PRESS RELEASE
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LUKOIL IS THE LEADER IN TERMS OF TRANSPARENCY AND DISCLOSURE AMONG RUSSIAN OIL COMPANIES

Standard & Poor's (S&P) international rating agency named OAO LUKOIL ("LUKOIL" or "the Company") the leader in terms of transparency and disclosure among all Russian oil companies in its 2004 transparency and disclosure survey. Concurrently LUKOIL was ranked 6th among 50 largest Russian companies giving way mostly to telecoms sector. Compared with 2003 LUKOIL improved its results with an increase of 2 ranks.

The total Company's transparency score reached 64%. As it was noted in the survey Russian companies with best level of transparency follow disclosure standards approaching the best international practices. (Thus, for example, the composite transparency score for UK companies calculated in 2003 reached 71%).

S&P used only publicly available information, it analyzed annual reports, web sites, regulatory filings. The analyzed information related to the following disclosure blocks: shareholder structure, shareholder rights, financial information, operational and financial information, board and management remuneration.

The survey primarily was based on analyzing disclosure from an international investor's perspective. Therefore, it took into account the availability of English-language information in addition to that which is provided in Russian. The questionnaire consisted of 89 questions related to ownership structure and investor relations; financial and operational information; board and management structure and processes.

"LUKOIL's leading position in the survey conducted by Standard & Poor's demonstrates the Company's transparency to our shareholders and investors and proves its high level of standards in corporate governance," Leonid Fedun, Vice President of LUKOIL, said.

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