PRESS RELEASE
FEBRUARY 10, 2012

LUKOIL IMPLEMENTS THE FIRST PROJECT UNDER THE KYOTO PROTOCOL

LUKOIL's wholly owned subsidiary OAO "RITEK" has sold 365 thousand tons of carbon units in the European emissions market pursuant to the Kyoto Protocol (1 carbon unit equals 1 ton of greenhouse gas emissions abatement in CO2 equivalent).

The Company managed to reduce emission volumes through three associated gas utilization projects at Sredne-Khulymskoye, Vostochno-Perevalnoye and Serginskoye oil fields in Tyumen region, where 30 Megawatt gas reciprocating units for power and heat generation were put into operation. These units consume around 40 million cubic meters of associated gas annually, and the Company could stop flaring at the fields.

LUKOIL intends to invest the receipts from carbon unit trades in new emission abatement and associated gas utilization projects.

Today, emissions abatement portfolio of LUKOIL Group in Russia includes 14 projects, implemented by OOO "LUKOIL-Permnefteorgsintez", OOO "LUKOIL-Permneftegazpererabotka", OOO "LUKOIL-Astrakhanenergo" and OOO "LUKOIL-Kubanenergo". These projects allow reduction of greenhouse emissions by 33 million tons of CO2 equivalent in 2008 – 2012.

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