PRESS RELEASE
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OAO LUKOIL BOARD OF DIRECTORS SUMMARIZES PRELIMINARY RESULTS OF COMPANY OPERATIONS IN 2006

OAO LUKOIL Board of Directors held a meeting in Moscow today to summarize preliminary results of the LUKOIL Group activities in 2006.

In his report, OAO LUKOIL President Vagit Alekperov among other things pointed out favorable pricing environment which has developed in 2006 in the international and domestic markets of oil and petroleum products. Thus, 2006 average annual price as compared to 2005 increased by 20% for Brent oil, by 15% for diesel fuel in Europe, and by 19% for gasoline in Russia (VAT and excise taxes excluded). On the other hand, the year saw ruble consolidation, significant price growth of industrial product manufacturers and OAO Transneft tariffs increase as well as heavier tax burden, export duties in particular. Average annual export duties rate increased by 51% for oil, by 55% for light petroleum products, and the rate of Mineral Extraction Tax grew by 21%.

The main operating result of the LUKOIL Group activities is further increase of the Company's capitalization and earnings. The Company's capitalization growth in 2006 was 48% while other Russian oil companies capitalization appreciated by 40% on average.

The estimated hydrocarbon production by the LUKOIL Group (including subsidiaries and LUKOIL's share in equity companies) came to 2.18 mln boe per day which is 12% higher as compared to 2005.

Oil production of the LUKOIL Group reached 95.2 mln tn, including 89.5 mln tn in the Russian Federation and 5.7 mln tn abroad. In 2006 oil production from international projects grew by 46% as compared to the previous year.

Gas production in 2006 more than doubled against the previous year and came to 15.8 bln cu m. Such a significant growth in gas production is due to commissioning of the Nakhodkinskoye gas field.

Crude processing at the Company's refineries amounted to 48.95 mln tn in 2006, including 39.54 mln tn in Russia (including mini-refineries), and 9.41 mln tn abroad. As compared to 2005, the total refining volume increased by 3%.

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The estimated total amount of taxes, levies and export duties paid to the Russian Federation budget amounted to RUR 607 bln or USD 22.3 bln in 2006. The amount of taxes collected from the LUKOIL Group companies increased by 28% as compared to 2005.

As a result of corporate restructuring through consolidation and spin-off of non-core and inefficient assets, in 2006 the number of companies in the Group decreased by 13%.

Information provided in this press release presents anticipated results of OAO LUKOIL operations in 2006. It was generated based on the latest preliminary operational and financial data which have not been audited. The information represents preliminary assessment only, which can be adjusted after statistical, financial, fiscal reporting and accounting statements become available. The information on the LUKOIL Group results in this press release depends on many external factors and therefore, provided all continuing 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 actual results and indicators may significantly differ from any declared or anticipated operating results in 2006. OAO LUKOIL assumes no obligation (and expressly declares that it has no such obligation) to update or correct any declarations concerning any future results, both due to new information obtained, any future events or for any other reasons.