

LUKoil Q2 Up 67% to \$3.25Bln

By [The Moscow Times](#)

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LUKoil, the country's second-largest oil firm, will suffer a decline in crude oil production this year of 3.5 percent to 4 percent, stabilizing in 2012, before growth resumes thereafter, chief executive Vagit Alekperov said.

The company, which announced a 67 percent rise in second-quarter earnings on Wednesday to \$3.25 billion, is on the lookout for upstream acquisitions outside the country to strengthen its reserve base, and sees chances for Russian oil companies to work in Libya after the overthrow of long-time leader Moammar Gadhafi, he said in an interview.

"Our office has worked in Libya all along, and if a new government declares any tenders, we would, of course, be interested in taking part," Alekperov said.

LUKoil secured a foothold in Iraq despite Russian opposition to the U.S.-led military intervention to oust Saddam Hussein, and has no plans to buy new refining assets over the next 10 years. It will instead invest to upgrade its existing downstream portfolio.

Alekperov, who turns 61 this week, said he had no plans to stand down as chief executive of the firm, which he has run since 1993, but is considering plans for a succession.

He said he continues to invest his savings in the business, in which he is the largest shareholder, with a stake of more than 20 percent, and pledged continued dividend growth in the future.

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