PRESS RELEASE
SEPTEMBER 15, 2010

PRESS SERVICE STATEMENT

In response to the fact that two U.S. congressmen have sent a letter to the U.S. President accusing LUKOIL of violating sanctions against Iran, the Company's press service would like to announce the following:

Today LUKOIL has sent an open letter to the said U.S. congressmen to stress once again that the information published by several mass media claiming that LUKOIL engaged in sales of petroleum products to Iran in violation of the United States sanctions subsequent to enactment and implementation of the Comprehensive Iran Sanctions Accountability and Divestment Act of July 1, 2010 (CISADA) is erroneous.

Specifically, the letter mentions the fact that LUKOIL has not invested in Iran for many years and the Company's commercial involvement with Iran has steadily and substantially diminished in recent years in all respects. In the internal review of the international activities of its affiliates, LUKOIL has found that none of its companies involved in trading operations has made sales or shipments of gasoline or other refined petroleum products to Iran since April of 2010, some months prior to the implementation of the refined petroleum sanctions restrictions included in CISADA.

In April of 2010, a final sale of gasoline to Iran was completed under a preexisting supply contract by LUKOIL's trading affiliate LITASCO. The absence of LUKOIL sales of refined petroleum products to Iran since April of this year is consistent with the general rules of the international energy market in respect of sanctions on Iran.

At this time, none of the LUKOIL companies has a continuing contractual obligation to supply refined petroleum products to Iran. Nor do LUKOIL companies participate in joint ventures with other parties for the supply of such products to Iran. Moreover, terms included in contracts for the sale of refined petroleum products by LUKOIL's international trading subsidiary, LITASCO, expressly provide that such products supplied by the company are "Not for sale to countries subject to international sanctions," including Iran.

LUKOIL requires its affiliated companies to comply with international law and applicable laws in all of the countries in which they operate and do business, including the United States.

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Although the international sanctions regime against Iran has presented significant commercial challenges for the company and its business, LUKOIL has been mindful of this regime and conducted its business accordingly. This is reflected in LUKOIL's termination and withdrawal from the geological exploration of the Anaran field in Iran, the letter says.