PRESS RELEASE
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A NEW PRODUCTION FACILITY LAUNCHED AT OAO LUKOIL-UKHTANEFTEPERERABOTKA

Today a new production facility, a diesel fuel hydrodevaxing unit (GDS-850), was launched at OAO LUKOIL-Ukhtaneftepererabotka ('the Ukhta refinery'). The designed annual capacity of the unit is 850,000 thousand tons.

OAO LUKOIL-Rostovneftekhimproekt is the general designer of the hydrodevaxing unit. Well known Russian and international companies, including PO SEVMASH, OAO KURGANKHIMMASH, OAO PENZKOMPRESSORMASH, SUD-CHEMIE (Germany), BES (USA), KOCH- GLITSCH (Italy) and others, participated in the project development and equipment supply. ZAO LUKOIL Neftegazstroi is the general contractor.

Works aimed at oil refining improvement, modernization of assets, solution of environmental problems started at the Ukhta refinery after it joined OAO LUKOIL ('LUKOIL' or 'the Company') in 1999. Over 4 years the Company invested about RUR4 billion in the Ukhta refinery. The Republic of Komi and LUKOIL have signed a cooperation agreement, and a complex refinery upgrade program has been developed. Construction of the hydrodevaxing unit is the main stage of this program.

"Commissioning of the hydrodevaxing unit at the Ukhta refinery will allow to produce environmentally friendly arctic and winter diesel fuel brands in the amounts which will fully satisfy the needs of the Republic of Komi and the adjacent regions of Russia," – said Dmitri Tarasov, First Vice President of LUKOIL.

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