PRESS RELEASE
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LUKOIL PRESIDENT VAGIT ALEKPEROV MET FOREIGN BANKERS

Today, in LUKOIL head office in Moscow, Vagit Alekperov, President of the Company, met representatives of the banks which were part of the financing transaction for the purchase of Nelson Resources Limited.

Bankers from Citigroup (USA), ABN Amro (the Netherlands), BNP Paribas (France), Sumitomo Mitsui Banking Corp. (Japan), Societe Generale (France), Bayerische Landesbank (Germany), Banco Bilbao Vizcaya Argentaria SA (Spain), Bank of Tokyo Mitsubichi (Japan), Calyon (France), DZ Bank AG (Germany), JPMorgan Chase Bank, N.A. (USA), Mizuho Corporate Bank, Ltd. (Japan), Banca Intesa SpA (Italy), WestLB AG, London Branch (Germany) were among those invited.

As reported earlier, LKOIL signed an agreement through its 100%-owned subsidiary LUKOIL Finance Limited (Gibraltar) to attract a $1.93 syndicated loan to be repaid in 3 years to refinance its interim loan for the purchase of Nelson Resources Limited.

The interim credit for the acquisition of Nelson Resources Limited amounted to $2 bln. It was attracted on October 12, 2005 to be repaid in 6 months and was the largest corporate loan in the history of the Company.

In his address to the bank representatives, LUKOIL President Vagit Alekperov emphasized unprecedented short financing arrangement terms and favorable price conditions. The interim credit totaling $1.93 was provided at LIBOR+0.5%, without any additional commissions, which corresponds to first-class international companies loan profile.The interim credit was then replaced with an unsecured syndicated loan at LIBOR+0.7% extended for three years, with a low arrangement commission. The underwriters of the transaction were Citigroup, ABN AMRO Bank, BNP Paribas and Sumitomo Mitsui Banking Corporation. LUKOIL acts as guarantor for the load.

Due to the fact that LUKOIL was able to syndicate the loan before the end of 2005 the whole loan amount for the purchase of Nelson Resources Limited will be classified in the annual consolidated statement of the LUKOIL Group as long-term unsecured debt, which will significantly improve the Company's financial results and, according to the Company's experts, should be very positively viewed by

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rating agencies, banks and investors.

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By purchasing Nelson Resources Limited, LUKOIL gained the right to participate in hydrocarbon production projects in the Western part of the Republic of Kazakhstan at Alibekmola, Kozhasai, Karakuduk, North Buzachi and Arman fields. In addition to that, LUKOIL became party to an option agreement for two research blocks in the Kazakhstan sector of the Caspian Sea, viz. South Zhambai and South Zaburunie. Proven and possible hydrocarbon reserves of LUKOIL's new asset amount to 269.6 mln barrels.