PRESS RELEASE
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LUKOIL 2Q 2009 NET INCOME INCREASED BY ALMOST 160% Q-O-Q, TO $2.3 BILLION

LUKOIL publishes consolidated US GAAP financial accounts for the second quarter and first half of 2009.

The Company's net income was $3,229 million in the first half of 2009, including $2,324 million in the second quarter. EBITDA was $6,534 million. Revenues from sales were $34,861 million.

The Company's tax expenses totalled $9.0 billion in the first half of 2009, including income tax expense of $1.0 billion.

Lifting costs per boe of production in the first half of 2009 decreased by more than 20% y-o-y, to $3.25 from $4.09 in the first half of 2008.

Capital expenditures including non-cash transactions in the first half of 2009 were $3.0 billion which is 40.1% lower y-o-y. Reduction of capital expenditures was in line with the anti-crisis program developed by the Company in the beginning of the year.

LUKOIL Group total hydrocarbon production available for sale reached 2,220 th. boe per day in the first half of 2009, which is a 2.0% increase y-o-y. Crude oil production by LUKOIL Group increased by 4.0% y-o-y to 1,981 th. barrels per day.

Crude oil production of LUKOIL Group in the first half of 2009 totalled 48.63 mln tons. At the same time, crude oil output from the Yuzhnaya Khylchuya field in Timan-Pechora, brought into production in 2008, reached almost 3.2 mln tons. Natural and petroleum gas output of LUKOIL Group available for sale was 7.36 bcm: output as part of international projects totalled 2.35 bcm (grew by 26.2% y-o-y), output in Russia was down 23.4% y-o-y to 5.01 bcm. The decrease in gas output available for sale in Russia was due to the decrease in purchases of gas by Gazprom.

Throughputs at the Company's refineries (including its share in throughput at the ISAB refining complex) increased by 10.4% y-o-y in the first half of 2009 and reached 29.97 mln tons. Throughputs at the Company's refineries in Russia increased by 0.3% y-o-y, throughputs at the Company's international refineries

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grew by 51.2% y-o-y.

Crude oil exports in the first half of 2009 increased by 13.7% to 21.8 million tons (884 th. barrels per day), exports of petroleum products grew by 9.2% y-o-y to 14.1 million tons. LUKOIL sold 74.8 million tons of crude oil and petroleum products, which is 14.5% higher y-o-y.

LUKOIL copes with the difficult macroeconomic situation and secures positive free cash flow thanks to implementing measures aimed at higher efficiency which were developed in the beginning of the year.

CONSOLIDATED STATEMENT OF INCOME

(Millions of US dollars, unless otherwise noted)

		1st half of	
		2009	**2008**
	(millions of US dollars)		
Revenues			
Sales (including excise and export tariffs)	34,861	56,890	
Costs and other deductions			
Operating expenses	(3,108)	(3,678)	
Cost of purchased crude oil, gas and products	(13,272)	(21,119)	
Transportation expenses	(2,356)	(2,554)	
Selling, general and administrative expenses	(1,520)	(1,790)	
Depreciation, depletion and amortization	(2,003)	(1,327)	
Taxes other than income taxes	(2,593)	(6,752)	
Excise and export tariffs	(5,407)	(9,776)	
Exploration expense	(69)	(85)	
Gain (loss) on disposals and impairments of assets	12	(191)	

Income from operating activities	**4,545**	**9,618**
Interest expense	(334)	(164)
Interest and dividend income	65	74
Equity share in income of affiliates	182	282
Currency translation (loss) gain	(124)	33
Other non-operating income (expense)	61	(118)
Income before income taxes	**4,395**	**9,725**
Current income taxes	(837)	(2,440)
Deferred income taxes	(196)	111
Total income tax expense	**(1,033)**	**(2,329)**
Net income	**3,362**	**7,396**
Less: net income attributable to noncontrolling interests	(133)	(103)
Net income attributable to OAO LUKOIL	**3,229**	**7,293**
Basic and diluted earning per share of common stock attributable to OAO LUKOIL (in US dollars)	3,81	8,70

Full consolidated US GAAP financial accounts of LUKOIL for the first half of 2009 are available on the Company's web sites: www.lukoil.com and www.lukoil.ru

These consolidated interim financial statements have been prepared by the Company in accordance with U.S. GAAP and have not been audited by our independent auditor. If these financial statements are audited in the future, the audit could reveal discrepancies, and we cannot give any assurance that any such discrepancies would not be material.