PRESS RELEASE
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LUKOIL AND KOMI REPUBLIC CONTINUE COOPERATION

At a ceremony held in Usinsk today, Vagit Alekperov, OAO LUKOIL President, and Vyacheslav Gaizer, Head of Komi Republic, signed a 2013 Protocol to the Cooperation Agreement of November 15, 2010 between the Company and Komi Republic's government.

As part of the document, the parties will conduct joint activities, in line with the applicable legislation, to develop the mineral and raw-material base of Komi Republic, increase investments in the region and raise additional funds for the Republic's budget.

For its part, the Komi Republic Government will assist the Company in securing prompt payments for gas, petroleum products and thermal energy consumed by the municipal facilities and also for the transportation of gas to them. All debts for the energy resources already supplied will be fully reimbursed.

The Komi Republic Government will also help the Company to hand over the public utilities, social facilities and roads to the local authorities and also to reduce the time needed to obtain permits to implement investment projects related to the utilization of associated gas.

In return, in 2013 LUKOIL will ensure that Komi Republic should produce at least 9.3 million tons of oil, 600 million cubic meters of gas, refine 4 million tons of oil and turn out 3.8 million tons of petroleum products.

The Company also made a commitment to recruit to LUKOIL-Komi at least 80 young specialists whose education is consistent with the company's business activity profile.

In addition, the Company and the Government of Komi Republic will develop a program to establish new manufacturing plants in Komi territory in view of the long-term needs for goods and services on the part of LUKOIL Group enterprises.

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