PRESS RELEASE
OCTOBER 30, 2007

LUKOIL COMMISSIONS NEW PRODUCTION FACILITIES IN PERM

Ravil Maganov, First Executive Vice President of OAO LUKOIL, and Vladimir Nekrasov, First Vice President of OAO LUKOIL, attended an official ceremony in Perm today devoted to the commissioning of two new production facilities at the Company's subsidiaries.

Thus, C5-C6 hydrocarbon isomerization unit with a hydrofining unit was commissioned at LUKOIL-Permnefteorgsintez refinery. Expected throughput capacity of the unit is 470 thousand tons of crude per year.

The unit produces isomerizate, a high-octane component in automobile gasolines. Its application will help Perm refinery reduce the demand for high-octane additives, increase production of high-octane brands of automobile fuel, and launch gasoline production in conformity with the international standard EURO-3.

Penex, isomerization technology used at the unit, was developed by UOP Ltd. Design estimate was prepared by ZAO Neftekhimproekt (Saint-Petersburg).

The same day a new railway overpass for commercial products, i.e. LNG and refinable crude, was commissioned at Permneftegazpererabotka (PNGP).

The 440-meter-long overpass is equipped with 72 fill and discharge stations (36 on each side) which helps handle 120 railway tanks per day.

The new facility will help increase fill and discharge process line efficiency by 1.5 times, and in addition to that take up to 500 thousand tons per year of extra LPG for further processing at PNGP.

The commissioning of the new overpass is part of the reconstruction efforts at the refinery aimed at implementation of OOO LUKOIL-Perm's program to reach 95% associated gas utilization rate by 2012.

'Bringing in new facilities to Perm refineries is an important step of the upgrading program of LUKOIL's oil and gas refineries. Its implementation will help the Company completely turn to production of automobile fuel complying with the highest European standards, increase output of deep conversion products with high added value, satisfy the country's increasing demand for high-quality fuel, and

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

considerably improve the environmental situation', Ravil Maganov, First Executive Vice President of OAO LUKOIL.