PRESS RELEASE
APRIL 16, 2004

THE BOARD OF DIRECTORS OF OAO LUKOIL PASSES RESOLUTIONS ON THE ANNUAL GENERAL SHAREHOLDERS MEETING

The Board of Directors convened in Moscow today and resolved to hold the Annual General Shareholders Meeting of OAO "LUKOIL" on 24 June 2004 at the Company's headquarters in Moscow.

The date for the preparation of the list of shareholders entitled to participate in the General Shareholders Meeting was set at 7 May 2004. The Board of Directors intends to recommend the payment of dividends based on the Company's performance in 2003 in the amount of 24 rubles per ordinary share. The Board of Directors also recommends net profit distribution (unconsolidated profit of OAO "LUKOIL" in accordance with the Russian accounting standards) based on the results of the financial year as follows: 20,413,518 thousand rubles as dividend payments, and 27,301,769 thousand rubles as investments and loans to subsidiaries and associates for investment purposes.

The shareholders should also elect the Board of Directors from the proposed list of 11 candidates approved by the Board of Directors of OAO "LUKOIL" on 4 February 2004:

Vagit Yu. Alekperov, President of OAO "LUKOIL";

Mikhail P. Berezhnoi, General Director of the Non-Profit Organisation LUKOIL-GARANT Non-State Pension Fund;

Alexander A. Braverman, President of the Non-Profit Organisation "Rossiiskaya Assotsiatsiya Marketinga" (Russia Marketing Association);

Valery I. Grayfer, General Director of OAO RITEK;

Tatyana S. Yesaoulkova, Director General of OOO Specialized Depositary Company GARANT;

Vadim G. Kleiner, Director of Corporate Studies of Hermitage Capital Management;

Oleg E. Kutafin, Rector of the Moscow State Law Academy;

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Ravil U. Maganov, First Vice-President for Exploradion and Production;

Vladimir V.Malin, Chairman of the Specialized State Organization of the Russian Government “Russian Federal Property Fund”;

Richard Matzke, Vice-Chairman of the Board of Directors of Chevron Corporation, (prior to February 2002);

Sergei A. Mikhailov, Chairman of the Board of Directors of ZAO “Upravlyauschaya Kompaniya Management Center”;

Mark Mobius, Managing Director of Templeton Asset Management Ltd.;

Alexander V. Tikhonov, Head of the Department of the Energy Industry of the Ministry of Property of Russia;

Nikolai A. Tsvetkov, President of OOO Financial Corporation NIKoil;

Igor V.Sherkunov, Chairman of the Board of Directors of Investment Group Capital Closed Joint Stock Company.

The Board of Directors recommended to approve ZAO KPMG as an independent auditor.

The Board of Directors also considered issues related to implementation of the Restructuring program of the LUKOIL Group. It was noted at the meeting that activity on restructuring the LUKOIL Group has complied with the strategic goals of the development of the Company and has been aimed at creating an optimal structure of the LUKOIL Group which would allow for the efficient management of the business on a qualitatively new level, an increase in return on capital employed, and growth in the Company’s market capitalization. Summarizing what has been done, the Board of Directors stated that the restructuring objectives for the period of 2001-2003 have been basically achieved. The program envisages divestment of 463 companies through consolidation, disposal or liquidation out of 709 companies of the LUKOIL Group. Up to date 287 companies have been divested.

The Board of Directors approved activity of the Management Committee in the area of implementation of the Personnel Management Policy and the Social Code of OAO “LUKOIL”. The audit of the personnel management system has been performed in 17 subsidiaries. The Company employs up to 800 graduates on a yearly basis. In 2003 over 21,000 people participated in continuous training, including 1,150 employees of the Company central office. 17 out of 20 training centers have state licenses to conduct educational activities. Last year some 38,000

employees of OAO “LUKOIL” were trained in the training centers. In 2003 about 1,800 non-government pensions were granted. The total number of non-government pensions as at the beginning of 2004 reached 7,000.