

UMW HOLDINGS BERHAD

(COMPANY NO. 090278-P)
(INCORPORATED IN MALAYSIA)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER 2009 (THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED INCOME STATEMENT

	CURRENT QUARTER ENDED 30/09/2009 RM'000	COMPARATIV E QUARTER ENDED 30/09/2008 RM'000	9 MONTHS CUMULATIVE TO DATE 30/09/2009 RM'000	COMPARATIV E 9 MONTHS CUMULATIVE TO DATE 30/09/2008 RM'000
<u>Continuing Operations</u>				
Revenue	2,797,651	3,326,175	7,728,523	9,879,465
Operating Expenses	(2,582,758)	(3,058,706)	(7,287,916)	(9,118,065)
Other Operating Income	25,422	27,911	71,805	78,566
Profit From Operations	240,315	295,380	512,412	839,966
Finance Costs	(2,770)	(9,868)	(28,930)	(28,565)
Share Of Profits Of Associated Companies	43,010	54,256	89,999	151,569
Investment Income	7,619	14,013	23,898	38,707
Profit Before Taxation	288,174	353,781	597,379	1,001,677
Taxation	(63,157)	(93,274)	(130,816)	(256,019)
Profit For The Period	225,017	260,507	466,563	745,658
<u>Attributable To :</u>				
Equity Holders Of The Company	125,938	152,656	271,327	446,150
Minority Interests	99,079	107,851	195,236	299,508
	225,017	260,507	466,563	745,658
<u>EPS Attributable To Equity Holders Of The Company :</u>				
Basic EPS For The Period (Sen)	11.45	14.14	24.67	41.32
Diluted EPS For The Period (Sen)	11.35	14.03	24.46	41.01

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

CONDENSED CONSOLIDATED BALANCE SHEET

	(UNAUDITED) AS AT 30/09/2009 RM'000	(AUDITED) AS AT 31/12/2008 RM'000
ASSETS		
Non-Current Assets		
Investment In Associates	1,473,182	1,468,121
Investment Properties	14,078	14,384
Property, Plant And Equipment	2,085,633	1,792,362
Prepaid Land Lease Payments	218,452	221,660
Leased Assets	149,673	157,899
Deferred Tax Assets	26,035	21,331
Intangible Assets	242,899	132,906
Other Financial Assets	225,881	86,293
	<u>4,435,833</u>	<u>3,894,956</u>
Current Assets		
Deposits, Cash And Bank Balances	1,928,852	1,537,802
Trade Receivables	663,669	683,307
Other Receivables	289,306	254,611
Inventories	1,301,805	1,453,830
	<u>4,183,632</u>	<u>3,929,550</u>
Non-Current Assets Held For Sale	3,535	3,535
	<u>4,187,167</u>	<u>3,933,085</u>
TOTAL ASSETS	<u>8,623,000</u>	<u>7,828,041</u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share Capital	555,764	546,072
Share Premium	487,959	414,651
Capital Reserve	5,793	5,793
Foreign Exchange Reserve	57,680	50,442
Share Option Reserve	61,169	61,169
Retained Profits	2,527,929	2,444,126
	<u>3,696,294</u>	<u>3,522,253</u>
Minority Interests	1,079,726	1,083,167
TOTAL EQUITY	<u>4,776,020</u>	<u>4,605,420</u>
Non-Current Liabilities		
Long Term Liabilities	1,597,353	719,517
Provision For Liabilities	42,986	43,995
Deferred Tax Liabilities	21,263	16,027
	<u>1,661,602</u>	<u>779,539</u>
Current Liabilities		
Bank Overdrafts	29,328	18,103
Short Term Borrowings	315,611	509,851
Trade Payables	728,016	730,190
Other Payables	888,400	920,324
Provision For Liabilities	59,057	66,620
Taxation	98,456	115,931
Dividend Payable	66,510	82,063
	<u>2,185,378</u>	<u>2,443,082</u>
TOTAL LIABILITIES	<u>3,846,980</u>	<u>3,222,621</u>
TOTAL EQUITY AND LIABILITIES	<u>8,623,000</u>	<u>7,828,041</u>
Net Assets Per Share (RM)	3.3254	3.2251

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH SEPTEMBER 2009

	----- ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY -----								
	< ----- NON-DISTRIBUTABLE ----- >								
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	FOREIGN EXCHANGE RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	MINORITY INTERESTS RM'000	TOTAL RM'000
9 MONTHS PERIOD ENDED 30TH SEPTEMBER 2009									
At 1st January 2009	546,072	414,651	5,793	50,442	61,169	2,444,126	3,522,253	1,083,167	4,605,420
Foreign currency translation	-	-	-	7,238	-	-	7,238	3,281	10,519
Net assets accretion arising from the share issue of a jointly controlled entity	-	-	-	-	-	2,468	2,468	-	2,468
Net income/(expense) recognised directly in equity	-	-	-	7,238	-	2,468	9,706	3,281	12,987
Profit for the period	-	-	-	-	-	271,327	271,327	195,236	466,563
Total recognised income and expense for the period	-	-	-	7,238	-	273,795	281,033	198,517	479,550
New subsidiaries	-	-	-	-	-	-	-	4,645	4,645
Increase in share capital of subsidiaries	-	-	-	-	-	-	-	22,813	22,813
Reduction of minority interest in subsidiaries	-	-	-	-	-	-	-	(5,151)	(5,151)
Issue of ordinary shares:									
Pursuant to ESOS	9,692	73,308	-	-	-	-	83,000	-	83,000
Dividends distributed to equity holders	-	-	-	-	-	(189,992)	(189,992)	(224,265)	(414,257)
At 30th September 2009	555,764	487,959	5,793	57,680	61,169	2,527,929	3,696,294	1,079,726	4,776,020
9 MONTHS PERIOD ENDED 30TH SEPTEMBER 2008									
At 1st January 2008	537,711	357,328	5,793	25,318	17,072	2,186,863	3,130,085	878,459	4,008,544
Foreign currency translation	-	-	-	(2,885)	-	-	(2,885)	(6,768)	(9,653)
Net income/(expense) recognised directly in equity	-	-	-	(2,885)	-	-	(2,885)	(6,768)	(9,653)
Profit for the period	-	-	-	-	-	446,150	446,150	299,508	745,658
Total recognised income and expense for the period	-	-	-	(2,885)	-	446,150	443,265	292,740	736,005
New subsidiaries	-	-	-	-	-	-	-	11,244	11,244
Increase in share capital of subsidiaries	-	-	-	-	-	-	-	8,508	8,508
Net assets accretion arising from the share issue of an associated company	-	-	-	-	-	7,733	7,733	-	7,733
Dilution of equity interest in a subsidiary	-	-	-	-	-	-	-	177	177
Reduction of minority interests in a subsidiary	-	-	-	-	-	-	-	(5,291)	(5,291)
Exercise of share options	6,829	38,681	-	-	-	-	45,510	-	45,510
Share-based payment under ESOS	-	-	-	-	16,488	-	16,488	-	16,488
Dividends distributed to equity holders	-	-	-	-	-	(232,895)	(232,895)	(192,463)	(425,358)
At 30th September 2008	544,540	396,009	5,793	22,433	33,560	2,407,851	3,410,186	993,374	4,403,560

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED
30TH SEPTEMBER 2009**

	9 MONTHS ENDED 30/09/2009 RM'000	9 MONTHS ENDED 30/09/2008 RM'000
Cash Flow From Operating Activities		
Profit Before Taxation	597,379	1,001,677
Adjustments For:		
Non-Cash Items	84,858	167,115
Non-Operating Items	(21,214)	(38,707)
Operating Profit Before Working Capital Changes	<u>661,023</u>	<u>1,130,085</u>
Changes In Working Capital:		
Net Change In Current Assets	170,761	(443,939)
Net Change In Current Liabilities	(250,485)	(195,551)
Net Cash Generated From Operating Activities	<u>581,299</u>	<u>490,595</u>
Cash Flow From Investing Activities		
Net Cash Outflow Arising From Equity Investments	(134,152)	(134,634)
Dividends Received	113,238	31,821
(Purchase)/Disposal Of Fixed Assets (Net)	(414,281)	(284,229)
Interest Income	23,134	38,647
Other Investments	(143,226)	(197,751)
Net Cash Used In Investing Activities	<u>(555,287)</u>	<u>(546,146)</u>
Cash Flow From Financing Activities		
Proceeds From Issue Of Shares	94,064	76,772
Dividends Paid	(429,812)	(352,356)
Bank Borrowings (Net)	679,042	337,027
Net Cash Generated From Financing Activities	<u>343,294</u>	<u>61,443</u>
Net Increase In Cash And Cash Equivalents	369,306	5,892
Cash And Cash Equivalents As At 1st January	1,519,699	1,567,223
Effects Of Exchange Rate Changes	10,519	(9,653)
Cash And Cash Equivalents As At 30th September	<u>1,899,524</u>	<u>1,563,462</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

Note 1 - Accounting Policies

The interim financial statements have been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9, Part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation in the interim financial statements are consistent with those in the annual financial statements for the year ended 31st December 2008.

Note 2 - Seasonal or Cyclical Factors

The Group is principally engaged in:

- (a) import, assembly and marketing of passenger and commercial vehicles and related spares and manufacturing of original/replacement automotive parts;
- (b) trading and manufacturing of a wide range of light and heavy equipment including related spares for use in the industrial, construction, mining and agricultural sectors; and
- (c) manufacturing and trading of oil pipes and providing various oil and gas services including drilling and pipe-coating.

The Group's products and services are generally dependent on the Malaysian and global economies, consumer demand and market sentiment.

Note 3 - Exceptional Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows.

Note 4 - Accounting Estimates

There were no changes in estimates of amounts reported in the prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

Note 5 - Issuance or Repayment of Debt and Equity Securities

On 15th September 2009, the Company completed the issuance of Islamic Medium Term Notes ("IMTN2") with a nominal value of RM500 million under the IMTN programme. The IMTN2 has a tenure of five years.

Other than the above, there were no issuances and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the period ended 30th September 2009.

During the quarter ended 30th September 2009, the issued and paid-up capital of the Company increased from RM550,356,716 to RM555,763,516 as a result of the exercise and allotment of:

- (a) 803,500 option shares of par value RM0.50 each at RM3.335 per share;
- (b) 1,324,100 option shares of par value RM0.50 each at RM3.330 per share;
- (c) 69,000 option shares of par value RM0.50 each at RM3.325 per share;
- (d) 5,681,800 option shares of par value RM0.50 each at RM4.93 per share; and
- (e) 2,935,200 option shares of par value RM0.50 each at RM5.16 per share.

As at 30th September 2009, the total number of unexercised share options was 57,268,500 option shares of par value RM0.50 each.

At the date of this report, 4,572,000 option shares were exercised and allotted subsequent to 30th September 2009. After taking into account these new shares, the paid-up capital of the Company increased to RM558,049,516.

Note 6 - Dividends Paid

For the financial year ended 31st December 2008:

- (a) A second interim dividend of 20% or 10.0 sen per share of RM0.50 each less 25% income tax, (2008 - 12% or 6.0 sen per share of RM0.50 each less 26% income tax) amounting to a net dividend of RM82.1 million (2008 - RM47.8 million), was paid on 20th February 2009; and
- (b) A final franked dividend of 3.25 sen per share of RM0.50 each less 25% income tax and a single tier dividend of 8.75 sen per share of RM0.50 each, (2008 - 28% or 14.0 sen per share of RM0.50 each less 26% income tax) amounting to a net dividend of RM26.9 million and RM96.6 million (2008 - RM112.1 million), respectively, were paid on 10th August 2009.

Note 7 - Segmental Reporting

Business Segment	Nine Months Ended 30th September 2009		
	Segment Revenue RM'000	Segment Result RM'000	Profit Attributable to Equity Holders of the Company* RM'000
Automotive	5,977,218	414,458	231,675
Equipment	880,195	67,663	49,357
Oil & Gas	531,820	48,920	25,664
Manufacturing & Engineering	355,648	10,738	5,806
Others	38,872	(10,070)	(41,175)
Sub-Total	7,783,753	531,709	271,327
Unallocated Corporate Expenses	-	(19,297)	
Elimination of Inter-Segment Sales	(55,230)	-	
Consolidated Total	7,728,523	512,412	

* Profit attributable to equity holders of the Company includes net profit contributions from all associated companies in the Group.

Note 8 - Subsequent Material Events

There was no material event or transaction during the period from 1st October 2009 to the date of this announcement, in the opinion of the Directors, which affects substantially the results of the operations of the Group for the period ended 30th September 2009 in respect of which this announcement is made.

Note 9 - Changes in Composition/Group

On 8th July 2009, UMW Corporation Sdn. Bhd. (“UMWC”), a wholly-owned subsidiary of UMW, was allotted 852,020 ordinary shares of par value USD1 each in MK Automotive Industries Limited (“MKAIL”) for a total cash consideration of USD852,020. This had the effect of increasing UMWC’s equity interest in MKAIL from 50% to 55%. On the same day, MKAIL was allotted 6,126,720 ordinary shares of par value INR10 each in Dongshin Motech Private Limited (“DMPL”), for a total cash consideration of INR61,267,200. Consequent to the allotment, MKAIL’s equity interest in DMPL increased from 50% to 60%. Following the above allotments, both MKAIL and DMPL became subsidiaries of UMW.

On 23rd July 2009, UMW Sher (L) Ltd., a subsidiary in the UMW Group, entered into a Share Subscription and Share Sale Agreement with Sheikh Saif bin Hashil bin Rashid Al-Maskery and Nabeel bin Abdullah bin Mohamed Al-Riyami for the subscription and acquisition of a total of 1,105,000 ordinary shares of par value RO1.00 each, representing 65% of the issued and paid-up share capital in Arabian Drilling Services LLC, for a total cash consideration of RO1,140,568 (equivalent to approximately USD2,965,477).

On 18th September 2009, UMW Petropipe (L) Ltd. (“UMW Petropipe”), a wholly-owned subsidiary of UMW, entered into a Share Sale Agreement with MK India Ventures (Labuan) Ltd. for the acquisition of 2,691,000 ordinary shares of USD1.00 each, representing 10% of the total issued and paid-up share capital of UMW India Ventures (L) Ltd. (“UMWIV”), for a total cash consideration of USD18.2 million (equivalent to approximately RM63.16 million). On completion of the acquisition, UMW Petropipe’s equity interest in UMWIV will increase from 65% to 75%.

On 29th September 2009, UMW received a confirmation on the de-registration of UMW Oilfield Commerce Beijing Co., Ltd., a dormant subsidiary of UMW.

Note 10 - Contingent Liabilities and Contingent Assets

There was no material change in contingent liabilities or contingent assets since 31st December 2008.

Note 11 - Commitments

These are in respect of capital commitments:

	RM’000	RM’000
Approved and contracted for:		
Land and buildings	91,646	
Equipment, plant and machinery	138,177	
Others	2,197	232,020
	<hr/>	
Approved but not contracted for:		
Land and buildings	126,975	
Equipment, plant and machinery	155,408	
Others	11,983	294,366
	<hr/>	
Total		<hr/> <hr/>

Note 12 - Significant Related Party Transactions

No.	UMW & Its Subsidiaries	Transacting Parties	Relationship	Nature of Transaction	RM'000
1.	UMW Advantech Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods	16,747
2.	KYB-UMW Malaysia Sdn. Bhd. and its subsidiary	Perodua Group	Associated Company	Sale of Goods	48,702
3.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Perodua Group	Associated Company	Sale of Goods and Services	218,048
				Purchase of Goods and Services	383,587
4.	UMW Industries (1985) Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods and Services	4,737
5.	U-TravelWide Sdn. Bhd.	Perodua Group	Associated Company	Sale of Services	4,922
6.	UMW Toyota Motor Sdn. Bhd.	UMW Toyotsu Motors Sdn. Bhd.	Associated Company	Sale of Goods and Services	93,709
7.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Toyota Motor Corporation, Japan and its subsidiaries	Corporate Shareholders of UMW Toyota Motor Sdn. Bhd.	Sale of Goods and Services	502,418
				Purchase of Goods and Services	1,691,367
8.	KYB-UMW Malaysia Sdn. Bhd. and its subsidiary	Kayaba Industry Co., Ltd., Japan and its subsidiaries	Corporate Shareholders of KYB-UMW Malaysia Sdn. Bhd.	Sale of Goods and Services	8,195
		Toyota Tsusho (Malaysia) Sdn. Bhd.	Corporate Shareholder of KYB-UMW Malaysia Sdn. Bhd.	Purchase of Assets	3,378
				Sale of Goods and Services	23
				Purchase of Goods and Services	21,527
9.	UMW JDC Drilling Sdn. Bhd.	Japan Drilling Co., Ltd. and its subsidiaries	Corporate Shareholders of UMW JDC Drilling Sdn. Bhd.	Purchase of Goods and Services	10,063
				Bare Boat Charter	25,178

Note 13 - Review of Performance

Group revenue of RM2,797.7 million for the third quarter ended 30th September 2009 was RM528.5 million or 15.9% lower than the RM3,326.2 million registered in the preceding year's corresponding quarter. There have been signs of progressive recovery in the Malaysian economy this year. This has had a positive impact on demand for Toyota vehicles although not up to the 2008 levels.

The Group recorded a profit before taxation of RM288.2 million in the third quarter ended 30th September 2009 compared to RM353.8 million registered in the same quarter of 2008. Unfavourable foreign currency exchange rates coupled with lower revenue and profit contributions from some associated companies resulted in the 18.5% or RM65.6 million profit reduction.

Consequently, net profit attributable to the equity holders of the Company for the third quarter ended 30th September 2009 of RM125.9 million was lower than the RM152.7 million recorded in the preceding year's corresponding quarter by RM26.8 million or 17.6%.

Group revenue of RM7,728.5 million for the nine months ended 30th September 2009 was RM2,151.0 million or 21.8% lower than the RM9,879.5 million registered in the same period of 2008.

In line with the lower revenue, Group profit before taxation for the nine months ended 30th September 2009 of RM597.4 million was lower than the RM1,001.7 million recorded in the same period of 2008 by RM404.3 million or 40.4%.

Net profit attributable to the equity holders of the Company for the nine months ended 30th September 2009 decreased to RM271.3 million from the RM446.2 million achieved in the same period of 2008, a reduction of RM174.9 million or 39.2%.

By and large, the global downturn has had some impact on the Malaysian economy, thereby resulting in a generally lower demand for our industrial and consumer products. In addition, profit margins of the Group were affected by the foreign currency exchange factor as cost of importation rose.

Despite the challenging economic environment, the Oil and Gas segment registered improvements in both revenue and profit before taxation for the nine months ended 30th September 2009 compared to the same period in 2008. Optimal utilisation of our semi-submersible rig, Naga 1, and maiden profit contributions from our new local and overseas investments resulted in the positive variances.

Total Toyota and Perodua vehicle sales of 180,490 units represented 45.4% of the total industry volume of 397,619 units for the nine months ended 30th September 2009, as reported by the Malaysian Automotive Association.

Note 14 - Comparison with Preceding Quarter's Results

Progressive improvement in the year can be seen from the Group's higher revenue of RM2,797.7 million for the third quarter ended 30th September 2009 compared to the RM2,581.1 million recorded in the second quarter of 2009, an increase of RM216.6 million or 8.4%. Improved consumer confidence had resulted in higher demand for Toyota vehicles in the third quarter of 2009.

Group profit before taxation of RM288.2 million for the third quarter improved significantly over the RM185.5 million recorded in the second quarter of 2009, an increase of RM102.7 million or 55.4%. Higher revenue coupled with enhanced profit contributions from some associated companies resulted in the increased profit.

Note 15 - Current Prospects

- (a) The economies of some developed nations like USA, Japan and Europe are showing signs of recovery as a result of various financial stimuli. Similarly, the Malaysian economy has shown signs of recovery since the second quarter of 2009 with the progressive implementation of two economic stimulus packages totalling RM67 billion. MIER had projected real GDP to have a smaller contraction of 4.2% in 2009 before growing by 2.8% next year.

Improved overall sentiment on the back of government stimulus measures and a gradual economic recovery is expected to support vehicle sales. With more projects being implemented under the economic stimulus packages, demand for our industrial and heavy equipment is expected to improve.

Oil prices have improved to about USD75 per barrel with no visible downward pressure. Capital expenditure by oil majors is expected to increase from the fourth quarter of 2009 in view of stable and sustained levels of oil prices, coupled with growing demand for oil from China and India. This should benefit our Oil & Gas Division.

With a brighter economic outlook for the remaining period to 31st December 2009, the Board is of the view that the Group is likely to achieve satisfactory financial results for the year 2009, albeit lower than the record 2008 performance.

- (b) The Board expects our internal targets for 2009 to be achievable.

Note 16 - Statement on Headline Key Performance Indicators

Based on the latest financial performance of the Group and the current market outlook for the remaining period to 31st December 2009, the Board of Directors is of the view that the Company's 2009 Headline KPIs as stated below are achievable:

- (a) Minimum annual return on shareholders' funds of 10%; and
(b) Annual dividend payout ratio of at least 50% of net profit attributable to shareholders.

Note 17 - Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

Note 18 - Taxation

	Current Quarter RM'000	Nine Months Ended 30th September 2009 RM'000
Current year's provision	58,622	130,285
Add/(Less) : Under/(Over) provision in prior years	-	-
	58,622	130,285
Deferred taxation	4,535	531
Total	63,157	130,816

The effective tax rates for the current quarter and nine months ended 30th September 2009 were 25.76% and 25.78%, respectively. The effective tax rates were slightly higher than the statutory tax rate of 25% primarily due to certain expenses were not allowable for tax purposes.

Note 19 - Profit on Sales of Investment and/or Properties

There was no sale of unquoted investment or properties during the current quarter and nine months ended 30th September 2009.

Note 20 - Purchase or Disposal of Quoted Securities

(a) Total purchase consideration and sale proceeds of quoted investment and profit/loss arising from the sale therefrom were as follows:

	Current Quarter RM'000	Nine Months Ended 30th September 2009 RM'000
Total purchases	99,756	280,077
Total sale proceeds	94,980	164,181
Total (loss)/gain arising from sale	(10)	(20)

(b) As at 30th September 2009, investments which were quoted within and outside Malaysia held as long term investments were as follows:

	Quoted Outside Mal aysi a RM'000	Quoted Within Mal ays ia RM'000
At cost	50,705	179,901
Provision for diminution in value	(9,760)	-
At net book value	40,945	179,901
Market value as at 30 th September 2009	40,945	180,068

The provision for diminution of RM9.8 million was made to reflect the market value of investment quoted outside Malaysia in respect of the Group's investment in a company listed on the Bombay Stock Exchange and the National Stock Exchange in India. This strategic investment is intended to be held on a long term basis.

Note 21 - Corporate Proposals

On 30th September 2009, the Company announced that it will not be seeking a further extension of time from the Securities Commission ("SC") to implement the proposed listing of its wholly-owned subsidiary, UMW Oil & Gas Berhad. This is because it intends to revise its listing scheme to include a number of entities that were previously greenfield investments (which were not included in the original listing scheme) that have now achieved profitability in their operations.

Following the expiry of the SC's approval of the original listing proposal, the Company will consider and, if relevant, make an announcement at the appropriate time on its intention to submit a fresh listing proposal to the SC.

Other than the above, there were no corporate proposals announced but not completed at the date of this announcement.

Note 22 - Group Borrowings and Debt Securities

	RM'000	RM'000	'000
(a) Short term borrowings			
- Unsecured			
Short term loans and trade facilities	269,866		USD54,902 SGD55
Finance lease payable	271		
Portion of long term loans payable within 12 months	16,295		USD2,613 KINA2,187
		286,432	
- Secured			
Short term loans and trade facilities	27,502		AUD989 INR343,585
Finance lease payable	1,180		SGD423 AUD54
Portion of long term loans payable within 12 months	497		SGD204 INR84
		29,179	
Total		315,611	USD57,515 INR343,669 AUD1,043 SGD682 KINA2,187
(b) Long term borrowings			
- Unsecured			
Long term loans	1,184,050		USD183,101 SGD2,755 KINA16,313 INR9,742
Finance lease payable	8		
Portion of long term loans payable within 12 months	(16,295)		(USD2,613) (KINA2,187)
		1,167,763	
- Secured			
Long term loans	428,154		USD62,691 AUD11,402 SGD982 INR2,438,478
Finance lease payable	1,933		SGD338 AUD366
Portion of long term loans payable within 12 months	(497)		(SGD204) (INR84)
		429,590	
		1,597,353	USD243,179 AUD11,768 SGD3,871

Total	INR2,448,136
	KINA14,126

Note 23 - Financial Instruments

(a) Foreign Currency Contracts

As at 17th November 2009, the Group had entered into the following outstanding foreign currency contracts to hedge its committed purchases and sales in foreign currencies:

Currency	Contract Amounts '000	Equivalent Amount in RM'000	Expiry Dates
Japanese Yen	885,166	32,941	20/11/2009 - 30/06/2010
United States Dollar	174,975	605,683	18/11/2009 - 30/04/2010
Euro	143	719	30/11/2009 - 31/12/2009
Swedish Krone	18,652	8,735	30/11/2009 - 31/03/2010
Thai Baht	22,736	2,332	18/11/2009 - 15/12/2009

Foreign currency contracts are entered into to hedge the Group's committed purchases or sales in foreign currencies to limit the Group's exposure to fluctuation in foreign currency exchange rates. Foreign currency contracts are recognised only when the underlying transactions are settled. The Group does not hold or issue derivative financial instruments for trading purpose. There is minimal credit risk as the above foreign currency contracts were entered into with reputable financial institutions.

(b) Interest Rate Swap and Cross Currency Swap

As at the date of this report, the Group had entered into the following contracts:

- (i) An interest rate swap with a notional principal of USD48 million that fixed the obligation of a jointly-controlled entity in India to pay interest at a fixed rate of 7.04% per annum. The interest rate swap will mature on 30th September 2015.
- (ii) An interest rate swap with a notional principal of USD20 million that fixed the obligation of a jointly-controlled entity in India to pay interest at a fixed rate of 9.05% per annum with embedded options that provide protection on USD/INR rate within a specified range on the principal repayment. The interest rate swap will mature on 31st October 2012.
- (iii) A cross currency swap that allowed a jointly-controlled entity in India to convert JPY3,425 million to INR1,405.6 million and fixed the entity's obligation to pay interest at a fixed rate of 9.35% per annum. The cross currency swap will mature on 31st March 2020.
- (iv) A cross currency swap that allowed the Company to convert RM500 million to USD143.3 million and swapped the Company's obligation to pay interest at a fixed rate of 4.55% per annum to a USD floating rate. The cross currency swap will mature on 15th September 2014.
- (v) An interest rate swap with a notional principal of USD15 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 7.1% per annum with embedded options that provide protection on USD/INR rate within a specified range on the principal repayment. The interest rate swap will mature on 14th July 2014.

The above contracts were entered into to minimise the entity's exposure to losses resulting from adverse fluctuations in interest rates and foreign currency exchange rates on the existing bank loans.

Note 24 - Material Litigation

There was no material litigation pending on the date of this announcement.

Note 25 - Dividend

The Board is pleased to declare a second interim single-tier dividend of 10% or 5.0 sen per share of RM0.50 each (2008 - 20% or 10.0 sen per share of RM0.50 each less 25% tax), amounting to a net dividend payable of approximately RM56.3 million (2008 - RM82.1 million) for the year ending 31st December 2009, to be paid on 18th February 2010.

Note 26 - Earnings Per Share

Basic earnings per share for the current quarter and nine months ended 30th September 2009 are calculated by dividing the net profit attributable to shareholders of RM125,938,000 and RM271,327,000, respectively, by the weighted average number of ordinary shares in issue as at 30th September 2009 of 1,099,998,648 shares of RM0.50 each.

Diluted earnings per share for the current quarter and nine months ended 30th September 2009 are calculated by dividing the adjusted net profit attributable to shareholders of RM125,938,000 and RM271,327,000, respectively, by the adjusted weighted average number of ordinary shares in issue and issuable of 1,109,414,808 shares of RM0.50 each.

	No. of Shares of RM0.50 Each
Weighted average number of shares as at 30/09/2009	1,099,998,648
Add: Dilutive ESOS	9,416,160
Adjusted weighted average number of shares	1,109,414,808

Note 27 - Audit Qualification

The audit report in respect of the annual financial statements for the year ended 31st December 2008 was not qualified.

By Order Of The Board

SUSEELA MENON
Secretary
(MAICSA 7028386)

Shah Alam
20th November 2009