities mature on June 28, 2011. These facilities are secured by a general charge over the assets of Superior and certain of its subsidiaries. As at December 31, 2009, Superior had $19.4 million of outstanding letters of credit (December 31, 2008 – $41.5 million). The fair value of Superior's revolving term bank credits and other debt approximates its carrying value as a result of the market based interest rates and the short-term nature of the underlying debt instruments.

(2) Senior secured notes (the Notes) totalling US$158.0 million (Cdn$165.4 million at December 31, 2009 and Cdn$195.9 million at December 31, 2008) are secured by a general charge over the assets of Superior and certain of its subsidiaries. Principal repayments began in the fourth quarter of 2009. Management has estimated the fair value of the Notes based on comparisons to treasury instruments with similar maturities, interest rates and credit risk profiles. The estimated fair value of the Notes at December 31, 2009 was Cdn$161.5 million (December 31, 2008 – Cdn$208.0 million). During the fourth quarter of 2009 Superior's US$60.0 million (Cdn$62.8 million) (December 31, 2008 – US$60.0 million (Cdn$73.5 million)) fixed to floating rate swap was terminated as a result US$158.0 million in senior secured notes are subject to fixed rate interest.

Repayment requirements of the revolving term bank credits and term loans are as follows:

Current maturities	5.1
Due in 2011	360.5
Due in 2012	33.5
Due in 2013	33.5
Due in 2014	31.4
Subsequent to 2014	181.4
Total	645.4

8. CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES

Superior has issued three series of debentures as follows:

				Unamortized Discount	Total Carrying Value
Maturity date	December 31, 2012	December 31, 2015	December 31, 2014 (1)		
Interest rate	5.75%	5.85%	7.50%		
Conversion price per share	$ 36.00	$ 31.25	$ 13.10		
Debentures outstanding, December 31, 2008	174.9	75.0	–	(2.6)	247.3
Issuance of 7.50% debentures	–	–	69.0	(0.5)	68.5
Accretion of discount during 2009	–	–	–	0.9	0.9
Deferred issue costs	(2.8)	(1.7)	(3.2)		(7.7)
Debentures outstanding, December 31, 2009	172.1	73.3	65.8	(2.2)	309.0
Quoted market value as at December 31, 2009	177.1	74.4	78.3		
Quoted market value as at December 31, 2008	141.7	52.5	–		

(1) Superior issued $69.0 million, 7.50% convertible unsecured subordinated debentures during the third quarter of 2009.

The debentures may be converted into shares at the option of the holder at any time prior to maturity and may be redeemed by Superior in certain circumstances. Superior may elect to pay interest and principal upon maturity or redemption by issuing shares to a trustee in the case of interest payments, and to the debenture holders in the case of payment of principal. The number of any shares issued will be determined based on market prices for the shares at the time of issuance.

9. ASSET RETIREMENT OBLIGATIONS

The asset retirement obligations result from ownership of various assets associated with Superior's Energy Services operating segment. Superior estimates the total undiscounted amount of expenditures required to settle its asset retirement obligations is approximately $3.5 million which will be paid out over the next twenty to twenty five years. The credit-adjusted free-risk rate of 7.5% was used to calculate the present value of the estimated cash flows.

A reconciliation of the asset retirement obligations is provided as follows:

	2009	2008
Balance, beginning of year	**–**	–
Liabilities associated with the acquisition of U.S. refined fuels assets (see Note 3)	**0.9**	–
Accretion expense	**–**	–
Balance, end of year	**0.9**	–

10. EMPLOYEE FUTURE BENEFITS

Energy Services and Specialty Chemicals have defined benefit (DB) and defined contribution (DC) pension plans covering most employees. The benefits provided under DB pension plans are based on the employees' years of service and on the highest average earnings for a specified number of consecutive years. Information about Superior's DB and other post-retirement benefit plans as at December 31, 2009 and 2008 in aggregate is as follows:

	Energy Services Pension Benefit Plans		Specialty Chemicals Pension Benefit Plans		Other Benefit Plans	
	2009	2008	**2009**	2008	**2009**	2008
Accrued benefit obligation, beginning of year	**41.9**	51.2	**53.1**	64.0	**22.8**	24.7
Current service cost	**0.1**	0.1	**1.7**	2.3	**0.6**	0.3
Past service cost	**–**	–	**0.4**	–	**–**	–
Interest cost	**2.9**	2.7	**4.0**	3.6	**1.8**	1.3
Benefits paid	**(4.0)**	(3.8)	**(2.5)**	(3.2)	**(1.1)**	(1.3)
Actuarial loss	**4.1**	(8.3)	**11.4**	(13.6)	**3.8**	(2.2)
Accrued benefit obligation, end of year	**45.0**	41.9	**68.1**	53.1	**27.9**	22.8
Fair value of plan assets, beginning of year	**42.5**	57.1	**50.3**	55.9	**–**	–
Actual return on plan assets	**5.0**	(8.1)	**7.3**	(7.4)	**–**	–
Transfers to defined contribution plan	**(0.3)**	(2.7)	**–**	–	**–**	–
Employer contributions	**–**	–	**4.9**	5.0	**1.1**	1.3
Benefits paid	**(4.0)**	(3.8)	**(2.5)**	(3.2)	**(1.1)**	(1.3)
Fair value of plan assets, end of year	**43.2**	42.5	**60.0**	50.3	**–**	–
Funded status – plan surplus (deficit)	**(1.8)**	0.6	**(8.1)**	(2.8)	**(27.9)**	(22.8)
Unamortized net actuarial loss (gain)	**20.0**	18.9	**7.0**	(0.5)	**10.1**	6.5
Unamortized past service costs	**–**	–	**0.4**	–	**(2.0)**	(2.3)
Accrued net pension asset	**18.2**	19.5				
Accrued net benefit obligation			**(0.7)**	(3.3)	**(19.8)**	(18.6)
Current portion of accrued net benefit obligation recorded in accounts payable and accrued liabilities			**(2.2)**	(2.6)	**(1.1)**	(1.3)
Long-term accrued net benefit asset (obligation) (2009 – $17.2 million; 2008 – $18.0 million)			**1.5**	(0.7)	**(18.7)**	(17.3)

The accrued net pension asset related to Energy Services pension benefit plan in 2009 was $18.2 million (2008 – $19.5 million), and the expense for 2009 was $1.4 million (2008 – $2.4 million). The accrued net benefit obligation related to Specialty Chemicals' pension benefit plan in 2009 was $0.7 million (2008 – $3.3 million), and the expense for 2009 was $2.2 million (2008 – $2.3 million).

The accrued net benefit obligation related to the total other benefit plans of Energy Services and Specialty Chemcials in 2009 was $19.8 million (2008 – $18.6 million), and the expense for 2009 was $2.3 million (2008 – $2.1 million).

Superior's DC pension plans are fully funded by their nature. Accordingly, DC pension plan assets equal the related obligation. The total cost of Superior's DC plans in 2009 was $5.9 million (2008 – $4.5 million).

The significant actuarial assumptions adopted in measuring accrued benefit obligations are as follows:

	DB Plans		Other Benefit Plans	
	2009	2008	**2009**	2008
Discount rate	**6.00%**	7.50%	**6.00%**	7.50%
Expected long-term rate-of-return on plan assets (1)	**7.00%**	7.00%	**–%**	–%
Rate of compensation increase	**3.25%**	3.50%	**3.25%**	3.50%

(1) Based on market-related values of high quality long term corporate bonds.

The weighted average annual assumed health care cost inflation trend used in the calculation of accrued other benefit plan obligations is 10% initially, decreasing gradually to 5% in 2019 and thereafter. A 1% change in the health care trend rate would result in a change to the accrued benefit obligation of $2.1 million and a change to the current service expense of $0.2 million.

The most recent funding valuation dates for Superior's DB plans range from January 1, 2006 to December 1, 2009. The next funding valuations are scheduled between January 1, 2010 and January 1, 2011. Superior's pension plans were measured as at November 30, 2009 and other benefits plans were measured as at December 31, 2009.

The fair values of DB plan assets at December 31, 2009 are comprised of the following major investment categories: cash and cash equivalents 2% (2008 – 3%); bonds 41% (2008 – 41%); equities 57% (2008 – 56%).

11. FINANCIAL INSTRUMENTS

Effective October 1, 2009, Superior adopted the CICA's amended Handbook Section 3862 Financial Instruments – Disclosure. These amendments require enhanced disclosure on the fair value of certain financial instruments. The amendments are effective for annual financial statements on or after September 30, 2009. The amended section expands the disclosure requirements around fair value and specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect Superior's market assumptions. These two types of inputs create the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical instruments.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The fair value of a financial instrument is the amount of consideration that would be estimated to be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined by reference to quoted bid or asking prices, as appropriate, in the most advantageous active market for that instrument to which Superior has immediate access. Where bid and ask prices are unavailable, Superior uses the closing price of the most recent transaction of the instrument. In the absence of an active market, Superior estimates fair values based on prevailing market rates (bid and ask prices, as appropriate) for instruments with similar characteristics and risk profiles or internal or external valuation models, such as discounted cash flow analysis, using, to the extent possible, observable market-based inputs.

Fair values determined using valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates. In determining those assumptions, Superior looks primarily to available readily observable external market inputs including factors such as forecasted commodity price curves, interest rate yield curves, currency rates, and price and rate volatilities as applicable. With respect to the valuation of Specialty Chemicals' fixed-price electricity agreement, the valuation of this agreement requires Superior to make assumptions about the long-term price of electricity in electricity markets for which active market information is not available. The impact of the assumption for the long-term forward price curve of electricity has a material impact on the fair value of this agreement. A $1/MWh change in the forecasted price of electricity would result in a change in the fair value of this agreement of $1.7 million, with a corresponding impact to net income before income taxes. Any changes in the fair values of financial instruments classified or designated as held-for-trading are recognized in net income.

Description	Notional [1]	Term	Effective Rate	Fair Value Input	**Asset (Liability) as at Dec. 31, 2009**	Asset (Liability) as at Dec. 31, 2008
Natural gas financial swaps – NYMEX	8.3 GJ [2]	2010-2011	US$8.41/GJ	Level 1	**(22.2)**	(33.5)
Natural gas financial swaps – AECO	40.0 GJ [2]	2010-2014	CDN$7.51/GJ	Level 1	**(69.3)**	(34.8)
Foreign currency forward contracts, net sale	US$420.2 [3]	2010-2015	1.10	Level 1	**12.5**	(11.5)
Foreign currency forward contracts	EURO€5.4 [3]	2010-2011	1.58	Level 1	**0.4**	–
Interest rate swaps	US$60.0 [3]	2013-2015	Floating LIBOR rate plus 1.7%	Level 2	**–**	11.7
Energy Services propane wholesale purchase and sale contracts, net sale	1.70 USG [4]	2010-2011	$1.07/USG	Level 2	**(2.2)**	(1.3)
Energy Services butane wholesale purchase and sale contracts, net sale	0.96 USG [4]	2010-2011	$1.28/USG	Level 2	**(0.2)**	–
Energy Services electricity swaps	0.6 MWh [5]	2010-2014	$59.80/MWh	Level 2	**(9.3)**	(0.9)
Energy Services swaps and option purchase and sale contracts	2.2 Gallons [4]	2010-2011	US$1.98/Gallon	Level 2	**0.1**	–
Specialty Chemicals fixed-price electricity purchase agreement	45 MW [6]	2010-2017	$45-$52/MWh	Level 3	**10.5**	42.1

(1) Notional values as at December 31, 2009.
(2) Millions of gigajoules purchased.
(3) Millions of dollars/euros purchased.
(4) Millions of United States gallons purchased.
(5) Millions of megawatt hours (MWh).
(6) Megawatts (MW) on a 24/7 continual basis per year purchased.

All financial and non-financial derivatives are designated as held for trading upon their initial recognition.

Description	Current Assets	Long-term Assets	Current Liabilities	Long-term Liabilities
Natural gas financial swaps – NYMEX and AECO	9.2	4.2	58.5	46.4
Energy Services electricity swaps	0.1	–	3.5	5.9
Foreign currency forward contracts, net	6.7	13.9	7.4	0.3
Energy Services propane wholesale purchase and sale contracts	4.2	–	6.4	–
Energy Services butane wholesale purchase and sale contracts	1.4	–	1.6	–
Energy Services heating oil purchase and sale contracts	0.5	–	0.4	–
Specialty Chemicals fixed-price power purchase agreements	0.1	10.4	–	–
As at December 31, 2009	**22.2**	**28.5**	**77.8**	**52.6**
As at December 31, 2008	42.0	108.1	87.8	90.5

	2009		2008	
Description	**Realized gain (loss)**	**Unrealized gain (loss)**	Realized gain (loss)	Unrealized gain (loss)
Natural gas financial swaps – NYMEX and AECO	**(96.7)**	**(15.3)**	34.7	(66.7)
Energy Services electricity swaps	**(4.8)**	**(8.4)**	(0.4)	(0.5)
Foreign currency forward contracts, net	**(12.2)**	**17.4**	(16.4)	26.5
Interest rate swaps	**9.0**	**(12.4)**	2.0	9.0
Foreign currency forward contracts – balance sheet related	**7.7**	**–**	–	–
Energy Services propane wholesale purchase and sale contracts	**–**	**3.4**	–	(6.8)
Energy Services butane wholesale purchase and sale contracts	**–**	**(4.5)**	–	–
Energy Services heating oil purchase and sale contracts	**(1.1)**	**1.8**	–	–
Specialty Chemicals fixed-price power purchase agreements	**0.1**	**(31.1)**	22.0	15.1
Total realized and unrealized gains (losses) on financial and non-financial derivatives	**(98.0)**	**(49.1)**	41.9	(23.4)
Foreign currency translation of senior secured notes	**–**	**28.5**	–	(37.8)
Total realized and unrealized gains (losses)	**(98.0)**	**(20.6)**	41.9	(61.2)

Non-Derivative Financial Instruments

Superior's accounts receivable have been designated as available for sale due to Superior's accounts receivable securitization program. Superior's accounts payable, dividends and interest payable to shareholders and debentureholders, revolving term bank credits and term loans and debentures have been designated as other liabilities. The carrying value of Superior's cash, accounts receivable, accounts payable, and dividends and interest payable to shareholders and debenture holders approximates their fair value due to the short-term nature of these amounts. The carrying value and the fair value of Superior's revolving term bank credits and term loans, and debentures, is provided in Notes 7 and 8.

Financial Instruments – Risk Management

Derivative and non-financial derivatives are used by Superior to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. Superior assesses the inherent risks of these instruments by grouping derivative and non-financial derivatives related to the exposures these instruments mitigate. Superior's policy is not to use derivative or non-financial derivative instruments for speculative purposes. Superior does not formally designate its derivatives as hedges; as a result, Superior does not apply hedge accounting and is required to designate its derivatives and non-financial derivatives as held for trading.

Effective 2008, Energy Services enters into natural gas financial swaps primarily with Macquarie Cook Energy Canada Ltd. (formerly, Constellation Energy Commodities Group Inc.) for distributor billed natural gas business in Canada to manage its economic exposure of providing fixed-price natural gas to its customers. Additionally, Energy Services continues to maintain natural gas swap positions with seven additional counterparties. Energy Services monitors its fixed-price natural gas positions on a daily basis to monitor compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price natural gas position in relation to its customer supply commitments.

Energy Services enters into electricity financial swaps with three counterparties to manage the economic exposure of providing fixed-price electricity to its customers. Energy Services monitors its fixed-price electricity positions on a daily basis to monitor compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price electricity position in relation to its customer supply commitments.

Specialty Chemicals has entered into a fixed-price electricity purchase agreement to manage the economic exposure of certain of its chemical facilities to changes in the market price of electricity, in a market where the price of electricity is not fixed. The fair value with respect to this agreement is with a single counterparty.

Energy Services enters into various propane forward purchase and sale agreements with more than twenty counterparties to manage the economic exposure of its wholesale customer supply contracts. Energy Services monitors its fixed-price propane positions on a daily basis to monitor compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price propane gas position in relation to its wholesale customer supply commitments.

Superior, on behalf of its operating divisions, enters into foreign currency forward contracts with ten counterparties to manage the economic exposure of Superior's operations to movements in foreign currency exchange rates. Energy Services contracts a portion of its fixed-price natural gas, and propane purchases and sales in US dollars and enters into forward US dollar purchase contracts to create an effective Canadian dollar fixed-price purchase cost. Specialty Chemicals enters into US dollar forward sales contracts on an ongoing basis to mitigate the impact of foreign exchange fluctuations on sales margins on production from its Canadian plants that is sold in US dollars. Interest expense on Superior's US dollar debt is also used to mitigate the impact of foreign exchange fluctuations.

Superior had interest rate swaps with a single counterparty to manage the interest rate mix of its total debt portfolio and related overall cost of borrowing. Superior manages its overall liquidity risk in relation to its general funding requirements by utilizing a mix of short-term and longer-term maturity debt instruments. Superior reviews its mix of short-term and longer-term debt instruments on an ongoing basis to ensure it is able to meet its liquidity requirements.

Superior utilizes a variety of counterparties in relation to its derivative and non-financial derivative instruments in order to mitigate its counterparty risk. Superior assesses the credit worthiness of its significant counterparties at the inception and throughout the term of a contract. Superior is also exposed to customer credit risk. Energy Services deals with a large number of small customers, thereby reducing this risk. Specialty Chemicals, due to the nature of its operations, sells its products to a relatively small number of customers. Specialty Chemicals mitigates its customer credit risk by actively monitoring the overall credit worthiness of its customers. Energy Services has minimal exposure to customer credit risk as local natural gas and electricity distribution utilities have been mandated, for a nominal fee, to provide Energy Services with invoicing, collection and the assumption of bad debts risk for residential customers. Energy Services actively monitors the credit worthiness of its commercial customers.

Allowance for doubtful accounts and past due receivables are reviewed by Superior at each balance sheet reporting date. Superior updates its estimate of the allowance for doubtful accounts based on the evaluation of the recoverability of accounts receivable balances of each customer taking into account historic collection trends of past due accounts and current economic conditions. Accounts receivable are written-off once it is determined they are not collectable. Superior's maximum amount of credit risk is approximately $343.1 million and includes accounts receivable trade, other receivables and unrealized gains on financial instruments.

Pursuant to their respective terms, trade accounts receivable, before deducting an allowance for doubtful accounts, are aged as follows:

December 31,	**2009**	2008
Current	**214.8**	150.5
Past due less than 90 days	**55.6**	67.6
Past due over 90 days	**10.2**	16.7
Trade accounts receivable, total	**280.6**	234.8

Superior's trade accounts receivable are stated after deducting a provision of $10.2 million as at December 31, 2009 (December 31, 2008 – $9.3 million). The movement in the provision for doubtful accounts was as follows:

December 31,	**2009**	2008
Allowance for doubtful accounts, opening	**(9.3)**	(5.1)
Bad debt expense, net of recoveries	**(7.5)**	(8.1)
Written-off	**6.6**	3.9
Allowance for doubtful accounts, ending	**(10.2)**	(9.3)

Superior's contractual obligations associated with its financial liabilities are as follows:

	2010	2011	2012	2013	2014	2015 and Thereafter	Total
Revolving term bank credits and term loans	5.1	360.5	33.5	33.5	31.4	181.4	645.4
Convertible unsecured subordinated debentures	–	–	174.9	–	69.0	75.0	318.9
Cdn$ equivalent of US$ foreign currency forward purchase contracts	55.3	6.0	–	–	–	–	61.3
US$ foreign currency forward sales contracts (US$)	162.4	124.5	104.5	81.0	–	–	472.4
Euro€ foreign currency forward sales contracts (Euro)	5.1	0.3	–	–	–	–	5.4
Fixed-price electricity purchase commitments	17.7	17.7	17.7	17.7	17.7	53.1	141.6
Cdn$ natural gas purchases	74.0	9.3	7.5	6.9	–	–	97.7
US$ natural gas purchases (US$)	34.7	2.0	–	–	–	–	36.7
US$ heating oil purchases (US$)	1.5	–	–	–	–	–	1.5
US$ propane purchases (US$)	13.6	–	–	–	–	–	13.6
US$ butane purchases (US$)	1.9	–	–	–	–	–	1.9

Superior's contractual obligations are considered to be normal course operating commitments and do not include the impact of mark-to-market fair values on financial and non-financial derivatives. Superior expects to fund these obligations through a combination of cash flow from operations, proceeds on revolving term bank credits and proceeds on the issuance of share capital.

Superior's financial instruments' sensitivities to changes in foreign currency exchange rates, interest rates and various commodity prices and the impact to net earnings are detailed below:

	2009
Increase (decrease) to net earnings of a $0.01 increase in Cdn$ to the US$ exchange rate	**5.6**
Decrease to net earnings of a 0.5% increase in interest rates	**(1.7)**
Increase (decrease) to net earnings of a $0.40/GJ increase in the price of natural gas	**17.8**
Increase (decrease) to net earnings of a $0.04/litre increase in the price of propane	**0.6**
Increase (decrease) to net earnings of a $1.00/kWh increase in the price of electricity	**1.9**

The calculation of Superior's sensitivity to changes in foreign currency exchange rates, interest rates and various commodity prices represent the change in fair value of the financial instrument without consideration of the value of the underlying variable, for example, the underlying customer contracts. The recognition of the sensitivities identified above would have impacted Superior's unrealized gain or loss on financial instruments and would not have a material impact on Superior's cash flow from operations.

12. INCOME TAXES OF SUPERIOR

On December 31, 2008, Superior converted from a publicly traded income trust to a publicly traded corporation by way of a plan of arrangement with Ballard Power Systems Inc. (Ballard) for cash consideration of $46.3 million. The transaction resulted in Superior increasing its tax basis by approximately $1,013.0 million. Additional consideration may be payable to Ballard in future periods based on the finalization of tax basis available to Superior. Superior's calculation of current and future income taxes for the year ended December 31, 2009 and December 31, 2008 is based on the conversion to a corporate structure effective December 31, 2008. Consistent with prior periods, Superior recognizes a provision for income taxes for its subsidiaries that are subject to current and future income taxes, including United States income tax, United States non-resident withholding tax and Chilean income tax.

Total income taxes are different from the amount computed by applying the corporate Canadian enacted statutory rate for 2009 of 31.0% (2008 – 31.2%). The reduction in statutory rates reflects previously enacted federal tax rate reductions. The reasons for these differences are as follows:

	2009	2008
Net earnings	**68.3**	67.7
Less: net earnings of Superior taxed directly in the hands of the unitholders	**–**	(40.4)
Income tax expense of Superior	**12.7**	9.9
Earnings of Superior before taxes and after distribution of income to unitholders	**81.0**	37.2
Computed income tax expense as a corporate entity	**25.1**	11.6
Establishment of future income tax due to conversion to a corporation [(1)]	**–**	(18.7)
Higher effective foreign tax rates	**1.4**	2.6
Changes in future income tax rates	**18.0**	14.4
Non-deductible costs and other	**3.2**	–
Valuation allowance	**(2.5)**	–
Amortization of deferred credit	**(26.6)**	–
Non-taxable earnings	**(5.9)**	–
Income tax expense of Superior	**12.7**	9.9

(1) For the year ended December 31, 2008, Superior's income tax expense or recovery was calculated on the basis of Superior converting to a corporation on December 31, 2008.

Income tax expense or recovery of Superior for the years ended December 31, 2009 and 2008 is comprised of the following:

	2009	2008
Current income tax expense	**1.1**	13.8
Future income tax expense (recovery)	**11.6**	(3.9)
Total income tax expense	**12.7**	9.9

The components of the net future income tax asset as at December 31, 2009 and 2008 are as follows:

December 31,	**2009**	2008
Tax values over carrying value of tangible assets	**(36.3)**	(3.3)
Accounting reserves, deductible when paid	**12.8**	15.5
Benefit of capital and non-capital tax loss carry-forwards	**304.9**	340.5
Unrealized gains/losses on financial instruments	**22.0**	9.4
Capitalized customer acquisition costs	**(4.1)**	(5.2)
Other	**1.1**	1.4
Total future income tax asset	**300.4**	358.3
Less:		
Valuation allowance – Canadian capital loss carry-forwards	**(76.4)**	(84.4)
Valuation allowance – United States capital loss carry-forwards	**(19.4)**	(22.1)
Valuation allowance – Canadian non-capital loss carry-forwards	**(0.8)**	–
Valuation allowance – United States non-capital loss carry-forwards	**(1.2)**	–
Future income tax asset [1]	**202.6**	251.8

(1) As at December 31, 2009, Superior had a total deferred credit of $270.9 million related to its transaction with Ballard.

The components of investment tax credit as at December 31, 2009 and 2008 are as follows:

December 31,	**2009**	2008
Canadian federal and provincial investment tax credits	**120.2**	133.1

The net future income tax asset relates to the following tax jurisdictions as at December 31, 2009 and 2008:

December 31,	**2009**	2008
Canada	**216.5**	377.0
United States	**(12.0)**	7.8
Chile	**(1.9)**	0.1
Total future income tax asset	**202.6**	384.9

Superior has available to carry forward the following as at December 31, 2009 and 2008:

December 31,	**2009**	2008
Canadian non-capital losses	**97.6**	206.7
Canadian scientific research expenditures	**585.9**	590.7
Canadian capital losses	**598.3**	630.6
United States non-capital losses	**50.0**	–
United States capital losses	**48.5**	56.8
Chilean non-capital losses	**22.9**	24.1
Canadian federal and provincial investment tax credits	**177.9**	192.3

As at December 31, 2009, Superior had non-capital loss carry-forwards available to reduce future years' taxable income, which expire as follows:

December 31,	U.S.	Canada
2010	**–**	–
2011	**–**	–
2012	**–**	–
2013	**–**	–
2014	**–**	–
Thereafter	**50.0**	**97.6**

The Canadian scientific research expenditures, Canadian and United States capital losses and the Chilean non-capital losses may be carried forward indefinitely.

As at December 31, 2009, Superior had Canadian federal and provincial investment tax credits available to reduce future years' taxable income, which expire as follows:

December 31,	
2010	**6.8**
2011	**9.1**
2012	**6.1**
2013	**7.6**
2014	**5.6**
Thereafter	**142.7**
	177.9

13. SHAREHOLDERS' EQUITY AUTHORIZED

Superior is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. The holders of common shares are entitled to dividends if, as and when declared by the Board of Directors; to one vote per share at meetings of the holders of common shares; and upon liquidation, dissolution or winding up of Superior to receive pro rata the remaining property and assets of Superior, subject to the rights of any shares having priority over the common shares, of which none are outstanding.

Preferred shares are issuable in series with each class of preferred share having such rights as the Board of Directors may determine. Holders of preferred shares are entitled, in priority of holders of common shares, to be paid rateably with holders of each other series of preferred shares the amount of accumulated dividends, if any, specified to be payable preferentially to the holders of such series upon liquidation, dissolution or winding up of Superior to be paid rateably with holders of each other series of preferred shares the amount, if any, specified as being payable preferentially to holders of such series. Superior does not have any preferred shares outstanding.

	Issued Number of Common Shares (Millions) [1]	Shareholders' Equity [1]
Unitholders' equity, December 31, 2007	87.5	616.7
Distribution reinvestment program	0.9	8.9
Cumulative impact of adopting new guidance on the valuation of financial instrument assets and liabilities (Note 2(b))	–	1.2
Other comprehensive income	–	21.9
Net earnings	–	67.7
Distributions to unitholders [2]	–	(142.2)
Shareholders' equity, December 31, 2008	88.4	574.2
Conversion feature on 7.50% convertible debentures		0.5
Cumulative impact of adopting new guidance on the valuation of financial instrument asset and liabilities (Note 2(b))		(0.3)
Issuance of common shares	11.5	131.1
Net earnings		68.3
Other comprehensive income (loss)		(41.1)
Dividends to shareholders [2]		(148.2)
Shareholders' equity, December 31, 2009	**99.9**	**584.5**

(1) On December 31, 2008, Superior redeemed its outstanding trust units in exchange for shares as a result of its conversion from a publicly traded income trust to a publicly traded corporation. (See Note 2(a))

(2) Dividends/distributions to shareholders/unitholders are declared at the discretion of Superior.

Shareholders' capital, deficit and accumulated other comprehensive income (loss) as at December 31, 2009 and December 31, 2008 consist of the following components:

December 31,	**2009**	2008
Shareholders' capital		
Share capital	**1,502.0**	1,370.9
	1,502.0	1,370.9
Contributed surplus		
Conversion feature on convertible debentures and expired warrants	**5.3**	4.8
	5.3	4.8
Accumulated deficit		
Retained earnings from operations	**601.1**	532.8
Cumulative impact of adopting new guidance on the valuation of financial instrument assets and liabilities	**(0.3)**	–
Accumulated dividends/distributions	**(1,484.1)**	(1,335.9)
	(883.3)	(803.1)
Accumulated other comprehensive income (loss)		
Balance at beginning of period	**1.6**	(20.3)
Unrealized foreign currency gains (losses) on translation of self-sustaining foreign operations	**(39.4)**	30.1
Reclassification of derivative gains and losses previously deferred	**(1.7)**	(8.2)
	(39.5)	1.6

Additional Capital Disclosures

Superior's objectives when managing capital are: (i) to maintain a flexible capital structure to preserve its ability to meet its financial obligations, including potential obligations from acquisitions; and (ii) to safeguard Superior's assets while maximizing the growth of its businesses and returns to its shareholders.

In the management of capital, Superior includes shareholders' equity (excluding accumulated other comprehensive income) (AOCI), current and long-term debt, convertible debentures, securitized accounts receivable and cash and cash equivalents.

Superior manages its capital structure and makes adjustments in light of changes in economic conditions and nature of the underlying assets. In order to maintain or adjust the capital structure, Superior may adjust the amount of dividends to shareholders, issue additional share capital, issue new debt or convertible debentures, issue new debt or convertible debentures with different characteristics and/or increase or decrease the amount of securitized accounts receivable.

Superior monitors its capital based on the ratio of senior debt outstanding to net earnings before interest, taxes, depreciation, amortization and other non-cash expenses (EBITDA), as defined by its revolving term credit facility, and the ratio of total debt outstanding to EBITDA. Superior's reference to EBITDA as defined by its revolving term credit facility may be referred to as compliance EBITDA in other public reports of Superior.

Superior is subject to various financial covenants in its credit facility agreements, including senior debt and total debt to EBITDA ratios, which are measured on a quarterly basis. As at December 31, 2009 and December 31, 2008, Superior was in compliance with all of its financial covenants.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Superior's financial objectives and strategy related to managing its capital as described above have remained unchanged from the prior fiscal year. Superior believes that its debt to EBITDA ratios are within reasonable limits, in light of Superior's size, the nature of its businesses and its capital management objectives.

The capital structure of Superior and the calculation of its key capital ratios are as follows:

	December 31, 2009	December 31, 2008
Total shareholders' equity	**584.5**	574.2
Exclude accumulated other comprehensive loss (income)	**39.5**	(1.6)
Shareholders' equity (excluding AOCI)	**624.0**	572.6
Current portion of term loans	**5.1**	13.0
Revolving term bank credits and term loans [(1)]	**640.3**	464.7
Accounts receivable securitization program	**92.7**	100.0
Total senior debt	**738.1**	577.7
Convertible unsecured subordinated debentures [(1)]	**316.7**	247.6
Total debt	**1,054.8**	825.3
Cash	**(24.3)**	(16.1)
Total capital	**1,654.5**	1,381.8

	Year Ended December 31, 2009	Year Ended December 31, 2008
Net earnings	**68.3**	67.7
Adjusted for:		
Interest on revolving term bank credits and term loans	**27.0**	23.7
Interest on convertible unsecured subordinated debentures	**16.8**	14.8
Accretion of convertible debenture issue costs	**1.4**	1.4
Amortization of property, plant and equipment	**22.6**	18.3
Amortization included in cost of sales	**37.5**	38.9
Amortization of intangible assets	**7.9**	5.3
Income tax expense	**12.7**	9.9
Unrealized losses on financial instruments	**20.6**	61.2
Gain on sale of facility	**–**	(4.0)
Energy Services non-cash pension expense	**1.7**	2.4
Proforma impact of acquisitions	**51.4**	2.5
EBITDA [(2)]	**267.9**	242.1

	Target	**December 31, 2009**	December 31, 2008
Senior debt to EBITDA [(1)] ratio	1.5:1 – 2.0:1	**2.8:1**	2.4:1
Total debt to EBITDA [(2)] ratio	2.5:1 – 3.0:1	**3.9:1**	3.4:1

(1) Revolving term bank credits and term loans and convertible unsecured subordinated debentures are before deferred issue costs.

(2) EBITDA, as defined by Superior's revolving term credit facility, is calculated on a trailing 12-month basis taking into consideration the proforma impact of acquisitions and dispositions in accordance with the requirements of Superior's credit facility. Superior's calculation of EBITDA and debt to EBITDA ratios may differ from those of similar entities.

14. NET EARNINGS PER SHARE

	2009	2008
Net earnings per share computation, basic and diluted [1]		
Net earnings	**68.3**	67.7
Weighted average shares outstanding	**91.0**	88.3
Net earnings per share, basic and diluted	**$ 0.75**	$ 0.77

(1) All outstanding debentures have been excluded from this calculation as they were anti-dilutive.

15. SHARE BASED COMPENSATION

(i) Restricted/Performance Shares

Under the terms of Superior's long-term incentive program, restricted shares (RSs) and/or performance shares (PSs) can be granted to directors, senior officers and employees of Superior. Both types of units entitle the holder to receive cash compensation in relation to the value of a specified number of underlying notional shares. RSs vest evenly over a period of three years commencing on the date of grant, except for RSs issued to directors which vest three years from the date of grant. Payments are made on the anniversaries dates of the RS to the holders entitled to receive them on the basis of a cash payment equal to the value of the underlying notional shares. PSs vest three years from the date of grant and their notional value is dependant on Superior's performance vis-à-vis other companies/trusts' performance based on certain benchmarks. As at December 31, 2009 there were 863,331 RSs outstanding (December 31, 2008 – 921,446 RSs) and 781,299 PSs outstanding (December 31, 2008 – 583,576 PSs). For the year ended December 31, 2009 total compensation expense related to RSs and PSs was $8.4 million (2008 – $6.2 million).

(ii) Trust Unit Incentive Plan (TUIP)

During 2008, in conjunction with Superior's conversion to a corporation, Superior's trust unit incentive plan was terminated and the 501,000 outstanding trust unit options were cancelled. During 2009 and 2008, no options were issued and no trust units were issued as a result of the TUIP.

16. SUPPLEMENTAL DISCLOSURE OF NON-CASH OPERATING WORKING CAPITAL CHANGES

December 31,	2009	2008
Changes in non-cash working capital:		
Accounts receivable and other	**24.9**	19.0
Inventories	**27.0**	(31.3)
Accounts payable and accrued liabilities	**(16.7)**	18.4
Other	**(10.8)**	14.5
	24.4	20.6

17. COMMITMENTS

(i) Lease and capital commitments for rail cars, vehicles, premises and other equipment for the next five years and thereafter are as follows:

2010	46.2
2011	38.8
2012	31.9
2013	26.0
2014	18.6
2015 and thereafter	23.6

(ii) Purchase commitments under long-term natural gas, propane and heating oil contracts for the next five years and thereafter are as follows:

	Cdn$ [(1)] Natural Gas	US$ [(1)] Natural Gas	Cdn$ Propane	US$ Propane	Cdn$ Heating Oil	US$ Heating Oil
2010	74.0	34.7	2.8	13.6	0.1	1.5
2011	9.3	2.0	–	–	–	–
2012	7.5	–	–	–	–	–
2013	6.9	–	–	–	–	–
2014	–	–	–	–	–	–
2015 and thereafter	–	–	–	–	–	–

(1) Does not include the impact of financial derivatives. (See Note 11.)

Superior is similarly committed to long-term natural gas and propane sales contracts to supply customers.

(iii) Specialty Chemicals has entered into a fixed-price electricity purchase contract for its Alberta power requirements, for nine years at an average cost of $45.00 to $52.00 per MWh. Commitments for the next five years and thereafter are as follows:

2010	17.7
2011	17.7
2012	17.7
2013	17.7
2014	17.7
2015 and thereafter	53.1

18. BUSINESS SEGMENTS

Superior operates three distinct operating segments: Energy Services, Specialty Chemicals and Construction Products Distribution. Superior's Energy Services operating segment provides distribution, wholesale procurement and related services in relation to propane, heating oil and other refined fuels. Energy Services also provides fixed-price natural gas and electricity supply services. Superior's Specialty Chemicals operating segment is a leading supplier of sodium chlorate and technology to the pulp and paper industries and is a regional supplier of potassium and chloralkali products to the U.S. Midwest. Superior's Construction Products Distribution operating segment is one of the largest distributors of commercial and industrial insulation in North America and the largest distributor of specialty construction products to the walls and ceilings industry in Canada. Superior's corporate office arranges intersegment foreign exchange contracts from time to time between its business segments. Realized gains and losses pertaining to intersegment foreign exchange gains and losses are eliminated under the Corporate cost column. Certain reclassifications of prior year segments have been made to conform to current year presentation. Specifically, Energy Services' results include the operations of Superior Propane and Superior Energy Management, Specialty Chemicals' results includes ERCO Worldwide and Construction Products Distribution results include Winroc results.

2009	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
Revenues	**1,312.1**	**465.6**	**469.0**	**–**	**2,246.7**
Cost of products sold	**(863.7)**	**(284.4)**	**(347.2)**	**–**	**(1,495.3)**
Realized gains on financial instruments	**(109.1)**	**(6.1)**	**0.5**	**16.7**	**(98.0)**
Gross profit	**339.3**	**175.1**	**122.3**	**16.7**	**653.4**
Expenses					
Operating and administrative	**243.4**	**119.6**	**99.5**	**13.6**	**476.1**
Amortization of property, plant and equipment	**18.1**	**–**	**4.5**	**–**	**22.6**
Amortization of intangible assets	**1.8**	**4.8**	**1.3**	**–**	**7.9**
Interest on revolving term bank credits and term loans	**–**	**–**	**–**	**27.0**	**27.0**
Interest on convertible unsecured subordinated debentures	**–**	**–**	**–**	**16.8**	**16.8**
Accretion of convertible debenture issue costs	**–**	**–**	**–**	**1.4**	**1.4**
Unrealized losses (gains) on financial instruments	**22.9**	**31.1**	**–**	**(33.4)**	**20.6**
	286.2	**155.5**	**105.3**	**25.4**	**572.4**
Net earnings (loss) before income taxes	**53.1**	**19.6**	**17.0**	**(8.7)**	**81.0**
Income tax expense				**(12.7)**	**(12.7)**
Net earnings (loss)	**53.1**	**19.6**	**17.0**	**(21.4)**	**68.3**

2008	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
Revenues	1,494.0	469.7	523.6	–	2,487.3
Cost of products sold	(1,172.0)	(305.2)	(382.9)	–	(1,860.1)
Realized gains (losses) on financial instruments	13.9	26.0	–	2.0	41.9
Gross profit	335.9	190.5	140.7	2.0	669.1
Expenses					
Operating and administrative	235.0	112.9	103.3	19.6	470.8
Amortization of property, plant and equipment	12.4	2.0	3.9	–	18.3
Amortization of intangible assets	0.3	4.5	0.5	–	5.3
Interest on revolving term bank credits and term loans	–	–	–	23.7	23.7
Interest on convertible unsecured subordinated debentures	–	–	–	14.8	14.8
Accretion of convertible debenture issue costs	–	–	–	1.4	1.4
Gain on disposal of facility	–	(4.0)	–	–	(4.0)
Unrealized losses (gains) on financial instruments	74.0	(15.2)	–	2.4	61.2
	321.7	100.2	107.7	61.9	591.5
Net earnings (loss) before income taxes	14.2	90.3	33.0	(59.9)	77.6
Income tax expense	–	–	–	(9.9)	(9.9)
Net earnings (loss)	14.2	90.3	33.0	(69.8)	67.7

Total Assets, Net Working Capital, Acquisitions and Purchase of Property, Plant and Equipment

	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
As at December 31, 2009					
Net working capital [(1)]	**93.3**	**2.8**	**116.8**	**(29.1)**	**183.8**
Total assets	**930.6**	**597.1**	**369.1**	**377.2**	**2,274.0**
As at December 31, 2008					
Net working capital [(1)]	65.5	27.6	76.5	(22.9)	146.7
Total assets	727.7	618.3	211.3	469.6	2,026.9
For the year ended December 31, 2009					
Acquisitions (Note 3)	**179.3**	**–**	**109.5**	**–**	**288.8**
Purchase of property, plant and equipment	**13.7**	**124.2**	**1.4**	**–**	**139.3**
For the year ended December 31, 2008					
Acquisitions	3.4	–	21.1	–	24.5
Purchase of property, plant and equipment	10.2	72.2	1.8	–	84.2

(1) Net working capital reflects amounts as at year end and is comprised of cash and cash equivalents, accounts receivable and inventories, less bank indebtedness, accounts payable and accrued liabilities, current portion of term loans and dividends and interest payable to shareholders and debentureholders.

Geographic Information

	Canada	United States	Other	Total Consolidated
Revenues for the year ended December 31, 2009	**1,638.9**	**526.7**	**81.1**	**2,246.7**
Property, plant and equipment as at December 31, 2009	**365.8**	**243.7**	**58.5**	**668.0**
Goodwill as at December 31, 2009	**470.7**	**57.7**	**–**	**528.4**
Total assets as at December 31, 2009	**1,685.9**	**522.2**	**65.9**	**2,274.0**
Revenues for the year ended December 31, 2008	2,056.0	348.0	83.3	2,487.3
Property, plant and equipment as at December 31, 2008	400.3	92.4	69.6	562.3
Goodwill as at December 31, 2008	454.6	18.1	–	472.7
Total assets as at December 31, 2008	1,761.1	188.7	77.1	2,026.9

19. COMPARATIVE FIGURES

Certain reclassifications of prior year amounts have been made to conform to current year presentation. Specifically, $8.5 million has been reclassified to property, plant and equipment from inventory to provide comparative presentation of certain of Energy Services' rental assets. Additionally, $25.4 million has been reclassified from current portion of deferred credit to long-term portion of the deferred credit.

20. SUBSEQUENT EVENTS

On January 20, 2010, Superior completed its acquisition of the shares of Griffith Holdings, Inc. (Griffith) for an aggregate purchase price of US$125.0 million before adjustments for working capital. Griffith is a retail and wholesale distributor of propane, heating oil and motor fuels in upstate New York. The acquisition was partially financed by the sale by Superior of 5,002,500 common shares for gross proceeds of $69.3 million on February 10, 2010. The remaining acquisition cost has been financed through borrowings from Superior's existing revolving term bank credits and term loans.

On January 27, 2010, Superior expanded the credit facility from $570 million to $600 million and certain amendments were made to Superior's financial covenant ratios. In particular, the previous consolidated senior debt coverage ratio requirement was replaced with a consolidated secured debt coverage ratio of not more than 3.0 to 1.0. Under the new test, senior unsecured debt, such as the senior unsecured debentures, is excluded from the calculation but remains part of the total debt to compliance EBITDA calculation. Superior is permitted, as a result of acquisitions, to increase its consolidated secured debt to compliance EBITDA ratio to 3.5 to 1.0 for a period of 90 days. Superior's total debt to compliance EBITDA coverage ratio requirement remains unchanged at not more than 5.0 to 1.0. Superior is within its financial covenants before and after the above amendment as at December 31, 2009.

Selected Historical Information

Energy Services

(millions of dollars except where noted)	2009	2008	2007	2006	2005
			Years Ended December 31		
Canadian propane distribution sales volumes (million of litres sold)	**1,277**	1,377	1,429	1,386	1,468
U.S. refined fuels sales volumes (millions of litres sold) (1)	**153**	–	–	–	–
Fixed-price natural gas volumes (millions of GJs sold)	**33**	33	37	40	37
Total Canadian propane distribution sales margin (cents per litre)	**18.5**	18.4	17.2	15.1	15.8
Total U.S. refined fuels sales margin (cents per litre) (1)	**10.0**	–	–	–	–
Natural gas sales margin (cents per GJ)	**90.2**	80.5	84.1	54.3	39.2
Gross profit	**340.2**	331.9	325.3	294.6	298.9
EBITDA from operations	**97.6**	103.3	111.5	101.3	103.1

(1) U.S. Refined Fuels assets were purchased during 2009.

Specialty Chemicals

(millions of dollars except where noted)	2009	2008	2007	2006	2005
			Years Ended December 31		
Total chemical sales volume (MT)	**634**	727	768	756	742
Average chemical selling price (dollars per MT)	**708**	633	557	540	550
Gross profit	**210.0**	235.3	205.2	204.1	206.9
EBITDA from operations	**93.0**	116.5	91.8	87.0	105.0

Construction Products Distribution

(millions of dollars)	2009	2008	2007	2006	2005
			Years Ended December 31		
Gross profit	**122.3**	140.7	129.8	132.2	117.8
EBITDA from operations	**22.8**	37.4	36.7	45.1	38.9

Superior Plus Corp. Consolidated

(millions of dollars except where noted)	2009	2008	2007	2006 (1)	2005 (1)
			Years Ended December 31		
Revenues	**2,246.7**	2,487.3	2,355.4	2,264.3	2,059.2
Gross profit	**653.4**	669.1	661.8	630.9	623.6
EBITDA from operations	**213.4**	257.2	240.0	233.4	247.0
Adjusted operating cash flow	**163.9**	192.3	179.5	197.0	195.0
Adjusted operating cash flow per share	**$1.80**	$2.18	$2.08	$2.30	$2.45
Average number of shares outstanding (millions)	**91.0**	88.3	86.5	85.5	79.7
Total assets	**2,274.0**	2,026.9	1,542.8	1,536.9	2,373.6
Total revolving term bank credits and term loans (2) (3)	**738.1**	577.7	441.0	441.7	744.7
Total debt (2) (3)	**1,054.8**	825.3	687.8	755.6	1,059.0

(1) Adjusted for discontinued operations.

(2) Includes off-balance sheet accounts receivable securitization program.

(3) Senior debt and total debt are stated before deferred issue costs.

Management Team

GRANT D. BILLING
Chairman &
Chief Executive Officer

Mr. Billing has served as a Director of Superior since 1994. He assumed the role of Executive Chairman in 1998. In 2006, Mr. Billing assumed the dual role of Chairman and CEO to focus on maximizing shareholder value and long-term value growth. Mr. Billing has extensive strategic and business experience and is a Chartered Accountant.

WAYNE M. BINGHAM
Executive Vice-President
& Chief Financial Officer

Mr. Bingham joined Superior Plus in 2006. He previously was Chief Financial Officer at Finning International Inc. and Ontario Power Generation. He has extensive experience in financial reporting, strategy, compliance, risk management, treasury and supply chain operations. Mr. Bingham holds a B. Comm. (Honours) and is a Chartered Accountant.

ERIC MCFADDEN
Executive Vice-President,
Business Development

Mr. McFadden joined Superior Plus in 2008. Prior to joining Superior Plus he was CEO of a wind power company, which developed, constructed, and operated three wind power projects. He also spent 14 years at Scotia Capital Inc., where his last position was Managing Director and co-head of Investment Banking in Calgary. Mr. McFadden holds a Masters of Business Administration degree from the University of Rochester and an Honours Economics degree from Wilfrid Laurier University.

DAVE TIMS
Senior Vice President,
Commodity Portfolio
Management

Mr. Tims joined Superior Plus in 2009. Prior to joining Superior Plus he was CEO of a natural gas storage development company. He has extensive energy marketing, trading and risk management experience as a Managing Director with BMO Nesbitt Burns and prior to that as Director of Supply Services with TransCanada. Mr. Tims holds a B.A. from the University of Calgary and an M.B.A. in Finance from the Simon School of Business at the University of Rochester.

JOHN D. GLEASON
President,
Energy Services
and Superior Propane

Mr. Gleason was appointed as President of the Energy Services business in late 2009. He joined Superior Plus as Senior Vice-President, Corporate Development in 2005 until becoming President of Superior Propane in 2006. He held executive positions in finance and business development at MDS Inc. for 14 years. Mr. Gleason holds B. Comm., and M.B.A. degrees and is a Chartered Accountant.

PAUL S. TIMMONS
President,
Specialty Chemicals

Mr. Timmons has been with the Specialty Chemicals business or its predecessor organization, ERCO Worldwide, for 29 years, and was appointed as President in 2001. Mr. Timmons holds an Engineering Diploma from St. Francis Xavier University and a degree in Metallurgical Engineering from Technical University of Nova Scotia.

PAUL J. VANDERBERG
President,
Building Products Distribution

Mr. Vanderberg has been President of the Building Products Distribution business or its predecessor organization, Winroc, since 2000. He previously held various executive positions in general management and business development at USG Corporation, a leading building products manufacturer. Mr. Vanderberg holds B.A. and M.B.A. degrees.

GREG L. MCCAMUS
President,
U.S. Refined Fuels and
Superior Energy Management

Mr. McCamus was appointed as President of the U.S. Refined Fuels business in late 2009. He joined Superior in 2005 as President of Superior Energy Management. He previously was President of Sprint Canada Business Solutions and held various executive positions within the deregulated telecom industry over a 20-year period. Mr. McCamus holds B.A. and M.B.A. degrees.

Board of Directors

COMMITTEE

[1] Audit Committee
[2] Governance and Nominating Committee
[3] Compensation Committee

Grant D. Billing

Chairman and CEO of Superior Plus since July 2006; Executive Chairman since 1998 and Director since 1994; Director of Provident Energy Ltd.; previously, President and CEO of Norcen Energy Resources Limited.

Catherine (Kay) Best [1]

Director since July 2007; Corporate Director and Consultant; former Executive Vice-President, Risk Management and Chief Financial Officer of the Calgary Health Region; previous partner with Ernst & Young; Director of Canadian Natural Resources Limited and Enbridge Income Fund. Member of the Audit Committee.

Robert J. Engbloom, Q.C. [2]

Director since 1996; Partner of Macleod Dixon LLP; Director of Parex Resources Inc.; Corporate Secretary of Vermilion Energy Trust and CE Franklin Ltd.; Member of the Governance and Nominating Committee.

Randall J. Findlay [2]

Director since March 2007; Corporate Director of Provident Energy Ltd., Canadian Helicopters Income Trust, Pembina Pipeline Income Fund and WellPoint Systems Inc.; former President of Provident Energy Ltd.; Member of the Governance and Nominating Committee.

Norman R. Gish [3]

Director since 2003; Director of Provident Energy Ltd.; Chairman and Director of Quadrise Canada Corporation; previous Chairman, President and CEO of Alliance Pipeline Ltd. and Aux Sable Liquid Products Inc.; past director of Noranda Inc. and Falconbridge Limited; Chairman of ICG Propane Inc. from 1998 to 2000; Chair of the Compensation Committee.

Peter A.W. Green [1][2]

Lead Director since 2003; Director since 1996 and Chairman and Trustee of the Corporation from 1996 to 2003; Chairman of Frog Hollow Group Inc.; Director of Gore Mutual Insurance Company; Chair of the Governance and Nominating Committee and member of the Audit Committee.

James S.A. MacDonald [3]

Director in 1998 and since 2000; Corporate Director and Chairman of Cormark Securities Inc.; Director of ICG Propane Inc. from 1998 to 2000; former Chairman and Managing Partner of Enterprise Capital Management Inc.; Director of MDS Inc.; Trustee and Director of Cinram International Income Fund; Director of Cymbria Inc.; Member of the Compensation Committee.

Walentin (Val) Mirosh [3]

Director since March 2007; Corporate Director and President of Mircan Resources Inc.; former Vice-President and Special Advisor to the President and Chief Operating Officer of NOVA Chemicals Corp.; former partner at Macleod Dixon LLP; Director of TC Pipelines LP and Chairman of the Advisory Council to the Faculty of Social Sciences and Director of Latin American Research Center, University of Calgary; Member of the Compensation Committee.

David P. Smith [1]

Director since 1998; Corporate Director; former Managing Partner of Enterprise Capital Management Inc.; Director of Jannock Properties Limited; Director of Xinergy Ltd.; Chair of the Audit Committee.

Peter Valentine [1]

Director since 2004; Corporate Director and Consultant; past Senior Advisor to the President and CEO of the Calgary Health Region and to the Dean of Medicine of the University of Calgary; Governor of the Canada School for Public Service (a Federal Crown Corporation); past Auditor General of Alberta; Member of the Audit Committee.

Corporate Information

BOARD OF DIRECTORS

Grant D. Billing
Chairman and CEO
Calgary, Alberta

Catherine (Kay) M. Best (1)
Calgary, Alberta

Robert J. Engbloom, Q.C. (2)
Calgary, Alberta

Randall J. Findlay (2)
Calgary, Alberta

Norman R. Gish (3)
Calgary, Alberta

Peter A.W. Green (1) (2)
Lead Director
Campbellville, Ontario

James S.A. MacDonald (3)
Toronto, Ontario

Walentin (Val) Mirosh (3)
Calgary, Alberta

David P. Smith (1)
Toronto, Ontario

Peter Valentine (1)
Calgary, Alberta

(1) Member of Audit Committee
(2) Member of Governance and Nominating Committee
(3) Member of Compensation Committee

CORPORATE OFFICERS AND SENIOR MANAGEMENT

Grant D. Billing
Chairman and CEO

Wayne M. Bingham
Executive Vice-President
and Chief Financial Officer

Eric McFadden
Executive Vice-President
Business Development

Dave Tims
Senior Vice-President, Commodity Portfolio Management

John D. Gleason
President, Energy Services and Superior Propane

Greg L. McCamus
President, U.S. Refined Fuels
and Superior Energy Management

Paul S. Timmons
President, Specialty Chemicals

Paul J. Vanderberg
President, Construction Products Distribution

Jay Bachman
Vice-President, Investor Relations and Planning

Nick Beuglet
Corporate Controller

A. Scott Daniel
Vice-President, Treasurer

Craig S. Flint
Vice-President, Business Development
and Compliance

Businesses

ENERGY SERVICES

Canadian Propane Distribution
Superior Propane
1111 – 49 Avenue NE
Calgary, Alberta T2E 8V2
Tel: 403-730-7500
Fax: 403-730-7512

Fixed-Price Energy Services
Superior Energy Management
6860 Century Avenue
East Tower, Suite 2001
Mississauga, Ontario L5N 2W5
Toll-free: 1-866-772-7727
Fax: 905-542-7715

U.S. Refined Fuels
Superior Energy Services
6860 Century Avenue
East Tower, Suite 2001
Mississauga, Ontario L5N 2W5
Toll-free: 1-866-772-7727
Fax: 905-542-7715

Supply Portfolio Management
Superior Gas Liquids
1400, 840 – 7 Avenue SW
Calgary, Alberta T2P 3G2
Toll-free: 1-866-772-7727
Fax: 905-542-7715

CONSTRUCTION PRODUCTS DISTRIBUTION

Winroc
4949 – 51 Street SE
Calgary, Alberta T2B 3S7
Tel: 403-236-5383
Fax: 403-279-0372

Specialty Products & Insulation Co.
PO Box 576
197 Commercial Avenue
East Petersburg, Pennsylvania
17520-0576
Tel: 717-569-3900

SPECIALTY CHEMICALS

ERCO Worldwide
200, 302 The East Mall
Toronto, Ontario M9B 6C7
Tel: 416-239-7111
Fax: 416-239-0235

Shareholder Information

SUPERIOR PLUS CORP.

Suite 1400, 840 – 7 Avenue SW
Calgary, Alberta T2P 3G2
Telephone: 403-218-2970
Facsimile: 403-218-2973
Toll Free: 1-866-490-PLUS (7587)
E-mail: info@superiorplus.com
Website: www.superiorplus.com

TRUSTEE AND TRANSFER AGENT

Computershare Trust Company of Canada
Suite 600, 530 – 8 Avenue SW
Calgary, Alberta T2P 3S8
or:
9th Floor, 100 University Avenue
Toronto, Ontario M5J 2Y1
Toll Free: 1-800-564-6253
Website: www.computershare.com/services

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
3000 Scotia Centre
700 – 2nd Street SW
Calgary, Alberta T2P 0S7

ANNUAL MEETING OF SHAREHOLDERS

The Corporation's Annual Meeting of Shareholders will be held in the Lecture Theatre of The Metropolitan Centre, 333 – 4 Avenue SW, Calgary, Alberta on Wednesday, May 5, 2010 at 2:00 p.m. (MDT).

CASH DIVIDENDS

Superior Plus pays dividends on a monthly basis. The record date for each dividend will be the last day of the month and the payment will be made on or before the fifteenth day of the following month.

TORONTO STOCK EXCHANGE (TSX) LISTINGS

SPB:	Superior Plus Corp. shares
SPB.db.b:	5.75% Convertible Debentures Convertible at $36.00 per share Maturity date: December 31, 2012
SPB.db.c:	5.85% Convertible Debentures Convertible at $31.25 per share Maturity date: October 31, 2015
SPB.db.d:	7.5% Convertible Debentures Convertible at $13.10 per share Maturity date: December 31, 2014

Designed and produced by Merlin Edge Inc. www.merlinedge.com Printed in Canada

Superior Plus Share Price and Volumes – TSX

Quarterly high, low, close and volumes for 2008 and 2009.

The table below sets forth the high and low prices, as well as the volumes, for the shares as traded on the TSX, on a quarterly basis.

	2009			2008		
	High	**Low**	**Volume**	High	Low	Volume
First quarter	**$ 12.70**	**$ 8.95**	**9,544,437**	$ 14.32	$ 10.49	11,739,584
Second quarter	**$ 11.94**	**$ 9.02**	**9,265,095**	$ 14.08	$ 11.38	15,115,504
Third quarter	**$ 12.00**	**$ 10.08**	**15,662,939**	$ 13.85	$ 11.05	7,829,905
Fourth quarter	**$ 14.67**	**$ 11.55**	**21,468,258**	$ 13.31	$ 8.51	13,271,784
Year	**$ 14.67**	**$ 8.95**	**55,940,729**	$ 14.32	$ 8.51	47,956,778

For more information about Superior Plus Corp.
send your inquiries to: info@superiorplus.com

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Superior Plus