PRESS RELEASE
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# LUKOIL PLANS TO BID FOR THE BULGARIAN STATE COMPANY PETROL AD

LUKOIL-Petrol, an affiliated company of LUKOIL Oil Company, has submitted its bid to participate in a privatisation tender to acquire a 51% stake of the state Bulgarian company Petrol AD.

Petrol AD includes 456 gas filling stations, 61 oil farms, a port on the Dona and a port on the Black sea near Varna. The 51% stake is estimated at USD45-50 million.

LUKOIL considers the Balkan region as one of the promising markets, said Valentin Zlatev, head of LUKOIL-Petrol. To implement this strategy the Company is actively developing the distribution network by means of constructing gas filling stations with the Company brand in a number of countries of the region. Following the same purpose the Company acquired a 51% of the Petrotel refinery in 1998.

LUKOIL does not fully rule out a possibility of its participation in a privatisation tender for acquisition of a major stake in the Bulgarian refinery Neftochim.

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