PRESS RELEASE
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LUKOIL REPORTS PRELIMINARY OPERATING DATA FOR THE SECOND QUARTER AND SIX MONTHS OF 2020

For the six months of 2020 LUKOIL Group's average hydrocarbon production excluding the West Qurna-2 project was 2,155 thousand boe per day, which is 8.4% lower year-on-year as a result of a significant production cut in the second quarter of 2020. The cut was due to the new OPEC+ agreement and a decrease in gas supply from Uzbekistan to China, that were driven by a negative impact of the COVID-19 pandemic on hydrocarbon demand.

Hydrocarbon production, thousand boe per day

2Q 2020	1Q 2020		6M 2020	6M 2019
1,981	**2,328**	**Total (excluding the West Qurna-2 project)**	**2,155**	**2,352**

Oil production excluding the West Qurna-2 project was 40.2 million tonnes for the six months of 2020, which is 5.6% lower year-on-year due to a 12% production cut in the second quarter of 2020 compared to the first quarter. The cut was due to the new OPEC+ agreement concluded in April 2020, that led to limitations on oil production by the Group in Russia and at some international projects.

Oil production, thousand tonnes

2Q 2020	1Q 2020		6M 2020	6M 2019
18,815	**21,384**	**Total (excluding the West Qurna-2 project)**	**40,199**	**42,598**
17,877	20,365	Russia	38,242	40,787
17,758	20,227	Subsidiaries	37,985	40,481
119	138	Share in affiliates	257	306
938	1,019	Outside of Russia	1,957	1,811
565	588	Subsidiaries	1,153	960
373	431	Share in affiliates	804	851

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1,065	721	*Compensation oil from the West Qurna-2 project*	1,786	775
19,880	**22,105**	**Total**	**41,985**	**43,373**

Despite a sharp decrease in oil prices and external limitations on production volumes, active development of the priority projects continued. In particular, in West Siberia overall oil and gas condensate production at the V. Vinogradov, Imilorskoye, Sredne-Nazymskoye and Pyakyakhinskoye fields increased for the six months of 2020 by 27% year-on-year and exceeded 2.0 million tonnes.

Further development of the Yaregskoye field and Permian reservoir of the Usinskoye field, including the launch of new steam-generation facilities, allowed to increase high viscosity oil production for the six months of 2020 by 4.5% year-on-year, to 2.5 million tonnes.

Implementation of drilling programs at the V. Filanovsky and Yu. Korchagin fields in the Caspian Sea allowed to maintain production at project levels. Total oil and gas condensate production at these fields for the six months of 2020 was 3.7 million tonnes, flat year-on-year.

The share of the abovementioned projects in the LUKOIL Group's oil production excluding the West Qurna-2 project amounted to 20% for the six months of 2020 as compared to 18% for the six months of 2019.

Gas production, million cubic meters

2Q 2020	1Q 2020		6M 2020	6M 2019
6,396	**8,412**	**Total**	**14,808**	**17,352**
4,305	4,665	Russia	8,970	8,856
4,284	4,643	Subsidiaries	8,927	8,812
21	22	Share in affiliates	43	44
2,091	3,747	Outside of Russia	5,838	8,496
1,933	3,581	Subsidiaries	5,514	8,172
158	166	Share in affiliates	324	324

For the six months of 2020, LUKOIL Group's gas production was 14.8 billion cubic meters, which is 14.7% lower year-on-year. The decline was due to lower demand from China for gas produced in Uzbekistan amid the COVID-19 pandemic. At the same time gas production in Russia increased by 1.3% year-on-year driven by the

launch of the second stage of the booster compressor station at the Nakhodkinskoye field in December 2019.

Refinery throughput, thousand tonnes

2Q 2020	1Q 2020		6M 2020	6M 2019
13,525	**17,090**	**Total for LUKOIL Group refineries**	**30,615**	**33,491**
9,283	10,937	Russia	20,220	21,716
4,242	6,153	Outside of Russia	10,395	11,775
3,998	5,590	Oil processing	9,588	10,778
244	563	Refined products processing	807	997
24	53	Third party refineries abroad	77	3,231

For the six months of 2020 refinery throughput at LUKOIL Group's refineries was 30.6 million tonnes, which is 8.6% lower year-on-year. The decline was due to scheduled maintenance works and throughput optimization at some of the Company's refineries in the second quarter of 2020 on the back of lower demand for petroleum products and decline in refining margins due to the COVID-19 pandemic.

Refinery throughput in Russia for the six months of 2020 decreased by 6.9% due to scheduled maintenance works and throughput optimization at the Nizhny Novgorod and Ukhta refineries in the second quarter of 2020. At the same time, throughput at the Perm and Volgograd refineries remained unchanged compared to the first quarter of 2020. Refinery throughput in Europe for the six months of 2020 decreased by 11.7% due to scheduled maintenance works at refineries in Bulgaria and the Netherlands, as well as throughput optimization at European refineries in the second quarter of 2020.

Note:

LUKOIL will release its Condensed Interim Consolidated Financial Statements prepared in accordance with IFRS and MD&A for the second quarter and six months of 2020 on August 27, 2020.

The information in this press release is an estimate of the LUKOIL Group's results for the second quarter and six months of 2020 and therefore constitutes forward-looking statements. This information is preliminary and based on information available at the date of this document, and may be revised after statistical,

financial, tax and accounting statements become available. The information on the LUKOIL Group's operational results in this press release are subject to many external factors which may cause the actual results to differ materially from those expressed or forecasted in this press release for the second quarter and six months of 2020. The LUKOIL Group assumes no obligation to update or alter its forward-looking statements, whether as a result of new information, subsequent events or otherwise, except to the extent required by applicable law.

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Information:
PJSC "LUKOIL" is one of the largest publicly traded, vertically integrated oil and gas companies in the world in terms of proved hydrocarbon reserves and production; and the second largest producer of crude oil in Russia. Established in 1991, the Company currently operates in more than 30 countries with core upstream assets located in Russia. The full production cycle includes oil and gas exploration, production and refining; production of petrochemicals and lubricants; power generation; marketing and distribution. The Company's shares are listed in Russia on Moscow Exchange under the ticker "LKOH" and depositary receipts are listed on the London Stock Exchange under the ticker "LKOD".