PRESS RELEASE
APRIL 28, 2003

OAO LUKOIL'S CONSOLIDATED RESERVES AMOUNT TO 19.7 BILLION BARRELS OF OIL EQUIVALENT

OAO LUKOIL has completed an evaluation and independent audit of its oil and gas reserves as of January 1, 2003. According to the data audited by Miller and Lents (USA), LUKOIL's proved reserves as of the above date are estimated at 19.3 billion boe (compared with 16.8 billion boe as of January 1, 2002), including 15.3 billion barrels of crude oil and 24,2 trillion cubic feet of natural gas.

LUKOIL's consolidated reserves amount to 19.7 billion barrels of oil equivalent as a result of an acquisition of controlling stakes in a number of companies in the Republic of Komi (namely OAO TEBUKneft, OAO Ukhtaneft, ZAO RKM-oil, OAO YaNTK) early in 2003 and following a reclassification of interests in some affiliates after post-report acquisitions. LUKOIL continues to be the world's second largest private company (with ExxonMobil being #1) in terms of proved oil and gas reserves.

As of January 1, 2003	Crude oil, MMbbl	Gas, bn. cub. feet	Crude oil and gas,MMbbl of OE*
Audited reserves as reported	15,258	24,164	19,285
(subsequent acquisitions are not included)			
Acquisition of companies from Urals group	175	78	188
(net of prevoiously held reserves)			
Acquisition of OAO YaNTK	133	0	133
Reclassification of affiliated interests held by ZAO LUKOIL-Perm ZAO LUKOIL-AIK (net of prevoiously held reserves)	56	11	58
Total (including acquisitions)	15,622	24,253	19,664

6,000 cubic feet of natural gas = 1barrel of oil equivalent

The evaluation of the reserves was performed in accordance with the US SPE requirements. The proved reserves included those volumes which are recoverable up to and past license expiry dates.. The Company's total reserves in all categories constitute 100% net reserves owned by the consolidated subsidiaries and net share in appropriate reserves of affiliates. The Company resource base increased by 5% for crude oil and 82%

for gas over the year.

The main factors behind the growth of the reserves are:

•Discovery and record of four new hydrocarbon fields in the northern Caspian (oil and gas reserves)

•Purchase of the controlling stake of OAO Nakhodkaneftegas (gas reserves)

•Additions to reserves as a result of exploration activity carried out in the regions where the Company traditionally operates (mostly crude oil reserves)

•Revision of the previous estimates using renewed or updated geological and development information

•Improvement of both international and domestic economic environment (growth of international prices, cost-cutting measures, increase in export deliveries)

Exploration remains a top priority in the Company's development. Exploration drilling amounted to 181,000 meters (which accounts for 22% of the overall figure in Russia); construction of 68 exploratory wells was completed; 16 hydrocarbon fields and 15 reservoirs of oil, gas and gas condensate were discovered at the existing properties. The Company's hydrocarbon production has been fully replaced for the last 3 years. In 2000-2002 the replacement ratio reached 170%.

LUKOIL OIL AND GAS RESERVES

Oil (million barrels), gas (billion cubic feet)

as of January 1, 2003	Western Siberia		Central Russia		Timan Pechora		Overseas		LUKOIL total	
	oil	gas	oil	gas	oil	gas	oil	gas	oil	gas
Proved reserves	8,459	14,904	2,796	7,067	3,478	460	525	1,733	15,258	24,164
Including										
Developed	5,631	740	1,936	639	1,695	315	245	645	9,507	2,339
Undeveloped	2,828	14,164	860	6,428	1,783	145	280	1088	5,751	21,825
Probable reserves	3,915	3,576	501	5,072	1,654	64	124	248	6,194	8,960
Possible reserves	1,076	1,159	320	1,066	1,374	29	169	239	2,939	2,493

ESTIMATES OF FUTURE CASH FLOWS FROM PROVED RESEASRVES DEVELOPMENT	
as of January 1, 2003	million USD
Future cash flows from sales of oil and gas	219,168
Future production and development cost	(129,771)
Future undiscounted cash flows*	89,397
Effect of discounting (10% p.a.)	(57,554)
Future discounted net cash flows*	31,843

*Before income taxes

The Company's development guidelines in the area of exploration and management of reserves till 2013 are as follows:

• Annual replacement ratio of no less than 80% (on average).

• Increase in proved oil reserves up to 2.5 billion tons by 2012, gas – up to 1 trillion cubic meters (by means of prospecting and exploration works and acquisitions)

• Increase of the share of developed reserves up to 75% for oil (compared with 63% in 2002) and up to 60% for gas (compared with 10% in 2002).

• Maintenance of high financial performance of exploration activities.

•Certain statements in this press-release are not historical facts and are "forward-looking." Examples of such forward-looking statements include, but are not limited to:

•projections or expectations of revenues, income (or loss), earnings (or loss) per share,

dividends, capital structure or other financial items or ratios;

•statements of our plans, objectives or goals, including those related to products or services;

•statements of future economic performance; and

•statements of assumptions underlying such statements.

• Words such as “believes,” “anticipates,” “expects,” “estimates”, “intends” and “plans” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

• By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. You should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements, including our ability to execute our restructuring and cost reduction program.

When relying on forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which we operate. Such forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. We do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.