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For immediate release

Chieftain Group plc Acquisition of Kevin Lloyd Limited

Chieftain Group plc ("Chieftain"), the Tyneside-based industrial services group, is pleased to announce that it has acquired the entire share capital of Kevin Lloyd Limited ("the acquisition"), based in Middlesbrough. The acquisition offers significant synergies with Chieftain's existing operations in the North East of England and further bolsters the Group's commitment to its industrial services customer base on Teesside.

Kevin Lloyd Limited, which currently employs five full-time managers and 65 operatives, has two main streams of activity, Steel Fabrication and Engineering Services. The business serves the process industries on Teesside with customers including Corus and Seal Sands Chemicals. The acquisition will be integrated with Chieftain's Engineering Services and Fabrication businesses.

The acquisition is the second in the Teesside region since Chieftain opened for business on the Tees in February 2005. During this time, the Company has secured term maintenance contracts with five blue-chip organisations including BASF, ConocoPhillips, px limited (owner of Teesside Power Station), HydroPolymers and Huntsman, safeguarding the employment of 430 workers on Teesside. In September 2006, Chieftain announced the acquisition of the trading name, fixed assets, stocks and work in progress of Bringover Limited of Stockton-on-Tees.

Commenting on the acquisition, Bill Taylor, Chief Executive of Chieftain, said:

"I am delighted to welcome employees of Kevin Lloyd Limited to the Chieftain Group. Exciting times lie ahead for our business not only in our engineering services and fabrication operations but also in marine outfitting and manpower which we believe will be buoyant activities over the next five years. Chieftain will continue to identify suitable business opportunities in the region that offer added value for our clients, shareholders and employees".

Kevin Lloyd, founder of Kevin Lloyd Limited, commented:

"As soon as we became aware of the Chieftain Group's commitment to Teesside, it was obvious that there was a very good fit between our two businesses. Being part of the successful Chieftain Group is good news for all staff and operatives as well as our valued client base in the region".

For further information, please contact:

Buchanan Communications
Eric Burns

01943 883990
07910 900950