

STATEMENT

30 August 2007

Survey activities in accordance with international and national legal requirements

To clear up speculations surrounding the survey and salvage activities in the Baltic Sea, Nord Stream AG presented the following information to the Swedish Minister of Defence.

There have been demands that Nord Stream should make public the results of surveys that have and will be conducted in the Baltic Sea in connection with the planned Nord Stream gas pipeline from Russia to Europe. Nord Stream AG regards the survey data as confidential but has made them available to the appropriate authorities under the permit conditions, e.g. to the Geological Survey of Sweden (SGU).

It is correct that the Russian company Peter Gaz, an affiliate of Gazprom, conducted the first surveys of the seabed along the planned Nord Stream route in 2005/2006. These surveys were made on the basis of permits granted by relevant national authorities. The Nord Stream surveys undertaken during 2007 complement the first-phase results.

In accordance with the permits granted, the results of the 2005/2006 surveys were reported to the appropriate authorities of the respective countries. In the case of Sweden, this was done in February and March 2007 to SGU. An outline of the results has been reported to other countries as part of the Espoo process. No detailed survey results have been released to other countries. The detailed results are utilised by Nord Stream consultants under strict confidentiality agreements.

Nord Stream has currently assigned a renowned Swedish marine survey company, Marin Mätteknik in Gothenburg, to conduct additional and more detailed surveys. Also Peter Gaz as a subcontractor to Nord Stream periodically checks the metocean survey stations (measurements of waves and currents) in the German, Danish, Swedish, Finnish and Russian Exclusive Economic Zones. No Russian Navy specialists were present on the vessels – “R/V Professor Shtokman” and “R/V Akademik Golitsyn” – during surveys conducted outside Russian waters. The results of these investigations will also be reported to the appropriate authorities of the concerned countries.

In addition to the above mentioned surveys, in 2006 and 2007 surveys have also been conducted as part of an EU financed research project MERCW – Modelling of Ecological Risks Related to Sea-Dumped Chemical Weapons. The surveys were performed in the Bornholm and the Finnish sector of the Baltic. The re-

search surveys, involving the Shirshov Institute of Oceanology, Kaliningrad, and the Russian survey vessel R/V Professor Shtokman, were coordinated by Tapani Stipa of the Finnish Institute of Marine Research.

The appropriate authorities have the right to decide in their sovereignty on the handling of the information and what to do with the objects found on the seabed. The Russian authorities have now announced how they feel it is appropriate to proceed in Russian waters. This does not affect the decisions of authorities in other countries concerned. Nord Stream AG would like to emphasise that to its knowledge, the publicly announced salvage activities of the Russian Federation Navy are limited to Russia's continental shelf and Exclusive Economic Zone.

As underlined before, Nord Stream AG abides by all legal requirements regarding the implementation of its pipeline project and cooperates closely with the concerned authorities.

Additional notes:

Nord Stream is a natural gas pipeline that will link Russia and the European Union via the Baltic Sea. Gas import of the European Union, 336 billion cubic metres in 2005, is projected to grow by 200 billion cubic metres to 536 per year in 2015 (Source: Global Insight, 2007). Connecting the world's biggest gas reserves with the European gas pipeline network, Nord Stream will meet about 25 per cent of that additional requirement. The project will be an important contribution to long-term security of supply and a test of the energy partnership between the European Union and Russia.

Nord Stream AG plans to have the first of two parallel pipelines, approx. 1,200 kilometres long, each with a transport capacity of some 27.5 billion cubic metres per annum, operational in 2010. In the second phase, capacity should double to about 55 billion cubic metres a year.

As a cross-border project, Nord Stream is subject to international conventions and national legislation in each of the countries through which it passes. Before construction starts, an Environmental Impact Assessment (EIA) will be completed along the whole pipeline route. This is a detailed study of environmental aspects in a trans-boundary context. The process is governed by international law (Espoo Convention) and by national legislation in the countries concerned.

The Espoo Convention sets out the obligations of parties to assess the environmental impact of certain activities at an early stage of planning. It also lays down the general obligation of states to notify and consult each other on all major projects under consideration that are likely to have a significant environmental impact across national borders. The Espoo Convention was opened for signature in Espoo (Finland) on 25 February 1991 and came into force on 10 September 1997. Nord Stream started its consultation process under the Espoo Convention with the notification of the project in November 2006.

Notification launched the first phase of the consultation process during which Nord Stream participated in 22 public hearings and a large number of meetings with the relevant authorities in the various countries. These consultations resulted in the receipt of 129 statements from private and public bodies in the Baltic Sea countries.

The statements focus on the impact on the seabed and commercial fisheries as well as on dumped and residual munitions – issues which Nord Stream and its shareholders have addressed and researched for several years. All comments will be analysed and incorporated into the final EIA Report required under Espoo. Work on the EIA Report should be completed in 2007. The full report will be presented to the authorities of all countries involved and will be made available for public scrutiny.

Nord Stream AG is an international joint venture established for the planning, construction and subsequent operation of the new offshore gas pipeline. Gazprom holds a 51 per cent stake in the joint venture. Wintershall and E.ON Ruhrgas hold 24.5 per cent each.

For more information please visit: www.nord-stream.com

For further information please contact:

Jens Müller, mobile: +41 79 295 96 08

Irina Vasilyeva, mobile: +7 916 133 8781

Email: press@nord-stream.com