PRESS RELEASE
JANUARY 31, 2011

LUKOIL IS OFFERED TO ACQUIRE 11% IN THE JOINT VENTURE TO OPERATE ISAB

LUKOIL received a notice today that the Board of Directors of the Italian ERG resolved to sell to LUKOIL 11% in the joint venture to operate the ISAB refining complex located in Priolo (Sicily).

This is a partial exercise of ERG's option to sell its stake according to the agreement of 2008 to create a joint venture.

Thus, LUKOIL's stake can be increased from 49% to 60% and the Company's total refining capacities will be increased by more than 11% to 79.5 million tons per year.

The transaction closing is expected at the end of the first quarter of 2011. The transaction amount will reach EUR 205 million, excluding inventory.

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