

STATEMENT

5 March 2008

Financing of Nord Stream Pipeline Well Underway

Zug, 5 March 2008. Following comments by Polish Minister of Economy Waldemar Pawlak, some media have reported that the European Investment Bank (EIB) might refuse to participate in financing the Nord Stream pipeline. The company would like to clarify the current position:

1. Nord Stream is not now and has never been in discussion with the EIB about the Bank's participation in the financing of Nord Stream's planned natural gas pipeline across the Baltic Sea.
2. The background of the discussion is that suggestions of possible EIB participation in financing the Nord Stream pipeline arose because the European Union has designated it a "project of European interest". In the past, the EIB made credit available for such projects. The German news agency dpa and Financial Times Deutschland reported that on 28 February 2008 the vice-president of the EIB, Matthias Kollatz-Ahnen, expressed interest in the EIB participating in the financing of the Nord Stream project. However, these reports further quoted Matthias Kollatz-Ahnen as saying the project developer would first have to seek such a credit which would need to be approved by EU member states. Under the new Lisbon treaty, approval of an EIB credit would no longer require unanimity, but could be decided by qualified majority.
3. The financing structure planned for Nord Stream lays down that 30 per cent of the project's costs are to be covered by equity contributions from the shareholders in line with their shareholdings. Currently, these are OAO Gazprom, BASF/Wintershall and E.ON Ruhrgas, and will in future also include N.V. Nederlandse Gasunie. Project financing by banks and export credit agencies is envisaged for the remaining 70 per cent. Precise general conditions for external bank finance are currently being worked out.
4. At the end of 2007, Nord Stream appointed three major European banks – Société Générale, ABN Amro and Dresdner Kleinwort – to advise on obtaining project finance.

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