

30/11/2009

RELATED PARTY TRANSACTION IN RESPECT OF THE EXTENSION OF THE VEHICLE ASSEMBLY AGREEMENT ENTERED INTO BETWEEN PERODUA MANUFACTURING SDN BHD AND UMW TOYOTA MOTOR SDN BHD

We refer to our announcements dated 9th June 2004 and 23rd June 2004, in respect of the execution of a Vehicle Assembly Agreement ("old VAA") between UMW Toyota Motor Sdn Bhd ("UMWT"), a 51%-owned subsidiary of UMW Corporation Sdn Bhd, which is in turn wholly-owned by UMW, and Perodua Manufacturing Sdn Bhd ("PMSB") for the appointment of PMSB as assembler/producer of vehicles described in the old VAA for UMWT.

UMW wishes to announce that UMWT has today entered into a new Vehicle Assembly Agreement ("new VAA") with PMSB for the extension of the appointment of PMSB as assembler/producer of vehicles described in the new VAA for UMWT, for a period of three (3) years, retrospective 1st January 2008 and expiring 31st December 2010. The new VAA may be extended with the mutual consent of the parties to the agreement. The salient features of the new VAA are similar to the old VAA.

The above-mentioned transaction between UMWT and PMSB is deemed to be a related party transaction for the following reasons -

- Toyota Motor Corporation, Japan ("TMC") has 39% direct interest and 10% indirect interest in UMWT. The 10% indirect interest in UMWT is held vide its associated company, Toyota Tsusho Corporation, Japan.

TMC has indirect interest in PMSB vide Daihatsu Motor Co, Ltd, its 51.19%-owned subsidiary, which owns 20% and 41% equity interest in Perusahaan Otomobil Kedua Sdn Bhd ("PERODUA") and Perodua Auto Corporation Sdn Bhd ("PCSB"), respectively. PERODUA and PCSB in turn, hold 49% and 51% equity interest in PMSB, respectively.

- Permodalan Nasional Berhad ("PNB") is a major shareholder of UMW. PNB is deemed to be a major shareholder of PMSB, as PNB's wholly-owned subsidiary, PNB Equity Resource Corporation Sdn Bhd, owns 10% of PERODUA, which in turn owns 49% of PMSB.

Except for the above, none of the Directors or major shareholders of UMW and/or persons connected with the Directors and/or major shareholders, has any interest, direct or indirect, in the above-mentioned transaction.

The above-mentioned transaction is not subject to the approval of the shareholders of UMW and/or any government authorities.

cc - Securities Commission
(Issues & Investment Division)