

PRESS RELEASE

Nord Stream AG Signs Phase I Repricing Arrangements with Banks

- **Interest margins harmonised with Phase II**
- **Amendment to be executed before end of this month**

Zug, October 27, 2011. Nord Stream can today confirm it has agreed repricing arrangements with its relationship banks for the 3.9 billion euro Phase I project finance facilities. Nord Stream undertook this exercise in order to bring Phase I pricing into line with the pricing it achieved for the 2.5 billion euros raised for the Phase II facilities which were closed earlier this year. Phase I funding had originally been signed in March 2010.

Commenting on the success of the repricing process, Nord Stream Financial Director Paul Corcoran said: "We are delighted once again to receive such strong support from the banks who recognise the sound commercial structure of this project, its long term stability, as well as the strength and quality of shareholder backing from some of Europe's top energy companies." The project is a joint venture of OAO Gazprom, BASF SE/Wintershall Holding GmbH, E.ON Ruhrgas AG, GDF SUEZ S.A. and N.V. Nederlandse Gasunie.

Physical construction of Line 1 of the Nord Stream Pipeline, including its connection to the Russian and German networks, has been completed on budget and on schedule. Construction of Line 2 is advancing ahead of schedule.

This amendment will be executed before the end of the month and will harmonise the pricing between the two financings phases. Given the excellent construction progress, the risk profile of Phase I is significantly reduced. Nord Stream will amend the interest margins of the Commercial, Hermes and UFK (untied loan guarantee of the German Government) tranches, but will not change the pricing of the SACE (Italian Government-guaranteed) tranche.

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Notes to editors

Nord Stream is a natural gas pipeline that links 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 over 500 bcm by the year 2030. By then, the EU will need additional gas imports of 188 bcm per year (Source: IEA, 2011). Nord Stream will meet almost 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 handled construction in the Gulf of Finland as a subcontractor of Saipem and finished pipe laying in August 2011. The first pipeline is scheduled to be operational in 2011, the second one in 2012.