

UMW HOLDINGS BERHAD
(COMPANY NO. 090278-P)
(INCORPORATED IN MALAYSIA)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE
FOURTH QUARTER ENDED 31ST DECEMBER 2013**
(THE FIGURES HAVE NOT BEEN AUDITED)

	CURRENT QUARTER ENDED 31/12/2013 RM'000	RESTATED COMPARATIVE QUARTER ENDED 31/12/2012 RM'000	12 MONTHS CUMULATIVE TO DATE 31/12/2013 RM'000	RESTATED AUDITED COMPARATIVE 12 MONTHS CUMULATIVE TO DATE 31/12/2012 RM'000
<u>Continuing Operations</u>				
Revenue	3,891,750	4,050,415	14,206,870	15,816,888
Operating Expenses	(3,666,626)	(3,676,916)	(13,194,283)	(14,124,740)
Other Operating Income	78,999	67,584	288,536	206,837
Profit From Operations	304,123	441,083	1,301,123	1,898,985
Finance Costs	(32,163)	(21,719)	(102,082)	(83,365)
Share Of Profits Of Associated/Jointly- Controlled Entities	33,635	31,862	173,758	126,156
Investment Income	28,091	19,775	82,420	78,501
Profit Before Taxation	333,686	471,001	1,455,219	2,020,277
Taxation	(104,001)	(86,116)	(369,410)	(431,469)
Profit For The Period	229,685	384,885	1,085,809	1,588,808
<u>Other Comprehensive Income:</u>				
Translation Of Foreign Operations	90,493	(174)	94,858	(14,816)
Cash Flow Hedge	(1,325)	(2,085)	1,703	(2,063)
Other Comprehensive Income Net Of Tax	89,168	(2,559)	96,561	(16,879)
Total Comprehensive Income For The Period	318,853	382,626	1,182,370	1,571,929
<u>Profit For The Period Attributable To:</u>				
Equity Holders Of The Company	109,134	250,892	681,237	994,296
Non-Controlling Interests	120,551	133,993	404,572	594,512
	229,685	384,885	1,085,809	1,588,808
<u>Total Comprehensive Income Attributable To:</u>				
Equity Holders Of The Company	196,556	253,458	782,507	981,463
Non-Controlling Interests	122,297	129,168	399,863	590,466
	318,853	382,626	1,182,370	1,571,929
<u>EPS Attributable To Equity Holders Of The Company:</u>				
Basic EPS For The Period (Sen)	9.34	21.48	58.31	85.11
Diluted EPS For The Period (Sen)	9.34	21.48	58.31	85.11

(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 31/12/2013 RM'000	RESTATED (AUDITED) AS AT 31/12/2012 RM'000	RESTATED (AUDITED) AS AT 01/01/2012 RM'000
ASSETS			
Non-Current Assets			
Property, Plant And Equipment	3,893,303	2,997,268	2,863,474
Investment Properties	8,534	9,774	77,574
Intangible Assets	38,489	138,334	169,245
Land Use Rights	4,447	4,609	4,771
Leased Assets	258,816	244,788	226,936
Investments In Associates	1,696,776	1,554,729	1,414,018
Investments In Jointly-Controlled Entity	79,415	76,179	59,752
Deferred Tax Assets	52,596	50,631	56,521
Other Investments	41,929	44,800	54,730
Derivative Assets	910	66,252	43,829
	6,075,215	5,187,364	4,970,850
Current Assets			
Inventories	1,751,773	1,768,818	1,466,779
Trade Receivables	1,228,818	1,078,963	869,505
Other Receivables	868,547	463,697	336,974
Other Investments	2,331,365	489,881	391,271
Derivative Assets	7,101	1,596	5,171
Deposits, Cash And Bank Balances	2,543,835	2,492,582	2,214,825
	8,731,439	6,295,537	5,284,525
Non-Current Assets Held For Sale	-	12,502	4,548
	8,731,439	6,308,039	5,289,073
TOTAL ASSETS	14,806,654	11,495,403	10,259,923
EQUITY AND LIABILITIES			
Equity Attributable To Equity Holders Of The Company			
Share Capital	584,147	584,147	584,147
Share Premium	794,482	794,482	794,482
Capital Reserve	396	396	396
Foreign Currency Translation Reserve	59,771	(39,796)	(29,026)
Hedging Reserve	(360)	(2,063)	-
Retained Profits	4,924,298	3,511,084	2,896,483
	6,362,734	4,848,250	4,246,482
Non-Controlling Interests	2,613,888	1,450,167	1,347,590
TOTAL EQUITY	8,976,622	6,298,417	5,594,072
Non-Current Liabilities			
Provision For Liabilities	56,100	57,982	69,132
Deferred Tax Liabilities	34,160	28,759	34,040
Long Term Borrowings	1,602,246	1,633,939	1,638,699
Derivative Liabilities	82,168	17,647	11,354
	1,774,674	1,738,327	1,753,225
Current Liabilities			
Provision For Liabilities	30,901	71,001	79,213
Taxation	82,216	85,921	82,992
Short Term Borrowings	1,353,943	1,013,930	670,951
Bank Overdrafts	63,378	59,744	73,821
Trade Payables	1,185,765	750,169	746,764
Other Payables	1,034,086	1,295,604	1,099,902
Derivative Liabilities	12,996	7,046	1,263
Dividend Payable	292,073	175,244	157,720
	4,055,358	3,458,659	2,912,626
TOTAL LIABILITIES	5,830,032	5,196,986	4,665,851
TOTAL EQUITY AND LIABILITIES	14,806,654	11,495,403	10,259,923
Net Assets Per Share (RM)	5.4462	4.1499	3.6348

(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 FINANCIAL YEAR ENDED 31ST DECEMBER 2013

←----- NON-DISTRIBUTABLE -----> DISTRIBUTABLE

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	FAIRVALUE ADJUSTMENT RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	NON- CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
12 MONTHS ENDED 31ST DECEMBER 2013									
At 1 st January 2013	584,147	794,482	396	(37,278)	(2,063)	3,511,084	4,850,768	1,426,831	6,277,599
Effects of applying MFRS	-	-	-	(2,518)	-	-	(2,518)	23,336	20,818
At 1 st January 2013 (Restated)	584,147	794,482	396	(39,796)	(2,063)	3,511,084	4,848,250	1,450,167	6,298,417
Transactions with owners									
Issue of ordinary shares by subsidiaries	-	-	-	-	-	-	-	594	594
Disposal of a subsidiary	-	-	-	-	-	-	-	(1,583)	(1,583)
Reduction of shareholding in a subsidiary	-	-	-	-	-	-	-	1,232,285	1,232,285
Net accretion from dilution of interest of a subsidiary	-	-	-	-	-	1,432,953	1,432,953	-	1,432,953
Dividends distributed to equity holders	-	-	-	-	-	(700,976)	(700,976)	(467,438)	(1,168,414)
Total comprehensive income	-	-	-	99,567	1,703	681,237	782,507	399,863	1,182,370
At 31 st December 2013	584,147	794,482	396	59,771	(360)	4,924,298	6,362,734	2,613,888	8,976,622

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2012

←----- NON-DISTRIBUTABLE -----> DISTRIBUTABLE

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	FAIRVALUE ADJUSTMENT RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	NON- CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
12 MONTHS ENDED 31ST DECEMBER 2012									
At 1 st January 2012	584,147	794,482	396	(26,344)	-	2,896,483	4,249,164	1,328,904	5,578,068
Effects of applying MFRS	-	-	-	(2,682)	-	-	(2,682)	18,686	16,004
At 1 st January 2012 (Restated)	584,147	794,482	396	(29,026)	-	2,896,483	4,246,482	1,347,590	5,594,072
Transactions with owners									
Issue of ordinary shares by a subsidiary	-	-	-	-	-	-	-	21,752	21,752
Reduction of minority interest in subsidiaries	-	-	-	-	-	-	-	(438)	(438)
Liquidation of a subsidiary	-	-	-	-	-	-	-	(19)	(19)
Disposal of a subsidiary	-	-	-	-	-	-	-	(7,408)	(7,408)
Dividends distributed to equity holders	-	-	-	-	-	(379,695)	(379,695)	(501,776)	(881,471)
Total comprehensive income	-	-	-	(10,770)	(2,063)	994,296	981,463	590,466	1,571,929
At 31 st December 2012	584,147	794,482	396	(39,796)	(2,063)	3,511,084	4,848,250	1,450,167	6,298,417

(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 YEAR ENDED
31ST DECEMBER 2013**

	12 MONTHS ENDED 31/12/2013 RM'000	RESTATED AUDITED 12 MONTHS ENDED 31/12/2012 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Taxation	1,455,219	2,020,277
Adjustments For:		
Depreciation & Amortisation	315,307	298,230
Impairment/(Reversal Of Impairment) Losses On Goodwill/ Investments	112,778	(58,101)
Net Inventories Written Down/(Written Back)	3,959	(7,915)
Interest Expense	102,082	83,365
Share Of Results Of Associates/Jointly-Controlled Entities	(173,758)	(126,156)
(Reversal Of Impairment)/Impairment Losses On Receivables	(2,808)	1,633
Net Foreign Exchange/ Fair Value (Gain)/Loss	128,771	38,615
Interest & Dividend Income	(82,420)	(78,501)
Others	(74,687)	(50,118)
Operating Profit Before Working Capital Changes	1,784,443	2,121,329
Increase In Receivables	(551,616)	(372,771)
Decrease/(Increase) In Inventories	13,087	(238,702)
Increase In Payables	124,847	208,394
Cash Generated From Operating Activities	1,370,761	1,718,250
Interest Paid	(95,442)	(101,359)
Taxation Paid	(380,735)	(424,120)
Net Cash Generated From Operating Activities	894,584	1,192,771
CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash Outflow Arising From Equity Investments	(216,874)	(258,349)
Dividends Received	116,994	83,056
Purchase Of Properties, Plant & Equipment	(949,582)	(419,095)
Proceeds From Disposal Of Properties, Plant & Equipment	98,147	132,224
Interest & Dividend Income	82,420	75,538
Other Investments (Net)	757,686	(41,378)
Net Cash Used In Investing Activities	(111,209)	(428,004)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Issuance Of Shares	594	11,944
Dividend Paid To Equity Holders Of The Company	(584,148)	(362,171)
Dividend Paid To Non-controlling Interests	(467,438)	(501,776)
Drawdown Of Loans & Borrowings	308,309	381,902
Net Cash Used In Financing Activities	(742,683)	(470,101)
NET INCREASE IN CASH AND CASH EQUIVALENTS	40,692	294,666
CASH AND CASH EQUIVALENTS AS AT 1ST JANUARY	2,432,838	2,141,004
EFFECTS OF EXCHANGE RATE CHANGES	6,927	(2,832)
CASH AND CASH EQUIVALENTS AS AT 31ST DECEMBER	2,480,457	2,432,838

(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

Basis of preparation

The interim financial statements have been prepared in accordance with the requirements of IAS 34, *Interim Financial Reporting* and MFRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements have been prepared using historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31st December 2012. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31st December 2012.

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31st December 2013 under the Malaysian Financial Reporting Standards ("MFRS") framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31st December 2012 except as described below.

As of 1st January 2013, the Group has adopted the following new and revised MFRSs, amendments and IC Interpretations (collectively referred to as "pronouncements") which are effective for annual periods beginning on or after 1st January 2013.

- MFRS 10, *Consolidated Financial Statements*
- MFRS 11, *Joint Arrangements*
- MFRS 12, *Disclosure of Interests in Other Entities*
- MFRS 13, *Fair Value Measurement*
- MFRS 119, *Employee Benefits (revised)*
- MFRS 127, *Separate Financial Statements*
- MFRS 128, *Investments in Associates and Joint Ventures*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 10, *Consolidated Financial Statements: Transition Guidance*
- Amendments to MFRS 11, *Joint Arrangements: Transition Guidance*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Transition Guidance*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 132, *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*

The adoption of the above pronouncements except for MFRS 11 does not have material impact on the financial statements of the Group. The impact of the adoption of MFRS 11 is disclosed below.

EFFECTS OF ADOPTION OF MFRS 11, *Joint Arrangements*

MFRS 11 replaces MFRS 131 *Interests in Joint Ventures* and IC Interpretation 113 *Jointly-Controlled Entities - Non-monetary Contributions by Venturers*.

The classification of joint arrangements under MFRS 11 is determined based on the rights and obligations of the parties to the joint arrangements by considering the structure, the legal form,

the contractual terms agreed by the parties to the arrangement and when relevant, other facts and circumstances. Under MFRS 11, joint arrangements are classified as either joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

MFRS 11 removes the option to account for jointly-controlled entities ("JCE") using proportionate consolidation. Instead, JCE that meet the definition of a joint venture must be accounted for using the equity method.

The application of this new standard will affect the financial position of the Group due to the cessation of proportionate consolidation of United Seamless Tubular Private Limited ("USTPL"), Lubritech International Holdings Limited ("LIHL"), Sichuan Haihua Petroleum Steel Pipe Co Ltd ("SHPSP") and Tubulars International Pte Ltd ("TIPL"). Under MFRS 11, USTPL, LIHL, SHPSP and TIPL are treated as joint ventures and are accounted for using the equity method.

MFRS 11 will be applied in accordance with the relevant transitional provisions set out in MFRS 11. The initial investment as at 1st January 2012 for the purpose of applying the equity method will be measured as the aggregate of the carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated.

The effects of the adoption of MFRS 11 on the Group's reported income and net assets are as summarised below:

Statement of Financial Position

RM'000	At 31/12/2012	At 1/01/2012
Decrease in Property, Plant & Equipment	(198,353)	(213,721)
Increase in Investment	29,045	49,326
Decrease in Cash & Cash Equivalents	(2,723)	(4,605)
Decrease in Goodwill	(28,791)	(30,170)
Decrease in Other Assets	(100,081)	(112,441)
Decrease in Foreign Exchange Reserve	(2,518)	(2,682)
Decrease in Borrowings	(173,750)	(210,533)
Decrease in Other Liabilities	(147,971)	(117,081)
Increase in Non-Controlling Interests	23,336	18,686

Statement of Profit or Loss and Other Comprehensive Income

RM'000	12 months ended 31st December 2012
Decrease in Revenue	(46,729)
Increase in Share of Loss after Tax of Equity-accounted Jointly-Controlled Entities	(38,205)
Increase in Profit Before Taxation	10,584
Decrease in Taxation	(142)
Increase in Non-Controlling Interests	10,727

The transition from FRS to MFRS has not had a material impact on the statement of cash flows of the Group.

Note 2 - Seasonal or Cyclical Factors

The Group is principally engaged in the -

- 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, agricultural and mining 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 material 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 periods 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 18th December 2013, UMW Holdings Berhad had successfully completed the early redemption of its RM500.0 million Islamic Medium Term Loan ("IMTN") under the IMTN Programme ("**Sukuk Buy-back Exercise**"). The RM500.0 million IMTN was issued on 9th May 2013.

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 31st December 2013.

Note 6 - Dividends Paid

A second interim single-tier dividend of 30% or 15.0 sen (2012 - 27% or 13.5 sen) per share of RM0.50 each, amounting to a net dividend of RM175.2 million (2012 - RM157.7 million) for the financial year ended 31st December 2012, was paid on 8th February 2013.

A final single-tier dividend of 50% or 25.0 sen (2012 - 15% or 7.5 sen) per share of RM0.50 each, amounting to a net dividend of RM292.1 million (2012 - RM87.6 million) for the financial year ended 31st December 2012, was paid on 15th August 2013.

A first interim single-tier dividend of 20% or 10.0 sen (2012 - 20% or 10.0 sen) per share of RM0.50 each, amounting to a net dividend of RM116.8 million (2012 - RM116.8 million) for the financial year ended 31st December 2013 was paid on 8th October 2013.

Note 7 - Segmental Reporting

	Financial Year Ended 31st December 2013		
Business Segment	Revenue RM'000	Profit Before Taxation RM'000	Profit Attributable to Owners of the Company RM'000
Automotive	10,263,699	1,411,987	665,835
Equipment	1,705,521	191,145	151,620
Oil & Gas	736,676	205,381	175,756
Manufacturing & Engineering	737,949	(35,889)	(40,857)
Others	848,293	(317,405)	(271,117)
Sub-Total	14,292,138	1,455,219	681,237
Elimination of Inter-Segment Sales	(85,268)	-	
Consolidated Total	14,206,870	1,455,219	

Total assets increased in tandem with higher levels of revenue and profitability. There has been no material change in total assets compared to the last annual financial statements.

During the financial year, the Group has reclassified certain business units within the Oil & Gas segment into Others segment to facilitate more efficient management monitoring of the business operations. Certain comparative numbers had been restated to reflect the reclassification.

Note 8 - Subsequent Material Events

In the opinion of the Directors, there has been no material event or transaction during the period from 31st December 2013 to the date of this announcement, which affects substantially the results of the Group for the year ended 31st December 2013.

Note 9 - Changes in Composition/Group

On 11th October 2013, UMW Holdings Berhad entered into a Sale of Shares Agreement (“the Agreement”) with Dr Leong Chik Weng, a Director of UMW (“Dr Leong” or “the Related Party”), for the proposed acquisition of 650,000 ordinary shares of RM1.00 each (“Shares”), representing 10% of the total issued and paid-up share capital of e-Lock Corporation Sdn Bhd (“e-Lock”), held by Dr Leong (“the Proposed Acquisition or Related Party Transaction”). The total consideration of the Proposed Acquisition was USD4,000,000 (“Purchase Consideration”) or its equivalent in Ringgit Malaysia at the prevailing exchange rate at the date of payment.

The Proposed Acquisition represents an investment in a one-stop provider that offers a comprehensive suite of web security solutions and services. It will be a platform for UMW’s entry into an innovative software security solutions company with potential for scalability.

On 1st November 2013, UMW Oil & Gas Corporation Berhad (“UMW-OG”) had completed the listing of and quotation for the entire issued and paid-up share capital of UMW-OG of 2,162,000,000 ordinary shares of RM0.50 each in UMW-OG on the Main Market of Bursa Malaysia Securities Berhad.

Other than the above, there were no changes in the composition of the Group during the quarter ended 31st December 2013.

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

These are in respect of capital commitments -

	RM'000	RM'000
Approved and contracted for:		
Land and buildings	107,887	
Equipment, plant and machinery	558,700	
Others	6,004	672,591
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Approved but not contracted for:		
Land and buildings	110,285	
Equipment, plant and machinery	1,597,350	
Others	113,259	1,820,894
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Total		<hr/> <u>2,493,485</u>

Note 11 - Significant Related Party Transactions

On 11th October 2013, UMW Holdings Berhad entered into a Sale of Shares Agreement (“the Agreement”) with Dr Leong Chik Weng, a Director of UMW (“Dr Leong” or “the Related Party”), for the proposed acquisition of 650,000 ordinary shares of RM1.00 each (“Shares”), representing 10% of the total issued and paid-up share capital of e-Lock Corporation Sdn Bhd (“e-Lock”), held by Dr Leong (“the Proposed Acquisition or Related Party Transaction”). The total consideration of the Proposed Acquisition was USD4,000,000 (“Purchase Consideration”) or its equivalent in Ringgit Malaysia at the prevailing exchange rate at the date of payment.

The Proposed Acquisition represents an investment in a one-stop provider that offers a comprehensive suite of web security solutions and services. It will be a platform for UMW’s entry into an innovative software security solutions company with potential for scalability.

Other than the above, there were no disclosures of significant related party transactions (RPTs) as no material RPT was entered into which is outside the recurrent RPT mandate.

Note 12 - Classification of Financial Assets

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

Contingent liabilities of the Group had increased to RM707.7 million as at 31st December 2013 from RM603.9 million as at 31st December 2012.

Note 14 - Review of Performance

Current Quarter Ended 31st December 2013

	Revenue		Profit Before Tax	
	Quarter ended 31/12/2013 RM'000	Quarter ended 31/12/2012 RM'000 Restated*	Quarter ended 31/12/2013 RM'000	Quarter ended 31/12/2012 RM'000 Restated*
Consolidated Total	3,891,750	4,050,415	333,686	471,001
Business Segment :				
Automotive	2,866,912	3,029,208	390,931	424,564
Equipment	371,147	435,795	24,544	19,247
Oil & Gas	206,054	128,177	54,526	12,546
Manufacturing & Engineering	184,017	168,329	(11,637)	(1,426)

* Restated to take into account the MFRS impact

Group

The Group recorded lower revenue of RM3,891.8 million for the fourth quarter ended 31st December 2013 compared to RM4,050.4 million recorded in the same period of 2012. The lower revenue was mainly contributed by the lower sales of motor vehicles and equipment.

Consequently, the Group recorded a lower profit before taxation of RM333.7 million compared to RM471.0 million recorded in the same period of 2012. This was mainly due to lower contributions from the Automotive and M&E segments offset by improved contributions from the Equipment and Oil & Gas segments. In spite of the lower revenue performance of the Equipment Segment, profit contribution from this segment was higher due to better margins.

The net profit attributable to equity holders of the Company for the fourth quarter ended 31st December 2013 was RM109.1 million compared to RM250.9 million in the previous year's corresponding quarter.

Automotive Segment

The new Vios model that was launched only in October 2013 contributed to the lower revenue of RM2,866.9 million in the quarter ended 31st December 2013 as compared to the same quarter of 2012. Order-taking for the new Vios was encouraging with total cumulative order of about 20 thousand units, with a waiting period of 3.5 months immediately after the initial launch which subsequently reduced to 2.8 months by December 2013. Overall vehicle sales improved compared to the previous quarter but is lower than the same quarter of 2012. Perodua recorded an increase in vehicle sales of 3.1% in the fourth quarter of 2013 compared to the corresponding quarter in 2012, contributed by higher sales of the new MyVi.

In line with the lower revenue, profit before taxation recorded in the fourth quarter of 2013 of RM390.9 million was lower than that of the same quarter of 2012.

Equipment Segment

Revenue for Equipment Segment was RM371.1 million, lower than that of the same period of 2012. The drop in commodity prices and continued suspension of mining activities in a country where we operate resulted in lower demand of our equipment during the quarter.

Nevertheless, profit before taxation of the Equipment Segment of RM24.5 million was higher than that of the previous year's corresponding quarter. The improvement was contributed by better margins.

Oil & Gas Segment

Revenue for the Oil & Gas Segment of RM206.0 million for the current quarter was higher compared to the same quarter of 2012 of RM128.2 million, mainly due to higher exploration income especially from the new NAGA 4.

In tandem with the increase in revenue, profit before taxation increased to RM54.5 million in the current quarter of 2013 from RM12.5 million registered in the preceding year's corresponding quarter.

Manufacturing & Engineering Segment

Revenue for the Manufacturing & Engineering Segment for the current quarter of RM184.0 million was higher than that of the same quarter in 2012. However, this segment registered a loss before taxation of RM11.6 million for the quarter due to the current downturn of the automotive industry and impairment of assets of our subsidiaries in India.

Financial Year Ended 31st December 2013

	Revenue		Profit Before Tax	
	12 Months ended 31/12/2013 RM'000	12 Months ended 31/12/2012 RM'000 Restated*	12 Months ended 31/12/2013 RM'000	12 Months ended 31/12/2012 RM'000 Restated*
Consolidated Total	14,206,870	15,816,888	1,455,219	2,020,277
Business Segment				
Automotive	10,263,699	11,498,096	1,411,987	1,796,792
Equipment	1,705,521	2,138,469	191,145	183,458
Oil & Gas	736,676	724,336	205,381	83,566
Manufacturing & Engineering	737,949	680,708	(35,889)	3,604

*Restated to take into account the MFRS impact

Group

The Group recorded revenue of RM14,206.9 million for the financial year ended 31st December 2013, 10.2% lower than revenue recorded in 2012. This was mainly attributable to lower contribution from the Automotive and Equipment segments arising from lower sales.

Consequently, the Group recorded profit before taxation of RM1,455.2 million for the financial year ended 31st December 2013, compared to the profit before taxation of RM2,020.3 million recorded in 2012.

The net profit attributable to equity holders of the Company for the financial year ended 31st December 2013 reduced to RM681.2 million from the RM994.3 million registered in 2012.

Automotive Segment

The Automotive Segment revenue of RM10,263.7 million for the year ended 31st December 2013 was 10.7% lower than that of the corresponding period in 2012. Stiff competition from other car manufacturers with new model launches affected our revenue performance. The run-out of Vios in September, pending the new model launch in October 2013, affected the sales of Vios in the last quarter of the year. The new Vios was successfully launched with encouraging order-taking.

Despite stiff competition, Perodua recorded higher vehicle sales by 12.3% for the year ended 31st December 2013, mainly attributed to the good performance of the new competitively-priced "S Series" variants.

In tandem with the lower sales, profit before taxation was lower at RM1,412.0 million, 20.2% below the corresponding period of 2012. In addition, higher selling and distribution expenses from promotional and advertising activities also affected profit contribution.

Equipment Segment

The Equipment Segment revenue of RM1,705.5 million for the year ended 31st December 2013 was 20.2% lower than that of the same period in 2012. Lower sales were due to -

- a) Softer construction sector during the period;
- b) Drop in commodity prices that dampened equipment demand in the palm oil, iron ore and mining sectors; and
- c) Continued suspension of the jade mining activities in a country where we operate.

In spite of the lower revenue, profit before taxation for the year ended 31st December 2013 of RM191.1 million was 4.1% higher compared to the same period of 2012, contributed by better margins.

Oil & Gas Segment

The Oil & Gas Segment revenue for the year ended 31st December 2013 of RM736.7 million was 1.7% higher than that of the same period in 2012.

The slight increase in revenue was attributed by new contribution from NAGA 4, higher contribution from NAGA 1 and NAGA 2, offset by lower contribution from HAKURYU 5 and barge services.

Nevertheless, profit before taxation for the quarter of RM205.4 million was higher than RM83.6 million recorded in the same period of 2012. The higher profit was mainly due to higher revenue contribution from NAGA 1, NAGA 2 and NAGA 4 and gain from the sale of property by one of its subsidiaries.

Manufacturing & Engineering Segment

Revenue for the Manufacturing & Engineering Segment for the year ended 31st December 2013 of RM738.0 million was higher than the RM680.7 million recorded in the same period of 2012 mainly due to the higher demand for our lubricant products and automotive components.

However, a higher loss was recorded in 2013 compared to 2012 mainly due to the continued slump in the automotive industry in India, impairment of assets and weakening of the Indian Rupee.

Note 15 - Comparison with Preceding Quarter's Results

	Revenue		Profit Before Tax	
	4 th Quarter ended 31/12/2013 RM'000	3 rd Quarter ended 30/09/2013 RM'000	4 th Quarter ended 31/12/2013 RM'000	3 rd Quarter ended 30/09/2013 RM'000
Consolidated Total	3,891,750	3,456,643	333,686	245,641
Business Segment :				
Automotive	2,866,912	2,433,336	390,931	294,891
Equipment	371,147	410,754	24,544	55,601
Oil & Gas	206,054	205,342	54,526	54,451
Manufacturing & Engineering	184,017	188,938	(11,637)	(31,104)

Group revenue of RM3,891.8 million recorded in the fourth quarter of 2013 was 12.6% higher than the revenue recorded in the third quarter of 2013. This was principally due to the higher sales of Toyota vehicles.

In line with the higher revenue, the Group registered a higher profit before taxation of RM333.7 million for the fourth quarter of 2013 against the RM245.6 million recorded in the previous quarter.

Note 16 - Current Prospect

Automotive Segment

The automotive industry in 2014 is expected to perform better due to positive economic conditions. The Malaysian Automotive Association (“MAA”) forecasted 2014 Total Industry Volume (“TIV”) at 670,000 units, a 2% increase compared to 2013 TIV of 655,793 units.

The year 2014 is expected to remain challenging with intense competition expected from the market via aggressive promotions on new model launches. Nevertheless, the Automotive Segment is targeted to sustain its performance in 2014.

Equipment Segment

The Equipment Segment is expected to remain challenging if commodity prices continue to be at the current low level. However the segment is expected to sustain its performance from the sale of parts.

Oil & Gas Segment

The performance of the Oil & Gas Segment is expected to continue to improve for 2014.

Manufacturing & Engineering Segment

Better performance of lubricant sales and higher plant utilisation in China are expected to sustain the performance of the Manufacturing & Engineering Segment in 2014.

Group

Despite the challenges mentioned in the foregoing, the Group performance is expected to remain satisfactory in 2014.

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

The Headline KPIs of the Group for the financial year ended 31st December 2013 were -

- 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.

Based on the unaudited results for the financial year 2013, UMW has achieved an annual return on shareholders’ funds of approximately 12.1%, higher than the targeted KPI by 2.1 percentage point.

Similarly, dividend of 35.0 sen or 60% of the net profit attributable to shareholders has been declared and paid to shareholders. This includes a special interim dividend of 10.0 sen per share.

The Board is pleased to declare a third interim single-tier dividend of 9.0 sen per share or 15% of the net profit attributable to shareholders. The total dividend payout ratio for the year will be 75% of the net profit attributable to shareholders.

Based on the economic outlook and the Group's budget, the 2014 KPIs are maintained as 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

	Quarter Ended 31/12/2013 RM'000	Financial Year Ended 31/12/2013 RM'000
Current period's provision	101,295	365,717
Under/(Over) provision in prior periods	-	-
	101,295	365,717
Deferred taxation	2,706	3,693
Total	104,001	369,410

The effective tax rates for the current quarter and period ended 31st December 2013 of 34.66% and 28.83%, respectively, were higher than the statutory tax rate of 25% primarily due to -

- a) impairment losses and certain expenses that are not allowable for tax purposes; and
- b) higher tax rates for certain overseas subsidiaries.

Note 20 - Corporate Proposal

On 16th May 2013, an announcement was made by UMW Holdings Berhad ("UMWH") in relation to its proposal to list its wholly-owned subsidiary, UMW Oil & Gas Corporation Berhad ("UMW-OG") on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing").

The Listing was completed on 1st November 2013 following the listing of and quotation for the entire issued and paid-up share capital of UMW-OG of 2,162,000,000 ordinary shares of RM0.50 each, on the Bursa Securities.

UMWH raised total proceeds of approximately RM1,002.0 million via offer for sale and exercise of the over-allotment option in conjunction with the Listing. The proceeds from the exercise of over-allotment options will be utilised for working capital purposes whilst the proceeds from offer for sale will be utilised as per below table.

The status of utilisation of proceeds from the Offer for Sale as at 25th February 2014 is as follows:

Purpose	Proposed Utilisation RM'mill	Actual Utilisation To Date RM'mill	Intended Timeframe for Utilisation Month	Deviation in Amount & %	Explanation
Repayment of borrowings	203.0	203.0	24	n/a	-
Working capital	193.4	-	24	n/a	-
Capital expenditure	200.0	-	24	n/a	-
Estimated fees and expenses for the IPO and the Listing	51.5	20.3	6	n/a	-
Total gross proceeds	647.9	223.3			

Other than the above, 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	1,091,470	(	USD135,993 SGD11,080
Finance lease payable	885		
Portion of long term loans payable within 12 months	182,611	(	USD54,979
	<hr/>	1,274,966	
- Secured			
Short term loans and trade facilities	32,809	(	AUD2,448 INR229,232 USD3,501
Finance lease payable	577	(	KINA43 SGD173
Portion of long term loans payable within 12 months	45,591	(	USD13,904
	<hr/>	78,977	
		(	USD208,378
		(	SGD11,253
		(	AUD2,448
		(	INR229,232
		(	KINA43
		1,353,943	
		<hr/>	
(b) Long term borrowings			
- Unsecured			
Long term loans	1,620,405	(	USD268,622 INR12,914 SGD13,478
Finance lease payable	1,346		
Portion of long term loans payable within 12 months	(182,611)	(	(USD54,979)
	<hr/>	1,439,140	
- Secured			
Long term loans	208,636	(	USD63,678
Finance lease payable	61		
Portion of long term loans payable within 12 months	(45,591)	(	(USD13,904)
	<hr/>	163,106	
		(	USD263,417
		(	INR12,914
		(	SGD13,478
		1,602,246	
		<hr/>	

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 a third interim single-tier dividend of 18% or 9.0 sen per share of RM0.50 each, amounting to a net dividend payable of approximately RM105.1 million (2012 - RM292.1 million) for the financial year ended 31st December 2013. The dividend will be paid on 25th April 2014.

The total single-tier dividend for the financial year ended 31st December 2013 would be 88% or 44.0 sen per share of RM0.50 each, amounting to a net dividend of approximately RM514.0 million (2012 – 100% or 50.0 sen per share of RM0.50 each, amounting to a net dividend of RM584.2 million).

Note 24 - Earnings Per Share

Basic earnings per share for the quarter and financial year ended 31st December 2013 is calculated by dividing the net profit attributable to shareholders of RM109.1 million and RM681.2 million, respectively, by the weighted average number of ordinary shares in issue as at 31st December 2013 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 30th September 2013 and 31st December 2013, pursuant to the format prescribed by Bursa Securities, is as follows:

	As at 30th September 2013 RM'000	As at 31st December 2013 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
-Realised	2,318,655	4,602,939
-Unrealised	(50,499)	(79,872)
	2,268,156	4,523,067
Total share of retained profits/(accumulated losses) from associated companies:		
-Realised	1,229,429	1,206,012
-Unrealised	(49,785)	(24,185)
Total share of retained profits/(accumulated losses) from jointly-controlled entities:		
-Realised	79,489	(12,355)
-Unrealised	(12,022)	(15,073)
	3,515,267	5,677,466
Less: Consolidation adjustments	159,017	(753,168)
Total Group retained profits as per consolidated accounts	3,674,284	4,924,298

Note 26 - Audit Qualification

The audit report in respect of the annual financial statements for the financial year ended 31st December 2012 was not qualified.

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

	4th Quarter Ended 31/12/2013 RM'000	Financial Year Ended 31/12/2013 RM'000
a) Interest income	18,700	66,128
b) Other investment income	9,391	16,292
c) Depreciation and amortization	(91,557)	(315,307)
d) Write back of allowance for impairment of receivables (net)	2,412	2,808
e) (Provision for)/write back of inventories	3,775	(3,959)
f) (Loss)/gain on disposal of quoted or unquoted investment	807	1,808
g) (Loss)/gain on disposal of properties	12,491	41,490
h) Reversal/(Impairment) of assets/investments (net)	(52,379)	(112,778)
i) Net foreign exchange gain/(loss)	(28,496)	(271)
j) (Loss)/gain on derivatives (net)	(51,739)	(128,500)
k) Exceptional item	-	-

By Order Of The Board

FADZILAH BINTI SAMION
Secretary
(MACS 01262)

Shah Alam
26th February 2014