



FOR IMMEDIATE RELEASE

**NOVATEK ANNOUNCES IFRS RESULTS FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2007**

**Moscow, 23 August 2007.** OAO NOVATEK today released its consolidated interim condensed financial information for the three and six months ending 30 June 2007 prepared in accordance with International Financial Reporting Standards (“IFRS”).

**The Second Quarter and Six Months 2007  
IFRS Financial Highlights**

<b>2Q 2007</b>	<b>2Q 2006</b>		<b>1H 2007</b>	<b>1H 2006</b>
<i>RR, mln</i>	<i>RR, mln</i>		<i>RR, mln</i>	<i>RR, mln</i>
		<b>Revenues</b>		
14,542	12,374	Oil and gas sales	29,413	23,754
411	291	Sales of polymer and insulation tape	720	548
91	56	Other	156	97
<b>15,044</b>	<b>12,721</b>	<b>Total revenues</b>	<b>30,289</b>	<b>24,399</b>
9	(172)	Other income (loss)	25	(285)
<b>15,053</b>	<b>12,549</b>	<b>Total revenues and other income</b>	<b>30,314</b>	<b>24,114</b>
<b>(9,002)</b>	<b>(7,840)</b>	<b>Total operating expenses</b>	<b>(18,567)</b>	<b>(14,624)</b>
6,093	4,631	Profit before income tax	11,812	9,505
<b>4,210</b>	<b>3,443</b>	<b>Profit for period</b>	<b>8,552</b>	<b>7,145</b>
<b>4,216</b>	<b>3,499</b>	<b>Profit attributable to shareholders</b>	<b>8,563</b>	<b>7,216</b>
1.39	1.15	Basic and diluted earnings per share <sup>(1)</sup>	2.82	2.38

In the three and six months ended 30 June 2007, profit attributable to shareholders of OAO NOVATEK increased by RR 717 million and RR 1,347 million, respectively, compared to the corresponding period in 2006 due to a combination of increased natural gas and liquid sales volumes and prices.

### Selected Operating Highlights

2Q 2007	2Q 2006		1H 2007	1H 2006
<b>Sales Volumes</b>				
7,722	7,683	Natural gas (millions cubic meters)	16,841	15,517
389	331	Stable gas condensate (thousand tons)	774	588
125	124	Liquefied petroleum gas (thousand tons)	248	253
57	74	Crude oil (thousand tons)	125	140
13	35	Oil products (thousand tons)	31	58

In the three and six month periods ended 30 June 2007, natural gas sales volumes increased primarily due to increased production and a net decrease in inventory balances while liquids (stable gas condensate, liquefied petroleum gas, crude oil and oil products) sales volumes increased primarily due to increased crude oil production and a decrease in net volumes of stable gas condensate recorded as goods in transit.

### Selected Balance Sheet Items

*(in millions of Russian roubles)*

	30 June 2007	31 December 2006
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment, net	71,494	66,734
<b>Total non-current assets</b>	<b>72,879</b>	<b>68,508</b>
<b>Total current assets</b>	<b>17,494</b>	<b>15,818</b>
<b>Total assets</b>	<b>90,373</b>	<b>84,326</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Non-current liabilities</b>		
Long-term debt	175	543
<b>Total non-current liabilities</b>	<b>10,265</b>	<b>10,552</b>
<b>Total current liabilities</b>	<b>6,132</b>	<b>5,098</b>
<b>Total liabilities</b>	<b>16,397</b>	<b>15,650</b>
<b>Equity attributable to Group</b>		
<b>Shareholders</b>		
<b>Total equity attributable to Group</b>		
<b>shareholders</b>	<b>73,631</b>	<b>68,320</b>
<b>Minority interest</b>	<b>345</b>	<b>356</b>
<b>Total equity</b>	<b>73,976</b>	<b>68,676</b>
<b>Total liabilities and equity</b>	<b>90,373</b>	<b>84,326</b>

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](http://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 as Global Depositary Receipts (GDR) on the London Stock Exchange (LSE) under the ‘NVTK’ ticker symbol and on the NASDAQ PORTAL System as Rule 144A GDR under the ticker symbol “NVATY”.