PRESS RELEASE
JUNE 24, 2014

OAO LUKOIL HOLDS ANNUAL GENERAL MEETING

OAO LUKOIL ("LUKOIL" or "the Company") held an Annual General Shareholders Meeting ("AGSM") in Moscow today to approve its 2003 annual report and financial statements based on the result of the financial year.

Vagit Alekperov, President of LUKOIL, reported on the Company's performance in 2003 and its prospects.

In 2003, LUKOIL attained a sustainable growth of its sales and reported a record high net profit of USD 3.701 billion as against USD 1.843 billion in 2002.

In 2004, LUKOIL will reconsider its investment program and will stick to a project-by-project approach. Since then, the Program will include projects with a minimum rate of return of 15%.

In 2004, the LUKOIL Group will spin-off its drilling, IT, construction and transportation service units. The Company plans to sell its core assets which do not meet the corporate profitability criteria.

LUKOIL continues to implement its cost control program focusing on corporate restructuring. In the near future the Company plans to complete the establishment of regional production, refining and marketing centers.

The AGSM approved the payment of dividends based on the Company's performance in 2003 in the amount of 24 rubles per ordinary share (19.5 rubles based on the Company's performance in 2002). The dividends will be paid within the period from July till December 2004.

The AGSM also adopted a number of amendments to the Charter of OAO LUKOIL aiming to improve corporate governance and business transparency. The AGSM also approved amendements and addenda to the Regulations on the Procedure for Preparing and Holding the General Shareholdres Meeting of OAO "LUKOIL" and amendements and addenda to the Regulations on the Board of Directors of OAO "LUKOIL".

The shareholders also considered an issue on the remuneration and compensation of expenses to the memebers of the Board of Directors and Audit Commission of

OAO LUKOIL.

The AGM also elected the Audit Commission.

The Company shareholders also approved interested/related party transactions.

ZAO “KPMG” was approved as LUKOIL’s independent auditor.

The following Board of Directors was elected by the shareholders at the AGSM:

Vagit Yu. Alekperov, President of OAO "LUKOIL";

Mikhail P. Berezhnoi, General Director of the Non-State Pension Fund LUKOIL-Garant;

Alexander A. Braverman, President of the Non-Profit Organization Russian Marketing Association:

Valery I. Grayfer, General Director of OAO RITEK;

Oleg E. Kutafin, Rector (President) of the Moscow State Academy of Law;

Ravil U. Maganov, First Vice President of OAO "LUKOIL";

Richard Matzke, Vice Chairman of ChevronTexaco (prior to February 2002);

Sergei A. Mikhailov, General Director of ZAO Upravlyayushaya Kompaniya Management Center;

Mark Mobius, Managing Director of Templeton Asset Management Ltd.;

Nikolai A. Tsvetkov, President of OOO Finansovaya Korporatsiya NIKoil [NIKoil Financial Corporation];

Igor V. Sherkunov, Chairman of the Board of Directors of ZAO Investitsionnaya Gruppa Kapital [Capital Investment Group].

Valery Grayfer, General Director of OAO RITEK, was elected Chairman of the newly elected Board of Directors at the Board of Directors Meeting held after the AGSM.