PRESS RELEASE
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LUKOIL APPROVES ELECTRIC POWER ASSETS MANAGEMENT CONCEPT

OAO LUKOIL Management Committee approved management concept of LUKOIL Group electric power assets.

Among other things, the document implies establishment of OAO LUKOIL Main Division for Energy, which is set up to ensure efficient operation in such business segments as Generation, Power Distribution and Power Supply Networks, implement the power engineering investment program, pursue uniform engineering policy of electric and thermal power generation and transmission, represent the Group's interests in federal executive bodies and infrastructural organizations on the electric power market.

The concept also implies that the Main Division will supervise OOO LUKOIL-ENERGO, a major energy company, which will bring together assets of OOO YuGK-TGK-8, OOO LUKOIL-ENERGOGAZ, as well as generating capacities of LUKOIL enterprises part to the Unified Energy System.

Restructuring deadline and the legal form of assets transfer to the new structure will have been determined by the middle of September, 2008.

The Company's Management Committee also resolved to establish OOO LUKOIL-ENERGOSET as OAO LUKOIL's 100%-owned subsidiary. This structure will perform the function of a uniform network operator including electric power transmission, network equipment operation, its construction, reconstruction, modernization and complete overhaul, as well as that of interacting with the Federal Tariff Service and regional energy commissions.

The ultimate goal of establishing new structures is incorporation of all energy business trends within LUKOIL to efficiently cover Company's own demand for electric power and that of external heat and electricity consumers.

In addition to a number of various activities, OOO LUKOIL-ENERGOGAZ supplies electric power to the LUKOIL Group organizations and markets gas to Russia's energy enterprises.

TGK-8 is the largest electric and thermal power producer in the Southern Federal District with a consumption of about 6 billion cubic meters of gas per annum. The

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Company's electric power plants are located in the Astrakhan, Volgograd and Rostov Oblasts, Krasnodar and Stavropol Krais, and in the Republic of Dagestan.

OAO LUKOIL Management Committee resolved to acquire 82.3% of TGK-8 shares in February, 2008.