PRESS RELEASE
DECEMBER 15, 2004

LUKOIL CUTS RETAIL GASOLINE AND DIESEL PRICES

The Management Committee of OAO LUKOIL resolved to reduce gasoline and diesel fuel retail prices by 5% at all of its proprietary sites across Russia starting from today.

Behind this decision is the seasonal change in the supply/demand balance and also the General Plans of Development of LUKOIL Group Refineries and Distribution Organizations in Russia for the Period till 2014. The plan has been approved by the Management Committee.

The General Plan's provisions include a significant increase of high-octane gasoline output from 3 million tons in 2005 to 6.6 million tons in 2014. It is planned that the quality of the products will comply with Euro-3 standards in 2009 and Euro-4 in 2012. Besides, the Company plans to increase its retail market presence in the Russian Federation from the current 7% up to 10% by 2014.

LUKOIL owns 4 refineries and around 1,500 filling stations in Russia.

Simultaneously with the retail price reduction in all of the areas where the Company operates, LUKOIL is now providing special telephone lines for customers to report cases of violation of the new pricing policy and also share their opinions of the quality of motor fuels at LUKOIL's proprietary stations.

Below is the list of the telephone numbers:

OAO "LUKOIL-Volganefteprodukt" (the Republic of Mariy Al, the Republic of Mordoviya, the Republic of Chuvashiya and also Vladimir, Vologda, Ivanovo, Kostroma, Nizhniy-Novgorod and Yarovslavl Regions) – (8312) 789 888;

OOO "LUKOIL-Nizhnevolzhsknefteprodukt" (the Republic of Daghestan, the Republic of Kalmykiya and also Astrakhan, Volgograd, Voronezh, Rostov, Saratov, Tambov and Penza Regions) – (8442) 963-215, (8452) 511-723;

OOO "LUKOIL-Permnefteprodukt" (Kirov, Perm, Sverdlov Regions, Komi-Permyatskiy Autonomous Region, the Udmurt Republic) – (3422) 358 600, (343) 269 7405, (8332) 359 042;

Press Centre PJSC "LUKOIL"
Phone:
E-mail: media@lukoil.com

OOO “LUKOIL-Severo-Zapadnefteprodukt” (the Republic of Karelia, Leningrad, Novgorod, Murmansk and Pskov Regions and Saint-Petersburg) – (82147) 526 94, (8212) 292 277;

OOO “LUKOIL-Severnefteprodukt” (the Komi Republic, Arkhangelsk Region, Nenetsk Autonomous Region) – (82147) 526 94, (8212) 292 277;

OOO “LUKOIL-Uralnefteprodukt” (The Republic of Bashkortostan, the Republic of Tatarstan, Kurgan, Orenburg, Samara, Tyumen, Uliyanovsk and Chelyabinsk Regions) – (3472) 367 803, 241 487, (85514) 488 60, (8462) 179 205, (3532) 733 600, 733 695;

OOO “LUKOIL-Tsentrnefteprodukt” (Belgorod, Bryansk, Kaluga, Kursk, Lipetsk, Moscow, Oryol, Ryazan, Smolensk, Tver and Tula Regions and Moscow) – (095) 927 88 88;

OOO “LUKOIL-Yugnefteprodukt” (The Republic of Adygeia, the Republic of Ingushetiya, the Republic of Kabardino-Balkaria, the Republic of Karachayevo-Cherkessiya, the Republic of Severnaya Osetia-Alania, Krasnodar and Stavropol Regions) – (861) 213 4026;

OOO “LUKOIL-Kaliningradmorneft” – (0112) 462 425.