LUKOIL

PRESS RELEASE
MAY 13, 2019

LUKOIL REPORTS PRELIMINARY OPERATING DATA FOR THE FIRST QUARTER OF 2019

In the first quarter of 2019 LUKOIL Group's average hydrocarbon production excluding the West Qurna-2 project was 2,379 thousand boe per day, which is 4.1% higher year-on-year and 0.3% higher quarter-on-quarter. The increase was mainly driven by the development of gas projects in Uzbekistan.

Hydrocarbon production, thousand boe per day

1Q 2019	4Q 2018		1Q 2019	1Q 2018
2,379	**2,371**	**Total (excluding the West Qurna-2 project)**	**2,379**	**2,286**

Oil production excluding the West Qurna-2 project in the first quarter of 2019 was 21.2 million tonnes, which is 1.5% higher year-on-year and 0.5% lower quarter-on-quarter in average daily terms. LUKOIL Group's oil production volumes and dynamics are mainly defined by the external limitations of Russian companies' production volumes.

Oil production, thousand tonnes

1Q 2019	4Q 2018		1Q 2019	1Q 2018
21,244	**21,832**	**Total (excluding the West Qurna-2 project)**	**21,244**	**20,926**
20,328	20,922	Russia	20,328	20,005
20,177	20,763	Subsidiaries	20,177	19,847
151	159	Share in affiliates	151	158
916	910	Outside of Russia	916	921
484	497	Subsidiaries	484	490
432	413	Share in affiliates	432	431

Press Centre PJSC "LUKOIL"
Phone: +7 (495) 627-16-77
E-mail: media@lukoil.com
http://www.lukoil.com
https://www.facebook.com/Lukoil.en
http://twitter.com/lukoilengl

390	276	*Compensation oil from the West Qurna-2 project*	390	451
21,634	**22,108**	**Total**	**21,634**	**21,377**

Active development of the priority projects continued. In particular, in the first quarter of 2019 oil production at the V. Filanovsky field increased by 18% year-on-year. The seventh well was commissioned at the second production platform of the field.

In the first quarter of 2019 oil production at the Yu. Korchagin field increased by 27% year-on-year as a result of drilling program at the field's second development stage.

The development of the Yaregskoe field and Permian reservoir of the Usinskoe field, including the launch of new steam-generating capacities, allowed increasing high viscosity oil production in the first quarter of 2019 by 16% year-on-year, to 1.2 million tonnes.

The development of growth projects in West Siberia also continued. Overall oil and gas condensate production at the V. Vinogradov, Imilorskoe and Pyakyakhinskoe fields increased in the first quarter of 2019 by 14% year-on-year.

The share of the abovementioned projects in the LUKOIL Group's oil production excluding the West Qurna-2 project amounted to 18% in the first quarter of 2019 compared to 15% in the first quarter of 2018.

Gas production, million cubic meters

1Q 2019	4Q 2018		1Q 2019	1Q 2018
8,976	**8,905**	**Total**	**8,976**	**7,999**
4,407	4,405	Russia	4,407	4,496
4,386	4,385	Subsidiaries	4,386	4,473
21	20	Share in affiliates	21	23
4,569	4,500	Outside of Russia	4,569	3,503
4,406	4,341	Subsidiaries	4,406	3,343
163	159	Share in affiliates	163	160

In the first quarter of 2019, LUKOIL Group's gas production was 9.0 billion cubic

meters, which is 12% higher year-on-year. The main driver of gas production growth was the development of projects in Uzbekistan. As a result of the launch of the second stage of the Kandym gas processing plant, production in Uzbekistan in the first quarter of 2019 increased to 3.8 billion cubic meters (LUKOIL's share) which is 33% higher year-on-year.

Refinery throughput, thousand tonnes

1Q 2019	4Q 2018		1Q 2019	1Q 2018
16,668	**17,002**	**Total for LUKOIL Group refineries**	**16,668**	**16,113**
10,967	10,927	Russia	10,967	10,655
5,701	6,075	Outside of Russia	5,701	5,458
5,224	5,544	Oil processing	5,224	4,549
477	531	Refined products processing	477	909
1,588	1,634	Third party refineries abroad	1,588	1,660

In the first quarter of 2019 refinery throughput at LUKOIL Group's refineries was 16.7 million tonnes, which in average daily terms is 0.2% higher quarter-on-quarter and 3.4% higher year-on-year.

Refinery throughput in Russia increased to 11.0 million tonnes, which in average daily terms is 2.6% higher quarter-on-quarter and 2.9% higher year-on-year. The increase was due to higher utilization rate of the Nizhny Novgorod refinery.

Lower quarter-on-quarter refinery throughput in Europe was driven by feedstock supply disruptions through the port of Novorossiysk due to weather conditions. Higher year-on-year refinery throughput in Europe was driven by the maintenance works at the refineries in Bulgaria and Italy in the first quarter of 2018.

Note:

LUKOIL will release its Condensed Interim Consolidated Financial Statements prepared in accordance with IFRS and MD&A for the first quarter of 2019 on May 29, 2019.

The information in this press release is an estimate of the LUKOIL Group's results for the first quarter of 2019 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 first quarter of 2019. 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.

This document does not constitute or form part of an invitation or inducement to engage in investment activity with, or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of, the LUKOIL Group, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding the securities of, or any investment in, the LUKOIL Group.

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".