

PRESS RELEASE
NOVEMBER 30, 2015

**LUKOIL EBITDA REACHED \$10.5 BILLION IN THE NINE MONTHS OF 2015,
LIQUID HYDROCARBONS PRODUCTION INCREASED BY 3.9%. FREE CASH
FLOW REACHED \$2.0 BILLION**

LUKOIL has published consolidated US GAAP financial statements for the nine months of 2015.

EBITDA* (earnings before interest, taxation, depreciation and amortization) in the nine months of 2015 amounted to \$10,476 million. The Company's net income* in the nine months of 2015 amounted to \$2,769 million. Sales revenues were \$74,712 million.

Free cash flow in the nine months of 2015 amounted to \$2.0 billion. Capital expenditures, including non-cash transactions and prepayments in the nine months of 2015 were \$7,460 million.

In the nine months of 2015, LUKOIL Group total hydrocarbon production increased by 3.5% y-o-y and reached 2,372 thousand boe per day. Crude oil and natural gas liquids production in the nine months of 2015 increased by 3.9% y-o-y to 2,051 thousand barrels per day. The increase was mainly due to the production from West Qurna-2 project in Iraq.

In the nine months of 2015, production at the Group refineries in Russia reached 29.8 million tons, and 15.5 million tons. at the Group refineries outside Russia (including Zeeland refinery).

During the 9 months of 2015, the volume of our crude oil exports from Russia reached 25.8 million tons. The volume of our refined products exports from Russia were 15.6 million tons.

[*] - Adjusted for loss on disposal of assets and dry hole write-offs.

Consolidated Statements of Comprehensive Income

| 3rd quarter of | | 9 months of | |
|----------------|------|-------------|------|
| 2015 | 2014 | 2015 | 2014 |

(millions of US dollars)

Revenues

| | | | | |
|---|--------|--------|--------|---------|
| Sales (including excise and export tariffs) | 23,418 | 39,021 | 74,712 | 112,907 |
|---|--------|--------|--------|---------|

Costs and other deductions

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Operating expenses | (1,887) | (2,726) | (5,758) | (7,593) |
| Cost of purchased crude oil, gas and products | (11,385) | (18,603) | (37,487) | (54,717) |
| Transportation expenses | (1,170) | (1,510) | (3,783) | (4,620) |
| Selling, general and administrative expenses | (640) | (994) | (2,075) | (2,865) |
| Depreciation, depletion and amortization | (2,287) | (2,788) | (6,292) | (6,785) |
| Taxes other than income taxes | (2,253) | (3,501) | (6,998) | (10,355) |
| Excise and export tariffs | (2,347) | (5,745) | (7,747) | (16,571) |
| Exploration expenses | (164) | (207) | (552) | (476) |
| Loss on disposals and impairments of assets | (13) | (87) | (127) | (501) |
| Income from operating activities | 1,272 | 2,860 | 3,893 | 8,424 |

| | | | | |
|--------------------------------------|--------------|--------------|--------------|--------------|
| Interest expense | (182) | (171) | (534) | (466) |
| Interest and dividend income | 71 | 74 | 230 | 194 |
| Equity share in income of affiliates | 71 | 154 | 148 | 427 |
| Currency translation loss | (2) | (347) | (222) | (615) |
| Other non-operating income (expense) | 9 | (108) | (77) | (227) |
| Income before income taxes | 1,239 | 2,462 | 3,438 | 7,737 |

| | | | | |
|-----------------------|-------|-------|---------|---------|
| Current income taxes | (580) | (828) | (1,281) | (2,174) |
| Deferred income taxes | (45) | (5) | 170 | 203 |

| | | | | |
|--|--------------|--------------|----------------|----------------|
| Total income tax expense | (625) | (833) | (1,111) | (1,971) |
| Net income | 614 | 1,629 | 2,327 | 5,766 |
| Net loss (income) attributable to non-controlling interests | 9 | (9) | (9) | (24) |
| Net income attributable to PJSC LUKOIL | 623 | 1,620 | 2,318 | 5,742 |
| Earnings per share of common stock attributable to PJSC LUKOIL (US dollars): | | | | |
| Basic | 0.84 | 2.15 | 3.08 | 7.61 |
| Diluted | 0.84 | 2.11 | 3.07 | 7.46 |

Full version of US GAAP interim consolidated financial statements of PJSC LUKOIL for the nine months ended September 30, 2015, is available on the Company's web sites: www.lukoil.com and www.lukoil.ru

These interim consolidated 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.