PRESS RELEASE
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OAO LUKOIL HOLDS ANNUAL GENERAL MEETING

OAO LUKOIL ("LUKOIL" or the "Company") held an Annual General Shareholders Meeting ("AGM") in Moscow today to approve its 2002 Annual Report.

President Vagit Alekperov of LUKOIL spoke of the Company's performance in 2002 before the AGM. He noted that 2002 marked a major breakthrough in the Company's development. «This period saw quite a number of events of paramount importance, including the adoption of a Restructuring Program and full listing of LUKOIL shares on the London Stock Exchange. But what matters most is that the Company changed its development strategy. LUKOIL continues its efforts to attain leadership in the economic sphere and remains a socially responsible Company», Vagit Alekperov said. However, the Company revised ways of achieving its goals. Instead of the former emphasis on the simple growth of production indices and social expenses, the focus is now on a tangible growth of profit, shareholder value and better control of social benefits provision. The first stage of the Restructuring Program envisaged an increase in profit, reduction of production costs and optimization of corporate governance. In 2002 the Company significantly progressed in achieving the goals set. The Company improved the efficiency of its operations while laying a firm foundation for a dynamic development in the future.

Vagit Alekperov told the shareholders about LUKOIL's plans for 2003. The Company strives to increase its reserves by more than 150 million tons of conventional fuel, to produce over 80 million tons of crude oil and 5.7 billion cubic meters of gas, to refine 44.5 million tons of oil at its own refineries.

The year 2003 will see further implementation of the Restructuring Program for the whole of LUKOIL Group and also additional improvements in the management system. Primary attention will be attached to the fulfillment of the investment program, the Company's first investment program based on a project-by-project principle.

The Company plans to further improve its corporate management. For this purpose three Committees, namely the Committee for Strategic Planning, the Committee for Human Resources and Remuneration and the Auditing Committee will be set up under the newly elected Board of Directors. Besides, the Board of Directors will consider the adoption of Information Policy and Dividend Payment Policy

documents.

«LUKOIL looks well into the future. We are interested in maintaining high profitability for decades to come. Our production, financial, structural and social policies are geared to serve this purpose», President Vagit Alekperov of LUKOIL said.

The AGM also approved the payment of dividends for 2002 in the amount of 19.5 rubles per ordinary share with a nominal of 2.5 kopeks. The dividends will be paid within the period from July till December 2003. The dividends for 2001 totaled 15 rubles per ordinary share.

The following Board of Directors was elected at the Meeting:

Vagit Yusufovitch ALEKPEROV – President of OAO LUKOIL

Mikhail Pavlovich BEREZHNOI – Director General of the Non-State Pension Fund LUKOIL-Garant

Alexander Arnoldovich BRAVERMAN – First Deputy Minister of Property Relations of the Russian Federation

Valery Isaakovich GRAYFER – Director General of OAO RITEK

Oleg Emelianovich KUTAFIN – Rector of the Moscow State Legal Academy

Ravil Ulfatovich MAGANOV – First Vice President of OAO LUKOIL

Richard MATZKE – Vice Chairman of ChevronTexaco before February 2002

Sergei Anatolievich MIKHAILOV- Director General of ZAO Upravyauschaya Kompaniya Management Center

Mark MOBIUS – Managing Director of Templeton Asset Management Ltd.

Nikolay Alexandrovich TSVETKOV – President of the Investment Banking Group NIKOIL

Igor Vladimirovich SHERKUNOV – Director General of OOO LUKOIL-Reserve-Invest

The AGM adopted a number of amendments and addenda to the Charter of OAO LUKOIL with regard to the Company's commitments to disclose information in connection with stock exchange listings. The AGM also adopted a number of

amendments and addenda to the Regulations on the Procedure for Preparing and Holding the General Shareholders Meeting of OAO LUKOIL and to the Regulations on the Audit Commission of OAO LUKOIL. In particular, the Regulations on the Procedure for Preparing and Holding the General Shareholders Meeting has been amended to include a new provision on election of not less than three independent directors to the Board of Directors of OAO LUKOIL.

The AGM approved transactions which are interested/related party transactions in accordance with the Federal Law on Joint Stock Companies.

The shareholders resolved that KPMG should be nominated as OAO LUKOIL's auditor.

The AGM adopted the amount of remuneration and compensation of expenses to members of the Board of Directors and the Audit Commission. In 2002 the aggregate amount of the remuneration for all members of the Board of Directors and Management Board totaled 424 million rubles.

Valery GRAYFER, Director General of OAO RITEK, was elected Chairman of the Board of Directors at the Board of Directors Meeting held after the AGM.