



To the shareholders of
the Open Joint Stock Company
Oil Company “LUKOIL”

Auditors’ report
on the financial statements of
the Open Joint Stock Company
Oil Company “LUKOIL”
for the 2008 reporting year

Set out below is an unofficial translation of the auditors’ report on the statutory financial statements of the Open Joint Stock Company Oil Company “LUKOIL” as at and for the year ended 31 December 2008. The statutory financial statements to which the auditors’ report relates have been prepared in accordance with the accounting and reporting regulations of the Russian Federation. Russian accounting and reporting regulations differ from accounting frameworks in other jurisdictions. Consequently, the accompanying statutory financial statements are not intended to present the financial position, financial performance and cash flows of the Open Joint Stock Company Oil Company “LUKOIL” in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than the Russian Federation.



Information on the audit firm

<i>Name of the audit firm:</i>	Closed Joint Stock Company KPMG.
<i>Location (legal address):</i>	18/1, Olympiysky prospect, Room 3035, Moscow 129110.
<i>Postal address:</i>	18, Krasnopresnenskaya Naberezhnaya, Block C, floor 31, Moscow 123317.
<i>State registration:</i>	Registered by the Moscow Registration Chamber on 25 May 1992, Registration No. 011.585. Included in the Unified State Register of Legal Entities on 13 August 2002 by Moscow's Inter-Regional Tax Inspectorate No.39 of the Ministry for Taxes and Duties of the Russian Federation, Registration No. 1027700125628, Certificate series 77 No. 005721432.
<i>Licence:</i>	Audit Licence No. E 003330 issued on the basis of Order No. 9 of the Ministry of Finance of the Russian Federation on 17 January 2003. The Licence was extended until 17 January 2013.
<i>Accredited professional audit organisation membership:</i>	Member of the Chamber of Auditors of Russia.

Information on the audited company

<i>Name of audited company:</i>	Open Joint Stock Company Oil Company "LUKOIL".
<i>Location (legal address):</i>	11, Sretensky boulevard, Moscow, 101000.
<i>Postal address:</i>	11, Sretensky boulevard, Moscow, 101000.
<i>State registration:</i>	Registered by Moscow Registration Chamber on 22 April 1993, Registration No. 024020. Registered in the Unified State Register of Legal Entities on 17 July 2002 by Administration of the Ministry of the Russian Federation for Taxes and Levies in Moscow, Registration No.1027700035769, Certificate series 77 No. 007892347.



Auditors' report

To the shareholders of the Open Joint Stock Company Oil Company "LUKOIL"

We have audited the accompanying financial statements of the Open Joint Stock Company Oil Company "LUKOIL" (hereinafter the "Company") for the 2008 reporting year.

The financial statements, set on 69 pages, comprise:

- the balance sheet as at 31 December 2008;
- the income statement for 2008;
- appendices to the balance sheet and income statement including:
 - statement of changes in equity for 2008;
 - cash flow statement for 2008;
 - attachments to the balance sheet;
- explanatory notes to the financial statements.

The Executive Body of the Company is responsible for the preparation and presentation of the financial statements. The term "financial statements" refers to financial statements as defined in the Federal Law *On Accounting*. Our responsibility is to express an opinion on the reliability of the financial statements in all material respects based on our audit.

We conducted our audit in accordance with the Federal Law *On Auditing*, the Federal Standards on Auditing, internal KPMG auditing methodology, the rules and standards adopted by the Chamber of Auditors of Russia.

The audit was planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement. The audit was performed on a sample basis and included examination, on a test basis, of evidence supporting the amounts presented in the financial statements and the information disclosed therein on the financial performance of the Company. The audit also included an assessment of the Company's compliance with the accounting principles and rules in the preparation of the financial statements and a review of key estimates made by management, as well as an evaluation of the presentation of the financial statements. We believe that the audit performed provides a sufficient basis for our opinion on the reliability of the financial statements.



In our opinion, the accompanying financial statements present reliably, in all material respects, the financial position of the Company as at 31 December 2008 and its financial performance for the period from 1 January to 31 December 2008 inclusive in accordance with the requirements of the reporting legislation of the Russian Federation.

26 March 2009

Kirill Altukhov

Director of CJSC KPMG,
(power of attorney dated 29 August 2007 No. 14/07)

Tatiana Titova

In charge of the audit,
auditor's qualification certificate for general audit
No.K019317, valid for an indefinite period