PRESS RELEASE
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LUKOIL EXPANDS ITS RETAIL PETROL NETWORK IN HUNGARY

LUKOIL Downstream Hungary, member of LUKOIL Group, has acquired 15 retail petrol service stations from Austrian ABA. Due to the acquisition, the number of outlets currently owned by the Company reached 26, which slightly exceeds a 3% share of the Hungarian retail petrol market. The filling stations are situated on the main highways in the East and South-West of Hungary.

Petrotel-LUKOIL, a LUKOIL refinery located in Romania, will supply petroleum products to LUKOIL's retail network in Hungary starting from April 2005.

All necessary arrangements for the retail network to fully comply with LUKOIL corporate standards will be made in the next 6 months.

"LUKOIL's enhanced presence in Hungary comes in tune with the corporate program stipulating intensive development of the downstream sector in Central Europe"- Leonid Fedun, Vice-president of LUKOIL, said.

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