PRESS RELEASE
MARCH 22, 2005

LUKOIL INTENDS TO INCREASE ITS SHARE IN RITEK

The Management Committee of LUKOIL approved the acquisition by LUKOIL-Western Siberia, a 100% subsidiary of LUKOIL, of registered ordinary and preferred shares of the Russian Innovation, Fuel and Energy Company (RITEK) in the amount of 5% from the total number of shares.

The shares will be purchased from third-party shareholders of RITEK at the current market price after a relevant approval of the anti-monopoly authorities is received.

LUKOIL currently owns 38.6% of RITEK shares while LUKOIL Western-Siberia owns 20.5%.

RITEK's overall production (counting its shares in associated companies) totaled 3.011 million tons in 2004, that includes:

• 2.057 million tons at its own fields,

• 0.382 million tons at the leasehold fields,

• 0.022 million tons at its subsidiaries, and

• 0.550 million tons at associated companies.

Purchase of RITEK shares aims at optimization of the LUKOIL Group oil production organizations management.

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