PRESS RELEASE
OCTOBER 01, 2003

LUKOIL TERMINAL GOES ON STREAM IN ASTRAKHAN REGION

LUKOIL started up phase-1 of its new terminal with current annual capacity of up to one million tons in the village of Ilyinka, Astrakhan region, today. A double-track railway trestle for 50 tank cars will be used to offload oil and oil products. Crude and light petroleum products will be delivered to the terminal by rail for trans-shipment to river-sea tankers.

Four storage tanks with an aggregate capacity of 40,000 cubic meters, an oil booster station and a mooring berth were modernized during construction of the terminal. The project feasibility study project also envisages construction of additional reservoirs with capacity of 60,000 tons.

It is expected that the terminal will have annual trans-shipment capacity of 3 million tons of oil and oil products when it is completed in 2005.

Launch of phase-1 of the terminal will allow trans-shipment of cargo from tank cars to tankers and vice-versa.

The project is being implemented under a May 2001 agreement between LUKOIL, the Russian Railway Ministry, the Privolzhskaya Railway and the Astrakhan Regional Administration.

OAO LUKOIL-Rostovneftekhimproyekt is the chief constructor designer for the project. ZAO LUKOIL-Neftegazstroy is the prime contractor.

The new terminal will allow the Company to enhance its trans-shipment capacity and lower trans-shipment costs.

In particular, LUKOIL will use the terminal to supply crude and petroleum products to Iran under a swap program.

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