

PRESS RELEASE

Construction of the Nord Stream Pipeline Began in Finnish Waters

- Finnish section of the first pipeline to be completed in early 2011
- Environmental factors taken into account in the construction schedule
- Safety zones will ensure ship traffic safety

Zug, 28 June 2010. The pipelay vessel Castoro Sei arrived in the Finnish Exclusive Economic Zone (EEZ) on schedule and continued construction of the Nord Stream Pipeline moving from the Swedish EEZ to the Finnish EEZ yesterday. A first short section of the construction of the 375 kilometres long Finnish part of the Nord Stream Pipeline will be laid during the summer. The majority of the Finnish section will be constructed during late autumn and winter 2010 after completion of the Russian landfall. So far, approximately 175 kilometres of the first pipeline has been installed, starting in the Swedish EEZ off Gotland.

Two vessels will be used for pipe laying in the Finnish EEZ

Saipem's anchored Castoro Sei vessel will be performing the pipe laying during summer and early autumn only in the westernmost part of the Gulf of Finland, starting from east to west between kilometre points (KP) 498-350 (counting of KPs starts at the Russian landfall in Portovaya Bay at KP 0 and ends in Lubmin at the German landfall at KP 1,224). Castoro Sei will lay approximately 20 kilometres of the pipeline in the Finnish EEZ during the summer. She will transit to Russian waters to construct the landfall, and return to the Finnish EEZ again early autumn.

The majority of route in the Gulf of Finland, approximately 230 kilometres of the pipeline between KP 123-350 will be laid in late autumn and winter 2010, starting from the direction of the Russian-Finnish EEZ border with the Allseas' dynamically positioned (no anchoring) vessel Solitaire. This way it is possible to minimize impacts to other marine traffic in the congested Gulf of Finland. The pipeline sections laid from the opposite directions will be welded together on the seabed at KP 297.

The pipelay vessels will be supplied continuously with concrete weight coated steel pipes, each about 12-metres long and weighing about 23 tonnes. While operating in the Gulf of Finland, the pipes will be shipped to the vessels from Kotka and Hanko, Finland.



Environmental factors have been taken into account

Before starting the construction of the two parallel 1,153 mm diameter pipelines, Nord Stream went through a permitting process involving all nine states surrounding the Baltic Sea. Detailed transboundary and national environmental impact assessments were carried out based on detailed studies of the Baltic Sea region. Nord Stream invested more than 100 million euros in environmental surveys and route planning. This led to the development of an environmental monitoring programme, to show all safety and environmental requirements are met, as well as development of the pipe-laying schedule, accounting for e.g. the breeding period of seals or the spawning season of certain fish.

Safety zones will ensure the safety of ship traffic

Mariners will be informed in advance of all activities related to construction (Notice to Mariners), and there will be warnings in the affected areas through the NAVTEX (Navigational Telex) system and through VHF security broadcasts. All vessels used in the Nord Stream project will follow the COLREG regulations by the International Maritime Organization (IMO) to prevent vessels from colliding. Safety zones will be set up around the vessels used in the construction works. The safety zones will be closed to other traffic during the operations.

Nord Stream's first pipeline is scheduled to be ready in 2011. The construction of the second pipeline will start in spring 2011, and it is scheduled to be operational in 2012. When completed, the Nord Stream Pipeline will transport 55 billion cubic metres of natural gas a year which enough gas to supply approximately 26 million European households.

Download a pamphlet of the construction of the pipeline here: http://www.nord-stream.com/fileadmin/Dokumente/1__PDF/5__Misc/Nord_Stream_Buildin g_an_Offshore_Pipeline_ENG.pdf

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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.