PRESS RELEASE
NOVEMBER 16, 2012

LUKOIL AND VOLOGDA OBLAST BUILD COOPERATION

Vagit Alekperov, OAO LUKOIL President, and Oleg Kuvshinnikov, Governor of the Vologda Oblast, signed a Cooperation Agreement between the Company and the Government of the Oblast, in the Company's Headquarters in Moscow today.

Specifically, the Agreement specifies the cooperation plan between the Parties in the transportation and marketing of petroleum derivatives and petrochemicals, in the application of new techniques and in the training of highly skilled personnel.

As part of the Agreement, the Government of the Oblast will consider granting land plots to the Company for the construction of filling stations and complexes, bulk plants, other petroleum-product supplying facilities, and social and household facilities.

LUKOIL will build and upgrade petroleum-product supply facilities in compliance with the current engineering requirements and standards. The facilities will include multi-purpose filling complexes providing a wide range of associated goods and services.

The Agreement is valid through December 31, 2017. The previous cooperation agreement between OAO LUKOIL and the Vologda Oblast was in effect from 2003 to 2012.

After the signing of the document, Vagit Alekperov and Oleg Kuvshinnikov discussed a number of specific projects, including the commissioning of automatic filling stations in Vologda and LUKOIL's participation in the creation of service zones along federal highways for promotion of tourism.

Currently, fifty-five LUKOIL-owned filling stations and four bulk plants operate in the Vologda Oblast. The retail sales volume in 2012 is expected to reach 247,000 tons, which by 7.5% exceeds the corresponding figure for 2011. The expected tax revenues for the regional budget will come to more than RUR 250 million, which is three times more than last year.

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