



FOR IMMEDIATE RELEASE

**NOVATEK ANNOUNCES THIRD QUARTER AND
NINE MONTHS 2013 IFRS RESULTS**

Moscow, 6 November 2013. OAO NOVATEK (“NOVATEK” and/or the “Company”) today released its consolidated interim condensed financial information for the three and nine months ended 30 September 2013 prepared in accordance with International Financial Reporting Standards (“IFRS”).

IFRS Financial and Operational Highlights
(in millions of Russian roubles unless otherwise stated)

3Q 2013	3Q 2012		9M 2013	9M 2012
		Revenues		
75,541	52,345	Oil and gas sales	213,907	150,984
107	169	Other revenues	336	551
75,648	52,514	Total revenues	214,243	151,535
(47,080)	(29,628)	Total operating expenses	(137,749)	(87,762)
36	339	Other operating income (loss)	693	344
28,604	23,225	Profit from operations	77,187	64,117
32,893	25,252	EBITDA	87,054	69,883
(27)	2,345	Total finance income (expense)	(5,406)	2,372
29,224	25,269	Profit before income tax	72,119	64,676
23,432	19,996	Profit (loss)	57,828	50,892
23,458	20,003	Profit (loss) attributable to shareholders of OAO NOVATEK	57,886	50,911
7.75	6.59	Basic and diluted earnings per share (in Russian roubles)	19.10	16.78

Total revenues in the third quarter and nine months 2013 increased by 44.1% and 41.4%, respectively, as compared to the corresponding periods of 2012, largely due to an increase in sales volumes and average sales prices of natural gas and liquid hydrocarbons. The increase in natural gas prices was due to a significant expansion of the share of end-users in our total gas volumes sales mix, changes in the geography of sales in favor of the remote regions, as well as due to an increase in regulated gas prices, whereas the increase in the average price of liquids was mainly due to the start of product sales from the Ust-Luga Gas Condensate Fractionation and Transshipment Complex launched in the second quarter 2013.

In the third quarter 2013, we recorded a year-on-year increase of 30.3% in EBITDA, which totaled RR 32.9 billion. EBITDA for the first nine months 2013 increased by 24.6% over the corresponding nine months in 2012, and totaled RR 87.1 billion. The growth in our EBITDA was positively impacted by the expansion of the share of liquids in our total hydrocarbon volumes sales mix, as well as by the margin from stable gas condensate processing at the Ust-Luga complex.

Profit attributable to shareholders of OAO NOVATEK in the third quarter 2013 increased to RR 23.5 billion (RR 7.75 per share), or by 17.3% as compared to the third quarter 2012. Profit attributable to shareholders of OAO NOVATEK in the first nine months 2013 increased to RR 57.9 billion (RR 19.10 per share), or by 13.7% as compared to the same period of 2012. The dynamics of profit was impacted by non-cash foreign exchange effect.

Production and Purchase Volumes

3Q 2013	3Q 2012		9M 2013	9M 2012
12,199	11,609	Natural gas production, million cubic meters (mmcm)	38,648	37,112
1,744	1,339	Natural gas purchases from joint ventures, mmcm	5,567	4,016
1,441	840	Other purchases of natural gas, mmcm	4,920	2,540
15,384	13,788	Total natural gas production and purchases, mmcm	49,135	43,668
1,045	972	Liquids production, thousand tons (mt)	3,244	3,079
272	73	Liquids purchases from joint ventures, mt	776	131
3	4	Other purchases of liquids, mt	7	9
1,320	1,049	Total liquids production and purchases, mt	4,027	3,219

Sales Volumes

3Q 2013	3Q 2012		9M 2013	9M 2012
14,403	13,507	Natural gas, mmcm	47,770	43,004
12,928	8,719	including sales to end-users, mmcm	42,568	29,252
690	-	Ust-Luga products, mt	690	-
241	737	Stable gas condensate, mt	2,083	2,155
257	202	Liquefied petroleum gas, mt	783	664
162	123	Crude oil, mt	463	308

In the third quarter and first nine months 2013, our natural gas sales volumes increased by 6.6% and 11.1%, respectively, as compared to the corresponding periods in 2012, due to growth in production at the Yurkharovskoye field and an increase in purchases of natural gas. At 30 September 2013, we recorded 2,362 million cubic meters of natural gas as inventory in underground storages as compared to 1,309 million cubic meters in the corresponding period of 2012.

In the third quarter and first nine months 2013, our total liquid hydrocarbon sales volumes increased by 27.0% and 28.5%, respectively, as compared to the corresponding periods in 2012. The growth was due to higher volumes of gas condensate purchases from joint ventures and an increase in crude oil and gas condensate production by our subsidiaries. At 30 September 2013, 378 thousand tons of stable gas condensate and oil products were in transit or storage and recognized as inventory, as compared with 268 thousand tons of stable gas condensate as at 30 September 2012.

Selected Items from the Statement of Financial Position
(in millions of Russian roubles)

	30 September 2013	31 December 2012
ASSETS		
Non-current assets	447,713	404,890
Property, plant and equipment	235,441	197,376
Investments in joint ventures	171,813	189,136
Current assets	53,536	58,243
Assets held for sale	24,306	-
Total assets	525,555	463,133
LIABILITIES AND EQUITY		
Non-current liabilities	162,126	116,702
Long-term debt	139,778	97,805
Current liabilities	27,163	55,130
Total liabilities	189,289	171,832
Equity attributable to OAO NOVATEK shareholders	335,073	290,050
Non-controlling interest	1,193	1,251
Total equity	336,266	291,301
Total liabilities and equity	525,555	463,133

The full set of consolidated interim condensed IFRS financial information, the notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations are available on the Company's web site (www.novatek.ru).

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OAO NOVATEK is Russia's largest independent gas producer and the second-largest natural gas producer in Russia. Founded in 1994, the Company is engaged in the exploration, production, processing and marketing of natural gas and liquid hydrocarbons. The Company's upstream activities are concentrated in the prolific Yamal-Nenets Autonomous Region, which is the world's largest natural gas producing area and accounts for approximately 90% of Russia's natural gas production and approximately 17% of the world's gas production. NOVATEK is an open joint stock company established under the laws of the Russian Federation. The Company's shares are listed in Russia on MICEX-RTS Stock Exchange and the London Stock Exchange (LSE) under the ticker symbol "NVTK".