PRESS RELEASE
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LUKOIL INTRODUCES NEW MOTOR FUEL BRANDS

In March 2006 LUKOIL launches new motor gasolines with improved performance characteristics.

LUKOIL branded motor gasoline AI-92 and AI-95 will be distributed at the Company's own filling stations in Moscow and Moscow region. In the future motor fuel will also be marketed in Russia's other regions. In addition, branded diesel fuel will be introduced to the market.

This brand will have its own trademarks registered under OAO LUKOIL.

New motor fuels with improved performance and environmental characteristics comply with Euro-3, Euro-4 standards and exceed the requirements of the so-called Moscow standards.

In order to improve performance characteristics, a multi-functional additive package has been added to the new motor fuels, which improves rinsing, corrosion-preventing and anti-fog specifications.

The use of these motor fuels will provide safer vehicle operation due to improved fuel combustion, increased engine reliability, extended engine life, increased oil change period, reduced engine noise and vibration, less frequent wearout of engine fuel injection system components and avoidance of carbon deposit formations on the injector. In addition to this, preliminary breakdown of on-board diagnostics is virtually impossible.

Improved environmental characteristics of LUKOIL's new motor fuels provide for a significant emissions decrease in the number of carcinogen, sulfur and nitrogen compounds as well as other hazardous substances. In particular, the new diesel fuel is Ultra Low Sulfur Diesel (ULSD), while low content of polycyclic aromatic hydrocarbons enhances environmental protection and leads to a decrease in the number of oncological diseases.

Summing up the above-mentioned facts, LUKOIL made the next step toward motor fuel quality improvement for the sake of consumers and environmental protection.

As reported earlier, in February 2006 LUKOIL launched production of gasoline

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which meets the requirements of the European Euro-3 standard, which became possible by commissioning an isomerization installation of the catalytic reforming unit at OAO LUKOIL-Nizhegorodnefteorgsintez refinery (Kstovo, Nizhniy Novgorod region). Gasoline production volume complying with Euro-3 standards will reach 50% of the total motor gasoline output of the plant. In 2005 the refinery produced 1.6 mln tons of gasoline. Launching production of gasoline compliant with Euro-3 refineries became a milestone on the way to implementing the program aimed at upgrading LUKOIL's refineries, which focuses on the increase of environmentally friendly motor fuel in compliance with European standards.