PRESS RELEASE
DECEMBER 15, 2000

LUKOIL NET INCOME AMOUNTED TO RUB46.8BN OVER 9 MONTHS OF 2000

Over 9 months of 2000 net income of OAO LUKOIL and its 22 main subsidiaries included in the combined statements amounted to RUB46.8bn compared to RUB15.9bn for 9m99.

Income before taxation increased to RUB56.4bn (compared to RUB19.9 for 9m99). Income before taxation resulted mainly from selling products and services worth RUB58.9bn (compared to RUB 22.9bn for 9m99). Interest income from participation in the equity of other companies (dividend income) amounted to RUB0.8bn, net interest expenses reached RUB219m). Income taxes rose to RUB9.6bn (243% y-o-y). Improved cash component in settlements with customers (proceeds reached 98% in the total product shipments), growth of production, strong domestic and international oil prices allowed to significantly rise tax payments to the budgets of all levels. The Company paid over 102% in taxes of the amount accrued in the accounting period.

Over 9 months of 2000 the balance sheet structure and liquidity improved considerably what resulted in growth of cash, short-term investment, increase of equity and sources of investment.

From January to September 2000 LUKOIL subsidiaries and affiliates produced 57.9 million tons of crude oil (102.5% y-o-y) and 3.6 billion m3 of natural gas (105.5% y-o-y). Refining throughput at own refineries in Russia increased 16% and amounted to 17.3 million tons. Crude exports reached 21.2 million tons (the same figure compared to the previous year). Oil product exports by LUKOIL territory marketing units rose to 4.6 million tons (155% y-o-y).

Increased earnings allowed the Company to maximize capital expenditures. Over 9 months of 2000 drilling increased on average by 66% to 1.4 million meters (249,000 meters in exploratory drilling and 1.112 million meters in development drilling). 475 new wells that extracted 1.056 million tons were brought to operation. Number of idle wells reduced from 18.5% to 15.8%. Development of 5 new fields was launched.

Retention of favorable trends in the fourth quarter 2000 provides ground for positive expectations of financial and operating performance for the whole year

Press Centre PJSC "LUKOIL"
Phone:
E-mail: media@lukoil.com

2000.

COMBINED STATEMENT OF INCOME AND LOSS OAO LUKOIL AND ITS 22 MAIN SUBSIDIARIES

in million rubles

January - September	1999	2000
Operating revenues, net	113,669	267,368
Cost of sales	(82,421)	(195,219)
Selling expenses	(5,454)	(8,578)
Administrative expenses	(2,858)	(4,673)
Operating profit	22,936	58,898
Dividend income	476	839
Net interest and dividend income and expense	(48)	(219)
Net non-operating revenues and expenses	(1,404)	(1,406)
Net non-recurring gains and losses	(2,058)	(1,678)
Income before taxation	19,902	56,434
Income taxes	(3,952)	(9,609)
Extraordinary gains and losses, net	0	3
Net income	15,950	46,828

COMBINED BALANCE SHEET OAO LUKOIL AND ITS 22 MAIN SUBSIDIARIES

in million rubles

2000	January 1	September 30
Cash and cash equivalents	4,989	8,271
Marketable securities	3,373	6,659
Accounts receivable	60,602	71,682

Inventories and other current assets	6,978	9,010
Total current assets	75,942	95,622
Tangible assets	42,833	46,388
Intangible assets	361	611
Construction in progress	9,792	22,386
Long-term investment	7,816	15,463
Total fixed assets	60,802	84,848
TOTAL ASSETS	136,744	180,470
Short-term borrowings	479	2,465
Accounts payable	52,299	53,371
Other current liabilities	4,357	4,700
Total current liabilities	57,135	60,536
Long-term credits and loans	15,437	14,913
Other long-term liabilities	710	808
Total long-term liabilities	16,147	15,721
Share capital	20	20
Additional capital	50,598	54,471
Retained earnings and reserves	12,844	49,722
Total shareholders' equity	63,462	104,213
TOTAL LIABILITIES AND EQUITY	136,744	180,470

Note:

Combined statements include subsidiaries 100% owned by OAO LUKOIL. The 9m99 results include OAO KomiTEK (the parent company).

MAIN OPERATING STATISTICS JANUARY - SEPTEMBER 2000

		2000	2000/1999,%
Oil production (including gas condensate), including:	Thousand tons	57,991	102,5

West Siberia	Thousand tons	37,990	102,3
European Russia	Thousand tons	18,484	101,6
International	Thousand tons	1,517	123,0
Oil production by 100% subsidiaries	Thousand tons	44,498	101,1
Gas production (commercial), including:	Million m3	3,622	105,5
West Siberia	Million m3	1,618	99,9
European Russia	Million m3	1,479	104,2
International	Million m3	525	133,3
Gas production by 100% subsidiaries	Million m3	2,465	99,4
Well stock (September to January), including:	units	27,081	104,1
Producing wells	units	22,796	107,5
Idle wells	units	4,285	89,1
Drilling, including:	Thousand meters	1,361	166,2
Exploratory drilling	Thousand meters	249	134,5
Development drilling	Thousand meters	1,112	175,4
Oil deliveries (international production excluded), including:	Thousand tons	56,604	100,7
To refineries in Russia and Belarus	Thousand tons	32,366	105,5
Exports	Thousand tons	21,245	100,4
Other deliveries (including state deliveries)	Thousand tons	2,874	69,7
Refining throughput, including:	Thousand tons	23,580	-
LUKOIL refineries in Russia (mini refineries excluded)	Thousand tons	17,316	115,9
LUKOIL refineries internationally	Thousand tons	6,264	-
Oil products output at LUKOIL refineries in Russia, including	Thousand tons	16,505	116,8
Motor gasoline	Thousand tons	2,503	109,3
Diesel fuel	Thousand tons	4,805	114,4
Jet fuel	Thousand tons	815	97,3
Fuel oil	Thousand tons	3,719	109,8

Lubricants and bases	Thousand tons	650	114
Other oil products	Thousand tons	4,013	146,8
Oil product exports	Thousand tons	4,585	154,9