

PRESS RELEASE

Seabed Works Ensure Safety of Nord Stream Pipeline

- **Ploughing required in some areas for safe operations**
- **World's biggest state-of-the-art submarine pipeline plough arrived in the Baltic Sea**
- **Activities start in Danish Waters**

Zug, February 8, 2011. Today, the world's biggest submarine pipeline plough, PL3, arrived in the Baltic Sea on the deck of mother ship Far Samson. The subsea plough will be used to entrench the Nord Stream Pipeline in Swedish and Danish waters. Lowering of the pipeline below seabed level using PL3 ensures that the pipeline will remain stable in its position throughout its lifetime. Ploughing of the first pipeline is scheduled to be performed at several locations along the pipeline route between early February and mid-March, 2011.

Environmental Monitoring

Model simulations have shown that ploughing will have no significant impact on flora and fauna as sediments will settle quickly. As part of its environmental monitoring programme, Nord Stream will monitor the water quality before, during and after trenching to confirm that the results of the model simulation are correct and that Nord Stream is fulfilling permit requirements.

Procedure

Subsea ploughs work much in the same way as their land-based farming equivalents, except in this case the pipeline is passed through a pair of roller boxes in the body of the plough whilst the seabed is excavated as the plough advances. The PL3 plough raises the pipeline into its roller boxes using hydraulic grabs, and is then towed by the Far Samson, creating a trench of pre-determined length, depth and width into which the pipeline is laid as the plough progresses. Natural sediment movements from waves and currents will gradually backfill the ploughed trench.

Equipment

The PL3 plough used for the Nord Stream project was developed and built in the UK between 2007 and 2009 by IHC Engineering Business for Saipem UK Ltd. It weighs approximately 200 tonnes and is 22 metres long. It can excavate a trench up to a maximum depth of 2.5 metres. It is towed by the Far Samson, a purpose-built vessel that was declared

Norway's "Ship of the year 2009". During the bollard pull test, the Far Samson established a world record when it achieved 423 metric tonnes continuous bollard pull. The Far Samson has a hybrid propulsion system and is extremely fuel efficient; its generator engines are equipped with catalytic converters which result in 95 percent NOx reduction.

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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 2008 were approximately 320 billion cubic metres (bcm) and are projected to increase to around 500 bcm by the year 2030. By then, the EU will need additional gas imports of 160 to 200 bcm per year (Source: IEA, World Energy Outlook, 2010). Nord Stream will meet up to one third 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, recognised 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 project: Saipem's Castoro Sei is carrying out the majority of the construction in the Baltic Sea. The Castoro Dieci has completed its operations in German waters, where it constructed both pipelines in the German landfall section; Allseas' Solitaire handles construction in the Gulf of Finland as a subcontractor of Saipem. The first pipeline is scheduled to be operational in 2011, the second one in 2012.