

UMW ACHIEVES PRETAX PROFIT OF RM597.6 M IN 3Q12



RM million	3Q12	2Q12	QoQ
Profit Before Taxation	597.6	510.2	17.1%

EXECUTIVE SUMMARY

3Q12 financial highlights

- Group revenue registered a decrease of 4.2% compared with the previous quarter but profit before taxation increased.
- Net profit attributable to equity holders of the Company increased by 2.2% compared with the previous quarter.
- Consolidated cash and deposits stands at RM2.2 billion.

3Q12 highlights

- Automotive Division's overall market share as of September 2012 was at 47.3%.
- For Equipment Division, Malaysia's economy continues to be driven by domestic consumption and the various activities under the government's ETP (economic transformation programmes).
- Oil & Gas Division registered a healthy profit before tax.
- The profit before taxation for Manufacturing and Engineering Division is higher than the last quarter.

Prospects for the remainder of 2012

- Automotive Division will continue to be the major contributor.
- Equipment Division expects demand to continue into the last quarter due to the strong domestic economic activities in the various sectors.
- Oil & Gas Division to record higher revenue as NAGA 1 returns to operations in 4Q12.
- Manufacturing and Engineering Division expects higher demand for shock absorbers for the last quarter of the year.

Dividend

- The Board is pleased to declare a second interim single-tier dividend of 30% or 15.0 sen (2011 – 27% or 13.5 sen) per share of RM0.50 each for the year ending 31st December 2012, to be paid on 8th February 2013.

Dear fund managers and analysts,

Our Automotive Division continues to show good results, despite the sales shortfall in 3Q12. YTD September, UMW Toyota Motor has increased its market share to 16.9%, while Perodua's market share is at 30.4%. With the strong demand, UMW Toyota Motor is expected to sell more than its original target of 93,000 units. Perodua is maintaining its sales target at 188,000 units.

While NAGA 1 has gone in for some major refurbishment work, our Oil & Gas Division is continuing to register good results. We are also pleased to inform that we will be taking delivery of our new jack-up drilling rig in February, as scheduled.

Equipment Division continued to generate strong revenue and profit due to the increased demand for heavy equipment.

Manufacturing & Engineering Division' performance is expected to further improve in the fourth quarter due to expected strong demand for automotive component parts, both in Malaysia and India.

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

UMW HOLDINGS BERHAD

Group Income Statement

	3Q12 RM'000	2Q12 RM'000	3Q11 RM'000	FY 2011 RM'000 (Audited) Restated*	FY 2010 RM'000	% change for 3Q
Revenue	3,964,251	4,139,834	3,691,437	13,535,753	12,820,229	-4.2% QoQ
Share of Profits of Associated Companies	53,659	33,130	21,056	120,889	113,806	+62.0% QoQ
Profit Before Taxation	597,561	510,247	414,154	*1,365,251	1,313,219	+17.1% QoQ
Net Profit Attributable To Shareholders	229,125	224,245	169,169	*485,818	526,903	+2.2% QoQ

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

Prospects for 2012

Automotive Division

- UMW Group's combined total sales is forecasted to be more than 281,000 units for 2012.
- The Division is expected to continue to perform well with the introductions of new models.
- We hope to increase or at least maintain our market share at 45% to 46%.

Equipment Division

- Capitalising on Komatsu brand's strong presence and demand.
- Revenue expected to increase due to continued strong demand for mining equipment.
- Construction sector growth should be strong due to the many projects announced by the Government under the various initiatives.

Oil & Gas Division

- Full year revenue contribution from NAGA 3, with a higher day-rate from the second quarter of 2012.
- The proposed privatisation of WSP will reduce the need for impairment losses.
- Higher contribution from land rigs and additional contribution from Garraf Power Plant Phase 1 project.

Manufacturing & Engineering Division

- Higher capacity utilisation for our automotive component plants in India.
- Increased plant utilisation for our new lubricant blending plant in Xinhui, China.
- Higher sales of lubricant products.
- Full-year production at Sathya Auto's third plant in India.

BUSINESS SEGMENT – AUTOMOTIVE

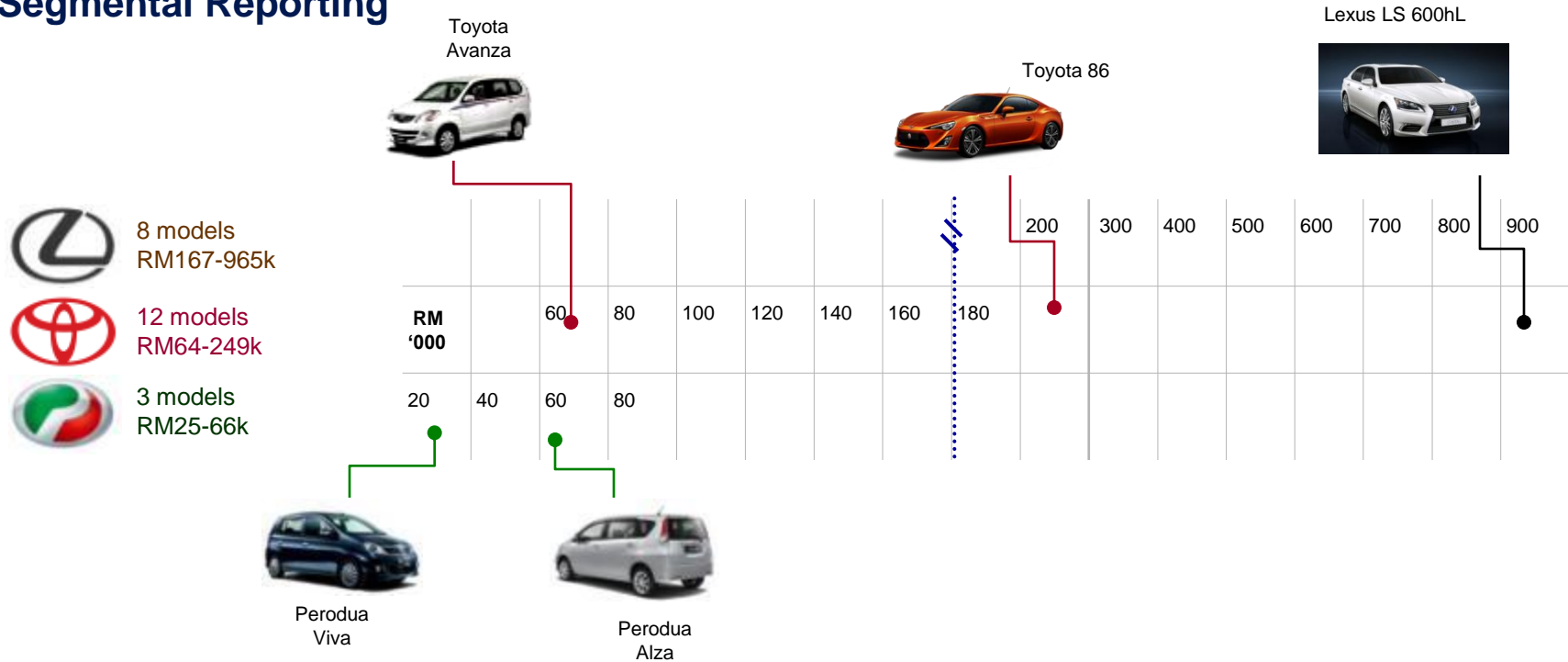
Segmental Reporting

	3Q12 RM'000	2Q12 RM'000	3Q11 RM'000	FY 2011 RM'000	FY 2010 RM'000	% change for 3Q
Revenue	2,934,892	3,036,657	2,616,123	9,699,027	9,942,836	-3.4% QoQ
Profit Before Taxation	511,184	490,347	437,131	1,547,897	1,378,019	+4.2% QoQ

Company	UMW Toyota Motor Sdn. Bhd. (51% subsidiary company)	Perusahaan Otomobil Kedua Sdn. Bhd. (38% associated company)
Vehicle sales	<p>Vehicle Sales</p> <ul style="list-style-type: none"> • Toyota sold 24,851 units in 3Q12 compared with 29,027 units in 2Q12, a decrease of 14.4%. • For 3Q12, Lexus sold 374 units compared with 412 units in 2Q12. • The decrease was due to the Hari Raya and National Day holidays in August and the anticipated lower excise duties announcement during the 2013 budget presentation in September. • Sales has rebounded in October. 	<p>Vehicle Sales</p> <ul style="list-style-type: none"> • Perodua registered sales of 46,488 units for 3Q12, compared with 48,180 units in 2Q12, a decrease of 3.5%. • The decrease was due to the Hari Raya and National Day holidays in August and the anticipated lower excise duties announcement during the 2013 budget presentation in September. • Sales has rebounded in October.
Market share of TIV	<p>Market share</p> <ul style="list-style-type: none"> • Market share for Toyota including Lexus as of September was at 16.9%. • UMW Toyota has maintained No.1 position in non-national segment for 22 consecutive years. 	<p>Market share</p> <ul style="list-style-type: none"> • Market share was at 30.4%. • Set to retain No. 1 position for 7th consecutive year in 2012.
3Q12 Highlights	<p>Production</p> <ul style="list-style-type: none"> • Order taking of the Toyota Hilux Improvement 2012 and Toyota Fortuner Improvement 2012 has started from 13th August 2012. 	<p>Production</p> <ul style="list-style-type: none"> • Perodua has produced 148,219 units (including export) as at 3Q12 in tandem with sales demand. • Perodua has unveiled it's New Alza Advanced Version as part of the product line-up to capture higher sales.

BUSINESS SEGMENT – AUTOMOTIVE

Segmental Reporting



Prospects for 2012

UMW Toyota Motor

- Original target was 93,000 units. With the introduction of 4 new/replacement models and the tax-exemption provided for hybrid vehicles up to 2,000cc, we are on target to do much more than the original target.

Perodua

- Perodua has set a sales target of 188,000 units for 2012.
- Perodua is forecasting to produce 194,933 units (including export) for 2012 to support sales demand.

BUSINESS SEGMENT – EQUIPMENT

Segmental Reporting

	3Q12 RM'000	2Q12 RM'000	3Q11 RM'000	FY 2011 RM'000	FY 2010 RM'000	% change for 3Q
Revenue	527,697	560,175	631,416	2,078,894	1,593,050	-5.8% QoQ
Profit Before Taxation	53,420	56,720	35,579	70,510	103,899	-5.8% QoQ

Heavy Equipment

Strong market share

- Overall market share in Peninsular Malaysia for 9 months ended September 2012 stands at 31%.
- UMW continues to be the market leader in the heavy equipment business.
- We continue to maintain our market leadership in the iron ore and gold mining sub-sector.

Highlights

- The construction sector will remain the darling of the Malaysian economy. Thanks to the robust activity in the civil engineering and residential sub-sectors, the construction sector expanded by 18.9% in 1H12, the fastest pace enjoyed since 1995.
- However, there is a slow down in equipment demand from the agriculture and iron ore mining sectors due to slump in commodities' prices.
- Price of crude palm oil has dropped by a third and price of iron ore slumped by half.

Others

- Malaysia economy continues to be driven by domestic consumption and activities under the various economic transformation programs.
- The current economic risks are the "fiscal cliff" in the USA and the sovereign debts crisis in Europe.

- Prospects for 2012**
- Given the strong domestic economic activities in the various sectors that we are involved, 2012 should be a good year for us.
 - Good prospects for upcoming new deepwater and marginal oil & gas production fields, and new oil, gas & petrochemical plants.

Industrial Equipment

Dominant market share

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

Highlights

- Delivered 29 units of Toyota forklift under renewal rental contract with Samling Group.
- Delivered 19 units of Toyota forklift and towing tractor under new and renewal rental contract with Continental Sime Tyres AS Sdn. Bhd.
- Delivered to Press Metal Bintulu Sdn. Bhd. 17 units of Toyota forklift.
- Delivered 17 units of Toyota forklift to Goodyear Malaysia under new rental contract.
- Delivered to Econsave 20 units of Tennant T7 micro ride-on scrubber.

Marine & Power Equipment

Highlights

- Delivered 1 unit of gas injection compressor package to offshore production platform in Terengganu

BUSINESS SEGMENT – OIL & GAS

Segmental Reporting

	3Q12 RM'000	2Q12 RM'000	3Q11 RM'000	FY 2011 RM'000 Restated *	FY 2010 RM'000	% change for 3Q
Revenue	337,231	371,915	295,067	1,109,624	633,489	-9.3% QoQ
Associated Companies	(2,290)	(726)	(13,120)	(35,752)	(63,726)	>-100% QoQ
Profit Before Taxation	21,392	1,606	(22,220)	*(245,877)	(180,428)	>+100% QoQ

* 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 is expected to resume operations in December 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 - expect to complete operations there by the 1st Quarter of 2013.

Lower revenue due to:-

- Dry-docking of NAGA 1 for deep-dish installation..

Highlights

- Sher III has been mobilised to OIL India site; expected to commence operations in mid-November 2012 for a contract period of 2+1 year.

Prospects for 2012

- Both NAGA 2 and NAGA 3 are operating at an efficiency rate of more than 95%.
- Higher profit contributions are expected from some of our overseas associated companies.

BUSINESS SEGMENT – MANUFACTURING & ENGINEERING

Segmental Reporting

	3Q12 RM'000	2Q12 RM'000	3Q11 RM'000	FY 2011 RM'000	FY 2010 RM'000	% change for 3Q
Revenue	181,585	182,044	163,668	670,433	673,081	-0.3% QoQ
Profit Before Taxation	857	71	(7,552)	(11,929)	39,099	>+100% QoQ

General Performance

- Revenue from REPSOL lubricants improved from 2Q12 as it gains market acceptance.
- Consistent plant capacity utilisation for 3Q12 & 2Q12, but is higher than 1Q12 by 5% at our automotive component manufacturing plants in India.
- China recorded lower revenue in 3Q12 compared with 2Q12 by 8% due to slowdown in general economy (lowest GDP in 3 decades (Bloomberg)).
- Stiff competition in the Malaysian lubricant market.
- Lower production of automotive OEM products for Perodua and Proton models.
- KYB registered higher revenue in 3Q12 due to improved demands in replacement and export market.

Results

- Revenue for 3Q12 was slightly lower than 2Q12 due to:-
 - lower overall demand in the lubricants and automotive business, which was expected due to the festive periods.
- The Division's profit before tax for 3Q12 was significantly higher than 2Q12 due to:-
 - higher capacity utilisation at automotive component manufacturing plants in India.
 - higher capacity utilisation of our lubricant plant in China.
 - the strengthening of the Indian Rupee against the US Dollar.

Prospects for 2012

- Higher capacity utilisation for our automotive component plants in India.
- Increase in plant utilisation for our new lubricant blending plant in Xinhui, China.
- Higher sales of Grantt, Repsol and Pennzoil lubricant products.
- Higher demand for shock absorbers expected for the last quarter of the year.

UMW HOLDINGS BERHAD

Consolidated Balance Sheet

	Sept 2012 RM'000	June 2012 RM'000	Mar 2012 RM'000	Dec 2011 RM'000
Investment In Associates	1,494,698	1,440,957	1,460,917	1,424,444
Property, Plant & Equipment	2,975,870	3,088,278	3,029,389	3,077,195
Deposits, Cash & Bank Balances	2,193,858	2,553,335	2,252,283	2,219,430
Inventories	1,893,841	1,859,848	1,787,858	1,518,883
TOTAL ASSETS	11,611,278	11,690,132	11,057,444	10,540,957
Long Term Liabilities	1,914,849	2,027,676	1,719,537	1,743,296
Short Term Borrowings (include ODs)	841,482	811,812	918,635	850,708
TOTAL EQUITY	6,077,881	5,968,764	5,923,032	5,578,068
Net Assets Per Share (RM)	4.09	3.94	3.82	3.64



THANK YOU



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