

PRESS RELEASE  
OCTOBER 13, 2014

## LUKOIL RESUMES PROPYLENE PRODUCTION AT STAVROLEN

The OAO LUKOIL Press Service announces that polypropylene production from imported feedstock resumed today at the Stavrolen petrochemical complex in Budennovsk (a wholly-owned OAO LUKOIL subsidiary).

Currently, operations are underway at the plant to re-equip ethylene-production facilities, including cracking furnaces, fuel-gas and gas- feedstock evaporation complexes, and water-wash columns.

For reference:

The production process was suspended at Stavrolen after a fire outbreak on February 26, 2014 in the gas-separation workshop of the ethylene-production unit. The commission under the Caucasian Department of Rostekhnadzor (Federal Service for Environmental, Technological and Nuclear Supervision) acknowledged that the actions of the personnel during the accident had been competent and timely. No petroleum-product spills, soil contamination, or exceedance of the maximum permissible level of hazardous substances were registered, and no threat was posed to the environment or health of the employees or the Budennovsk population, either. No violations of the environmental legislation were uncovered by the commission under the Federal Service for Supervision of Natural Resource Usage (Rosprirodnadzor) for the North Caucasian Federal Okrug, either.