

UMW HOLDINGS BERHAD

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE
THIRD QUARTER ENDED 30TH SEPTEMBER 2011
(THE FIGURES HAVE NOT BEEN AUDITED)**

	CURRENT QUARTER ENDED 30/09/2011 RM'000	COMPARATIVE QUARTER ENDED 30/09/2010 RM'000	9 MONTHS CUMULATIVE TO DATE 30/09/2011 RM'000	COMPARATIVE 9 MONTHS CUMULATIVE TO DATE 30/09/2010 RM'000
<u>Continuing Operations</u>				
Revenue	3,691,437	3,087,276	10,079,072	9,402,508
Operating Expenses	(3,319,385)	(2,838,411)	(9,155,797)	(8,597,327)
Other Operating Income	19,098	47,987	72,694	166,538
Profit From Operations	391,150	296,852	995,969	971,719
Finance Costs	(20,355)	(10,050)	(62,396)	(36,252)
Share Of Profits Of Associated Companies	21,056	40,927	77,844	120,515
Investment Income	22,303	13,193	54,256	32,300
Profit Before Taxation	414,154	340,922	1,065,673	1,088,282
Taxation	(113,750)	(78,723)	(282,676)	(250,821)
Profit For The Period	300,404	262,199	782,997	837,461
<u>Other Comprehensive Income:</u>				
Translation Of Foreign Operations	2,790	(79,245)	2,286	(80,707)
Fair Value Movement On Available-For-Sale Financial Assets	(22,260)	-	(50,460)	-
Cash Flow Hedge	-	562	-	1,128
Other Comprehensive Income Net Of Tax	(19,470)	(78,683)	(48,174)	(79,579)
Total Comprehensive Income For The Period	280,934	183,516	734,823	757,882
<u>Profit For The Period Attributable To:</u>				
Equity Holders Of The Company	169,169	149,394	452,179	493,947
Non-Controlling Interests	131,235	112,805	330,818	343,514
	300,404	262,199	782,997	837,461
<u>Total Comprehensive Income Attributable To:</u>				
Equity Holders Of The Company	150,009	68,926	404,604	412,839
Non-Controlling Interests	130,925	114,590	330,219	345,043
	280,934	183,516	734,823	757,882
<u>EPS Attributable To Equity Holders Of The Company:</u>				
Basic EPS For The Period (Sen)	14.51	13.17	38.79	43.55
Diluted EPS For The Period (Sen)	-	13.11	-	43.36

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Annual Financial Report for the year ended 31st December 2010)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) AS AT 30/09/2011 RM'000	(AUDITED) AS AT 31/12/2010 RM'000
ASSETS		
Non-Current Assets		
Property, Plant And Equipment	3,032,010	2,852,305
Investment Properties	80,002	81,488
Intangible Assets	255,570	258,489
Land Use Rights	4,811	4,931
Leased Assets	210,967	193,998
Investments In Associates	1,471,547	1,453,059
Deferred Tax Assets	56,062	41,286
Other Investments	57,777	132,463
Derivative Assets	57,132	63,746
	5,225,878	5,081,765
Current Assets		
Inventories	1,463,643	1,396,135
Trade Receivables	835,348	749,688
Other Receivables	349,333	359,480
Other Investments	379,049	229,963
Derivative Assets	34,469	4,897
Deposits, Cash And Bank Balances	2,280,976	2,195,051
	5,342,818	4,935,214
Non-Current Assets Held For Sale	-	6,839
	5,342,818	4,942,053
TOTAL ASSETS	10,568,696	10,023,818
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share Capital	584,147	576,687
Share Premium	794,482	716,708
Capital Reserve	7,375	7,375
Foreign Currency Translation Reserve	(37,941)	(40,826)
Share Option Reserve	-	14,514
Fair Value Adjustment Reserve	(50,460)	-
Retained Profits	3,013,585	2,752,635
	4,311,188	4,027,093
Non-Controlling Interests	1,204,949	1,239,918
TOTAL EQUITY	5,516,137	5,267,011
Non-Current Liabilities		
Provision For Liabilities	64,317	65,492
Deferred Tax Liabilities	31,557	26,428
Long Term Borrowings	1,924,293	1,858,199
Derivative Liabilities	20,301	21,255
	2,040,468	1,971,374
Current Liabilities		
Provision For Liabilities	68,788	80,818
Taxation	134,732	107,553
Short Term Borrowings	559,546	760,946
Bank Overdrafts	69,089	64,290
Trade Payables	1,069,725	838,842
Other Payables	951,024	771,455
Derivative Liabilities	42,358	4,882
Dividend Payable	116,829	156,647
	3,012,091	2,785,433
TOTAL LIABILITIES	5,052,559	4,756,807
TOTAL EQUITY AND LIABILITIES	10,568,696	10,023,818
Net Assets Per Share (RM)	3.6902	3.4916

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Report for the year ended 31st December 2010)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH SEPTEMBER 2011

	←----- NON-DISTRIBUTABLE -----→				----- DISTRIBUTABLE -----					
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	FAIR VALUE ADJUSTMENT RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
9 MONTHS ENDED 30TH SEPTEMBER 2011										
At 1 st January 2011	576,687	716,708	7,375	(40,826)	14,514	-	2,752,635	4,027,093	1,239,918	5,267,011
Transactions with owners										
Issue of ordinary shares by subsidiary	-	-	-	-	-	-	-	-	-	-
Issue of ordinary shares pursuant to ESOS	7,460	64,799	-	-	-	-	-	72,259	-	72,259
Effect of exercise of ESOS	-	12,975	-	-	(14,514)	-	1,539	-	-	-
Dividend distributed to equity holders	-	-	-	-	-	-	(192,768)	(192,768)	(374,817)	(567,585)
Total comprehensive income	-	-	-	2,885	-	(50,460)	452,179	404,604	330,219	734,823
At 30 th September 2011	584,147	794,482	7,375	(37,941)	-	(50,460)	3,013,585	4,311,188	1,204,949	5,516,137
9 MONTHS ENDED 30TH SEPTEMBER 2010										
At 1 st January 2010	559,658	542,045	5,793	42,666	41,038	-	2,582,659	3,773,859	1,145,909	4,919,768
Effects of applying FRS 139	-	-	-	-	-	(201)	17,102	16,901	(6,130)	10,771
Transactions with owners										
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-
Increase in share capital of a subsidiary	-	-	-	-	-	-	-	-	1,805	1,805
Reduction of non-controlling interest in a subsidiary	-	-	-	-	-	-	-	-	324	324
Issue of ordinary shares pursuant to ESOS	14,475	126,113	-	-	-	-	-	140,588	(2,854)	(2,854)
Dividends distributed to equity holders	-	-	-	-	-	-	(217,382)	(217,382)	(333,195)	(550,577)
Total comprehensive income	-	-	1,582	(83,818)	-	1,128	493,947	412,839	345,043	757,882
At 30 th September 2010	574,133	668,158	7,375	(41,152)	41,038	927	2,876,326	4,126,805	1,150,902	5,277,707

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Annual Financial Report for the year ended 31st December 2010)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH SEPTEMBER 2011

	9 MONTHS ENDED 30/09/2011 RM'000	9 MONTHS ENDED 30/09/2010 RM'000
Cash Flow From Operating Activities		
Profit Before Taxation	1,065,673	1,088,282
Adjustments For:		
Non-Cash Items	262,704	55,157
Non-Operating Items	(54,256)	(32,299)
Operating Profit Before Working Capital Changes	1,274,121	1,111,140
Changes In Working Capital:		
Net Change In Current Assets	(197,643)	(277,399)
Net Change In Current Liabilities	80,437	(88,207)
Net Cash Generated From Operating Activities	1,156,915	745,534
Cash Flow From Investing Activities		
Net Cash Outflow Arising From Equity Investments	-	(50,557)
Dividends Received	61,925	24,072
(Purchase)/Disposal Of Fixed Assets (Net)	(385,064)	(339,569)
Interest Income	49,418	31,222
Other Investments	(148,960)	(220,903)
Net Cash Used In Investing Activities	(422,681)	(555,735)
Cash Flow From Financing Activities		
Proceeds From Issue Of Shares	81,888	140,588
Dividends Paid	(607,403)	(492,010)
Bank Borrowings (Net)	(135,306)	219,314
Net Cash Used In Financing Activities	(660,821)	(132,108)
Net Increase In Cash And Cash Equivalents	73,413	57,691
Cash And Cash Equivalents As At 1st January	2,130,761	1,699,020
Effects Of Exchange Rate Changes	7,713	(23,166)
Cash And Cash Equivalents As At 30th September	2,211,887	1,733,545

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Report for the year ended 31st December 2010)

Note 1 - Accounting Policies

The interim financial statements have been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9, Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Group has adopted all new and revised Financial Reporting Standards ("FRSs"), Issues Committee Interpretations ("IC Interpretations") and Amendments applicable to the Group as of 1st January 2011.

The significant accounting policies and methods of computation in the interim financial statements are consistent with those in the annual audited financial statements for the year ended 31st December 2010 except for changes resulting from the adoption of the revised FRS 3: Business Combinations and amendment to FRS 127: Consolidated and Separate Financial Statements. These changes were disclosed in the Interim Financial Statements for the first quarter ended 31st March 2011.

Other than the above, the rest of the new and revised FRSs, IC Interpretations and Amendments do not have material impact on the accounting policies, financial position or performance of the Group for the current period under review.

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 of the Group.

Note 4 - Accounting Estimates

There were no changes in estimates of amounts reported in the prior interim period 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

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 2011.

Note 6 - Dividends Paid

A second interim single-tier dividend of 27% or 13.5 sen (2010 - 10% or 5.0 sen) per share of RM0.50 each amounting to a net dividend of RM156.6 million (2010 - RM56.2 million) for the financial year ended 31st December 2010, was paid on 11th February 2011.

A final single-tier dividend of 13% or 6.5 sen (2010 - 18% or 9.0 sen) per share of RM0.50 each amounting to a net dividend of RM75.9 million (2010 - RM102.6 million) for the financial year ended 31st December 2010, was paid on 10th August 2011.

Note 7 - Segmental Reporting

Business Segment	Nine Months Ended 30 th September 2011		
	Revenue RM'000	Profit Before Taxation RM'000	Profit Attributable to Owners of the Company RM'000
Automotive	7,282,623	1,071,205	478,417
Equipment	1,541,631	107,932	73,054
Oil & Gas	775,089	(44,990)	(35,128)
Manufacturing & Engineering	498,539	1,075	(5,826)
Others	65,020	(69,549)	(58,338)
Sub-Total	10,162,902	1,065,673	452,179
Elimination of Inter-Segment Sales	(83,830)	-	
Consolidated Total	10,079,072	1,065,673	

Note 8 - Subsequent Material Events

In the opinion of the Directors, there was no material event or transaction during the period from 30th September 2011 to the date of this announcement, which affects substantially the results of the operations of the Group for the period ended 30th September 2011.

Note 9 - Changes in Composition/Group

There were no changes in the composition of the Group during the quarter ended 30th September 2011.

Note 10 - Contingent Liabilities and Contingent Assets

Contingent liabilities of the Group have increased from RM477.0 million to RM483.0 million since 31st December 2010.

Note 11 - Commitments

These are in respect of capital commitments:

	RM'000	RM'000
Approved and contracted for:		
Land and buildings	85,743	
Equipment, plant and machinery	110,923	
Others	3,483	200,149
	<hr/>	
Approved but not contracted for:		
Land and buildings	96,573	
Equipment, plant and machinery	273,589	
Others	5,122	375,284
	<hr/>	<hr/>
Total		575,433

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	23,580
2.	KYB-UMW Malaysia Sdn. Bhd. and its subsidiary	Perodua Group	Associated Company	Sale of Goods	40,049
3.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Perodua Group	Associated Company	Sale of Goods and Services	196,092
				Purchase of Goods and Services	311,099
4.	UMW Industrial Power Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods and Services	1,324
5.	UMW Industries (1985) Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods and Services	5,575
6.	U-TravelWide Sdn. Bhd.	Perodua Group	Associated Company	Sale of Services	3,619
7.	UMW Toyota Motor Sdn. Bhd.	UMW Toyotsu Motors Sdn. Bhd.	Associated Company	Sale of Goods and Services	114,243
				Purchase of Goods and Services	528

No.	UMW & Its Subsidiaries	Transacting Parties	Relationship	Nature of Transaction	RM'000
8.	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	726,123
				Purchase of Goods and Services	1,732,192
9.	KYB-UMW Malaysia Sdn. Bhd.	Kayaba Industry Co. Ltd., Japan and its subsidiaries	Corporate Shareholders of KYB-UMW Malaysia Sdn. Bhd.	Sale of Goods and Services	16,963
				Purchase of Assets	6,287
				Sale of Goods and Services	189
10.	UMW JDC Drilling Sdn. Bhd.	Japan Drilling Co., Ltd. and its subsidiaries	Corporate Shareholder of UMW JDC Drilling Sdn. Bhd.	Purchase of Goods and Services	13,917
				Bare Boat Charter	35,563
11.	Jaybee Drilling Private Limited	Jaybee Energy Private Limited	Related Company of Corporate Shareholder of Jaybee Drilling Private Limited	Sale of Goods and Services	6,173

Note 13 - Review of Performance

Group revenue of RM3,691.4 million for the third quarter ended 30th September 2011 exceeded the RM3,087.3 million recorded in the preceding year's corresponding quarter by RM604.1 million or 19.6%. Higher revenue from all four core business segments contributed to the increase. Swift production recovery from the impact of the Japan tsunami had enabled our Automotive and Equipment segments to register a surge in revenue. Full-quarter revenue generated by our premium jack-up rigs, Naga 2 and Naga 3, coupled with the higher day-rate from Naga 1, a semi-submersible rig, contributed to the higher revenue in the Oil & Gas segment.

Consequently, Group profit before taxation for the third quarter ended 30th September 2011 improved from the RM340.9 million registered in the same quarter of 2010 to RM414.2 million, an increase of 21.5% or RM73.3 million. Higher sales of both Toyota and Perodua vehicles and favourable exchange rate for the United States Dollar resulted in the higher profit contributions from the Automotive segment.

Consequently, net profit attributable to equity holders of the Company rose from the RM149.4 million registered in the same quarter of 2010 to RM169.2 million for the third quarter of 2011, an increase of RM19.8 million or 13.3%.

Group revenue of RM10,079.1 million for the nine months ended 30th September 2011 surpassed the RM9,402.5 million registered in the same period of 2010 by RM676.6 million or 7.2%. Additional revenue contributions from our three offshore rigs, Naga 1, Naga 2 and Naga 3, coupled with strong demand for our heavy and industrial equipment, mainly contributed to the higher revenue. Notwithstanding the initial slow-down in Toyota vehicle deliveries caused by the tsunami in Japan, the subsequent quick recovery in vehicle production in the second and third quarters of 2011 saw revenue of the Automotive segment dropping only slightly.

Despite the higher revenue, Group profit before taxation for the nine months ended 30th September 2011 declined marginally to RM1,065.7 million from the RM1,088.3 million recorded in the same period of 2010, a decrease of RM22.6 million or 2.1%. Substantial increase in the cost of base oil and the fact that our newly-completed plants overseas are still in the initial stages of operating below breakeven capacity, resulted in the lower profit contributions from the Manufacturing & Engineering segment.

Net profit attributable to equity holders of the Company for the nine months ended 30th September 2011 dropped from RM493.9 million achieved in the same period of 2010 to RM452.2 million, a reduction of RM41.7 million or 8.4%.

Total sales of Toyota and Perodua vehicles of 198,950 units represented 44.2% of the total industry volume of 450,244 units reported by the Malaysian Automotive Association for the nine months ended 30th September 2011.

Note 14 - Comparison with Preceding Quarter's Results

Group revenue of RM3,691.4 million for the third quarter ended 30th September 2011 was RM524.9 million or 16.6% higher than the RM3,166.5 million recorded in the second quarter of 2011. Full recovery from the impact of the tsunami in Japan throughout the third quarter of 2011 resulted in the significantly higher sales achieved by the Automotive and Equipment segments.

As a result thereof, Group profit before taxation for the third quarter ended 30th September 2011 soared to RM414.2 million from the RM312.0 million registered in the second quarter of 2011, an increase of 32.8% or RM102.2 million. Higher profit contributions from the sale of Toyota and Perodua vehicles mainly accounted for the profit improvement.

Despite the profit contributions from our three Naga rigs, further loss from an overseas associate, fair value loss from an overseas quoted investment coupled with a period of plant shut down by a jointly-controlled entity due to power outage, resulted in a loss for the Oil & Gas segment.

Note 15 - Current Prospects

The flooding in Thailand has not directly affected any of the three Toyota vehicle production plants located in Samrong, Ban Pho and Gateway. However, vehicle production in Thailand has been halted since 10th October 2011 due to disruptions in the supply of critical parts by suppliers in Thailand affected by the flooding. Toyota is doing everything possible within its capability to restore procurement as soon as possible. This includes procuring substitute parts from affiliates in other countries and carrying out countermeasures on a daily basis. Toyota restarted its plant operations in Thailand on 21st November 2011.

UMW Toyota anticipates a temporary lower-than-normal stock level in the last two months of the year as a result of the floods in Thailand. However, the company is doing its utmost to minimise delivery disruptions to its customers. The flooding in Thailand has no impact on the production of Perodua vehicles. Despite the challenges above, the Automotive segment is expected to achieve its internal revenue and profit targets set for 2011.

Demand for heavy and industrial equipment is expected to be maintained in the fourth quarter of 2011. However, provision for potential losses for a heavy equipment maintenance contract is expected to affect the profit contributions from the Equipment segment for the fourth quarter of 2011.

Similarly, performance of our Manufacturing & Engineering segment is expected to be sustained in the fourth quarter of 2011 as impact from the flooding in Thailand is very minimal. However, on the whole, this segment is expected to underperform from its internal revenue and profit targets set for the year 2011 due to the general market slow-down and more costly raw materials.

With our three rigs, Naga 1, Naga 2 and Naga 3, fully operational, the operating results of our Oil & Gas segment are expected to improve further in the remaining quarter of 2011. However, any further unfavourable movements in fair value of our investments quoted overseas and hedging instruments at year-end will affect the overall performance of the Oil and Gas segment for the year 2011.

The Board is of the view that our internal targets for 2011 are achievable.

Note 16 - Statement on Headline Key Performance Indicators

Based on internal key financial indicators and the current economic outlook for the remaining quarter ending 31st December 2011, the Board of Directors is confident that the Group is able to achieve its 2011 Headline Key Performance Indicators reproduced below.

- (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 after excluding unrealised profits.

Note 17 - Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

Note 18 - Taxation

	Quarter Ended 30 th September 2011 RM'000	Nine Months Ended 30 th September 2011 RM'000
Current period's provision	115,800	292,960
Add/(Less): Under/(Over) provision in prior periods	-	(637)
	115,800	292,323
Deferred taxation	(2,050)	(9,647)
Total	113,750	282,676

The effective tax rates for the current quarter and for the nine months ended 30th September 2011 were 28.9% and 28.7%, respectively. The effective tax rates were higher than the statutory tax rate of 25% primarily due to:

- (a) certain expenses were not allowable for tax purposes;
- (b) higher tax rates for certain overseas subsidiaries; and

(c) non-recognition of deferred tax assets for some subsidiaries

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

A total profit of RM4.7 million and RM13.2 million was registered from the sale of properties for the current quarter and nine months ended 30th September 2011, respectively.

There was no sale of unquoted investment during the quarter and nine months ended 30th September 2011.

Note 20 - Purchase or Disposal of Quoted Securities

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

	Quarter Ended 30 th September 2011 RM'000	Nine Months Ended 30 th September 2011 RM'000
Total purchases	250,956	391,816
Total sale proceeds	12,000	242,684
Total (loss)/gain arising from sales	32	152

(b) Quoted investments as at 30th September 2011 were as follows:

	Quoted Outside Malaysia RM'000	Quoted Within Malaysia RM'000
At cost	123,052	379,994
Movement in fair value	(70,886)	87
At net book value	52,166	380,081
Market value as at 30 th September 2011	52,166	380,081

The investments in shares quoted outside Malaysia are in respect of the Group's investments in companies listed on the Hang Seng Stock Exchange or Bombay Stock Exchange and the National Stock Exchange in India. These strategic investments are intended to be held on a long-term basis.

Note 21 - Corporate Proposals

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	376,284	}	USD30,055 SGD558	
Finance lease payable	134			
Portion of long term loans payable within 12 months	143,930		USD44,891	
		520,348		
- Secured				
Short term loans and trade facilities	33,720	}	AUD374 INR339,285 SGD3,900	
Finance lease payable	455		SGD191	
Portion of long term loans payable within 12 months	5,023		AUD498 SGD137 KINA2,188	
		39,198		
Total		559,546	USD74,946 SGD4,786 AUD872 INR339,285 KINA2,188	
(b) Long term borrowings				
- Unsecured				
Long term loans	1,720,685	}	USD355,819 INR14,350 VND15,480,000	
Finance lease payable	457			
Portion of long term loans payable within 12 months	(143,930)		(USD44,891)	
		1,577,212		
- Secured				
Long term loans	351,693	}	USD69,353 AUD10,537 SGD2,127 INR501,708 JPY1,233,000 KINA2,789 RMB906	
Finance lease payable	411		SGD8	
Portion of long term loans payable within 12 months	(5,023)		(AUD498) (SGD137) (KINA2,188)	
			347,081	
Total			1,924,293	USD380,281 AUD10,039 SGD1,998 INR516,058 JPY1,233,000 VND15,480,000 RMB906 KINA601

Note 23 - Financial Instruments**(a) Outstanding derivatives as at 30th September 2011**

Derivatives	Notional Value RM'000	Fair Value RM'000	Maturity
Interest Rate Swaps	132,611	(3,060)	1 year to 3 years
Interest Rate Swaps	87,275	(16,961)	More than 3 years
Cross Currency cum Interest Rate Swaps	973,589	(794)	1 year to 3 years
Cross Currency cum Interest Rate Swaps	240,249	52,127	More than 3 years
Foreign Currency Forward Contracts	684,436	33,421	Less than 1 year
Embedded Derivatives	794,069	(35,791)	Less than 1 year

During the nine months ended 30th September 2011, there were no significant changes to the Group's exposures to credit risk, market risk and liquidity risk since the last financial year. In addition, there have been no material changes to the Group's financial risk management objectives, policies and processes since the previous financial year end.

(b) Description of the nature of all outstanding derivatives as at 30th September 2011

- (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) An interest rate swap with a notional principal of USD10 million that fixed the obligation of a jointly-controlled entity in India to pay interest at a fixed rate of 10.41% 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 4th November 2013.
- (iv) A cross currency cum interest rate swap that entitles a jointly-controlled entity in India to convert JPY3,425.0 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 swap will mature on 31st March 2020.
- (v) A cross currency cum interest rate swap that entitles the Company to convert RM500 million to USD143.3 million and swaps the Company's obligation to pay interest at a fixed rate of 4.55% per annum to a USD floating rate. The swap will mature on 15th September 2014.
- (vi) An interest rate swap with a notional principal of USD143.3 million that fixed the obligation of the Company to pay interest at a fixed rate of 3.96% per annum. The interest rate swap will mature on 14th September 2014.
- (vii) An interest rate swap with a notional principal of USD14.9 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.

- (viii) An interest rate swap with a notional principal of USD3.25 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 6.8% 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 July 2014.
- (ix) An interest rate swap with a notional principal of USD2 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 9.45% 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 15th June 2015.
- (x) An interest rate swap with a notional principal of USD7 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 7.2% 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 July 2014.
- (xi) An interest rate swap with a notional principal of USD4 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 5.15% 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 July 2014.
- (xii) An interest rate swap with a notional principal of USD2.26 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 9.55% 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 4th August 2015.
- (xiii) A cross currency cum interest rate swap that entitles the Company to convert RM110 million to USD35.6 million and swaps the Company's obligation to pay interest at a fixed rate of 4.03% per annum to a USD floating rate. The cross currency swap will mature on 8th October 2015.
- (xiv) A cross currency cum interest rate swap that entitles the Company to convert RM73.6 million to USD24.3 million and swaps the Company's obligation to pay interest at a fixed rate of 5.25% per annum to a MYR floating rate. The cross currency swap will mature on 25th March 2014.
- (xv) A cross currency cum interest rate swap that entitles the Company to convert RM16.6 million to USD5.5 million and swaps the Company's obligation to pay interest at a USD floating rate per annum to a MYR floating rate. The cross currency swap will mature on 28th September 2016.
- (xvi) An interest rate swap with a notional principal of USD1.25 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 7.1% per annum. The interest rate swap will mature on 20th May 2016.
- (xvii) A cross currency cum interest rate swap that entitles a subsidiary in India to convert USD625,000 to INR28.106 million and fixed the entity's obligation to pay interest at a fixed rate of 6.3% per annum. The swap will mature on 20th May 2016.
- (xviii) An interest rate swap with a notional principal of USD4.0 million that fixed the obligation of a subsidiary in India to pay interest at a fixed rate of 7.1% per annum. The interest rate swap will mature on 11th May 2016.
- (xix) A cross currency cum interest rate swap that entitles a subsidiary in India to convert USD2.0 million to INR89.5 million and fixed the entity's obligation to pay interest at a fixed rate of 6.3% per annum. The swap will mature on 11th May 2016.

(xx) Foreign currency forward contracts

Currency	Contract Amounts '000	Equivalent Amount in RM'000	Expiry Dates
Japanese Yen	964,578	36,843	04/10/2011 - 31/01/2012
United States Dollar	202,035	611,885	03/10/2011 - 31/05/2012
Euro	6,549	28,145	05/10/2011 - 09/03/2012
Swedish Krona	12,670	5,952	14/10/2011 - 07/02/2012
Thai Baht	15,793	1,611	11/10/2011 - 12/12/2011

The above contracts were entered into with a view 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, trade receivables and trade payables.

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 27% or 13.5 sen (2010 - 27% or 13.5 sen) per share of RM0.50 each, amounting to a net dividend payable of approximately RM157.7 million (2010 - RM156.6 million) for the year ending 31st December 2011, to be paid on 10th February 2012.

Note 26 - Earnings Per Share

Basic earnings per share for the quarter and nine months ended 30th September 2011 are calculated by dividing the net profit attributable to shareholders of RM169.2 million and RM452.2 million, respectively, by the weighted average number of ordinary shares in issue as at 30th September 2011 of 1,165,857,951 shares of RM0.50 each.

There were no diluted earnings per share as the UMW Employee Share Option Scheme had expired on 17th April 2011.

Note 27 - Realised and Unrealised Profits/Losses

The breakdown of retained profits of the Group as at 30th June 2011 and 30th September 2011, pursuant to the format prescribed by Bursa Securities, are as follows:

	As at 30 th June 2011 RM'000	As at 30 th September 2011 RM'000
Total retained profits of Company and its subsidiaries:		
- Realised	2,172,877	2,218,662
- Unrealised	8,824	(6,186)
	2,181,701	2,212,476
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	989,005	1,012,337
- Unrealised	(34,863)	(46,982)
Total share of retained profits/(accumulated losses) from jointly-controlled entities:		
- Realised	(54,650)	(70,201)
- Unrealised	11,292	2,213
	3,092,485	3,109,843
Less: Consolidation adjustments	(131,240)	(96,258)
Total group retained profits as per consolidated accounts	2,961,245	3,013,585

Note 28 - Audit Qualification

The audit report in respect of the annual financial statements for the financial year ended 31st December 2010 was not qualified.

By Order Of The Board

FADZILAH BINTI SAMION
Secretary
(MACS 01262)

Shah Alam
24th November 2011