

PRESS RELEASE

World's Largest Pipelay Vessel Starts Laying Pipe for Nord Stream in the Gulf of Finland

- **Allseas' Solitaire Starts Laying the Pipeline in Russian Waters**
- **Nord Stream and Allseas Executives on Board to Confirm Start of Construction**

Zug, September 1, 2010. Allseas' Solitaire, the world's largest pipelay vessel, has started to lay the Gulf of Finland section of the 1,224 kilometre Nord Stream natural gas pipeline in the Baltic Sea. Nord Stream's Deputy Director Construction Ruurd Hoekstra and Leo D. Varkevisser, Allseas' Vice President Projects and Operations, arrived on board the Solitaire to confirm that everything is on schedule and "all systems go" for the start of construction. Before starting its journey to Russian waters, the Solitaire was adapted to Nord Stream's requirements in Rotterdam, where each piece of equipment was thoroughly tested in port.

The Solitaire has taken up laying the pipeline 7.5 kilometres from the Russian landfall and will continue in a westerly direction through the Gulf of Finland to kilometre point (KP) 300. Afterwards, in January 2011, the pipelay vessel will move on to KP 350 and lay the pipeline back towards KP 300. The Solitaire will also lay the same section of the second string of the pipeline from May to September 2011. The dynamically-positioned Solitaire will operate without anchors in this congested part of the Baltic Sea known for its many historic mine lines.

The section of both strings of the pipeline between Russian landfall and KP 7.5 has already been laid by another pipelay vessel, Saipem's Castoro Sei, which is currently laying the pipeline in Finnish waters in an easterly direction between KP 451 and KP 350.

This complex lay sequence was developed by Nord Stream and agreed with the Finnish and Russian authorities to meet environmental restrictions while making the construction vessels work as efficiently as possible. To give just one example: there will be no construction works in the north-eastern part of the route in winter when it is covered by ice; this also ensures that breeding seals are not disturbed.

Construction of Nord Stream – the most advanced of the new pipelines that Europe will need to meet its future energy requirements – is progressing on schedule and according to plan. Over 250 kilometres of



Nord Stream

The new gas supply route for Europe

the first pipeline have already been laid in Swedish and Finnish waters. At the Russian landfall in Portovaya Bay, close to Vyborg, and at the German landfall at Lubmin, near Greifswald, both strings of the pipeline have already been constructed and pulled ashore.

When completed in 2012, both strings of the Nord Stream pipeline will be 1,224 kilometres long and comprise 202,000 concrete weight-coated steel pipes each weighing up to 23 tonnes. The Nord Stream Pipeline will transport 55 billion cubic metres (bcm) of natural gas a year to Europe, enough to supply more than 26 million European households.

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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 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 15.5 percent each, and the Dutch gas infrastructure company N.V. Nederlandse Gasunie and the French energy company GDF Suez S.A. each hold 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.

Construction of the Nord Stream Pipeline started in April 2010, after completion of environmental studies and planning and an Environmental Impact Assessment (EIA) along the entire pipeline route. Three pipelay barges have been commissioned to work on the

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project: Saipem's Castoro Sei is carrying out the majority of the construction in the Baltic Sea. The Castoro Dieci is operating in German waters. Allseas' Solitaire will handle construction in the Gulf of Finland. The first pipeline is scheduled to be operational in 2011, the second one in 2012.