



FOR IMMEDIATE RELEASE

**NOVATEK ANNOUNCES CONSOLIDATED IFRS RESULTS FOR THE YEAR
ENDED 31 DECEMBER 2007**

Moscow, 21 April 2008. OAO NOVATEK today released its audited consolidated financial statements for the year ended 31 December 2006, 2007 prepared in accordance with International Financial Reporting Standards (“IFRS”).

IFRS Financial and Operational Highlights

in millions of Russian roubles

	FY 2007	FY 2006
Revenues		
Oil and gas sales	60,357	48,047
Sales of polymer and insulation tape	1,602	1,109
Other	362	217
Total revenues	62,321	49,373
Other income (loss)	110	(139)
Total revenues and other income	62,431	49,234
Total operating expenses	(37,066)	(30,081)
Profit from operations	25,365	19,153
Finance income (expense)	124	(31)
Profit before income tax	25,489	19,122
Profit for the year	18,728	14,007
Profit (loss) attributable to OAO NOVATEK shareholders	18,736	14,079
Basic and diluted earnings per share ⁽¹⁾ (in Russian roubles)	6,17	4,64

Total revenues grew by 26.8% year-on-year to RR 62,431 million for the twelve months ended 31 December 2007 from RR 49,234 million in the corresponding period of 2006, reflecting the general strength of our core business operations. The increase in total revenues from our primary business operations was attributable to the favorable pricing environment for both domestic and international hydrocarbon sales.

Profit attributable to NOVATEK shareholders increased by 33.1% to RR 18,736 million, or RR 6.17 per share as compared to RR 14,079 million, or RR 4.64 per share for the corresponding period in 2006.

Selected Operating Highlights

Sales Volumes	FY 2007	FY 2006
Natural gas (millions cubic meters)	32,054	30,308
Stable gas condensate (thousand tons)	1,508	1,358
Liquefied petroleum gas (thousand tons)	554	505
Crude oil (thousand tons)	269	305
Oil products (thousand tons)	73	81

Sales volumes of natural gas for the full year increased by 1,746 million cubic meters, or by 5.8%, from 30,308 million cubic meters in 2006 to 32,054 million cubic meters in 2007. Net liquid sales volumes increased by 6.9% from 2,249 thousand tons in 2006 to 2,404 thousand tons in 2007.

At 31 December 2007, we had 224 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 compared to 190 thousand tons as of 31 December 2006. Our stable gas condensate in transit or storage and recognized as inventory increased by 34 thousand tons as at 31 December 2007 as compared to the inventory balance at 1 January 2007, while in 2006 the inventory balance increased by 179 thousand tons. The remaining change in liquids inventory balances related to changes in other liquid products.

Selected Balance Sheet Items

<i>(in millions of Russian roubles)</i>	31 December 2007	31 December 2006
ASSETS		
Non-current assets	86,937	68,839
Property, plant and equipment, net	82,669	66,734
Total current assets	17,038	15,487
Total assets	103,975	84,326
LIABILITIES AND EQUITY		
Non-current liabilities	10,088	10,552
Long-term debt	42	543
Current liabilities	12,075	5,098
Total liabilities	22,163	15,650
Equity attributable to		
 OAO NOVATEK shareholders	81,335	68,320
 Minority interest	477	356
Total equity	81,812	68,676
Total liabilities and equity	103,975	84,326

The full set of audited consolidated IFRS financial statements for the year ended 31 December 2006 and 2007 and the related notes thereto as well as 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.

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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 Region, which is the world's largest natural gas producing area and accounts for over 90% of Russia's natural gas production and 20% 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 on the Russian Trading System (RTS) and the London Stock Exchange (LSE) under the ticker symbol ‘NVTK’ and on the NASDAQ PORTAL System as Rule 144A GDR under the ticker symbol “NVATY”