PRESS RELEASE
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LUKOIL ACQUIRES LARGE RETAIL ASSETS IN TURKEY

President of OAO LUKOIL Vagit Alekperov and owners of the Akpet company signed an agreement on acquiring a 100% interest in Akpet by LUKOIL EURASIA PETROL A.S. (a 100% owned subsidiary of OAO LUKOIL) today in Istanbul.

Akpet operates 693 gas filling stations on the basis of dealer agreements, accounting for about 5% of the Turkish retail market.

The acquired assets include:

- 8 oil product terminals with the total capacity of 300 thousand m3;

- 5 LNG storage tanks with the total capacity of 7.65 thousand m3;

- 3 jet fuel terminals with the capacity of 7 thousand m3;

- motor oil production and packaging plant with the capacity of 12 thousand tons per year.

6 of the 8 Akpet oil product terminals have access to the sea shipment routes. 3 of the 8 oil terminals are connected to the TUPRAS refinery by a product pipeline network.

Supplies of oil products for sale through the retail outlets will be ensured from LUKOIL Neftokhim Burgas Refinery in Bulgaria and ISAB Refinery in Sicily, Italy.

According to Vagit Alekperov, “acquisition of large retail assets in Turkey expands LUKOIL international retail network by 18%. It is one of the key elements of the Company’s downstream strategy in the Black Sea and Mediterranean markets, aimed at supply of our products to end users with high added value”.

LUKOIL EURASIA PETROL A.S. handles bunkering, wholesale and retail sales of petroleum and petrochemical products, as well as produces and sells packaged lubricants under the LUKOIL brand. Currently, the Company is operating 53 gas filling stations. 16 more retail outlets are at the construction stage.

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