

**21/02/2008**

**EXECUTION OF HEADS OF AGREEMENT BETWEEN UMW CORPORATION SDN BHD AND DKLS HOMEFIELDS SDN BHD IN RELATION TO THE ESTABLISHMENT OF A JOINT VENTURE**

UMW wishes to announce that UMW Corporation Sdn Bhd (“UMWC”), a wholly-owned subsidiary of UMW, has today entered into a Heads of Agreement (“the Agreement”) with DKLS Homefields Sdn Bhd (“DKLS”), a wholly-owned subsidiary of DKLS Industries Berhad, for the establishment of a joint venture in the proportion of 70%(UMWC) and 30%(DKLS) to undertake the business of fabrication of oil and gas offshore structures in Malaysia (“Proposed Joint Venture”).

The Proposed Joint Venture will involve the acquisition of land to be developed into an oil and gas fabrication yard in Lumut, Manjung, Perak. Details will be announced upon the finalisation and execution of the Joint Venture Agreement.

The rationale of the Proposed Joint Venture is for the setting up of a Malaysian-based fabrication yard, as part of the UMW Oil & Gas Division’s Fabrication and Engineering Master Plan to take advantage of the growing potential in this market segment.

UMWC and DKLS will enter into a Joint Venture Agreement and a Shareholders’ Agreement within 3 months from the date of the Agreement.

None of the Directors or substantial shareholders of UMW and/or persons connected with the Directors and/or substantial shareholders, has any interest, direct or indirect, in the Proposed Joint Venture.

cc-Securities Commission  
(Issues & Investment Division)

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