PRESS RELEASE
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LUKOIL'S PROVED RESERVES AMOUNT TO 20.4 BILLION BARRELS OF OIL EQUIVALENT

OAO LUKOIL (the Company) has completed an evaluation and independent audit of its oil and gas reserves as at January 1, 2008.

According to the data audited by Miller and Lents (USA), LUKOIL's proved reserves as at January 1, 2008 are estimated at 20.4 billion barrels of oil equivalent (boe), including 15.7 billion barrels of oil and 27.9 trillion cubic feet of gas. In 2007 the Company had a 4% growth in proved reserves taking into account production. Thus, for eight years on end the Company has completely compensated the hydrocarbons production with the reserves additions.

The evaluation of oil and gas reserves of LUKOIL Group was performed in compliance with the SPE-PRMS requirements prepared by US Society of Petroleum Engineers (SPE), reviewed and approved by the World Petroleum Congress (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

The reserves included those volumes which are recoverable up to and past license expiry dates.

The Company's total reserves in all categories constitute 100% net reserves owned by the consolidated subsidiaries and net share in appropriate reserves of affiliates.

Hydrocarbon reserves decline due to production and sale of a 50% interest in Caspian Investments Resources Ltd. (Kazakhstan) was fully offset by the following main factors:

- Additions to reserves as a result of exploration activity and development drilling;

- Acquisition of interests in producing assets;

- Favourable price environment.

LUKOIL Group Oil and Gas Reserves

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As at January 1, 2008	Oil	Gas	Oil + gas*
	Million barrels	Billion cubic feet	Million boe
Proved reserves	**15,715**	**27,921**	**20,369**
including:			
Developed	10,059	8,055	11,402
Undeveloped	5,656	19,866	8,967
Probable reserves	**8,679**	**21,048**	**12,187**
Possible reserves	**4,446**	**11,134**	**6,301**

**** Conversion ratio from cubic feet to barrels:***

1 barrel of oil equivalent = 6,000 cubic feet

Estimates of Future Cash Flows from Reserves Development

As at January 1, 2008, million USD	Proved	Probable	Possible
Future cash flows from sales of oil and gas	712,306	398,663	204,522
Future production and development cost	460,455	265,076	157,264
Future undiscounted cash flows (before income tax)	251,851	133,587	47,258
Effect of discounting (10%)	152,119	106,369	40,158
Future discounted net cash flows (before income tax)	99,732	27,218	7,100

In terms of proved hydrocarbon reserves the Company continues to hold leading positions among Russian and international companies .