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Nabucco - Gas bridge from Asia to Europe

Nabucco Status Report - November 2010

NABUCCO Gas Pipeline International GmbH
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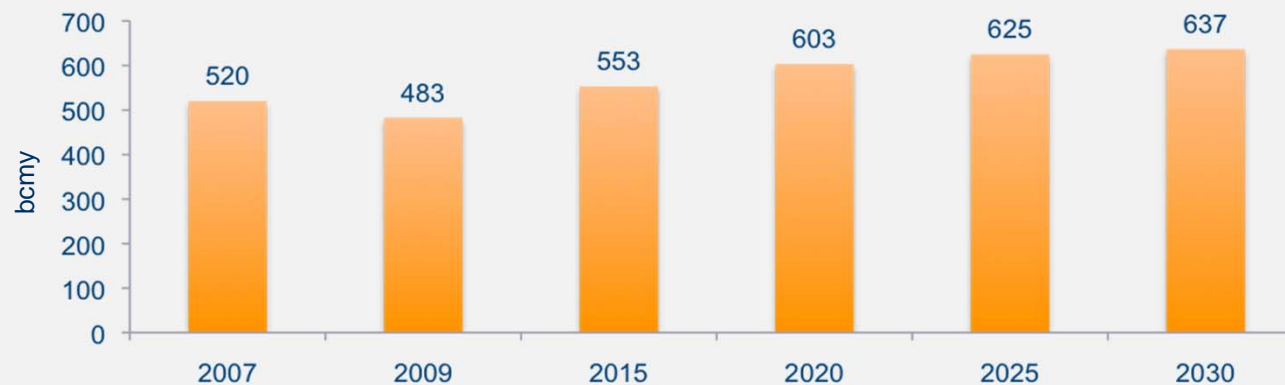


The gas market is still growing in Europe

The economic recession has had a significant impact on natural gas demand in Europe. **However, the market is still growing considerably.**

TOTAL gas demand (bcm/y): EU 27

**Eurogas: EU27 Long Term Outlook for Gas Demand
2007-2030**



Source: Eurogas 2010

Achievements up to 2010



The Intergovernmental Agreement was signed by all transit countries. As treaty it stands above national law.

- 2005: finalization of a Feasibility Study with promising results
- Appointment of an Owner's Engineer
- Appointment of Local FEED Engineers
- Execution of a market survey
- Exemptions from European Energy Law obtained
- Conclusion and ratification of the Intergovernmental Agreement
- Setting up of a project organization with Nabucco Gas Pipeline Int'l and five National Nabucco Companies

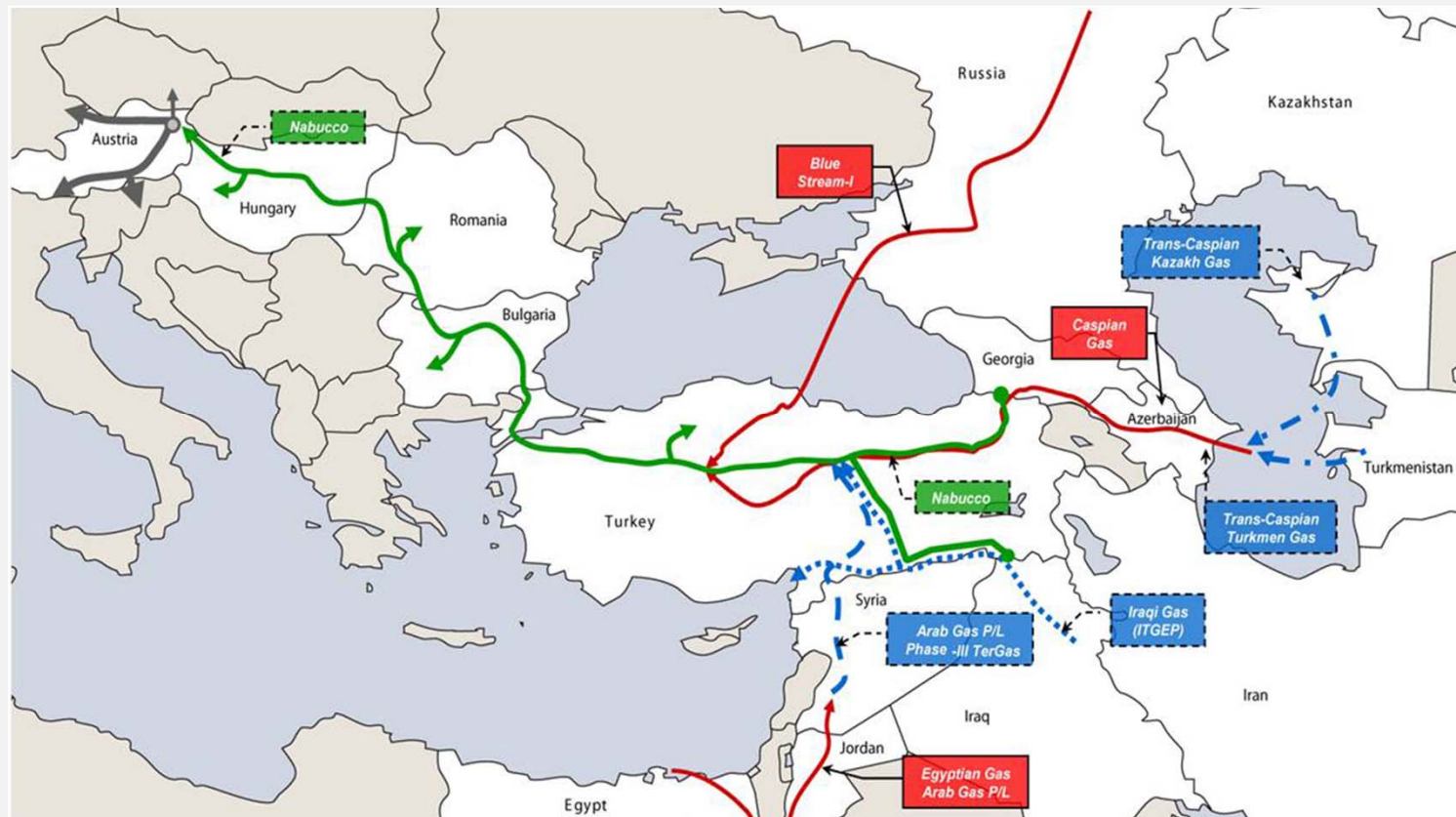
Achievements 2010 from January to October



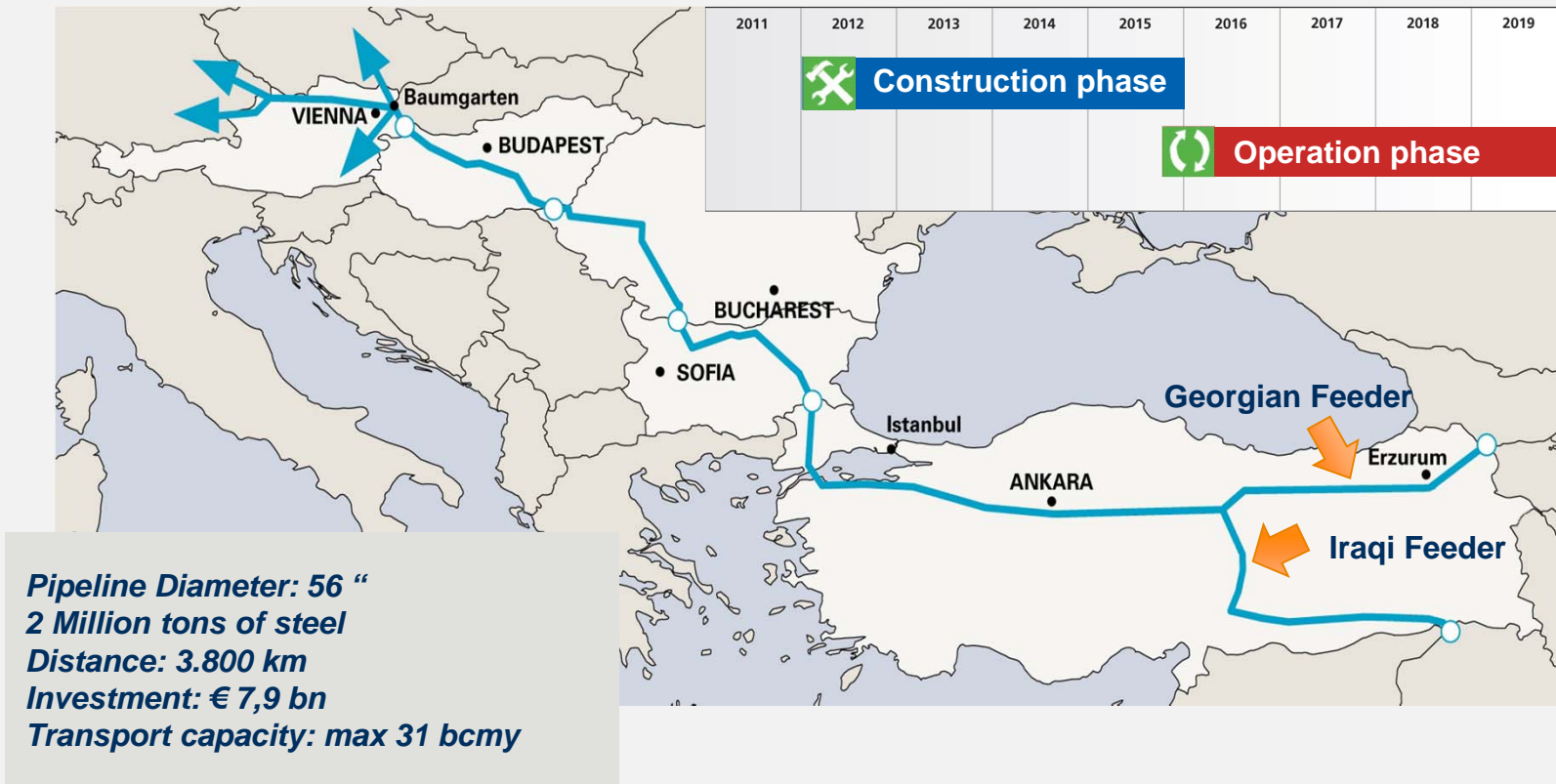
Sept. 6th: Mandate Letter signing in Brussels on with EBRD, EIB and IFC. Appraisal Process for the potential founding of Euro 4 Billion started.

- Intergovernmental Agreement **ratified in all** National Parliaments
- €200 Million EU-Funding for Nabucco
- Detailed Engineering ongoing
- Start of the Environmental and Social impact assessments
- Nabucco starts Pre-Qualification tender for long lead items. Value €3.5 Billion
- NIC approaches Credit Export Agencies to be step into financing

Existing/Possible Supply Routes to Nabucco Gas Pipeline



Construction

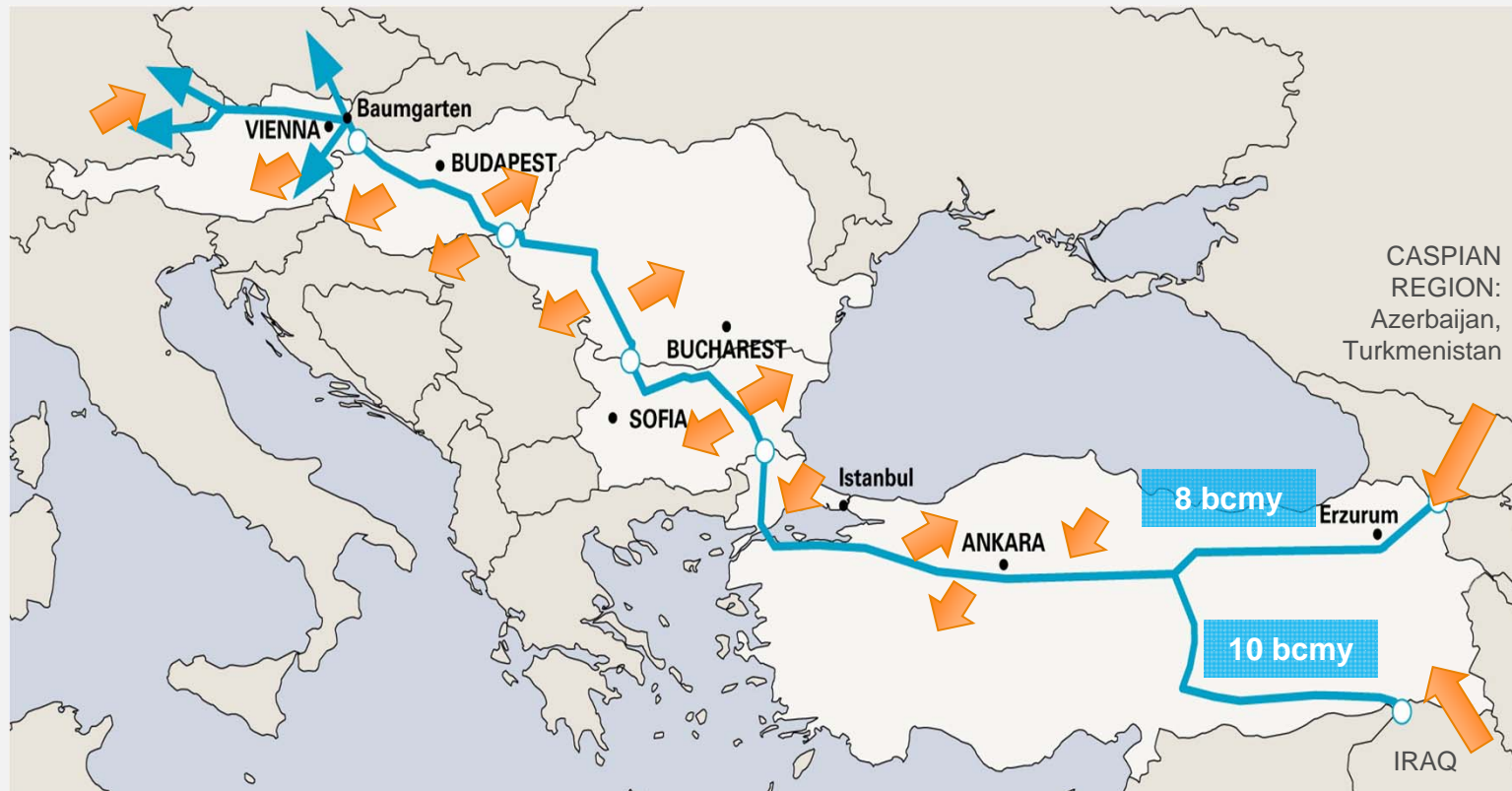


Technical Project Update

- April 2009: Local FEED Engineers for upstream Ankara contracted
- June 2010: Start of the Environmental and Social impact assessments in the transit countries
- July 2010: Feeder line concept with two lines from the Turkish/Iraqi and the Turkish/Georgian border confirmed by Steering Committee
- July/August 2010: Start of Pre-Qualification tender for long lead items. Site visits of Nabucco experts and evaluation of all companies.



Nabucco Gas Pipeline Project may start with 18 bcmy ...



Whats' next? Important steps ahead

- Conclusion of Project Support Agreements with host governments
- Start of the tendering process for the procurement of line pipe and related material supplies
- Launch of the “Open Season” capacity marketing process
- Conclusion of first gas transportation agreements
- Continuation of the environmental and social impact assessment, acquisition of rights of way and construction permits (finalization until 2011)
- Intensification of lender due diligence with a view to reaching Financial Close in 2011

What's unique?

- **Interconnectivity:** No other project will connect European and Turkish Markets and the South East European national grids. Turkey, Bulgaria, Romania, Hungary, Austria and via the Central European Gas hub all other countries of Europe will receive Nabucco gas.
- **Third Party Access:** No other project in the region offers 16 bcm/y transport capacity to third parties
- **Stability by Treaty:** No other project provides a predictable, long term concept over 50 years backed by an IGA for gas transit via Turkey which is compatible with European Energy Law
- **Supply Security:** No other project will provide a gas transport volume of 31 bcm/y to gas producers from Central Asian and Middle East from alternative sources directly into the center of the European markets
- **Market Liquidity/Competition:** No other project will reach such a high number of shippers, industrial users, wholesalers at competitive conditions in the European market
- **Market Recovery:** No other project promoter will spend €7.9 bn to construct an infrastructure project with a transparent procurement regime

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