PRESS RELEASE
DECEMBER 24, 2003

LUKOIL NAMED BEST ISSUER ON THE RUSSIAN STOCK MARKET

LUKOIL took first place in the category "Best Issuer on the Russian Stock Market" in the competition "Best Russian Companies of 2003".

The competition is organized by the Russian Union of Industrialists and Entrepreneurs together with the Chamber of Commerce and Industry of the Russian Federation. The "Best Issuer" category was established by the Moscow Interbank Currency Exchange (MICEX).

"In selecting the Best Issuer, experts focus on the extent, to which a company meets investor requirements for an issuer of securities. The company's ownership structure and financial credibility are the most important factors. Provision of audited financial statements, and the opinion of independent experts on the company's performance and outlook play a major role," said MICEX CEO Alexander Potemkin.

Potemkin also said that capitalization trends, open market borrowing volumes, and liquidity of tradable stocks are the most important integral indicators of a company's stock market performance.

Volumes of LUKOIL shares traded at the MICEX increased by 124.3% (to $1.35 billion) in October 2003 compared with October 2002. LUKOIL Management believes that demand for Company shares was boosted by publication of consolidated financial statements for the second quarter and first six months of 2003, prepared in accordance with US Generally Accepted Accounting Principles (US GAAP). Upgrade of LUKOIL's credit rating by international agency Standard & Poor's from BB- to BB also contributed to the increased trading volumes.

The MICEX was established in 1992 and offers daily trading in securities of about 100 Russian issuers (including blue chips UES, LUKOIL, Surgutneftegaz, Sberbank, Rostelecom and others) with aggregate capitalization of $150 billion. Over 500 banks and financial companies, all members of the stock exchange section, take part in trading. Share transactions on the MICEX from January to November 2003 totaled $64.2 billion, which is almost double the figure for the same period of 2002 and represents over 80% of aggregate equity trading on leading Russian stock exchanges. The MICEX Index, calculated since 1997, is the most important Russian stock indicator.

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