

PRESS RELEASE

Nord Stream Wins Inaugural ‘Pipeline Project of the Year’ Award

- **“Complex infrastructure project on time and within budget”**

Zug, February 28, 2012. Nord Stream AG won the inaugural “Pipeline Project of the Year” award at the 2012 European Gas Conference. The award, which was presented by The Energy Exchange in conjunction with Natural Gas Europe, recognises Nord Stream's achievement in starting to make its contribution to energy security in the European Union on time and within budget.

The judging panel lauded Nord Stream's compliance and permitting process, solid financial structure, environmentally sound logistics concept as well as the pipeline's technical design, and the company's overall approach to dialogue and transparency.

The award citation reads: “Since November 2011, Nord Stream has been contributing to the EU's energy security. It is a complex infrastructure project, involving 4 years of compliance spanning 5 countries. In spite of the challenge, Nord Stream completed its construction on time and within budget. The second pipeline will be operational by the end of 2012.”

The European Gas Conference Awards, which were presented for the first time, recognize expertise and excellence in the European gas industry. Finance Director Paul Corcoran accepted the award on behalf of Nord Stream at a gala dinner in Vienna.

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Notes to editors

Nord Stream is a natural gas pipeline which links Russia and the European Union through the Baltic Sea. The European Union's annual natural gas imports in 2009 were approximately 312 billion cubic metres (bcm) and are projected to increase to over 523 bcm by 2030. By then, the EU will need additional gas imports of 211 bcm per year (Source: IEA, 2011). Nord Stream will meet more than a quarter 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.

The first of Nord Stream's two parallel pipelines became operational in November 2011. Each line is approximately 1,220 kilometres long, providing a transport capacity of some 27.5 bcm per year. More than 85 percent of Line 2 has also already been laid. Full capacity of about 55 bcm per year will be reached when the second line goes on stream in late 2012. 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. The first pipeline became operational in November 2011, the second one is scheduled to become operational in 2012.

In 2010 and 2011, Nord Stream invested 20 million euros in its Environmental and Social Monitoring Programme (ESMP). More than 20 specialist companies are conducting the surveys defined in the ESMPs, to determine just how, and if, the Baltic Sea's flora and fauna have been impacted by the construction of the Nord Stream pipelines. Data from sixteen subjects, including water quality, bird, fish and mammal populations, as well as seabed recovery, are collected from approximately 1,000 survey locations along the route in the waters of Russia, Finland, Sweden, Denmark and Germany. These data are analysed in internationally recognised laboratories, and Nord Stream reports the results to the national environmental authorities in each country. Nord Stream plans to invest approximately 40 million euros into its ESMP to monitor any impact of the construction and operation of the pipelines through 2016.