PRESS RELEASE
FEBRUARY 26, 2009

LUKOIL AND PERM REGION SET OUT COOPERATION PROGRAM FOR 2009

Vagit Alekperov, OAO LUKOIL President, and Oleg Chirkunov, Governor of Perm Region, signed a Cooperation Protocol for 2009 between the Region and the Company in Perm today. The Protocol was signed in accordance with the Framework Agreement on economic and social cooperation dated December 20, 2005.

Under the protocol, in 2009 the Company shall invest RUR 500 million, obtained due to a reduced profit tax, into construction of public facilities in the Region. Besides, extra funding of the Company's investment projects shall come to another RUR 500 million.

The document also provides for further construction of gas distribution facilities to supply natural gas from Kokuyskoye gas condensate field to the consumers of Chernushka and Kuedina districts, and from Magovskoye and Tsepelskoye gas condensate fields to consumers in Krasnovishersk, as well as construction of a gas dehydration unit at Tsepelskoye gas condensate field. Besides, the Company intends to complete and reconstruct the gas wells located at Magovskoye, Batyrbayskoye, Kokuyskoye and Tsepelskoye fields to improve environmental and industrial safety of the gas production process and regulate supply volumes.

Vagit Alekperov and Oleg Chirkunov also signed an Execution Protocol for the year 2008 related to the provisions of the Economic and Social Cooperation Agreement signed between the Company and the Region on December 20, 2005, and also to the provisions of the Protocol on Cooperation between the Company and the Region in 2008.

For instance, under the agreements reached in 2008, the Company invested RUR 750 million, obtained due to a reduced profit tax, into construction of public facilities. Extra funding of the Company's investment projects came to RUR 750 million.

Besides, the Company fulfilled its obligations in terms of profit tax payments to the regional budget at the level of the 2005 actual revenues. The amount of the profit tax paid to the regional budget came to RUR 11,652 million, which exceeds the level of 2005 by RUR 6,428 million (123%).

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

‘The Law on Profit Tax Reduction from 24% to 20% introduced by the Governor and approved by the Legislative Assembly of Perm Region helped create a unique mechanism which allowed to engage the business community in solving the social and economic tasks facing the region’, President Alekperov said.