

UMW ACHIEVES PRETAX PROFIT OF RM459.4 M IN 4Q12



RM million	4Q12	3Q12	QoQ	FY2012	FY2011	YoY
Profit Before Taxation	459.4	597.6	(23)%	2,000.5	1,365.3	47%

EXECUTIVE SUMMARY

4Q12 financial highlights

- Group revenue registered an increased of 3.2% compared with the previous quarter but profit before taxation reduced by 23%.
- Subsequently, net profit attributable to equity holders of the Company reduced by 9% compared with 3Q12.
- Consolidated cash and deposits stand at RM2.5 billion.

4Q12 highlights

- Automotive Division's revenue increased by 4% but profit before tax was lower due to higher selling and distribution expenses; and unfavourable USD exchange rate fluctuation.
- Equipment Division's revenue and PBT was lower due to softened demand.
- Manufacturing and Engineering Division also registered a lower revenue in 4Q12 but returned a much healthier PBT.
- Oil & Gas Division's revenue increased by 22% compared with 3Q12.

Prospects for 2013

- Automotive Division hopes to at least maintain its market share at 47%.
- Equipment Division's profitability is expected to be sustained resulting from better cost management and increased parts sales.
- For Oil & Gas Division, there will be a full-year revenue contributions from NAGA 1, contribution from NAGA 4 and from a new plant in China.
- M&E - Higher capacity utilisation for our automotive component plants in India and lubricant plant in China, and increased sales of lubricants.

Dividend

- The Board declared a final single-tier dividend of 50% or 25.0 sen per share for the year ended 31st December 2012. The total single-tier dividend for the year ended 31st December 2012 would be 50.0 sen or 100% per share of RM0.50 each.

Dear fund managers and analysts,

I am very pleased to report that the Group has, once again, registered a record revenue and profit before taxation for 2012. Our PBT increased by 47% compared with a year earlier.

Our Automotive Division performed admirably to achieve record sales and registered record profits. Despite the intense competition, we increased our market share from 45% in 2011 to 47% in 2012.

After two consecutive years of losses, the Oil & Gas Division has turned around and made a decent profit. We have restructured the Division and have big plans, moving forward. Recently, we took delivery of our third jack-up drilling rig.

Our Equipment Division continued to generate strong revenue due to strong demand for our major equipment and forklifts, and expansion of equipment rental fleet size.

Manufacturing & Engineering Division did well from the higher demand for Kayaba products, lubricant toll blending in China and automotive parts in India.

Datuk Syed Hisham bin Syed Wazir
President & Group CEO
UMW Holdings Berhad

UMW HOLDINGS BERHAD

Group Income Statement

	4Q12 RM'000	3Q12 RM'000	4Q11 RM'000 Restated	FY 2012 RM'000	FY 2011 RM'000 (Audited) Restated*	% change for 4Q
Revenue	4,090,349	3,964,251	3,456,681	15,890,231	13,535,753	+3.2% QoQ
Share of Profits of Associated Companies	42,900	53,659	43,045	166,114	120,889	-20.1% QoQ
Profit Before Taxation	459,376	597,561	350,038	2,000,511	*1,365,251	-23.1% QoQ
Net Profit Attributable To Shareholders	207,638	229,125	84,099	951,042	*485,818	-9.4% QoQ

* Restated to take into account the effect of transition from FRS to MFRS of RM16.235m

Prospects for 2013

Automotive Division

- UMW Group's combined total sales is forecasted to be about 299,000 units for 2013.
- The Division is expected to continue to perform well with the introductions of new models.
- We hope to at least maintain our market share at 47%.

Equipment Division

- Malaysia's GDP growth is forecasted to be 5.6% in 2013, driven by exports and domestic demand.
- Profitability of the Division is expected to be sustained due to better cost management and increased parts sales.

Oil & Gas Division

- Full-year revenue contributions from NAGA 1.
- NAGA 4 to start operations.
- UMW received Letter of Award from Shell for the supply of Single Combo Top Tension Riser for Malikai Project. The contract is valued at US\$140m and expected to contribute positively to 2013 earnings.
- Commissioning of the new Electric Resistance Welded (ERW) and coating plant in China.

Manufacturing & Engineering Division

- Higher capacity utilisation for our automotive component plants in India and lubricant plant in China.
- Increased sales of Repsol and Pennzoil lubricant products.

BUSINESS SEGMENT – AUTOMOTIVE

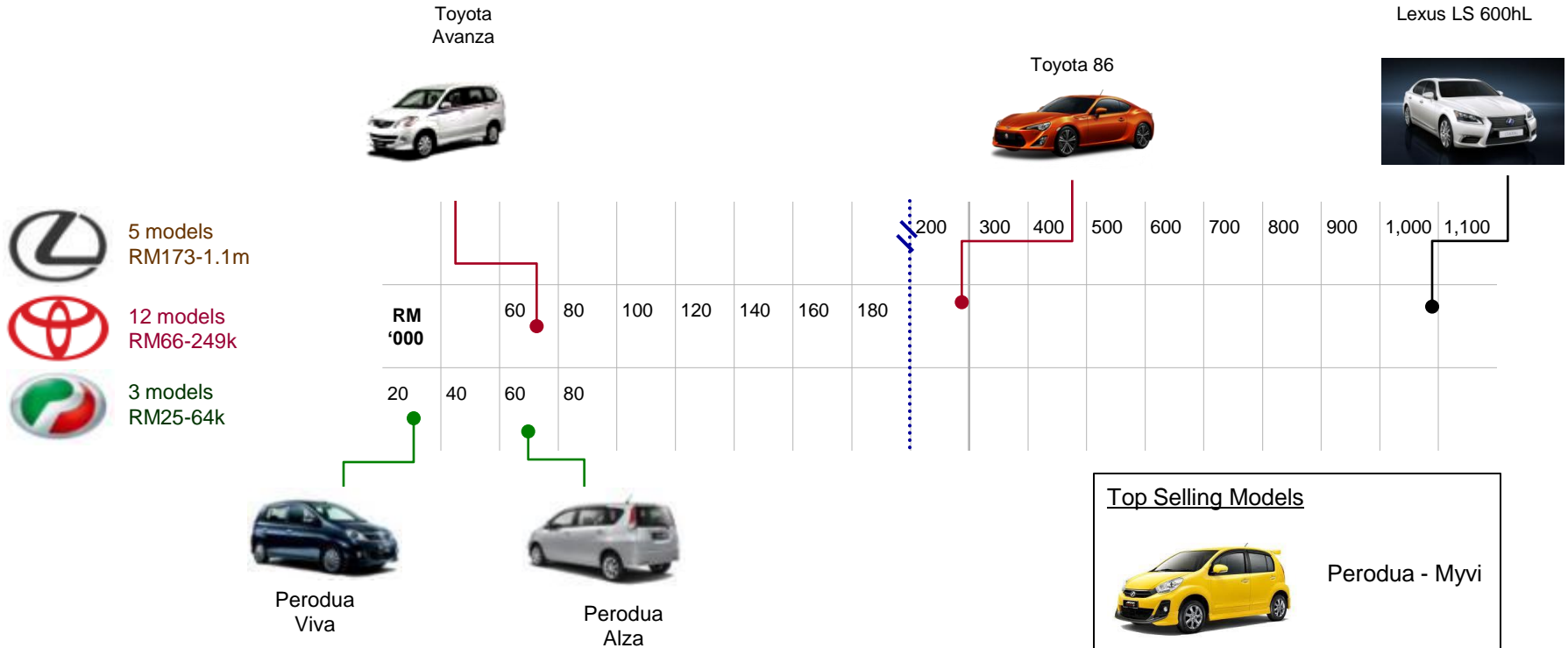
Segmental Reporting




	4Q12 RM'000	3Q12 RM'000	4Q11 RM'000	FY 2012 RM'000	FY 2011 RM'000	% change for 4Q
Revenue	3,049,044	2,934,892	2,416,404	11,517,932	9,699,027	+3.9% QoQ
Profit Before Taxation	425,991	511,184	476,692	1,798,219	1,547,897	-16.7% QoQ

Company	UMW Toyota Motor Sdn. Bhd. (51% subsidiary company)	Perusahaan Otomobil Kedua Sdn. Bhd. (38% associated company)
Vehicle sales	<ul style="list-style-type: none"> Toyota sold 28,752 units in 4Q12 compared with 24,848 units in 3Q12, an increase of 15.7%. For 4Q12, Lexus sold 333 units compared with 374 units in 3Q12. 	<ul style="list-style-type: none"> Perodua registered sales of 49,726 units for 4Q12, compared with 46,488 units in 3Q12, an increase of 7.0%.
Market share of TIV	<ul style="list-style-type: none"> UMW Toyota sold 106,622 units in 2012. Market share for Toyota including Lexus was at 17.0% UMW Toyota has maintained No.1 position in the non-National segment for 23 consecutive years. 	<ul style="list-style-type: none"> Perodua sold 189,137 units in 2012. Market share was at 30.1%. Retained No. 1 position for 7th consecutive year in 2012.
4Q12 Highlights	<ul style="list-style-type: none"> Higher sales in 4Q12 was due to the special promotions in conjunction with UMW Toyota Motor's 30th Anniversary celebrations. The new Lexus LS series was launched. 	<ul style="list-style-type: none"> A new plant in Rawang is being set-up and will be able to produce 100,000 vehicles yearly on a one-shift cycle, by 2014. Perodua has produced 194,985 units (including export) for 2012 in tandem with sales demand. Currently Perodua exports its vehicles to seven countries, namely, Singapore, Brunei, Mauritius, Fiji, Sri Lanka, the United Kingdom and Nepal. Perodua also exports its Myvi model to Indonesia under the Daihatsu Sirion badge.

BUSINESS SEGMENT – AUTOMOTIVE

Segmental Reporting



-  5 models
RM173-1.1m
-  12 models
RM66-249k
-  3 models
RM25-64k

Top Selling Models

-  Perodua - Myvi
-  Toyota - Vios

Prospects for 2013

UMW Toyota Motor

- Sales forecast for Toyota including Lexus for 2013 is 105,000 units.

Perodua

- Sales forecast for Perodua for 2013 is 194,000 units.
- Recently announced its 5-year plan – strategy to boost competitiveness.
- Announced plans to set-up new plant. The new plant will be able to produce 100,000 vehicles yearly on a one-shift cycle while the existing plant is able to produce 200,000 units per annum on a two-shift cycle. To be completed by mid-2014.
- By 2015, Perodua has projected to export 20,000 vehicles overseas.

BUSINESS SEGMENT – EQUIPMENT

Segmental Reporting

	4Q12 RM'000	3Q12 RM'000	4Q11 RM'000	FY 2012 RM'000	FY 2011 RM'000	% change for 4Q
Revenue	437,789	527,697	537,263	2,140,463	2,078,894	-17.0% QoQ
Profit Before Taxation	9,456	53,420	(37,422)	173,667	70,510	-82.3% QoQ

Heavy Equipment

Strong market share

- We closed 2012 with an overall market share of 31.1%
- UMW continues to be the market leader in the heavy equipment business in Malaysia.
- We sustained our strong market leadership in the iron ore and gold mining sub-sector.

Highlights

- Government's steadfast focus on 12 NKEAs and 6 SRIs under the ETP, made significant strides in elevating the economy in general and the construction sector in particular.
- However, there was a marked slowdown in equipment demand from the agriculture and iron ore mining sectors due to slump in commodity prices.
- The year- end monsoon season also affected equipment deliveries in 4Q12

Others

- The Malaysian economy has weathered the global slowdown remarkably well in 2012, due to the strong domestic fundamentals.

Prospects for 2013

- Malaysia's GDP growth is forecasted to be 5.6% in 2013, driven by exports and domestic demand.
- Profitability of the Division is expected to be sustained due to better cost management and increased parts sales.
- Good prospects for marine & power equipment due to the upcoming upstream projects.

Industrial Equipment

Dominant market share

- Toyota forklift maintained its 50% market share in Malaysia's material handling equipment business

Highlights

- Delivered 11 units of Toyota forklift under new and renewal rental contract with Pascorp Paper Industries Bhd
- Delivered 7 units of Toyota forklift under renewal rental contract with Panasonic Appliances Air-Conditioning Malaysia Sdn Bhd
- Delivered 7 units of Toyota forklift under new & renewal rental contract with Nestle Group
- Delivered to Shin Yang Group 10 units of Toyota forklift
- Delivered 9 units of Toyota forklift to Beras Corporation Sdn Bhd

Marine & Power Equipment

Recognition

- Received Quality Environment Management System in July and August 2012 for Shah Alam and 7 branches throughout West and East Malaysia from Malaysia Productivity Corporation.

Highlights

- Delivered 1 unit instrument air compressor and dryer package to a fabrication yard in Johor for a FPSO end-user.
- Commissioned 1 unit gas injection compressor package at offshore Terengganu.

Others

- Successfully renewed OHSAS 18001:2007 Occupational Health and Safety Certificate from 29 May 2012 for a period of 3 years.

BUSINESS SEGMENT – OIL & GAS

Segmental Reporting

	4Q12 RM'000	3Q12 RM'000	4Q11 RM'000	FY 2012 RM'000	FY 2011 RM'000 Restated *	% change for 4Q
Revenue	412,835	337,231	334,535	1,552,689	1,109,624	+22.4% QoQ
Associated Companies	(5,562)	(2,290)	(3,762)	(19,951)	(35,752)	>-100% QoQ
Profit Before Taxation	4,231	21,392	*(150,427)	57,109	** (245,877)	-80.2% QoQ

* Restated to take into account the effect of transition from FRS to MFRS of RM34.225m.

** Restated to take into account the effect of transition from FRS to MFRS of RM16.235m.

General Performance

- NAGA 1 has completed its deep-dish installation. It has resumed operations with Petronas Carigali for the remainder of its five-year term, which now expires in March 2016.
- NAGA2 - currently in Ujung Pangkah, platform WHP B for HESS operations. Completed 15 of the 20 wells on the platform.
- NAGA 3 - currently in location in Sepat Block, Terengganu - expected to complete operations there by the 1st Quarter of 2013.

Higher revenue due to:-

- Increase in day-rate for NAGA 3 offshore rig
- Additional revenue contribution from the Garraf Power Plant Phase 1 project
- Full-quarter revenue contribution from HAKURYU 5, a semi-submersible drilling rig.

Highlights

- Sher III (onshore drilling rig) has been mobilised to OIL India site; commenced operations in mid-November 2012 for a contract period of 2+1 year.

Prospects for 2013

- Full-year revenue contribution from NAGA 1.
- We have taken delivery of NAGA 4 and it will be revenue-generating.
- Commissioning of the new Electric Resistance Welded (ERW) and coating plant in China.
- Higher profit contributions are expected from some of our overseas associated companies due to higher demand and higher utilisation levels.

BUSINESS SEGMENT – MANUFACTURING & ENGINEERING

Segmental Reporting

	4Q12 RM'000	3Q12 RM'000	4Q11 RM'000	FY 2012 RM'000	FY 2011 RM'000	% change for 4Q
Revenue	178,059	181,585	171,894	703,107	670,433	-1.9% QoQ
Profit Before Taxation	1,724	857	(13,004)	6,756	(11,929)	>+100% QoQ

General Performance

- Revenue from REPSOL lubricants improved in 4Q12 as it gains market acceptance.
- There also now more dealers interested in marketing REPSOL products.
- Capacity utilisation at our automotive plants in India for 4Q12 is similar to 3Q12, but lower revenue due to product mix.
- Operations in China recorded a higher revenue in 4Q12 compared with 3Q12, as major lubricant players placed significant orders to meet customers' demand in China and improved contribution from export market.
- Improved demand in local operations in 4Q12 as Perodua and Proton ramped up their production.
- KYB registered higher revenue in 3Q12 due to improved demands in replacement and export markets.

Results

- Revenue for 4Q12 was slightly higher than 3Q12 due to:-
 - Higher overall demand in the lubricants and automotive business,
 - Higher export achieved for 4-wheel REM export market
- Operating companies in Malaysia fared better in 4Q12 than 3Q12, backed by improved overall demand in the automotive and lubricants market.
- The Division's profit before tax for 4Q12 was still low due to FOREX loss from Indian operating companies, as the Indian Rupee weakened against the US Dollar.

Prospects for 2013

- Higher capacity utilisation for our automotive component plants in India and lubricant plant in China.
- Increased sales of Repsol and Pennzoil lubricant products.

UMW HOLDINGS BERHAD

Consolidated Balance Sheet

	Dec 2012 RM'000	Sept 2012 RM'000	June 2012 RM'000	Mar 2012 RM'000
Investment In Associates	1,542,516	1,494,698	1,440,957	1,460,917
Property, Plant & Equipment	3,186,504	2,975,870	3,088,278	3,029,389
Deposits, Cash & Bank Balances	2,501,154	2,193,858	2,553,335	2,252,283
Inventories	1,726,569	1,893,841	1,859,848	1,787,858
TOTAL ASSETS	11,819,948	11,611,278	11,690,132	11,057,444
Long Term Borrowings	1,867,981	1,914,849	2,027,676	1,719,537
Short Term Borrowings (include ODs)	968,715	841,482	811,812	918,635
TOTAL EQUITY	6,227,354	6,077,881	5,968,764	5,923,032
Net Assets Per Share (RM)	4.11	4.09	3.94	3.82



THANK YOU



Dr Wafi Nazrin Abdul Hamid
Executive Director, UMW Corporation
Head of Group Management Services
Email: wafi@umw.com.my



S. Vikneshwaran
Manager, Investor & Media Relations
Email: vikneshwaran.s@umw.com.my
Telephone: +603 5163 5044

Corporate Portal www.umw.com.my

This material is proprietary and is prepared specifically for the recipient's reference. The information contained herein is not to be distributed without the consent of UMW Holdings Berhad. Any recommendation or views contained in this document do not have regard to specific investment objectives, financial situation and the particular needs of any specific audience. The content furthermore is believed to be correct at the time of the issue of this document, and is not and should not be construed as an offer or a solicitation of any offer to buy or sell any securities. Nor does this document purport to contain all the information a prospective investor may require.