

PRESS RELEASE

Nord Stream Has Successfully Completed the “Golden Weld” at its Russian Landfall

Gas supplies to Europe via the Nord Stream Pipeline to start in Q4

Portovaya Bay, Vyborg district, Leningrad region, August 19, 2011.

The so-called “Golden Weld” – the final weld connecting its offshore and onshore parts – was completed on the first of Nord Stream’s twin pipelines today. The “Golden Weld” thus links the Russian landfall in Portovaya Bay with the pipeline across the Baltic Sea. In the coming days, Line 1 will be ready to be filled with gas, followed by the start of supplies to Europe planned for the fourth quarter.

The construction work began just over 16 months ago, in April 2010, and the construction of landfall facilities in Russia and Germany and pipe laying over 1,224 kilometres across the Baltic Sea have now been completed. “A large-scale and interesting construction project has thus been completed,” said Nord Stream’s Technical Director Sergey Serdyukov. “In addition, half of Line 2 (600 km) has already been laid and is scheduled for completion at the end of 2012. Such a rapid pace of construction gives us every reason to expect that we will meet at the Russian landfall for the ‘Golden Weld’ for the second line within a year”.

The first of Nord Stream’s twin pipelines will be connected to the European gas grid at the German landfall in the next few days, providing a fixed link between the European gas grid and some of the world’s largest gas reserves in Russia.

Pressure testing on Line 1 has been successfully completed and the results have confirmed the readiness of the pipeline for secure operation during the next 50 years. Nord Stream is a state-of-the-art high-quality pipeline and an important contribution to long-term security of gas supplies to EU.

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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 over 500 bcm by the year 2030. By then, the EU will need additional gas imports of 188 bcm per year (Source: IEA, 2011). Nord Stream will meet almost 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 handled construction in the Gulf of Finland as a subcontractor of Saipem and finished pipe laying in August 2011. The first pipeline is scheduled to be operational in 2011, the second one in 2012.