PRESS RELEASE
SEPTEMBER 26, 2010

OAO LUKOIL EXERCISES OPTION TO ACQUIRE ITS SHARES FROM CONOCOPHILLIPS

OAO LUKOIL and a group of investors, with the involvement of UniCredit Bank AG as arranger, have acquired 42.5 million ordinary shares in the form of ADR under the agreement with ConocoPhillips.

By pursuing this transaction, the Company is implementing a program, approved by the Board of Directors, to raise shareholder returns by way of buying its shares back from the market. “This transaction helps us to steadily implement the program to enhance the Company’s investment attractiveness. It also allows us to support our share prices, since the transaction is funded by the Group’s internal resources, without increasing the Company’s total debt”, Leonid Fedun, OAO LUKOIL Vice President, said.

LUKOIL is a vertically integrated oil company rating third globally in terms of hydrocarbon proved reserves and fifth in terms of hydrocarbon production volume among the world’s major non-state oil companies. The Company accounts for one fifth of Russia’s total oil production and refining volume. LUKOIL is Russia’s largest oil business group with the revenue of over USD 80 billion and the net profit of over USD 7 billion.

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