

## STATEMENT

### **Nord Stream Phase II Financing Update: Commitment Letters have been signed**

**Zug, December 16, 2010.** Nord Stream AG today confirmed that following the recent publication of a Request for Proposal for Phase II project financing, binding Commitment Letters have now been signed with 24 banks which secures the Phase II financing (a total amount of 2.5 billion euros). These Commitment Letters are based upon detailed contracts which are planned to be signed in the second half of January 2011.

Nord Stream Financial Director Paul Corcoran commented: "This is an important milestone for us to reach before the end of 2010 and we are delighted with the response we have had from the project finance market. We now look forward to formally closing this second phase of financing early in 2011."

26 banks had formally responded to the Request for Proposal, with a total offering well above 4 billion euros, this is an oversubscription of more than 60 percent. The Phase II banking group is substantially the same as in Phase I. Twenty-one of the banks that participated in Phase I are also participating in Phase II.

#### **For further information, please contact:**

**Ulrich Lissek**, Communications Director, Mobile: +41 79 874 31 58

**Frank Dudley**, Media Relations Manager, Mobile: +41 79 536 68 26

**Email:** [press@nord-stream.com](mailto:press@nord-stream.com)

#### **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 2008 were approximately 320 billion cubic metres (bcm) and are projected to increase to around 500 bcm by the year 2030. By then, the EU will need additional gas imports of 160 to 200 bcm per year (Source: IEA, World Energy Outlook, 2010). Nord Stream will meet up to one third 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



Nord Stream

The new gas supply route for Europe

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, recognised 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 is carrying out the majority of the construction in the Baltic Sea. The Castoro Dieci has completed its operations in German waters, where it constructed both pipelines in the German landfall section; Allseas’ Solitaire handles construction in the Gulf of Finland as a subcontractor of Saipem. The first pipeline is scheduled to be operational in 2011, the second one in 2012.