PRESS RELEASE
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OAO LUKOIL BOARD OF DIRECTORS APPROVES 2008 ANNUAL REPORT

At its session today the Board of Directors of OAO LUKOIL granted preliminary approval to OAO LUKOIL 2008 Annual Report in accordance with the Federal Law of the Russian Federation "On Joint-Stock Companies" and the Charter of the Company.

The document is recommended for approval at the Annual General Shareholders Meeting which will take place on June 25, 2009 in Moscow.

Members of the Board of Directors also discussed performance of the Board of Directors, the Audit Committee, the Strategy and Investment Committee and the HR and Remuneration Committee.

The acting Board of Directors of OAO LUKOIL numbers 11 members and was elected at the Annual General Shareholders Meeting on June 26, 2008, which is in line with the Charter of OAO LUKOIL. The Board of Directors includes two executive directors; five members of the Board of Directors comply with independent directors criteria set by the Code of Corporate Conduct adopted by the RF Government on November 28, 2001 and recommended by the RF Federal Commission for the Securities Market.

Considering the crisis on world financial markets and the recession of the global economy, the Board of Directors in the course of the meetings paid a considerable attention to the effect of the global financial crisis on the operations of OAO LUKOIL and the strategy and techniques for managing the risks.

Among other things, the Board of Directors took decisions on the following issues:

· On OAO LUKOIL's preliminary operating results in 2008, tasks for 2009 and the near future, and OAO LUKOIL's priorities in 2009;

· On the operating results of LUKOIL Group in the first half of 2008 and progress in the execution of the 2008 Budget and Investment Program;

· On key indicators of LUKOIL Group's Medium-Term Plan for 2009-2011 and the Budget and the Investment Program for 2009;

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· On the effect of the global financial crisis on the operations of OAO LUKOIL and the strategy and techniques for managing the newly appeared risks to minimize potential losses in the Company's shareholder value;

· On measures to be taken by the Company to replenish liquid hydrocarbon reserves;

· On the state of industrial safety at LUKOIL Group.

The Board of Directors held eight meeting through joint attendance and seventeen absentee votes in 2008 - 2009.

Performance of the Board of Directors and its Committees was declared efficient.