



Press Release

ERG Renew and LUKOIL look at joint business in the renewable energy sector

Genoa, 12 July 2010 – ERG Renew and LUKOIL signed a Memorandum of Understanding to set the basic terms and conditions for a cooperation in the market of renewable energy sources, with a key focus on the wind energy sector. In particular, the two companies will evaluate joint business opportunities in the Eastern Europe countries and Russia.

Pietro Giordano, Chairman of ERG Renew, commented: "We are extremely pleased about the Memorandum of Understanding signed with LUKOIL, which we are confident is the ideal partner to help us to effectively implement our development strategy in the wind sector in European areas with high growth potential. Our cooperation will count on LUKOIL's in-depth knowledge and its strong industrial presence in those areas, as well as our excellent relationship which has been further consolidated through our joint management of the ISAB Refinery in Priolo."

"Russia has great wind power potential. Wind energy, if promoted by the state, can be of good help to oilmen, especially in remote areas, scarce of power supplies. We are confident that cooperation with Italian counterparts, experienced in green energy, will be effective", - President of LUKOIL Vagit Alekperov says.

ERG Renew (ERG Group), listed on the Milan (Italy) Stock Exchange, operates in the power production from renewable sources, mainly in the wind sector. In Italy there are currently 6 wind farms in operation with a total installed capacity of 144 MW, in France subsidiary ERG Eolienne France S.a.s. has 6 wind farms, for a total installed capacity of 64.4 MW.

LUKOIL is one of the world's leading vertically integrated oil & gas companies. LUKOIL is the second largest private oil Company worldwide by proven hydrocarbon reserves. The main production region for LUKOIL Group is Western Siberia. LUKOIL is carrying out international exploration and production projects in Kazakhstan, Egypt, Azerbaijan, Uzbekistan, Saudi Arabia, Colombia, Venezuela, Cote d'Ivoire, Ghana and Iraq. LUKOIL owns modern refineries, gas processing and petrochemical plants located in Russia, in Ukraine, Bulgaria, Romania, and a 49% stake in refining complex in Italy and a 45% stake in refinery in the Netherlands. The Company's marketing network encompassed 26 countries, including Russia, the near-abroad and European countries as well as the USA.

This press release concerning the signing of a Memorandum of Understanding, issued at 10.00 a.m. (CEST) on 12 July 2010, has been drawn up in compliance with CONSOB Regulation 11971/1999. It has been published, on the website of Borsa Italiana S.p.A. (www.borsaitaliana.it) and on the company's website, www.ergrenew.it.

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