PRESS RELEASE
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LUKOIL CONCLUDES AGREEMENT TO SELL GRIB DIAMOND MINE

LUKOIL concluded an agreement to sell its 100% stake in JSC "ARKHANGELSKGEOLDOBYCHA" to "Otkritie Holding" Group for $1.45 bln in cash. The transaction is expected to close in the first quarter of 2017 subject to approval by the relevant government authorities. JSC "ARKHANGELSKGEOLDOBYCHA" develops V.P. Grib diamond mine located in Arkhangelsk region of Russia.

"LUKOIL successfully developed a major diamond project from its veryearly stage and brought the Grib diamond mine to almost full capacity on time and within budget. Spinning-off of this non-core asset allows us to effectively monetize the significant shareholder value that we have created over the past five years," said Alexander Matytsyn, Senior Vice President for Finance of LUKOIL.

"The acquisition of a 100% stake in ARKHANGELSKGEOLDOBYCHA is strategic investment in an attractive asset with potential for further development. This acquisition diversifies Otkritie's range of business interests as the largest privately-owned financial company in Russia," commented Dmitry Romaev, member of Otkritie Holding's Board of Directors.

Справка:
V.P. Grib diamond field was discovered in 1995 and has been actively developed since 2011. Goldman Sachs acted as exclusive financial advisor to LUKOIL.

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