

UMW ACHIEVES PRETAX PROFIT OF RM288M IN 3Q09

RM million	3Q09	2Q09	1Q09
Profit Before Taxation	288.2	185.5	123.7

EXECUTIVE SUMMARY

3Q09 financial highlights

- Group PBT improved further by 55% QoQ to RM288 million
- Much higher QoQ profits at Automotive, Oil & Gas Divisions
- Balance sheet remained strong, cash at RM1.9 billion
- Positive net cash generated from operating activities

3Q09 highlights

- Automotive Division's YTD market share at 46%
- Lexus achieved remarkable QoQ growth of 94%
- Toyota Prius was launched. Overwhelming responses from buyers. Current waiting list extends to mid-2010
- Perodua's YTD market share at 31%. Viva's new Elite is well received while Viva 660 replaced long-serving Kancil
- NAGA 1 drilling rig received achievement award for 9 years & 3 million man-hours with No Lost-Time-Incident (LTI)

Prospects for 2010

- Automotive Division aiming to maintain its market share
 - First and full year sales of new Perodua MPV
 - New/facelift model launches by Toyota and Perodua
- Oil & Gas Division to increase contribution to Group's profits
 - United Seamless Tubulaar to commence production of tubular green pipe at new plant in India in 1Q2010
 - IPO scheme to be bigger, will include more companies
- Manufacturing & Engineering Division to see fruits of new ventures into China and India (details inside)

Dividend policy

- Dividend payout of at least 50% of our annual net profit
- Declared second interim single-tier dividend of 5.0 sen per share of RM0.50 each, to be paid on 18th February 2010



Dear fund managers and analysts,

We have experienced and benefited from the further economic improvements seen in 3Q09. Details and updates are in the following pages. For the remaining part of 2009, we believe the current level of business activities is sustainable.

Peering into 2010, we expect the overall economic conditions to be supportive of further improvements. Our businesses are also increasingly global and we are in 14 countries, including China and India. We are positioned to support and enjoy long-term development in these two countries. On our Oil & Gas IPO, some of our previously greenfield investments are now operational. We are revising the scheme for a bigger IPO.

Please feel free to contact us if you have any further queries. Thank you.

Dato' Abdul Halim Harun,
President and Group CEO
UMW Holdings Berhad

UMW HOLDINGS BERHAD

Group Income Statement

	3Q09 RM'000	2Q09 RM'000	3Q08 RM'000	FY 2008 RM'000	FY 2007 RM'000	% Change for 3Q
Revenue	2,797,651	2,581,069	3,326,175	12,769,581	9,976,151	+8% QoQ
Profit From Operations	240,315	181,480	295,380	1,073,651	630,268	+32% QoQ
Associated Companies	43,010	12,623	54,256	199,822	207,506	+241% QoQ
Profit Before Taxation	288,174	185,468	353,781	1,276,685	856,276	+55% QoQ
Net Profit Attributable To Shareholders	125,938	79,431	152,656	565,838	469,147	+59% QoQ

Group profit level improved

Continued improved in QoQ profit level

- General operating conditions have improved further in 3Q09
- Profit levels are lower YoY (2008 was an all-time high) but more importantly, have improved significantly QoQ

Improved QoQ contributions by associated companies

- Perusahaan Otomobil Kedua Sdn Bhd made much improved financial contribution, detailed analysis in the following pages. Toyota Capital Malaysia Sdn Bhd, our 30% associated company, made a positive contribution in 3Q09 (as compared to the unrealised translation losses arising from Japanese Yen borrowings in 2Q09)

Prospects for 2010

Automotive division poised to capture entire spectrum of improved demand by consumers

- Perodua enhanced Viva's attractiveness and product line-up with Viva Elite. Perodua's new MPV will expand market presence and average selling prices. It will help to retain and expand Perodua's customer-base
- UMW Toyota to benefit from improved economy with its facelifted Camry as it targets executives and corporate buyers. Upcoming new products and facelifts will enhance its product portfolio
- Toyota Prius, world's preeminent hybrid car, to gain greater presence as we increase delivery of this vehicle in 2010

Oil & Gas division expects further improvement in financial performance

- Zhongyou BSS to raise output of LSAW and SSAW pipes while United Seamless Tubular to start commercial production of seamless tubular green pipes in 1Q2010
- Our new ultra-premium jack-up rig, NAGA 2, is ready for deployment and NAGA 3 should be ready by 3Q2010. We are exploring and evaluating contractual and strategic options for both rigs
- We are extending our operations to the Middle East and various strategic initiatives should be concluded in the new year

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Segment Results & Share Of Profits From Associated Companies

	3Q09 RM'000	2Q09 RM'000	3Q08 RM'000	FY 2008 RM'000	FY 2007 RM'000	% Change for 3Q
Segment Results + Profit Of Associates	290,396	200,709	340,273	1,350,239	861,002	+45% QoQ
Automotive	246,061	143,414	295,120	1,114,930	606,711	+72% QoQ
Equipment	22,264	22,627	39,256	152,666	138,208	-2% QoQ
Manufacturing & Engineering	4,734	3,595	7,837	27,957	25,909	+32% QoQ
Oil & Gas	30,480	34,891	26,735	110,977	114,657	-13% QoQ

Segmental results

Associated companies

- The above table illustrates results after taking into account contributions from our Associated Companies

BUSINESS SEGMENT – AUTOMOTIVE

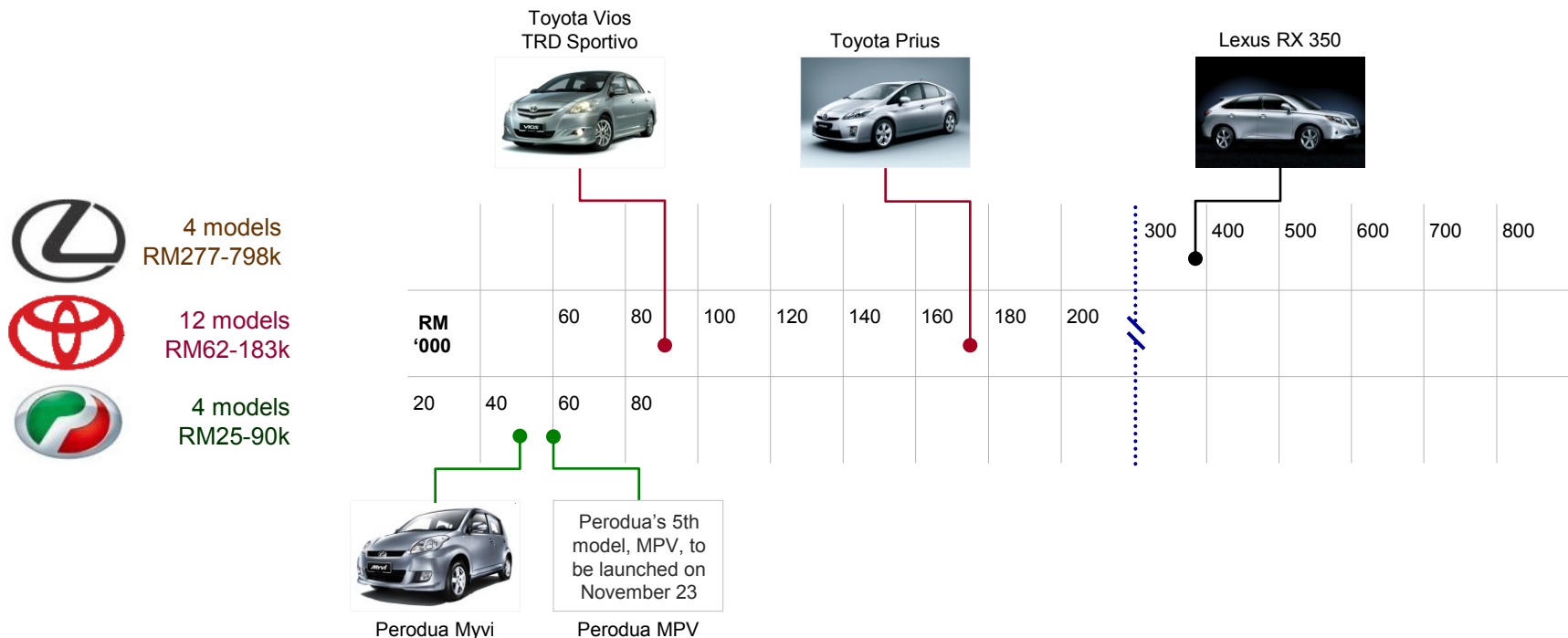
Segmental Reporting

	3Q09 RM'000	2Q09 RM'000	3Q08 RM'000	FY 2008 RM'000	FY 2007 RM'000	% Change for 3Q
Revenue	2,232,076	2,023,888	2,588,042	10,031,823	7,738,505	+10% QoQ
Profit From Operations	213,294	127,826	265,387	1,002,020	487,064	+67% QoQ

Company (equity interest)	UMW Toyota Motor Sdn Bhd (51% subsidiary company)	Perusahaan Otomobil Kedua Sdn Bhd (38% associated company)
Vehicle sales	<p>Another QoQ improvement</p> <ul style="list-style-type: none"> • YTD sales decline has lowered by 25% to 59,613 units. Achieved 2 consecutive QoQ improvements in sales • Sales volume increased by 9% QoQ to 22,036 units • Toyota Vios is the most popular model in 3Q09. Vios contributed 35% to total sales volume of UMW Toyota • Lexus achieved remarkable QoQ growth of 94% with strong demand for RX350 	<p>Outperformed TIV and improved QoQ</p> <ul style="list-style-type: none"> • YTD sales declined less at 6% to 122,859 units and Perodua outperformed TIV (which contracted 8%) • Stronger QoQ improvement of 19% to 45,813 units • Sales momentum of Viva and Myvi increased QoQ • As at September 30, Perodua received and processed 9,933 applications under the Car Scrapping Programme. 68% of buyers opted for Myvi
Market share of TIV	<p>Vios extended its No.1 position</p> <ul style="list-style-type: none"> • YTD 3Q09 market share of TIV at 15.0%, up from 1Q09's 14.6%. UMWT's share is well above the nearest non-national rival (which has 7% of TIV) • Vios extended its No.1 position in its highly competitive market segment in 3Q09 	<p>Improved YTD and QoQ</p> <ul style="list-style-type: none"> • YTD market share of TIV increased to 30.9% from YTD 3Q08 of 30.3%. Also improved QoQ to 31.3% • Consumers showed preference for fuel-efficient, value-for-money and affordable vehicles • New variant, Viva Elite, was well received
3Q09 profitability	<p>Further QoQ improvement</p> <ul style="list-style-type: none"> • QoQ, improved profitability with higher sales volume, more favourable exchange rate and lower unit selling cost • YoY, adversely affected by lower sales volume and less favourable exchange rate (we hedge forward up to 3 months for all currency requirements) 	<p>Further QoQ improvement</p> <ul style="list-style-type: none"> • QoQ, improved profitability with higher sales volume and improved contribution by its manufacturing companies • YoY, adversely affected by less favourable exchange rate (imported components are denominated primarily in Japanese Yen)

BUSINESS SEGMENT – AUTOMOTIVE

Segmental Reporting



Prospects for 2010

Invest for the future

- Enhance localisation of automotive components to capture greater cost efficiencies
- Invest in plant upgrade to increase assembly quality and reduce the already low DPU
- Improve our outlets and sales centres to better serve our growing customer-base

Competition will remain intense

- Consumers will increasingly have broader product choices. Greater incentives remain a possibility
- Perodua will enhance its market coverage and positioning with the new MPV. It is also competitively priced
- Toyota will aim to capitalise on the growing awareness of hybrid vehicle. The Prius has a 8-month waiting list
- Perodua and UMW Toyota to introduce new/variant/facelift models to enhance our product line-up

BUSINESS SEGMENT – EQUIPMENT

Segmental Reporting

	3Q09 RM'000	2Q09 RM'000	3Q08 RM'000	FY 2008 RM'000	FY 2007 RM'000	% Change for 3Q
Revenue	297,328	282,071	422,494	1,536,392	1,368,523	+5% QoQ
Profit From Operations	22,264	22,627	39,256	152,666	138,208	-2% QoQ

Heavy Equipment

Strong market share

- Maintained respectable level of sales in 3Q09
- YTD, Komatsu maintained market share of more than 30% in important markets and segments

Prospects improved

- Sales of heavy equipment to property and construction sectors expected to improve
- Extensive array of equipment and local-regional network to support and capture the expected improved level of economic activities in 2010

Highlights: CASE and Massey Ferguson

- UMW showcased the CASE 580M Backhoe Loader, 440 Skid Steer Loader and Massey Ferguson MF440 Series 2 and MF460 tractors to our customers in a recent roadshow. These equipment is used in agricultural, construction and the forestry sectors

Industrial Equipment

Dominant market share

- Our Toyota forklifts have a commanding market share of more than 60% in Malaysia

Recognition

- Globally, UMW is the only *Diamond* member (the highest elite tier) in the Premier Club Recognition Program, which is awarded by Toyota Material Handling International (TMHI)

Highlights: Fraser & Neave (F&N)

- UMW supplied BT Very Narrow Aisleway (VNA) trucks/lifting equipment to operate in F&N's multi-million high-tech warehouse which uses the latest technology such as super flat flooring and computerised warehouse management system
- UMW continues to serve as a partner in providing efficient, reliable and cost-effective material handling solutions to F&N

Marine & Power Equipment

New products

- Appointed by Cameron Compression to provide reciprocating compressors for the Oil & Gas industry

Highlights: NGV Tech

- UMW to complete supply of 10 units of General Electric (GE) Marine Engine model 12V228 medium-speed engines to NGV Tech Sdn Bhd, one of the foremost shipbuilders in Malaysia
- The GE engines meet the toughest emissions requirement in the world while still providing increased output, high level of reliability and fuel efficiency

Prospects for 2010

Equipment division expected to improve

- Unit sales are expected to improve in 2010 and this will enhance the overall profitability while parts and services and after-sales support provide a base profit level given our sizeable market share built-up over the years
- Domestically, selective pump-priming activities and improved overall level of economic activities will enhance the Division's performance. Overseas operations eventually will benefit from higher global metal and commodity prices

BUSINESS SEGMENT – MANUFACTURING & ENGINEERING

Segmental Reporting

	3Q09 RM'000	2Q09 RM'000	3Q08 RM'000	FY 2008 RM'000	FY 2007 RM'000	% Change for 3Q
Revenue	129,361	111,554	128,914	490,013	388,009	+16% QoQ
Profit From Operations	4,229	3,670	7,164	26,509	24,068	+15% QoQ

Pennzoil	KYB	Auto Components
<p>Increased sales</p> <ul style="list-style-type: none"> Achieved improved profitability QoQ as the companies blended and sold a higher volume of lubricants while input costs eased marginally 	<p>OE for 4-wheelers, replacements & exports</p> <ul style="list-style-type: none"> Sales and profits improved QoQ OE market driven by sales in national cars, and higher sales in replacement and export markets with better consumer sentiment and replenishment of depleted inventories 	<p>OEM mainstay</p> <ul style="list-style-type: none"> Among others, OEM to key companies, namely Proton, Perodua and Honda

Prospects for 2010

Building the foundation for 2010

- Automotive components sector in India
 - JV with Dongshin Motech of Korea to be an original equipment manufacturer (OEM) for stamped automotive body parts for General Motors (India) Ltd and other local manufacturers in India. Operations to commence in 1Q2010. Soft launch for customers on 24 November 2009
 - Sathya Auto Private Limited is a manufacturer of mechanical jacks, radiator caps, sheet metal components and forgings. Plant-1 and Plant-2 are operational. Expanded Plant-3 should be completed by 1Q2010
 - Castwel Autoparts Private Limited is a manufacturer of pressure die castings, aluminium gravity die castings and aluminium alloy auto components. Plant-A is operational and the expanded Plant-B should be completed by 1Q2010
- Lubricant market in China
 - JV with Dah Chong Hong (Motor Service Centre) Limited to develop the business of manufacturing/processing of lubricants. Plant is located in Xinhui, Guangdong Province of China, with an initial annual output capacity of 50 million litres. Plant to be completed by end of 3Q2010 and operations scheduled to commence by 4Q2010
- Advanced Micro Electronics – Multi layers ceramics substrate / packaging design and manufacturing for the global market
 - JV to undertake research, development, manufacturing and supply of Advanced Micro Electronics products and services known as Low Temperature Co-Fired Ceramic (LTCC) and related technology. LTCC products will tap into the large mobile electronics and telecommunication industry. Plant to be completed soon, operations to commence by 1Q2010

BUSINESS SEGMENT – OIL & GAS

Segmental Reporting

	3Q09 RM'000	2Q09 RM'000	3Q08 RM'000	FY 2008 RM'000	FY 2007 RM'000	% Change for 3Q
Revenue	144,416	170,303	196,615	745,666	501,423	-15% QoQ
Profit From Operations	24,849	19,035	3,258	26,227	29,281	+31% QoQ
Associated Companies	5,631	15,856	23,477	84,750	85,376	-64% QoQ

Improved profit contribution by subsidiaries

NAGA 1 (semi-submersible rig) was fully contracted

- Offshore rig utilisation in the South East Asia region remained lacklustre in 3Q09 but NAGA 1 remained fully contracted with Petronas Carigali
- During the 3Q09, NAGA 1 was deployed in the offshore waters of Sarawak

Petrodril improved its contribution QoQ

- UP Gait II and UP Gait III workover rigs were fully contracted to Petronas Carigali to restore and to enhance clients' crude production. Sales of related drilling and workover equipment also improved in 3Q09

Strong demand premium connection threading services

- UMW Oilfield Services (Tianjin) caters to E&P activities in the Bohai Bay area and demand for premium connection threading services has improved
- UMW Oilpipe Services in Labuan experienced slower demand due to slower than expected implementation of drilling activities by foreign-owned oil majors

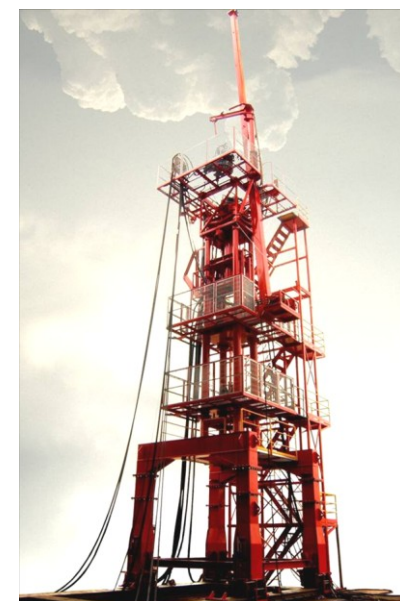
Lower profit contribution by associates

Downward pressure on WSP sales

- Recent trade disputes caused many other Chinese OCTG manufacturers to also focus more on domestic market in China. This exerted a downward pressure on WSP's domestic sales volume, revenue, and ultimately net income level
- Its new inspection plant in Houston, USA, started operations in 3Q09 and together with new clients in Africa, WSP increased its international sales on a QoQ basis

Zhongyou BSS (Qinhuangdao) increased QoQ profitability

- ZBSS benefited from higher profits as it increases the production of SSAW and LSAW pipes in its brand new plant, which was also visited by Premier Wen Jiabao



UMW Petrodril's workover rigs

BUSINESS SEGMENT – OIL & GAS

Segmental Reporting

Prospects for 2010

Zhongyou BSS to have a full year of production

- ZBSS will reap a full year of the production of SSAW and LSAW pipes, currently manufactured for the eastern section of the 2nd West-East Gas Pipeline
- It will explore the possibility of supplying to other major pipelines

New plant to commence operations in 1Q2010

- United Seamless Tubular Private Limited's new 300,000 MT plant located in Andhra Pradesh, India, should be completed by end-2009
- After testing and commissioning of the new machineries installed, the plant will start commercial production of seamless tubular green pipes by 1Q2010

WSP scheduled to increase output in 2010

- WSP has continued to invest and upgrade its production capabilities. In 2010, additional billet production, hot-rolling, heat-treatment and threading facilities would come onstream
- Its new facility in Houston, USA, will improve WSP's after-sales service there and hopefully assist in mitigating the impact of possible countervailing duties

NAGA 2 and then NAGA 3 would be ready for deployment

- For NAGA 2, we are evaluating various strategic options while also negotiating with other parties for a new/replacement drilling contract
- NAGA 3 is scheduled for completion by 3Q2010 but we have started "early" and are already assessing and evaluating potential options and clients for the rig now

Expanding to the Middle East

- Acquiring investment in Arabian Drilling Services LLC and expanding operations geographically to the Middle East. The company will develop onshore drilling and other services businesses there
- While back in India, land rig SHER 3 is scheduled to commence drilling operations in 1Q2010

To revise scheme for a bigger IPO

- Did not seek further extension for the initially approved IPO proposal as earlier greenfield investments were not included. Now, these companies are operational
- Will revise and formulate a new scheme to include more companies for a bigger IPO



Zhongyou BSS new production facilities are now in full production



UMW Sher (L)'s land rig

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Consolidated Balance Sheet

	Sep 2009 RM'000	Jun 2009 RM'000	Dec 2008 RM'000	Dec 2007 RM'000
Investment In Associates	1,473,182	1,494,709	1,468,121	1,164,154
Property, Plant & Equipment	2,085,633	1,978,044	1,792,362	1,278,355
Deposits, Cash & Bank Balances	1,928,852	1,353,857	1,537,802	1,573,587
Inventories	1,301,805	1,295,479	1,453,830	1,088,941
TOTAL ASSETS	8,623,000	7,928,328	7,828,041	6,491,145
Long Term Liabilities	1,597,353	926,993	719,517	354,163
Short Term Borrowings (include ODs)	344,939	428,376	527,954	382,036
TOTAL EQUITY	4,776,020	4,638,561	4,605,420	4,008,544
Net Assets Per Share (RM)	3.33	3.26	3.23	2.91

AAA rated

Issued RM500 million of IMTN, UMW rated AAA

- UMW completed issuance of RM500 million Islamic Medium Term Notes (IMTN) with a tenure of 5 years
 - Still has flexibility to issue another RM300 million (as the total facility approved is RM800 million of Islamic Commercial Papers/Islamic Medium Term Notes (ICP/IMTN) with tenure up to 10 years)
 - No collateral or security pledged for ICP/IMTN Programme
- Malaysian Rating Corporation Berhad has assigned the highest possible Corporate Credit Rating of AAA to UMW

Strong balance sheet

Managing prudently

- Increase in long term liabilities due to drawdown of pre-approved facilities to finance especially Oil & Gas investments
 - Investment decisions made over the past few years and many are already generating positive returns
 - Tapering-off in the rate of increase of long term liabilities, most key projects are to be completed by 1Q2010
- Well-managed overall level of inventories

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Status & Updates On New Projects

Projects	Business Division	Status
✓ TPCO Pan Asia Pte Ltd	Oil & Gas	The plant is expected to be completed by 4Q09
✓ NAGA 2 ultra-premium jack-up rig completed	Oil & Gas	Negotiating contracts with other parties
✓ NAGA 3 ultra-premium jack-up rig expected to be completed by 2Q2010	Oil & Gas	Delivery by 3Q2010
✓ MK Autocomponents and MK Automotive Industries - JV as an original equipment manufacturer (OEM) for stamped automotive body parts for Korean and other car manufacturers in India	Manufacturing & Engineering	New/expanded plants to be completed by 1Q2010
✓ United Seamless Tubular Private Limited to manufacture seamless tubular pipes at its new 300,000 metric tonnes plant, in Andhra Pradesh, India	Oil & Gas	The plant is expected to be completed by 4Q09 and commercial production is expected to commence by 1Q2010
✓ JV with Dah Chong Hong, Hong Kong, to develop the business of manufacturing/processing of lubricants in Xinhui, Guangdong Province of China. An initial annual output capacity of 50 million litres	Manufacturing & Engineering	Manufacturing is expected to commence by 3Q2010
✓ JV to undertake the business of research, development, manufacturing and supply of Low Temperature Co-Fired Ceramic (LTCC) and related technology	Manufacturing & Engineering	Manufacturing is expected to commence by 1Q2010

THANK YOU



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