PRESS RELEASE
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LUKOIL TO PURCHASE CERTAIN RETAIL ASSETS IN EUROPE FROM CONOCOPHILLIPS

LUKOIL and ConocoPhillips have reached definitive agreement for LUKOIL to purchase 376 ConocoPhillips' fueling stations in six countries in Europe.

The agreement covers 156 stations in Belgium, 49 in Finland, 44 in the Czech Republic, 30 in Hungary, 83 in Poland and 14 in Slovakia. These stations are among the most efficient in their respective markets. At present, all facilities are branded Jet stations and will be re-branded as LUKOIL stations within two years.

The transaction is expected to close in the second quarter of 2007 following review by relevant authorities.

“This deal is in support of the Company’s downstream strategy, which among other things envisages LUKOIL’s plans to considerably expand its retail chain in Europe and sell products with added value,” said Vagit Alekperov, President of LUKOIL.

“Today’s announcement represents a significant step in achieving our asset disposition program, and we are pleased the transaction supports the business direction of both companies,” said Jim Mulva, chairman and chief executive officer of ConocoPhillips.

ConocoPhillips plans to increase its interest in LUKOIL to 20 % by the end of the year as part of a strategic alliance announced in 2004.

The agreement reflects the strong and valued relationship between ConocoPhillips and LUKOIL.

LUKOIL is the second largest private oil company worldwide by proven hydrocarbon reserves. For more information, go to www.lukoil.com.

ConocoPhillips is an integrated petroleum company with interests around the world. www.conocophillips.com.

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