

PRESS RELEASE
DECEMBER 28, 2005

**LUKOIL REFINANCES THE LOAN CONTRACTED FOR ACQUISITION OF
NELSON RESOURCES**

LUKOIL acting through its wholly owned subsidiary LUKOIL Finance Limited (Gibraltar) has signed a 3-year Syndicated Term Loan Facility for US\$ 1.93 billion to refinance the bridge loan obtained for the acquisition of former Nelson Resources Limited of Bermuda.

The Facility was extended on an unsecured basis and was priced at LIBOR plus 0.7% p.a.

The loan was underwritten by Citigroup, ABN AMRO Bank, BNP Paribas and Sumitomo Mitsui Banking Corporation.

LUKOIL provided a corporate guarantee on behalf of LUKOIL Finance Limited.

The 6 months bridge loan in the amount of \$2 billion was arranged on October, 12th. It represented the largest single corporate loan ever raised by LUKOIL.

As a result of the acquisition of Nelson Resources Limited LUKOIL obtained right to participate in the hydrocarbons production projects in the Western part of the Republic of Kazakhstan in the Alibekmola, Kozhasai, Karakuduk, North Buzachi and Arman fields, and options to acquire two exploration blocks in the Kazakhstani sector of the Caspian Sea – Zhambai South and South Zaburunie. The proven and probable reserves of the new asset of LUKOIL amount to 269.6 mmbbl.