

PRESS RELEASE

Nord Stream Pipe Laying in German Waters Underway

Zug/Lubmin, 28 June 2010. The pipelay vessel Castoro Dieci (C10) today began laying part of the 82 kilometre long German section of the Nord Stream Pipeline. It marks the start of another major step in the project's construction. "We are on schedule and making good progress," says Dr. Georg Nowack, Nord Stream AG Project Manager for Germany.

The C10 is to lay 28 kilometres of the pipeline in shallow waters. The remaining part of the German section will be laid by the Castoro Sei (C6). Currently, the C10 is anchored in its start operating position about one kilometre off the pipeline's landfall at the Lubminer Heide energy complex. On board, the 12-metre long pipe sections are being welded together. To maintain quality control, each weld undergoes non-destructive testing. The first line of the Nord Stream project is growing at a rate of two pipe sections, 24 metres, per hour. A 10-centimetre thick steel rope is attached to the front end to draw the pipeline section towards land by means of a heavy duty drawing winch which was installed at the Lubmin landfall last week. Buoys are attached to the pipeline to reduce drag. These are removed as soon as the pipeline section has reached its correct landfall position. When that is done, the C10 starts laying the pipeline, moving slowly in a northerly direction section by section. After about five kilometres, the first section of pipeline is cast off, and the pipelay vessel returns to its starting position. There it is re-anchored and starts assembly of the second line.

The laying of the two pipelines in a 27-kilometre long trench through the Bay of Greifswald – stretching up to Nordperd near Göhren on the island of Rügen – is being undertaken in two parallel moves. When both lines are correctly positioned, the trench sections will be backfilled, starting in August. This will be in the interest of the environment and ensures that construction activities of the Nord Stream Pipeline in the Bay of Greifswald can be completed by the end of 2010. Herring, for example, will be able to spawn undisturbed again next year.

For their own safety, users of the Bay of Greifswald should absolutely ensure they observe the one kilometre exclusion zone around the pipelay vessel throughout the whole construction period. Detailed information on the special conditions in the Bay during this time is available on the Nord Stream website:

http://www.nord-stream.com/de/the-pipeline/konstruktion/bauaktivitaeten-in-deutschland/downloads.html.



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Notes to editors

Nord Stream is a natural gas pipeline that will link Russia and the European Union through the Baltic Sea. The European Union's annual natural gas imports in the year 2007 were approximately 312 billion cubic metres (bcm) and are projected to increase to 516 bcm by the year 2030. This means that by 2030, the EU's annual import needs will have increased by about 200 bcm (Source: IEA, World Energy Outlook, 2009). Nord Stream will meet about 25 percent of this additional gas import requirement by connecting the European gas pipeline network to some of the world's largest gas reserves. The project will be an important contribution to long-term security of supply and a milestone of the energy partnership between the European Union and Russia.

Nord Stream AG plans to have the first of two parallel pipelines operational in 2011. Each line is approximately 1,220 kilometres long, providing a transport capacity of some 27.5 bcm per year. Full capacity of about 55 bcm per year will be reached when the second line goes on stream. This is enough gas to supply more than 26 million European households.

Nord Stream AG is an international joint venture established for the planning, construction and subsequent operation of the new offshore gas pipeline through the Baltic Sea. Russian OAO Gazprom holds a 51 percent stake in the joint venture. The German companies BASF SE/Wintershall Holding GmbH and E.ON Ruhrgas AG hold 15.5 percent each, and the Dutch gas infrastructure company N.V. Nederlandse Gasunie and the French energy company GDF SUEZ S.A. each hold a 9 percent stake.

Nord Stream is included in the Trans-European Energy Network Guidelines (TEN-E) of the European Union. In 2006, the project was designated a "project of European interest" by the European Commission, the European Parliament and the Council of the European Union. Nord Stream is, therefore, recognized as a key project for meeting Europe's energy infrastructure needs.

Construction of the Nord Stream Pipeline started in April 2010, after completion of environmental studies and planning and an Environmental Impact Assessment (EIA) along the entire pipeline route. Three pipelay barges have been commissioned to work on the project: Saipem's Castoro Sei will carry out the majority of the construction in the Baltic Sea. The Castoro Dieci will be operating in German waters in the second half of 2010. Allseas' Solitaire will handle construction in the Gulf of Finland. The first pipeline is scheduled to be operational in 2011, the second one in 2012.