PRESS RELEASE
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Today, OAO LUKOIL Board of Directors held a meeting in Moscow to summarize the Company's preliminary performance results in 2009 and set priority tasks for 2010.

According to preliminary estimates, hydrocarbon reserves increment under the Russian classification reached 105.8 million tons of reference fuel in 2009. One oil field and 17 deposits in previously explored fields were discovered.

One of the 2009 most important achievements was successful joint bidding together with Norway's Statoil in the tender to develop West Qurna-2 oil field in Iraq.

According to preliminary estimates, oil production volume by LUKOIL Group (including share in production in affiliated companies and foreign projects) exceeded the 2008 level and surpassed 97 million tons. Oil production rate growth in the Russian Federation primarily reflects oil production growth in Yuzhno-Khylchuyuskoye field.

After the implementation of the geological and engineering programs for carry-over assets and due to extensive commissioning of new production wells in the reporting period not only did the Company succeed in stopping the decline in average daily oil production in the Russian Federation, but it also managed to increase it by 5 thousand tons per day as against 2008. The average oil flow rate of the operating wells in Russia has been kept at the level of 10.5 tons per day for two years running.

The oil and gas producing companies of LUKOIL Group launched hydrocarbons production at 7 new fields in 2009. Incremental oil production due to the application of enhanced oil recovery methods by LUKOIL Group came in 2009 to 23 million tons (25 % of the overall production).

According to preliminary estimates, gas production (including internal use, gas injection and transportation losses) by LUKOIL Group reached almost 17.5 billion cubic meters in 2009. The decreased production rate is due to limitations imposed by OAO Gazprom on the volumes of gas accepted.

Crude oil refining volume by the Company's refineries (including the refining share

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by ISAB and TRN complexes) is expected to come to 63 million tons in 2009, including more than 44 million tons at the Company's domestic refineries. The total refining volume rose by 11% compared with that of 2008.

According to preliminary estimates, the high octane gasolines share in the total production volume of motor gasolines by the Company's domestic refineries rose from 87% in 2008 to 90% in 2009. The EURO-3,-4 compliant motor gasoline production is expected to come to 85% of the total gasoline production volume (81.5% in 2008), while at the Company's domestic refineries this index rose from 77.7% in 2008 to 83.4% in 2009.

The sales volume of LUKOIL brand oils in the Russian Federation rose by 8% in 2009 as compared with that of 2008; the Company started production of motor oils based on a new formula and packed in newly designed oilcans.

According to preliminary estimates, the amount of tax proceeds transferred by LUKOIL Group to the Russian Federation budget is expected at the level of more than RUR 500 billion in 2009.

More than RUR 17 billion was allocated for the implementation of Health, Safety and Environment programs. The total amount of funds allocated for the implementation of the Annual Coordinating Research and Technology Program came to RUR 2.9 billion in 2009.

The main achievement of the implemented anti-recession measures in the social sphere in 2009 was a stable salary and zero job cuts. The Company fulfilled its social obligations assumed in 2009 in full scope. The expenses for social support of employees, their family members and pensioners in 2009 were equal to those of 2008.

For 2010 and the near future, LUKOIL's Board of Directors defined the following primary objectives:

- provide hydrocarbons production growth;

- provide 100% replenishment of production with incremental hydrocarbon reserves;

- actively develop the Western Qurna-2 project;

- actively implement projects aimed at the development of new offshore fields in the Caspian Sea and ensure production of first oil at Yuriy Korchagin field;

- implement the program for construction and commissioning of Pyakyakhinskoye oil and gas-condensate field;

- implement the Program for Utilization of Associated Petroleum Gas;

- step up operational performance, among other methods through the improvement of competitive refinery performance indicators based on the Solomon study;

- continue reconstruction, upgrading and construction of new units at Russian refineries;

- control growth of expenses;

- spin off non-core and inefficient assets from LUKOIL Group;

- develop and implement cutting-edge scientific innovations;

- ensure high level of health, safety and environment protection.

Information provided in this press release presents expected results of OAO LUKOIL operations in 2009. It was generated based on the latest preliminary operational and financial data which hasn't been financially audited. The information represents preliminary assessment only, which can be adjusted after statistical, financial, fiscal and business reporting becomes available. The information on the LUKOIL Group operating results in this press release depends on many external factors and therefore, provided all permanent obligations imposed by the London Stock Exchange listing rules are unconditionally observed, cannot qualify for accuracy and completeness and should not be regarded as an invitation for investment. Therefore, the results and indicators achieved in reality may significantly differ from any declared or forecast operating results in 2009. OAO LUKOIL assumes no obligation (and expressly declares that it has no such obligation) to update or change any declarations concerning any future results, both due to new information obtained, any future events or for any other reasons.