PRESS RELEASE
MAY 21, 2008

OAO LUKOIL BOARD OF DIRECTORS APPROVES 2007 ANNUAL REPORT

At its session today the Board of Directors of OAO LUKOIL has granted preliminary approval to OAO LUKOIL 2007 Annual Report in accordance with the Federal Law of the Russian Federation "On Joint-Stock Companies" and the Charter of the Company.

The document is recommended for approval at the Annual General Shareholders Meeting which will take place on June 26, 2008 in Moscow.

Members of the Board of Directors also discussed performance of the Board of Directors, the Audit Committee, the Strategy and Investment Committee and the HR and Remuneration Committee.

Acting Board of Directors of OAO LUKOIL numbering 11 people was elected at the Annual General Shareholders Meeting on June 28, 2007 which is in line with the Charter of OAO LUKOIL. The Board of Directors includes two executive directors; six members of the Board of Directors comply with independent directors standards set by the Corporate Code of Conduct adopted by the RF Government on November 28, 2001 and recommended by the RF Federal Commission for the Securities Market.

The Board of Directors is primarily responsible for defining priorities in the Company's business, strategic, medium-term and annual planning, as well as summarizing LUKOIL's operating results.

As part of this function, the Board of Directors made the following decisions:

• "On OAO LUKOIL's preliminary operating results in 2007 and tasks for 2008 and the near future, OAO LUKOIL's priorities in 2008";

• "On key indicators of LUKOIL Group's Medium-Term Plan for 2008-2009 and Budget and the Investment Program for 2008";

• "On projects aimed at increasing the Company's market value";

• "On measures aimed at enhancing efficiency of refineries and petrochemical plants of LUKOIL Group";

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• “On long-term incentives for OAO LUKOIL employees”;

• “On Company’s projects in the Republic of Uzbekistan”;

• “On measures aimed at establishing Power Energy business sector”.

The Board of Directors held nine meeting in presentia and eighteen absentee votes in 2007-2008.

Performance of the Board of Directors and its Committees was declared efficient.