PRESS RELEASE
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LUKOIL'S PROVED RESERVES AMOUNT TO 19.3 BILLION BARRELS OF OIL EQUIVALENT

OAO LUKOIL (the Company) has completed an evaluation and independent audit of its oil and gas reserves as of January 1, 2009.

According to the data audited by Miller and Lents (USA), LUKOIL's proved reserves as of January 1, 2009 are estimated at 19.3 billion barrels of oil equivalent (BOE), including 14.5 billion barrels of oil and 29.3 trillion cubic feet of gas.

The evaluation was done under conditions characterized by a sharply deteriorating situation on the global commodities and raw materials markets. According to the estimation standards, the Company's reserves were estimated based on the prices as of December 31, 2008. The Urals oil price was 34.8 USD/barrel as of the estimation date, as opposed to 93.7 USD/barrel in 2007. This 2.7 times drop in the oil price affected the economic feasibility of a portion of the Company's reserves development and resulted in a transfer of 1.1 billion BOE from the proved reserves category into the other categories. These reserves are not planned for development in the near future, and their transfer to a lower reserves category will not affect the Company's present plans.

In the case of an increase in oil prices, the Company expects the transfer of most of the reclassified reserves back into the proved category.

In spite of the reclassification, the Company continues to hold a leading position among Russian and international companies in terms of proved reserves volumes.

In 2008 the Company had an 875 million BOE increment in proved reserves due to geological exploration, production drilling and acquisitions, which is 107% of annual production, including:

- 601 million BOE – due to geological exploration and production drilling;

- 274 million BOE – due to acquisitions.

The main acquisition was the purchase of a 100% share of the PSA project in South-Western Gissar and Ustyurt region located in the Republic of Uzbekistan.

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The evaluation of oil and gas reserves of LUKOIL Group was performed in compliance with the SPE-PRMS requirements prepared by the US Society of Petroleum Engineers (SPE), reviewed and approved by the World Petroleum Congress (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

The reserves were estimated both within and beyond the duration period of license agreements, up to the limit of economic production. The Company's reserves across all categories comprise 100% of the subsidiaries' reserves and shares in the reserves of affiliated companies.

LUKOIL Group Oil and Gas Reserves

As of January 1, 2009	**Oil**	**Gas**	**Oil + gas***
	Million barrels	Billion cubic feet	Million BOE
Proved reserves	**14,458**	**29,253**	**19,334**
including:			
Developed	9,170	7,919	10,490
Undeveloped	5,288	21,334	8,844
Probable reserves	**8,083**	**22,103**	**11,767**
Possible reserves	**3,333**	**11,694**	**5,282**

**** Conversion ratio from cubic feet to barrels:***

1 barrel of oil equivalent = 6,000 cubic feet

Estimates of Future Cash Flows from Reserves Development of LUKOIL Group

As of January 1, 2009, million USD	**Proved**	**Probable**	**Possible**
Future cash flows from sales of oil and gas	344,492	205,283	89,889
Future production and oil and gas field development cost	207,454	132,081	68,387
Future undiscounted cash flows (before income tax)	137,038	73,202	21,502
Effect of discounting (10%)	84,158	62,322	18,986

Future discounted net cash flows (before income tax)	52,880	10,880	2,516