

22/06/2009

**PROPOSED ISSUANCE OF ISLAMIC COMMERCIAL PAPERS ("ICP") AND/OR MEDIUM TERM NOTES ("IMTN") PURSUANT TO AN ISLAMIC COMMERCIAL PAPERS/ISLAMIC MEDIUM TERM NOTES PROGRAMME OF UP TO RM300.0 MILLION IN NOMINAL VALUE ("ICP/IMTN PROGRAMME") AND ISLAMIC MEDIUM TERM NOTES PURSUANT TO AN ISLAMIC MEDIUM TERM NOTES PROGRAMME OF UP TO RM500.0 MILLION IN NOMINAL VALUE ("IMTN PROGRAMME") (COLLECTIVELY KNOWN AS "PROPOSED PROGRAMMES")**

1. INTRODUCTION

On behalf of the Board of Directors of UMW Holdings Berhad ("UMW" or the "Issuer"), Maybank Investment Bank Berhad ("Maybank IB") (formerly known as Aseambankers Malaysia Berhad) is pleased to announce that UMW proposes to undertake the proposed issuance of Islamic Commercial Papers ("ICP") and/or Medium Term Notes ("IMTN") pursuant to an Islamic Commercial Papers/Islamic Medium Term Notes Programme of up to RM300.0 million in nominal value ("ICP/IMTN Programme") and Islamic Medium Term Notes pursuant to an Islamic Medium Term Notes Programme of up to RM500.0 million in nominal value ("IMTN Programme") (collectively known as the "Proposed Programmes").

In relation to the above, Maybank IB, on behalf of UMW, is pleased to announce that it had on 22nd June 2009 lodged on behalf of UMW, a copy of the Information Memorandum with the Securities Commission ("SC") and upon such deposit of the Information Memorandum, SC has granted its approval for the Proposed Programmes.

Announcement Details :

2. SALIENT TERMS AND CONDITIONS OF THE ICP/IMTN PROGRAMME AND THE IMTN PROGRAMME

Issuer: UMW

Trustee: Mayban Trustees Berhad

Facility Agent: Maybank IB

Shariah Adviser: Shariah Committee of Maybank Islamic Berhad

Central Depository: Bank Negara Malaysia ("BNM")

Paying Agent: BNM

Reporting Accountant: Not applicable

Islamic Principle: Musyarakah

Rating: The rating of the Proposed Programmes is as follows:

Facility	Rating Assigned
ICP	MARC-1 ID
IMTN1	AAA ID
IMTN2	AAA ID

Security: Unsecured

Issue Size: ICP/IMTN1

The outstanding nominal value of the ICP and/or IMTN1 issued under the ICP/IMTN Programme at any point in time shall not exceed RM300.0 Million.

IMTN2

The outstanding nominal value of the IMTN2 issued under the IMTN Programme at any point in time shall not exceed RM500.0 million.

Issue Price: ICP

The ICP shall be issued at a discount to face value and the issue price shall be computed in accordance with the Rules on Fully Automated System for Issuing/ Tendering ("FAST") issued by BNM, as may be amended or substituted from time to time ("FAST Rules").

IMTN1 and IMTN2

The IMTN1 and IMTN2 shall be issued at par or at a discount to nominal value and the issue price shall be calculated in accordance with the FAST Rules.

Tenure of the Islamic facility/issue: Tenure of the ICP/IMTN Programme

Seven (7) years from the date of first issue under the ICP/IMTN Programme, provided that the first issue of the ICP/IMTN shall not be later than two (2) years from the date of the Securities Commission's ("SC") approval.

Tenure of the ICP

The ICP can be issued for any tenure of up to twelve (12) months as the Issuer may select in consultation with the Lead Manager, provided that the ICP mature prior to the expiry of the ICP/IMTN Programme.

Tenure of the IMTN1

The IMTN1 shall have maturities of more than one (1) year but not exceeding seven (7) years from issue date provided that the maturity date of the IMTN1 shall not extend beyond the tenure of the ICP/IMTN Programme.

Tenure of the IMTN Programme

Ten (10) years from the date of the first issue under the IMTN Programme, provided that the first issue of the IMTN2 shall not be later than two (2) years from the date of the SC approval.

Tenure of IMTN2

The tenure of the IMTN2 shall be more than one (1) year but not exceeding ten (10) years from issue date provided that the maturity date of the IMTN2 shall not extend beyond the tenure of the IMTN Programme.

Profit or equivalent rate (%): ICP

The ICP shall be issued without Periodic Distribution.

IMTN1 and IMTN2

In the case of IMTN1 and IMTN2 issued with Periodic Distribution, the rate shall be determined prior to the issuance.

### 3. PURPOSE OF THE PROPOSED PROGRAMMES

The proceeds raised under the Proposed Programmes shall be utilised by the Issuer and/or its subsidiaries, associate companies and/or jointly controlled entities ("UMW Holdings Group") for the following purposes:

- (i) to finance domestic or foreign current and/or future working capital requirements;
- (ii) to finance domestic or foreign current and/or future projects and/or investments and/or capital expenditure; and/or
- (iii) if required, to refinance borrowings (whether in whole or in part).

Notes: Once the ICP, IMTN1 and IMTN2 ("Sukuk") have been issued for purposes set out above, the Issuer may issue new Sukuk to either redeem any outstanding Sukuk and/or for the purposes as set out above.

In any case, all utilisation of funds under the Proposed Programmes shall be Shariah compliant.

### 4. FINANCIAL EFFECTS

#### 4.1 Share Capital

The Proposed Programmes will not have any effect on the share capital of UMW.

#### 4.2 Shareholdings Structure

The Proposed Programmes will not have any effect on the shareholdings structure of UMW.

#### 4.3 Earnings

The Proposed Programmes are not expected to have any material effect on the earnings of UMW for the financial year ending 31 December 2009.

### 5. REGULATORY APPROVALS REQUIRED

Apart from SC's approval, no other regulatory approval is required.

### 6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS INTEREST

None of the Directors (or past Directors) and/or substantial shareholders of UMW and/or persons connected to them pursuant to Section 122A and Section 6A of the Companies Act, 1965 have any interest, direct or indirect, in the Proposed Programmes.

### 7. Principal Adviser, Lead Arranger and Lead Manager

The Board has appointed Maybank IB to act as Principal Adviser, Lead Arranger and Lead Manager for the Proposed Programmes.

This announcement is dated 22 June 2009.

cc - Securities Commission  
(Issues & Investment Division)