PRESS RELEASE
OCTOBER 19, 2001

LUKOIL NAMED WINNER IN THE AUCTION FOR 85,36% OF OAO NORSI-OIL SHARES

The Russian Federal Property Fund named OAO LUKOIL a winner of two auctions - first for 40% and second for 45.36% of OAO NORSI-Oil shares.

Four bids for the auction included the ones from LUKOIL and Sibneft. The total price of two packages offered by LUKOIL reached 26 million dollars as the starting price was 21.8 million dollars.

LUKOIL is a major crude supplier for the refinery and has a five year history of active cooperation with Nizhniy Novgorod plant. By closing the deal the buyer agrees to settle the enterprise's debt to the federal budget which amounts to 1.5 billion roubles (USD 50.8 mln) and to invest heavily in the plant's modernization.

"By purchasing Nizhniy Novgorod refinery we continue to carry the policy of achieving high competitive position on the world market" - declared Vice-president of OAO LUKOIL Leonid Fedun. He also expressed his confidence that NORSI-Oil would become one of the leading enterprises of the Russian oil industry after the modernization.

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