

PRESS RELEASE

Nord Stream Completes Northern Section of Natural Gas Pipeline Through the Baltic Sea

- **1,000 of 1,220 kilometres of Line 1 laid to date**
- **Two of three sections completed**

Zug, February 4, 2011. Nord Stream today announced that the world's largest pipelay vessel Solitaire has completed work on Line 1 of the twin pipeline. Two of three sections of Line 1 of the natural gas pipeline are now complete. In total, more than 83,300 pipe segments have been laid over a distance of 1,000 kilometres. The remaining part will be constructed by Saipem's Castoro Sei pipelay vessel by April 2011.

"We have completed this most challenging part of the pipeline through the Baltic Sea on schedule and have now laid over 80 percent of Line 1 of the twin pipeline," says Nord Stream Deputy Director of Construction Ruurd Hoekstra. "Together with our main contractor Saipem we chose Allseas' dynamically-positioned pipelay vessel Solitaire to lay part of this section because it operates without anchors, so that only the pipeline itself touches the seabed along the precise route agreed with the Finnish authorities. This has been an added safety guarantee for us in this congested area of the Baltic Sea known for its historic mine lines. I am pleased to say that everything has gone according to plan," he added.

"The smooth running of our construction programme has been made possible by the meticulous planning of every aspect – technical, logistic, safety, environmental and operational – of this complex infrastructure project, which we developed in consultation with the authorities of all five countries through whose waters the pipeline will pass," Mr Hoekstra added.

The connection of the three major pipeline sections will be carried out at the two offshore locations where the design pressure changes: from 220 to 200 bar and from 200 to 170 bar respectively. The Gulf of Finland and central sections will be connected off the coast of Finland in spring at a sea depth of approximately 80 metres. The connection of the central and south-western sections off the coast of Gotland, Sweden, to take place in summer at a depth of approximately 110 metres, will mark the completion of construction of Line 1.

For further information, please contact:

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

Email: 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 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.