PRESS RELEASE
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LUKOIL COMMISSIONS NEW FACILITIES AT ROMANIAN REFINERY

Vagit Alekperov, President of OAO LUKOIL, attended an official ceremony devoted to commissioning two new facilities at Petrotel-LUKOIL refinery in Ploesti, Romania, today.

Power supply unit No. 4 with the capacity of 25 megawatt (MW) was commissioned at the refinery, increasing the total power capacity of the heat electric generating station up to 61 MW. It provided the refinery with a complete supply of electric and thermal power, and helped arrange thermal power supplies to Ploesti's municipal facilities.

The fourth power supply unit has been constructed by OOO LUKOIL-Energogaz, the Company's subsidiary. Project investments amounted to over USD 24 million.

Thus, the first stage of the heat electric generating station reconstruction was completed. The second stage envisages construction of a boiler unit with thermal capacity of 245 MW. It will use oil coke as raw material. At present, this type of fuel is produced at Petrotel-LUKOIL, which is considerably cheaper than the fuel oil presently used at the heat electric generating station. Technical characteristics of the new boiler unit to be commissioned in the first half of 2009 fully comply with the EU polluting emissions requirements.

In addition to that, an Integrated Control Room was commissioned at Petrotel refinery which helped introduce a new approach to refinery management system and optimize production processes. The Integrated Control Room is an automated complex which helps promptly manage technological processes at separate units, and to provide online response to any changes in production cycle of the whole plant. Operating model of the Integrated Control Room is based on modern software and hardware solutions. The Integrated Control Room Project helped align all management systems of the refinery in a blast-resistant area. Project investments came to about USD 3 million.

'Petrotel-LUKOIL can be referred to as one of the pioneers among our refineries for implementing a number of state-of-the-art technologies. The new power supply unit is the first implemented project under LUKOIL's strategic program on constructing energy supply units at the facilities which consume their own fuel. Moreover, Petrotel-LUKOIL is the first LUKOIL's refinery which has implemented

a pilot project titled Integrated Control Room. In future, Integrated Control Rooms will be set up at all of the Company's refineries', said Vagit Alekperov, President of OAO LUKOIL.