

**06/07/2009**

**CONTRACT FOR THE PROVISION OF JACK-UP DRILLING RIG "NAGA 2" FOR PCPP'S BLOCK SK 305 EXPLORATION AND DEVELOPMENT DRILLING PROGRAMMES, OFFSHORE SARAWAK**

We refer to our announcement dated 12th August 2008 in respect of the award of a contract by PCPP Operating Company Sdn Bhd ("PCPP"), a joint venture between Petronas Carigali (Malaysia), Petrovietnam (Vietnam) and Pertamina (Indonesia), to UMW Standard Drilling Sdn Bhd, an 85%-owned subsidiary of UMW Corporation Sdn Bhd, which is in turn wholly-owned by UMW, for the provision of Jack-Up Drilling Rig "NAGA 2" for PCPP's Block SK 305 Exploration and Development Drilling Programmes, Offshore Sarawak, for a total contract value of approximately USD170 million ("the Contract").

UMW wishes to announce that it has received notification to the effect that the abovementioned Contract will not be implemented by PCPP and has been terminated.

However, pursuant to new scope of works being drawn up under new contracts for drilling activities, UMW is in discussions and negotiations with other PSC Operators in Malaysia in respect of NAGA 2. UMW expects NAGA 2 to be in operation by September 2009.

cc - Securities Commission  
(Issues & Investment Division)