LUKOIL is one of the world’s leading vertically integrated oil & gas companies. Main activities of the Company are exploration and production of oil & gas, production of petroleum products and petrochemicals, and marketing of these outputs. Most of the Company’s exploration and production activity is located in Russia, and its main resource base is in Western Siberia. LUKOIL owns modern refineries, gas-processing and petrochemical plants located in Russia, Europe and near-abroad countries. Most of the Company’s production is sold on the international market. LUKOIL petroleum products are sold in Russia, Eastern and Western Europe, near-abroad countries and the USA.

LUKOIL today is:

- 1.1% of world oil reserves
- 2.3% of world oil production
- 0.4% of world gas reserves
- 0.6% of world gas production
- 1.5% of world oil refining capacities
- 1.5% of world oil refinery throughputs

The largest privately owned oil & gas company in the world by proved reserves of oil

2nd largest privately owned oil & gas company in the world by proved hydrocarbon reserves

3rd largest privately owned oil & gas company in the world by oil production

6th largest privately owned oil & gas company in the world by hydrocarbon production

LUKOIL does business in 35 countries worldwide. In particular, the Company:

- Carries out geological exploration work in 9 countries
- Has proved oil reserves in 6 countries
- Has proved gas reserves in 4 countries
- Produces oil in 5 countries
- Produces gas in 4 countries
- Has oil refineries in 5 countries (including share in the ISAB refinery complex)
- Has petrochemical plants in 3 countries
- Retails petroleum products in 25 countries
LUKOIL ranks:

- №15 among 100 largest oil companies worldwide by net profit
- №17 among 100 largest oil companies worldwide by sales
- №21 among 100 largest oil companies worldwide by assets
- №8 among the world’s largest publicly traded oil companies by market capitalization
- №8 among European energy companies and №11 among 250 biggest energy companies worldwide (Platt’s)
- №8 among publicly traded integrated oil companies worldwide (Fortune Global-500 rating)
- №76 among 2,000 largest companies worldwide (The Forbes 2000)
- №2 among largest Russian companies (Expert RA)

Company securities are traded in 4 countries on stock exchanges and the OTC market
Company securities are the second most liquid corporate stocks of foreign issuers traded on the London Stock Exchange (IOB system)

Performance of LUKOIL share price compared with the Bloomberg Oils Index of major international oil companies (2008), %

Countries where LUKOIL securities are traded

![Map showing countries where LUKOIL securities are traded](image)

Net margin of major international private oil & gas companies (2008), %

<table>
<thead>
<tr>
<th>Company</th>
<th>Net Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>ExxonMobil</td>
<td>9.8</td>
</tr>
<tr>
<td>Chevron</td>
<td>9.0</td>
</tr>
<tr>
<td>LUKOIL</td>
<td>8.5</td>
</tr>
<tr>
<td>ENI</td>
<td>8.2</td>
</tr>
<tr>
<td>ConocoPhillips*</td>
<td>6.6</td>
</tr>
<tr>
<td>Total</td>
<td>5.9</td>
</tr>
<tr>
<td>BP</td>
<td>5.9</td>
</tr>
<tr>
<td>Shell</td>
<td>5.7</td>
</tr>
<tr>
<td>Repsol YPF</td>
<td>4.4</td>
</tr>
</tbody>
</table>

* Excluding impairment losses and write-offs.

ROACE of major international private oil & gas companies (2008), %

<table>
<thead>
<tr>
<th>Company</th>
<th>ROACE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repsol YPF</td>
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<tr>
<td>ENI</td>
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<tr>
<td>ConocoPhillips*</td>
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<tr>
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<td>26.7</td>
</tr>
<tr>
<td>ExxonMobil</td>
<td>36.0</td>
</tr>
</tbody>
</table>

* Excluding impairment losses and write-offs.
LUKOIL ON THE WORLD MAP

LUKOIL IS ONE OF THE WORLD’S LARGEST VERTICALLY INTEGRATED OIL & GAS COMPANIES

- Exploration
- Production or preparation for production
- Refining at own refineries
- Petrochemicals
- Power generating
- Retail sales of petroleum products

rsa

USA

Venezuela

Colombia

Finland
Belarus
Estonia
Latvia
Lithuania
Ukraine
Poland
Slovakia
Czech Republic
Belgium
Luxembourg
Hungary
Moldova
Serbia
Montenegro
Macedonia
Romania
Bulgaria
Cyprus
Croatia
Italy

SAUDI ARABIA

RUSSIA

KAZAKHSTAN

Uzbekistan

Azerbaijan

Georgia

USA

Venezuela

Colombia

Finland
Belarus
Estonia
Latvia
Lithuania
Ukraine
Poland
Slovakia
Czech Republic
Belgium
Luxembourg
Hungary
Moldova
Serbia
Montenegro
Macedonia
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SAUDI ARABIA

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Uzbekistan

Azerbaijan

Georgia

USA

Venezuela

Colombia

Finland
Belarus
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Lithuania
Ukraine
Poland
Slovakia
Czech Republic
Belgium
Luxembourg
Hungary
Moldova
Serbia
Montenegro
Macedonia
Romania
Bulgaria
Cyprus
Croatia
Italy

SAUDI ARABIA

RUSSIA

KAZAKHSTAN

Uzbekistan

Azerbaijan

Georgia
Our purpose is to harness natural energy resources for human benefit.

We aim to support long-term economic growth, social stability, prosperity and progress in the regions where we operate, as well as caring for the environment and ensuring sustainable use of natural resources.

We want to achieve consistent and long-term growth of our business, transforming LUKOIL into a leading global energy company. We want to be a reliable supplier of hydrocarbons on the international energy market.

1991
The state oil company LangepasUrayKogalymneft is set up by decree of the USSR Council of Ministers. The new Company unites three oil producing enterprises (Langepasneftegaz, Urayneftegaz, Kogalymneftegaz) and three oil refineries (Perm, Volgograd and Novoufimsk).

1993
LUKOIL is created as a public joint-stock company by decree of the Russian Government. Its share capital consists of controlling stakes in production, refining and marketing enterprises. The Company’s privatization plan is approved and a first issue of LUKOIL shares is registered.

1994
The first stage of privatization is completed, and trading of the Company’s shares on the secondary market begins. The Company enters the Azeri – Chirag – Guneshli project in Azerbaijan.

1995
A Russian Government decree transfers controlling stakes in 9 production, marketing and service companies in Western Siberia, the Volga Region and the Urals to LUKOIL. LUKOIL Group shifts to a single share. Atlantic Richfield Company (ARCO) of the USA becomes a major shareholder and strategic partner of LUKOIL. The Company enters international projects: Kumkol in Kazakhstan and Meleihia in Egypt.

1996
ADRs based on LUKOIL shares are placed on the international market. The Company enters the Shakh Deniz project in Azerbaijan.

1997
The Company enters the Karachaganak and Tengiz projects in Kazakhstan and the West Qurnah-2 project in Iraq. Consolidation of main subsidiaries of LUKOIL is completed via exchange of their shares for shares of the Company.

1998
The Company acquires the Romanian oil refinery Petrotel and limited liability company Stavrolen in Russia, and enters the D-222 project in Azerbaijan.

1999
The Company acquires controlling stakes of public joint-stock company KomiTEK, the Odessa Refinery (Ukraine), Ukhta Refinery, limited liability company Saratovorgsintez and the Burgas Refinery in Bulgaria.

2000
The Company buys Getty Petroleum Marketing Inc. of the USA, which owns about 1,300 filling stations in the North-East USA. LUKOIL and the company Oriana jointly find the petrochemicals enterprise, LUKOR, as a private joint-stock company. Public joint-stock company RITEK and limited liability company LUKOIL-Perm are consolidated.

2001
The Company buys the public joint-stock company Yamalneftegazdobycha, which has licenses to use sub-soil resources in the Bolshekhtskaya Depression. The Company acquires a controlling stake of the Nizhny Novgorod Refinery. LUKOIL also acquires controlling stakes of the public joint-stock company Arkhangelskgeoldobycha and of several small companies (limited liability company Kharyaganefte, public joint-stock company Bitran, private joint-stock company Batek-Silur, and limited liability company AmKomi), which have licenses for development of fields in Timan-Pechora. Preferred shares are converted to common shares at a conversion rate of 1:1. The Company enters the WEEM project in Egypt.

2002
The Company begins a restructuring program, targeted at efficiency improvements and increase of shareholder value. LUKOIL becomes the first Russian company with a full secondary listing on the London Stock Exchange. A 5.9% government stake in LUKOIL is placed on the London Stock...
LUKOIL IN THE WORLD

Exchange. LUKOIL acquires the limited liability companies UralOil and KomiQuest. The Company enters the Condor project in Colombia.

2003
A purchase and sale agreement is signed with Rosneft for the assets of the following companies: public joint-stock company Arkhangelskgeolodobycha, private joint-stock company Rosshelf and limited liability company Polar Lights. LUKOIL completes consolidation of limited liability company LUKOIL-Perm, public joint-stock companies Komineft, Ukhtaneft, Tebukneft, and YanTK, and private joint-stock companies LUKOIL-AIK and Investnafta. LUKOIL buys controlling stake of the private joint-stock company RKM-oil. LUKOIL acquires 79.5% of shares in the Serbian company Beopetrol, which controls about 20% of the retail fuel market in Serbia. The Company’s stake in the Azeri – Chirag – Guneshli project is sold. The Company enters the West and North-East Geisum projects in Egypt and the Anaran project in Iran.

2004
LUKOIL enters the Tyub-Karagan and Atashsky projects on the Caspian shelf (Kazakhstan), the Block A gas project in Saudi Arabia and the Kandyym – Khauzak – Shady gas project in Uzbekistan. LUKOIL increases its ownership of LUKAgip to 100% by acquisition of 50% previously owned by ENI Group. The Petrotel-LUKOIL refinery is relaunched following modernization. LUKOIL acquires 779 filling stations from ConocoPhillips in the US states of New Jersey and Pennsylvania. Production begins at the Kravtsovskoye field on the shelf of the Baltic Sea. A new transshipment complex is brought into operation at Vysotsk. LUKOIL sells 100% of limited liability company LUKOIL-Drilling. A decision is taken to sell controlling stakes in the public joint-stock company Petrocommerce Bank and in the private joint-stock companies LUKOIL-Neftegazstroiz and Arcticneft. ConocoPhillips acquires 7.6% of LUKOIL common shares, which were previously owned by the Russian Federal Government, putting LUKOIL in 100% private ownership. LUKOIL and ConocoPhillips announce creation of a large-scale strategic alliance.

2005
The Nakhdinskoye gas field (Yamal-Nenets Autonomous District) is commissioned. LUKOIL discovers the V. Filanovsky oil and gas condensate field on the shelf of the Caspian Sea with probable and possible reserves of more than 750 mln boe. The Company acquires in Nelson Resources Limited which has interests in four production projects in Kazakhstan. LUKOIL acquires a 66% stake in Geolibent which develops fields in Western Siberia. The Group buys the remaining 50% in SeverTEK developing fields in Nenets Autonomous District and in the Komi Republic. LUKOIL and ConocoPhillips set up a joint venture, Naryanmamineftegaz, for development of hydrocarbon reserves in the Timan-Pechora oil & gas province. LUKOIL and the Kazakh oil & gas company KazMunaiGaz sign founding documents of a joint venture, Caspian Oil & Gas Company, for development of the Khvalynskoye field (Caspian Sea). LUKOIL enters the Junin-3 project (Venezuela). LUKOIL buys 51% minus one share in Primorieneftegaz which has a license for geological study of the Poimenny block on which large gas condensate field, Tsentralno-Astrakhanskoye, was discovered in 2004. The Company acquires the Finnish companies Oy Teboil Ab and Suomen Petrooli Oy engaged in petroleum product wholesale and retail sale as well as in production and sale of lubricants. As part of its restructuring program LUKOIL sells a 38% interest in Globalstroy-Engineering and a 100% share in Arcticneft. Large-scale reconstruction and modernization is begun at the Odessa Refinery. The Company exits the Zykht-Govsany project in Azerbaijan.

2006
LUKOIL acquires 41.81% of shares in Udmurtnefteprodukt, which controls over 60% of the petroleum product market in the Republic of Udmurtia. The Company acquires 100% of the share capital of Khanty-Mansiysk Oil Corporation from Marathon Oil Corporation. LUKOIL acquires 63% of a PSA for exploration, development and production of hydrocarbons at the CI-206 block (Cote d’Ivoire). The Company signs a PSA for the Aral project (Uzbekistan). LUKOIL signs an agreement with KazMunaiGaz and Repsol Explotacion Kazakhstan on transfer to the Group of a 25% stake in the company Zhambai, which is the PSA contractor for the South Zhambai and South Zaburunye offshore territories located in the Kazakh sector of the Caspian Sea. LUKOIL signs an agreement on sale of 50% of Caspian Investments Resources Ltd. which carries out oil field exploration and development in Kazakhstan. LUKOIL signs an agreement to acquire retail business of ConocoPhillips, consisting of 376 filling stations in Belgium, Luxembourg, Finland, the Czech Republic, Hungary, Poland and Slovakia. The consortium for development of the Shakh Deniz gas condensate field, which includes LUKOIL, starts commercial production of hydrocarbons.

2007
LUKOIL starts production at the Khauzak gas area, part of the Kandyym – Khauzak – Shady gas project in the Republic of Uzbekistan. The Company signs an agreement with Vanco Energy, on acquisition of a 56.66% stake in three geological exploration projects at promising offshore blocks in the Gulf of Guinea (Cote d’Ivoire and Ghana). LUKOIL completes the deal with ConocoPhillips for acquisition of 100% stakes in companies that own 376 filling stations in Belgium, Luxembourg, Finland, Czech Republic, Hungary, Poland, and Slovakia. LUKOIL Group completes consolidation of Geolibent by purchase of the remaining 34% of the company. The Company sells 50% share of Caspian Investments Resources Ltd. (former Nelson Resources Limited) to the company Mittal Investments S.A.R.L. Group completes the first stage of modernization of the Odessa Refinery, including reconstruction of distillation facilities and va-
rious other equipment and premises. The Ukhta Refinery commissions a vacuum residue visbreaking unit with annual design capacity of 800,000 tons. LUKOIL commissions an isomerization unit at the Volgograd Refinery, annual production capacity is 370,000 tons. LUKOIL obtains the distribution network of the company Rostovneft.

2008

March

LUKOIL Group signs an agreement for acquisition of 64.31% of UGK TGK-8 (TGK-8) for $2.1 bn. The transaction was completed in May 2008. During the period from May to December 2008 the Group acquired a further stake in TGK-8 for $1.1 bn, increasing the total Group stake in the company to 95.53%. The acquired company is one of the biggest gas consumers in the Southern Federal District of Russia with annual consumption of about 6 bln cubic meters. The company has power stations in Astrakhan, Volgograd and Rostov Regions, Krasnodar and Stavropol Territories, and the Republic of Dagestan of Russia, with total capacity of 3.6 GW.

April

LUKOIL Group acquires SNG Holdings Ltd., which owns 100% of the PSA for fields in South-West Gissar and Ustyurt region in the Republic of Uzbekistan. Forecast annual production at the fields is about 4 bln cubic meters of gas and more than 300,000 tons of oil and gas condensate. Value of the deal is $578 mln (including advance payment made in 2007). The acquisition agreement envisaged two further conditional payments of $100 mln each. These additional payment conditions were fulfilled during 2008 and the Group settled liabilities under the agreement in full.

May

TsentrCaspneftegaz, a joint venture between LUKOIL and Gazprom, discovers a large oil, gas and condensate field at the Tsentrnalnaya structure in the Caspian Sea. The structure is located in Russian sector of the northern part of the Sea. The field was discovered by the first prospecting well and testing gave a commercial gushing flow of low-sulphur oil.

June

LUKOIL Group commissions a stationary, ice-resistant loading sea wharf at the Varandey oil loading terminal. The terminal is located on the coast of the Barents Sea in the Nenets Autonomous District. Annual capacity at Varandey is up to 12 mln tons of oil (240,000 barrels per day). The terminal is used for year-round deliveries of oil produced by the Company in Timan-Pechora, primarily at the Yuzhnaya Khylchuya field.

LUKOIL and ERG S.p.A. sign an agreement on creation of a joint venture for management of the ISAB oil refining complex on the island of Sicily in Italy. The Company owns 49% of the new joint venture and the stake may be increased in the future. Final value of the deal is 1.45 bln euros (about $1.83 bln). ISAB consists of two oil refineries joined by a system of oil pipelines and integrated in a single operating complex with annual capacity of 16 mln tons, as well as three sea wharfs, and a tank battery with capacity of 3.7 mln cubic meters. The JV also owns a power station with capacity of 99 MW and other infrastructure facilities.

July

LUKOIL and National oil company of Venezuela PDVSA sign an agreement on joint study of the Junin-3 block in Venezuela. The work will be carried out in order to assess a project for production of extra heavy crude oil, refining of the crude in Venezuela and subsequent export. Spending on the study will be financed equally by the parties. The agreement is for a period of two years, with a possibility for extension.

LUKOIL signs an agreement on acquisition of 100% of shares in the Turkish company Akpet. The transaction was completed in November 2008 for a total amount of $555 mln. The assets being acquired consist of 689 filling stations, 8 petroleum product terminals with overall capacity of 300,000 cubic meters, 5 storage facilities for liquefied hydrocarbon gas, 3 aircraft refuelling complexes, and a plant for production and packaging of motor oils and lubricants.

August

LUKOIL and ConocoPhillips start commercial production at the Yuzhnaya Khylchuya field. Test production at the field began at the end of June 2008. Construction of the second stage of the field was completed in December 2008. The field is being developed by Naryanmarneftegaz, the joint venture between LUKOIL (70%) and ConocoPhillips (30%). Yuzhnaya Khylchuya is one of the biggest fields in the north of Timan-Pechora, with proved reserves exceeding 500 mln barrels of oil. Quality of oil from the field is superior to that of Urals export blend. The annual production target is 7.5 mln tons (about 150,000 barrels per day).

September

LUKOIL commissions a unit for visbreaking of vacuum residue with annual capacity of 2.4 mln tons at the Nizhny Novgorod Refinery. The unit enables substantial improvement in profitability of the Refinery thanks to reduction in output of heating oil by 930,000 tons per year and increase in output of vacuum gas oil by 860,000 tons per year. Implementation of the project increases refining depth and raises operating efficiency at the Refinery.
LUKOIL signs a memorandum of mutual understanding with the Argentinean companies ENARSA S.A. and POBATER S.A. The document envisages possibility of petroleum product deliveries (of fuel oil and/or diesel fuel) to ENARSA using infrastructure of POBATER for fuel storage. The memorandum is for three years and may be extended.

LUKOIL acquires 100% of the companies Association GRAND and MEGA OIL M. Assets of the companies include 181 filling stations in Moscow and Moscow Region, as well as in Pskov, Kaluga, Novgorod and other regions. The stations have total annual sales in excess of 300,000 tons. Average daily sales per filling station in Moscow and Moscow Region are 9.6 tons. The value of the deal is $493 mln (including advance payment made in 2007).

**History of LUKOIL corporate governance**

- **1993**: Creation of LUKOIL
- **1994**: First ADR issue by a Russian oil company
- **1995**: Transfer to a single share; first general meeting of shareholders; first Russian company with a strategic foreign partner (US ARCO)
- **1996**: First reserve audit by Miller&Lents
- **1997**: First financial results under US GAAP
- **1998**: First reserve audit by Miller&Lents
- **1999**: KPMG is appointed as Company auditor and Akin Gump as legal consultant
- **2000**: Quarterly financial accounts under US GAAP; creation of Internal Audit Department; conversion of preferred shares to common shares (1:1)
- **2001**: Full listing on the LSE; start of restructuring program; 3 independent directors on the Board
- **2002**: Creation of Board committees for Strategy and Investment, Personnel and Remuneration, and Audit; options program for top management; development of investor relations
- **2003**: Options program for top management; publication of LUKOIL Analyst DataBook
- **2004**: ConocoPhillips acquires 10% of LUKOIL shares and becomes the Company’s strategic partner; publication of LUKOIL Analyst DataBook
- **2005**: ConocoPhillips increases its share in LUKOIL to 20%
- **2006**: Representative of ConocoPhillips is elected to the BoD; changes to the Charter increasing rights of minorities are approved
- **2007**: LUKOIL gets investment ratings from all three leading international rating agencies for the first time in its history
- **2008**: Continuous corporate governance and business flexibility enhancement amid challenging macroeconomic environment

ConocoPhillips increases its share in LUKOIL to 20%
OPERATING STRUCTURE OF LUKOIL GROUP (2008) *

**Russia**

**Western Siberia**
- L-Western Siberia

**Timan-Pechora**
- L-Komi
  - Naryanmarneftegaz

**Other**
- RITEK
  - L-Kaliningradmorneft

**Volga**
- L-Nizhevolzhsknefte
  - Volgogradneftegaz

**Ukrals**
- L-Perm

**International**

**Kazakhstan**
- Karachaganak
  - Kumkol
  - Tengiz
  - Tyub-Karagan
  - Atashsky
  - Kazakhoil-Aktobe
  - Karakotak
  - Arman
  - North Buzachi
  - South Zhambai
  - South Zaburunya

**Uzbekistan**
- Kandym – Khuozak – Shady
  - Aral
  - South-West Gissar and Ustyurt region

**Iraq**
- West Qurnah-2

**Cote d’Ivoire**
- CI-205
  - CI-101
  - CI-401

**Ghana**
- Cape Three Points

**Ukraine**
- L-Odessa Refinery

**Romania**
- Petrotel-LUKOIL

**Bulgaria**
- LUKOIL Neftokhim Burgas

**Italy**
- ISAB Refinery Complex (49%)

**Egypt**
- Meleiha

**Colombia**
- WEEM

**Azerbaijan**
- Shakh Deniz
  - D-222 (Yalama)

**Saudi Arabia**
- Block A

**Venezuela**
- Junin-3

**Ukraine**
- Karpatneftekhim

**Bosnia**
- L-Bosnia

**L-Hungary**
- L-Hungary

**L-Bailic**
- L-Bailic

**L-Serbia**
- L-Serbia

**L-Belarus**
- L-Belarus

**L-Bulgaria**
- L-Bulgaria

**L-Croatia**
- L-Croatia

**L-Slovakia**
- L-Slovakia

**L-Bohemia**
- L-Bohemia

**L-Poland**
- L-Poland

**L-Turkey**
- L-Turkey

**L-Ukraine**
- L-Ukraine

**L-Finland**
- L-Finland

**L-Montenegro**
- L-Montenegro

**L-USA**
- L-USA

**L-Belgium**
- L-Belgium

**LITASCO**
- LITASCO

* “L-” stands for “LUKOIL-” in companies’ full names.
LUKOIL carries out geological exploration work in 9 countries.

LUKOIL has proved oil reserves in 6 countries.

LUKOIL had 14.458 bln barrels of proved oil reserves at the end of 2008.

LUKOIL’s share in total world oil reserves was 1.15% at the end of 2008.

Proved oil reserves of LUKOIL Group in 2008 declined by 8% as a result of reclassification in a context of dramatic fall of oil prices.

**Share of LUKOIL Group in world oil reserves, %**

LUKOIL is in first place among major international privately owned oil & gas companies by proved oil reserves.

**Countries where LUKOIL has oil reserves**

* 9 major international privately owned oil & gas companies.
LUKOIL IN THE WORLD
GAS RESERVES

- LUKOIL carries out geological exploration work in 9 countries
- LUKOIL has proved gas reserves in 4 countries
- LUKOIL had 29.253 tcf of proved gas reserves at the end of 2008
- LUKOIL’s share in total world gas reserves was 0.45% at the end of 2008
- Proved gas reserves of LUKOIL Group have grown by 19.5% over the last 5 years

Share of LUKOIL Group in world gas reserves, %

- LUKOIL has the 4th largest reserves of gas among major international privately owned oil & gas companies
- LUKOIL has one of the highest average annual rates of growth of proved gas reserves among international oil & gas companies

Countries where LUKOIL has gas reserves

Regional distribution of global proved gas reserves (12/31/2008)

Proved gas reserves of major international private oil & gas companies (12/31/2008), tcf

Average annual growth of proved gas reserves (2004–2008), %

* 9 major international privately owned oil & gas companies.
LUKOIL produces oil in 5 countries

Oil production by LUKOIL Group in 2008 was 95.240 mln tons (703 mln barrels)

The share of LUKOIL Group in world oil production in 2008 was 2.29%

LUKOIL Group increased oil production by 18.7% in the last 5 years

Share of LUKOIL Group in world oil production, %

LUKOIL is in 3rd place by oil production among major international privately owned oil & gas companies

LUKOIL has one of the highest average annual rates of oil production growth

Countries where LUKOIL produces oil
LUKOIL produces gas in 4 countries

Gas production by LUKOIL Group in 2008 was 19.437 bcm (686 bcf), including marketable gas production of 17.020 bcm (601 bcf)

The share of LUKOIL Group in world gas production in 2008 was 0.63%

LUKOIL Group increased gas production by more than 3.5 times in the last 5 years

Share of LUKOIL Group in world gas production, %

LUKOIL has lower levels of gas production than other major privately owned international oil & gas companies, but the Company is currently working hard to increase gas output

LUKOIL has one of the highest annual rates of gas production growth

Countries where LUKOIL produces gas

Regional distribution of global gas production (2008)

Marketable gas production by major international private oil & gas companies (2008), mln boe per day

Average annual growth of gas production (2004–2008), %

* 9 major international privately owned oil & gas companies.
LUKOIL has oil refineries in 5 countries (including the ISAB refining complex).

Overall capacity of LUKOIL Group refineries at the end of 2008 was **66.5** mln tons of crude oil per year, or **1.51%** of global capacities.

Oil refineries of LUKOIL Group refined **56.28** mln tons (412 mln barrels) of crude oil in 2008 (including share in refinery throughputs at the ISAB refining complex), representing **1.50%** of total world refining.

Refining at LUKOIL Group refineries rose by **33.4%** in the last 5 years, and the Company’s share in total world refining rose by a **fourth**.

**Share of LUKOIL Group in world oil refining, %**

![Oil refineries of LUKOIL Group](image-url)
OIL DELIVERIES TO THE INTERNATIONAL MARKET

Subsidiaries of LUKOIL Group sold over 29 mln tons of oil on the international market in 2008 (excluding purchased oil), representing 1.47% of total world oil deliveries.

Share of Russia in oil deliveries to the international market, %

Share of LUKOIL Group in oil deliveries to the international market, %

Main crude oil export routes of LUKOIL
LUKOIL is
the biggest Russian business group with annual turnover in excess of $100 bln. Most of the Company’s activity is focused in 4 federal districts of the Russian Federation: the North-West, Volga, Urals and Southern districts. The Company’s main resource base and oil production region is Western Siberia. The Company owns 4 oil refineries and 2 mini-refineries in Russia, as well as 4 gas-processing plants. The Company’s Russian assets also include 2 petrochemical plants. LUKOIL sells its petroleum products in 60 of Russia’s administrative regions.

LUKOIL today is:

- 18.3% of Russian oil reserves
- 18.4% of Russian oil production
- 16.2% of Russian oil refining capacity
- 18.7% of Russian refinery throughputs
- 16.6% of Russian oil exports
- 22.4% of Russian petroleum product exports

- The second most liquid share in Russian private sector and the fourth most liquid share overall on the RTS and MICEX in 2008
- The leader among Russian companies by informational openness and transparency, and the first Russian company to obtain full listing on the London Stock Exchange
- The only privately owned Russian oil company, whose share capital is dominated by minority shareholders

LUKOIL share price and the RTS Index (2008), %