PRESS RELEASE
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LUKOIL SELLING A CONTROLLING STAKE IN OAO BANK PETROCOMMERCE

Today, the Management Committee of OAO LUKOIL decided to sell shares held by its group companies in OAO Bank Petrocommerce which in aggregate constitute over 80% of its charter capital.

The amount of the transaction exceeds US$200 mln.

The buyers of the shares are companies of the Finacial Group "IFD Kapital".

The transaction is being implemented with the involvement of international advisors and appraisers – BDO Unikon, Credit Suisse First Boston and the law firm of Akin Gump Strauss Hauer & Feld LLP.

The decision to sell the shares was made pursuant to the Strategic Development Program of OAO LUKOIL for the period up to 2013 with a view to increasing the effectiveness of raised capital, the capitalization rate and the investment attractiveness of the Company through divestiture of non-core assets from the LUKOIL Group.

"Despite this decision, Bank Petrocommerce will remain a major bank for LUKOIL. In the long-term, we plan to use existing technologies for settlement and budgeting for the Company and use the Bank's network for the operations of our projects," said Vagit Alekperov, President of OAO LUKOIL.

At present, LUKOIL accounts for about 20% of the Bank's operational indices.

OAO Bank Petrocommerce was established in 1992 (General License # 1776). As of January 1, 2004, the assets of the Bank were RUR 44.9 bln., equity - RUR 7.4 bln, and client funds - RUR 23.5 bln. Net profit for 2003 was RUR 1.4 bln. The Bank's regional network includes 19 branches and 4 subsidiaries and affiliated banks. The Bank has 7 operating offices in Moscow.

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