

PRESS RELEASE

Date: 24 MAY 2011

Off-site specialist Caledonian wins £15m Shetland Islands accommodation project

Modular construction specialist The Caledonian Group has been selected for contracts worth £15 million to build accommodation facilities at Sullom Voe on the Shetland Islands. Caledonian's off-site construction approach was chosen to enable the efficient construction of high quality, energy efficient and functional buildings in this remote and windy location.

The new buildings include 424 bedrooms and will provide accommodation, which is currently in short supply in this area, for construction workers building a new processing plant to service the Laggan and Tormore gas fields to the north of the Shetland Islands. The gas fields are to be developed by Total E & P UK Ltd and DONG E&P (UK) Ltd and the processing plant's construction is expected to require 850 construction workers at its peak.

Ian Kemp, Business Development Director at Caledonian Building Systems, comments: *"We are thrilled to be working on this unique project, which represents the continuing development of our business and complements our existing areas of specialism. Modular construction is an increasingly popular approach both in urban and more remote environments. This project showcases the benefits it can offer in delivering high quality buildings in challenging locations."*

The facility is designed in the style of a two storey hotel, and the accommodation blocks consist of five adjoining buildings. They will be connected to an amenity building providing a comprehensive range of services for the construction workers including a restaurant, laundry facilities, common lounge areas, a gym, reading rooms, health facilities and a prayer room. Over 200 solar panels will provide renewable energy to heat the domestic hot water used by the building's residents.

Petrofac, the oil & gas facilities service provider and lead contractor in the development of the gas processing plant and associated accommodation facilities, has appointed main contractor Malthus to provide (rental) the complete workers' facility, including all infrastructure. CEO Trond Hatlestad from Malthus comments: *"We have appointed The Caledonian Group to build the accommodation facilities off-site and to install them on the Shetland Islands because their unique capabilities and flexible modular approach provides an ideal solution to the challenges that this location poses."*

The modules for the buildings will be constructed across the group, with Caledonian Building System's Newark factory producing the bedroom accommodation, and sister company ModularUK providing the amenity block from their Yorkshire facilities.

For maximum efficiency and to ensure the highest quality, fit outs will largely be completed off-site and prior to installation by The Caledonian Group. Bedrooms will be installed already completed with decoration, en-suite

bathrooms, fitted furniture and beds. Completing external cladding panels and the permanent roof off-site will also reduce the need for work on site. In addition, vertical timber boarding and large glazed panels will be applied prior to installation.

Production of the modules commenced at the start of February 2011, and installation of the first bedroom modules began on site at the start of April. Once the gas plant is completed in 2014, the structures will be relocated, a process facilitated by the modular design.

Designed by the Aberdeen office of Ingenium Archial Ltd, the buildings will meet full Scottish Building Warrant standards and their design has been developed with close engagement with the Shetland Island Council.



Drawing courtesy of Archial

ENDS

Notes to editor

Caledonian Building Systems Ltd. is the UK subsidiary of Michigan-based Champion Enterprises, Inc. is a leader in factory-built construction, operating 23 manufacturing facilities in USA, Canada and the United Kingdom.

In North America Champion produces manufactured and modular homes, as well as modular buildings for government and commercial applications. Champion acquired Caledonian Building Systems Ltd. in 2006. Please visit <http://www.championhomes.com> for further information.

Caledonian, based in Newark, Nottinghamshire, specialises in steel framed modular construction of prisons, military accommodation buildings, hotels and residential buildings. Please visit <http://www.cbuildings.co.uk> for further information.

Based in East Yorkshire, ModularUK has three dedicated production units, totalling more than 150,000 sq ft, each with a core team of highly skilled operatives. The business specialises in modular construction for the education, healthcare and commercial sectors along with individual, bespoke projects. For further information, please visit www.modularuk.com

For more information contact:

Suzanne Bennett – sbennett@camarguepr.com or

Isobel Shayle – ishayle@camarguepr.com

Tel: 01242 577 277