LUKOIL

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LUKOIL LAUNCHES NEW PLANT TO PRODUCE MOTOR OILS AND LUBRICANTS

LUKOIL launches a new plant for producing first-grade motor oils and lubricants at Bogandinsky, Tyumen region. The enterprise has been built by OAO BELOIL, a Tyumen-based company affiliated with LUKOIL's refinery LUKOIL-Permnefteorgsintez.

The plant (refining capacity is 45,000 tons a year) is the first oil refining plant within the territory of Tyumen region and will satisfy the needs of the region and neighboring Tomsk, Novosibirsk, Kemerovo, Altai regions and the Republic of Yakutia (Sakha) in oil products. In addition to that, BELOIL will supply motor oils and lubricants to Gasprom's enterprises located in Tyumen region. The plant consists of an automatic oils and additives mixing block, polyethylene containers manufacturing facility, canning facility. The plant's staff is 160 people. The plant will produce a standard assortment of LUKOIL motor oils and lubricants certified for all Russian and many imported cars and trucks. In future, after the expansion of consumption market the plant's refining capacities are likely to be increased up to 65,000 tons.

LUKOIL is the largest Russian producer of first-grade all-season motor oils and lubricants that conform to the quality standards of API and ACEA. They are certified to be used by Wolksvagen, Mercedes, BMW, Porche. Apart from a wide range of mineral motor oils, LUKOIL oil refineries are qualified to manufacture semi-synthetic oils LUKOIL-Luxe and the first Russian fully synthetic oil - LUKOIL-Synthetic. Major Russian automobile plants AMO-ZIL, Avto-VAZ, KamAZ, Izhmash, Yelaz use LUKOIL base motor oils.

The launch of the first plant for motor oils and lubricants production in Tyumen region is a result of beneficial cooperation of the Company and the local administration. The richest oil region in Russia has solved its problems with oil products supplies and the Company has expanded an oil refining share in its structure. This is to become a good contribution to the Company's earnings in an environment of low crude oil prices.

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