

**22/05/2008**

**ACQUISITION OF 19% OF THE TOTAL ISSUED AND PAID-UP SHARE CAPITAL OF UMW OILPIPE SERVICES SDN BHD BY UMW CORPORATION SDN BHD FROM SPTJ DEVELOPMENT SDN BHD**

UMW wishes to announce that its wholly-owned subsidiary, UMW Corporation Sdn Bhd, has today entered into a Sale and Purchase Agreement with SPTJ Development Sdn Bhd of Level 21, Maju Tower, 1001, Jalan Sultan Ismail, 50250 Kuala Lumpur ("SPTJ") for the acquisition of 807,500 ordinary shares of RM1.00 each, representing 19% of the total issued and paid-up share capital in UMW Oilpipe Services Sdn Bhd ("UOS") from SPTJ, for a total cash consideration of RM7,978,100 ("the Proposed Acquisition"), which was arrived at on a willing-buyer willing-seller basis. Upon completion of the Proposed Acquisition, UOS will become a wholly-owned subsidiary in the UMW Group.

UOS was incorporated on 14th August 1984 and has its registered office at 3rd Floor, The Corporate, No. 10, Jalan Utas (15/7), Batu Tiga Industrial Estate, 40200 Shah Alam, Selangor Darul Ehsan. The principal activity of UOS is the provision of threading and repair services for Oil Country Tubular Goods. The issued and paid-up share capital of UOS is RM4,250,000 divided into 4,250,000 ordinary shares of par value RM1.00 each.

The Proposed Acquisition is subject to the approval of the Ministry of International Trade and Industry.

The Proposed Acquisition is not expected to have any material impact on the earnings and net assets of the UMW Group.

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

cc-Securities Commission

(Issues & Investment Division)

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