PRESS RELEASE
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LUKOIL AND ROSNEFT SIGNED A NUMBER OF CONTRACTS ON THE PURCHASE AND SALE OF ASSETS

Ravil Maganov, First Vice-president of OAO LUKOIL, and his counterpart from OAO Rosneft Nikolay Borisenko signed a number of contracts today on the purchase and sale of assets belonging to the following three companies: OAO Arkhangelskgeoldobycha (AGD), ZAO Rosshelf and OOO Kompaniya Polyarnoye Siyaniye.

According to the Contracts, LUKOIL acquires 477,905 (25.5%) of the AGD common registered stock from Rosneft for 331,972,000 rubles. Thus, LUKOIL becomes the owner of almost 100% of AGD.

Rosneft acquires from AGD (a LUKOIL subsidiary) 40,667 (13.604%) of common registered stock of ZAO Rosshelf for 109,060,000 rubles and a 30% share in OOO Kompaniya Polyarnoye Siyaniye belonging to AGD for 221,606,000.

“The result of these mutually beneficial transactions is full mutual understanding on a number of contentious issues between LUKOIL and Rosneft who intend to focus on the implementation of specific oil production projects which are now being executed by AGD, Rosshelf and Polyarnoye Siyaniye”, Vagit Alekperov, President of LUKOIL, said.

An audit conducted by the US company Miller and Lents shows that AGD has 1,399 million barrels of proved oil reserves, whereas Polyarnoye Siyaniye has 54.17 million barrels of proved reserves. In accordance with the Russian classification, the C1 category reserves of ZAO Rosshelf total 85 million tons of conventional fuel and over 2.5 trillion cubic meters of gas.

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