

**21/12/2010**

**RELATED PARTY TRANSACTION IN RESPECT OF THE RENEWAL OF THE EXISTING VEHICLE ASSEMBLY AGREEMENT BETWEEN PERODUA MANUFACTURING SDN BHD AND UMW TOYOTA MOTOR SDN BHD**

We refer to our announcements dated 9th June 2004, 23rd June 2004 and 30th November 2009, in respect of the execution of a Vehicle Assembly Agreements (“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 VAA for UMWT.

UMW wishes to announce that UMWT has today renewed the existing VAA with PMSB for a further period of one (1) year from the expiry date, upon the same terms and conditions.

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)