PRESS RELEASE
FEBRUARY 17, 2009

LUKOIL PAYS FOR ITS STAKE IN A JV TO OPERATE REFINERY COMPLEX IN SICILY IN FULL AND AHEAD OF SCHEDULE

LUKOIL paid EUR 852.47 million today to Italian ERG as a final settlement of the amount due for acquiring a 49% stake in the joint venture that will operate the ISAB refinery complex in Sicily.

The total transaction amount was EUR 1.45 billion including inventory (valued at average November 2008 prices).

According to previous reports, the Agreement was signed in Rome on June 23, 2008. The transaction structure provides LUKOIL with a possibility to increase its stake in future.

The parties signed a supplementary agreement on November 06, 2008, which envisaged the transaction closing on December 01, 2008. By that time, LUKOIL had paid an upfront amount of EUR 600 million. It was decided that the remaining amount would be deferred and paid in three instalments before the end of September 2009.

Thus, LUKOIL paid today the amount due to ERG in full and ahead of schedule saving EUR 15 million for paying in advance.

In addition to that, within 4 years ERG will have the right to exercise a put option for its 51% stake in the joint venture with a EUR 15 million reduction on the exercise price.

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