

**UMW HOLDINGS BERHAD**

(COMPANY NO. 090278-P)

(INCORPORATED IN MALAYSIA)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE  
SECOND QUARTER ENDED 30<sup>TH</sup> JUNE 2012  
(THE FIGURES HAVE NOT BEEN AUDITED)**

	<b>CURRENT QUARTER ENDED 30/06/2012 RM'000</b>	<b>RESTATED COMPARATIVE QUARTER ENDED 30/06/2011 RM'000</b>	<b>6 MONTHS CUMULATIVE TO DATE 30/06/2012 RM'000</b>	<b>RESTATED COMPARATIVE 6 MONTHS CUMULATIVE TO DATE 30/06/2011 RM'000</b>
<b><u>Continuing Operations</u></b>				
Revenue	4,139,834	3,166,475	7,835,631	6,387,635
Operating Expenses	(3,666,010)	(2,916,536)	(7,009,005)	(5,864,612)
Other Operating Income	9,897	16,856	63,103	53,596
<b>Profit From Operations</b>	<b>483,721</b>	<b>266,795</b>	<b>889,729</b>	<b>576,619</b>
Finance Costs	(26,570)	(21,261)	(52,590)	(42,041)
Share Of Profits Of Associated Companies	33,130	19,827	69,555	56,788
Investment Income	19,966	18,420	36,880	31,953
<b>Profit Before Taxation</b>	<b>510,247</b>	<b>283,781</b>	<b>943,574</b>	<b>623,319</b>
Taxation	(132,145)	(89,234)	(223,035)	(168,926)
<b>Profit For The Period</b>	<b>378,102</b>	<b>194,547</b>	<b>720,539</b>	<b>454,393</b>
<b><u>Other Comprehensive Income:</u></b>				
Translation Of Foreign Operations	246	303	(2,807)	(504)
Cash Flow Hedge	(66)	432	(19)	29
Other Comprehensive Income Net Of Tax	180	735	(2,826)	(475)
<b>Total Comprehensive Income For The Period</b>	<b>378,282</b>	<b>195,282</b>	<b>717,713</b>	<b>453,918</b>
<b><u>Profit For The Period Attributable To:</u></b>				
Equity Holders Of The Company	224,245	102,978	444,279	254,810
Non-Controlling Interests	153,857	91,569	276,260	199,583
	<b>378,102</b>	<b>194,547</b>	<b>720,539</b>	<b>454,393</b>
<b><u>Total Comprehensive Income Attributable To:</u></b>				
Equity Holders Of The Company	224,866	103,729	442,373	254,624
Non-Controlling Interests	153,416	91,553	275,340	199,294
	<b>378,282</b>	<b>195,282</b>	<b>717,713</b>	<b>453,918</b>
<b><u>EPS Attributable To Equity Holders Of The Company:</u></b>				
Basic EPS For The Period (Sen)	19.19	8.84	38.03	21.88
Diluted EPS For The Period (Sen)	-	-	-	-

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim Financial Statements)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(UNAUDITED) AS AT 30/06/2012 RM'000	(RESTATED AUDITED) AS AT 31/12/2011 RM'000	(RESTATED AUDITED) AS AT 01/01/2011 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant And Equipment	3,088,278	3,077,195	2,852,305
Investment Properties	77,054	77,574	81,488
Intangible Assets	200,032	199,415	258,489
Land Use Rights	4,691	4,771	4,931
Leased Assets	236,258	226,936	193,998
Investments In Associates	1,440,957	1,424,444	1,453,059
Deferred Tax Assets	57,650	56,521	41,286
Other Investments	78,176	54,730	132,463
Derivative Assets	54,660	62,261	63,746
	5,237,756	5,183,847	5,081,765
<b>Current Assets</b>			
Inventories	1,859,848	1,518,883	1,396,135
Trade Receivables	1,119,501	891,946	749,688
Other Receivables	442,617	325,628	359,480
Other Investments	456,462	391,271	229,963
Derivative Assets	16,065	5,404	4,897
Deposits, Cash And Bank Balances	2,553,335	2,219,430	2,195,051
	6,447,828	5,352,562	4,935,214
Non-Current Assets Held For Sale	4,548	4,548	6,839
	6,452,376	5,357,110	4,942,053
<b>TOTAL ASSETS</b>	<b>11,690,132</b>	<b>10,540,957</b>	<b>10,023,818</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity Attributable To Equity Holders Of The Company</b>			
Share Capital	584,147	584,147	576,687
Share Premium	794,482	794,482	716,708
Capital Reserve	396	396	1,469
Foreign Currency Translation Reserve	(28,231)	(26,344)	(40,826)
Share Option Reserve	-	-	14,514
Hedging Reserve	(19)	-	-
Retained Profits	3,253,140	2,896,483	2,758,541
	4,603,915	4,249,164	4,027,093
Non-Controlling Interests	1,364,849	1,328,904	1,239,918
<b>TOTAL EQUITY</b>	<b>5,968,764</b>	<b>5,578,068</b>	<b>5,267,011</b>
<b>Non-Current Liabilities</b>			
Provision For Liabilities	67,953	69,132	65,016
Deferred Tax Liabilities	34,120	34,040	26,428
Long Term Borrowings	2,027,676	1,743,296	1,858,199
Derivative Liabilities	16,076	19,852	21,255
	2,145,825	1,866,320	1,970,898
<b>Current Liabilities</b>			
Provision For Liabilities	60,255	79,213	81,294
Taxation	100,742	83,410	107,553
Short Term Borrowings	762,751	776,887	760,946
Bank Overdrafts	49,061	73,821	64,290
Trade Payables	1,343,513	789,755	838,842
Other Payables	1,163,807	1,134,500	771,454
Derivative Liabilities	7,792	1,263	4,883
Dividend Payable	87,622	157,720	156,647
	3,575,543	3,096,569	2,785,909
<b>TOTAL LIABILITIES</b>	<b>5,721,368</b>	<b>4,962,889</b>	<b>4,756,807</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,690,132</b>	<b>10,540,957</b>	<b>10,023,818</b>
<b>Net Assets Per Share (RM)</b>	<b>3.9407</b>	<b>3.6371</b>	<b>3.4916</b>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim Financial Statements)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2012**

	←----- NON-DISTRIBUTABLE -----→					-----> DISTRIBUTABLE -----					
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	FAIR VALUE ADJUSTMENT RESERVE RM'000	HEDGING RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
<b>6 MONTHS ENDED 30<sup>TH</sup> JUNE 2012</b>											
At 1 <sup>st</sup> January 2012	584,147	794,482	6,302	(26,344)	-	(16,235)	-	2,906,812	4,249,164	1,328,904	5,578,068
Effects of Applying MFRS	-	-	(5,906)	-	-	16,235	-	(10,329)	-	-	-
At 1 <sup>st</sup> January 2012 (Restated)	584,147	794,482	396	(26,344)	-	-	-	2,896,483	4,249,164	1,328,904	5,578,068
Transactions with owners											
Issue of ordinary shares by subsidiaries	-	-	-	-	-	-	-	-	-	9,108	9,108
Reduction of minority interest in subsidiaries	-	-	-	-	-	-	-	-	-	(438)	(438)
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	-	(19)	(19)
Dividends distributed to equity holders	-	-	-	-	-	-	-	(87,622)	(87,622)	(248,046)	(335,668)
Total comprehensive income	-	-	-	(1,887)	-	-	(19)	444,279	442,373	275,340	717,713
At 30 <sup>th</sup> June 2012	584,147	794,482	396	(28,231)	-	-	(19)	3,253,140	4,603,915	1,364,849	5,968,764

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2011**

	←----- NON-DISTRIBUTABLE -----→					-----> DISTRIBUTABLE -----					
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	FAIR VALUE ADJUSTMENT RESERVE RM'000	HEDGING RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
<b>6 MONTHS ENDED 30<sup>TH</sup> JUNE 2011</b>											
At 1 <sup>st</sup> January 2011	576,687	716,708	7,375	(40,826)	14,514	-	-	2,752,635	4,027,093	1,239,918	5,267,011
Effects of Applying MFRS	-	-	(5,906)	-	-	-	-	5,906	-	-	-
At 1 <sup>st</sup> January 2011 (Restated)	576,687	716,708	1,469	(40,826)	14,514	-	-	2,758,541	4,027,093	1,239,918	5,267,011
Transactions with owners											
Issue of ordinary shares by subsidiary	-	-	-	-	-	-	-	-	-	8,803	8,803
Issue of ordinary shares pursuant to ESOS	7,460	64,799	-	-	-	-	-	-	72,259	-	72,259
Effect of exercise of ESOS	-	12,975	-	-	(14,514)	-	-	1,539	-	-	-
Dividends distributed to equity holders	-	-	-	-	-	-	-	(75,939)	(75,939)	(188,310)	(264,249)
Total comprehensive income	-	-	-	(215)	-	29	-	254,810	254,624	199,294	453,918
At 30 <sup>th</sup> June 2011 (Restated)	584,147	794,482	1,469	(41,041)	-	29	-	2,938,951	4,278,037	1,259,705	5,537,742

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the accompanying explanatory notes attached to the interim Financial Statements)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2012**

	<b>6 MONTHS ENDED 30/06/2012 RM'000</b>	<b>RESTATED 6 MONTHS ENDED 30/06/2011 RM'000</b>
<b>Cash Flow From Operating Activities</b>		
Profit Before Taxation	943,574	623,319
Adjustments For:		
Depreciation & Amortisation	150,122	135,494
(Reversal Of Impairment)/Impairment Losses on Investments	(11,367)	42,174
Net Inventories (Written Back)/Written Down	(3,392)	56,443
Interest Expense	52,590	42,041
Share of Results of Associates	(69,555)	(56,788)
Reversal Of Impairment Losses On Receivables	(9,324)	(573)
Net Fair Value Gains On Derivatives	(306)	(2,262)
Interest & Dividend Income	(36,880)	(31,953)
Others	26,577	(12,246)
Operating Profit Before Working Capital Changes	1,042,039	795,649
Increase In Receivables	(335,619)	(37,141)
(Increase)/Decrease In Inventories	(337,573)	55,769
Increase In Payables	511,128	127,180
Cash Generated From Operating Activities	879,975	941,457
Interest Paid	(32,774)	(29,714)
Taxation Paid	(206,353)	(163,800)
Net Cash Generated From Operating Activities	640,848	747,943
<b>Cash Flow From Investing Activities</b>		
Net Cash Outflow Arising From Equity Investments	(1,090)	-
Dividends Received	53,090	51,592
Purchase Of Properties, Plant & Equipment	(192,207)	(280,206)
Proceeds From Disposal Of Properties, Plant & Equipment	27,424	37,858
Interest & Dividend Income	36,880	31,953
Other Investments (Net)	(77,019)	90,046
Net Cash Used In Investing Activities	(152,922)	(68,757)
<b>Cash Flow From Financing Activities</b>		
Proceeds From Issuance Of Shares	9,108	81,062
Dividend Paid To Equity Holders Of The Company	(157,720)	(156,647)
Dividend Paid To Non-controlling Interests	(248,046)	(188,310)
Drawdown/(Repayment) Of Loans & Borrowings	270,244	(175,760)
Net Cash Used In Financing Activities	(126,414)	(439,655)
<b>Net Increase In Cash And Cash Equivalents</b>	361,512	239,531
<b>Cash And Cash Equivalents As At 1<sup>st</sup> January</b>	2,145,609	2,130,761
<b>Effects Of Exchange Rate Changes</b>	(2,847)	(504)
<b>Cash And Cash Equivalents As At 30<sup>th</sup> June</b>	2,504,274	2,369,788

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim Financial Statements)

## **Note 1 - Significant Accounting Policies and Application of MFRS 1**

### **First-time adoption of Malaysian Financial Reporting Standards (“MFRS”)**

The condensed consolidated interim financial statements for the six-month period ended 30<sup>th</sup> June 2012 have been prepared by using the MFRS Framework and are in accordance with MFRS 134 Interim Financial Reporting and Chapter 9, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The above-stated financial statements are the Group’s first MFRS condensed consolidated interim financial statements prepared for the second quarter of the financial year ending 31<sup>st</sup> December 2012, the Group’s first year of adoption of MFRS. MFRS 1 *First-Time Adoption of Malaysian Financial Reporting Standards* (“MFRS 1”) has been applied.

### **Significant accounting policies and application of MFRS 1**

The significant accounting policies adopted in preparing the condensed consolidated interim financial statements for the period ended 30<sup>th</sup> June 2012 under MFRS are consistent with those of the audited financial statements for the year ended 31<sup>st</sup> December 2011 prepared under Financial Reporting Standards (“FRS”), except for some changes resulting from the adoption of MFRS. Generally, the requirements under FRS and MFRS are similar except for certain differences. These changes have been disclosed in the Interim Financial Statements for the first quarter ended 31<sup>st</sup> March 2012.

Under MFRS1, the Group is required to restate certain amounts previously reported in the financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS has affected the Group’s financial positions and financial performance is set out below. The transition from FRS to MFRS has not had a material impact on the statement of cash flows of the Group.

(i) Reconciliation of Equity As At 30<sup>th</sup> June 2011

	<b>FRS As At 30/06/2011 RM'000</b>	<b>*PPE Deemed Cost RM'000</b>	<b>**FVTPL Financial Assets RM'000</b>	<b>MFRS As At 30/06/2011 RM'000</b>
<b>Non-Current Assets</b>				
Other Investments				
- Held To Maturity	1,000	-	-	1,000
- FVTPL	37,449	-	49,575	87,024
- Available-For-Sale	54,187	-	(49,575)	4,612
Other Non-Current Assets	5,080,087	-	-	5,080,087
<b>Total Non-Current Assets</b>	<b>5,172,723</b>	<b>-</b>	<b>-</b>	<b>5,172,723</b>
<b>Total Current Assets</b>	<b>5,018,178</b>	<b>-</b>	<b>-</b>	<b>5,018,178</b>
<b>TOTAL ASSETS</b>	<b>10,190,901</b>	<b>-</b>	<b>-</b>	<b>10,190,901</b>
<b>Equity Attributable To The Equity Holders Of The Company</b>				
Share Capital	584,147	-	-	584,147
Share Premium	794,482	-	-	794,482
Capital Reserve	7,375	(5,906)	-	1,469
Foreign Currency Translation Reserve	(41,041)	-	-	(41,041)
Fair Value Adjustment Reserve	(28,200)	-	28,200	-
Hedging Reserve	29	-	-	29
Retained Profits	2,961,245	5,906	(28,200)	2,938,951
	4,278,037	-	-	4,278,037
Non-Controlling Interests	1,259,705	-	-	1,259,705
<b>Total Equity</b>	<b>5,537,742</b>	<b>-</b>	<b>-</b>	<b>5,537,742</b>
<b>TOTAL LIABILITIES</b>	<b>4,653,159</b>	<b>-</b>	<b>-</b>	<b>4,653,159</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,190,901</b>	<b>-</b>	<b>-</b>	<b>10,190,901</b>

\*PPE - Property, Plant and Equipment

\*\*FVTPL - Fair Value Through Profit or Loss

(ii) **Reconciliation of Total Comprehensive Income for The 2<sup>nd</sup> Quarter Ended 30<sup>th</sup> June 2011**

	<b>FRS 2<sup>nd</sup> Quarter 30/06/2011 RM'000</b>	<b>FVTPL Financial Assets RM'000</b>	<b>MFRS 2<sup>nd</sup> Quarter 30/06/2011 RM'000</b>
<b><u>Continuing Operations</u></b>			
Revenue	3,166,475	-	3,166,475
Operating Expenses	(2,888,336)	(28,200)	(2,916,536)
Other Operating Income	16,856	-	16,856
<b>Profit From Operations</b>	294,995	(28,200)	266,795
Finance Costs	(21,261)	-	(21,261)
Share Of Profits Of Associated Companies	19,827	-	19,827
Investment Income	18,420	-	18,420
<b>Profit Before Taxation</b>	311,981	(28,200)	283,781
Taxation	(89,234)	-	(89,234)
Profit For The Period	222,747	(28,200)	194,547
<b><u>Other Comprehensive Income:</u></b>			
Translation Of Foreign Operations	303	-	303
Fair Value Movement On Available-For-Sale Financial Assets	(28,200)	28,200	-
Cash Flow Hedge	432	-	432
Other Comprehensive Income Net Of Tax	(27,465)	28,200	735
<b>Total Comprehensive Income For The Period</b>	195,282	-	195,282
<b><u>Profit For The Period Attributable To:</u></b>			
Equity Holders Of The Company	131,178	(28,200)	102,978
Non-Controlling Interests	91,569	-	91,569
	222,747	(28,200)	194,547
<b><u>Total Comprehensive Income Attributable To:</u></b>			
Equity Holders Of The Company	103,729	-	103,729
Non-Controlling Interests	91,553	-	91,553
	195,282	-	195,282

(iii) Reconciliation of Total Comprehensive Income for The Six Months Ended 30<sup>th</sup> June 2011

	FRS 30/06/2011 RM'000	FVTPL Financial Assets RM'000	MFRS 30/06/2011 RM'000
<b><u>Continuing Operations</u></b>			
Revenue	6,387,635	-	6,387,635
Operating Expenses	(5,836,412)	(28,200)	(5,864,612)
Other Operating Income	53,596	-	53,596
<b>Profit From Operations</b>	604,819	(28,200)	576,619
Finance Costs	(42,041)	-	(42,041)
Share Of Profits Of Associated Companies	56,788	-	56,788
Investment Income	31,953	-	31,953
<b>Profit Before Taxation</b>	651,519	(28,200)	623,319
Taxation	(168,926)	-	(168,926)
Profit For The Period	482,593	(28,200)	454,393
<b><u>Other Comprehensive Income:</u></b>			
Translation Of Foreign Operations	(504)	-	(504)
Fair Value Movement On Available-For-Sale Financial Assets	(28,200)	28,200	-
Cash Flow Hedge	29	-	29
Other Comprehensive Income Net Of Tax	(28,675)	28,200	(475)
<b>Total Comprehensive Income For The Period</b>	453,918	-	453,918
<b><u>Profit For The Period Attributable To:</u></b>			
Equity Holders Of The Company	283,010	(28,200)	254,810
Non-Controlling Interests	199,583	-	199,583
	482,593	(28,200)	454,393
<b><u>Total Comprehensive Income Attributable To:</u></b>			
Equity Holders Of The Company	254,624	-	254,624
Non-Controlling Interests	199,294	-	199,294
	453,918	-	453,918

## **Note 2 - Seasonal or Cyclical Factors**

The Group is principally engaged in:

- (a) import, assembly and marketing of passenger and commercial vehicles and related spares and manufacturing of original/replacement automotive parts;
- (b) trading and manufacturing of a wide range of light and heavy equipment including related spares for use in the industrial, construction, mining and agricultural sectors; and
- (c) manufacturing and trading of oil pipes and providing various oil and gas services including drilling and pipe-coating.

The Group's products and services are generally dependent on the Malaysian and global economies, consumer demand and market sentiment.

## **Note 3 - Exceptional Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows except as disclosed in Note 1 above.

## **Note 4 - Accounting Estimates**

There were no changes in estimates of amounts reported in prior interim period of the current financial year or changes in estimates of amounts reported in prior years that have a material effect in the current interim period.

## **Note 5 - Issuance or Repayment of Debt and Equity Securities**

On 28<sup>th</sup> June 2012, the Company completed the issuance of Islamic Medium Term Notes ("IMTN1") with a nominal value of RM190 million under the IMTN programme. The IMTN1 has tenure of five (5) years.

Other than the above, there were no issuances and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the period ended 30<sup>th</sup> June 2012.

## **Note 6 - Dividends Paid**

A second interim single-tier dividend of 27% or 13.5 sen (2011 - 27% or 13.5 sen) per share of RM0.50 each amounting to a net dividend of RM157.7 million (2011 - RM156.6 million) for the financial year ended 31<sup>st</sup> December 2011, was paid on 10<sup>th</sup> February 2012.

There was no dividend paid during the quarter ended 30<sup>th</sup> June 2012.

**Note 7 - Segmental Reporting**

Business Segment	Six Months Ended 30 <sup>th</sup> June 2012		
	Revenue RM'000	Profit Before Taxation RM'000	Profit Attributable to Owners of the Company RM'000
Automotive	5,533,996	861,044	386,178
Equipment	1,174,977	110,791	83,810
Oil & Gas	802,623	31,486	23,143
Manufacturing & Engineering	343,463	4,175	(1,084)
Others	48,324	(63,922)	(47,768)
<b>Sub-Total</b>	<b>7,903,383</b>	<b>943,574</b>	<b>444,279</b>
Elimination of Inter-Segment Sales	(67,752)	-	
<b>Consolidated Total</b>	<b>7,835,631</b>	<b>943,574</b>	

Total assets have increased in tandem with higher levels of revenue and profitability. Other than that, there has been no material change in total assets and no difference in the basis of segmentation or in the basis of measurement of segment profit or loss compared to the last annual financial statements.

**Note 8 - Subsequent Material Events**

In the opinion of the Directors, there was no material event or transaction during the period from 30<sup>th</sup> June 2012 to the date of this announcement, which affects substantially the results of the Group for the six months ended 30<sup>th</sup> June 2012.

**Note 9 - Changes in Composition/Group**

On 8<sup>th</sup> June 2012, UMW Petropipe (L) Ltd, a wholly-owned subsidiary of UMW, incorporated a wholly-owned subsidiary, UMW Drilling 4 (L) Ltd ("UMWD4"). The intended principal activity of UMWD4 is investment holding. The initial paid-up capital of UMWD4 is USD1.00 divided into 1 ordinary share of USD1.00.

On 18<sup>th</sup> June 2012, liquidation of UMW Auto Parts (Thailand) Co., Ltd, a wholly-owned subsidiary of UMW, has been completed.

Other than the above, there were no changes in the composition of the Group during the quarter ended 30<sup>th</sup> June 2012.

**Note 10 - Commitments for the Purchase of Property, Plant and Equipment**

These are in respect of capital commitments:

	<b>RM'000</b>	<b>RM'000</b>
Approved and contracted for:		
Land and buildings	77,282	
Equipment, plant and machinery	194,121	
Others	<u>8,354</u>	279,757
Approved but not contracted for:		
Land and buildings	69,168	
Equipment, plant and machinery	193,248	
Others	<u>8,689</u>	<u>271,105</u>
Total		<u>550,862</u>

**Note 11 - Significant Related Party Transactions**

<b>No.</b>	<b>UMW &amp; Its Subsidiaries</b>	<b>Transacting Parties</b>	<b>Relationship</b>	<b>Nature of Transaction</b>	<b>RM'000</b>
1.	UMW Advantech Sdn. Bhd.	Perodua Group	Associated Company	Sale of goods	15,145
2.	KYB-UMW Malaysia Sdn. Bhd. and its subsidiary	Perodua Group	Associated Company	Sale of goods	27,869
3.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Perodua Group	Associated Company	Sale of Goods and Services	60,182
4.	UMW Industrial Power Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods and Services	858
5.	UMW Industries (1985) Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods and Services	3,636
6.	U-Travelwide Sdn. Bhd.	Perodua Group	Associated Company	Sale of Services	2,660
7.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Toyotsu Motors	Associated Company	Sale of Goods and Services	89,507
				Purchase of Goods and Services	402

No.	UMW & Its Subsidiaries	Transacting Parties	Relationship	Nature of Transaction	RM'000
8.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Toyota Motor Corporation, Japan and its subsidiaries	Corporate Shareholders of UMW Toyota Motor Sdn. Bhd.	Sale of Goods and Services	517,919
				Purchase of Goods and Services	1,679,786
9.	KYB-UMW Malaysia Sdn. Bhd.	Kayaba Industry Co. Ltd., Japan and its subsidiaries	Corporate Shareholders of KYB-UMW Malaysia Sdn. Bhd.	Sale of Goods and Services	9,907
				Purchase of assets	3,469
				Sale of Goods and Services	59
10.	UMW JDC Drilling Sdn. Bhd	Japan Drilling Co. Ltd and its subsidiaries	Corporate Shareholder of UMW JDC Drilling Sdn. Bhd	Purchase of Goods and Services	18,349
				Bare boat charter	4,942
11.	UMW Jaybee Drilling Pvt Ltd	Jaybee Energy Pte Ltd	Related Company of Corporate Shareholder of UMW Jaybee Drilling Pvt Ltd	Sale of Goods and Services	8,742
12.	UMW Sher (L) Ltd.	Jaybee Energy Pte Ltd	Related Company of Corporate Shareholder of UMW Jaybee Drilling Pvt Ltd	Bare boat charter	8,676
				Purchase of Goods and Services	1,044

#### **Note 12 - Classification of Financial Assets**

In accordance with MFRS 1, the Group re-classified its investment in Hilong Holding Limited, a company quoted in the Hang Seng Stock Exchange, as financial asset at fair value through profit or loss as at 1<sup>st</sup> January 2011. This financial asset was previously designated as available-for-sale financial asset under FRS.

Other than the above re-designation, there were no changes in the classification of financial assets as a result of a change in the purpose or use of the asset.

#### **Note 13 - Changes in Contingent Liabilities and Contingent Assets**

There was no material change in contingent liabilities or contingent assets of the Group since 31<sup>st</sup> December 2011.

## Note 14 - Review of Performance

### Current Quarter Ended 30<sup>th</sup> June 2012

	Revenue		Profit Before Tax	
	2nd Quarter ended 30/06/2012 RM'000	2nd Quarter ended 30/06/2011 RM'000	2nd Quarter ended 30/06/2012 RM'000	2nd Quarter ended 30/06/2011 RM'000 Restated
<b>Consolidated Total</b>	<b>4,139,834</b>	<b>3,166,475</b>	<b>510,247</b>	<b>283,781</b>
<b>Business Segment</b>				
Automotive	3,036,657	2,232,586	490,347	303,874
Equipment	560,175	472,465	56,720	38,233
Oil & Gas	371,915	286,017	1,606	(51,504)*
Manufacturing & Engineering	182,044	174,304	71	3,678

\* Restated to take into account the effect of transition from FRS to MFRS of RM28.2 million

### Group

Group revenue of RM4,139.8 million for the second quarter ended 30<sup>th</sup> June 2012 exceeded the RM3,166.5 million registered in the preceding year's corresponding quarter by RM973.3 million or 30.7%. Higher revenue from all business segments of the Group, particularly the Automotive segment, resulted in the substantial increase in revenue.

Consequently, Group profit before taxation of RM510.2 million for the second quarter ended 30<sup>th</sup> June 2012 outperformed the RM283.8 million registered in the same quarter of 2011 by 79.8% or RM226.4 million. Significantly higher profit contributions from the Automotive segment coupled with improved profit from the Oil & Gas and Equipment segments resulted in the profit surge.

Net profit attributable to equity holders of the Company in the second quarter of 2012 improved substantially to RM224.2 million from the RM103.0 million registered in the same quarter of 2011, an increase of RM121.2 million or more than 100%.

### Automotive Segment

Sale of Toyota vehicles for the second quarter ended 30<sup>th</sup> June 2012 improved significantly by approximately 41% or 8,391 units over the preceding year's corresponding quarter for the following reasons:

- a) abnormally low Toyota vehicle sales for the second quarter of 2011 due to the disruption in Toyota vehicle production following the March 2011 earthquake and tsunami in Japan; and
- b) sufficient stock to meet sales orders after successfully recovering in the first quarter of 2012 from the Toyota vehicle production shortfall caused by the December 2011 massive floods in Thailand.

Similarly, for the second quarter of 2012, Perodua recorded a surge of 45.9% or 14,597 units in vehicle sales compared to the same quarter of 2011. Demand for the new Perodua MyVi remained strong in the second quarter of 2012. The impact of Bank Negara Malaysia's responsible lending guidelines on loan approval rate, processing lead time and loan amounts continue to improve over time. Rejection rate for car loan approval in June 2012 has eased to 24% from 27% in January 2012, an improvement of 3% or 4% higher than the pre-guideline level of 20%. In contrast, in the second quarter of 2011, longer lead time in new vehicle registration arising from the amendments to the Hire Purchase Act had adversely affected Perodua vehicle sales.

Substantial increase in vehicle sales volume coupled with more favourable model mix mainly accounted for the sizeable profit contributions from the Automotive segment.

For the second quarter ended 30<sup>th</sup> June 2012, total Toyota and Perodua vehicle sales of 75,330 units represented 46.3% of the total industry volume of 162,680 units. In the second quarter of 2011, a total of 52,347 units of Toyota and Perodua vehicles or 37.7% of the total industry volume of 138,770 units were sold.

### **Equipment Segment**

The Equipment segment registered a revenue improvement of 18.6% or RM87.7 million for the second quarter of 2012 compared to the same quarter of 2011, principally due to:

- a) continued strong demand for equipment and parts;
- b) increase in equipment rental fleet size;
- c) higher sale of parts and services; and
- d) the March 2011 tsunami and earthquake in Japan had resulted in delay in the supply of Komatsu, Toyota and Mitsubishi equipment in the second quarter of 2011.

In line with higher revenue, profit before tax of the Equipment segment increased to RM56.7 million from the RM38.2 million registered in the same quarter of 2011, an improvement of 48.4% or RM18.5 million.

### **Oil & Gas Segment**

Revenue of the Oil & Gas segment for the current quarter ended 30<sup>th</sup> June 2012 increased by RM85.9 million or 30.0% compared to the same quarter of 2011 as a result of the following:

- a) full-quarter revenue contribution from HAKURYU-5, a semi-submersible rig. HAKURYU-5 was not income-generating in the second quarter of 2011;
- b) an increase in day rate for NAGA 3 offshore rig from 20<sup>th</sup> March 2012; and
- c) additional revenue contribution from the Garraf Power Plant Phase 1 project.

In contrast to a loss of RM51.5 million registered in the second quarter of 2011, the Oil & Gas segment recorded a profit of RM1.6 million in the second quarter of 2012. The improved performance was mainly due to:

- a) additional profit contributions from HAKURYU-5 and the Garraf Power Plant Phase 1 project;
- b) improved profit margin from a higher day rate for NAGA 3; and
- c) higher profit contributions from some of our overseas associated companies.

However, significant exchange loss suffered by a jointly-controlled entity in India as a result of the weakening of Indian Rupee as well as the dry-docking of NAGA 1 for deepdish installation, have dampened the profitability of the Oil & Gas segment in the second quarter of 2012.

### **Manufacturing & Engineering Segment**

The Manufacturing & Engineering segment achieved a slight improvement in revenue by RM7.7 million or 4.4%, in the current quarter ended 30<sup>th</sup> June 2012 compared to the RM174.3 million recorded in the same quarter of 2011. Higher capacity utilisation by our new automotive component plants in India and lubricant plant in China, contributed additional revenue. However,

stiff competition in the Malaysian lubricant market and lower production of certain Perodua and Proton models have adversely affected demand for our products.

Despite the higher revenue, profit for the second quarter of 2012 reduced by RM3.7 million to RM0.07 million mainly as a result of foreign currency exchange losses suffered by our subsidiaries in India from the weak Indian Rupee against the United States Dollar.

### Six Months Ended 30<sup>th</sup> June 2012

	Revenue		Profit Before Tax	
	6 Months ended 30/06/2012 RM'000	6 Months ended 30/06/2011 RM'000	6 Months ended 30/06/2012 RM'000	6 Months ended 30/06/2011 RM'000 Restated
<b>Consolidated Total</b>	<b>7,835,631</b>	<b>6,387,635</b>	<b>943,574</b>	<b>623,319</b>
<b>Business Segment</b>				
Automotive	5,533,996	4,666,500	861,044	634,074
Equipment	1,174,977	910,215	110,791	72,353
Oil & Gas	802,623	480,022	31,486	(50,970)*
Manufacturing & Engineering	343,463	334,871	4,175	8,627

\* Restated to take into account the effect of transition from FRS to MFRS of RM28.2 million.

### Group

Group revenue of RM7,835.6 million for the six months ended 30<sup>th</sup> June 2012 exceeded the RM6,387.6 million registered in the same period of 2011 by RM1,448.0 million or 22.7%. Higher revenue contributions from all four core business segments of the Group accounted for the increase.

Likewise, Group profit before taxation for the six months ended 30<sup>th</sup> June 2012 increased to RM943.6 million from the RM623.3 million registered in the same period of 2011, a surge of 51.4% or RM320.3 million. Generally, the first half of 2012 outperformed the preceding year's corresponding period as the year 2011 was impacted by the March 2011 earthquake and tsunami in Japan as well as unfavourable fair value movements in hedging instruments and a quoted investment.

Consequently, net profit attributable to equity holders of the Company for the six months ended 30<sup>th</sup> June 2012 improved substantially to RM444.3 million from the RM254.8 million registered in the first half of 2011, an increase of RM189.5 million or 74.4%.

### Automotive Segment

Revenue for the first half of 2012 surpassed the RM4,666.5 million achieved in the same period of 2011 by RM867.5 million or 18.6%. Swift production recovery from the impact of the tsunami in Japan and floods in Thailand had enabled back orders carried over from 2011 to be fulfilled during the first half of 2012. On the other hand, in the second quarter of 2011, sales of Toyota vehicles were adversely affected by the disruption in Toyota vehicle production following the earthquake and tsunami in Japan. Consequently, sale of Toyota vehicles for the six months ended 30<sup>th</sup> June 2012 increased by 22.8% or 9,811 units over the preceding year's corresponding period.

Perodua has emerged as the top-selling carmaker in the first half of 2012. Sale of Perodua vehicles for the first half of 2012 increased over the same period of 2011 by 12,592 units or 15.2%. Strong demand for the new MyVi model and improvement in loan approval rate, processing lead time and loan amounts resulted in the higher sale of Perodua vehicles.

As a result of the robust sale and higher margin from favourable model mix, the first half of 2012 saw profit before taxation escalated by 35.8% or RM227.0 million over the RM634.1 million achieved in the same period of 2011.

Total Toyota and Perodua vehicle sales of 148,200 units represented 49.2% of the total industry volume of 301,224 units reported by the Malaysian Automotive Association for the six months ended 30<sup>th</sup> June 2012. A total of 125,813 units of Toyota and Perodua vehicles or 42.3% of the total industry volume of 297,203 units were sold in the same period of 2011.

### **Equipment Segment**

Revenue of RM1,175.0 million for the first half of 2012 exceeded the RM910.2 million registered in the same period of 2011 by 29.1% or RM264.8 million due mainly to the following:

- a) strong demand for our major equipment;
- b) rescheduling of machine deliveries from the fourth quarter of 2011 to the first quarter of 2012, due to unfavourable weather;
- c) expansion of equipment rental fleet size; and
- d) the March 2011 tsunami and earthquake in Japan has resulted in delay in the supply of Komatsu, Toyota and Mitsubishi equipment in the second quarter of 2011.

Consequently, profit before taxation for the first half of 2012 rose to RM110.8 million from the RM72.4 million achieved in the same period of 2011, an increase of RM38.4 million or 53.0%.

### **Oil & Gas Segment**

Revenue for the six months ended 30<sup>th</sup> June 2012 of RM802.6 million improved over the RM480.0 million recorded in the same period of 2011 by RM322.6 million or 67.2%, due principally to the following:

- a) NAGA 3, a premium jack-up rig, was income-generating in both the first and second quarters of 2012 but was not so in the first quarter of 2011;
- b) additional six months revenue from HAKURYU-5, a semi-submersible rig. HAKURYU-5 was not revenue-contributing in the first half of 2011;
- c) higher revenue from GAIT III, a work-over rig and trading of oilfield products and services; and
- d) additional revenue contribution from the Garraf Power Plant Phase 1 project.

The Oil & Gas segment contributed a profit of RM31.5 million in the first half of 2012 against a loss of RM51.0 million recorded in the same period of 2011. The turnaround was largely attributable to the significantly higher revenue and favourable movement in fair value of our overseas quoted investments. However, the higher profit was partly offset by exchange losses suffered from the weakening of Indian Rupee against the United States Dollar.

### **Manufacturing & Engineering Segment**

Revenue of RM343.5 million for the first half of 2012 improved marginally over the RM334.9 million registered in the same period of 2011 by RM8.6 million or 2.6%. Higher capacity utilisation of our new plants in India and China contributed to the revenue increase.

However, profit before tax for the six months ended 30<sup>th</sup> June 2012 reduced to RM4.2 million from the RM8.6 million registered in the same period of 2011. Exchange losses from the weakening of Indian Rupee against the United States Dollar incurred by our automotive component manufacturing subsidiaries in India resulted in the lower profit.

**Note 15 - Comparison with Preceding Quarter's Results**

	Revenue		Profit Before Tax	
	2 <sup>nd</sup> Quarter ended 30/06/2012 RM'000	1 <sup>st</sup> Quarter ended 31/03/2012 RM'000	2 <sup>nd</sup> Quarter ended 30/06/2012 RM'000	1 <sup>st</sup> Quarter ended 31/03/2012 RM'000
<b>Consolidated Total</b>	<b>4,139,834</b>	<b>3,695,797</b>	<b>510,247</b>	<b>433,327</b>
<b>Business Segment:</b>				
Automotive	3,036,657	2,497,339	490,347	370,697
Equipment	560,175	614,802	56,720	54,071
Oil & Gas	371,915	430,708	1,606	29,880
Manufacturing & Engineering	182,044	161,419	71	4,104

Group revenue of RM4,139.8 million for the second quarter ended 30<sup>th</sup> June 2012 improved over the RM3,695.8 million recorded in the first quarter of 2012 by RM444.0 million or 12.0%. The higher revenue was mainly attributable to:

- a) quick return to full-scale Toyota vehicle production in the first quarter of 2012 had enabled replenishment of depleted stock to fulfil both current and back orders spilled over from previous quarters; and
- b) higher sale of lubricant products and shock absorbers.

However, the above revenue improvement was partly offset by the dry-docking of NAGA 1 for the deepdish installation and the lower demand for our oilfield products as well as industrial and heavy equipment.

Group profit before taxation for the second quarter ended 30<sup>th</sup> June 2012 rose to RM510.2 million from the RM433.3 million registered in the first quarter of 2012, an increase of 17.7% or RM76.9 million on account of the following:

- a) higher revenue as mentioned above;
- b) improved margins from better Toyota vehicle sales mix; and
- c) higher profit contributions from our overseas associated companies.

However, the higher profit was reduced by exchange losses from the weakening of Indian Rupee against the United States Dollar and unfavourable movement in fair value of our overseas quoted investments in the second quarter of 2012.

**Note 16 - Current Prospect**

**Automotive Segment**

Generally, consumer sentiments for new vehicles remain positive. New models, promotional campaigns for festive seasons and relatively stable car loan interest rates are expected to boost vehicle sales in the second half of 2012.

Our subsidiary company, UMW Toyota Motor Sdn. Bhd., is optimistic of exceeding its 2012 sales target of 93,000 units as demand for its core models remains buoyant. Bookings for its newly-launched Toyota Camry have exceeded targets substantially. Our continuous efforts to improve the quality of consumer services which include the strengthening of networks and the use of fully integrated hub are expected to give rise to greater demand for Toyota vehicles and after-sales services.

Despite the stricter lending guidelines by Bank Negara Malaysia, Perodua is confident of achieving its 2012 new vehicle sales target of 188,000 units in view of the following positive developments:

- a) encouraging current booking positions;
- b) demand for new MyVi is still going strong;
- c) rising demand for its multi-purpose vehicle, Alza, for this coming festive season; and
- d) continuous improvement in loan processing lead time and approval success rate after the implementation of several initiatives with financial institutions.

Perodua aims to achieve a market share of 30% for the year 2012.

The Automotive segment is expected to exceed its internal revenue and profit targets set for 2012.

### **Equipment Segment**

Our equipment operations are showing positive signs of better-than-budget performance for the year 2012. With the expiry of its maintenance and repair contract in June 2012 and with no further provision for losses anticipated, UMW Niugini is now in a better position to improve and turn around its performance. In view of the above, the Equipment segment is expected to outperform its 2012 internal targets and to improve significantly from the RM70.5 million of profit before tax recorded in the year 2011.

### **Oil & Gas Segment**

The Oil & Gas segment is expected to generate higher revenue and operating profit in the second half of 2012 in view of the following:

- a) an increase in day rate for NAGA 3;
- b) both NAGA 2 and NAGA 3 are operating at an efficiency rate of more than 95%;
- c) GAIT I, a work-over rig, which has secured a six months contract for the provision of work-over services in Indonesia has been income-generating since end July 2012; and
- d) higher profit contributions are expected from some of our overseas associated companies.

However, the overall performance of the Oil & Gas segment for the year 2012 is subject to the following factors that are affected by market forces:

- a) changes in fair value of our overseas quoted investments and hedging instruments used to hedge various financial risks; and
- b) movement in foreign currency exchange rates.

## **Manufacturing & Engineering Segment**

Revenue contributions from our automotive component plants in India and lubricant toll-blending plant in China are expected to continue to improve in the second half of 2012 as capacity utilisation increases. Similarly, demand for our shock absorbers and lubricant products are expected to be higher for the next six months. For the year 2012, the Manufacturing and Engineering segment is expected to be profitable. However, unfavourable movement in Indian Rupee, Japanese Yen and base oil prices may affect the profitability of this segment.

## **Group**

Barring unforeseen circumstances, the Board expects the Group to achieve its overall targets set for 2012.

### ***Note 17 - Statement on Headline Key Performance Indicators (KPIs)***

Based on internal key financial indicators and the current economic outlook for the remaining period to 31<sup>st</sup> December 2012, the Board of Directors is of the view that barring unforeseen circumstances, the Group is on track to achieve its 2012 Headline Key Performance Indicators as reproduced below:

- (a) Minimum annual return on shareholders' funds of 10%; and
- (b) Annual dividend payout ratio of at least 50% of net profit attributable to shareholders after excluding unrealised profits.

### ***Note 18 - Variance from Profit Forecast and Profit Guarantee***

This is not applicable to the Group.

### ***Note 19 - Taxation - 9B6***

	<b>Quarter Ended 30/06/2012 RM'000</b>	<b>Six Months Ended 30/06/2012 RM'000</b>
Current period's provision	131,782	225,200
Under/(Over) provision in prior periods	310	(1,116)
	132,092	224,084
Deferred taxation	53	(1,049)
Total	132,145	223,035

The effective tax rates for the current quarter and for the six months ended 30<sup>th</sup> June 2012 were 27.6% and 25.7%, respectively. The effective tax rates were higher than the statutory tax rate of 25% primarily due to certain expenses were not allowable for tax purposes and the non-recognition of deferred tax assets for some subsidiaries.

### ***Note 20 - Corporate Proposal - 9B9***

There were no corporate proposals announced but not completed at the date of this announcement.

**Note 21 - Group Borrowings and Debt Securities**

	RM'000	RM'000	'000
(a) Short term borrowings			
- Unsecured			
Short term loans and trade facilities	570,178		( USD61,241 ( SGD4,062 ( INR275,000 ( RMB16,287
Finance lease payable	137		
Portion of long term loans payable within 12 months	137,001		( USD41,875
	<hr/>	707,316	
- Secured			
Short term loans and trade facilities	29,043		( AUD482 ( INR412,159 ( SGD1,178
Finance lease payable	533		( SGD190 ( KINA46
Portion of long term loans payable within 12 months	25,859		( SGD800 ( KINA1,427
	<hr/>	55,435	
		<hr/>	
		762,751	( USD103,116 ( SGD6,230 ( AUD482 ( INR687,159 ( RMB16,287 ( KINA1,473
(b) Long term borrowings			
- Unsecured			
Long term loans	1,854,793		( USD328,893 ( INR14,236
Finance lease payable	402		
Portion of long term loans payable within 12 months	(137,001)		( (USD41,875)
	<hr/>	1,718,194	
- Secured			
Long term loans	335,122		( USD59,972 ( SGD1,552 ( INR390,216 ( JPY1,096,000 ( KINA1,427 ( RMB13,562
Finance lease payable	219		( KINA147
Portion of long term loans payable within 12 months	(25,859)		( (SGD800) ( (KINA1,427)
	<hr/>	309,482	
		<hr/>	
		2,027,676	( USD346,990 ( SGD752 ( INR404,452 ( JPY1,096,000 ( RMB13,562 ( KINA147

### **Note 22 - Material Litigation**

There was no material litigation pending on the date of this announcement.

### **Note 23 - Dividend**

The Board is pleased to declare an interim single-tier dividend of 20% or 10.0 sen (2011 - 20% or 10.0 sen) per share of RM0.50 each, amounting to a net dividend payable of approximately RM116.8 million (2011- RM116.8 million) for the year ending 31<sup>st</sup> December 2012, to be paid on 8<sup>th</sup> October 2012.

### **Note 24 - Earnings Per Share**

Basic earnings per share for the quarter and six months ended 30<sup>th</sup> June 2012 are calculated by dividing the net profit attributable to shareholders of RM224.2 million and RM444.3 million, respectively, by the weighted average number of ordinary shares in issue as at 30<sup>th</sup> June 2012 of 1,168,293,932 shares of RM0.50 each.

### **Note 25 - Realised and Unrealised Profits/Losses**

The breakdown of retained profits of the Group as at 31<sup>st</sup> March 2012 and 30<sup>th</sup> June 2012, pursuant to the format prescribed by Bursa Securities, are as follows:

	<b>As at 31<sup>st</sup> March 2012 RM'000</b>	<b>As at 30<sup>th</sup> June 2012 RM'000</b>
Total retained profits/(accumulated losses) of Company and its subsidiaries:		
- Realised	2,392,123	2,552,759
- Unrealised	(32,152)	(61,698)
	2,359,971	2,491,061
Total share of retained profits/(accumulated losses) from Associated companies:		
- Realised	1,102,282	1,092,955
- Unrealised	(44,049)	(54,634)
Total share of retained profits/(accumulated losses) from jointly-controlled entities:		
- Realised	(124,477)	(139,395)
- Unrealised	7,740	(4,697)
	3,301,467	3,385,290
Less: Consolidation adjustments	(184,950)	(132,150)
Total group retained profits as per consolidated accounts	3,116,517	3,253,140

### **Note 26 - Audit Qualification**

The audit report in respect of the annual financial statements for the financial year ended 31<sup>st</sup> December 2011 was not qualified.

**Note 27 - Items to Disclose in the Statement of Comprehensive Income**

	<b>2<sup>nd</sup> Quarter Ended 30/06/2012 RM'000</b>	<b>Six Month Ended 30/06/2012 RM'000</b>
a) Interest income	16,272	32,049
b) Other investment income	3,694	4,831
c) Depreciation and amortization	(61,930)	(150,122)
d) Write back of allowance for impairment of receivables (net)	377	608
e) Provision for inventories	5,937	3,392
f) (Loss)/gain on disposal of quoted or unquoted investment	128	251
g) (Loss)/gain on disposal of properties	-	-
h) (Impairment)/reversal of impairment of assets (net)	(7,905)	(12,666)
i) Net foreign exchange gain/(loss)	(32,350)	(16,118)
j) (Loss)/Gain on derivatives (net)	(4,900)	1,232
k) Exceptional item	-	-

**By Order Of The Board**

**FADZILAH BINTI SAMION**  
**Secretary**  
**(MACS 01262)**

Shah Alam  
16<sup>th</sup> August 2012