PRESS RELEASE
MAY 28, 2013

IN THE FIRST QUARTER LUKOIL PRESENTED THE BEST FINANCIAL EFFICIENCY AMONG RUSSIAN OIL AND GAS COMPANIES

LUKOIL has published consolidated US GAAP financial statements for the first quarter of 2013.

The Company's net income of $2,581 million decreased 4.0% compared to the fourth quarter of 2012. EBITDA was $4,775 million, which is a 2.3% increase q-o-q. Negative effect of foreign exchange differences on income tax expense had a significant impact on net income. Nevertheless, LUKOIL continues to show the best financial efficiency in the industry.

Sales revenues reached $33,770 million (-6.2% q-o-q). Net debt reached $3.9 billion, up 6.2 % in comparison with the beginning of the year.

Capital expenditures including non-cash transactions were $3.4 billion.

Lifting costs per boe of production reached $5.29, down 1.5% from the fourth quarter of 2012.

In the first quarter of 2013, LUKOIL Group total hydrocarbon production available for sale reached 2.196 million boe per day, which is a 0.8% increase q-o-q. Crude oil and natural gas liquids production of LUKOIL Group in the first quarter of 2013 totaled 1.852 million bbl per day. Production of gas available for sale reached 344 thousand boe per day. In the first quarter of 2013 throughputs at the Company's own and affiliated refineries reached 1.266 million barrels per day.

Measures aimed at higher efficiency and cost control allowed the Company to assuage the fall of financial indicators and maintain high operating efficiency in unfavorable external economic conditions.

CONSOLIDATED STATEMENT OF INCOME

	1st quarter of	
	2013	**2012**
	(millions of US dollars)	

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Revenues		
Sales (including excise and export tariffs)	33,770	35,261
Costs and other deductions		
Operating expenses	(2,450)	(2,215)
Cost of purchased crude oil, gas and products	(15,103)	(16,368)
Transportation expenses	(1,650)	(1,605)
Selling, general and administrative expenses	(866)	(829)
Depreciation, depletion and amortization	(1,369)	(1,095)
Taxes other than income taxes	(3,383)	(3,478)
Excise and export tariffs	(5,501)	(5,577)
Exploration expense	(63)	(43)
Loss on disposals and impairments of assets	(7)	(9)
Income from operating activities	**3,378**	**4,042**
Interest expense	(97)	(161)
Interest and dividend income	61	66
Equity share in income of affiliates	158	181
Currency translation loss	(139)	(86)
Other non-operating income (expense)	13	(22)
Income before income taxes	**3,374**	**4,020**
Current income taxes	(646)	(487)
Deferred income taxes	(143)	120
Total income tax expense	**(789)**	**(367)**
Net income	**2,585**	**3,653**
Net (income) loss attributable to non-controlling interests	(4)	136
Net income attributable to OAO LUKOIL	**2,581**	**3,789**
Earnings per share of common stock attributable to OAO LUKOIL (US dollars):		

Basic	3.42	4.90
Diluted	3.35	4.80

Full consolidated US GAAP financial accounts of LUKOIL for the first quarter of 2013 are available on the Company's web sites: www.lukoil.com and www.lukoil.ru

These consolidated interim financial statements have been prepared by the Company in accordance with U.S. GAAP and have not been audited by our independent auditor. If these financial statements are audited in the future, the audit could reveal discrepancies, and we cannot give any assurance that any such discrepancies would not be material.