

PRESS RELEASE

Nord Stream Completes Phase I Financing

- **3.9 billion euros secured in challenging project finance market**
- **Pipeline project confirms financial backing from 26 banks**
- **Construction of Nord Stream to start on schedule in April**

Zug/London, 16 March 2010. Nord Stream together with its shareholders in the consortium, Gazprom, BASF/Wintershall Holding GmbH, E.ON Ruhrgas AG and N.V. Nederlandse Gasunie today announced the successful signing of Phase I financing of the pipeline project. The financing for Phase I amounts to 3.9 billion euros and paves the way for construction of the first line of Nord Stream to start as scheduled in April 2010.

Financing for the project comes from Nord Stream's shareholders who are providing investment totaling 30 percent of the total project cost pro rata to their holding in the company (Gazprom 51 percent, BASF/Wintershall Holding GmbH, 20 percent, E.ON Ruhrgas AG 20 percent and N.V. Nederlandse Gasunie 9 percent) with 70 percent project financing from the bank market. Twenty-six banks are participating in the deal underlining the attractiveness of the project during difficult market conditions. The ECAs providing cover for the deal are HERMES and SACE with support also coming from Germany's untied loan guarantee scheme: the amount covered by such agencies totals approximately 3.1 billion euros. Additionally, there will be a syndicated loan facility on an uncovered basis in an amount of up to 800 million euros. Nord Stream will be approaching the financial markets for the financing of Phase II in 2010.

The positive response from lenders has meant that Nord Stream was approximately 60 percent oversubscribed for the 3.9 billion euros funding. Nord Stream has RBS, Commerzbank and Société Générale acting as financial advisers. Unicredit have a limited advisory role in connection to the untied loan programme of the German government. White & Case are acting as legal advisers to Nord Stream while Clifford Chance acts for the lenders.

According to Matthias Warnig, Managing Director of Nord Stream: "It is clear from Phase I financing that investors see Nord Stream as an excellent investment opportunity. We sincerely thank them for their constructive support which brings us another step closer to realising this important project. The successful conclusion of the Phase I financing demonstrates that there is genuine enthusiasm for a project that will provide Europe with another major supply route for natural gas. With

construction of the first pipeline to begin in April, Nord Stream is on track to deliver gas to Europe from 2011.”

Alexei Miller, Management Committee Chairman of Gazprom said: “The completion of Phase I financing is a landmark event in the development of Nord Stream and helps take the project from concept to reality. Nord Stream solidifies the long-standing energy relationship between Russia and Europe, a relationship that has lasted nearly forty years. Gazprom is delighted to be part of a venture that will provide reliable supplies of Russian energy to Europe for many decades to come.”

Dr. Bernhard Reutersberg, Chairman of E.ON Ruhrgas, stated: "The successful completion of Phase I financing demonstrates that E.ON Ruhrgas and the members of the Nord Stream consortium continue to be seen as reliable partners, especially in difficult economic times. By attracting 70 percent of the project's costs through external financing, Nord Stream has demonstrated that it meets the high requirements of banks for stable commercial projects.”

According to Dr. Rainer Seele, Chairman of Wintershall/BASF: “Nord Stream is the best anti-freeze agent for Europe. It will secure substantial energy supply to Europe for a significant period of time. With its excellent CO₂ values and its ability to be stored, gas is the only fossil fuel with a climate-friendly future and a natural partner of renewable energies with fluctuating production like wind and sun.”

Marcel Kramer, Chairman and CEO of Gasunie said: “Gasunie welcomes the completion of Phase I financing. Nord Stream is a vital additional route for the delivery of substantial quantities of natural gas. The project will enable consumers in many parts of Europe to continue to benefit from natural gas, the cleanest fossil fuel. Nord Stream really contributes to a sustainable future.”

The pipelaying of the first line of Nord Stream will start in April 2010 with the Castoro Sei pipelay vessel operating from this date. The Solitaire pipelay vessel will begin to lay pipe on the same line in September 2010. It is planned that construction of the first line will be completed in 2011 with construction on the second parallel line scheduled to begin in 2011 and finishing in 2012.

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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.

The twenty-six banks participating in the deal are:

1. Banco Bilbao Vizcaya Argentaria S.A. (BBVA)
2. The Bank of Tokyo-Mitsubishi UFJ, Ltd.
3. BayernLB, London Branch
4. BNP Paribas SA
5. Caja Madrid
6. Commerzbank AG
7. Crédit Agricole CIB
8. Credit Suisse AG
9. Deutsche Bank AG
10. Dexia Credit Local
11. DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main
12. Espirito Santo Investment



13. Fortis Bank Nederland
14. ING Bank N.V.
15. Intesa SanPaolo
16. KfW IPEX-Bank
17. Mediobanca
18. Natixis
19. Nordea Bank
20. Raiffeisen Zentralbank Oesterreich AG
21. The Royal Bank of Scotland
22. Société Générale
23. Standard Bank Plc
24. SMBC Europe Ltd.
25. UniCredit Group
26. WestLB AG