PRESS RELEASE
APRIL 21, 2005

LUKOIL TO BUY 6.75% OF SHARES OF BURGAS REFINERY FROM MINORITY SHAREHOLDERS.

Today LUKOIL Europe Holdings B.V. (100% subsidiary of LUKOIL) announced a public tender to purchase 913,695 (6.75%) shares of LUKOIL Neftokhim Burgas AD (Bulgarian refinery) from minority shareholders. Conditions of the tender received approval by the Bulgarian Commission for Financial Control.

The offering price is fixed at 27.83 levs per share. The offering will be effective within 28 days after the tender is announced.

In this transaction Raiffeisen Bank (Bulgaria) EAD will act as financial advisor to LUKOIL Europe Holdings B.V.

LUKOIL Europe Holdings B.V. already announced a tender in January 2005 to buy out 28.89% of LUKOIL Neftokhim Burgas, offering 27.83 levs per one share. As a result of the conducted tender, owners of 2,987,394 shares (22.05%) have sold their stock, thus increasing LUKOIL Europe Holdings B.V.'s share in the equity capital of LUKOIL Neftokhim Burgas AD to 93.16%.

In October 1999 LUKOIL paid $101 million to acquire 58% of shares of the refinery. As of today the Company has invested approximately $400 million in the refinery. It is planned that the refinery's petroleum products will match EURO-3 standards as modernization completes in 2007. Compliance with EURO-4 standards will be achieved by 2009.

Forward-looking statements

Forward-looking statements may contain projections or other statements about future development prospects or future economic performance of OAO LUKOIL. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. The Company is under no obligation to update or alter any forward-looking statements to bring them to conformity with actual outcomes.

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