

PRESS RELEASE  
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## LUKOIL IMPLEMENTS INNOVATION TECHNOLOGIES IN PRODUCTION OF MOTOR OILS

“LLK-International” (100% subsidiary of OAO “LUKOIL”) started production of motor oils in accordance with a new formula in April 2008. These motor oils will be packed in the newly designed containers.

Oils are produced from the best own base oils with a set of additives of the leading Western producers. That secures “smart protection” of engines.

Motor oils produced in compliance with the new formula create an elastic and reliable film, which protects engines in all operational conditions. Tests on engines of foreign manufacturers demonstrated that tenacity of oil resist in minimum clearance zones has increased twofold. Moreover, tests also showed that motor oil “LUKOIL Luxe” decreases engine friction coefficient by 20-25% thus fuel consumption is at least 2.5% less.

New oil “LUKOIL Luxe” has already won approval of leading car producers such as BMW Longlife-98, PORSCHE, VW 502 00/505 00. “Avangard Ultra” oil is also approved by leading diesel trucks producers - MAN, Cummins, Renault Trucks and Volvo. In particular in order to get international approvals a special API and ACEA-oriented test program was used. Tests were carried out in leading laboratories of the USA and Europe.

Accordingly, LUKOIL’s synthetic and semisynthetic oils for gasoline-powered engines of foreign manufacturers and “Avangarde Ultra” oils for diesel engines have entered premium segment of the motor oil market.

“Entering the premium segment of the motor oil market is another step of LUKOIL on the way to reaching the highest international standards of production. These quality changes evidence an application of innovation technologies in the Russian refining”, First Vice President of OAO “LUKOIL” Vladimir Nekrasov said.

Starting from April 2008, motor oils in 1,4-liter and 5-liter newly designed containers will be produced at the OOO “LUKOIL-Permnefteorgsintez” refinery only. A brand new packaged oil production unit with capacity equal to 148 thousand tons per year was commissioned at this refinery earlier on.

New containers are produced from advanced materials with regard to ergonomics and have several levels of protection from duplication. Three-layered containers have in mould labeling and a laser code, which indicates time and date of production. For the first time in Russia and the world bipolymer double-colored raised cap was applied and that excludes possible counterfeits absolutely.

Brand new containers will be used for the following motor oils:

- “LUKOIL – Luxe” oil (gold colored containers);
- “LUKOIL – Stanadard” oil (silver colored containers);
- Oils for commercial transport – “LUKOIL Avangarde”, “LUKOIL Avangarde Extra” and “LUKOIL Avangarde Ultra” (blue colored containers).

OOO «LLK-International», a 100% subsidiary of OAO “LUKOIL”, which operates production and marketing of motor oils that are produced at the six foreign and domestic LUKOIL’s refineries. The company was established at the end of 2005, it produces a wide variety of base, industrial, motor and transmission oils, which are fully in compliance with international standards. At present LLK-International produces approximately 45% of the Russian oils and sells them in more than 30 countries of the world. In 2007 oil production volume amounted to 1.12 million tons.