

4/10/2010

**EXTENSION OF CONTRACT FOR THE PROVISION OF A SEMI-SUBMERSIBLE DRILLING RIG
"NAGA 1" FOR PETRONAS CARIGALI SDN BHD**

1. INTRODUCTION

The Board of Directors of UMW is pleased to announce that UMW JDC Drilling Sdn Bhd ("UJD"), an 85%-owned subsidiary of UMW Corporation Sdn Bhd, which is in turn wholly-owned by UMW, has received a Letter of Amendment & Contract Extension from PETRONAS Carigali Sdn Bhd ("PETRONAS Carigali") for a 5-year extension of the provision of a Semi-Submersible Drilling Rig "NAGA 1" contract dated 21st June 2006 ("the Contract Extension").

Drilling operations for the twenty (20) firm wells under the original contract are expected to be completed by the end of 2010. The Contract Extension is in respect of additional wells to be stipulated by PETRONAS Carigali during the duration of the contract.

2. DURATION OF THE CONTRACT EXTENSION/CONTRACT PRICE

PETRONAS Carigali extended the contract for a further period of five (5) years which shall commence upon completion of drilling services of the twentieth (20th) well under the current contract. The contract value is approximately USD250 million.

3. FINANCIAL EFFECTS

The Contract Extension is expected to contribute positively to the earnings and net assets of UMW for the financial year ending 31st December 2011 and beyond.

4. INTEREST OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND PERSONS CONNECTED TO THEM

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

5. STATEMENT OF DIRECTORS

The Board of Directors of UMW is of the opinion that the Contract Extension is in the best interests of the UMW Group.

cc - Securities Commission
(Issues & Investment Division)