

PRESS RELEASE
OCTOBER 14, 2004

LUKOIL AND SIBUR ENTER IN AN AMICABLE AGREEMENT ON
LOKOSOVSKY GAS-PROCESSING PLANT

OA O LUKOIL, OO O LUKOIL-Western Siberia, OA O AK Sibur, OA O Sibur-Tyumen and OA O Lokosovsky GPK have signed an amicable agreement.

According to this Agreement, OA O AK Sibur and OA O Sibur-Tyumen recognize the legality and legitimacy of establishing OA O Lokosovsky GPK and the sale-purchase of 100% of its shares in favor of OO O LUKOIL-Western Siberia and OA O LUKOIL in December 2001.

In its turn, OO O LUKOIL-Western Siberia will make an additional payment worth \$20 million for the earlier purchased shares of OA O Lokosovsky GPK.

The project capacity of Lokosovsky gas-processing complex is 1.07 billion cubic meters annually. The Complex includes a gas-processing plant, a booster pump station and a pipeline network exceeding 100 kilometers in length. The plant was put into operation in the early 80-s. It currently employs 700 people. OO O LUKOIL-Western Siberia plans to upgrade the complex and increase its associated gas processing capacity up to 1.5 billion cubic meters.