

HOLLY CORP
Form S-4
March 21, 2011

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As filed with the Securities and Exchange Commission on March 21, 2011

Registration No. 333-[]

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form S-4

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933
HOLLY CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
Incorporation or organization)*

2911
*(Primary Standard Industrial
Classification Code Number)*

75-1056913
*(I.R.S. Employer
Identification No.)*

**100 Crescent Court, Suite 1600
Dallas, Texas 75201-6915
(214) 871-3555**

(Address, including ZIP Code, and telephone number) Including area code, of registrant's principal executive offices)

**Denise C. McWatters
Vice President, General Counsel and Secretary
Holly Corporation
100 Crescent Court, Suite 1600
Dallas, Texas 75201-6915
(214) 871-3555**

(Name, address, including ZIP code, and telephone number, Including area code, of agent for service)

Copies to:

**Alan J. Bogdanow
Christopher R. Rowley
Vinson & Elkins LLP
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201-2975
(214) 220-7700**

**J. Currie Bechtol
Vice President-General Counsel
and
Secretary
Frontier Oil Corporation
10000 Memorial Drive, Suite 600
Houston, Texas 77024-3411
(713) 688-9600**

**Robert V. Jewell
Melinda H. Brunger
Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002
(713) 220-4200**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed joint proxy statement/prospectus.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
 (Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

- Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
- Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value \$0.01 per share	51,608,956 shares(1)	N/A	\$2,883,493,510(2)	\$334,774(3)

- (1) Represents the estimated maximum number of shares of the Registrant's common stock to be issued upon completion of the merger described herein. Calculated assuming the conversion of (a) 104,778,621 shares of Frontier Oil Corporation (Frontier) common stock outstanding on March 14, 2011, (b) 1,351,877 shares of Frontier common stock subject to restricted stock awards granted on or prior to March 14, 2011, (c) 665,173 shares of Frontier common stock subject to performance share units granted on or prior to March 14, 2011, (d) 42,360 shares of Frontier common stock subject to restricted stock units granted on or prior to March 14, 2011, and (e) up to 434,793 shares of Frontier common stock that may be issued pursuant to options outstanding as of March 14, 2011.
- (2) Estimated solely for purposes of calculating the registration fee required by Section 6(b) of the Securities Act and calculated pursuant to Rules 457(f)(1) and 457(c) under the Securities Act. The proposed maximum aggregate offering price of the Registrant's common stock was calculated based upon the market value of shares of Frontier common stock (the securities to be cancelled in the merger) in accordance with Rule 457(c) under the Securities Act as follows: the product of (a) \$26.88, (the average of the high and low prices per share of Frontier common stock on March 14, 2011, as quoted on the New York Stock Exchange), multiplied by (b) 107,272,824 (the number of Frontier common stock outstanding on March 14, 2011, plus the number of shares of Frontier common stock subject to restricted stock awards, performance share units and restricted stock units granted on or prior to March 14, 2011, plus the number of shares of Frontier common stock that may be issued pursuant to options outstanding as of March 14, 2011).

- (3) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to \$116.10 per \$1,000,000 of the proposed maximum aggregate offering price.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the Registration Statement shall become effective on such dates as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This joint proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED MARCH 21, 2011

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Holly Corporation (Holly) and Frontier Oil Corporation (Frontier) have agreed to a merger of equals business combination (the merger) and have entered into an Agreement and Plan of Merger, dated as of February 21, 2011 (the merger agreement). Pursuant to the terms of the merger agreement, a wholly owned subsidiary of Holly will merge with and into Frontier, with Frontier surviving as a wholly owned subsidiary of Holly. Upon completion of the merger, Holly will be the parent company of Frontier and Holly s name will be changed to HollyFrontier Corporation.

Upon completion of the merger, Frontier shareholders will receive 0.4811 shares of Holly common stock for each share of Frontier common stock that they own (the exchange ratio). The exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. Based on the closing price of Holly common stock on the New York Stock Exchange (the NYSE) on February 18, 2011, the last trading day before public announcement of the merger, the 0.4811 exchange ratio represented approximately \$26.99 in value for each share of Frontier common stock. Based on the closing price of Holly common stock on the NYSE on [], 2011, the last trading day before the date of this joint proxy statement/prospectus, the 0.4811 exchange ratio represented approximately \$[] in value for each share of Frontier common stock. Holly stockholders will continue to own their existing Holly shares. Holly common stock and Frontier common stock are currently traded on the NYSE under the symbols HOC and FTO, respectively. **We urge you to obtain current market quotations of Holly and Frontier common stock.**

We intend for the merger to qualify as a reorganization for U.S. federal income tax purposes. Accordingly, Frontier shareholders are not expected to recognize any gain or loss for U.S. federal income tax purposes upon the exchange of shares of Frontier common stock for shares of Holly common stock pursuant to the merger, except with respect to cash received in lieu of fractional shares of Holly common stock.

Based on the estimated number of shares of Holly and Frontier common stock that will be outstanding immediately prior to the closing of the merger, we estimate that, upon such closing, former Holly stockholders will own approximately 51.0% of the combined company following the merger and former Frontier shareholders will own approximately 49.0% of the combined company following the merger.

Holly and Frontier will each hold special meetings of their respective stockholders in connection with the proposed merger. At the Holly special meeting, Holly stockholders will be asked to vote on the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger and on the proposal to approve and adopt Holly s amended and restated certificate of incorporation to, among other things, increase the number of authorized shares of Holly capital stock and change the name of Holly to HollyFrontier Corporation. At the Frontier special meeting, Frontier shareholders will be asked to vote on the proposal to approve the merger agreement.

We cannot complete the merger unless the Holly stockholders approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger and the Frontier shareholders approve the merger agreement, in each case as described above. **Your vote is very important, regardless of the number of shares that you own. Whether or not you expect to attend your special meeting in person, please submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the Holly or Frontier special meeting, as applicable.**

The Holly board of directors unanimously recommends that the Holly stockholders vote FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, FOR the proposal to approve and adopt Holly's amended and restated certificate of incorporation and FOR the proposal to approve the adjournment of the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies. The Frontier board of directors unanimously recommends that the Frontier shareholders vote FOR the proposal to approve the merger agreement and FOR the proposal to approve the adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.

The obligations of Holly and Frontier to complete the merger are subject to the satisfaction or waiver of several conditions. The accompanying joint proxy statement/prospectus contains detailed information about Holly, Frontier, the special meetings, the merger agreement and the merger. **You should read this joint proxy statement/prospectus carefully and in its entirety before voting, including the section entitled Risk Factors beginning on page 16.**

We look forward to the successful combination of Holly and Frontier.

Sincerely,

Matthew P. Clifton
Chairman of the Board and Chief Executive Officer
Holly Corporation

Michael C. Jennings
Chairman, President and Chief Executive Officer
Frontier Oil Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated [], 2011 and is first being mailed to Holly stockholders and Frontier shareholders on or about [], 2011.

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**Holly Corporation
100 Crescent Court
Suite 1600
Dallas, Texas 75201-6915
(214) 871-3555**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
To Be Held On [], 2011**

To the Stockholders of Holly Corporation:

We are pleased to invite you to attend the special meeting of stockholders of Holly Corporation, a Delaware corporation (Holly), which will be held at The Crescent Club, 200 Crescent Court, 17th Floor, Dallas, Texas 75201, on [], 2011, at [] a.m., local time, for the following purposes:

to vote on a proposal to approve the issuance of shares of Holly common stock, par value \$0.01 per share, to Frontier shareholders in connection with the merger contemplated by the Agreement and Plan of Merger, dated February 21, 2011, by and among Holly, Frontier Oil Corporation (Frontier) and North Acquisition, Inc., a wholly owned subsidiary of Holly, as it may be amended from time to time (the merger agreement), a copy of which is included as Annex A to the joint proxy statement/prospectus of which this notice is a part;

to vote on a proposal to approve and adopt Holly s amended and restated certificate of incorporation, a copy of which is included as Annex F to the joint proxy statement/prospectus of which this notice is a part, to, among other things, (i) increase the number of authorized shares of Holly capital stock from 161 million to 325 million shares and (ii) change the name of Holly to HollyFrontier Corporation; and

to vote on a proposal to approve the adjournment of the Holly special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the first proposal listed above.

Holly will transact no other business at the special meeting except such business as may properly be brought before the special meeting or any adjournment or postponement thereof. Please refer to the joint proxy statement/prospectus of which this notice is a part for further information with respect to the business to be transacted at the Holly special meeting.

The Holly board of directors has fixed the close of business on [], 2011 as the record date for the Holly special meeting. Only Holly stockholders of record at that time are entitled to receive notice of, and to vote at, the Holly special meeting or any adjournment or postponement thereof. A complete list of such stockholders will be available for inspection by any Holly stockholder for any purpose germane to the special meeting during ordinary business hours for the ten days preceding the Holly special meeting at Holly s offices at the address on this notice. The eligible Holly stockholder list will also be available at the Holly special meeting for examination by any stockholder present at such meeting.

Completion of the merger is conditioned on approval of the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, but it is not conditioned on approval and adoption of Holly s amended and restated certificate of incorporation. Approval of the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger requires the approval of a majority of the votes cast at the Holly special meeting, assuming a quorum. Approval of the proposal to approve and adopt Holly s amended and restated certificate

of incorporation requires the affirmative vote of the holders of a majority of the shares of Holly common stock outstanding and entitled to vote at the special meeting. Approval of the adjournment of the Holly special

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meeting to a later date or dates, if necessary or appropriate, to permit further solicitation of proxies requires the approval of a majority of the votes cast at the Holly special meeting.

The Holly board of directors has unanimously approved the merger and the merger agreement and unanimously recommends that Holly stockholders vote FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, FOR the proposal to approve and adopt Holly's amended and restated certificate of incorporation and FOR the proposal to approve the adjournment of the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Your vote is very important. Whether or not you expect to attend the Holly special meeting in person, to ensure your representation at the Holly special meeting, we urge you to submit a proxy to vote your shares as promptly as possible by (i) accessing the internet site listed on the Holly proxy card, (ii) calling the toll-free number listed on the Holly proxy card or (iii) submitting your Holly proxy card by mail by using the provided self-addressed, stamped envelope. Submitting a proxy will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any eligible holder of Holly stock who is present at the Holly special meeting may vote in person, thereby canceling any previous proxy. In any event, a proxy may be revoked in writing at any time before the Holly special meeting in the manner described in the accompanying document. If your shares are held in the name of a bank, broker or other nominee, please follow the instructions on the voting instruction card furnished by the bank, broker or other nominee.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement and the other matters to be considered at the Holly special meeting. We urge you to carefully read this joint proxy statement/prospectus, including any documents incorporated by reference, and the Annexes in their entirety. If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of Holly common stock, please contact Holly's proxy solicitor:

Georgeson, Inc.
199 Water Street, 26th Floor
New York, New York 10038
(866) 482-4943

By Order of the Holly Board of Directors,

Denise C. McWatters
Vice President, General Counsel and Secretary

Dallas, Texas
[], 2011

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**Frontier Oil Corporation
10000 Memorial Drive, Suite 600
Houston, TX 77024-3411
(713) 688-9600**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
To Be Held On [], 2011**

To the Shareholders of Frontier Oil Corporation:

We are pleased to invite you to attend the special meeting of shareholders of Frontier Oil Corporation, a Wyoming corporation (Frontier), which will be held at the offices of Andrews Kurth LLP, 600 Travis, Suite 4200, Houston, Texas 77002, on [], 2011, at [], local time, for the following purposes:

to vote on a proposal to approve the Agreement and Plan of Merger, dated February 21, 2011, by and among Holly Corporation (Holly), Frontier and North Acquisition, Inc., a wholly owned subsidiary of Holly, as it may be amended from time to time (the merger agreement), a copy of which is included as Annex A to the joint proxy statement/prospectus of which this notice is a part; and

to vote on a proposal to approve the adjournment of the Frontier special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the foregoing proposal.

Frontier will transact no other business at the special meeting except such business as may properly be brought before the special meeting or any adjournment or postponement thereof. Please refer to the joint proxy statement/prospectus of which this notice is a part for further information with respect to the business to be transacted at the Frontier special meeting.

The Frontier board of directors has fixed the close of business on [], 2011 as the record date for the Frontier special meeting. Only Frontier shareholders of record at that time are entitled to receive notice of, and to vote at, the Frontier special meeting or any adjournment or postponement thereof. A complete list of such shareholders will be available for inspection by any Frontier shareholder for any purpose germane to the special meeting during ordinary business hours for the ten days preceding the Frontier special meeting at Frontier s headquarters, 10000 Memorial Drive, Suite 600, Houston, Texas 77024. The eligible Frontier shareholder list will also be available at the Frontier special meeting for examination by any shareholder present at such meeting.

Approval of the merger agreement requires the approval of a majority of the votes cast at the Frontier special meeting, assuming a quorum. Approval of the adjournment of the Frontier special meeting to a later date or dates, if necessary or appropriate, to permit further solicitation of proxies requires the approval of a majority of the votes cast at the Frontier special meeting.

The Frontier board of directors has unanimously adopted the merger agreement and unanimously recommends that Frontier shareholders vote FOR the proposal to approve the merger agreement and FOR the proposal to approve the adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Your vote is very important. Whether or not you expect to attend the Frontier special meeting in person, to ensure your representation at the Frontier special meeting, we urge you to submit a proxy to vote your shares

as promptly as possible by (i) accessing the internet site listed on the Frontier proxy card, (ii) calling

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the toll-free number listed on the Frontier proxy card or (iii) submitting your Frontier proxy card by mail by using the provided self-addressed, stamped envelope. Submitting a proxy will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any eligible holder of Frontier stock who is present at the Frontier special meeting may vote in person, thereby canceling any previous proxy. In any event, a proxy may be revoked in writing at any time before the Frontier special meeting in the manner described in the accompanying document. If your shares are held in a Frontier plan or in the name of a broker, bank or other nominee, please follow the instructions on the voting instruction card furnished by the plan trustee or administrator, or record holder, as appropriate.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement. We urge you to carefully read this joint proxy statement/prospectus, including any documents incorporated by reference, and the Annexes in their entirety. If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of Frontier common stock, please contact Frontier's proxy solicitor:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
(212) 750-5833

By Order of the Frontier Board of Directors,

J. Currie Bechtol
Vice President-General Counsel & Secretary

Houston, Texas
[], 2011

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about Holly and Frontier from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus free of charge by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Georgeson, Inc.

199 Water Street, 26th Floor
New York, New York 10038

Stockholders May Call Toll-Free: (866) 482-4943
Banks and Brokers May Call Collect: (212) 440-9800

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor
New York, New York 10022

Stockholders May Call Toll-Free: (888) 750-5834
Banks and Brokers May Call Collect: (212) 750-5833

Investors may also consult Holly's or Frontier's website for more information about Holly or Frontier, respectively. Holly's website is www.hollycorp.com. Frontier's website is www.frontieroil.com. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

If you would like to request any documents, please do so by [], 2011 in order to receive them before the special meetings.

For a more detailed description of the information incorporated by reference in this joint proxy statement/prospectus and how you may obtain it, see "Where You Can Find More Information" beginning on page 128.

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ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission (the SEC) by Holly, constitutes a prospectus of Holly under Section 5 of the Securities Act of 1933, as amended (the Securities Act), with respect to the shares of Holly common stock to be issued to Frontier shareholders in connection with the merger. This joint proxy statement/prospectus also constitutes a joint proxy statement for both Holly and Frontier under Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act). It also constitutes a notice of meeting with respect to the special meeting of Holly stockholders and a notice of meeting with respect to the special meeting of Frontier shareholders.

You should rely only on the information contained in or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated [], 2011. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this joint proxy statement/prospectus is accurate as of any date other than the date of the incorporated document. Neither our mailing of this joint proxy statement/prospectus to Holly stockholders or Frontier shareholders nor the issuance by Holly of shares of common stock pursuant to the merger will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation. Information contained in this joint proxy statement/prospectus regarding Holly has been provided by Holly and information contained in this joint proxy statement/prospectus regarding Frontier has been provided by Frontier.

All references in this joint proxy statement/prospectus to Holly refer to Holly Corporation, a Delaware corporation; all references in this joint proxy statement/prospectus to Merger Sub refer to North Acquisition, Inc., a Wyoming corporation and wholly owned subsidiary of Holly formed for the sole purpose of effecting the merger; all references in this joint proxy statement/prospectus to Frontier refer to Frontier Oil Corporation, a Wyoming corporation; unless otherwise indicated or as the context requires, all references in this joint proxy statement/prospectus to we, our and us refer to Holly and Frontier collectively; and, unless otherwise indicated or as the context requires, all references to the merger agreement refer to the Agreement and Plan of Merger, dated as of February 21, 2011, by and among Holly Corporation, North Acquisition, Inc. and Frontier Oil Corporation, a copy of which is included as Annex A to this joint proxy statement/prospectus. Holly and Frontier, subject to and following completion of the merger, are sometimes referred to in this joint proxy statement/prospectus as the combined company.

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<u>EX-23.5</u>	
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QUESTIONS AND ANSWERS

The following are some questions that you, as a Holly stockholder or a Frontier shareholder, may have regarding the merger and the other matters being considered at the special meetings and the answers to those questions. Holly and Frontier urge you to carefully read the remainder of this joint proxy statement/prospectus, including any documents incorporated by reference, and the Annexes in their entirety because the information in this section does not provide all of the information that might be important to you with respect to the merger and the other matters being considered at the special meetings.

Q: Why am I receiving this joint proxy statement/prospectus?

A: Holly and Frontier have agreed to a business combination pursuant to the terms of the merger agreement that is described in this joint proxy statement/prospectus. A copy of the merger agreement is included in this joint proxy statement/prospectus as Annex A.

In order to complete the merger, among other things:

Holly stockholders must approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger; and

Frontier shareholders must approve the merger agreement.

In addition, while not conditions to the closing of the transactions contemplated by the merger agreement, Holly stockholders will vote on a proposal to approve and adopt Holly's amended and restated certificate of incorporation to, among other things, increase the number of authorized shares of capital stock and change the name of Holly to HollyFrontier Corporation.

Holly and Frontier will hold separate special meetings of their stockholders to obtain these approvals. This joint proxy statement/prospectus, including its Annexes, contains and incorporates by reference important information about Holly and Frontier, the merger and the stockholder meetings of Holly and Frontier. You should read all of the available information carefully and in its entirety.

Q: What will I receive in the merger?

A: *Holly Stockholders:* Whether or not the merger is completed, Holly stockholders will retain the Holly common stock that they currently own. They will not receive any merger consideration, and they will not receive any additional shares of Holly common stock in the merger.

Frontier Shareholders: If the merger is completed, Frontier shareholders will receive 0.4811 shares of Holly common stock for each share of Frontier common stock that they hold at the effective time of the merger. Frontier shareholders will not receive any fractional shares of Holly common stock in the merger. Instead, Holly will pay cash in lieu of any fractional shares of Holly common stock that a Frontier shareholder would otherwise have been entitled to receive. Frontier shareholders will also be entitled to any dividends declared and paid by Holly with a record date after the effective time of the merger after they have surrendered their certificates representing Frontier common stock.

Q: What is the value of the merger consideration?

A: Because Holly will issue 0.4811 shares of Holly common stock in exchange for each share of Frontier common stock, the value of the merger consideration that Frontier shareholders receive will depend on the price per share of Holly common stock at the effective time of the merger. That price will not be known at the time of the special meetings and may be less than the current price or the price at the time of the special meetings. We urge you to obtain current market quotations of Holly common stock and Frontier common stock. See Risk Factors.

Q: When and where will the special shareholders meetings be held?

A: *Holly Stockholders:* The special meeting of Holly stockholders will be held at The Crescent Club, 200 Crescent Court, 17th Floor, Dallas, Texas 75201, on [], 2011, at [] a.m., local time.

Frontier Shareholders: The special meeting of Frontier shareholders will be held at the offices of Andrews Kurth LLP, 600 Travis, Suite 4200, Houston, Texas 77002, on [], 2011, at [], local time.

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Q: Who is entitled to vote at the special stockholders meetings?

A: *Holly Stockholders:* The record date for the Holly special meeting is [], 2011. Only record holders of shares of Holly common stock at the close of business on such date are entitled to notice of, and to vote at, the Holly special meeting or any adjournment or postponement thereof.

Frontier Shareholders: The record date for the Frontier special meeting is [], 2011. Only record holders of shares of Frontier common stock at the close of business on such date are entitled to notice of, and to vote at, the Frontier special meeting or any adjournment or postponement thereof.

Q: What constitutes a quorum at the special stockholders meetings?

A: *Holly Stockholders:* Stockholders who hold shares representing at least a majority of the shares entitled to vote at the Holly special meeting must be present in person or represented by proxy to constitute a quorum. All shares of Holly common stock represented at the Holly special meeting, including shares that are represented but that vote to abstain, will be treated as present for purposes of determining the presence or absence of a quorum. Broker non-votes will not be treated as present for purposes of determining the presence or absence of a quorum.

No business may be transacted at the Holly special meeting unless a quorum is present. If a quorum is not present, or if fewer shares are voted in favor of the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger than is required, if necessary or appropriate to allow additional time for obtaining additional proxies, the special meeting may be adjourned if the approval of a majority of the votes cast at the special meeting is obtained. No notice of an adjourned meeting need be given unless the adjournment is for more than 30 days or, if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. At any adjourned meeting, all proxies will be voted in the same manner as they would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the adjourned meeting.

Frontier Shareholders: Shareholders who hold shares representing at least a majority of the shares entitled to vote at the Frontier special meeting must be present in person or represented by proxy to constitute a quorum. All shares of Frontier common stock represented at the Frontier special meeting, including shares that are represented but that vote to abstain, will be treated as present for purposes of determining the presence or absence of a quorum. Broker non-votes will not be treated as present for purposes of determining the presence or absence of a quorum.

No business may be transacted at the Frontier special meeting unless a quorum is present. If a quorum is not present, or if fewer shares are voted in favor of the proposal to approve the merger agreement than is required, if necessary or appropriate to allow additional time for obtaining additional proxies, the special meeting may be adjourned if the approval of a majority of the votes cast at the special meeting is obtained. No notice of an adjourned meeting need be given unless the adjournment is for more than 30 days or, if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting. At any adjourned meeting, all proxies will be voted in the same manner as they would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the adjourned meeting.

Q: How do I vote if I am a stockholder of record?

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A: *Holly Stockholders*: If you were a record holder of Holly stock at the close of business on the record date for the Holly special meeting, you may vote in person by attending the Holly special meeting or, to ensure that your shares are represented at the Holly special meeting, you may authorize a proxy to vote by:

accessing the internet site listed on the Holly proxy card and following the instructions provided on that site anytime up to 11:59 p.m., eastern time, on [], 2011;

calling the toll-free number listed on the Holly proxy card and following the instructions provided in the recorded message anytime up to 11:59 p.m., eastern time, on [], 2011; or

submitting your Holly proxy card by mail by using the provided self-addressed, stamped envelope.

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If you hold shares of Holly common stock in street name through a stock brokerage account or through a bank or other nominee, please follow the voting instructions provided by your broker, bank or other nominee to ensure that your shares are represented at the Holly special meeting.

Frontier Shareholders. If you were a record holder of Frontier stock at the close of business on the record date for the Frontier special meeting, you may vote in person by attending the Frontier special meeting or, to ensure that your shares are represented at the Frontier special meeting, you may authorize a proxy to vote by:

accessing the internet site listed on the Frontier proxy card and following the instructions provided on that site anytime up to 11:59 p.m., eastern time, on [], 2011;

calling the toll-free number listed on the Frontier proxy card and following the instructions provided in the recorded message anytime up to 11:59 p.m., eastern time, on [], 2011; or

submitting your Frontier proxy card by mail by using the provided self-addressed, stamped envelope.

If you hold Frontier shares in street name through a stock brokerage account or through a bank or other nominee, please follow the voting instructions provided by your broker, bank or other nominee to ensure that your shares are represented at the Frontier special meeting.

Q: How many votes do I have?

A: *Holly Stockholders:* With respect to each proposal to be presented at the Holly special meeting, holders of Holly common stock are entitled to one vote for each share of Holly common stock owned at the close of business on the Holly record date. At the close of business on the Holly record date, there were [] shares of Holly common stock outstanding and entitled to vote at the Holly special meeting.

Frontier Shareholders: With respect to each proposal to be presented at the Frontier special meeting, holders of Frontier common stock are entitled to one vote for each share of Frontier common stock owned at the close of business on the Frontier record date. At the close of business on the Frontier record date, there were [] shares of Frontier common stock outstanding and entitled to vote at the Frontier special meeting.

Q: What vote is required to approve each proposal?

A: *Holly Stockholders:* The approval of the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger requires the approval of a majority of the votes cast at the Holly special meeting, assuming a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the vote for this proposal.

The approval and adoption of Holly's amended and restated certificate of incorporation requires the approval of a majority of the outstanding shares of Holly common stock entitled to vote at the Holly special meeting. Failures to vote, broker non-votes and abstentions will have the same effect as a vote against this proposal.

The adjournment of the Holly special meeting, if necessary or appropriate, to solicit additional proxies requires the approval of a majority of the votes cast at the Holly special meeting, regardless of whether there is a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the vote.

Frontier Shareholders: The approval of the merger agreement requires the approval of a majority of the votes cast at the Frontier special meeting, assuming a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the vote for this proposal.

The adjournment of the Frontier special meeting, if necessary or appropriate, to solicit additional proxies requires the approval of a majority of the votes cast at the Frontier special meeting, regardless of whether there is a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the vote for this proposal.

Q: How does the Holly board of directors recommend that Holly stockholders vote?

A: The Holly board of directors has unanimously determined that the merger and the other transactions contemplated by the merger agreement (including the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger and the approval and adoption of Holly's amended and restated certificate of incorporation) are in the best interests of Holly and its stockholders. Accordingly, the Holly board

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of directors unanimously recommends that Holly stockholders vote FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, FOR the proposal to approve and adopt Holly's amended and restated certificate of incorporation and FOR the proposal to approve the adjournment of the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Q: How does the Frontier board of directors recommend that Frontier shareholders vote?

A: The Frontier board of directors has unanimously adopted the merger agreement and determined that the merger agreement is in the best interests of Frontier and its shareholders. Accordingly, the Frontier board of directors unanimously recommends that Frontier shareholders vote FOR the proposal to approve the merger agreement and FOR the proposal to approve the adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Q: My shares are held in street name by my broker, bank or other nominee. Will my broker, bank or other nominee automatically vote my shares for me?

A: No. If your shares are held through a stock brokerage account or a bank or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. The record holder of such shares is your broker, bank or other nominee, and not you. If this is the case, this joint proxy statement/prospectus has been forwarded to you by your broker, bank or other nominee. You must provide the record holder of your shares with instructions on how to vote your shares. Otherwise, your broker, bank or other nominee may not vote your shares on any of the proposals to be considered at the Holly special meeting or the Frontier special meeting, as applicable, and a broker non-vote will result. In connection with the Holly special meeting, broker non-votes will have (i) no effect on the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger (assuming a quorum is present), (ii) the same effect as a vote AGAINST the proposal to approve and adopt Holly's amended and restated certificate of incorporation and (iii) no effect on the proposal to approve the adjournment of the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies. In connection with the Frontier special meeting, broker non-votes will have no effect on the proposal to approve the merger agreement or the proposal to approve the adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Please follow the voting instructions provided by your broker, bank or other nominee so that it may vote your shares on your behalf. Please note that you may not vote shares held in street name by returning a proxy card directly to Holly or Frontier or by voting in person at the special meeting unless you first obtain a legal proxy from your broker, bank or other nominee.

Q: What will happen if I fail to vote or I abstain from voting?

A: *Holly Stockholders:* If you fail to vote or mark your proxy or voting instructions to abstain, it will have (i) no effect on the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, (ii) the same effect as a vote AGAINST the proposal to approve and adopt Holly's amended and restated certificate of incorporation and (iii) no effect on the proposal to approve the adjournment of the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Frontier Shareholders: If you fail to vote or mark your proxy or voting instructions to abstain, it will have no effect on the proposal to approve the merger agreement or the proposal to approve the adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Q: What will happen if I return my proxy card without indicating how to vote?

A: *Holly Stockholders*: If you properly complete and sign your proxy card but do not indicate how your shares of Holly common stock should be voted on a proposal, the shares of Holly common stock represented by your proxy will be voted as the Holly board of directors recommends and, therefore, FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, FOR the proposal to approve and adopt Holly's amended and restated certificate of incorporation and FOR the

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proposal to approve the adjournment of the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Frontier Shareholders: If you fail to vote, it will have no effect on the proposal to approve the merger agreement or the proposal to approve the adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies. If you properly complete and sign your proxy card but do not indicate how your shares of Frontier common stock should be voted on a proposal, the shares of Frontier common stock represented by your proxy will be voted as the Frontier board of directors recommends and, therefore, FOR the proposal to approve the merger agreement and FOR the proposal to approve the adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.

Q: Can I change my vote or revoke my proxy after I have returned a proxy or voting instruction card?

A: Yes.

If you are the record holder of either Holly or Frontier stock: You can change your vote or revoke your proxy at any time before your proxy is voted at the applicable special meeting. You can do this by:

timely delivering a signed written notice of revocation;

timely delivering a new, valid proxy bearing a later date (including by telephone or through the internet); or

attending the special meeting and voting in person, which will automatically cancel any proxy previously given, or revoking your proxy in person. Simply attending the Holly special meeting or the Frontier special meeting without voting will not revoke any proxy that you have previously given or change your vote.

If you choose either of the first two methods, your notice of revocation or your new proxy must be received by the Secretary of Holly or Frontier, as applicable, no later than the beginning of the applicable special meeting.

Regardless of the method used to deliver your previous proxy, you may revoke your proxy by any of the above methods.

If you hold shares of either Holly or Frontier in street name : If your shares are held in street name, you must contact your broker, bank or other nominee to change your vote.

Q: What are the material U.S. federal income tax consequences of the merger to U.S. holders of Frontier common stock?

A: The merger is intended to be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). Assuming the merger qualifies as a reorganization, a holder of Frontier common stock generally will not recognize any gain or loss for U.S. federal income tax purposes upon the exchange of the holder's shares of Frontier common stock for shares of Holly common stock in connection with the merger, except with respect to cash received in lieu of fractional shares.

Q: When do you expect the merger to be completed?

A: Holly and Frontier hope to complete the merger as soon as reasonably possible and expect the closing of the merger to occur in the second or third quarter of 2011. However, the merger is subject to various regulatory

clearances and the satisfaction or waiver of other conditions, and it is possible that factors outside the control of Holly and Frontier could result in the merger being completed at an earlier time, a later time or not at all. There may be a substantial amount of time between the Holly and Frontier special meetings and the completion of the merger.

Q: Do I need to do anything with my shares of common stock other than voting for the proposals at the special meeting?

A: *Holly Stockholders:* If you are a Holly stockholder, after the merger is completed, you are not required to take any action with respect to your shares of Holly common stock.

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Frontier Shareholders: If you are a Frontier shareholder, after the merger is completed, each share of Frontier common stock that you hold will be converted automatically into the right to receive 0.4811 shares of Holly common stock together with cash in lieu of any fractional shares, as applicable. You will receive instructions at that time regarding exchanging your shares for shares of Holly common stock. You do not need to take any action at this time. Please do not send your Frontier stock certificates with your proxy card.

Q: Are stockholders entitled to appraisal rights?

A: No. Neither the stockholders of Holly nor the shareholders of Frontier are entitled to appraisal rights in connection with the merger under Delaware law or Wyoming law or under the certificate of incorporation or bylaws of either company.

Q: What happens if I sell my shares of Frontier common stock before the Frontier special meeting?

A: The record date for the Frontier special meeting is earlier than the date of the Frontier special meeting and the date that the merger is expected to be completed. If you transfer your Frontier shares after the Frontier record date but before the Frontier special meeting, you will retain your right to vote at the Frontier special meeting, but will have transferred the right to receive the merger consideration in the merger. In order to receive the merger consideration, you must hold your shares through the effective date of the merger.

Q: What if I hold shares in both Holly and Frontier?

A: If you are both a stockholder of Holly and a shareholder of Frontier, you will receive two separate packages of proxy materials. A vote cast as a Holly stockholder will not count as a vote cast as a Frontier shareholder, and a vote cast as a Frontier shareholder will not count as a vote cast as a Holly stockholder. Therefore, please separately submit a proxy for each of your Holly and Frontier shares.

Q: Who can help answer my questions?

A: Holly stockholders or Frontier shareholders who have questions about the merger, the other matters to be voted on at the special meetings, or how to submit a proxy or desire additional copies of this joint proxy statement/prospectus or additional proxy cards should contact:

If you are a Holly stockholder:

Georgeson, Inc.
199 Water Street, 26th Floor
New York, New York 10038
Stockholders May Call Toll-Free: (866) 482-4943
Banks and Brokers May Call Collect: (212) 440-9800

If you are a Frontier shareholder:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
Shareholders May Call Toll-Free: (888) 750-5834
Banks and Brokers May Call Collect: (212) 750-5833

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SUMMARY

This summary highlights information contained elsewhere in this joint proxy statement/prospectus and may not contain all the information that is important to you with respect to the merger and the other matters being considered at the Holly and Frontier special meetings. Holly and Frontier urge you to read the remainder of this joint proxy statement/prospectus carefully, including the attached Annexes, and the other documents to which we have referred you. See also the section entitled "Where You Can Find More Information" beginning on page 128. We have included page references in this summary to direct you to a more complete description of the topics presented below.

The Companies

Holly Corporation

Holly Corporation, a Delaware corporation, together with its subsidiaries, is an independent petroleum refiner in the United States that produces high value light products such as gasoline, diesel fuel, jet fuel, specialty lubricant products, and specialty and modified asphalt. Holly owns and operates through its subsidiaries a 100,000 barrels per stream day (bpsd) refinery located in Artesia, New Mexico, a 125,000 bpsd refinery in Tulsa, Oklahoma and a 31,000 bpsd refinery in Woods Cross, Utah. Holly also owns and operates an asphalt company, which manufactures and markets asphalt products from various terminals in Arizona, New Mexico and Texas. In addition, Holly owns a 75% interest in a 12-inch refined products pipeline project from Salt Lake City, Utah to Las Vegas, Nevada, together with terminal facilities in the Cedar City, Utah, and North Las Vegas areas. Furthermore, a subsidiary of Holly owns a 34% interest (including the general partner interest) in Holly Energy Partners, L.P. (HEP), which owns and operates logistical assets, including approximately 2,500 miles of petroleum product and crude oil pipelines located principally in west Texas and New Mexico; ten refined product terminals; a jet fuel terminal; eight refinery loading rack facilities; a refined products tank farm facility; on-site crude oil tankage at Holly's refineries; on-site refined product tankage at Holly's Tulsa refinery, and a 25% interest in a 95-mile crude oil pipeline joint venture. Holly offers its products primarily in the Southwestern, Rocky Mountain, and Mid-Continent regions of the United States. Holly was founded in 1947 and is based in Dallas, Texas.

Holly's common stock is traded on the NYSE under the symbol HOC.

The principal executive offices of Holly are located at 100 Crescent Court, Suite 1600, Dallas, Texas 75201-6915, and Holly's telephone number is (214) 871-3555. Additional information about Holly and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See "Where You Can Find More Information" on page 128.

Frontier Oil Corporation

Frontier Oil Corporation, a Wyoming corporation, together with its subsidiaries, engages in crude oil refining and the wholesale marketing of refined petroleum products. Frontier operates refineries in Cheyenne, Wyoming and El Dorado, Kansas with a total annual average crude oil capacity of approximately 187,000 barrels per day. The Cheyenne refinery markets its refined products primarily in the eastern slope of the Rocky Mountain region, which encompasses eastern Colorado (including the Denver metropolitan area), eastern Wyoming and western Nebraska. The El Dorado refinery markets its products in Colorado, Wyoming, Nebraska, Montana, Utah, Kansas, Oklahoma, Iowa, Missouri, North Dakota and South Dakota. The company was formerly known as Wainoco Oil Corporation and changed its name to Frontier Oil Corporation in April 1998. Frontier Oil Corporation was founded in 1949 and is headquartered in Houston, Texas.

Frontier's common stock is traded on the NYSE under the symbol FTO.

The principal executive offices of Frontier are located at 10000 Memorial Drive, Suite 600, Houston, Texas 77024, and Frontier's telephone number is (713) 688-9600. Additional information about Frontier and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See [Where You Can Find More Information](#) on page 128.

North Acquisition, Inc.

North Acquisition, Inc., a wholly owned subsidiary of Holly Corporation, is a Wyoming corporation that was formed on February 17, 2011 for the sole purpose of effecting the merger. In the merger, North Acquisition, Inc. will be merged with and into Frontier, with Frontier surviving as a wholly owned subsidiary of Holly.

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The Merger

A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. Holly and Frontier encourage you to read the entire merger agreement carefully because it is the principal document governing the merger. For more information on the merger agreement, see the section entitled "The Merger Agreement" beginning on page 90.

Form of the Merger (see page 33)

Subject to the terms and conditions of the merger agreement, at the effective time of the merger, Merger Sub, a wholly owned subsidiary of Holly formed for the sole purpose of effecting the merger, will be merged with and into Frontier. Frontier will survive the merger as a wholly owned subsidiary of Holly. Upon completion of the merger, Holly's name will be changed to HollyFrontier Corporation, subject to obtaining approval from Holly's stockholders of Holly's amended and restated certificate of incorporation.

Merger Consideration (see page 33)

Frontier shareholders will have the right to receive 0.4811 shares of Holly common stock for each share of Frontier common stock they hold at the effective time of the merger (the exchange ratio). The exchange ratio is fixed and will not be adjusted for changes in the market value of the common stock of Frontier or Holly. As a result, the implied value of the consideration to Frontier shareholders will fluctuate between the date of this joint proxy statement/prospectus and the effective date of the merger. Based on the closing price of Holly common stock on the New York Stock Exchange (the NYSE) on February 18, 2011, the last trading day before public announcement of the merger, the exchange ratio represented approximately \$26.99 in value for each share of Frontier common stock. Based on the closing price of Holly common stock on the NYSE on [], 2011, the latest practicable trading day before the date of this joint proxy statement/prospectus, the exchange ratio represented approximately \$[] in value for each share of Frontier common stock.

Material U.S. Federal Income Tax Consequences of the Merger (see page 105)

As a condition to the completion of the merger, Vinson & Elkins L.L.P., counsel to Holly, will have delivered an opinion, dated as of the closing date of the merger, that the merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code and that each of Holly, Frontier and Merger Sub will be a party to the reorganization within the meaning of Section 368(b) of the Code.

Completion of the merger is also conditioned upon the receipt by Frontier of an opinion of Andrews Kurth LLP, counsel to Frontier, dated as of the closing date of the merger, that the merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code and that no gain or loss will be recognized by Frontier or the shareholders of Frontier to the extent that they receive Holly common stock in exchange for Frontier common stock pursuant to the merger.

The merger is intended to be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. Assuming the merger qualifies as a reorganization, a holder of Frontier common stock will not recognize any gain or loss for U.S. federal income tax purposes upon the exchange of the holder's shares of Frontier common stock for shares of Holly common stock pursuant to the merger, except with respect to cash received in lieu of fractional shares of Holly common stock.

The tax opinions regarding the merger will not address any state, local or foreign tax consequences of the merger. The opinions will be based on certain assumptions and representations as to factual matters from Holly and Frontier, as well as certain covenants and undertakings by Holly and Frontier. If any of the assumptions, representations, covenants or undertakings is incorrect, incomplete, inaccurate or is violated in any material respect, the validity of the conclusions reached by counsel in their opinions would be jeopardized and the tax consequences of the merger could differ from those described in this joint proxy statement/prospectus. Neither Holly nor Frontier is currently aware of any facts or circumstances that would cause the assumptions, representations covenants and undertakings to be incorrect, incomplete, inaccurate or violated in any material respect.

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An opinion of counsel represents such counsel's best legal judgment but is not binding on the Internal Revenue Service (the IRS) or any court, so there can be no certainty that the IRS will not challenge the conclusions reflected in the opinion or that a court would not sustain such a challenge.

You are urged to consult your own tax advisor regarding the particular consequences to you of the merger.

Recommendation of the Board of Directors of Holly (see page 39)

After careful consideration, the Holly board of directors unanimously determined that the merger and the other transactions contemplated by the merger agreement are in the best interests of Holly and its stockholders, approved the merger and the merger agreement and recommended to the holders of Holly common stock the approval of the issuance of Holly common stock to Frontier shareholders in connection with the merger. The Holly board of directors approved and declared advisable Holly's amended and restated certificate of incorporation which, among other things, increases the number of authorized shares of capital stock under its certificate of incorporation and changes its corporate name at the effective time of the merger, and recommends the approval and adoption of the amended and restated certificate of incorporation to the holders of Holly common stock. For more information regarding the factors considered by the Holly board of directors in reaching its decisions relating to its recommendations, see the section entitled "The Merger - Holly's Reasons for the Merger; Recommendation of the Holly Board of Directors." **The Holly board of directors unanimously recommends that Holly stockholders vote FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, FOR the proposal to approve and adopt Holly's amended and restated certificate of incorporation and FOR the proposal to approve the adjournment of the Holly special meeting to a later date or dates, if necessary or appropriate to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the issuance of shares of Holly common stock.**

Recommendation of the Board of Directors of Frontier (see page 58)

After careful consideration, the Frontier board of directors unanimously adopted the merger agreement, determined that the merger agreement and the transactions contemplated thereby, including the merger, are in the best interests of Frontier's shareholders, and recommended that the merger agreement be approved by Frontier's shareholders. For more information regarding the factors considered by the Frontier board of directors in reaching its decision to recommend the approval of the merger agreement, see the section entitled "The Merger - Frontier's Reasons for the Merger; Recommendation of the Frontier Board of Directors." **The Frontier board of directors unanimously recommends that Frontier shareholders vote FOR the proposal to approve the merger agreement at the Frontier special meeting and FOR the proposal to approve the adjournment of the Frontier special meeting to a later date or dates, if necessary or appropriate to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the merger agreement.**

Opinions of Holly's Financial Advisors (see page 42)

Each of Morgan Stanley & Co. Incorporated (Morgan Stanley) and Deutsche Bank Securities Inc. (Deutsche Bank), Holly's financial advisors, rendered its oral opinion (subsequently confirmed in writing) to the board of directors of Holly that, as of February 21, 2011, and based upon and subject to the various assumptions, qualifications and limitations set forth in their respective written opinions, the exchange ratio of 0.4811 shares of Holly common stock to be issued in exchange for each outstanding share of Frontier common stock pursuant to the merger was fair, from a financial point of view, to Holly.

The full text of the written opinions of Morgan Stanley and Deutsche Bank, both dated February 21, 2011, which set forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in

connection with each opinion, are included in this joint proxy statement/prospectus as Annex B and Annex C, respectively. **Morgan Stanley and Deutsche Bank provided their respective opinions for the information and assistance of Holly's board of directors, in its capacity as such, for purposes of the Holly board of directors evaluation of the transactions contemplated by the merger agreement. Neither Morgan Stanley's opinion nor Deutsche Bank's opinion constitutes a recommendation to any holder of Holly common stock or Frontier common stock as to how any such holder should vote with respect to the merger. In addition,**

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neither Morgan Stanley nor Deutsche Bank was requested to opine as to, and neither opinion in any manner addresses, Holly's underlying business decision to proceed with or effect the merger.

Opinions of Frontier's Financial Advisors (see page 61)

In connection with the Merger, Frontier's board of directors received separate written opinions, each dated February 21, 2011, from Credit Suisse Securities (USA) LLC (Credit Suisse) and Citigroup Global Markets Inc. (Citi) as to the fairness, from a financial point of view and as of the date of the opinions, to holders of Frontier common stock of the exchange ratio provided for in the merger agreement. The full texts of Credit Suisse's and Citi's written opinions, which are attached to this joint proxy statement/prospectus as Annex D and Annex E, respectively, set forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken. **Each of Credit Suisse's and Citi's opinions was provided for the information of Frontier's board of directors (in its capacity as such) in connection with its evaluation of the exchange ratio from a financial point of view and did not address any other aspects or implications of the merger. Credit Suisse and Citi expressed no view as to, and neither of their opinions addressed, the underlying business decision of Frontier to effect the merger, the relative merits of the merger as compared to any alternative business strategies that might exist for Frontier or the effect of any other transaction in which Frontier might engage. Neither Credit Suisse's opinion nor Citi's opinion is intended to be and neither constitutes a recommendation to any shareholder as to how such shareholder should vote or act on any matters relating to the proposed merger or otherwise.**

Interests of Holly Directors and Executive Officers in the Merger (see page 76)

Certain of Holly's directors and executive officers have financial interests in the merger that may be different from, or in addition to, the interests of Holly stockholders generally.

As detailed below under The Merger Board of Directors and Management Following the Merger, it is anticipated that Matthew P. Clifton will serve as the Executive Chairman of the board, David L. Lamp will serve as the Executive Vice President and Chief Operating Officer, Bruce R. Shaw will serve as the Senior Vice President of Strategy and Corporate Development and all of the members of Holly's board of directors immediately prior to the merger will continue to serve as directors of the combined company upon completion of the merger.

As detailed below under The Merger Interests of Holly Directors and Executive Officers in the Merger Equity Awards, all unvested restricted stock units held by each non-employee director of Holly will automatically vest in full upon the completion of the merger. In addition, the vesting of certain outstanding equity awards held by Holly's executive officers may accelerate in the event the executive officer's employment with the combined company terminates under certain circumstances following the completion of the merger. Messrs. Clifton, Shaw and Lamp have each entered into a Waiver Agreement with Holly pursuant to which each chose to waive certain rights with respect to the accelerated vesting of outstanding equity awards held by him upon the closing of the merger, as discussed in more detail under The Merger Interests of Holly Directors and Executive Officers in the Merger Waiver Agreements.

It is anticipated that no payments or benefits will be triggered as a result of the merger under the Change in Control Agreements that Holly has entered into with its executive officers or under the Retirement Restoration Plan that provides for payments to certain executive officers.

As of [], 2011, the record date for the Holly special meeting, the directors and executive officers of Holly and their affiliates beneficially owned and were entitled to vote [] shares of Holly common stock, collectively representing approximately []% of the shares of Holly common stock outstanding and entitled to vote.

The Holly board of directors was aware of these interests and considered them, among other matters, in evaluating the merger and in making its recommendations to Holly stockholders.

Interests of Frontier Directors and Executive Officers in the Merger (see page 80)

Executive officers and members of Frontier's board of directors have interests in the merger that may be different from, or in addition to the interests of Frontier shareholders generally. Frontier's executive officers have

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agreements with Frontier that provide for severance benefits if their employment is terminated under certain circumstances following a change in control of Frontier, such as the merger. In addition, following a change in control of Frontier, such as will occur upon completion of the merger, certain of Frontier's compensation and benefit plans and arrangements provide for accelerated vesting of certain rights or benefits and accelerated payment of such benefits to its executive officers upon the termination of their employment under certain circumstances following such a change in control.

Mr. Jennings will serve as President and Chief Executive Officer, Mr. Aron will serve as Executive Vice President and Chief Financial Officer and Frontier's board of directors will continue to serve as directors of the combined company upon completion of the merger.

Frontier has existing Change in Control Severance Agreements, or CIC agreements, with each of its executive officers. The merger constitutes a change in control for purposes of the CIC agreements. If an executive officer experiences a qualifying termination upon or following the completion of the merger, he or she will receive: (1) a cash severance payment ranging from one to six times the sum of the executive officer's annual base salary, (2) full vesting of any Frontier stock options and other equity-based compensation awards, and (3) reimbursement for certain excess tax amounts.

Frontier also has existing Executive Severance Agreements with each of its executive officers that operate following certain terminations of employment unrelated to a change in control. These agreements provide for a continuation of base salary for a period of time, payment of a pro-rated annual incentive amount during the year of termination, payment of certain health care premiums, outplacement assistance, and vesting of all equity based compensation awards held by the executive with pro rata payment of performance awards.

As discussed in more detail under "The Merger" Interests of Frontier Directors and Executive Officers in the Merger Retention and Assumption Agreements, Messrs. Jennings and Aron entered into agreements whereby each chose to waive upon the closing of the merger current rights to accelerated vesting of restricted stock where such acceleration is based solely on (1) the closing of the merger, (2) voluntary termination of employment upon the relocation of Frontier's headquarters to Dallas, Texas or (3) voluntary termination of employment during the 60 days following the one year anniversary of the merger's closing.

As of [], 2011, the record date for the Frontier special meeting, the directors and executive officers of Frontier and their affiliates beneficially owned and were entitled to vote [] shares of Frontier common stock, collectively representing approximately []% of the shares of Frontier common stock outstanding and entitled to vote.

The Frontier board of directors was aware of these interests and considered them, among other matters, in approving the merger agreement and in recommending that you vote for the proposal to approve the merger agreement.

Board of Directors and Management Following the Merger (see page 85)

Immediately following the effective time of the merger, the board of directors of the combined company will consist of fourteen members, including: (i) seven directors chosen by the current Frontier directors (at least six of whom will be independent for purposes of the rules of the NYSE), and (ii) seven directors chosen by the current Holly directors (at least six of whom will be independent for purposes of the rules of the NYSE), with Matthew P. Clifton to become the Executive Chairman of the board. As of the date of this joint proxy statement/prospectus, it is anticipated that all of the members of Holly's and Frontier's respective boards of directors immediately prior to the merger will continue to serve as directors of the combined company. The fees and/or other remuneration to be provided to the non-employee directors of the combined company have not been determined.

Upon completion of the merger, (i) Matthew P. Clifton will become the Executive Chairman of the board of Holly, (ii) Michael C. Jennings will become President and Chief Executive Officer of Holly, (iii) Doug S. Aron will become the Executive Vice President and Chief Financial Officer of Holly, (iv) David L. Lamp will become the Executive Vice President and Chief Operating Officer of Holly, and (v) Bruce R. Shaw will become the Senior Vice President of Strategy and Corporate Development of Holly.

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Treatment of Frontier Stock Options and Other Long-Term Incentive Awards (see page 86)

Stock Options. Upon completion of the merger, each outstanding option to purchase shares of Frontier common stock will be converted into fully vested and immediately exercisable options to purchase shares of Holly common stock. The number of shares of Holly common stock that will be subject to such Holly stock options will be the number of shares of Frontier common stock subject to each such Frontier stock option multiplied by 0.4811, rounded down to the nearest whole share of Holly common stock. The exercise price per share of Holly common stock for such Holly stock option will equal the exercise price per share of Frontier common stock for such Frontier stock option divided by 0.4811, rounded up to the nearest whole cent. All of the outstanding Frontier stock options expire in April 2011, before the estimated completion of the merger.

Stock Units. Upon completion of the merger, each outstanding Frontier stock unit, other than Frontier stock units issued in 2011, will vest and be converted into (1) a number of shares of fully vested Holly common stock equal to 125% of the number of shares of Frontier common stock subject to such Frontier stock units, and (2) an amount of cash equal to the amount of cash and stock dividends and dividend equivalents that would have been credited to the holder under the Frontier stock plan if the Frontier stock units instead had been issued as shares of Frontier restricted stock. Frontier stock units issued in 2011 will convert into comparable Holly stock units, taking into account the exchange ratio.

Restricted Stock and Restricted Stock Units. Upon completion of the merger, each outstanding share of Frontier restricted stock (except for Frontier restricted stock issued in 2011 or held by Messrs. Jennings and Aron) will vest and be converted into the right to receive 0.4811 fully vested shares of Holly common stock. Each outstanding Frontier restricted stock unit will vest and be converted into the right to receive 0.4811 fully vested shares of Holly common stock.

Retention Agreements. As discussed in more detail under *The Merger – Interests of Frontier Directors and Executive Officers in the Merger – Retention and Assumption Agreements*, Messrs. Jennings and Aron entered into agreements whereby each chose to waive upon the closing of the merger current rights to accelerated vesting of restricted stock where such acceleration is based solely on (1) the closing of the merger, (2) voluntary termination of employment upon the relocation of Frontier's headquarters to Dallas, Texas or (3) voluntary termination of employment during the 60 days following the one year anniversary of the merger's closing.

Regulatory Clearances Required for the Merger (see page 85)

Holly and Frontier have each agreed to take actions in order to obtain regulatory clearance required to consummate the merger. Regulatory clearance includes expiration or termination of the required waiting period under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended, and the rules and regulations promulgated thereunder (the HSR Act), following required notifications with and review by the Federal Trade Commission and the Antitrust Division of the U.S. Department of Justice. On March 7, 2011, each of Holly and Frontier filed its notification under the HSR Act. On March 18, 2011, Holly and Frontier were notified of the early termination of the pre-merger waiting period under the HSR Act.

While Holly and Frontier expect to obtain all required regulatory clearances, we cannot assure you that these regulatory clearances will be obtained or that the granting of these regulatory clearances will not involve the imposition of additional conditions on the completion of the merger, including the requirement to divest assets, or require changes to the terms of the merger agreement. These conditions or changes could result in the conditions to the merger not being satisfied.

Amended and Restated Certificate of Incorporation of Holly (see page 75)

The Holly board of directors has approved, subject to Holly stockholder approval, Holly's amended and restated certificate of incorporation which, among other things, (i) changes Holly's name to HollyFrontier Corporation and (ii) increases the number of authorized shares of capital stock of Holly under its certificate of incorporation. The form of Holly's amended and restated certificate of incorporation is included in this joint proxy statement/prospectus as Annex F. The approval and adoption of Holly's amended and restated certificate of incorporation by the Holly stockholders is not a condition precedent to the closing of the merger. In the event this

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proposal is approved by Holly stockholders, but the merger is not completed, Holly's amended and restated certificate of incorporation will not become effective.

Expected Timing of the Merger

Holly and Frontier currently expect the closing of the merger to occur in the second or third quarter of 2011. However, the merger is subject to various regulatory clearances and the satisfaction or waiver of other conditions as described in the merger agreement, and it is possible that factors outside the control of Holly and Frontier could result in the merger being completed at an earlier time, a later time or not at all.

Conditions to Completion of the Merger (see page 100)

The obligations of Holly and Frontier to complete the merger are subject to the satisfaction of the following conditions:

approval of the merger agreement by a majority of the votes cast at the Frontier special meeting;

approval of the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger requires the affirmative vote of holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Holly special meeting, assuming a quorum;

the expiration or earlier termination of the waiting period (and any extension thereof) applicable to the merger under the HSR Act;

the expiration of any mandatory waiting period and receipt of any required consent under any other applicable United States federal or state antitrust laws, except where the failure to observe such waiting period or obtain such consent would not reasonably be expected to delay or prevent the consummation of the merger or have a material adverse effect on the expected benefits of the transactions contemplated by the merger agreement to Holly;

absence of any injunction, decree, order, statute, rule or regulation by a court or other governmental entity that makes unlawful or prohibits the consummation of the merger;

effectiveness of the registration statement of which this joint proxy statement/prospectus forms a part and the absence of a stop order or proceedings threatened or initiated by the SEC for that purpose;

authorization for the listing on the NYSE of the shares of Holly common stock to be issued in connection with the merger and upon conversion of the Frontier restricted stock and the shares of Holly common stock reserved for issuance pursuant to Holly stock options, subject to official notice of issuance; and

the entry into and effectiveness of a new credit facility, on the terms as set forth in the merger agreement and the schedules thereto, subject only to the consummation of the merger.

In addition, each of Holly's and Frontier's obligations to effect the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of the other party, other than the representations related to the shares of capital stock authorized, issued and outstanding or reserved for issuance and the absence of any outstanding voting debt, (i) to the extent qualified by material adverse effect, will be true and correct, and (ii) to the extent

not qualified by material adverse effect, will be true and correct except where the failure to be true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a material adverse effect on such party as of the date of the merger agreement and as of the closing date (other than those representations and warranties that were made only as of a specified date, which need only be true and correct as of such specified date);

the representations and warranties of the other party relating to the shares of capital stock authorized, issued and outstanding or reserved for issuance and the absence of any outstanding voting debt will be true and correct in all respects (other than de minimis inaccuracies) as of the date of the merger agreement and as of

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the closing date (except to the extent such representations or warranties were made only as of a specified date, in which case, as of such specified date);

the other party having performed, in all material respects, its covenants and agreements under the merger agreement required to be performed on or prior to the closing date;

receipt of a certificate executed by the other party's chairman of the board, president and chief executive officer as to the satisfaction of the conditions described in the preceding three bullets; and

receipt of a tax opinion from the party's tax counsel as described in the section titled "The Merger Agreement Conditions to Completion of the Merger," including an opinion that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code.

No Solicitation of Alternative Proposals (see page 94)

The merger agreement precludes Holly and Frontier from soliciting or engaging in discussions or negotiations with a third party with respect to a proposal for an acquisition proposal. However, if Holly or Frontier receives an unsolicited acquisition proposal from a third party, and Holly's or Frontier's board of directors, as applicable, among other things, determines in good faith (after consultation with its legal and financial advisors) that (i) such unsolicited proposal is a superior proposal to the merger, and (ii) the failure to enter into discussions regarding such proposal would be inconsistent with its fiduciary obligations under applicable law, Holly or Frontier, as applicable, may furnish non-public information to and enter into discussions with, and only with, that third party regarding such acquisition proposal.

Termination of the Merger Agreement (see page 101)

Holly and Frontier may mutually agree to terminate the merger agreement at any time, notwithstanding approval of the merger by stockholders. Either company may also terminate the merger agreement if the merger is not consummated by September 30, 2011, subject to certain exceptions. See the section entitled "The Merger Agreement Termination of the Merger Agreement" for a discussion of these and other rights of each of Holly and Frontier to terminate the merger agreement.

Termination Fees and Expenses (see page 102)

Generally, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, subject to the specific exceptions discussed in this joint proxy statement/prospectus where Holly or Frontier, as the case may be, may be required to pay a termination fee of \$80 million and an expense reimbursement up to \$12 million. See the section entitled "The Merger Agreement Expenses and Termination Fees; Liability for Breach" for a discussion of the circumstances under which such termination fee will be required to be paid.

Accounting Treatment (see page 107)

Holly prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, which is referred to as GAAP. The merger will be accounted for using the acquisition method of accounting. Holly will be treated as the acquirer for accounting purposes.

No Appraisal Rights (see page 125)

Neither the holders of shares of Holly common stock nor the holders of shares of Frontier common stock are entitled to appraisal rights in connection with the merger in accordance with Delaware or Wyoming law, respectively, nor do the certificate of incorporation or bylaws of either company confer such appraisal rights.

Comparison of Stockholder Rights and Corporate Governance Matters (see page 115)

Frontier shareholders receiving merger consideration will have different rights once they become stockholders of the combined company due to differences between the governing corporate documents of Frontier and the

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proposed governing corporate documents of the combined company. These differences are described in detail under the section entitled Comparison of Rights of Holly Stockholders and Frontier Shareholders.

Listing of Shares of Holly Common Stock; Delisting and Deregistration of Shares of Frontier Common Stock (see page 88)

It is a condition to the completion of the merger that the shares of Holly common stock to be issued to Frontier shareholders pursuant to the merger and the shares of Holly common stock reserved for issuance pursuant to Holly stock options (including those shares of Holly common stock to be issued upon conversion of the Frontier restricted stock) be authorized for listing on the NYSE at the effective time of the merger, subject to official notice of issuance. Upon completion of the merger, shares of Frontier common stock currently listed on the NYSE will cease to be listed on the NYSE and will be subsequently deregistered under the Exchange Act.

The Meetings

The Holly Special Meeting (see page 25)

The special meeting of Holly stockholders will be held at The Crescent Club, 200 Crescent Court, 17th Floor, Dallas, Texas 75201, on [], 2011, at [] a.m., local time. The special meeting of Holly stockholders is being held to consider and vote on:

a proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger;

a proposal to approve and adopt Holly's amended and restated certificate of incorporation to, among other things, increase the number of authorized shares of Holly capital stock and change the name of Holly to HollyFrontier Corporation; and

a proposal to approve the adjournment of the Holly special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the first proposal listed above.

Completion of the merger is conditioned on approval of the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger.

Only record holders of shares of Holly common stock at the close of business on [], 2011, the record date for the Holly special meeting, are entitled to receive notice of, and to vote at, the Holly special meeting or any adjournment or postponement thereof. At the close of business on the record date, the only outstanding voting securities of Holly were common stock, and [] shares of Holly common stock were issued and outstanding, approximately []% of which were owned and entitled to be voted by Holly directors and executive officers and/or their affiliates. We currently expect that Holly directors and executive officers and their affiliates will vote their shares in favor of each Holly proposal listed above, but none of them has entered into any agreement obligating him or her to do so.

With respect to each Holly proposal listed above, Holly stockholders may cast one vote for each share of Holly common stock that they own. The proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger requires the approval of a majority of the votes cast at the Holly special meeting, assuming a quorum. The proposal to approve and adopt Holly's amended and restated certificate of incorporation requires the approval of a majority of the outstanding shares of Holly common stock entitled to vote at the Holly special meeting. No business may be transacted at the Holly special meeting unless a quorum is present. If a

quorum is not present, or if fewer shares are voted in favor of the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger than is required, to allow additional time for obtaining additional proxies, the special meeting may be adjourned if the approval of a majority of the votes cast at the special meeting is obtained. No notice of an adjourned meeting need be given unless the adjournment is for more than 30 days or, if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

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The Frontier Special Meeting (see page 29)

The special meeting of Frontier shareholders will be held at the offices of Andrews Kurth LLP, 600 Travis, Suite 4200, Houston, Texas 77002, on [], 2011, at [], local time. The special meeting of Frontier shareholders is being held in order to consider and vote on:

a proposal to approve the merger agreement, which is further described in the sections titled "The Merger" and "The Merger Agreement," beginning on pages 33 and 90, respectively; and

a proposal to approve the adjournment of the Frontier special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the foregoing proposal.

Only record holders of shares of Frontier common stock at the close of business on [], 2011, the record date for the Frontier special meeting, are entitled to notice of, and to vote at, the Frontier special meeting or any adjournment or postponement thereof. At the close of business on the record date, the only outstanding voting securities of Frontier were common stock, and [] shares of Frontier common stock were issued and outstanding, approximately []% of which were owned and entitled to be voted by Frontier directors and executive officers and/or their affiliates. We currently expect that Frontier directors and executive officers and their affiliates will vote their shares in favor of both Frontier proposals listed above, but none of them has entered into any agreement obligating him or her to do so.

With respect to each Frontier proposal listed above, Frontier shareholders may cast one vote for each share of Frontier common stock that they own. The proposal to approve the merger agreement requires the approval of a majority of the votes cast at the Frontier special meeting, assuming a quorum. No business may be transacted at the Frontier special meeting unless a quorum is present. If a quorum is not present, or if fewer shares are voted in favor of the proposal to approve the merger agreement than is required, to allow additional time for obtaining additional proxies, the special meeting may be adjourned if the approval of a majority of the votes cast at the special meeting is obtained. No notice of an adjourned meeting need be given unless the adjournment is for more than 30 days or, if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting.

Table of Contents**Summary Historical Consolidated Financial Data****Summary Consolidated Historical Financial Data of Holly**

The following statement of income data for the years ended December 31, 2010, 2009 and 2008 and the balance sheet data as of December 31, 2010 and 2009 have been derived from the audited consolidated financial statements of Holly contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2010, which is incorporated into this document by reference. The statement of income data for the years ended December 31, 2007 and 2006 and the balance sheet data as of December 31, 2008, 2007 and 2006 have been derived from Holly's audited consolidated financial statements for such years, which have not been incorporated into this document by reference.

You should read this summary financial data together with the financial statements that are incorporated by reference into this document and their accompanying notes and management's discussion and analysis of financial condition and results of operations of Holly contained in such reports. See "Where You Can Find More Information" beginning on page 128.

Statement of Income Data of Holly

	Years Ended December 31,				
	2010	2009	2008	2007	2006
	(In millions, except per share data)				
Sales and other revenues	\$ 8,323	\$ 4,834	\$ 5,860	\$ 4,791	\$ 4,023
Total operating costs and expenses	8,060	4,754	5,665	4,325	3,661
Operating income	263	80	196	466	362
Interest expense	74	40	24	1	1
Income tax provision	59	7	64	165	137
Income from continuing operations	133	36	124	334	247
Net income	133	53	127	334	267
Net income attributable to Holly Corporation stockholders	\$ 104	\$ 20	\$ 121	\$ 334	\$ 267
Earnings per share attributable to Holly Corporation stockholders:					
Basic:	\$ 1.95	\$ 0.39	\$ 2.40	\$ 6.09	\$ 4.68
Diluted:	\$ 1.94	\$ 0.39	\$ 2.38	\$ 5.98	\$ 4.58

Balance Sheet Data of Holly

	As of December 31,				
	2010	2009	2008	2007	2006
	(In millions)				
Cash and cash equivalents	\$ 229	\$ 125	\$ 41	\$ 94	\$ 154
Total assets	3,701	3,146	1,874	1,664	1,238
Long-term debt(1)	811	707	342		

Total Holly Corporation stockholders equity	697	619	542	594	466
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(1) Includes long-term debt of HEP of \$482 million, \$379 million and \$342 million as of December 31, 2010, 2009 and 2008, respectively, which is non-recourse to Holly.

Table of Contents**Summary Consolidated Historical Financial Data of Frontier**

The following statement of operations data for the years ended December 31, 2010, 2009 and 2008 and the balance sheet data as of December 31, 2010 and 2009 have been derived from the audited consolidated financial statements of Frontier contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2010, which is incorporated into this document by reference. The statement of operations data for the years ended December 31, 2007 and 2006 and the balance sheet data as of December 31, 2008, 2007 and 2006 have been derived from Frontier's audited consolidated financial statements for such years, which have not been incorporated into this document by reference.

You should read this summary financial data together with the financial statements that are incorporated by reference into this document and their accompanying notes and management's discussion and analysis of financial condition and results of operations of Frontier contained in such reports. See "Where You Can Find More Information" beginning on page 128.

Statement of Operations Data of Frontier

	Years Ended December 31,				
	2010	2009	2008	2007	2006
	(In millions, except per share data)				As Adjusted(1)
Revenues	\$ 5,885	\$ 4,237	\$ 6,499	\$ 5,189	\$ 4,796
Operating costs and expenses	5,801	4,343	6,147	4,589	4,229
Operating income (loss)	84	(105)	351	600	567
Interest expense and other financing costs, net of interest and investment income	30	26	10	(13)	(6)
Provision (benefit) for income taxes	16	(48)	116	211	198
Net income (loss)	\$ 38	\$ (84)	\$ 226	\$ 402	\$ 375
Earnings (loss) per share:					
Basic:	\$ 0.36	\$ (0.81)	\$ 2.19	\$ 3.77	\$ 3.36
Diluted:	\$ 0.36	\$ (0.81)	\$ 2.18	\$ 3.73	\$ 3.33

Balance Sheet Data of Frontier

	As of December 31,				
	2010	2009	2008	2007	2006
	(In millions)				
Cash and cash equivalents	\$ 559	\$ 425	\$ 484	\$ 297	\$ 405
Total assets	2,169	2,148	2,006	1,706	1,463
Total long-term debt	348	347	347	150	150
Shareholders' equity	987	944	1,039	881	715

(1)

In the fourth quarter of 2009, Frontier adopted a change in accounting principle for inventory from a FIFO (first-in, first-out) basis to a LIFO (last-in, last-out) basis. The prior period presented has been adjusted to reflect the period specific effects of applying the new accounting principle.

Table of Contents**Summary Unaudited Pro Forma Condensed Combined Financial Information of Holly and Frontier**

The following table presents selected unaudited pro forma combined financial information about Holly's consolidated balance sheet and statement of income, after giving effect to the merger with Frontier. The information under

Statement of Income Data in the table below gives effect to the merger as if it had been consummated on January 1, 2010, the beginning of the earliest period presented. The information under Balance Sheet Data in the table below assumes the merger had been consummated on December 31, 2010. This unaudited pro forma combined financial information was prepared using the acquisition method of accounting with Holly considered the acquirer of Frontier. See Accounting Treatment on page 107.

In addition, the unaudited pro forma combined financial information includes adjustments which are preliminary and will likely be revised. There can be no assurance that such revisions will not result in material changes. The unaudited pro forma combined financial information is presented for illustrative purposes only and does not indicate the financial results of the combined company.

The information presented below should be read in conjunction with the historical consolidated financial statements of Holly and Frontier, including the related notes, filed by each of them with the SEC, and with the pro forma condensed combined financial statements of Holly and Frontier, including the related notes, appearing elsewhere in this document. See Where You Can Find More Information beginning on page 128 and Unaudited Pro Forma Condensed Combined Financial Information beginning on page 108. The unaudited pro forma condensed combined financial data are not necessarily indicative of results that actually would have occurred or that may occur in the future had the merger been completed on the dates indicated.

	Year Ended December 31, 2010 (In millions, except per share data)	
Statement of Income Data:		
Sales and other revenues	\$	14,208
Income from operations	\$	395
Income tax provision	\$	95
Net income attributable to common stockholders	\$	174
Earnings per share attributable to common stockholders basic	\$	1.66
Earnings per share attributable to common stockholders diluted	\$	1.65

	December 31, 2010 (In millions)	
Balance Sheet Data:		
Cash, cash equivalents and investments in marketable securities	\$	789
Total assets	\$	8,073
Long-term debt(1)	\$	1,179
Total stockholders' equity	\$	3,537

(1) Includes \$482 million in long-term debt of HEP which is non-recourse to Holly.

Unaudited Comparative Per Share Data

Presented below are Holly's and Frontier's historical per share data for the year ended December 31, 2010 and unaudited pro forma combined per share data for the year ended December 31, 2010. This information should be read together with the consolidated financial statements and related notes of Holly and Frontier that are incorporated by reference into this joint proxy statement/prospectus and with the unaudited pro forma combined financial data included under "Unaudited Pro Forma Condensed Combined Financial Information" beginning on page 108. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the merger had been completed as of the beginning of the period presented, nor is it necessarily indicative of the future operating results or financial position of the combined company. The historical book value per share is computed by dividing total stockholders' equity by the number of shares of common stock outstanding at the end of the period. The pro forma earnings per share of the

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combined company is computed by dividing the pro forma income by the pro forma weighted average number of shares outstanding. The pro forma book value per share of the combined company is computed by dividing total pro forma stockholders' equity by the pro forma number of shares of common stock outstanding at the end of the period.

Holly Historical	Year Ended December 31, 2010	
Earnings per share:		
Basic	\$	1.95
Diluted	\$	1.94
Book value per share of common stock	\$	13.09
Cash dividends	\$	0.60

Frontier Historical	Year Ended December 31, 2010	
Earnings per share:		
Basic	\$	0.36
Diluted	\$	0.36
Book value per share of common stock	\$	9.33
Cash dividends	\$	

Holly Unaudited Pro Forma Combined Amounts	Year Ended December 31, 2010	
Earnings per share:		
Basic	\$	1.66
Diluted	\$	1.65
Pro forma book value per share of common stock	\$	33.84
Cash dividends	\$	0.60

Frontier Unaudited Pro Forma Equivalent Per Share Data(a)	Year Ended December 31, 2010	
Earnings per share:		
Basic	\$	0.80
Diluted	\$	0.79
Pro forma book value per share of common stock	\$	16.28
Cash dividends	\$	0.29

- (a) The Frontier unaudited pro forma equivalent per share financial information is computed by multiplying the Holly unaudited pro forma combined amounts by the exchange ratio (0.4811 shares of Holly common stock for each share of Frontier common stock) so that the per share amounts are equated to the respective values for one

share of Frontier common stock.

Comparative Market Prices

The following table shows the closing sale prices of Holly and Frontier common stock as reported on the NYSE as of February 18, 2011, the last trading day before public announcement of the merger, and as of [], 2011, the last trading day before the date of this joint proxy statement/prospectus.

	Holly Common Stock	Frontier Common Stock	Implied Value for Each Share of Frontier Common Stock
February 18, 2011	\$ 56.11	\$ 28.12	\$ 26.99
[], 2011	\$ []	\$ []	\$ []

The market price of Holly common stock and Frontier common stock will fluctuate prior to the merger. Holly stockholders and Frontier shareholders are urged to obtain current market quotations for the shares prior to making any decision with respect to the merger.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus contain forward-looking statements within the meaning of the federal securities laws that are not limited to historical facts, but reflect Holly's and/or Frontier's current beliefs, expectations or intentions regarding future events. Words such as may, will, could, should, expect, plan, project, intend, anticipate, believe, predict, potential, pursue, target, continue, and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, Holly's and Frontier's expectations with respect to the synergies, costs and other anticipated financial impacts of the proposed transaction; future financial and operating results of the combined company; the combined company's plans, objectives, expectations and intentions with respect to future operations and services; approval of the proposed transaction by stockholders and by governmental regulatory authorities; the satisfaction of the closing conditions to the proposed transaction; and the timing of the completion of the proposed transaction.

All forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, many of which are generally outside the control of Holly and Frontier and are difficult to predict. These risks and uncertainties also include those set forth under Risk Factors, beginning on page 16, as well as, among others, risks and uncertainties relating to:

- the actions of actual or potential competitive suppliers of refined petroleum products in our markets;
- the demand for and supply of crude oil and refined products;
- the spread between market prices for refined products and market prices for crude oil;
- the possibility of constraints on the transportation of refined products;
- the possibility of inefficiencies, curtailments or shutdowns in refinery operations or pipelines;
- effects of governmental and environmental regulations and policies;
- the availability and cost of our financing;
- the effectiveness of our capital investments and marketing strategies;
- our efficiency in carrying out construction projects;
- our ability to acquire refined product operations or pipeline and terminal operations on acceptable terms and to integrate any existing or future acquired operations;
- the possibility of terrorist attacks and the consequences of any such attacks;
- general economic conditions;
- the proposed merger, including the ability to complete the merger in the anticipated timeframe or at all, the diversion of management in connection with the merger and our ability to realize fully or at all the anticipated benefits of the merger; and

other financial, operational and legal risks and uncertainties detailed from time to time in our SEC filings.

Holly and Frontier caution that the foregoing list of factors is not exclusive. Additional information concerning these and other risk factors is contained in Holly's and Frontier's most recently filed Annual Reports on Form 10-K, subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other SEC filings. All subsequent written and oral forward-looking statements concerning Holly, Frontier, the proposed transaction or other matters and attributable to Holly or Frontier or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements speak only as of the date made and, other than as required by law, neither Holly nor Frontier undertake any obligation to update publicly or revise any of these forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Contents**RISK FACTORS**

*In addition to the other information included and incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section entitled **Special Note Regarding Forward-Looking Statements**, you should carefully consider the following risks before deciding whether to vote for the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger and the proposal to approve and adopt Holly's amended and restated certificate of incorporation, in the case of Holly stockholders, or for the proposal to approve the merger agreement, in the case of Frontier shareholders. In addition, you should read and consider the risks associated with each of the businesses of Holly and Frontier because these risks will also affect the combined company following the merger. These risks can be found in the Annual Reports on Form 10-K for the fiscal year ended December 31, 2010 for each of Holly and Frontier, as such risks may be updated or supplemented in each company's subsequently filed Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, to the extent incorporated by reference into this joint proxy statement/prospectus. You should also read and consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference into this joint proxy statement/prospectus. See the section entitled **Where You Can Find More Information** beginning on page 128.*

Risk Factors Relating to the Merger

The exchange ratio is fixed and will not be adjusted in the event of any change in either Holly's or Frontier's stock price.

Upon closing of the merger, each share of Frontier common stock will be converted into the right to receive 0.4811 shares of Holly common stock. This exchange ratio will not be adjusted for changes in the market price of either Holly common stock or Frontier common stock between the date of signing the merger agreement and completion of the merger. Changes in the price of Holly common stock prior to the merger will affect the value of Holly common stock that Frontier common shareholders will receive on the date of the merger. The exchange ratio will be adjusted appropriately to fully reflect the effect of any reorganization, reclassification, recapitalization, stock split, split-up, stock dividend or stock distribution (including any dividend or distribution of securities convertible into Holly common stock or Frontier common stock), combination or exchange of shares with respect to, or rights issued in respect of, Holly common stock or Frontier common stock between the date of signing the merger agreement and completion of the merger.

The prices of Holly common stock and Frontier common stock at the closing of the merger may vary from their prices on the date the merger agreement was executed, on the date of this joint proxy statement/prospectus and on the date of each stockholders meeting. As a result, the value represented by the exchange ratio will also vary. For example, based on the range of closing prices of Holly common stock during the period from February 18, 2011, the last trading day before public announcement of the merger, through [], 2011, the latest practicable trading date before the date of this joint proxy statement/prospectus, the exchange ratio represented a value ranging from a high of \$[] to a low of \$[] for each share of Frontier common stock.

In addition, the merger might not be completed until a significant period of time has passed after the respective special stockholder meetings. Because the exchange ratio will not be adjusted to reflect any changes in the market value of Holly common stock or Frontier common stock, the market value of the Holly common stock issued in connection with the merger and the Frontier common stock surrendered in connection with the merger may be higher or lower than the values of those shares on earlier dates. Stock price changes may result from, among other things, changes in the business, operations or prospects of Holly or Frontier prior to or following the merger, litigation or regulatory considerations, general business, market, industry or economic conditions and other factors both within and beyond

the control of Holly and Frontier. Neither Holly nor Frontier is permitted to terminate the merger agreement solely because of changes in the market price of either company's common stock.

Current Holly and Frontier stockholders will have a reduced ownership and voting interest in the combined company after the merger.

Based on the estimated number of shares of Frontier common stock and Frontier equity awards that will be outstanding immediately prior to the closing of the merger, we estimate that Holly will issue or reserve for issuance

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approximately 51,608,956 million shares of Holly common stock to Frontier shareholders in the merger (including shares of Holly common stock to be issued in connection with outstanding Frontier equity awards). As a result of these issuances, current Holly and Frontier stockholders are expected to hold approximately 51% and 49%, respectively, of the combined company's outstanding common stock immediately following completion of the merger.

Holly and Frontier stockholders currently have the right to vote for their respective directors and on other matters affecting the applicable company. When the merger occurs, each Frontier shareholder that receives shares of Holly common stock will become a stockholder of Holly (proposed to be renamed HollyFrontier Corporation) with a percentage ownership of the combined company that will be smaller than the shareholder's percentage ownership of Frontier. Correspondingly, each Holly stockholder will remain a stockholder of Holly (proposed to be renamed HollyFrontier Corporation) with a percentage ownership of the combined company that will be smaller than the stockholder's percentage of Holly prior to the merger. As a result of these reduced ownership percentages, Holly stockholders will have less voting power in the combined company than they now have with respect to Holly, and Frontier shareholders will have less voting power in the combined company than they now have with respect to Frontier.

The merger is subject to the receipt of consents and clearances from regulatory authorities that may impose conditions that could have an adverse effect on Holly, Frontier or the combined company or, if not obtained, could prevent completion of the merger.

Before the merger may be completed, applicable waiting periods must expire or terminate under antitrust and competition laws. In deciding whether to grant antitrust or regulatory clearances, the relevant governmental entities will consider the effect of the merger on competition within their relevant jurisdiction. The terms and conditions of the approvals that are granted may impose requirements, limitations or costs or place restrictions on the conduct of the combined company's business. The merger agreement may require Holly and/or Frontier to comply with conditions imposed by regulatory entities and, in certain circumstances, either company may refuse to close the merger on the basis of those regulatory conditions. There can be no assurance that regulators will not impose conditions, terms, obligations or restrictions and that such conditions, terms, obligations or restrictions will not have the effect of delaying completion of the merger or imposing additional material costs on or materially limiting the revenues of the combined company following the merger. In addition, neither Holly nor Frontier can provide assurance that any such conditions, terms, obligations or restrictions will not result in the delay or abandonment of the merger. For a more detailed description of the regulatory review process, see the section entitled "The Merger – Regulatory Clearances Required for the Merger" beginning on page 85.

Uncertainties associated with the merger may cause a loss of management personnel and other key employees, which could adversely affect the future business and operations of the combined company.

Holly and Frontier are dependent on the experience and industry knowledge of their officers and other key employees to execute their business plans. The combined company's success after the merger will depend in part upon the ability of Holly and Frontier to retain key management personnel and other key employees. Current and prospective employees of Holly and Frontier may experience uncertainty about their roles within the combined company following the merger, which may have an adverse effect on the ability of each of Holly and Frontier to attract or retain key management and other key personnel. Accordingly, no assurance can be given that the combined company will be able to attract or retain key management personnel and other key employees of Holly and Frontier to the same extent that Holly and Frontier have previously been able to attract or retain their own employees.

Holly and Frontier may be unable to obtain in the anticipated timeframe, or at all, an acceptable credit facility in an amount sufficient to fund the combined business after the merger.

Completion of the merger is contingent upon, among other things, the combined company being able to enter into a credit facility, on the terms as set forth in the merger agreement and the schedules thereto, to be effective immediately following consummation of the merger. Holly and Frontier can provide no assurance that acceptable debt financing will be obtained on reasonable terms or at all or that the financing will not contain terms, conditions

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or restrictions that would be detrimental to the combined company after completion of the merger. Obtaining the financing is dependent on numerous factors, including market conditions, credit availability from financial institutions and both companies' financial performance. See *The Merger - Credit Agreements* beginning on page 87.

Satisfying the conditions to, and completion of, the merger may take longer than, and could cost more than, Holly and Frontier expect. Any delay in completing or any additional conditions imposed in order to complete the merger may materially and adversely affect the synergies and other benefits that Holly and Frontier expect to achieve from the merger and the integration of their respective businesses.

In addition to the required regulatory clearances, the merger is subject to a number of other conditions beyond Holly's and Frontier's control that may prevent, delay or otherwise materially adversely affect its completion. We cannot predict whether and when these other conditions will be satisfied. Furthermore, the requirements for obtaining the required clearances and approvals could delay the completion of the merger for a significant period of time or prevent it from occurring. Any delay in completing the merger could cause the combined company not to realize some or all of the synergies that we expect to achieve if the merger is successfully completed within its expected time frame. See *The Merger Agreement - Conditions to Completion of the Merger* beginning on page 100.

Failure to complete the merger could negatively impact the future business and financial results of Holly and Frontier.

Neither Holly nor Frontier can make any assurances that it will be able to satisfy all of the conditions to the merger or succeed in any litigation brought in connection with the merger. If the merger is not completed, the financial results of Holly and/or Frontier may be adversely affected and Holly and/or Frontier will be subject to several risks, including but not limited to:

being required to pay a termination fee of \$80 million under certain circumstances provided in the merger agreement;

payment of costs relating to the merger, such as legal, accounting, financial advisor and printing fees, whether or not the merger is completed;

having had the focus of each company's management on the merger instead of on pursuing other opportunities that could have been beneficial to each company; and

being subject to litigation related to any failure to complete the merger. See *The Merger - Litigation Relating to the Merger* on page 89.

If the merger is not completed, Frontier and Holly cannot assure their stockholders that these risks will not materialize and will not materially and adversely affect the business, financial results and stock prices of Frontier or Holly.

Several lawsuits have been filed against Holly and Frontier challenging the merger, and an adverse ruling may prevent the merger from being completed.

Frontier and the members of Frontier's board of directors were named as defendants, and in some cases Holly and Merger Sub were named as aiders and abettors, in several lawsuits brought by Frontier shareholders challenging the proposed merger and seeking, among other things, injunctive relief to enjoin the defendants from completing the merger on the agreed-upon terms, compensatory damages, and costs and disbursements relating to the lawsuits. To date, such shareholder actions have been filed in Harris County, Texas, Laramie County, Wyoming, the U.S. District Court for the Northern District of Texas and the U.S. District Court for the Southern District of Texas. On March 4,

2011, one plaintiff filed a motion to consolidate the cases pending in the District Courts of Harris County and appoint a lead counsel.

One of the conditions to the closing of the merger is that no decree, order or injunction shall be in effect that prevents completion of the merger. Consequently, if a settlement or other resolution is not reached in the lawsuits

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referenced above and the plaintiffs secure injunctive or other relief prohibiting, delaying or otherwise adversely affecting the defendants' ability to complete the merger, then such injunctive or other relief may prevent the merger from becoming effective within the expected timeframe or at all.

If the merger does not qualify as a reorganization under Section 368(a) of the Code, the shareholders of Frontier may be required to pay substantial U.S. federal income taxes.

As a condition to the completion of the merger, each of Vinson & Elkins L.L.P, tax counsel to Holly, and Andrews Kurth LLP, tax counsel to Frontier, will have delivered the tax opinion described in the section titled "The Merger Agreement – Conditions to Completion of the Merger," dated as of the closing date of the merger, including an opinion that the merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. These opinions will be based on certain assumptions and representations as to factual matters from Holly and Frontier, as well as certain covenants and undertakings by Holly and Frontier. If any of the assumptions, representations, covenants or undertakings is incorrect, incomplete, inaccurate or is violated in any material respect, the validity of the conclusions reached by counsel in their opinions would be jeopardized. In addition, an opinion of counsel represents counsel's best legal judgment but is not binding on the IRS or any court, so there can be no certainty that the IRS will not challenge the conclusions reflected in the opinions or that a court will not sustain such a challenge. If the IRS or a court determines that the merger should not be treated as a reorganization, a holder of Frontier common stock would recognize taxable gain or loss upon the exchange of Frontier common stock for Holly common stock pursuant to the merger. See "Material U.S. Federal Income Tax Consequences" beginning on page 105.

The merger agreement contains provisions that could discourage a potential competing acquiror of either Holly or Frontier.

The merger agreement contains no shop provisions that, subject to limited exceptions, restrict each of Holly's and Frontier's ability to solicit, initiate, or knowingly induce, encourage or facilitate competing third-party proposals for the acquisition of their company's stock or assets. In addition, the other party generally has an opportunity to offer to modify the terms of the merger in response to any competing acquisition proposals before the board of directors of the company that has received a third-party proposal may withdraw or qualify its recommendation with respect to the merger. In some circumstances, upon termination of the merger agreement, one of the parties will be required to pay a termination fee of \$80 million to the other party. See "The Merger Agreement – No Solicitation of Alternative Proposals" beginning on page 94, "The Merger Agreement – Termination of the Merger Agreement" beginning on page 101 and "The Merger Agreement – Expenses and Termination Fees; Liability for Breach" beginning on page 102.

These provisions could discourage a potential third-party acquiror that might have an interest in acquiring all or a significant portion of Holly or Frontier from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or market value than the market value proposed to be received or realized in the merger or might result in a potential third-party acquiror proposing to pay a lower price to the stockholders than it might otherwise have proposed to pay because of the added expense of the \$80 million termination fee that may become payable in certain circumstances.

If the merger agreement is terminated and either Holly or Frontier determines to seek another business combination, it may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the merger.

Holly's and Frontier's executive officers and directors have interests in the merger that may be different from, or in addition to, the interests of Holly and Frontier stockholders generally.

Holly's and Frontier's executive officers and directors have interests in the merger that may be different from, or in addition to, the interests of Holly and Frontier stockholders generally. Holly's executive officers and Frontier's executive officers negotiated the terms of the merger agreement. The executive officers of Holly and Frontier have arrangements with Holly or Frontier, as applicable, that provide for severance benefits if their employment is terminated under certain circumstances following the completion of the merger. In addition, certain of Holly's and

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Frontier's compensation and benefit plans and arrangements provide for payment or accelerated vesting or distribution of certain rights or benefits upon completion of the merger. Executive officers and directors of Frontier also have rights to indemnification and directors' and officers' liability insurance that will survive completion of the merger.

Upon completion of the merger, Mr. Clifton will serve as Executive Chairman of the board of directors of the combined company, Mr. Jennings will serve as the President and Chief Executive Officer of the combined company, and Mr. Aron will serve as the Executive Vice President and Chief Financial Officer of the combined company. Immediately following the effective time of the merger, the board of directors of the combined company will consist of fourteen members, including the current seven directors of Holly and the current seven directors of Frontier.

The Holly and Frontier boards of directors were aware of these interests at the time each approved the merger and the transactions contemplated by the merger agreement. These interests may cause Holly's and Frontier's directors and executive officers to view the merger proposal differently and more favorably than you may view it. See "The Merger Interests of Holly Directors and Executive Officers in the Merger" and "The Merger Interests of Frontier Directors and Executive Officers in the Merger" beginning on pages 76 and 80, respectively, for more information.

Risk Factors Relating to the Combined Company Following the Merger

The failure to integrate successfully the businesses of Holly and Frontier in the expected time frame would adversely affect the combined company's future results following the merger.

The merger involves the integration of two companies that have previously operated independently. The success of the merger will depend, in large part, on the ability of the combined company following the merger to realize the anticipated benefits, including synergies, cost savings, innovation and operational efficiencies, from combining the businesses of Holly and Frontier. To realize these anticipated benefits, the businesses of Holly and Frontier must be successfully integrated. This integration will be complex and time-consuming. The failure to integrate successfully and to manage successfully the challenges presented by the integration process may result in the combined company not achieving the anticipated benefits of the merger.

Potential difficulties that may be encountered in the integration process include the following:

- the inability to successfully integrate the businesses of Holly and Frontier in a manner that permits the combined company to achieve the full revenue and cost savings anticipated to result from the merger;

- complexities associated with managing the larger, more complex, combined business;

- integrating personnel from the two companies while maintaining focus on providing consistent, high-quality products;

- potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the merger;

- performance shortfalls at one or both of the companies as a result of the diversion of management's attention caused by completing the merger and integrating the companies' operations; and

- the disruption of, or the loss of momentum in, each company's ongoing business or inconsistencies in standards, controls, procedures and policies.

Any of these difficulties in successfully integrating the businesses of Holly and Frontier, or any delays in the integration process, could adversely affect the combined company's ability to achieve the anticipated benefits of the merger and could adversely affect the combined company's business, financial results, financial condition and stock price. Even if the combined company is able to integrate the business operations of Holly and Frontier successfully, there can be no assurance that this integration will result in the realization of the full benefits of synergies, cost savings, innovation and operational efficiencies that Holly and Frontier currently expect from this integration or that these benefits will be achieved within the anticipated time frame.

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The future results of the combined company will suffer if the combined company does not effectively manage its expanded operations following the merger.

Following the merger, the size of the business of the combined company will increase significantly beyond the current size of either Holly's or Frontier's business. The combined company's future success depends, in part, upon its ability to manage this expanded business, which will pose substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. There can be no assurances that the combined company will be successful or that it will realize the expected operating efficiencies, cost savings, revenue enhancements and other benefits currently anticipated from the merger.

The combined company is expected to incur substantial expenses related to the merger and the integration of Holly and Frontier.

The combined company is expected to incur substantial expenses in connection with the merger and the integration of Holly and Frontier. There are a large number of processes, policies, procedures, operations, technologies and systems that must be integrated, including purchasing, accounting and finance, sales, billing, payroll, pricing, revenue management, maintenance, marketing and benefits. While Holly and Frontier have assumed that a certain level of expenses would be incurred, there are many factors beyond their control that could affect the total amount or the timing of the integration expenses. Moreover, many of the expenses that will be incurred are, by their nature, difficult to estimate accurately. These expenses could, particularly in the near term, exceed the savings that the combined company expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings. These integration expenses likely will result in the combined company taking significant charges against earnings following the completion of the merger, and the amount and timing of such charges are uncertain at present.

Uncertainty about the merger and diversion of management could harm the combined company following the merger.

The merger could result in current and prospective employees experiencing uncertainty about their future with the combined company following the merger. These uncertainties may impair the ability of the combined company to retain, recruit or motivate key personnel. In addition, completion of the merger and integrating the companies' operations will require a significant amount of time and attention from management of the two companies. The diversion of management's attention away from ongoing operations could adversely affect business relationships of the combined company following the merger.

Covenants in the debt agreements of Holly and Frontier contain, and any future financing agreements of the combined company may contain, operating and financial restrictions that might constrain the business and financing activities of the combined company following the merger.

The operating and financial restrictions and covenants in Holly's and Frontier's debt agreements, including Holly's and Frontier's senior notes, and any future financing agreements of the combined company following the merger, including the new revolving credit facility to be entered into simultaneously with the closing of the merger, could adversely affect the combined company's ability to finance future operations or capital needs or to engage, expand or pursue its business activities. The terms of the new revolving credit facility (including with respect to interest rates, collateral, restrictive covenants, events of default, guarantees and prepayment provisions) will be negotiated and are not currently known. Depending upon the terms of the new credit facility, if the combined company fails to satisfy the covenants set forth in the new credit facility or another event of default occurs under the facility, the maturity of the loans outstanding thereunder could be accelerated or the combined company could be prohibited from borrowing for its future working capital needs and issuing letters of credit. The combined company might not have, or be able to

obtain, sufficient funds to make these immediate payments. Should the combined company desire to undertake a transaction that is prohibited by the covenants in its new credit facility, senior notes or other debt agreements, the combined company will need to obtain consent under such debt agreements or refinance them. Such refinancing may not be possible or may not be available on commercially acceptable terms. In addition, although the terms of the new revolving credit facility will be negotiated and are not currently known, the

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combined company's obligations under the new credit facility are anticipated to be secured by certain assets of the combined company. If the combined company is unable to repay its indebtedness under the new credit facility when due, the lenders could seek to foreclose on such assets. Any of these outcomes could have a material adverse effect on the business, financial condition and results of operations of the combined company.

The application of the acquisition method of accounting may result in the combined company following the merger recording a material amount of goodwill, which could result in material future impairment charges and negatively affect the combined company's financial results.

As discussed further under Accounting Treatment, applicable acquisition accounting rules require that, to the extent the purchase price exceeds the net fair value of Frontier's tangible and intangible assets and liabilities, the combined company would record such excess as goodwill on its consolidated balance sheet. Goodwill is not amortized, but is tested for impairment at least annually. Impairment charges could be recorded in the combined company's results of operations as a result of, among other items, a significant decline in the fair value of certain tangible or intangible assets, unfavorable trends in forecasted results of operations and cash flows and the uncertain economic environment, as well as other uncertainties. There can be no assurance that a material impairment charge will not occur in one or more future periods. Any such charges may materially and negatively affect the combined company's financial results.

The combined company's ability to use Frontier's state net operating loss carryforwards and state tax credits to offset future taxable income for certain state income tax purposes may be limited as a result of the merger, or if taxable income does not reach sufficient levels.

As of December 31, 2010, Frontier had estimated remaining state NOLs of approximately \$143.1 million in Kansas (of which \$23.5 million expires after 2018 and the remainder after 2019), \$47.1 million in Colorado (of which \$6.8 million expires after 2028 and the remainder after 2029) and \$11.1 million in Nebraska (of which \$2.1 million expires after 2013 and the remainder after 2014), each of which is anticipated to be carried forward to reduce income taxes payable in future years. The state of Colorado has placed a limit on the amount of NOLs that can be utilized in each of the years 2011, 2012 and 2013 to \$250,000. As of December 31, 2010, Frontier had approximately \$30.9 million of Kansas income tax credits available to be taken over the years 2011 through 2019.

The combined company's ability to utilize the Frontier NOLs and tax credits may be further limited if Frontier undergoes an ownership change, as defined in Section 382 of the Code and as such term is used in Section 383 of the Code (each of Kansas, Colorado and Nebraska state laws incorporate the Section 382 limitations, relating to limitations of NOLs, and Kansas state law incorporates the Section 383 limitations relating to limitations of tax credits). An ownership change could be triggered by substantial changes in the ownership of the outstanding stock of Frontier. An ownership change would occur if certain shareholders increase their aggregate percentage ownership of Frontier stock by more than 50 percentage points over their lowest percentage ownership at any time during the testing period, which is generally the three-year period preceding any potential ownership change. The merger is currently expected to result in an ownership change of Frontier for purposes of Section 382 and Section 383 of the Code.

Section 382 of the Code imposes an annual limitation on the amount of post-ownership change taxable income that may be offset with pre-ownership change NOLs of the corporation that experiences an ownership change. The limitation imposed by Section 382 of the Code for any post-ownership change year generally would be determined by multiplying the value of such corporation's stock immediately before the ownership change by the applicable long-term tax-exempt rate. Any unused annual limitation may, subject to certain limits, be carried over to later years, and the limitation may under certain circumstances be increased by built-in gains or reduced by built-in losses in the assets held by such corporation at the time of the ownership change. The combined company's use of NOLs arising after the date of an ownership change would not be limited unless the combined company were to experience a

subsequent ownership change.

Section 383 of the Code generally limits certain tax credits to an amount determined on the basis of the tax liability that is attributable to the portion of taxable income that does not exceed, generally, the Section 382 limitation.

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The combined company's ability to use the NOLs will also depend on the amount of taxable income generated in future periods. As discussed above, the NOLs may expire before the combined company can generate sufficient taxable income to utilize the NOLs.

Other Risk Factors Relating to Holly and Frontier

Holly's and Frontier's businesses are and will be subject to the risks described above. In addition, Holly and Frontier are, and will continue to be, subject to the risks described in Holly's and Frontier's Annual Reports on Form 10-K for the fiscal year ended December 31, 2010, as such risks may be updated or supplemented in each company's subsequently filed Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, to the extent incorporated by reference into this joint proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 128.

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THE COMPANIES

Holly Corporation

Holly Corporation, a Delaware corporation, together with its subsidiaries, is an independent petroleum refiner in the United States that produces high value light products such as gasoline, diesel fuel, jet fuel, specialty lubricant products, and specialty and modified asphalt. Holly owns and operates through its subsidiaries a 100,000 bpsd refinery located in Artesia, New Mexico, a 125,000 bpsd refinery in Tulsa, Oklahoma and a 31,000 bpsd refinery in Woods Cross, Utah. Holly also owns and operates an asphalt company, which manufactures and markets asphalt products from various terminals in Arizona, New Mexico and Texas. In addition, Holly owns a 75% interest in a 12-inch refined products pipeline project from Salt Lake City, Utah to Las Vegas, Nevada, together with terminal facilities in the Cedar City, Utah, and North Las Vegas areas. Furthermore, a subsidiary of Holly owns a 34% interest (including the general partner interest) in HEP, which owns and operates logistical assets, including approximately 2,500 miles of petroleum product and crude oil pipelines located principally in west Texas and New Mexico; ten refined product terminals; a jet fuel terminal; eight refinery loading rack facilities; a refined products tank farm facility; on-site crude oil tankage at Holly's refineries; on-site refined product tankage at Holly's Tulsa refinery, and a 25% interest in a 95-mile crude oil pipeline joint venture. Holly offers its products primarily in the Southwestern, Rocky Mountain, and Mid-Continent regions of the United States. Holly was founded in 1947 and is based in Dallas, Texas.

Holly's common stock is traded on the NYSE under the symbol HOC.

The principal executive offices of Holly are located at 100 Crescent Court, Suite 1600, Dallas, Texas 75201-6915, and Holly's telephone number is (214) 871-3555. Additional information about Holly and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See [Where You Can Find More Information](#) on page 128.

Frontier Oil Corporation

Frontier Oil Corporation, a Wyoming corporation, together with its subsidiaries, engages in crude oil refining and the wholesale marketing of refined petroleum products. Frontier operates refineries in Cheyenne, Wyoming and El Dorado, Kansas with a total annual average crude oil capacity of approximately 187,000 barrels per day. The Cheyenne refinery markets its refined products primarily in the eastern slope of the Rocky Mountain region, which encompasses eastern Colorado (including the Denver metropolitan area), eastern Wyoming and western Nebraska. The El Dorado refinery markets its products in Colorado, Wyoming, Nebraska, Montana, Utah, Kansas, Oklahoma, Iowa, Missouri, North Dakota and South Dakota. The company was formerly known as Wainoco Oil Corporation and changed its name to Frontier Oil Corporation in April 1998. Frontier Oil Corporation was founded in 1949 and is headquartered in Houston, Texas.

Frontier's common stock is traded on the New York Stock Exchange under the symbol FTO.

The principal executive offices of Frontier are located at 10000 Memorial Drive, Suite 600, Houston, Texas 77024, and Frontier's telephone number is (713) 688-9600. Additional information about Frontier and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See [Where You Can Find More Information](#) on page 128.

North Acquisition, Inc.

North Acquisition, Inc., a wholly owned subsidiary of Holly Corporation, is a Wyoming corporation that was formed on February 17, 2011 for the sole purpose of effecting the merger. In the merger, North Acquisition, Inc. will be merged with and into Frontier, with Frontier surviving as a wholly owned subsidiary of Holly.

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THE HOLLY SPECIAL MEETING

This joint proxy statement/prospectus is being provided to the Holly stockholders as part of a solicitation of proxies by the Holly board of directors for use at the Holly special meeting to be held at the time and place specified below and at any properly convened meeting following an adjournment or postponement thereof. This joint proxy statement/prospectus provides Holly stockholders with information they need to know to be able to vote or instruct their vote to be cast at the Holly special meeting.

Date, Time and Place

The special meeting of Holly stockholders will be held at The Crescent Club, 200 Crescent Court, 17th Floor, Dallas, Texas 75201, on [], 2011, at [] a.m., local time.

Purpose of the Holly Special Meeting

At the Holly special meeting, Holly stockholders will be asked to consider and vote on the following:

a proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger;

a proposal to approve and adopt Holly's amended and restated certificate of incorporation to, among other things, (i) increase the number of authorized shares of Holly capital stock from 161 million to 325 million shares and (ii) change the name of Holly to HollyFrontier Corporation; and

a proposal to approve the adjournment of the Holly special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the first proposal listed above.

Completion of the merger is conditioned on approval of the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, but it is not conditioned on approval and adoption of Holly's amended and restated certificate of incorporation.

Recommendation of the Holly Board of Directors

At a special meeting held on February 21, 2011, the Holly board of directors determined that the merger and the other transactions contemplated by the merger agreement, including the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger and the approval and adoption of Holly's amended and restated certificate of incorporation, are in the best interests of Holly and its stockholders. **Accordingly, the Holly board of directors unanimously recommends that Holly stockholders vote FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, FOR the proposal to approve and adopt Holly's amended and restated certificate of incorporation and FOR the proposal to approve the adjournment of the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies.**

Holly stockholders should carefully read this joint proxy statement/prospectus, including any documents incorporated by reference, and the Annexes in their entirety for more detailed information concerning the merger and the transactions contemplated by the merger agreement.

Holly Record Date; Stockholders Entitled to Vote

The record date for the Holly special meeting is [], 2011. Only record holders of shares of Holly common stock at the close of business on such date are entitled to notice of, and to vote at, the Holly special meeting or any adjournment or postponement thereof. At the close of business on the record date, the only outstanding voting securities of Holly were common stock, and [] shares of Holly common stock were issued and outstanding. A list of the Holly stockholders of record who are entitled to vote at the Holly special meeting will be available for inspection by any Holly stockholder for any purpose germane to the special meeting during ordinary business hours for the ten days preceding the Holly special meeting at Holly's executive offices at 100 Crescent Court, Suite 1600,

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Dallas, Texas 75201 and will also be available at the Holly special meeting for examination by any stockholder present at such meeting.

Each share of Holly common stock outstanding on the record date of the Holly special meeting is entitled to one vote on each proposal and any other matter coming before the Holly special meeting.

Voting by Holly's Directors and Executive Officers

At the close of business on the record date of the Holly special meeting, Holly directors and executive officers and their affiliates were entitled to vote [] shares of Holly common stock or approximately []% of the shares of Holly common stock outstanding on that date. We currently expect that Holly directors and executive officers and their affiliates will vote their shares in favor of all Holly proposals, but none of them has entered into any agreement obligating him or her to do so.

Quorum

No business may be transacted at the Holly special meeting unless a quorum is present. Stockholders who hold shares representing at least a majority of the shares entitled to vote at the Holly special meeting must be present in person or represented by proxy to constitute a quorum. If a quorum is not present, or if fewer shares are voted in favor of the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger than is required, to allow additional time for obtaining additional proxies, the special meeting may be adjourned if the approval of a majority of the votes cast at the special meeting is obtained. No notice of an adjourned meeting need be given unless the adjournment is for more than 30 days or, if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. At any adjourned meeting, all proxies will be voted in the same manner as they would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the adjourned meeting.

All shares of Holly common stock represented at the Holly special meeting, including shares that are represented but that vote to abstain, will be treated as present for purposes of determining the presence or absence of a quorum. Broker non-votes will have no effect on determining the presence or absence of a quorum.

Required Vote

The required votes to approve the Holly proposals are as follows:

The issuance of shares of Holly common stock to Frontier shareholders in connection with the merger requires the approval of a majority of the votes cast at the Holly special meeting, assuming a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the vote for the proposal.

The approval and adoption of Holly's amended and restated certificate of incorporation to, among other things, increase the number of authorized shares of Holly capital stock requires the approval of a majority of the outstanding shares of Holly common stock entitled to vote at the Holly special meeting. Failures to vote, broker non-votes and abstentions will have the same effect as a vote against the proposal.

The adjournment of the Holly special meeting, if necessary or appropriate, to solicit additional proxies requires the approval of a majority of the votes cast at the Holly special meeting, regardless of whether there is a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the vote for the proposal.

Voting of Proxies by Holders of Record

If you were a record holder of Holly stock at the close of business on the record date of the Holly special meeting, a proxy card is enclosed for your use. Holly requests that you vote your shares as promptly as possible by (i) accessing the internet site listed on the Holly proxy card, (ii) calling the toll-free number listed on the Holly proxy card or (iii) submitting your Holly proxy card by mail by using the provided self-addressed, stamped envelope. Information and applicable deadlines for voting through the internet or by telephone are set forth on the

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enclosed proxy card. When the accompanying proxy is returned properly executed, the shares of Holly common stock represented by it will be voted at the Holly special meeting or any adjournment or postponement thereof in accordance with the instructions contained in the proxy card. Your internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you had marked, signed and returned a proxy card.

If a proxy is returned without an indication as to how the shares of Holly common stock represented are to be voted with regard to a particular proposal, the Holly common stock represented by the proxy will be voted in accordance with the recommendation of the Holly board of directors and, therefore, FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, FOR the proposal to approve and adopt Holly's amended and restated certificate of incorporation and FOR the proposal to adjourn the Holly special meeting, if necessary or appropriate, to permit further solicitation of proxies.

At the date hereof, the Holly board of directors has no knowledge of any business that will be presented for consideration at the Holly special meeting and that would be required to be set forth in this joint proxy statement/prospectus or the related proxy card other than the matters set forth in Holly's Notice of Special Meeting of Stockholders. If any other matter is properly presented at the Holly special meeting for consideration, it is intended that the persons named in the enclosed form of proxy and acting thereunder will vote in accordance with their best judgment on such matter.

Your vote is important. Accordingly, if you were a record holder of Holly common stock on the record date of the Holly special meeting, please sign and return the enclosed proxy card or vote via the internet or telephone whether or not you plan to attend the Holly special meeting in person. Proxies submitted through the specified internet website or by phone must be received by 11:59 p.m., eastern time, on [], 2011.

Shares Held in Street Name

If you hold shares of Holly common stock through a stock brokerage account or a bank or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. The record holder of such shares is your broker, bank or other nominee, and not you, and you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your broker, bank or other nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to Holly or by voting in person at the Holly special meeting unless you have a legal proxy, which you must obtain from your broker, bank or other nominee. Furthermore, brokers, banks or other nominees who hold shares of Holly common stock on behalf of their customers may not give a proxy to Holly to vote those shares without specific instructions from their customers.

If you are a Holly stockholder and you do not instruct your broker, bank or other nominee on how to vote your shares, your broker, bank or other nominee may not vote your shares on any of the Holly proposals.

Voting in Person

If you plan to attend the Holly special meeting and wish to vote in person, you will be given a ballot at the special meeting. If you are a registered stockholder, please be prepared to provide proper identification, such as a driver's license, at the Holly special meeting. If your shares are held in street name, you must bring to the special meeting a proxy executed in your favor from the record holder (your broker, bank or other nominee) of the shares authorizing you to vote at the special meeting.

Revocation of Proxies

If you are the record holder of Holly common stock, you can change your vote or revoke your proxy at any time before your proxy is voted at the special meeting. You can do this by:

timely delivering a signed written notice of revocation;

timely delivering a new, valid proxy bearing a later date (including by telephone or through the internet); or

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attending the Holly special meeting and voting in person, which will automatically cancel any proxy previously given, or revoking your proxy in person. Simply attending the Holly special meeting without voting will not revoke any proxy that you have previously given or change your vote.

A registered stockholder may revoke a proxy by any of these methods, regardless of the method used to deliver the stockholder's previous proxy.

Written notices of revocation and other communications with respect to the revocation of proxies should be addressed as follows:

Holly Corporation
100 Crescent Court, Suite 1600
Dallas, Texas 75201
Attention: Secretary

If your shares are held in street name through a broker, bank or other nominee, you may change your vote by submitting new voting instructions to your broker, bank or nominee in accordance with its established procedures. If your shares are held in the name of a broker, bank or other nominee and you decide to change your vote by attending the special meeting and voting in person, your vote in person at the special meeting will not be effective unless you have obtained and present an executed proxy issued in your name from the record holder (your broker, bank or nominee).

Tabulation of Votes

Holly has appointed Broadridge Financial Solutions, Inc. (Broadridge) to serve as the Inspector of Election for the Holly special meeting. Broadridge will independently tabulate affirmative and negative votes and abstentions.

Solicitation of Proxies

Holly is soliciting proxies for the Holly special meeting from its stockholders. In accordance with the merger agreement, Holly will pay its own cost of soliciting proxies, including the cost of mailing this joint proxy statement/prospectus, from its stockholders. In addition to solicitation of proxies by mail, proxies may be solicited by Holly's officers, directors and regular employees, without additional remuneration, by personal interview, telephone or other means of communication.

Holly will make arrangements with brokerage houses, custodians, nominees and fiduciaries to forward proxy solicitation materials to beneficial owners of Holly common stock. Holly may reimburse these brokerage houses, custodians, nominees and fiduciaries for their reasonable expenses incurred in forwarding the proxy materials.

To help assure the presence in person or by proxy of the largest number of stockholders possible, we have engaged Georgeson, Inc., a proxy solicitation firm (Georgeson), to solicit proxies on Holly's behalf. We have agreed to pay Georgeson a proxy solicitation fee not to exceed \$12,500. We will also reimburse Georgeson for its reasonable out-of-pocket costs and expenses.

Adjournments

Any adjournment of the Holly special meeting may be made from time to time if the approval of the holders of a majority of the votes cast at the Holly special meeting is obtained, whether or not a quorum exists, without further

notice other than by an announcement made at the special meeting (unless the adjournment is for more than 30 days or if a new record date is fixed). If a quorum is not present at the special meeting, or if a quorum is present at the special meeting but there are not sufficient votes at the time of the special meeting to approve the proposal to issue shares of Holly common stock in connection with the merger, then Holly stockholders may be asked to vote on a proposal to adjourn the Holly special meeting so as to permit the further solicitation of proxies.

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THE FRONTIER SPECIAL MEETING

This joint proxy statement/prospectus is being provided to the Frontier shareholders as part of a solicitation of proxies by the Frontier board of directors for use at the Frontier special meeting to be held at the time and place specified below and at any properly convened meeting following an adjournment or postponement thereof. This joint proxy statement/prospectus provides Frontier shareholders with information they need to know to be able to vote or instruct their vote to be cast at the Frontier special meeting.

Date, Time and Place

The special meeting will be held at the offices of Andrews Kurth LLP, 600 Travis, Suite 4200, Houston, Texas 77002, on [], 2011, at [], local time.

Purpose of the Frontier Special Meeting

At the Frontier special meeting, Frontier shareholders will be asked to consider and vote on the following:

a proposal to approve the merger agreement, which is further described in the sections titled "The Merger" and "The Merger Agreement," beginning on pages 33 and 90, respectively; and

a proposal to approve the adjournment of the Frontier special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the foregoing proposal.

Recommendation of the Board of Directors of Frontier

At a special meeting held on February 21, 2011, the Frontier board of directors unanimously adopted the merger agreement and the transactions contemplated thereby and determined that the merger and the other transactions contemplated thereby are in the best interests of Frontier and its shareholders. **Accordingly, the Frontier board of directors unanimously recommends that Frontier shareholders vote FOR the proposal to approve the merger agreement and FOR the proposal to approve adjournment of the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.**

Frontier shareholders should carefully read this joint proxy statement/prospectus, including any documents incorporated by reference, and the Annexes in their entirety for more detailed information concerning the merger and the transactions contemplated by the merger agreement.

Frontier Record Date; Shareholders Entitled to Vote

The record date for the Frontier special meeting is [], 2011. Only record holders of shares of Frontier common stock at the close of business on such date are entitled to notice of, and to vote at, the Frontier special meeting or any adjournment or postponement thereof. At the close of business on the record date, the only outstanding voting securities of Frontier were common stock, and [] shares of Frontier common stock were issued and outstanding. A list of the Frontier shareholders of record who are entitled to vote at the Frontier special meeting will be available for inspection by any Frontier shareholder for any purpose germane to the special meeting during ordinary business hours for the ten days preceding the Frontier special meeting at Frontier's executive offices and principal place of business at 10000 Memorial Drive, Suite 600, Houston, Texas 77024 and will also be available at the Frontier special meeting for

examination by any shareholder present at such meeting.

Each share of Frontier common stock outstanding on the record date of the Frontier special meeting is entitled to one vote on each proposal and any other matter coming before the Frontier special meeting.

Voting by Frontier's Directors and Executive Officers

At the close of business on the record date of the Frontier special meeting, Frontier directors and executive officers and their affiliates were entitled to vote [] shares of Frontier common stock or approximately []% of the shares of Frontier common stock outstanding on that date. We currently expect that Frontier directors and

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executive officers and their affiliates will vote their shares in favor of both Frontier proposals, but none of them has entered into any agreement obligating him or her to do so.

Quorum

No business may be transacted at the Frontier special meeting unless a quorum is present. Shareholders who hold shares representing at least a majority of the shares entitled to vote at the Frontier special meeting must be present in person or represented by proxy to constitute a quorum. If a quorum is not present, or if fewer shares are voted in favor of the proposal to approve the merger agreement than is required, to allow additional time for obtaining additional proxies, the special meeting may be adjourned if the approval of a majority of the votes cast at the special meeting is obtained. No notice of an adjourned meeting need be given unless the adjournment is for more than 30 days or, if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting. At any adjourned meeting, all proxies will be voted in the same manner as they would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the adjourned meeting.

Shares of Frontier common stock represented at the Frontier special meeting, including shares that are represented but that vote to abstain, will be treated as present for purposes of determining the presence or absence of a quorum. Broker non-votes will have no effect on determining the presence or absence of a quorum.

Required Vote

The required votes to approve the Frontier proposals are as follows:

Approval of the merger agreement requires the approval of a majority of the votes cast at the Frontier special meeting, assuming a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the proposal.

The adjournment of the Frontier special meeting, if necessary or appropriate, to solicit additional proxies requires the approval of a majority of the votes cast at the Frontier special meeting, regardless of whether there is a quorum. Failures to vote, broker non-votes and abstentions will have no effect on the vote for the proposal.

Voting of Proxies by Holders of Record

If you were a record holder of Frontier stock at the close of business on the record date of the Frontier special meeting, a proxy card is enclosed for your use. Frontier requests that you vote your shares as promptly as possible by (i) accessing the internet site listed on the Frontier proxy card, (ii) calling the toll-free number listed on the Frontier proxy card or (iii) submitting your Frontier proxy card by mail by using the provided self-addressed, stamped envelope. Information and applicable deadlines for voting through the internet or by telephone are set forth on the enclosed proxy card. When the accompanying proxy is returned properly executed, the shares of Frontier common stock represented by it will be voted at the Frontier special meeting or any adjournment or postponement thereof in accordance with the instructions contained in the proxy card. Your internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you had marked, signed and returned a proxy card.

If a proxy is returned without an indication as to how the shares of Frontier common stock represented are to be voted with regard to a particular proposal, the Frontier common stock represented by the proxy will be voted in accordance with the recommendation of the Frontier board of directors and, therefore, FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the Frontier special meeting, if necessary or appropriate, to permit further solicitation of proxies.

At the date hereof, the Frontier board of directors has no knowledge of any business that will be presented for consideration at the Frontier special meeting and that would be required to be set forth in this joint proxy statement/prospectus or the related proxy card other than the matters set forth in Frontier's Notice of Special Meeting of Shareholders. If any other matter is properly presented at the Frontier special meeting for consideration, it is

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intended that the persons named in the enclosed form of proxy and acting thereunder will vote in accordance with their best judgment on such matter.

Your vote is important. Accordingly, if you were a record holder of Frontier common stock on the record date of the Frontier special meeting, please sign and return the enclosed proxy card or vote via the internet or telephone whether or not you plan to attend the Frontier special meeting in person. Proxies submitted through the specified internet website or by phone must be received by 11:59 p.m., eastern time, on [], 2011.

Shares Held in Street Name

If you hold shares of Frontier common stock through a stock brokerage account or a bank or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. The record holder of such shares is your broker, bank or other nominee, and not you, and you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your broker, bank or other nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to Frontier or by voting in person at the Frontier special meeting unless you have a legal proxy, which you must obtain from your broker, bank or other nominee. Furthermore, brokers, banks or other nominees who hold shares of Frontier common stock on behalf of their customers may not give a proxy to Frontier to vote those shares without specific instructions from their customers.

If you are a Frontier shareholder and you do not instruct your broker, bank or other nominee on how to vote your shares, your broker, bank or other nominee may not vote your shares on any of the Frontier proposals.

Voting in Person

If you plan to attend the Frontier special meeting and wish to vote in person, you will be given a ballot at the special meeting. If you are a registered shareholder, please be prepared to provide proper identification, such as a driver's license, at the Frontier special meeting. If your shares are held in street name, you must bring to the special meeting a proxy executed in your favor from the record holder (your broker, bank or other nominee) of the shares authorizing you to vote at the special meeting.

Revocation of Proxies

If you are the record holder of Frontier common stock, you can change your vote or revoke your proxy at any time before your proxy is voted at the special meeting. You can do this by:

timely delivering a signed written notice of revocation;

timely delivering a new, valid proxy bearing a later date (including by telephone or through the internet); or

attending the Frontier special meeting and voting in person, which will automatically cancel any proxy previously given, or revoking your proxy in person. Simply attending the Frontier special meeting without voting will not revoke any proxy that you have previously given or change your vote.

A registered shareholder may revoke a proxy by any of these methods, regardless of the method used to deliver the shareholder's previous proxy.

Written notices of revocation and other communications with respect to the revocation of proxies should be addressed as follows:

Frontier Oil Corporation
10000 Memorial Drive, Suite 600
Houston, Texas 77024
Attention: Secretary

If your shares are held in street name through a broker, bank or other nominee, you may change your vote by submitting new voting instructions to your broker, bank or nominee in accordance with its established procedures. If

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your shares are held in the name of a broker, bank or other nominee and you decide to change your vote by attending the special meeting and voting in person, your vote in person at the special meeting will not be effective unless you have obtained and present an executed proxy issued in your name from the record holder (your broker, bank or nominee).

Tabulation of Votes

Frontier has appointed [] to serve as the Inspector of Election for the Frontier special meeting. [] will independently tabulate affirmative and negative votes and abstentions.

Solicitation of Proxies

Frontier is soliciting proxies for the Frontier special meeting from its shareholders. In accordance with the merger agreement, Frontier will pay its own cost of soliciting proxies, including the cost of mailing this joint proxy statement/prospectus, from its shareholders. In addition to solicitation of proxies by mail, proxies may be solicited by Frontier directors and officers, without additional remuneration, by personal interview, telephone or other means of communication.

Frontier will make arrangements with brokerage houses, custodians, nominees and fiduciaries to forward proxy solicitation materials to beneficial owners of shares of Frontier common stock. Frontier may reimburse these brokerage houses, custodians, nominees and fiduciaries for their reasonable expenses incurred in forwarding the proxy materials.

To help assure the presence in person or by proxy of the largest number of shareholders possible, we have engaged Innisfree M&A Incorporated, a proxy solicitation firm (Innisfree), to solicit proxies on Frontier's behalf. We have agreed to pay Innisfree a proxy solicitation fee not to exceed \$17,500. We will also reimburse Innisfree for its reasonable out-of-pocket costs and expenses.

Adjournments

Any adjournment of the Frontier special meeting may be made from time to time if the approval of a majority of the votes cast at the Frontier special meeting is obtained, whether or not a quorum exists, without further notice other than by an announcement made at the special meeting (unless the adjournment is for more than 30 days or if a new record date is fixed). If a quorum is not present at the special meeting, or if a quorum is present at the special meeting but there are not sufficient votes at the time of the special meeting to approve the proposal to approve the merger agreement, then Frontier shareholders may be asked to vote on a proposal to adjourn the Frontier special meeting so as to permit the further solicitation of proxies.

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THE MERGER

Effects of the Merger

At the effective time of the merger, Merger Sub, a wholly owned subsidiary of Holly that was formed for the sole purpose of effecting the merger, will merge with and into Frontier. Frontier will survive the merger and become a wholly owned subsidiary of Holly. Upon completion of the merger, Holly's name will be changed to HollyFrontier Corporation.

In the merger, each outstanding share of Frontier common stock will be converted into the right to receive 0.4811 shares of Holly common stock, with cash paid in lieu of fractional shares. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. Holly stockholders will continue to hold their existing Holly shares.

Background of the Merger

Holly and Frontier are both independent refiners in strategically central regions of North America. Holly's operations are focused in the Rocky Mountain, Southwest and Mid-Continent regions of the United States and northern Mexico, and Frontier's are focused in the Rocky Mountain and Mid-Continent regions of the United States. In 2003, Holly and Frontier entered into a merger agreement that terminated following litigation between the parties relating to certain environmental lawsuits involving activity by predecessors to a Frontier subsidiary. The litigation between Holly and Frontier was resolved in 2005.

Since 2003, each of the two companies has separately pursued and entered into strategic transactions and growth initiatives that their management teams believe have enhanced their competitive positions by increasing both the efficiency and scope of each company's operations. Strategic transactions and growth initiatives completed by Holly in recent years have included the following:

In July 2004, Holly completed the initial public offering of limited partnership interests in HEP, which was formed by Holly to acquire, own and operate, among other things, substantially all of the refined product pipeline and terminalling assets that support Holly's refining and marketing operations. Since July 2004, Holly has periodically sold pipeline and tankage assets that support its operations to HEP, and Holly currently has a 34% interest (including a 2% general partnership interest) in HEP.

In July 2007, Holly entered into an agreement with Sinclair Transportation Company to jointly build a refined products pipeline project from Salt Lake City, Utah to Las Vegas, Nevada along with terminal facilities in the Cedar City, Utah and North Las Vegas areas. In July 2010, the pipeline project entered into its final phase of construction, and completion of the pipeline is expected to occur in the second quarter of 2011. Holly owns a 75% interest in the pipeline project.

In June 2009, Holly acquired an 85,000 bpsd refinery in Tulsa, Oklahoma that produces fuel products that are marketed in the Mid-Continent region and specialty lubricant products that are marketed throughout North America and distributed in Central and South America. In December 2009, Holly acquired a second refinery in Tulsa, Oklahoma, which had a capacity of 75,000 bpsd and produces gasoline, diesel fuel and jet fuel products and services markets in the Mid-Continent region. Holly is currently in the process of integrating the operations of the two refineries in Tulsa, Oklahoma. Upon completion, the two facilities are expected to have an integrated crude processing rate of 125,000 bpsd.

As an internal growth initiative, Holly invested capital in excess of \$800 million from 2005 through 2010 to improve yield, increase capacity and enhance complexity of its Navajo and Woods Cross refineries. In 2010, Holly invested \$52 million in capital improvements to its Tulsa refinery.

Strategic transactions and growth initiatives completed by Frontier in recent years have included the following:

In February 2007, Frontier acquired Ethanol Management Company, the primary assets of which are a products terminal and blending facility with a capacity of 25,000 barrels per day located near Denver, Colorado. Frontier had been a customer of Ethanol Management Company since 1989, and the acquisition ensured Frontier's ability to blend gasoline and ethanol to provide products to the Denver, Colorado market.

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In December 2009, to enhance its refinery in Cheyenne, Wyoming, Frontier acquired a refined products pipeline that runs from Cheyenne, Wyoming to Sidney, Nebraska and the associated refined products terminal and truck rack at Sidney, Nebraska.

As an internal growth initiative, Frontier invested capital in excess of \$500 million in the aggregate from 2005 through 2009 to improve yield, increase capacity and enhance complexity of its refinery operations.

In October and November, 2010, an investment banker from Morgan Stanley who specializes in the energy sector had several discussions separately with Mr. Clifton (Holly's Chairman of the Board and Chief Executive Officer) and Mr. Jennings (Frontier's Chairman, President and Chief Executive Officer) regarding industry developments and strategic considerations. During these discussions, the investment banker suggested to each of Mr. Clifton and Mr. Jennings that it might be beneficial for Frontier and Holly to consider a possible business combination. These conversations were considered general and informal and the investment banker was not representing either party. These conversations indicated that the parties were open to general conversations about strategic possibilities and a possible future meeting.

On November 3, 2010, at a meeting of the Holly board of directors in Dallas, Texas, Mr. Clifton advised the Holly board of directors of his conversations with the Morgan Stanley investment banker, and the suggestion of potential for a business combination with Frontier. He noted that in view of the relative stock trading prices of Holly and Frontier, a potential merger between the two might be feasible and beneficial to both companies. The matter was left open for future discussion and the board authorized Mr. Clifton to explore on a preliminary basis the possibility of a potential business combination.

On December 2, 2010, Mr. Jennings telephoned Mr. Clifton to suggest they meet over lunch to discuss a possible strategic transaction. Mr. Clifton agreed, and a meeting was scheduled for December 9, 2010.

On December 9, 2010, Mr. Clifton met with Mr. Jennings in Dallas. At this meeting, Messrs. Clifton and Jennings discussed their views regarding the potential strategic and financial benefits of a merger between Holly and Frontier, based solely on publicly available information. In addition, they discussed their views on the industry's prospects, the economy as a whole and the potential benefits of a business combination in terms of size and diversification. They agreed that a combined company would be stronger and better capitalized, with desirable geographical locations and a strong combined balance sheet. Mr. Jennings noted that the combined company and HEP might have further growth opportunities by offering suitable assets to HEP. Messrs. Clifton and Jennings concluded the meeting with an agreement to continue preliminary discussions.

On December 10, 2010, the executive committee of the Frontier board of directors, consisting of Messrs. Jennings, Bech and Loyd, discussed the potential strategic benefits of a business combination with Holly. The executive committee identified certain matters for future review and due diligence, including regarding structure, operations, management and personnel. The committee concluded that Mr. Jennings should continue conversations with Holly and call a meeting of the full board of directors to discuss the potential transaction if warranted by appropriate progress in the discussions.

On December 13, 2010, Mr. Jennings telephoned Mr. Clifton to schedule a meeting with Mr. Clifton to further discuss a potential combination of Holly and Frontier.

On December 17, 2010, Messrs. Clifton and Jennings had a follow-up meeting in Dallas to continue discussions. Each outlined his views on what roles their respective executive management teams might have in the combined company and agreed on the need for management continuity in connection with integrating the two companies. Both agreed that

a business combination between the two companies remained a mutually desirable prospect as a merger of equals at market, such as a 30-day average closing price of the common stock of the two companies. Mr. Jennings noted financing-related benefits that might come from a stronger combined balance sheet and ability to access more trade credit with suppliers.

Beginning in late December 2010 through January 2011, Mr. Jennings discussed with each of the Frontier directors a potential transaction with Holly. Mr. Jennings and the other directors agreed that any potential transaction would be a stock transaction and true merger of equals, and that the board of directors would meet to discuss terms if discussions progressed further.

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On January 6, 2011, Messrs. Clifton and Jennings exchanged emails to arrange a meeting between Messrs. Jennings and Lamp (Holly's President) on January 10, 2011.

On January 7, 2011, a special meeting of the Holly board of directors was held in Dallas at which Mr. Clifton advised the directors of his meetings with Mr. Jennings. After a discussion regarding potential strategic and financial benefits of a transaction with Frontier, the Holly board of directors unanimously indicated support for management to continue discussions and due diligence regarding a possible combination with Frontier as a merger of equals. Mr. Clifton agreed to do so and provide the Holly board of directors with regular updates. After the meeting, Mr. Clifton phoned Mr. Jennings and advised him that the Holly board of directors was supportive of exploring a potential combination with Frontier, and they revisited their discussion on the expected roles for their respective management teams.

On January 7, 2011, Holly engaged Vinson & Elkins L.L.P. as its legal advisor to assist in the potential merger. Young Conaway Stargatt & Taylor, LLP was later engaged as Delaware legal counsel.

On January 10, 2011, Messrs. Jennings and Lamp met in Dallas to discuss the potential combination between Holly and Frontier, including industry matters, refinery safety, process safety and capital allocation. Mr. Lamp provided a mission and values statement he had developed for Holly.

On January 11, 2011, Messrs. Jennings and Clifton spoke by telephone regarding the candidates for executive positions for the combined company, especially Mr. Lamp as chief operating officer and Mr. Aron (Frontier's Executive Vice President and Chief Financial Officer) as chief financial officer. They also indicated general support from their respective boards for the early stage of discussions.

On January 12, 2011, Messrs. Jennings, Aron and Bechtol (Frontier's Vice President-General Counsel and Secretary) met with attorneys from Andrews Kurth LLP in Houston, Texas regarding the structuring of the potential transaction, potential timeline and governance. Frontier engaged Andrews Kurth as its legal advisor to assist in the potential transaction.

On January 14, 2011, Messrs. Clifton and Jennings met in Houston to continue their previous discussions. Both Messrs. Clifton and Jennings agreed that the transaction should be structured as a merger of equals based on relative trading prices at market with no premium. They discussed the structure of the combined company's board and agreed it should consist of an equal number of Holly and Frontier directors who qualified as independent under the rules of the New York Stock Exchange, other than two management directors. The two non-independent directors would be Mr. Clifton, who would be Executive Chairman of the board of directors of the combined company, and Mr. Jennings, who would be President and Chief Executive Officer and a director of the combined company. In addition, Messrs. Clifton and Jennings agreed that the executive officers of the combined company would consist of both Holly and Frontier executive officers. Messrs. Clifton and Jennings concluded the meeting by confirming their mutual belief that a combination of the two companies could be strategically compelling and financially beneficial to the shareholders of both companies.

On January 14 and 15, 2011, members of Frontier management had discussions by telephone with representatives of Citi and representatives of Credit Suisse, respectively, regarding their acting as Frontier's financial advisors and regarding the preliminary terms of the proposed merger with Holly. Following those discussions, Frontier decided to engage Citi and Credit Suisse as its financial advisors.

On January 16, 2011, the parties and their respective legal counsel worked to finalize the proposed terms of a mutual confidentiality agreement that included a two year standstill agreement under which each of Holly and Frontier agreed not to propose a takeover or combination transaction to the other or its stockholders without the consent of the other's board. On January 17, 2011, Holly and Frontier executed the confidentiality agreement.

On January 17, 2011, after the confidentiality agreement was executed, Ms. McWatters (Holly's Vice President, General Counsel and Secretary), Mr. Bechtol and their respective legal counsel spoke by teleconference to discuss the process for due diligence and negotiation of definitive agreements.

In mid-January, members of Holly management had several separate discussions with representatives of Morgan Stanley and Deutsche Bank to discuss their acting as Holly's financial advisors and to review with Morgan

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Stanley and Deutsche Bank the preliminary terms of the proposed merger with Frontier. Each of Morgan Stanley and Deutsche Bank was thereafter engaged as a financial advisor to Holly.

On January 20, 2011, Messrs. Jennings, Aron and Bechtol met in the offices of Andrews Kurth together with representatives of Frontier's legal and financial advisors to discuss the likely process and timeline for reviewing and negotiating the proposed merger.

Beginning on or about January 20, 2011, Holly and Frontier provided due diligence documents and discussed the scope of due diligence information that would be appropriate to share for purposes of evaluating a possible strategic combination. The senior executives of both companies agreed to restrict knowledge of the discussions to a limited number of individuals within each company. Between January 20, 2011 and February 21, 2011, both companies and their respective legal counsel conducted due diligence primarily by reviewing documents and participating in teleconferences. Additionally, Ms. McWatters and Mr. Bechtol, together with attorneys from Vinson & Elkins and Andrews Kurth, held regular teleconferences to coordinate exchange of due diligence materials by the parties and to address ongoing due diligence questions and requests.

On January 24, 2011, Morgan Stanley and Deutsche Bank met with Messrs. Clifton, Lamp, Shaw (Holly's Senior Vice President and Chief Financial Officer), Ms. McWatters and Vinson & Elkins in Dallas to review the expected timing of the proposed merger, various due diligence matters raised by Morgan Stanley and Deutsche Bank, and other planning issues with respect to the negotiation and review of the proposed merger.

Also on January 24, 2011, the Holly board of directors held a special meeting in Dallas. At the meeting, Vinson & Elkins briefed the board on the legal obligations of the directors and other legal considerations in connection with the proposed merger. Mr. Clifton updated the Holly board of directors on the status of the negotiations of the proposed merger with Frontier and on his discussions with Morgan Stanley and Deutsche Bank. The legal due diligence process, antitrust filings and requirements, and an anticipated timeline were also discussed. After a discussion, the Holly board of directors authorized members of Holly management to continue negotiations with Frontier, including delivery of a draft merger agreement.

On January 25, 2011, Vinson & Elkins sent an initial draft of a merger agreement to Andrews Kurth. From then until February 21, 2011, the parties and their legal counsel negotiated the terms of the merger agreement and related documents, and exchanged drafts of the merger agreement and related documents.

On January 31, 2011, Messrs. Clifton, Lamp, Damiris and Shaw, Ms. McWatters and Messrs. Jennings, Aron and Bechtol met in Dallas, together with Holly's and Frontier's respective legal and financial advisors. At the meeting, each senior management team made a presentation regarding its company's refineries, assets, operations, budgets, capital expenditures and other business matters.

Between January 31, 2011 and February 9, 2011, Messrs. Jennings and Lamp had ongoing discussions by telephone to discuss matters relating to operations in connection with the proposed merger.

On February 4, 2011, the Frontier board of directors held a special meeting in Houston, together with members of Frontier's management and legal and financial advisors. Mr. Jennings provided an overview of the potential transaction, to be structured as a merger of equals, and the progress of the transaction to date. Andrews Kurth advised the board regarding its fiduciary duties in connection with considering a possible business combination, and the importance of board review and deliberations. Andrews Kurth also presented an overview of the draft merger agreement as proposed by Holly, which had been previously distributed to the board. The board discussed the terms to be negotiated in the merger agreement, including the non-solicitation provisions and size of the break-up fee. Frontier's financial advisors discussed with the board certain financial aspects relating to the potential merger.

On February 7, 2011, the Holly board of directors held a special meeting in Dallas. At the meeting, Mr. Clifton updated the Holly board of directors on ongoing discussions with Frontier regarding the proposed merger. At the meeting, the Holly board, Mr. Shaw, Ms. McWatters, and Vinson & Elkins discussed the senior management meeting on January 31, 2011 and the business and legal due diligence processes and findings, including those relating to litigation and labor and employment matters, Frontier's debt structure, and the results of the preliminary antitrust review. Also, at the meeting, representatives of each of Morgan Stanley and Deutsche Bank advised the Holly board of directors of the procedures that their respective firms expected to follow in advising the Holly board

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of directors about the possible fairness, from a financial point of view, of the exchange ratio to Holly and the expected time to complete their respective financial analyses. The participants at the meeting also discussed the expected timing for the transaction and related matters. At the conclusion of the meeting, the Holly board of directors authorized Holly management to continue negotiations with Frontier.

On February 9, 2011, Messrs. Lamp and Damiris met with Messrs. Purdy (Frontier's Vice President of Commercial Operations) and Stump (Frontier's Vice President of Refining Operations) in Denver, Colorado to discuss Holly's and Frontier's operations, permits, environmental compliance and refinery facilities. Additional follow-up discussions continued through February 18, 2011, regarding these matters.

On February 11, 2011, the Frontier board of directors held a telephonic meeting with management and its legal advisor, Andrews Kurth. The board received an update from members of management regarding operational due diligence, including capital expenditures, permits and the integration of Holly's recently acquired Tulsa facilities. The board directed management to conduct further due diligence and report back regarding their review and conclusions as part of proceeding with discussions.

On February 14, 2011, Messrs. Clifton and Jennings, at Mr. Jennings's request, discussed questions from Frontier regarding projected capital expenditures and environmental matters relating to Holly's refineries in Tulsa.

On February 16, 2011, the Holly board of directors held a special meeting in Dallas to receive updates on the proposed merger with Frontier. At the meeting, Vinson & Elkins briefed the directors on the applicable legal standards in the context of evaluating a business combination transaction of the type being considered, provided an update regarding legal due diligence and summarized the terms of the proposed merger agreement, including termination rights and break-up fees under the merger agreement. Also, at the meeting, members of Holly senior management described their views of the strategic rationale for the proposed merger and compared the proposed merger to other growth possibilities. In addition, Holly's financial advisors discussed with the Holly board of directors certain financial aspects relating to the potential merger and related financial analyses. The board also discussed at length the debt structure of Frontier and post-closing operational matters, such as accounting system transitions and management structure. During a recess of the special meeting in conference rooms near the location of the special meeting, the Holly outside directors met with Mr. Jennings, and Messrs. Bech and Myers, both Frontier outside directors, met with Mr. Clifton, regarding governance, operations and the proposed merger.

On February 17, 2011, Mr. Jennings telephoned Mr. Clifton and expressed concern regarding the movements in each company's stock price during the past week. Mr. Jennings noted that when comparing the 30-day average closing stock price of each company (which was the formula previously discussed in the parties' negotiations to arrive at the exchange ratio for the proposed merger) to the closing market price of each company at the end of the prior trading day, the Frontier shareholders would effectively be receiving a discount of approximately 7% for their shares (after giving effect to a planned special dividend to Frontier shareholders in the amount of \$0.24 per share), and that Frontier was unlikely to enter into the transaction on those terms.

In the morning on February 18, 2011, the Holly board of directors held a special meeting in Dallas. At the meeting, Mr. Clifton informed the directors of his conversation with Mr. Jennings on February 17, 2011 regarding recent movements in Frontier's and Holly's stock prices. Representatives from Morgan Stanley and Deutsche Bank and Holly management then engaged in a detailed discussion with the directors regarding the calculation of the exchange ratio, the movements in the stock prices of the two companies and possible reasons for the fluctuations in pricing. After this discussion, the Holly financial advisors noted that as a result of recent increases in Frontier's stock price relative to Holly's trading price, it was likely that Frontier would seek an increase in the consideration payable to Frontier shareholders, which consideration had been based on a 30-day average closing price. In addition to a discussion of the merger consideration, the Holly board of directors engaged in an extended discussion regarding the timing of the

merger and was updated on the legal due diligence process.

On February 18, 2011, the Frontier board of directors held a meeting in Houston. Andrews Kurth and management provided an overview of open issues in the merger agreement, including the financing for the combined company. The board received a due diligence report from legal counsel and management, including an overview of Holly and HEP, real property, employee benefits and other matters, and an in-depth presentation regarding environmental due diligence and compliance. Management discussed plans for operational

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enhancements, and reported that the two companies placed a high value on operational safety and environmental compliance during their discussions. Frontier's financial advisors then updated the board as to certain financial aspects of the potential merger and reviewed the relative stock price of Frontier and Holly, including the recent increase in Frontier's stock price relative to Holly's stock price and compared the ratio of their current stock prices to the ratio of their respective 30-day average closing stock prices. Members of the board and Frontier's management and financial advisors discussed the rationale for seeking an increase in the consideration to be received by Frontier's shareholders. The board also considered financing for the combined company and engaged in discussions with management regarding expected availability of financing. After considering the information presented and discussed, including recent trading prices, the board authorized Mr. Jennings to engage in additional negotiations with Holly to seek to increase the exchange ratio.

After the end of the trading day on February 18, 2011 (which was the last trading day prior to the expected execution date of the merger agreement), Messrs. Clifton and Jennings discussed by telephone the ongoing movements in both companies' stock prices. They further discussed the fact that an exchange ratio based on the 30-day average closing price would represent a discount of approximately 13% for Frontier shares based on the closing stock price of each company on that day (after giving effect to the planned special dividend). Mr. Jennings informed Mr. Clifton that Frontier and its board of directors were not comfortable entering into a transaction at more than a small discount to the current market price.

Later in the day on February 18, 2011, the Holly board of directors reconvened in Dallas to receive an update from Mr. Clifton regarding his telephone conversation with Mr. Jennings and their discussions around the exchange ratio for the proposed merger with Frontier. Members of management and representatives from each of Morgan Stanley and Deutsche Bank engaged in a detailed discussion with the Holly board regarding the recent movements in the relative stock prices of the two companies. The possibility of agreeing to an increase in the planned special dividend to Frontier shareholders was also discussed generally by the board. After the discussion, the board instructed Mr. Clifton to telephone Mr. Jennings to propose an exchange ratio representative of the five-day average closing price.

Mr. Clifton relayed the proposal to Mr. Jennings and noted the closeness of Holly's increased exchange ratio to the ratio of the two companies' trading prices over the prior 12 months. Mr. Jennings agreed to discuss the revised proposal with members of the board of directors later that evening. After such conversation, the Holly board of directors reconvened, and Mr. Clifton briefed the directors of the results of the conversation. After discussion, the Holly board of directors authorized Holly management to continue its negotiations with Frontier and to provide timely updates. Later that night, Messrs. Clifton and Jennings spoke by telephone about the proposal and what might be an acceptable exchange ratio to both parties. Messrs. Clifton and Jennings discussed that agreeing to an increase in the planned special dividend might be a solution. They agreed to talk again in the morning after both had considered the matter further.

On February 19, 2011, Messrs. Clifton and Jennings discussed further the proposed exchange ratio and the concept of an increased special cash dividend from Frontier to its shareholders. They tentatively agreed, subject to the review and approval of their respective boards and agreement on definitive documentation, to an exchange ratio of 0.4811 of a share of Holly common stock per share of Frontier common stock and an increase in the special cash dividend from \$0.24 to \$0.28 per share, which would reflect a discount to the current market price of Frontier shares of approximately 3%, including the economic effect of the Frontier special dividend.

Over the weekend of February 19-20, 2011, Holly and Frontier and their respective legal counsel worked to finalize the negotiation of the merger agreement and amendments to agreements relating to the retention of senior executives. In particular, Messrs. Clifton and Jennings had several telephone discussions and exchanged emails regarding the terms on which Messrs. Jennings and Aron would waive certain rights with respect to the vesting of equity and cash compensation following the merger, the terms on which Mr. Jennings would extend the term of his retention

agreement, and the terms on which Messrs. Clifton, Lamp and Shaw would waive certain rights with respect to the vesting of equity compensation following the merger. See Interests of Holly Directors and Executive Officers in the Merger Waiver Agreements and Interests of Frontier Directors and Executive Officers in the Merger Retention and Assumption Agreements for a description of the written retention agreements and waiver agreements and Interests of Holly Directors and Executive Officers in the Merger and

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Interests of Frontier Directors and Executive Officers in the Merger for a discussion of the interests of the Holly directors and executive officers and Frontier directors and executive officers, respectively, in the merger.

On the morning of February 21, 2011, members of the Frontier board of directors held a special telephonic meeting with members of Frontier's management and legal and financial advisors. The board discussed the terms of the merger agreement with members of Frontier's management and legal advisors. In addition, the board received an update on the agreement of Messrs. Jennings and Aron to waive certain rights with respect to the vesting of equity and cash compensation following the merger. Mr. Jennings discussed with the board the expected availability of financing for the combined company. Citi and Credit Suisse reviewed with the Frontier board their respective financial analyses with respect to the 0.4811 exchange ratio provided for in the merger agreement. Andrews Kurth advised the board regarding its approvals of the merger agreement and related transactions, and the board scheduled a further meeting in the afternoon of the same day.

On the afternoon of February 21, 2011, the Frontier board of directors held a special telephonic meeting with members of Frontier's management and legal and financial advisors. At this meeting, Citi and Credit Suisse each rendered to the Frontier board of directors an oral opinion, confirmed by delivery of a written opinion dated February 21, 2011, to the effect that, as of that date and based on and subject to the assumptions, procedures, factors, qualifications and limitations set forth in such opinions, the 0.4811 exchange ratio provided for in the merger agreement was fair, from a financial point of view, to holders of Frontier common stock. Following discussion with legal advisors, the Frontier board unanimously approved and authorized the execution of the merger agreement and recommended the merger agreement for approval by Frontier's shareholders. The Frontier board also authorized the payment of a \$0.28 per share special dividend and a \$0.06 per share quarterly dividend to Frontier shareholders.

On February 21, 2011, the Holly board of directors held a special meeting in Dallas. At the meeting, Vinson & Elkins summarized the principal terms of the final draft of the merger agreement, updated the Holly board on the legal due diligence on the settlement of the Beverly Hills litigation filed against Frontier in 2003, and informed the Holly board of the remaining unresolved matters, which were limited to confirming items listed in disclosure schedules and certain due diligence questions. Also at this meeting, the Holly board discussed with members of Holly senior management and its legal and financial advisors the potential benefits and other considerations related to the proposed merger to Holly and its stockholders. Also at the meeting, Vinson & Elkins further briefed the Holly directors on their obligations in respect of deliberations regarding the proposed merger, and representatives of each of Morgan Stanley and Deutsche Bank, on behalf of their respective firms, rendered to the Holly board of directors their respective oral opinions (each subsequently confirmed in writing) to the effect that, as of such date and based on and subject to the various assumptions, qualifications and limitations described in their respective opinion, the exchange ratio of 0.4811 shares of Holly common stock to be issued in exchange for each outstanding share of Frontier common stock pursuant to the merger was fair, from a financial point of view, to Holly. After further discussions, the Holly board authorized members of Holly management to resolve the few remaining open items with Frontier and unanimously voted to recommend that the Holly stockholders approve the issuance of shares of Holly common stock and the amendment of Holly's certificate of incorporation as contemplated by the merger agreement.

Following the board meeting, on February 21, 2011, members of Holly senior management and Frontier senior management, advised by their respective legal counsel, executed the merger agreement and related agreements.

Early in the morning on February 22, 2011, Holly and Frontier issued a joint press release announcing the merger.

Holly's Reasons for the Merger; Recommendation of the Holly Board of Directors

In approving the merger agreement and recommending approval of the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, the Holly board of directors consulted with members of Holly's

management, as well as with Holly's legal and financial advisors, and also considered a number of factors

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that the Holly board of directors viewed as supporting its decisions. The principal factors that the Holly board of directors viewed as supporting its decisions are:

that combining Holly and Frontier would provide the long-term strategic benefit of creating a more diversified company, with increased scope and scale of refining operations than that offered by Holly alone, by adding Frontier's two refineries with advantaged geographical access to niche product and growing crude supply markets with increased exposure to light-heavy differentials;

the transaction has been structured as a merger of equals and the exchange ratio reflects an implied discount in the consideration being paid by Holly in the merger of 4.0% to the ratio of the closing prices of the two companies' common stock on February 18, 2011, the last trading day before public announcement of the merger, and the closeness of the exchange ratio to the historical ratio of the two companies' trading prices over the twelve months prior to public announcement of the merger;

the expectation that the combined company would have a broader geographic sales footprint by adding exposure to the Front Range region and increased exposure to the Mid-Continent region than Holly on a stand-alone basis;

the expectation that the combined company would have a strong balance sheet, with a substantial cash position compared to the anticipated outstanding indebtedness of the combined company at the completion of the merger;

the expectation that the combined company would have a stronger financial profile and credit rating given the more diverse asset base and stronger combined balance sheet of the combined company in comparison to Holly on a stand-alone basis, which may lower borrowing costs for the combined company (and potentially for HEP);

the expectation that the combined company would have improved access to capital over the long term with a lower cost of capital, including equity and debt, based on the anticipated capital structure of the combined company;

the expectation that the combined company would have increased resources to invest in future acquisition and other growth opportunities in comparison to Holly on a stand-alone basis;

the anticipated competitive position, business, financial position, personnel and prospects of the combined company, which together would create a stronger key customer for HEP, and the expectation that the merger would provide additional growth opportunities for HEP and enhance the potential value of Holly's investment in HEP;

the expectation that the combined company would achieve cost savings from, among other things, reductions in corporate overhead and back office costs in comparison to both companies on a stand-alone basis;

the expectation that combining Holly and Frontier would promote earnings per share accretion (in comparison to Holly on a stand-alone basis) through realization of synergies;

the potential opportunities for greater operational efficiencies and synergies through conducting Holly's and Frontier's operations as part of a single enterprise;

the expectation that the combination of Holly and Frontier would spread risk of unplanned downtime and other operational risks across the combined company's larger and more diversified asset base;

that Holly's solvent deasphalting technology and Frontier's coker-based asphalt technology are generally complementary and would combine to create diversified asphalt processing technology and asphalt manufacturing synergies for the combined company;

the opportunity to combine two strong senior management teams, as described under Board of Directors and Management Following the Merger ;

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that the board of directors of the combined company following the merger of equals would have equal representation from the two companies consisting of seven directors chosen by the current Holly directors and seven directors chosen by the current Frontier directors, as described under Board of Directors and Management Following the Merger ;

the opinion of Morgan Stanley & Co. Incorporated, dated February 21, 2011, to the Holly board of directors to the effect that, as of that date and based on and subject to various assumptions, qualifications and limitations described in the Morgan Stanley opinion included with this joint proxy statement/prospectus as Annex B, the exchange ratio of 0.4811 shares of Holly common stock to be issued by Holly in exchange for each outstanding share of Frontier common stock pursuant to the merger was fair, from a financial point of view, to Holly, as more fully described below under the caption Opinions of Holly's Financial Advisors Opinion of Morgan Stanley & Co. Incorporated ; and

the opinion of Deutsche Bank Securities Inc., dated February 21, 2011, to the Holly board of directors to the effect that, as of that date and based on and subject to various assumptions, qualifications and limitations described in the Deutsche Bank opinion included with this joint proxy statement/prospectus as Annex C, the exchange ratio of 0.4811 shares of Holly common stock to be issued by Holly in exchange for each outstanding share of Frontier common stock was fair, from a financial point of view, to Holly, as more fully described below under the caption Opinions of Holly's Financial Advisors Opinion of Deutsche Bank Securities Inc.

In addition to considering the factors described above, the Holly board of directors also considered the following factors:

its knowledge of Holly's business, operations, financial condition, earnings and prospects and its knowledge of Frontier's business, operations, financial condition, earnings and prospects, taking into account Frontier's publicly-filed information and the results of Holly's due diligence review of Frontier;

the current and prospective competitive climate in the petroleum refining and marketing industry in which Holly and Frontier operate, including the potential for further consolidation in the refining and marketing industry in North America generally and the Mid-Continent, Southwestern and Rocky Mountain regions of the United States in particular;

the long-term and recent historical trading prices with respect to shares of Holly common stock and Frontier common stock and the amount of the merger consideration;

the fact that the exchange ratio is fixed and will not fluctuate based upon changes in the market price of Holly or Frontier common stock between the date of the merger agreement and the date of the completion of the merger;

the terms and conditions of the merger agreement, including the commitments by both Holly and Frontier to complete the merger and certain reciprocal provisions that may have the effect of discouraging alternative acquisition proposals involving Frontier or Holly, and the likelihood of completing the merger;

the fact that completion of the merger is subject to the negotiation of suitable financing or refinancing for the combined company in the form of a new bank facility;

the fact that the merger agreement does not preclude a third party from making an unsolicited proposal for a competing transaction with Holly or Frontier and, that under certain circumstances more fully described in the

sections The Merger Agreement No Solicitation of Alternative Proposals beginning on page 41 and The Merger Agreement Changes in Board Recommendations beginning on page 95, Holly or Frontier, as applicable, may furnish non-public information to and enter into discussions with such third party regarding the competing transaction and the Holly or Frontier board, as applicable, may withdraw or modify its recommendations to Holly or Frontier stockholders regarding the merger; and

the combined company s ability to operate under the covenants of Holly s and Frontier s existing indebtedness and/or the combined company s ability to refinance such indebtedness on reasonable terms and the combined company s ability to increase its bank lines of credit.

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The Holly board of directors weighed the foregoing against a number of potentially negative factors, including:

the restrictions on the conduct of Holly's business during the period between the execution of the merger agreement and the completion of the merger;

the costs associated with the completion of the merger and the realization of the benefits expected to be obtained in connection with the merger, including management's time and energy and potential opportunity cost;

the challenges in absorbing the effect of any failure to complete the merger, including potential termination fees and stockholder and market reactions;

the risk that regulatory agencies may not approve the merger or may impose terms and conditions on their approvals that adversely affect the business and financial results of the combined company as more fully described under the caption "Regulatory Clearances Required for the Merger" beginning on page 85;

the potential earnings dilution to Holly stockholders following the merger;

the challenges inherent in the combination of two businesses of the size and complexity of Holly and Frontier, including the possible diversion of management attention for an extended period of time;

the risk of not being able to realize all of the anticipated cost savings and operational synergies between Holly and Frontier and the risk that other anticipated benefits might not be realized; and

the risks of the type and nature described under "Risk Factors," beginning on page 16 and the matters described under "Special Note Regarding Forward-Looking Statements" beginning on page 15.

This discussion of the information and factors considered by Holly's board of directors in reaching its conclusions and recommendation includes the principal factors considered by the board, but is not intended to be exhaustive and may not include all of the factors considered by the Holly board of directors. In view of the wide variety of factors considered in connection with its evaluation of the merger and the other transactions contemplated by the merger agreement, and the complexity of these matters, the Holly board of directors did not find it useful and did not attempt to quantify, rank or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the merger and the other transactions contemplated by the merger agreement, and to make its recommendation to Holly stockholders. Rather, the Holly board of directors viewed its decisions as being based on the totality of the information presented to it and the factors it considered, including its discussions with, and questioning of, members of Holly's management and outside legal and financial advisors. In addition, individual members of the Holly board of directors may have assigned different weights to different factors.

Certain of Holly's directors and executive officers have financial interests in the merger that are different from, or in addition to, those of Holly's stockholders generally. The Holly board of directors was aware of and considered these potential interests, among other matters, in evaluating the merger and in making its recommendation to Holly stockholders. For a discussion of these interests, see "Interests of Holly Directors and Executive Officers in the Merger."

The Holly board of directors unanimously approved the merger and the merger agreement and determined that the merger and the other transactions contemplated by the merger agreement, including the issuance of shares of Holly common stock to Frontier shareholders in connection with the merger, are in the best interests

of Holly and its stockholders. Accordingly, the Holly board of directors unanimously recommends that the Holly stockholders vote FOR the proposal to approve the issuance of shares of Holly common stock to Frontier shareholders pursuant to the merger.

Opinions of Holly's Financial Advisors

Opinion of Morgan Stanley & Co. Incorporated

Holly retained Morgan Stanley to provide it with financial advisory services in connection with the transaction. Holly selected Morgan Stanley to act as one of its financial advisors based on Morgan Stanley's qualifications, expertise and reputation and its knowledge of the business and affairs of Holly. At the meeting of the Holly board of

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directors on February 21, 2011, Morgan Stanley rendered its oral opinion, subsequently confirmed in writing, that as of such date, and based upon and subject to the various assumptions, considerations, qualifications and limitations set forth in its written opinion, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to Holly.

The full text of the written opinion of Morgan Stanley, dated February 21, 2011, which discusses, among other things, the assumptions made, procedures followed, matters considered, and qualifications and limitations of the review undertaken by Morgan Stanley in rendering its opinion, is attached as Annex B and incorporated by reference into this section of the joint proxy statement/prospectus. The summary of the Morgan Stanley fairness opinion provided in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. Holly stockholders are urged to read the opinion carefully and in its entirety. The Morgan Stanley opinion is directed to the Holly board of directors, in its capacity as such, and addresses only the fairness, from a financial point of view, of the exchange ratio pursuant to the merger agreement as of the date of the opinion. The Morgan Stanley opinion does not address any other aspect of the merger and does not constitute a recommendation to any Holly or Frontier stockholder as to how any such stockholder should vote with respect to the proposed merger or any other matter.

For the purposes of its opinion, Morgan Stanley, among other things:

reviewed certain publicly available financial statements and other business and financial information of Frontier and Holly, respectively;

reviewed certain internal financial statements and other financial and operating data concerning Frontier and Holly, respectively;

reviewed certain financial forecasts prepared by the managements of Frontier and Holly, respectively, as well as certain adjustments thereto and extrapolations therefrom prepared with the guidance of members of Holly management and which had been approved for Morgan Stanley's use by Holly management;

reviewed information relating to certain strategic, financial and operational benefits anticipated from the merger, prepared by the managements of Frontier and Holly, respectively;

discussed the past and current operations and financial condition and the prospects of Frontier, including information relating to certain strategic, financial and operational benefits anticipated from the merger, with senior executives of Frontier;

discussed the past and current operations and financial condition and the prospects of Holly, including information relating to certain strategic, financial and operational benefits anticipated from the merger, with senior executives of Holly;

reviewed the pro forma impact of the merger on Holly's earnings per share, cash flow, consolidated capitalization and financial ratios;

reviewed the reported prices and trading activity for Frontier common stock and Holly common stock;

compared the financial performance of Frontier and Holly and the prices and trading activity of Frontier common stock and Holly common stock with that of certain other publicly-traded companies that Morgan Stanley deemed comparable with Frontier and Holly, respectively, and their securities;

participated in discussions and negotiations among representatives of Frontier and Holly and their financial and legal advisors;

reviewed the merger agreement; and

performed such other analyses, reviewed such other information and considered such other factors as we have deemed appropriate.

For purposes of its opinion, Morgan Stanley assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or supplied or otherwise made available to it by Frontier and Holly, and formed a substantial basis for Morgan Stanley's opinion. With respect to the financial

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forecasts prepared by the managements of Frontier and Holly, respectively, as well as certain adjustments thereto and extrapolations therefrom prepared with guidance from Holly management and which have been approved for Morgan Stanley's use by Holly management, including information relating to certain strategic, financial and operational benefits anticipated from the merger, Morgan Stanley assumed that they were reasonably prepared on bases reflecting the best currently available estimates and judgments of the respective managements of Frontier and Holly, as applicable, of the future financial performance of Frontier and Holly, respectively. Morgan Stanley relied upon, without independent verification, the assessment by the managements of Frontier and Holly of: (i) the strategic, financial and other benefits expected to result from the merger; (ii) the timing and risks associated with the integration of Frontier and Holly; (iii) their ability to retain key employees of Frontier and Holly, respectively; and (iv) the validity of, and risks associated with, Frontier's and Holly's existing and future technologies, products, services and business models. In addition, Morgan Stanley assumed that the merger will be consummated in accordance with the terms set forth in the merger agreement without any waiver, amendment or delay of any terms or conditions, including, among other things, that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code, as contemplated by the merger agreement. Morgan Stanley assumed that in connection with the receipt of all the necessary governmental, regulatory or other approvals and consents required for the proposed merger, no delays, limitations, conditions or restrictions will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived in the proposed merger. Morgan Stanley noted that the merger agreement contemplated that the parties may agree upon alternative structures to effect the business combination contemplated by the merger agreement; however, for purpose of its opinion, Morgan Stanley assumed with Holly's consent that no such alternative structure would be implemented.

In its opinion, Morgan Stanley noted that it is not a legal, tax or regulatory advisor and that as a financial advisor it relied upon, without independent verification, the assessment of Holly and Frontier and their respective legal, tax or regulatory advisors with respect to legal, tax or regulatory matters. Morgan Stanley expressed no opinion with respect to the fairness of the amount or nature of the compensation to any of Holly's or Frontier's officers, directors or employees, or any class of such persons, relative to the consideration to be paid to the holders of shares of Frontier's common stock in the transaction. Morgan Stanley did not make any independent valuation or appraisal of the assets or liabilities of Frontier or Holly, nor was it furnished with any such valuations or appraisals. Morgan Stanley's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of, February 21, 2011. Events occurring after February 21, 2011 may affect Morgan Stanley's opinion and the assumptions used in preparing it, and Morgan Stanley did not assume any obligation to update, revise or reaffirm its opinion. Morgan Stanley's opinion did not in any manner address the prices at which Holly common stock or Frontier common stock would trade either prior to or following consummation of the merger.

The following is a summary of the material financial analyses performed by Morgan Stanley in connection with its opinion, dated as of February 21, 2011. Some of these summaries include information in tabular format. In order to understand fully the financial analyses used by Morgan Stanley, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the analyses. Furthermore, mathematical analysis (such as determining the average or median) is not in itself a meaningful method of using the data referred to below.

Historical Exchange Ratio Analysis

Morgan Stanley reviewed the stock price performance of Frontier and Holly during various periods ending on February 18, 2011, the last full trading day prior to the rendering of Morgan Stanley's opinion dated February 21, 2011. Morgan Stanley then calculated the daily historical exchange ratios during the period between February 15, 2008 and February 18, 2011 implied by dividing the Frontier closing price for the relevant date by the Holly closing price for such date. Morgan Stanley then calculated the average, minimum or maximum of the resulting exchange ratios, as applicable, across certain periods within the three-year time range. Morgan Stanley compared the

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exchange ratio of 0.4811 provided for in the merger agreement with historical exchange ratios for such dates and periods. The following table lists the implied exchange ratios for these dates and periods:

	Implied Exchange Ratio Period Ending February 18, 2011
Maximum Since February 18, 2010	0.5650
Minimum Since February 18, 2010	0.3960
Average Since December 17, 2010	0.4363
Average Since August 18, 2010	0.4411
Average Since February 18, 2010	0.4742
Average Since February 15, 2008	0.5662

The exchange ratio of 0.4811 provided for in the merger agreement reflects an implied discount of 4.0% to the market exchange ratio on February 18, 2011 (0.5012), or an implied discount of 3.0% to the market exchange ratio on February 18, 2011, as adjusted for a special catch-up cash dividend (which was assumed to be \$0.28/share per the merger agreement), the concept of which was publicly discussed by Frontier management prior to the announcement of the merger agreement and expected to be paid to Frontier shareholders in March 2011 (as adjusted for such a dividend, 0.4962).

Equity Research Analyst Price Targets

Morgan Stanley reviewed selected public market trading price targets for Frontier common stock prepared and published by 11 equity research analysts that published or confirmed price targets for Frontier after February 1, 2011 and prior to February 18, 2011. For purposes of this analysis, Morgan Stanley assumed that the analysts who published research reports after February 1, 2011 and prior to February 18, 2011 and who did not adjust their prior stock price targets, were deemed to have confirmed their pre-existing price targets. Morgan Stanley reviewed the most recent price target published by each analyst. These targets reflect each analyst's estimate of the future public market trading price of Frontier common stock at the time the price target was published. At February 18, 2011, the range of selected equity analyst price targets for Frontier common stock was from approximately \$19 to \$33 per share (or approximately \$17 to \$30 per share if discounted for an illustrative twelve months at an 11% cost of equity). Morgan Stanley noted that the Frontier closing price on February 18, 2011 was \$28.12 per share.

Morgan Stanley also reviewed selected public market trading price targets for Holly common stock prepared and published by nine equity research analysts that published or confirmed price targets for Holly after February 1, 2011 and prior to February 18, 2011. Price targets were assumed to be confirmed if the analyst published estimates after February 1, 2011 and prior to February 18, 2011. Morgan Stanley reviewed the most recent price target published by each analyst. These targets reflect each analyst's estimate of the future public market trading price of Holly common stock at the time the price target was published. At February 18, 2011, the range of selected equity analyst price targets for Holly common stock was from approximately \$40 to \$77 per share (or approximately \$36 to \$69 per share if discounted for an illustrative twelve months at an 11% cost of equity). Morgan Stanley noted that the Holly closing price on February 18, 2011 was \$56.11 per share.

Morgan Stanley calculated the exchange ratio implied by the analyst price targets for Holly and Frontier (only with respect to such analysts that published price targets for both Holly and Frontier) by dividing the Frontier price target by the Holly price target provided by the same analyst. This analysis implied a range of exchange ratios of 0.4151 to

0.5167 based on price targets published or confirmed after February 1, 2011 and prior to February 18, 2011. Price targets were assumed to be confirmed if the analyst published estimates after February 1, 2011 and prior to February 18, 2011. Morgan Stanley noted that the merger agreement provided for an exchange ratio of 0.4811.

The public market trading price targets published by securities research analysts do not necessarily reflect current market trading prices for shares of Frontier common stock and shares of Holly common stock and these estimates are subject to uncertainties, including the future financial performance of Frontier and Holly and future financial market conditions.

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Comparable Company Analysis

Morgan Stanley compared certain financial information of each of Holly and Frontier with publicly available consensus earnings and EBITDA estimates for other companies that shared similar business characteristics to Holly and Frontier, respectively. The companies used in this comparison were:

Alon USA Energy, Inc.
CVR Energy, Inc.
Delek US Holdings, Inc.
Frontier Oil Corporation
Holly Corporation
Sunoco, Inc.
Tesoro Corporation
Valero Energy Corporation
Western Refining, Inc.

For purposes of this analysis, Morgan Stanley used the median estimates of those estimates published publicly by equity research analysts for each company after February 1, 2011 and prior to February 18, 2011. In cases where there was limited information available on this basis, Morgan Stanley used the median of the two most recent estimates, when available (in either case, referred to here as consensus estimates).

Morgan Stanley analyzed the ratio of aggregate value, defined as market capitalization plus total debt, noncontrolling interest and preferred equity less cash and cash equivalents, to consensus estimates of EBITDA for calendar years 2011 and 2012 for each of these companies, referred to as AV/EBITDA multiple. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. For Holly, Morgan Stanley presented the AV/EBITDA multiple on both a consolidated and deconsolidated basis. The deconsolidated AV/EBITDA multiple estimated the hypothetical trading multiple of Holly's refining operations by excluding the estimated contribution of Holly's interests in HEP and the UNEV Pipeline, LLC (UNEV Pipeline) from both the aggregate value and EBITDA. Morgan Stanley observed a range of AV/EBITDA multiples for these companies based on 2011 consensus estimates of 4.4x to 7.8x and AV/EBITDA multiples for these companies based on 2012 consensus estimates of 4.3x to 7.1x.

Morgan Stanley also analyzed the ratio of stock price per share to the consensus estimates of EPS, or earnings per share, referred to as P/E, for calendar years 2011 and 2012. Morgan Stanley observed a range of P/E multiples for these companies of 9.5x to 25.0x for calendar year 2011 and of 8.9x to 17.2x for calendar year 2012.

Based on an analysis of the relevant metrics for each of the comparable companies, Morgan Stanley selected (i) reference ranges of AV/EBITDA multiples of 4.5x to 6.5x and P/E multiples of 10.0x to 12.0x for the comparable companies and applied these ranges of multiples to consensus estimates for calendar year 2011 EBITDA and EPS for Holly and Frontier, and (ii) reference ranges of AV/EBITDA multiples of 5.0x to 6.5x and P/E multiples of 11.0x to 14.5x and applied these ranges of multiples to consensus estimates for calendar year 2012 EBITDA and EPS for Holly and Frontier.

In the case of Holly, the value ranges implied by the AV/EBITDA multiples were adjusted to account for the value of Holly's interests in HEP and the UNEV Pipeline. The AV/EBITDA multiples outlined above were only applied to EBITDA attributable to Holly's refining operations, calculated as the consensus estimates for Holly's EBITDA less the consensus estimates for HEP's EBITDA less the estimated EBITDA contribution from Holly's interest in the UNEV Pipeline, which was assumed to be transferred to HEP at year end 2011. Incremental value was added when calculating the price per share of Holly's stock to reflect Holly's interests in HEP and the UNEV Pipeline. Holly's estimated value in the limited partnership interests of HEP was based on the public trading value of those limited

partnership interests. Holly's estimated value in the general partnership interests of HEP was based on the public trading values of comparable general partnership interests. Holly's estimated value in the UNEV Pipeline was based on the forecasted capital contribution in the UNEV Pipeline as of December 31, 2010.

Similarly, Morgan Stanley only applied P/E multiples to the consensus estimates for 2011 EPS for Holly excluding the estimated contribution of UNEV Pipeline earnings for the second half of 2011 and the estimated value of Holly's interest in the UNEV Pipeline was added when calculating the resulting price per share of Holly's stock.

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Based on the consensus estimates, the estimated value of Holly's interests in HEP and the UNEV Pipeline and each company's respective forecasted outstanding net debt as of December 31, 2010, with Holly's net debt unconsolidated for HEP's net debt, Morgan Stanley estimated the following implied value ranges for shares of Frontier and Holly, respectively, on a fully diluted basis:

Company Trading Analysis (consensus estimates)		Share Price (approximate value range)
Frontier	AV/EBITDA multiple for estimated calendar year 2011	\$ 24 to \$33
	AV/EBITDA multiple for estimated calendar year 2012	\$ 22 to \$29
	P/E multiple for estimated calendar year 2011	\$ 24 to \$29
	P/E multiple for estimated calendar year 2012	\$ 22 to \$29
Holly	AV/EBITDA multiple for estimated calendar year 2011	\$ 57 to \$76
	AV/EBITDA multiple for estimated calendar year 2012	\$ 55 to \$67
	P/E multiple for estimated calendar year 2011	\$ 52 to \$62
	P/E multiple for estimated calendar year 2012	\$ 50 to \$66

Morgan Stanley noted that the Frontier closing price on February 18, 2011 was \$28.12 per share and that Holly closing price on February 18, 2011 was \$56.11 per share.

Morgan Stanley noted that such analyses indicated a range of implied exchange ratios of 0.3147 to 0.5923 based on AV/EBITDA multiples for calendar year 2011, 0.3355 to 0.5251 based on AV/EBITDA multiples for calendar year 2012, 0.3837 to 0.5469 based on P/E multiples for calendar year 2011, and 0.3299 to 0.5732 based on P/E multiples for calendar year 2012. Morgan Stanley noted that the merger agreement provided for an exchange ratio of 0.4811.

No company utilized in the comparable company analysis is identical to Holly or Frontier (other than the companies themselves, as applicable). In evaluating comparable companies, Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Holly and Frontier, such as the impact of competition on the businesses of Holly and Frontier and the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of Holly and Frontier or the industry or in the financial markets in general.

Discounted Cash Flow Analysis

Morgan Stanley performed a discounted cash flow analysis, which is designed to estimate the value of a company by calculating the present value of estimated future cash flows of the company. Morgan Stanley calculated a range of equity values per fully diluted share for each of Holly and Frontier based on projections of cash flows for the calendar years 2011 through 2015 and an estimate to the terminal value after 2015.

For the purposes of the discounted cash flow analysis Morgan Stanley used certain financial forecasts prepared by the managements of Frontier and Holly, respectively, as well as certain adjustments thereto and extrapolations therefrom prepared with the guidance of Holly management and which had been approved for Morgan Stanley's use by Holly management, which is referred to below as the Holly management case. Morgan Stanley also reviewed the potential impact of two additional sensitivity scenarios (each of which was prepared with guidance from Holly management) on the projected value of both Frontier and Holly cash flows. The first scenario, Holly management sensitivity case #1, assumed a wider light/heavy differential, a wider sweet/sour differential, a heavier/more sour crude slate (for Frontier only) and a wider lubes to WTI spread than the Holly management case in the estimated calendar years 2011 through

2015. The second scenario, Holly management sensitivity case #2, used the same assumptions as the Holly management sensitivity case #1 except for a wider light/heavy differential for the estimated calendar years 2011 through 2015.

In arriving at the estimated equity values per share of Frontier or Holly common stock, as applicable, Morgan Stanley estimated a range of terminal values by multiplying Frontier's or Holly's estimated mid-cycle EBITDA (based on the 2006-2010 average prices of selected commodities, when full year data were available) by EBITDA

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multiples ranging from 4.5x to 6.0x. Morgan Stanley then discounted Frontier's or Holly's forecasted unlevered free cash flows, as applicable, defined as net operating profit after tax plus depreciation and amortization, other non-cash items and net proceeds from asset sales less changes in working capital, changes in other assets and liabilities and capital expenditures, and the estimated terminal value, in each case to a present value using discount rates ranging from 9.0% to 11.0%. These discount rates were based on Morgan Stanley's judgment of the estimated range of Frontier's or Holly's weighted average cost of capital, as applicable.

In the case of Holly, Morgan Stanley's discounted cash flow analysis excluded cash flows attributable to HEP. To estimate the implied Holly price per share Morgan Stanley included estimates for the value of Holly's interests in HEP based on the public trading value of the limited partnership interests and the public trading values of comparable general partnership interests. These estimated values were added to the equity value implied by the discounted cash flow analysis to derive an estimated equity value for Holly.

Based on the foregoing analysis and the forecasted cash and cash equivalents and debt outstanding of Frontier as of December 31, 2010 the discounted cash flow analysis of Frontier yielded an implied value range for Frontier common stock of approximately \$25 to \$32 per share, on a fully diluted basis. Morgan Stanley noted that the Frontier closing price on February 18, 2011 was \$28.12 per share. Based on the foregoing analysis and the forecasted unconsolidated cash and cash equivalents and debt outstanding of Holly as of December 31, 2010, the discounted cash flow analysis of Holly, including the incremental value associated with HEP, yielded an implied value range for Holly common stock of approximately \$66 to \$82 per share, on a fully diluted basis, based on the Holly management case. Morgan Stanley noted that the Holly closing price on February 18, 2011 was \$56.11 per share.

Based on the foregoing analysis and the forecasted cash and cash equivalents and debt outstanding of Frontier as of December 31, 2010 the discounted cash flow analysis of Frontier yielded (i) an implied value range for Frontier common stock of approximately \$32 to \$39 per share, on a fully diluted basis, in the Holly management sensitivity case #1, and (ii) an implied value range for Frontier common stock of approximately \$35 to \$42 per share, on a fully diluted basis, in the Holly management sensitivity case #2. Morgan Stanley noted that Frontier closing price on February 18, 2011 was \$28.12 per share. Based on the foregoing analysis and the forecasted unconsolidated cash and cash equivalents and debt outstanding of Holly as of December 31, 2010, the discounted cash flow analysis of Holly, including the incremental value associated with HEP, yielded (i) an implied value range for Holly common stock of approximately \$75 to \$92 per share, on a fully diluted basis, in the Holly management sensitivity case #1, and (ii) an implied value range for Holly common stock of approximately \$77 to \$94 per share, on a fully diluted basis, in the Holly management sensitivity case #2. Morgan Stanley noted that Holly closing price on February 18, 2011 was \$56.11 per share.

Morgan Stanley noted that such discounted cash flow analysis for Frontier and Holly implied a range of exchange ratios of 0.3086 to 0.4769 based on the Holly management case. Based on the Holly management sensitivity case #1, the implied range of exchange ratios was 0.3528 to 0.5164 and in the Holly management sensitivity case #2, the range was 0.3713 to 0.5360. Morgan Stanley noted that the merger agreement provided for an exchange ratio of 0.4811.

Contribution Analysis

Morgan Stanley reviewed the relative contributions of Holly and Frontier to the following estimated financial and operating metrics of the combined company for 2010-2012, based on the Holly management case and the consensus estimates:

EBITDA

Net income

Capacity

Complex capacity

In the foregoing analysis, Holly's EBITDA was adjusted to exclude the contribution from HEP and the UNEV Pipeline. When calculating the resulting equity value contribution for Holly, Morgan Stanley included estimates for

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the value of Holly's interests in HEP based on the public trading value of the limited partnership interests and the public trading values of comparable general partnership interests as well as an estimated value of Holly's interest in the UNEV Pipeline based on the forecasted capital contribution as of December 31, 2010. To better align EBITDA for Frontier and Holly on an accounting basis, Morgan Stanley excluded approximately \$25 million in amortization of turnaround costs from Frontier's operating expenses in the Holly management case. Morgan Stanley also excluded UNEV Pipeline earnings contribution for the second half of 2011 from estimates of Holly's net income and included an estimated value of Holly's interest in the UNEV Pipeline based on the forecasted capital contribution as of December 31, 2010 when calculating Holly's equity contribution.

Based on the foregoing, Morgan Stanley calculated implied exchange ratios, or exchange ratio ranges, as applicable, taking into account the impact of each company's respective forecasted outstanding net debt as of December 31, 2010, with Holly's net debt unconsolidated for HEP's net debt, of:

	Company Trading Analysis	Exchange Ratio
Management Case	AV/EBITDA multiple for estimated calendar years 2010-2012	0.3117-0.4180
	P/E multiple for estimated calendar years 2010-2012	0.1821-0.4392
Consensus Estimates	AV/EBITDA multiple for estimated calendar years 2010-2012	0.2799-0.4904
	P/E multiple for estimated calendar years 2010-2012	0.2122-0.5820
Capacity		0.3125
Complex Capacity		0.2715

Morgan Stanley noted that the merger agreement provided for an exchange ratio of 0.4811.

General

Morgan Stanley performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a financial opinion is a complex process and is not necessarily susceptible to a partial analysis or summary description. In arriving at its opinion, Morgan Stanley considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor it considered. Morgan Stanley believes that selecting any portion of its analyses, without considering all analyses as a whole, would create an incomplete view of the process underlying its analyses and opinion. In addition, Morgan Stanley may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis described above should not be taken to be Morgan Stanley's view of the actual value of Holly or Frontier. In performing its analyses, Morgan Stanley made numerous assumptions with respect to industry performance, general business and economic conditions and other matters. Many of these assumptions are beyond the control of Holly and Frontier. Any estimates contained in Morgan Stanley's analyses are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by such estimates.

Morgan Stanley conducted the analyses described above solely as part of its analysis of the fairness, from a financial point of view, to Holly of the exchange ratio pursuant to the merger agreement and in connection with the delivery of its opinion to the Holly board of directors. These analyses do not purport to be appraisals or to reflect the prices at which shares of common stock of Holly or Frontier might actually trade.

Morgan Stanley's opinion and its presentation to the Holly board of directors was one of many factors taken into consideration by the Holly board of directors in deciding to approve, adopt and authorize the merger agreement. Consequently, the analyses as described above should not be viewed as determinative of the opinion of the Holly

board of directors with respect to the exchange ratio or of whether the Holly board of directors would have been willing to agree to a different exchange ratio. The exchange ratio was determined through arm's-length negotiations between Holly and Frontier and was approved by the Holly board of directors. Morgan Stanley provided advice to Holly during these negotiations. Morgan Stanley did not, however, recommend any specific exchange ratio to Holly or that any specific exchange ratio constituted the only appropriate consideration for the merger.

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Morgan Stanley's opinion was approved by a committee of Morgan Stanley investment banking and other professionals in accordance with its customary practice.

Morgan Stanley is a global financial services firm engaged in the securities, investment management and individual wealth management businesses. Its securities business is engaged in securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trading, prime brokerage, as well as providing investment banking, financing and financial advisory services. Morgan Stanley, its affiliates, directors and officers may at any time invest on a principal basis or manage funds that invest, hold long or short positions, finance positions, and may trade or otherwise structure and effect transactions, for their own account or the accounts of its customers, in debt or equity securities or loans of Holly, Frontier, or any other company, or any currency or commodity, that may be involved in this transaction, or any related derivative instrument.

Under the terms of its engagement letter, Morgan Stanley provided Holly with financial advisory services in connection with the merger for which it will be paid a fee of \$5,125,000, a portion of which became payable at the time of public announcement of the merger and a substantial portion of which is contingent upon, and will become payable upon, completion of the merger. In addition, Holly may pay to Morgan Stanley an additional discretionary fee if Holly so determines in its sole discretion. Furthermore, Holly has also agreed to reimburse Morgan Stanley for its expenses incurred in performing its services. In addition, Holly has agreed to indemnify Morgan Stanley and its affiliates, their respective directors, officers, agents and employees and each person, if any, controlling Morgan Stanley or any of its affiliates against certain liabilities and expenses, including certain liabilities under the federal securities laws, related to or arising out of Morgan Stanley's engagement. Morgan Stanley may seek to provide financial advisory and financing services to Holly in the future and would expect to receive fees for the rendering of these services.

Opinion of Deutsche Bank Securities Inc.

Deutsche Bank has acted as one of Holly's financial advisors in connection with the merger. At the meeting of the Holly board of directors on February 21, 2011 Deutsche Bank delivered its oral opinion, subsequently confirmed in writing, to the Holly board of directors to the effect that, as of that date and based on and subject to various assumptions, matters considered and limitations described in the Deutsche Bank opinion, the exchange ratio was fair, from a financial point of view, to Holly.

The full text of the written opinion of Deutsche Bank, dated February 21, 2011, which sets forth the assumptions made, matters considered and limits on the review undertaken by Deutsche Bank in rendering its opinion, is included as Annex C to this joint proxy statement/prospectus and is incorporated herein by reference. Holly's stockholders are encouraged to read the opinion in its entirety. Deutsche Bank expressed no opinion or recommendation as to how any holder of Holly common stock should vote with respect to the transactions contemplated by the merger agreement. The summary of the Deutsche Bank opinion set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion included as Annex C.

In connection with its role as one of Holly's financial advisors, and in arriving at its opinion, Deutsche Bank, among other things:

reviewed certain publicly available financial and other information concerning Holly and Frontier;

reviewed certain internal analyses and other information relating to Holly prepared by management of Holly;

reviewed certain internal analyses and other information relating to Frontier prepared by the management of Frontier;

reviewed certain forecast operating and financial statistics relating to Holly and Frontier prepared by the managements of Holly and Frontier, respectively, as well as financial forecasts prepared therefrom by management of Holly and approved for Deutsche Bank's use by the management of Holly;

held discussions with members of management of Holly and Frontier regarding the businesses and prospects of Holly and Frontier, respectively, and the prospects of the combined company, including, without

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limitation, certain cost savings and operating synergies jointly projected by the managements of Frontier and Holly to result from the merger;

reviewed the reported prices and trading activity for both Holly common stock and Frontier common stock;

to the extent publicly available, compared certain financial and stock market information for Holly and Frontier with similar information for certain other companies Deutsche Bank considered relevant whose securities are publicly traded,

reviewed the merger agreement; and

performed such other studies and analyses and considered such other factors as Deutsche Bank deemed appropriate.

Deutsche Bank did not assume responsibility for independent verification of, and did not independently verify, any information, whether publicly available or furnished to it, concerning Holly or Frontier, including, without limitation, any financial information considered in connection with the rendering of its opinion. Accordingly, for purposes of its opinion, Deutsche Bank, with Holly's permission, assumed and relied upon the accuracy and completeness of all such information. Deutsche Bank did not conduct a physical inspection of any of the properties or assets, and did not prepare or obtain any independent evaluation or appraisal of any of the assets or liabilities (including, without limitation, any contingent, derivative or off-balance-sheet assets and liabilities), of Holly or Frontier or any of their respective subsidiaries, nor did it evaluate the solvency or fair value of Holly or Frontier under any state or federal law relating to bankruptcy, insolvency or similar matters. With respect to financial forecasts and projections, including, without limitation, the analyses and forecasts of certain cost savings, operating efficiencies, revenue effects and financial synergies and other strategic benefits jointly prepared and expected by Frontier and Holly to be achieved as a result of the merger (collectively, the Synergies), made available to Deutsche Bank and used in its analyses, Deutsche Bank assumed with Holly's permission that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of Holly and Frontier as to the matters covered thereby. In rendering its opinion, Deutsche Bank expressed no view as to the reasonableness of such forecasts and projections, including, without limitation, the Synergies, or the assumptions on which they were based. Deutsche Bank's opinion was necessarily based upon economic, market and other conditions, and the information made available to it, as of the date thereof. Deutsche Bank expressly disclaimed any undertaking or obligation to advise any person of any change in any fact or matter affecting its opinion of which it became aware after the date thereof.

For purposes of rendering its opinion, Deutsche Bank assumed with Holly's permission that, in all respects material to its analysis, the merger would be consummated in accordance with its terms, without any material waiver, modification or amendment of any term, condition or agreement. Deutsche Bank also assumed at Holly's direction that the merger would qualify for federal income tax purposes as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code of 1986, as amended. Deutsche Bank also assumed that all material governmental, regulatory, contractual or other approvals and consents required in connection with the consummation of the merger would be obtained and that in connection with obtaining any necessary governmental, regulatory, contractual or other approvals and consents, no material restrictions, terms or conditions would be imposed. Deutsche Bank is not a legal, regulatory, tax or accounting expert and has relied on the assessments made by Holly and its advisors with respect to such issues.

The Deutsche Bank opinion was approved and authorized for issuance by a fairness opinion review committee and was addressed to, and for the use and benefit of, the board of directors of Holly. The opinion was limited to the fairness, from a financial point of view, to the Company of the exchange ratio. Holly did not ask Deutsche Bank to, and the opinion of Deutsche Bank did not, address the fairness of the merger, or any consideration received in

connection therewith, to the holders of any class of securities, creditors or other constituencies of Holly, nor did it address the fairness of the contemplated benefits of the merger. Deutsche Bank did not express any view on, and its opinion did not address, any other term or aspect of the merger agreement or the merger or any term or aspect of any other agreement or instrument contemplated by the merger agreement or entered into or amended in connection with the merger. Deutsche Bank expressed no opinion as to the merits of the underlying decision by Holly to engage in the merger or the relative merits of the merger as compared to any alternative business strategies, nor did it

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express an opinion or recommendation as to how any holder of Holly common stock should vote with respect to the merger. Deutsche Bank did not express any view or opinion as to the fairness, financial or otherwise, of the amount or nature of any compensation payable to or to be received by any of the officers, directors or employees of Holly or Frontier, or any class of such persons, in connection with the merger whether relative to the amounts to be received by any other person pursuant to the merger agreement or otherwise. The Deutsche Bank opinion did not in any manner address the prices at which Holly common stock or Frontier common stock will trade following the announcement or consummation of the merger.

Summary of Material Financial Analyses. The following is a summary of the material financial analyses contained in the presentation that was made by Deutsche Bank to the Holly board of directors on February 21, 2011 and that were used by Deutsche Bank in connection with rendering its opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Deutsche Bank, nor does the order of analyses described represent relative importance or weight given to those analyses by Deutsche Bank. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Deutsche Bank's financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before February 18, 2011, and is not necessarily indicative of current market conditions.

Historical Exchange Ratio Analysis. Deutsche Bank reviewed the trading prices of Frontier common stock and Holly common stock for the period from February 18, 2008 through February 18, 2011. For each trading day during that period, Deutsche Bank derived the implied historical exchange ratio by dividing the closing price per share of Frontier common stock by the closing price per share of Holly common stock. The following table sets forth the average implied historical exchange ratios as of February 18, 2011 and for the specified periods ended February 18, 2011 and the premium represented by such ratio as compared to the exchange ratio of 0.4811x.

Period	Implied Historical Exchange Ratio	Premium/(Discount) of Exchange Ratio to Implied Historical Exchange Ratio
Current(1)	0.5012x	(4.0)%
Adjusted(2)	0.4962x	(3.0)%
LTM high	0.5650x	(14.8)%
LTM low	0.3960x	21.5%
Prior 2-month period	0.4363x	10.3%
Prior 6-month period	0.4411x	9.1%
Prior 1-year period	0.4742x	1.5%
Prior 3-year period	0.5662x	(15.0)%

(1) Market data as of February 18, 2011.

(2) Adjusted for Frontier catch-up dividend of \$0.28 per share.

Historical Share Price Analysis. Deutsche Bank noted that the low and high closing prices per share of Frontier common stock during the 52-week period ending on February 18, 2011 were \$11.38 and \$29.27, respectively. Deutsche Bank also noted that the low and high closing prices per share of Holly common stock during the same

period were \$23.32 and \$61.91, respectively. Deutsche Bank noted that the range of implied exchange ratios during the 52-week period ending on February 18, 2011 was 0.3960x to 0.5650x as compared to the exchange ratio of 0.4811x.

Analyst Price Targets. Deutsche Bank reviewed the price targets for Frontier common stock prepared and published by 11 equity research analysts who published price targets on or after February 1, 2011 and the price targets for Holly common stock prepared and published by nine equity research analysts who published price targets on or after February 1, 2011. These targets reflect each analyst's estimate of the future public market trading price of Frontier common stock and Holly common stock and are not discounted to reflect present values.

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Deutsche Bank noted that the range of undiscounted equity analyst price targets of Frontier common stock was between \$19.00 and \$33.00 per share and the range of undiscounted equity analyst price targets of Holly common stock was between \$40.00 and \$77.00 per share. Deutsche Bank calculated that the implied exchange ratio based on the price targets of the nine equity research analysts who published price targets for both Frontier and Holly ranged from 0.4151x to 0.5167x as compared to the exchange ratio of 0.4811x.

Selected Companies Analysis. Deutsche Bank reviewed and compared certain financial information, ratios and public market multiples for Holly and Frontier to the corresponding financial information, ratios and public market multiples for the following publicly traded corporations in the refining and related sectors (the Selected Companies):

Alon USA Energy, Inc.

CVR Energy, Inc.

Delek US Holdings, Inc.

Sunoco, Inc.

Tesoro Corporation

Valero Energy Corporation

Western Refining, Inc.

Although none of the Selected Companies is directly comparable to Holly or Frontier, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Holly and Frontier.

In its analysis, Deutsche Bank derived and compared multiples for Frontier, Holly, Holly's refining business on a standalone basis after removal of certain non-refining operations (HEP and UNEV pipeline), referred to herein as Holly Refining, and the Selected Companies, calculated as follows:

enterprise value as a multiple of estimated earnings before interest, taxes, depreciation and amortization, commonly referred to as EBITDA, for calendar year 2011, which is referred to below as 2011E EV/EBITDA;

enterprise value as a multiple of estimated EBITDA for calendar year 2012, which is referred to below as 2012E EV/EBITDA;

price per share divided by estimated earnings per share, commonly referred to as EPS, for calendar year 2011, which is referred to below as 2011E P/E; and

price per share divided by estimated EPS for calendar year 2012, which is referred to below as 2012E P/E.

The multiples and ratios for each of the Selected Companies were calculated using the closing price of the Selected Companies' common stock on February 18, 2011 and were based on the most recent publicly available information and information from Capital IQ. The multiples and ratios for Frontier and Holly were calculated using closing prices per share of Frontier common stock and Holly common stock on February 18, 2011 and were based on the median estimates from research analysts who published estimates on or after February 1, 2011. The multiples and ratios for Holly Refining were calculated using closing prices per share of Holly common stock on February 18, 2011 and the

median estimates from research analysts who published estimates on or after February 1, 2011, subject to certain adjustments to account for the removal of non-refining operations.

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This analysis indicated the following multiples:

	Range(1)	Median(2)	Frontier	Holly	Holly Refining
2011E EV/EBITDA	4.7x - 7.8x	5.2x	5.4x	6.4x	4.4x
2012E EV/EBITDA	4.3x - 6.4x	5.9x	6.4x	7.1x	5.2x
2011E P/E(3)	9.5x - 25.0x	11.6x	11.8x	11.3x	n/a
2012E P/E(3)	8.9x - 17.2x	11.7x	14.3x	12.4x	n/a

(1) Selected Companies only, excludes Frontier, Holly and Holly Refining.

(2) Median excludes CVR Energy Inc. and Sunoco, Inc.

(3) Range and median exclude Alon USA Energy, Inc. and Holly Refining.

Deutsche Bank selected representative ranges of financial multiples of the selected companies and applied these ranges of multiples to the relevant Frontier and Holly statistics. This analysis indicated the following ranges of implied values per share for Frontier common stock and implied values per share for Holly common stock:

	Reference Range	Implied Per Share Value for Frontier	Implied Per Share Value for Holly
2011E EV/EBITDA	5.0x - 6.5x	\$26.19 - \$33.45	\$61.41 - \$75.22
2012E EV/EBITDA	5.0x - 6.5x	\$22.48 - \$28.62	\$54.84 - \$66.67
2011E P/E	11.0x - 14.0x	\$26.18 - \$33.32	\$57.13 - \$71.84
2012E P/E	11.5x - 14.5x	\$22.66 - \$28.57	\$52.10 - \$65.69

Deutsche Bank also calculated the exchange ratios implied by dividing the low end of the implied equity value per share of Frontier common stock for each financial multiple by the high end of the implied equity value per share of Holly common stock for such financial multiple and the exchange ratios implied by dividing the high end of the implied equity value per share of Frontier common stock for each multiple by the low end of the implied equity value per share of Holly common stock for such financial multiple. This analysis indicated the following range of implied exchange ratios as compared to the exchange ratio of 0.4811x:

	Implied Exchange Ratio
2011E EV/EBITDA	0.3482x - 0.5447x
2012E EV/EBITDA	0.3371x - 0.5219x
2011E P/E	0.3644x - 0.5833x
2012E P/E	0.3449x - 0.5483x

Discounted Cash Flow Analysis. Deutsche Bank performed a discounted cash flow analysis to determine a range of implied present values per share of Frontier common stock based on projected unlevered free cash flows for Frontier on a standalone basis for the years ending December 31, 2011 through 2015, using estimates from Holly management.

The analysis was based on a range of discount rates from 9.0% to 11.0% and a terminal value based on multiples ranging from 5.0x to 6.0x applied to Frontier's mid-cycle EBITDA. The terminal multiple range was based on the average forward-looking EBITDA multiples for publicly traded corporations in the refining and related sectors during the period from 2006 to 2010. Frontier's mid-cycle EBITDA was calculated by applying average product and input pricing spreads and average crude oil pricing differentials from 2006 to 2010 to Frontier's forecasted operating configuration. This analysis indicated the following range of implied per share present values for Frontier common stock:

Holly Management Case

\$26.79 - \$31.65

Holly Management Sensitivity Case 1

\$33.68 - \$38.83

Deutsche Bank also performed a discounted cash flow analysis to determine a range of implied present values per share of Holly common stock based on projected unlevered free cash flows for Holly on a standalone basis for the years ending December 31, 2011 through 2015, using estimates from Holly management and the same

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methodology described above. This analysis indicated the following range of implied per share present values for Holly common stock:

Holly Management Case

\$69.93 - \$82.24

Holly Management Sensitivity Case 1

\$78.81 - \$91.52

Deutsche Bank also calculated the exchange ratios implied by dividing the low end of the implied equity value per share of Frontier common stock by the corresponding high end of the implied equity value per share of Holly common stock and by dividing the high end of the implied equity value per share of Frontier common stock by the corresponding low end of the implied equity value per share of Holly. This analysis indicated the following range of implied exchange ratios as compared to the exchange ratio of 0.4811x:

Holly Management Case

0.3257x - 0.4526x

Holly Management Sensitivity Case 1

0.3680x - 0.4927x

Pro Forma Analysis. Deutsche Bank performed an illustrative pro forma transaction analysis of the potential financial impact of the merger on Holly's estimated EPS for fiscal years 2011 and 2012 under various scenarios including Synergies ranging from \$15 to \$45 million (of which only one-half are realized in 2011) and the potential refinancing or redemption of Frontier's existing bonds. In this analysis, earnings estimates for Frontier and Holly were based on Holly management projections and consensus estimates. Based upon the Holly management estimates, Deutsche Bank's analysis indicated a range of 3.2% dilution to 1.8% accretion in 2011 and a range of 0.3% dilution to 6.5% accretion in 2012. Based upon the consensus estimates, Deutsche Bank's analysis indicated a range of 2.8% to 7.7% accretion in 2011 and a range of 0.4% dilution to 6.9% accretion in 2012.

Precedent Merger of Equals Transactions Analysis. Deutsche Bank reviewed the premiums paid in 28 transactions announced as merger of equals transactions with a greater than 40% target ownership announced between April 22, 1996 and February 9, 2011. Deutsche Bank then calculated the premium reflected by the exchange ratio in each transaction over the average exchange ratio for the 30 days preceding announcement of the transaction. Deutsche Bank noted that the mean premium was 4.1%, the median premium was 2.6% and the premium for the merger was 11%.

General. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Deutsche Bank's opinion. In arriving at its fairness determination, Deutsche Bank considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Deutsche Bank made its determination as to fairness on the basis of experience and professional judgment after considering the results of all of its analyses. No company (other than Holly or Frontier) or transaction used in the above analyses as a comparison is directly comparable to Holly or Frontier or the merger.

Deutsche Bank prepared these analyses for purposes of providing its opinion to the Holly board of directors as to the fairness to Holly from a financial point of view of the exchange ratio of 0.4811 shares of Holly common stock to be issued in the merger for each share of Frontier common stock. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results, including estimates of the Synergies, are not necessarily indicative of actual future results,

which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Holly, Frontier, Deutsche Bank or any other person assumes responsibility if future results are materially different from those forecast.

The exchange ratio of 0.4811 shares of Frontier common stock to be issued in the merger for each share of Holly common stock was determined through arm's-length negotiations between Holly and Frontier and was approved by the Holly board of directors. Deutsche Bank provided advice to Holly during these negotiations. Deutsche Bank did not, however, recommend any specific exchange ratio to Holly or its board of directors or that any specific exchange ratio constituted the only appropriate exchange ratio for the merger.

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As described above, the opinion from Deutsche Bank to the Holly board of directors were one of a number of factors taken into consideration by the Holly board of directors in making its determination to approve the merger agreement and the merger. The foregoing summary does not purport to be a complete description of the analyses performed by Deutsche Bank in connection with its fairness opinion and is qualified in its entirety by reference to the written opinion of Deutsche Bank included as Annex C.

The Holly board of directors engaged Deutsche Bank as a financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the merger. Pursuant to its engagement letter with Holly, Deutsche Bank will be paid a transaction fee of \$4,875,000 for its services as financial advisor to Holly in connection with the merger, a portion of which was paid upon delivery of its opinion and a substantial portion of which is payable contingent upon completion of the merger. In addition, Holly may pay to Deutsche Bank an additional discretionary fee if Holly so determines in its sole discretion. The engagement letter also provides that Holly may pay to Deutsche Bank a discretionary fee upon completion of the merger. Holly also agreed to reimburse Deutsche Bank for its reasonable and customary expenses, and to indemnify Deutsche Bank against certain liabilities, in connection with its engagement.

Deutsche Bank is an affiliate of Deutsche Bank AG (together with its affiliates, the DB Group). The DB Group may provide investment banking, commercial banking and other financial services to Holly, Frontier or their respective affiliates in the future for which Deutsche Bank would expect the DB Group to receive customary compensation. In the ordinary course of business, members of the DB Group may actively trade in the securities and other instruments and obligations of Frontier, Holly, or their respective affiliates for their own accounts and for the accounts of their customers. Accordingly, the DB Group may at any time hold a long or short position in such securities, instruments and obligations.

Certain Prospective Financial Information Reviewed by Holly

Holly does not as a matter of course make projections as to future performance available to the public and avoids making projections for extended periods due to the unpredictability of the underlying assumptions and estimates. However, in connection with its evaluation of the proposed merger, certain non-public financial projections regarding Holly's and Frontier's anticipated future operations were prepared by Holly for the years 2011 through 2015. In the case of Holly's projections of Frontier's future performance, Holly's management based these projections in part on estimates of certain expected 2011 limited financial and operating data provided by Frontier to Holly. The projections were reviewed by the Holly board of directors and provided by management to Holly's financial advisors in connection with the proposed merger. The projections were independently prepared by Holly management based on assumptions that Holly management believed to be reasonable at the time and were not provided to and were not reviewed by Frontier or its financial advisors prior to the announcement of the transaction.

The financial projections were not prepared with a view toward public disclosure, nor were they prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial projections, or GAAP. In addition, the projections were not prepared with the assistance of, or reviewed, compiled or examined by, an independent auditor. Neither Holly's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

Earnings for the independent refining industry are highly volatile. The financial projections were based on numerous variables and assumptions (including but not limited to those related to industry performance, competition, general business, economic, market and financial conditions) that are inherently uncertain and are beyond the control of Holly

and Frontier. Financial projections for both Holly and Frontier are subject to many risks and uncertainties, including, but not limited to, the impact of general economic factors outside Holly's control, volatility in crack spreads, crude oil differentials and other operating conditions and other risks and uncertainties relating to Holly's and Frontier's business (including their ability to achieve strategic goals, objectives and targets over applicable periods) and other factors described under Special Note Regarding Forward-Looking Statements, all

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of which are subject to change. The projections also did not give effect to the merger. As a result, actual results may differ materially from those contained in the financial projections.

The inclusion of a summary of the financial projections in this joint proxy statement/prospectus should not be regarded as an indication that any of Holly, Frontier or their respective affiliates, officers, directors or other representatives consider the financial projections to be necessarily predictive of actual future events, and the financial projections should not be relied upon as such. None of Holly, Frontier or their respective affiliates, officers, directors or other representatives can give you any assurance that actual results will not differ materially from the financial projections, and none of them undertakes any obligation to update or otherwise revise or reconcile the financial projections to reflect circumstances existing after the date the financial projections were generated or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the projections are shown to be in error. None of Holly, Frontier or their respective affiliates, officers, directors or other representatives has made or makes any representation to any stockholder or other person regarding Holly's or Frontier's ultimate performance compared to the information contained in the financial projections or that the projected results will be achieved. The summary of the financial projections included below is not being included to influence your decision whether to vote for the merger and the transactions contemplated in connection with the merger, but are being provided because the financial projections were considered in connection with the merger.

Holly has made no representations to Frontier, and Frontier has made no representations to Holly, in the merger agreement or otherwise, concerning the financial projections or the estimates on which they are based. Holly and Frontier urge all stockholders to review Holly's and Frontier's most recent SEC filings for a description of Holly's and Frontier's reported financial results.

The below projections for Holly's EBITDA, net income and earnings per share are presented as the results from Holly's refining segment operations, including the proportional contribution from UNEV Pipeline, LLC in 2011 (and assuming a pre-tax gain on the sale of Holly's interest in UNEV Pipeline, L.L.C. to HEP in 2012), plus Holly's proportional share of the earnings of HEP. Holly's capital expenditures exclude the capital expenditures of HEP. In the below projections for Frontier, the amortization of turn-around costs is included in depreciation and amortization for the purposes of calculating EBITDA consistent with Frontier's financial reporting for fiscal year 2010. In the below forecasts, operating cash flow of Holly and Frontier is defined as operating cash flow before the effects of changes in working capital, other assets and other liabilities. The operating cash flow of Holly includes the estimated general partner and limited partner distributions received by Holly from HEP in place of Holly's proportional share of the earnings of HEP otherwise included in net income.

Holly Corporation Projections

(prepared by Holly Corporation)

	Fiscal Year				
	2011E	2012E	2013E	2014E	2015E
	(In millions, except per share data)				
Net income attributable to Holly Corporation stockholders	\$ 260	\$ 260	\$ 328	\$ 329	\$ 330
Earnings per share (Diluted shares)	\$ 4.85	\$ 4.85	\$ 6.11	\$ 6.13	\$ 6.15
EBITDA	\$ 558	\$ 567	\$ 678	\$ 682	\$ 686
Operating cash flow per share (Diluted shares)	\$ 6.97	\$ 6.79	\$ 8.60	\$ 8.71	\$ 8.83
Capital expenditures	\$ 208	\$ 186	\$ 90	\$ 90	\$ 90

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(prepared by Holly Corporation)

	Fiscal Year				
	2011E	2012E	2013E	2014E	2015E
	(In millions, except per share data)				
Net income	\$ 218	\$ 228	\$ 237	\$ 232	\$ 228
Earnings per share (Diluted shares)	\$ 2.03	\$ 2.13	\$ 2.21	\$ 2.17	\$ 2.13
EBITDA	\$ 500	\$ 526	\$ 524	\$ 524	\$ 524
Operating cash flow per share (Diluted shares)	\$ 3.27	\$ 3.47	\$ 3.41	\$ 3.44	\$ 3.48
Capital expenditures	\$ 106	\$ 71	\$ 96	\$ 60	\$ 60

Earnings before interest, taxes, depreciation and amortization, which Holly refers to as EBITDA, is calculated as net income plus (i) interest expense, net of interest income, (ii) income tax provision, and (iii) depreciation and amortization. EBITDA is not a calculation provided for under GAAP; however, the amounts included in the EBITDA calculation are derived from amounts included in our consolidated financial statements. EBITDA should not be considered as an alternative to net income or operating income as an indication of our operating performance or as an alternative to operating cash flow as a measure of liquidity. EBITDA is not necessarily comparable to similarly titled measures of other companies. EBITDA is presented here because it is a widely used financial indicator used by investors and analysts to measure performance. EBITDA is also used by Holly's management for internal analysis and as a basis for financial covenants.

Frontier's Reasons for the Merger; Recommendation of the Frontier Board of Directors

In evaluating the merger agreement and the merger, the Frontier board of directors consulted with members of Frontier's management, as well as with Frontier's legal and financial advisors, and also considered a number of factors. The principal factors that the Frontier board of directors viewed as supporting its decisions to adopt the merger agreement and recommend its approval by Frontier shareholders are:

the expectation that the combined company will create a highly competitive independent refiner in the U.S., with a refining capacity of more than 440,000 barrels per day, operating five refineries in the strategic Mid-Continent, Rocky Mountain and Southwest refining regions;

the operating benefits of the business combination, which will increase Frontier's current refining capacity by approximately 135% and will further increase the diversification of Frontier's refining and marketing operations;

the prospective business opportunities of Frontier and Holly on a combined basis after giving effect to the merger, such as increased access to fast growing areas with high demand for refined products as well as flexible supplies of domestic and Canadian crude oil;

the increase in the exchange ratio negotiated by Frontier management prior to execution of the merger agreement based on the favorable movement of Frontier's trading price relative to Holly's trading price, and the fact that the exchange ratio in the merger is comparable to the historical ratio of trading prices of the two companies;

Frontier's ability under the terms of the merger agreement to declare a special dividend of \$0.28 per share payable to Frontier shareholders of record on March 7, 2011, prior to the merger;

the fact that Frontier shareholders will own approximately 49% of the combined company immediately following the effective time of the merger and will continue to participate in potential appreciation in equity value of the combined company;

the expectation that the combined company will have a strong balance sheet with a substantial cash position;

the expectation that the combined company will have improved access to capital over the long term with a lower cost of capital, including equity and debt, based on the anticipated capital structure of the combined company;

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the benefits of a larger market capitalization and greater trading volume and liquidity for the shares of common stock of the combined company than for Frontier on a stand-alone basis;

the expectation that the merger will create a more competitive company than Frontier might be able to create through organic growth and capacity enhancements on a standalone basis or through smaller acquisitions;

greater diversification of refining capacity, geographical locations, customer base, refined products and types of crude oil feedstocks, allowing for the combined company to be better positioned in an increasingly competitive industry;

the anticipated benefits from the combined company's investment in HEP, potential growth of the combined company through expanded business relationships with HEP, and the potential for increased distributions to the combined company that may be made with respect to the HEP partner interests;

Frontier's management's estimate, consistent with Holly's management's estimate, that the combination of Frontier and Holly will create annual cost savings of approximately \$30 million through reduced selling, general and administrative expenses and increased operational efficiencies;

the benefits of the combined distribution and supply network, including significant pipeline and other midstream assets that generate substantial third-party revenues and form an important part of the combined company's refining operations, operational infrastructure and geographical reach;

the expectation that combining Holly and Frontier will promote earnings per share accretion (in comparison to Frontier on a stand-alone basis) through realization of synergies;

the expectation that after the merger, the combined company will maintain a high overall Nelson Complexity of 12.1, remaining at the top of its peer group;

the strategic fit of the two companies, and the business, financial position, personnel and prospects of the combined company;

the expectation that the combined company will benefit from a strong and experienced management team at both the corporate and operating levels, based on the positive track record of the senior management teams of Frontier and Holly in delivering industry leading financial and operating performance;

the expectation that the combination of Holly and Frontier will spread risk of unplanned downtime and other operational risks across the combined company's larger and more diversified asset base;

the fact that the merger will qualify for federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code;

the structure of the transaction as a merger of equals, including the provisions in the merger agreement that preserve continuity of management and composition of the board of directors of the combined company; and

the separate opinions of Credit Suisse and Citi, each dated February 21, 2011, to the Frontier board of directors as to the fairness, from a financial point of view, as of that date and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth in such opinions, of the exchange ratio set forth in the merger agreement to holders of Frontier common stock. See Opinions of Frontier's Financial Advisors.

In addition to considering the factors described above, Frontier's board of directors also considered the following factors:

its knowledge of Frontier's business, financial condition, results of operations and prospects, as well as Holly's business, financial condition, results of operations and prospects, taking into account the results of Frontier's due diligence review of Holly;

the current and prospective competitive climate in the petroleum refining and marketing industry in which Holly and Frontier operate in North America generally and the Southwestern and Rocky Mountain regions of the United States in particular;

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the long-term and recent historical trading prices with respect to shares of Holly common stock and Frontier common stock, and the equity value of HEP;

the fact that the exchange ratio is fixed and will not increase or decrease based upon changes in the market price of Holly or Frontier common stock between the date of the merger agreement and the date of the completion of the merger;

the review by the Frontier board of directors, in consultation with Frontier's advisors, of the structure of the merger and the terms and conditions of the merger agreement, including certain reciprocal provisions that may have the effect of discouraging alternative acquisition proposals involving Frontier or Holly;

the fact that the merger agreement does not preclude a third party from making an unsolicited proposal for a competing transaction with Holly or Frontier and, that under certain circumstances more fully described in the sections "The Merger Agreement - No Solicitation of Alternative Proposals" beginning on page 94 and "The Merger Agreement - Changes in Board Recommendations" beginning on page 95, Holly or Frontier, as applicable, may furnish non-public information to and enter into discussions with such third party regarding the competing transaction and the Holly or Frontier board, as applicable, may withdraw or modify its recommendations to Holly or Frontier stockholders regarding the merger;

the fact that completion of the merger is subject to the negotiation of suitable financing or refinancing for the combined company in the form of a new bank facility, and

the likelihood of completing the merger on the anticipated schedule.

The Frontier board of directors weighed the foregoing against a number of potentially negative factors, including:

the challenges inherent in combining the businesses, operations and workforces of two oil refining companies, including: (1) unforeseen difficulties in integrating operations and systems, (2) the possible diversion of management focus and resources from operational matters and other strategic opportunities for an extended period of time and (3) costs and difficulties of relocating headquarters personnel, systems and operations to Dallas;

the fact that forecasts of future results of operations and synergies are necessarily estimates based on assumptions, and the potential that anticipated operational synergies, cost savings and other anticipated benefits might not be realized, and the potential that Frontier's business could be more profitable to shareholders on a standalone basis going forward than as a combined company if benefits are not realized;

the substantial costs to be incurred in connection with the merger, including the substantial cash and other costs of integrating the businesses of Frontier and Holly, as well as the transaction expenses arising from the merger;

the potential effect of the merger on Frontier's business and relationships with employees, customers, suppliers, regulators and the communities in which it operates;

the risk that governmental entities may not approve the merger or may impose conditions on Frontier or Holly in order to gain approval for the merger that may adversely impact the operations and financial results of the combined company;

the risk that certain key members of senior management might choose not to remain employed with Frontier prior to the completion of the merger or with the combined company after the merger, especially in view of the relocation of the headquarters to Dallas;

the terms of the merger agreement, including generally reciprocal covenants relating to the two companies conduct of their respective businesses during the period between the signing of the merger agreement and the completion of the merger, which might have the result of limiting Frontier's business activities;

the terms of the merger agreement relating to non-solicitation provisions and break-up fees, and the potential that such provisions might deter alternative bidders that might have been willing to pay more for the shares of Frontier common stock than Frontier is receiving under the merger agreement;

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the fact that Frontier did not actively seek other bids or perform a market check with other prospective buyers after negotiating the terms of the transaction with Holly;

the possibility that the merger might not be completed, or that completion might be unduly delayed, for reasons beyond Frontier's and/or Holly's control and the potential negative impact of any such delay on Frontier's business and relationships with employees, customers, suppliers, regulators and the communities in which it operates; and

the risks of the type and nature described under Risk Factors, beginning on page 16, including risks related to operations, environmental matters and potential litigation, and the matters described under Special Note Regarding Forward-Looking Statements beginning on page 15.

The Frontier board of directors also was apprised of certain interests in the merger of executive officers and the directors that may be different from, or in addition to, the interests of Frontier shareholders generally as discussed in Interests of Frontier Directors and Executive Officers in the Merger.

This discussion of the information and factors considered by Frontier's board of directors in reaching its conclusions and recommendation includes the principal factors considered by the board, but is not intended to be exhaustive. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, Frontier's board of directors did not find it practicable, and did not attempt, to quantify, rank or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the merger agreement and to recommend that Frontier shareholders vote in favor of the proposal to approve the merger agreement. The Frontier board of directors conducted an overall review of the factors described above, including discussions with Frontier's management and outside legal and financial advisors regarding certain of the matters described above. In considering the factors described above, individual members of the Frontier board of directors may have given differing weights to different factors.

The Frontier board of directors unanimously adopted the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger, are in the best interests of Frontier and its shareholders. The Frontier board of directors unanimously recommends that Frontier shareholders vote FOR the proposal to approve the merger agreement.

Opinions of Frontier's Financial Advisors

Opinion of Credit Suisse Securities (USA) LLC

On February 21, 2011, Credit Suisse rendered its oral opinion to the Frontier Board (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion dated the same date) to the effect that, as of February 21, 2011, the exchange ratio in the merger was fair, from a financial point of view, to the holders of Frontier common stock.

Credit Suisse's opinion was directed to the Frontier Board and only addressed the fairness, from a financial point of view, to the holders of Frontier common stock of the exchange ratio in the merger and did not address any other aspect or implication of the merger. The summary of Credit Suisse's opinion in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as Annex D to this joint proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Credit Suisse in preparing its opinion. However, neither Credit Suisse's written opinion nor the summary of its

opinion and the related analyses set forth in this joint proxy statement/prospectus is intended to be, and they do not constitute, advice or a recommendation to any holder of Frontier common stock as to how such stockholder should vote or act with respect to any matter relating to the merger.

In arriving at its opinion, Credit Suisse:

reviewed a draft, dated February 21, 2011, of the Merger Agreement;

reviewed certain publicly available business and financial information relating to Frontier and Holly;

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reviewed certain other information relating to Frontier, including certain financial forecasts and operating data, provided to Credit Suisse by the management of Frontier;

reviewed certain other information relating to Holly, including estimates with respect to certain prospective financial and operating data provided to Credit Suisse by the management of Holly and certain financial forecasts developed from such estimates based on assumptions provided by and discussions with the management of Frontier;

met with certain members of the management of Frontier and Holly to discuss the business and prospects of Frontier and Holly, respectively;

considered certain financial data, operating data, and stock market data of Frontier and Holly and their publicly traded common stock, and compared that data with similar data for other companies with publicly traded common stock in businesses that Credit Suisse deemed similar to those of Frontier and Holly;

considered, to the extent publicly available, the financial terms of certain other business combinations and other transactions which have recently been effected or announced;

considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which Credit Suisse deemed relevant.

In connection with its review, Credit Suisse did not independently verify any of the foregoing information and Credit Suisse assumed and relied upon such information being complete and accurate in all material respects. With respect to the financial forecasts for Frontier that Credit Suisse used in its analyses, the management of Frontier advised Credit Suisse, and Credit Suisse assumed, that such forecasts were reasonably prepared on bases reflecting the best available estimates and judgments of Frontier's management as to the future financial performance of Frontier, and Credit Suisse expressed no opinion with respect to such projections or the assumptions on which they were based. With respect to the financial forecasts for Holly that Credit Suisse used in its analyses, the management of Frontier advised Credit Suisse, and Credit Suisse assumed, that such forecasts were reasonably prepared on bases reflecting the best available estimates and judgments of Frontier's management as to the future financial performance of Holly and were a reasonable basis on which to evaluate Holly, and Credit Suisse expressed no opinion with respect to such projections or the assumptions on which they were based. With respect to the estimates provided to Credit Suisse by the management of Frontier with respect to the cost savings and synergies anticipated to result from the Merger, Credit Suisse was advised by the management of Frontier, and Credit Suisse assumed, that such forecasts were reasonably prepared on bases reflecting the best available estimates and judgments of the management of Frontier as to such cost savings and synergies and that such cost savings and synergies would be realized in the amounts and the times indicated. Credit Suisse assumed, with Frontier's consent, that the Merger would be treated as a tax-free reorganization for federal income tax purposes. Credit Suisse also assumed, with Frontier's consent, that, in the course of obtaining any regulatory or third party consents, approvals or agreements in connection with the Merger, no delay, limitation, restriction or condition would be imposed that would have an adverse effect on Frontier, Holly or the contemplated benefits of the Merger and that the Merger would be consummated in accordance with the terms of the Merger Agreement without waiver, modification or amendment of any material term, condition or agreement thereof. Furthermore, Credit Suisse assumed that the definitive Merger Agreement would conform to the draft reviewed by Credit Suisse in all respects material to its analyses. In addition, Credit Suisse was not requested to make, and did not make, an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Frontier or Holly, nor was Credit Suisse furnished with any such evaluations or appraisals, and Credit Suisse assumed with Frontier's consent, that any such contingent liabilities (including any environmental liabilities) would not be material to its analyses or opinion. With Frontier's consent, Credit Suisse further assumed that any alternative structures considered

by Frontier and Holly to effect the business combination contemplated by the Merger Agreement would not materially affect its analyses or opinion and that prior to the consummation of the Merger, Frontier would declare and pay a special dividend to holders of Frontier common stock to the extent permitted by the Merger Agreement.

Credit Suisse's opinion addressed only the fairness, from a financial point of view, to the holders of Frontier common stock of the exchange ratio in the merger and did not address any other aspect or implication of the merger or any other agreement, arrangement or understanding entered into in connection with the merger or otherwise,

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including, without limitation, the fairness of the amount or nature of, or any other aspect relating to, any compensation to any officers, directors or employees of any party to the merger, or class of such persons, relative to the exchange ratio or otherwise. Furthermore, no opinion, counsel or interpretation was intended regarding matters that require legal, regulatory, accounting, insurance, tax, executive compensation environmental or other similar professional advice. It was assumed that such opinions, counsel, interpretations or advice had been or would be obtained from the appropriate professional sources. The issuance of Credit Suisse's opinion was approved by an authorized internal committee of Credit Suisse.

Credit Suisse's opinion was necessarily based upon information made available to Credit Suisse as of the date of its opinion and financial, economic, market and other conditions as they existed and could be evaluated on the date of its opinion. In addition, as the Frontier Board was aware, the financial projections and estimates that Credit Suisse reviewed relating to the future financial performance of Frontier and Holly reflected certain assumptions regarding the oil and gas and petroleum refining industries that are subject to significant volatility and that, if different than assumed, could have a material impact on Credit Suisse's analyses and opinion. Credit Suisse did not express any opinion as to what the value of shares of Holly common stock actually would be when issued to holders of Frontier common stock pursuant to the merger or the prices at which shares of Holly common stock or Frontier common stock would trade at any time. Credit Suisse's opinion did not address the relative merits of the merger as compared to alternative transactions or strategies that might be available to Frontier, nor did it address the underlying business decision to proceed with the merger. Credit Suisse was not requested to, and did not, solicit third party indications of interest in acquiring all or any part of Frontier.

It is understood that Credit Suisse's opinion was for the information of the Frontier Board (solely in its capacity as such), in connection with its consideration of the merger and does not constitute advice or a recommendation to any holder of Frontier common stock as to how such stockholder should vote or act on any matter relating to the proposed merger.

In preparing its opinion to the Frontier Board, Credit Suisse performed a variety of analyses, including those described below. The summary of Credit Suisse's valuation analyses is not a complete description of the analyses underlying Credit Suisse's opinion. The preparation of a fairness opinion is a complex process involving various quantitative and qualitative judgments and determinations with respect to the financial, comparative and other analytic methods employed and the adaptation and application of those methods to the unique facts and circumstances presented. As a consequence, neither Credit Suisse's opinion nor the analyses underlying its opinion are readily susceptible to partial analysis or summary description. Credit Suisse arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any individual analysis, analytic method or factor. Accordingly, Credit Suisse believes that its analyses must be considered as a whole and that selecting portions of its analyses, analytic methods and factors, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In performing its analyses, Credit Suisse considered business, economic, industry and market conditions, financial and otherwise, and other matters as they existed on, and could be evaluated as of, the date of its opinion. No company or business used in Credit Suisse's analyses for comparative purposes is identical to Frontier, Holly or the proposed transaction. While the results of each analysis were taken into account in reaching its overall conclusion with respect to fairness, Credit Suisse did not make separate or quantifiable judgments regarding individual analyses. The implied exchange ratio reference ranges indicated by Credit Suisse's analyses are illustrative and not necessarily indicative of actual values nor predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, any analyses relating to the value of assets, businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold, which may depend on a variety of factors, many of which are beyond Frontier's control, Holly's control and the control of Credit

Suisse. Much of the information used in, and accordingly the results of, Credit Suisse's analyses are inherently subject to substantial uncertainty.

Credit Suisse's opinion and analyses were provided to the Frontier Board in connection with its consideration of the proposed merger and were among many factors considered by the Frontier Board in evaluating the proposed