PRESS RELEASE
FEBRUARY 19, 2014

LUKOIL NET INCOME EXCLUDING NON-CASH WRITE-OFF REACHED $10.3 BILLION IN 2013, EBITDA – $19.3 BILLION

LUKOIL has published consolidated US GAAP financial statements for 2013.

The Company's 2013 net income reached $7,832 million. EBITDA (earnings before interest, taxation, depreciation and amortization) reached $16,668 million in 2013. Sales revenues were $141,452 million (+1.6% y-o-y). The positive dynamics of revenues was due to a y-o-y increase in hydrocarbon, petrochemicals and premium petroleum products production in 2013.

Net income for the fourth quarter of 2013 was negatively affected by $2,449 million non-cash losses due to write-off of Yuzhnoye Khylchuyu field, West Africa projects, Karpatneftekhim and ISAB plants, LUKOIL-Ecoenergo and other assets. Excluding the non-cash losses net income was $10,281 mln and EBITDA was $19,255 mln (+1,8% y-o-y).

Free cash flow in 2013 amounted to $643 million. Capital expenditures was $15,434 million in 2013.

In 2013, LUKOIL Group total hydrocarbon production available for sale increased by 1.5% y-o-y and reached 2,202 thousand boe per day.

Crude oil production of LUKOIL Group in 2013 increased 1.1% to 90.807 million tonnes. Production of gas available for sale increased by 2.3% to 20.391 bcm including 6.428 bcm produced internationally and 13.963 bcm in Russia.

Throughput at the Company's own and affiliated refineries increased by 0.4% to 66.3 million tonnes. Throughput the Company's refineries in Russia increased 1.8%.

Consolidated Statements of Income

	2013	2012	2011
	(millions of US dollars)		
Revenues			

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

Sales (including excise and export tariffs).....	141,452	139,171	133,650
Costs and other deductions			
Operating expenses.....	(10,086)	(9,359)	(9,055)
Cost of purchased crude oil, gas and products.....	(65,924)	(64,148)	(59,694)
Transportation expenses.....	(6,290)	(6,171)	(6,121)
Selling, general and administrative expenses.....	(3,849)	(3,755)	(3,822)
Depreciation, depletion and amortization.....	(5,756)	(4,832)	(4,473)
Taxes other than income taxes.....	(13,803)	(13,666)	(12,918)
Excise and export tariffs.....	(22,334)	(22,836)	(22,217)
Exploration expense.....	(602)	(364)	(532)
(Loss) gain on disposals and impairments of assets.....	(2,561)	30	(1,663)
Income from operating activities.....	**10,247**	**14,070**	**13,155**
Interest expense.....	(488)	(538)	(694)
Interest and dividend income.....	239	257	211
Equity share in income of affiliates.....	575	518	690
Currency translation loss.....	(443)	(512)	(301)
Other non-operating income (expense).....	328	(72)	58
Income before income taxes.....	**10,458**	**13,723**	**13,119**
Current income taxes.....	(2,051)	(2,738)	(2,678)
Deferred income taxes.....	(780)	(60)	(615)
Total income tax expense.....	**(2,831)**	**(2,798)**	**(3,293)**
Net income.....	**7,627**	**10,925**	**9,826**
Net loss attributable to non-controlling interests.....	205	79	531
Net income attributable to OAO LUKOIL.....	**7,832**	**11,004**	**10,357**

Earning per share of common stock attributable to OAO LUKOIL			
(in US dollars):			
Basic.....	10.38	14.47	13.30
Diluted.....	10.18	14.17	13.04