PRESS RELEASE
MARCH 26, 2009

OAO 'LUKOIL' PRESIDENT VAGIT ALEKPEROV PARTICIPATED IN THE EUROPEAN BUSINESS SUMMIT

OAO LUKOIL President Vagit Alekperov OAO LUKOIL made a speech at the European Business Summit in Brussels today.

In his speech Mr. Alekperov, among other things, pointed out that the current energy market is not efficient enough. Over the recent years due to a tremendous growth of financial instruments trade, the oil price dynamics no longer reflects the actual supply/demand balance.

The crisis is a good time to develop new pricing mechanisms, since it helps shrink the "financial bubble" and increase the role of commodity markets. The key factor of setting a "fair price" may be in limiting the use of oil quotes in speculative financial transactions, reducing spot market trade volumes, and making direct long-term contracts between feedstock producers and consumers.

This is ever so true for the relations between Russia and the European Union. The issue of energy cooperation between Russia and the EU is especially of utmost importance for LUKOIL. Europe is our key sales market. Three out of eight Company's refineries and almost one third of the Company's filling stations are located in the EU. LUKOIL's total investments into Eurozone economies currently exceed 5 billion dollars.

'I believe we should take advantage of the crisis to address system issues in our relations. This is necessary if we want Russia and the European Union to enter the new economic cycle, which will begin in a few years from now, as strategic partners, including those in the field of energy', Mr. Alekperov said, while making his speech at the European Business Summit in Brussels.

A full text of his speech is available at www.lukoil.ru. or www.lukoil.com.

Press Centre PJSC "LUKOIL"
Phone:
E-mail: media@lukoil.com