PRESS RELEASE
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OAO LUKOIL'S PROVED RESERVES AMOUNT TO 20.4 BILLION BARRELS OF OIL EQUIVALENT

OAO LUKOIL has completed an evaluation and independent audit of its oil and gas reserves as at January 1, 2007.

According to the data audited by Miller and Lents (USA), LUKOIL's proved reserves as at January 1, 2007 are estimated at 20.36 billion barrels of oil equivalent (boe), including 15.93 billion barrels of oil and 26.60 trillion cubic feet of gas (20.33 billion boe as at January 1, 2006). In 2006 the Company had a 4.1% growth in proved reserves taking into account production. Thus, for seven years on end the Company has completely compensated the hydrocarbons production with the reserves additions.

The evaluation of the reserves of OAO LUKOIL was performed in compliance with the US Society of Petroleum Engineers (SPE) and the World Petroleum Congress (WPC) 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 main factors behind the growth of the reserves are:

 Additions to reserves as a result of exploration activity carried out in the regions where the Company traditionally operates and in the North of the Caspian Sea where the Filanovsky deposit was discovered (total proved reserves replacement through geological exploration was 617 million boe);

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

The reserves evaluation and cost efficiency calculations include bringing into action of the Law No.151-FZ dated July 27, 2006 as far as the Mineral Extraction Tax is concerned. Besides, tax benefits envisaged by the new legislation for the properties with a high degree of depletion are not included in the calculations due to the lack of application practices.

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OAO LUKOIL Oil and Gas Reserves

As at January 1, 2007	Oil	Gas	Oil + gas*
	Million barrels	Billion cubic feet	Million boe
Proved reserves	**15,927**	**26,597**	**20,360**
including:			
Developed	10,176	7,480	11,423
Undeveloped	5,751	19,117	8,937
Probable reserves	**8,767**	**21,436**	**12,340**
Possible reserves	**4,275**	**10,479**	**6,022**

* 1 barrel of oil equivalent = 6,000 cubic feet

Estimates of Future Cash Flows from Reserves Development

As at January 1, 2007, million USD	Proved	Probable	Possible
Future cash flows from sales of oil and gas	459,878	259,628	130,619
Future production and development cost	300,168	179,981	96,201
Future undiscounted cash flows (before income tax)	159,710	79,647	34,418
Effect of discounting (10%)	95,614	64,086	28,114
Future discounted net cash flows (before income tax)	64,096	15,561	6,304

In terms of proved oil and gas reserves the Company continues to hold leading positions in the world: it is ranked first among Russian oil companies and second among international public oil and gas majors.