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Kvaerner ASA: Contract for Nord Stream 2 export gas pipeline facilities

21 December 2017 - The Swiss operating company Nord Stream 2 AG and Kvaerner have signed a contract for delivery of onshore facilities for a new Russian gas export pipeline. The contract value is somewhat above NOK 600 million.

The planned new Nord Stream 2 pipeline across the Baltic Sea will provide reliable, affordable and sustainable gas supplies to the European market. Kvaerner's subsidiary Kvaerner LLC is contract partner for the work related to the construction of parts of the onshore facilities at the pipeline's export landfall facilities in the St. Petersburg region. The work will include procurement and project management for civil, mechanical and piping works in addition to installation of some onshore pipelines and service buildings at the facilities.

The scope of Kvaerner LLC's contract consists mainly of civil works and foundations, procurement and installation of piping and valves for the pipe cleaning pig launch and receiver unit. The scope also includes installation of the approximately two kilometre long adjacent pipeline onshore, as well as construction of permanent buildings for operation of the gas export plant. Design of the installations will be performed by Nord Stream 2 AG's engineering contractor.

"We are excited to be selected for this important new project. We have extensive experience from both delivery of onshore plants and from solid track record on execution of projects in Russia", says Hans Petter Mølmen, Executive Vice President for Concrete & New Solutions in Kvaerner.

Kvaerner LLC's execution of the Russian export landfall facilities will take place in cooperation with local subcontractors and international suppliers. Collaborating with other international EPC contractors, Kvaerner LLC is part of a strong team which will ensure the execution of the Nord Stream 2 pipeline project with focus on HSSE, quality and efficiency.

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About Kvaerner:

Kvaerner is a leading provider of engineering, procurement and construction (EPC) services, and delivers offshore installations and onshore plants for upstream oil and gas production around the world. Kvaerner ASA, through its subsidiaries and affiliates ("Kvaerner"), is an international contractor and preferred partner for oil and gas operators and other engineering and fabrication contractors. Kvaerner and its approximately 2 600 HSSE-focused and experienced employees are recognised for delivering some of the world's most amazing and demanding projects.

In 2016, Kvaerner's Field Development segment had consolidated annual revenues of more than NOK 10 billion and the company reported an order backlog at 30 September 2017 of NOK 8.2 billion. Kvaerner is publicly listed with the ticker "KVAER" at the Oslo Stock Exchange. For further information, please visit www.kvaerner.com.

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