

PRESS RELEASE

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Nord Stream Leads Open Dialogue With Russian Public

Vyborg hosts public hearing on Russian section of the gas pipeline across the Baltic Sea

Vyborg, Russia, 23 November 2007. Nord Stream today presented its technical environmental study on the Russian sector of its proposed pipeline across the Baltic Sea along with the preliminary data and documents it has prepared for the Environmental Impact Assessment (EIA) on the project.

The presentation and subsequent discussions – at a public hearing hosted by the Leningrad Region Vyborg District Administration – brought together local officials, senior executives from regional enterprises, representatives of leading Russian and international environmental organisations as well as local residents.

Nord Stream officials spoke about the project and similar environmental studies already conducted, and presented results from the preliminary version of the EIA material. These show that the Nord Stream pipeline will not significantly affect the environment, with any impact localised and temporary. Any negative changes to the Baltic Sea's ecosystem are expected to be insignificant and reversible, linked solely to the construction phase. Pipeline operation should have virtually no environmental impact.

Nord Stream AG and its representatives answered questions from representatives of the environmental community. Their concerns will be taken into account when the final version of the EIA documentation on Russian section of the Nord Stream pipeline is drafted.

Public hearings form an important part of Nord Stream's dialogue with the community on minimising environmental impact. Written comments and suggestions on the preliminary EIA materials are being accepted by Nord Stream and its representatives until December 24, 2007.

Additional information on public discussions and on environmental aspects of the Nord Stream project is available on the Nord Stream website www.nord-stream.com. It includes notification materials prepared in compliance with international EIA procedures under the Espoo Convention.

The preliminary EIA materials have been open to the public at the Vyborg District municipal administration building and at Alvar Aalto Viipuri Library in Vyborg since 23 October 2007 until 24 December 2007. They are also accessible on the Nord Stream website which contains the technical requirements set out for conducting the EIA.

Notes for editors:

Nord Stream is a natural gas pipeline that will link Russia and the European Union via the Baltic Sea. Gas imports to the European Union, 336 billion cubic metres in 2005, is projected to grow by 200 billion cubic metres to 536 bcm 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

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