PRESS RELEASE
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LUKOIL PRESENTS CORPORATE DEVELOPMENT PROGRAM FOR NORTHWESTERN FEDERAL DISTRICT

OAO LUKOIL presented the indicators of its production and social performance, as well as a Corporate Development Program for the Northwestern Federal District (NWFD), in St. Petersburg today. Among those present were Vladimir Bulavin, the Russian Federation President's envoy to the district, and LUKOIL President Vagit Alekperov.

The key performance indicators were also presented by the heads of six major LUKOIL Group organizations operating in the NWFD, including LUKOIL-Komi, LUKOIL-Kaliningradmorneft, LUKOIL-Ukhtaneftepererabotka, LUKOIL-Trans, LUKOIL-Severo-Zapadnefteprodukt and Arkhangelskgeoldobycha.

The 2013 oil output in the district exceeded 16 million tons, while the utilization of associated petroleum gas and the production of natural gas topped 1.3 billion cubic meters. By the end of 2013, the company had 371 filling stations operating in the district.

"The Northwestern Federal District holds a special place among all of LUKOIL's areas of operation, since it accounts for 20% of the company's total oil output in Russia. It was here, in the north-west, that we implemented some of the more significant, diverse projects: in 2004, oil production began on the Russian Baltic shelf; in 2008, the most northerly year-round oil-export terminal was constructed in Varandey; in 2014, Vladimir Grib diamond field was commissioned. The mid-term plans of LUKOIL-Komi, still the biggest subsoil user in the north-west, are focused on the development of 11 oil fields. This is why I am convinced that our company will continue to achieve high results in its activities to the benefit of the whole of Russia's north-west," Mr. Alekperov said.

"Over the whole 21-year period of operation in the Northwestern Federal District, LUKOIL has made large-scale investments, namely, in field facilities construction, the refinery upgrade, development of the filling-station network and in the construction of transportation infrastructure," Mr. Bulavin noted. In the opinion of the presidential envoy, the role of the oil-and-gas complex in the development of the north-west is ever increasing. This is due to the new policy of the state for the development of the Arctic zone comprising a number of the district's areas where hydrocarbons are produced and transported. LUKOIL has already implemented a

number of unique projects.

“The production projects implemented by the company have contributed to the creation of workplaces in the district, increased tax liabilities, dissemination of the latest production techniques and scientific achievements. The 2013 overall tax revenues that went to the budgets of all levels across major LUKOIL Group organizations in the Northwestern Federal District came to RUR 83 billion. The company also pays great attention to the social sphere through communal expenditure and charitable projects,” the envoy commented.