PRESS RELEASE
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LUKOIL HOLDS ANNUAL GENERAL SHAREHOLDERS MEETING

OAO LUKOIL held its Annual General Shareholders Meeting in Moscow today to approve the 2011 Annual Report and financial statements based on the fiscal year results.

The shareholders approved dividend distribution based on the Company's performance in 2011 in the amount of 75 rubles per ordinary share, which is 27.1% higher compared with the 2010 dividend (59 rubles). The amount of dividends is calculated on the basis of the sum allocated to dividend payment, which equals 63,792,244 thousand rubles, or 19.13% of the consolidated net profit under the US GAAP, or 26.29% of the net profit of OAO LUKOIL.

The size of remuneration and reimbursement of expenses to the members of the Board of Directors and the size of remuneration to the members of the Audit Commission was also approved. ZAO KPMG was approved as LUKOIL's independent auditor. The Annual General Shareholders Meeting approved amendments and addenda to the Company Charter, elected the Board of Directors and the Audit Commission, approved amendments to the Procedure for Preparing and Holding the General Shareholders Meeting of OAO LUKOIL and approved amendments to the Regulations on the Board of Directors of OAO LUKOIL. An interested-party transaction was also approved by the Meeting.

In particular, the shareholders approved amendments to the Company Charter which provide for possible quarterly payments of dividends.

The following Board of Directors of OAO LUKOIL was elected by the shareholders:

1. Vagit Yu. Alekperov, President of OAO LUKOIL;
2. Victor V. Blazheev, Rector of O.E.Kutafin Moscow State Law Academy;
3. Valery I. Grayfer, Chairman of the Board of Directors of OAO RITEK;
4. Igor S. Ivanov, President of the Russian International Affairs Council (RIAC), former Minister of Foreign Affairs of the Russian Federation, Secretary of the Security Council of the Russian Federation;
5. Ravil U. Maganov, First Executive Vice President of OAO LUKOIL;

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6. Richard H. Matzke, former Vice Chairman of Chevron Corporation;

7. Sergei A. Mikhailov, General Director of ZAO Gruppa Konsalting [Consulting Group];

8. Mark Mobius, Executive Chairman of Templeton Emerging Markets Group;

9. Guglielmo Antonio Claudio Moscato, Chairman and CEO of Gas Mediterraneo & Petrolio, former Chairman of the Board of Directors of Eni SpA, former Chairman and CEO of Agip SpA;

10. Ivan Pictet, Member of the UN Investments Committee of the UN Joint Staff Pension Fund Board (NY, USA), Board member of Blackstone Group International Limited, AEA European Advisory Board, AEA Investors LP Global Advisory Board (NY, USA), Symbiotics. Former Senior Managing Partner of Pictet & Cie;

11. Alexander N. Shokhin, President of the Russian Union of Industrialists and Entrepreneurs, President of the National Research University – Higher School of Economics.

Valery Grayfer was elected Chairman of the newly elected Board of Directors at the Board of Directors meeting held after the Annual General Shareholders Meeting.

All the Annual General Shareholder Meeting materials are available at http://www.lukoil.ru/materials/doc/AGSM_2012/materials_all_rus.pdf, and the 2011 Annual Report is at http://www.lukoil.ru/static_6_5id_218_.html.