

Russia's Novatek Surpasses Expectations in Second-Quarter Profits

By [The Moscow Times](#)

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A Novatek facility

Novatek, Russia's No. 2 gas producer, made second-quarter net profits of 41.9 billion rubles (\$703 million), up 31 percent year-on-year on stronger sales, it said on Wednesday.

Analysts had expected the firm to post 38 billion rubles in quarterly net profit.

The company said its revenues were at 112.2 billion rubles, up from 88.4 billion rubles in the same period last year.

"The growth was mainly due to an increase in liquids sales volumes and net prices in Russian ruble terms," Novatek said. Russian exporters are benefiting from the weak ruble as their sales are mainly denominated in U.S. dollars.

In the second quarter of 2015, liquid hydrocarbon sales were up almost 73 percent to 2.9 million tons, the firm said.

Novatek, Russia's largest independent gas producer, said its earnings before interest, taxes, depreciation and amortization (EBITDA) reached 50.2 billion rubles versus 40.3 billion a year earlier.

Novatek's largest shareholders are its Chief Executive Leonid Mikhelson, businessman Gennady Timchenko and France's Total.

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