

STATEMENT

First Pipelay Vessel for Nord Stream Project on its Way to the Baltic Sea

- **150 metre long Castoro 6 refurbished in the Netherlands**
- **Construction of the 1,224 kilometre long pipeline will start in Swedish waters**

Zug, 21 March 2010. The pipelay vessel Castoro 6 started its journey to the Baltic Sea where construction of the Nord Stream Pipeline will begin shortly. The 48-inch diameter pipeline is scheduled to start transporting natural gas to Europe from 2011. Pipe-laying activities will commence in the Swedish Exclusive Economic Zone, about 30 kilometres off the coast of the Swedish island of Gotland, at a point located 675 kilometres from the pipeline's starting point near Vyborg, Russia and 549 kilometres from the end point at Lubmin near Greifswald, in Germany.

Upgraded for Safety and Reliability

Before starting its journey to the Baltic Sea, the Castoro 6 pipelay vessel was refurbished and upgraded in Rotterdam. Each piece of equipment was thoroughly tested in port and will be tested in operational offshore conditions in the Baltic Sea before pipe laying starts. So called sea trials are used to fine-tune the equipment and are important to familiarise the crew with on board procedures. The trials ensure that the high level of HSE (health safety and environmental) standards are met from day one. The sea trials will be attended by Nord Stream staff and independent inspectors from the certification institute DNV (Det Norske Veritas, Norway) to ensure that the project's high quality standards are met.

The Castoro 6 is a 152 metre long semi-submersible pipelay vessel, providing a safe and reliable platform for offshore construction works. She is owned by Italian Saipem, a company with extensive offshore pipelay experience from projects worldwide including the Blue Stream pipeline in the Black Sea at a depth of over 2,000 metres and the 48-inch Dolphin pipeline in the Persian Gulf. In transit, she is towed by two anchor handling tugs. During construction, she is positioned by means of a mooring system.

Sophisticated Construction Schedule

Nord Stream has developed a pipe-laying sequence to meet environmental restrictions while allowing the construction vessels work as safely and efficiently as possible. Many factors, from ice cover to breeding

seasons of birds have been taken into account. Throughout the project, two additional vessels will be used for pipe laying: The Castoro 10 near the German shore and the Solitaire in the Gulf of Finland.

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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 in the second phase, 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 20 percent each, and the Dutch gas infrastructure company N.V. Nederlandse Gasunie has 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.

As a cross-border project, Nord Stream is subject to international conventions and national legislation in each of the countries through which it passes. It has invested 100 million euros in environmental studies and planning and an Environmental Impact Assessment (EIA) was 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.