



FOR IMMEDIATE RELEASE

NOVATEK ANNOUNCES THIRD QUARTER AND NINE MONTHS 2009 IFRS RESULTS

Moscow, 13 November 2009. OAO NOVATEK today released its consolidated interim condensed financial information for the three and nine months ending 30 September 2009 prepared in accordance with International Financial Reporting Standards (“IFRS”).

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

3Q 2009	3Q 2008		9M 2009	9M 2008
		Revenues		
21,217	19,437	Oil and gas sales	59,909	60,015
475	561	Sales of polymer and insulation tape	1,373	1,692
279	465	Other revenues	818	984
21,971	20,463	Total revenues	62,100	62,691
(13,638)	(11,936)	Total operating expenses	(40,055)	(34,781)
		Net gain (loss) on disposal of interest in subsidiaries	52	-
-	-			
25	(11)	Other income (loss)	(128)	(190)
8,358	8,516	Profit from operations	21,969	27,720
903	(976)	Finance income (expense)	(902)	(815)
9,238	7,506	Profit before income tax	21,039	26,804
7,277	5,686	Profit (loss)	16,579	20,241
		Profit (loss) attributable to OAO NOVATEK shareholders	16,665	20,238
7,353	5,682			
2.43	1.87	Basic and diluted earnings per share (in Russian roubles)	5.50	6.67

In the third quarter 2009, our total revenues grew by 7.4% to RR 21,971 million compared to the corresponding period of 2008, primarily due to an increase in both natural gas prices and stable gas condensate and LPG sales volumes.

Profit attributable to NOVATEK shareholders in the third quarter increased by 29.4%, to RR 7,353 million, or RR 2.43 per share, as compared to the corresponding period in 2008, and was primarily due to higher revenues and a non cash foreign exchange gain during the 2009 period, as well as a decrease in the statutory tax rate from 24% in 2008 to 20% effective as of 1 January 2009.

In the nine months ended 30 September 2009, our total revenues decreased marginally to RR 62,100 million as compared to the corresponding period in 2008. The marginal decrease in revenues was primarily due to significantly higher prices for liquids sales volumes in both international and domestic markets in the 2008 period, which were offset by higher natural gas prices and an increase in liquid sales volumes during the 2009 period.

Profit attributable to NOVATEK shareholders in the nine months ended 30 September 2009 decreased by 17.7% to RR 16,665 million, or RR 5.50 per share, due to the higher liquids prices in the 2008 period, which were offset by higher liquids volumes in the 2009 period and an increase in transportation expense in the 2009 period due to a change in the sales mix of our natural gas customers from ex-field to end-customer sales.

Selected Operating Highlights

3Q 2009	3Q 2008	Production and Purchased Volumes	9M 2009	9M 2008
7,756	7,531	Natural gas production (million cubic meters)	23,492	22,487
250	757	Natural gas purchases (million cubic meters)	699	2,105
8,006	8,288	Total natural gas production and purchases	24,191	24,592
738	633	Liquids production (thousand tons)	2,206	1,861
6	24	Liquids purchases (thousand tons)	6	94
744	657	Total liquids production and purchases	2,212	1,955
3Q 2009	3Q 2008	Sales Volumes	9M 2009	9M 2008
7,763	8,226	Natural gas (million cubic meters)	24,030	24,596
467	329	Stable gas condensate (thousand tons)	1,518	1,153
189	153	Liquefied petroleum gas (thousand tons)	533	461
48	63	Crude oil (thousand tons)	149	212
3	32	Oil products (thousand tons)	9	99

In the third quarter and nine months of 2009, our total consolidated natural gas and liquid hydrocarbon production grew mainly due to an increase in production at our Yurkharovskoye field as a result of the completion of a production capacity expansion project which was launched in September 2008.

In the third quarter and nine months of 2009, our natural gas sales volumes decreased by 5.6% and 2.3%, respectively, primarily due to a reduction in our purchases from third parties, as a result of our ability to meet domestic market demand from our own production, and an increase in natural gas inventories, whereas our liquids sales volumes grew by 22.5% and 14.8%, respectively, primarily due to the increase in unstable gas condensate production at our Yurkharovskoye field.

At 30 September 2009, we had 202 thousand tons of stable gas condensate in transit or storage and recognized as inventory until such time as it is delivered to the port of destination as compared to

216 thousand tons as of 30 September 2008. We also recorded 503 million cubic meters of natural gas as inventory at 30 September 2009 compared to 267 million cubic meters as of 30 June 2009.

“Our third quarter results continue to demonstrate our ability to adapt to difficult market conditions and capitalize on our operational strengths” stated Leonid V. Mikhelson, CEO NOVATEK. “Throughout 2009, we have shown that the timely investments in infrastructure and production capacity over the past few years allowed us to continue to grow our business and deliver sustainable value to our shareholders”

Selected Balance Sheet Items
(in millions of Russian roubles)

	30 September 2009	31 December 2008
ASSETS		
Non-current assets	165,073	113,578
Property, plant and equipment, net	159,789	108,714
Total current assets	18,130	25,428
Total assets	183,203	139,907
LIABILITIES AND EQUITY		
Non-current liabilities	30,995	28,763
Long-term debt	17,986	19,935
Current liabilities	24,938	14,169
Total liabilities	55,933	43,267
Equity attributable to		
 OAO NOVATEK shareholders	107,896	96,069
Non-controlling interest	19,374	571
Total equity	127,270	96,640
Total liabilities and equity	183,203	139,907

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).

Certain statements in this press release are not historical facts and are “forward looking” within the meaning of Section 27A of the Securities Act and Section 21E of the US Securities Exchange Act of 1934 (hereinafter, the Exchange Act). Forward looking statements include statements concerning our plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our competitive strengths and weaknesses, plans or goals relating to forecasted production, reserves, financial position and future operations and development, our business strategy and the trends we anticipate in the industries and the political and legal environment in which we operate and other information that is not historical information. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward looking statements will not be achieved.

For further information, please visit www.novatek.ru or contact:

Press Service

+7 (495) 721 2207

press@novatek.ru

Investor Relations

+7 (495) 730 6020

IR@novatek.ru

ОАО НОВАТЕК является крупнейшим независимым производителем газа в России и вторым по величине производителем природного газа в России. Основанная в 1994 году, Компания занимается разведкой, добычей, переработкой и маркетингом природного газа и жидких углеводородов. Деятельность Компании по добыче сосредоточена в плодотворном Ямало-Ненецком регионе, который является крупнейшей в мире областью добычи природного газа и составляет более 90% производства природного газа в России и 20% мирового производства газа. НОВАТЕК является открытым акционерным обществом, учрежденным в соответствии с законодательством Российской Федерации. Акции Компании котируются на Российской Торговой Системе (RTS) и Лондонской фондовой бирже (LSE) под тикером 'NVTK' и на Портале NASDAQ PORTAL в соответствии с Правилами 144A GDR под тикером "NVATY".