



NEWS RELEASE

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CJSC Stroytransgaz Becomes General Contractor for Southern Corridor

CJSC Stroytransgaz has joined the ranks of general contractors who will build the new Southern Corridor gas transport system. The project is to deliver gas for the South Stream pipeline across the Black Sea and to increase gas supplies to the central and southern Russia.

Under the new general contract, the company will perform Phase 1 construction of the Kazachya Compressor Station in the Krasnodar Area with a 100 MW capacity which will become a part of the Corridor.

The contract was awarded at an open tender on July 20. The Tender Commission concluded that Stroytransgaz put forward the best proposal. PeterGaz LLC, a Gazprom subsidiary is the customer under the contract. The construction project is to be finished in 2016.

"The construction contract for the Kazachya Compressor Station will be one of the largest ones in our company's portfolio. Moreover, it is our first serious contract in southern Russia. So far, we have mainly operated in central region, Siberia and the Far East where seasonal factors are much more relevant," Anton Rae, Stroytransgaz CEO highlighted. "The Southern Corridor and South Stream are Gazprom's strategic projects and we are proud to be among the general contractors who will help Gazprom implement their plans to diversify gas supply routes to the EU."

Stroytransgaz has participated in Gazprom's key projects since 2009, including the construction of the Bovanenkovo-Ukhta, Ukhta-Torzhok, Sakhalin-Khabarovsk-Vladivostok gas pipelines and the onshore section of the unique Nord Stream project.

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CJSC Stroytransgaz is one of Russia's leading construction companies that provides Engineering, Procurement, Construction and Maintenance services related to large-scale infrastructure projects in the global oil and gas industry. The company has been part of such projects as ESPO, BPS-2, and the Bovanenkovo-Ukhta pipeline system. For more information, visit www.stg.ru

The Southern Corridor is a gas pipeline system that will feed the new transnational South Stream pipeline and will supply additional gas to Russia's central and southern regions. The system will span over 2,500 km (from the Nizhny Novgorod Region to the Krasnodar Area). The project also includes 10 compressor stations with an aggregate capacity of 1,473 MW. The project will be carried out in 2015-2017 and is owned and invested in by the Gazprom Group.

CJSC STROYTRANSGAZ

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