PRESS RELEASE
FEBRUARY 11, 2002

ACCORDING TO US GAAP STANDARDS, LUKOIL NET INCOME FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AMOUNTED TO $1,937 MLN

OAO LUKOIL has prepared interim consolidated financial statements in accordance with US GAAP for the 9 months ended September 30, 2001.

The 3rd quarter of 2001 was marked by a certain deterioration of the market conditions on global oil and oil product markets. As compared to the corresponding period of 2000, Brent crude price for the first nine months 2001 decreased by 6.5%. Average product prices decreased by 10%. As compared to the 2nd quarter 2001, crude prices declined by 5%, while product prices decreased by 10%. Refining margins narrowed considerably. Inflationary pressure in Russian economy persisted. An excess supply of oil and oil products to the domestic market resulted in increased competition and lower profitability of domestic deliveries. Export duties and royalty taxes increased considerably.

Nevertheless, the Company managed to maintain good financial and operating results. Net income for the first 9 months 2001 amounted to $1,937 mln ($2.47 per share of common stock). Total revenues amounted to $10,641 mln. Group's assets as of September 30, 2001 increased by 15% (as compared to December 31, 2000) and amounted to $19,699 mln, stockholders' equity reached $12,194 mln (an increase of 16%). Earnings before interest, income tax, depreciation and amortization (EBITDA) amounted to $3,411 mln.

Total capital expenditures and investments of the Group's companies in the reporting period increased almost two-fold and amounted to $2,397 mln. To a considerable extent, these capital expenditures were made to the new, promising regions of the Company's operations (Timan-Pechora, Northern Caspian and others), which should ensure stable growth of the Company in the future. Capital expenditures and investments were, mainly, financed out of own funds. However, the considerable increase in the investing activities of the Group called for debt financing, which resulted in the increase in the Company's net debt by $427 mln.

Improvement in LUKOIL's operating performance continued in the reporting period. Organic growth in oil and gas production of the Group's subsidiaries and affiliates (excluding effect of additions and divestments) amounted to 1.5% for oil (58.3 mln tons) and 5.5% for gas (3.8 bn cu m). Domestic and foreign refineries of the Company processed approximately 24 mln tons of crude.

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LUKOIL Board of Directors held on January 12, 2002 viewed the level of the Company's net income in 2001 as lowest-acceptable and defined measures to cut operating costs and non-operating expense. The fulfillment of these measures will increase the profitability of the Company's operations.

SELECTED ITEMS FROM THE CONSOLIDATED FINANCIAL STATEMENTS

unaudited
In million US dollars

Selected items from the consolidated balance sheet	As of Sept 30, 2001	As of Dec 31, 2000
Total current assets	6,975	6,094
Total assets	19,699	17,109
Total current liabilities	4,711	3,692
Total liabilities	7,505	6,590
Total stockholders' equity	12,194	10,519
Total liabilities and stockholders' equity	19,699	17,109
Selected items from the consolidated statement of income	For the nine months ended September 30, 2001	For the nine months ended September 30, 2000
Total revenues	10,641	9,767
Income from operating activity	2,685	3,036

Selected items from the consolidated balance sheet	As of Sept 30, 2001	As of Dec 31, 2000
Total current assets	6,975	6,094
Total assets	19,699	17,109
Income before income taxes	2,576	2,891
Net income	1,937	2,458
Basic earnings per share of common stock (US dollars)	2.47	3.56
Selected items from the consolidated statement of cash flow		
Net cash provided by operating activities	1,770	2,135
Net cash used in investing activities	(2,210)	(1,150)
Net cash provided by financing activities	719	(66)

Full interim consolidated financial statements of OAO LUKOIL as of and for the nine months ended September 30, 2001 prepared in accordance with US GAAP are published on the Company's web-site.