PRESS RELEASE
NOVEMBER 23, 2004

LUKOIL PLACES RUBLE-DENOMINATED BONDS WORTH 6 BILLION RUBLES

A placement of non-convertible interest-bearing documentary bonds to bearer took place today on the Moscow Interbank Currency Exchange (MICEX).

The number of bonds in the issue is 6,000,000 bonds, total size of the issue is 6 billion rubles. Bonds mature in 5 years. Repurchase of bonds will be possible 3 years after the placement. Offering price is set at 100% of the bond par value.

The bonds have been placed through an open subscription. The coupon interest rate to be paid every 182 days was determined by the tender conducted at the MICEX. It was set at 7.25% p.a. what is an equivalent of efficient yield to maturity of 7.38% p.a. 123 bids worth 11.3 billion rubles were submitted by investors. 55 bids were satisfied in the course of the auction.

The exclusive arrangers and leading managers responsible for the preparation and placement of bonds are Investitsionnaya Kompaniya Kapital, Renaissance Capital Investment Group and Alpinex Austria. OAO Federal Fund Corporation acted as a financial advisor.

Proceeds from the bond placement will be used for the purpose of implementing the Company's general administrative activities, including debt repayment and investment in production projects in Russia and abroad.

Press Centre PJSC "LUKOIL"
Phone:
E-mail: media@lukoil.com