CLSA 20th INVESTORS’ FORUM 2013
GRAND HYATT, HONG KONG
(23rd - 25th September 2013)

Prepared by:
Investor Relations & Management Reporting Department

tenaga_ir@tnb.com.my
GROUP FINANCE DIVISION
CLSA 20th INVESTORS’ FORUM 2013

PART ONE

YOU SEE

KEEPING THE LIGHTS ON
AGENDA

1. INTRODUCTION TO TENAGA
2. INTRODUCTION TO MESI
3. BUSINESS STRATEGY & DIRECTION
4. TARIFF
5. DIVIDEND POLICY
6. OUTLOOK - KEY TAKEAWAYS
INTRODUCTION TO TENAGA
INTRODUCTION TO TENAGA
Three Major Utilities in Malaysia

Tenaga Nasional Bhd (TNB)
Sarawak Electricity Board (SEB)
Sabah Electricity Sdn Bhd
(A 83% TNB Subsidiary)

* Includes IPPs

INSTALLED CAPACITY
TNB : 52.7%
IPP: 47.3%

GENERATION MIX
TNB : 48.6%
IPP: 51.4%

<table>
<thead>
<tr>
<th></th>
<th>FY’09</th>
<th>FY’10</th>
<th>FY’11</th>
<th>FY’12</th>
<th>9MFY’13</th>
</tr>
</thead>
<tbody>
<tr>
<td>TNB -Peninsula Installed Capacity (MW)</td>
<td>11,530</td>
<td>11,530</td>
<td>11,530</td>
<td>11,462</td>
<td>11,462</td>
</tr>
<tr>
<td>Total units sold (Gwh)</td>
<td>87,780</td>
<td>95,197</td>
<td>97,888</td>
<td>102,132</td>
<td>78,010</td>
</tr>
<tr>
<td>Total customers (million)</td>
<td>7.59</td>
<td>7.87</td>
<td>8.11</td>
<td>8.36</td>
<td>8.33</td>
</tr>
<tr>
<td>Total employees</td>
<td>29,149</td>
<td>30,535</td>
<td>31,935</td>
<td>33,568</td>
<td>34,357</td>
</tr>
<tr>
<td>Total assets (RM billion)</td>
<td>71.4</td>
<td>75.9</td>
<td>79.1</td>
<td>88.5</td>
<td>92.4</td>
</tr>
</tbody>
</table>

Installed Capacity vs. Generation mix

Gas  Coal  Hydro & Others  Oil & Distillate
INTRODUCTION TO TENAGA
Vertically Integrated Utility

- Generation: 52.7%
- Transmission: 100%
- Distribution: 100%
- Core Business - Peninsula

PM: TNB to power ahead as single entity

Source: The Sun; 7th March 2013

Najib dismisses talk of TNB split-up

Source: The Sun; 7th March 2013

Najib’s guarantee: Its status as country’s premier utility company will be maintained.

Source: The New Straits Times; 7th March 2013
INTRODUCTION TO TENAGA
No of Customer vs. Sales Value vs. Unit Sales

Average Tariff by Sector

Sectoral Sales Analysis (Gwh)

*FY’13 - 9MFY13

<table>
<thead>
<tr>
<th>Year</th>
<th>Industrial</th>
<th>Commercial</th>
<th>Domestic</th>
<th>Others</th>
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<tbody>
<tr>
<td>FY13</td>
<td>42.6</td>
<td>34.4</td>
<td>21.2</td>
<td>1.8</td>
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<tr>
<td>FY12</td>
<td>43.6</td>
<td>34.1</td>
<td>20.6</td>
<td>1.7</td>
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<tr>
<td>FY11</td>
<td>44.3</td>
<td>33.8</td>
<td>20.3</td>
<td>1.6</td>
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<tr>
<td>FY10</td>
<td>44.8</td>
<td>33.4</td>
<td>20.3</td>
<td>1.5</td>
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<tr>
<td>FY09</td>
<td>44.1</td>
<td>33.9</td>
<td>20.4</td>
<td>1.7</td>
</tr>
<tr>
<td>FY08</td>
<td>48.0</td>
<td>31.9</td>
<td>18.7</td>
<td>1.4</td>
</tr>
<tr>
<td>FY07</td>
<td>48.2</td>
<td>31.6</td>
<td>18.9</td>
<td>1.4</td>
</tr>
<tr>
<td>FY06</td>
<td>47.7</td>
<td>29.9</td>
<td>18.1</td>
<td>4.3</td>
</tr>
</tbody>
</table>

- Shift from Industrial-based to Service-based economy
- Increasing market share from Commercial sector
- Commercial sector contributes the highest electricity sales margin
INTRODUCTION TO TENAGA
Industry Regulatory Framework

33.46%
Ministry of Finance/
Khazanah Nasional Berhad

37.76%
Other Govt. Agencies & Corporations

Public
6.98%

Foreign
21.80%

Shareholders

Empowered by Electricity Supply Act 1990

Special Purpose Agency created to detail out the key reform initiatives of the Malaysian Electricity Supply Industry (MESI), aligned with the Government and Economic Transformation Program (ETP)

Ministry of Energy, Green Technology and Water (KeTTHA)

Prime Minister /Cabinet

MyPOWER Corporation

SEDA Malaysia

ENERGY COMMISSION (Regulator)
- Promote competition
- Protect interests of consumers
- Issue licenses
- Tariff regulation

Tenaga Nasional Berhad

IPP

Consumers

ECONOMIC PLANNING UNIT (EPU)
- Develops and complements Privatisation Policy
- Evaluates and selects IPPs
- Recommends ESI policies

Market Cap (8th)
RM47.97bn
(USD14.4bn)
- @ 28th Aug’13-

* Shareholding figures as at May ‘13
INTRODUCTION TO MESI
Transformation Initiatives by Government

Jun - Dec 2008
Khazanah’s MESI Study

Jan - Dec 2009
KeTTHA-led syndication

4 Dec 2009
Cabinet endorsement to transform ESI

Transformation Programme

A. Governance
1. Agency Roles
2. Ring-fencing

B. Market Structure
3. Competitive Bidding
4. PPA Renegotiation

C. Fuel Supply and Security
5. Fuel Supply and Security

D. Tariff
6. Value Chain Tariff
7. End User Tariff
8. Stabilization Fund
9. Accounts Unbundling

Aimed at delivering a reliable, transparent, efficient and sustainable ESI

*Source: MyPower*
The New Energy Policy Addresses Economic Efficiency, Security of Supply and Social & Environmental Objectives

2010
- Competitive Bidding
- Account Unbundling
- Technical & Financial Benchmarking
- Fuel Supply Security
- Generation Development Plan
- Tariff Analysis
- Transparency in dispatching

2011
- Development of Regulation Enhancement Plan
- Industry Award Program
- Energy Database
- Performance Regulation
- Activity-based licensing (G, T, D, Retail)
- Fuel Pricing
- Implementation of new ACP mechanism
- Development of industry codes of Practice & Guidelines
- Enforcement of Grid & Distribution Codes

2012
- Effective service standard & regulatory monitoring
- Issuance of RIGs
- Ring-fenced functions of GSO & SB
- Commence outsourcing of selected activities
- Operationalisation of a more managed market

2013
- Open access of gas network
- Implementation of IBR (Gas)

2014
- Implementation of competitive bidding & expansion plan by SB

2015
- Implementation of IBR (Electricity)

2016 - 2020
- Enactment of Competition Regulations
- Establishment of Electricity market Authority
- Formulation of market rules
- Operationalisation of liberalised market

*Source: EC
### INTRODUCTION TO MESI

**Energy Pricing - Competitive Bidding**

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#### TRACK 1

<table>
<thead>
<tr>
<th>TRACK 1</th>
<th>1071 MW CCGT PRAI</th>
</tr>
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<tbody>
<tr>
<td>COD</td>
<td>January 2016</td>
</tr>
<tr>
<td>LEVELISED TARIFF</td>
<td>34.7 sen/kWh</td>
</tr>
<tr>
<td>STATUS</td>
<td>TNB has signed agreements for:</td>
</tr>
<tr>
<td></td>
<td>i. EPC - TNB Northern Energy Bhd &amp; Samsung Engineering &amp; Construction (M) Sdn Bhd</td>
</tr>
<tr>
<td></td>
<td>ii. Long term Service - TNB Prai &amp; Siemens AG</td>
</tr>
<tr>
<td></td>
<td>iii. O&amp;M - TNB Prai &amp; REMACO</td>
</tr>
<tr>
<td></td>
<td>Notice to Proceed (NTP) issued on 2 May 2013</td>
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#### TRACK 2

<table>
<thead>
<tr>
<th>TRACK 2</th>
<th>RENEWAL OF EXPIRING PLANTS: 2253 MW CCGT</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLANTS</td>
<td>GENTING</td>
</tr>
<tr>
<td>EXTENSION</td>
<td>10 years (to 2026)</td>
</tr>
<tr>
<td>LEVELISED TARIFF</td>
<td>35.3 sen/kWh</td>
</tr>
<tr>
<td>STATUS</td>
<td>Reduction rates of CP effective 1 March 2013 until expiry of current PPA</td>
</tr>
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</table>

#### TRACK 3A

<table>
<thead>
<tr>
<th>TRACK 3A</th>
<th>1 X 1000 MW COAL-FIRED</th>
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<tbody>
<tr>
<td>COD</td>
<td>October 2017</td>
</tr>
<tr>
<td>STATUS</td>
<td>TNB has signed agreements on 16/8/13 for:</td>
</tr>
<tr>
<td></td>
<td>i. PPA with TNB Manjung Five Sdn Bhd “Manjung 5” to design, construct, own, operate &amp; maintain the coal plant capacity (25 years term)</td>
</tr>
<tr>
<td></td>
<td>ii. SFA “Shared Facilities Agreement” between TNB, Manjung 5 &amp; TNB Janamanjung</td>
</tr>
<tr>
<td></td>
<td>iii. CSTA “ Coal Supply and Transportation Agreement between TNB Fuel Services &amp; Manjung 5.</td>
</tr>
<tr>
<td></td>
<td>EPC contract signed on 21/8/13 between: TNB Western Energy Bhd; a wholly owned subsidiary of Manjung 5 with Consortium of Sumitomo Corp, Daelim Industrial Co Ltd, Sumi-Power M'sia Sdn Bhd &amp; Daelim M’sia Sdn Bhd</td>
</tr>
<tr>
<td>TECHNOLOGY</td>
<td>Ultra Super Critical Boiler Technology</td>
</tr>
<tr>
<td>OEM to EPC is Hitachi</td>
<td></td>
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#### TRACK 3B

<table>
<thead>
<tr>
<th>TRACK 3B</th>
<th>2 X 1000 MW COAL-FIRED</th>
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</thead>
<tbody>
<tr>
<td>COD</td>
<td>October 2018 &amp; April 2019</td>
</tr>
<tr>
<td>CLOSING RFP</td>
<td>30 September 2013</td>
</tr>
<tr>
<td>STATUS</td>
<td>5 shortlisted:</td>
</tr>
<tr>
<td></td>
<td>i. 1MDB and Mitsui &amp; Co Ltd (Site: Jimah)</td>
</tr>
<tr>
<td></td>
<td>ii. Formis Resources, SIPP Energy, Posco Energy and Posco Engineering &amp; Construction Co Ltd. (Site: Tg Tohor, Johor)</td>
</tr>
<tr>
<td></td>
<td>iii. TNB, Global Power Ventures and China National Machinery Import &amp; Export Corporation. (Site: Tg Hantu, Segari)</td>
</tr>
<tr>
<td></td>
<td>iv. Malakoff and Sumitomo (Site: Carey Island, Selangor)</td>
</tr>
<tr>
<td></td>
<td>v. YTL Power and Ranhill Power (Site: Tg Tohor, Johor)</td>
</tr>
</tbody>
</table>
To ensure healthy competition for new generation capacity

Customers benefit from competitive rates.

TNB’s participation in the bidding process -> people’s best interest.

TNB has the financial resources & technical capabilities to offer the best bid in terms of price & quality.

The competitive bidding guidelines ensure transparent & level playing field for all parties; where the least cost bidder who fulfill all technical requirements will win the bid

Why should TNB be allowed to participate in competitive bidding for new generation capacity?
To ensure an efficient, secure and environmentally sustainable supply of energy – source Malaysia National Energy Policy 1979
INTRODUCTION TO MESI
Energy Efficiency & Governance - Incentive Based Regulation (IBR)

Economic regulation methodology proposed by EC to promote efficiency and transparency through incentive and penalty mechanism.

3 broad efficiency categories offered by IBR:

Operational Efficiencies
- Rewarded for seeking efficiencies in operational and capital expenditure

Financial Efficiencies
- Rewarded for maintaining an efficient capital structure

Performance Efficiencies
- Rewarded for delivering improvements in network performance
INTRODUCTION TO MESI
Energy Efficiency & Governance - Incentive Based Regulation (IBR)

IBR Implementation Timeline by EC

- **2012**
  - Dec 2012 to April 2013
    - EC to assess Tenaga’s proposal
  - May to July 2013
    - Stakeholder Consultations and Process for Government’s approval

- **2013**
  - Nov
    - Tenaga submitted full Tenaga IBR Proposal to EC

- **2014**
  - Aug
    - Interim Period (FY2014)
  - Budget 2014

- **2015**
  - Aug
  - First Regulatory Period (3-year period from FY2015 to FY2017)

- **2016**
  - Aug

- **2017**
  - Aug

**The Move towards Better Regulation**

11 Regulatory Implementation Guidelines (RIGS) were developed for IBR Implementation

*Source: EC*
CLSA 20th INVESTORS’ FORUM 2013

3 BUSINESS STRATEGY & DIRECTION

YOU SEE

KEEPING THE LIGHTS ON
THE PLAN LAYS DOWN THE PATH TOWARDS REALISING OUR VISION OF GLOBAL LEADERSHIP
It builds upon the progress of T7

- Excel in:
  - All business areas
  - Reputation as a strong business partner
  - Ability to continue to create shareholder value

- Tenaga acknowledged as amongst the most admired companies globally

SERVICE EXCELLENCE 2010

- Improve Core Operations under T7 Strategy
- Place Tenaga as the best performing company in Malaysia by 2007 and as the Regional best by 2010

GEOGRAPHICAL EXPANSION (SERVICES) 2015

- Expand works and services related to the energy sector
- Creation of new revenue stream leveraging on Tenaga’s knowledge and competencies in the energy business

OVERSEAS INVESTMENT 2020

- Improve financial position and human resource readiness of Tenaga
- Venture into power/energy related investments in the international arena

GLOBAL LEADERSHIP 2025
BUSINESS STRATEGY & DIRECTION

International Footprint

Leverage on Tenaga’s capabilities (in Middle East and North Africa “MENA” area) in pursuing International Business (O&M), Project Management in generation Business

Utilise existing related services (consultation & training) and manufacturing products as stepping stone for future business in new frontier countries

REMACO O&M for Shuaiba North Co-Gen (USD320m)
780MW Power; 204,000 m³ / day water (KUWAIT)

MTM supply of transformers to Saudi Arabia

REMACO O&M Services for Shuaibah IWPP

IWPP: Shuaibah (USD2.7bn)
900MW Power
880,000 m³ / day water 150,000 m³ / day water

TNEC JV with Abu Dhabi Al Samah for District Cooling

REMACO O&M Services for Hydro Plant in Pakistan

REMACO O&M services for Liberty Power Ltd

REMACO O&M services – HUBCO (Narowal)

TSG supply of switchgears to Pakistan

MTM supply of transformers to Brunei

REMACO O&M Services for Amurang Plant, Sulawesi

Development of the Sumatera – Peninsular Malaysia HVDC interconnection, Coal-fired power plant & coal mine mouth projects

IPP, IWPP & Development Projects
Supply & Services
ILSAS continues to provide services for power companies in emerging countries including Vietnam, Yemen, Mongolia, Laos, Indonesia, Thailand, Nepal, Egypt and Pakistan

Source: Company presentation; Note: REMACO is a 100% owned subsidiary with a focus on O&M; MTM is a wholly owned subsidiary manufacturing transformers; TSG is a subsidiary manufacturing high voltage switchgears; TNEC is a wholly owned subsidiary providing project services and developing energy related projects.
BUSINESS STRATEGY & DIRECTION
Domestic Dominance Regional Champion “DDRC”

TNB Transformation Paves the Way for TNB to Become a Strong Leader at Home while Growing as a Regional Champion

Strong domestic leader

Develop our country
- Ensure universal access to power
- Develop power supply to enable national and economic development

Delight our customers
- Deliver secure and reliable supply
- Excellent customer service that exceeds customer expectations

Inspire our people
- Large, growing and admired employer of choice
- International mobility opportunities and world-class capability building

Increase shareholder value
- Fair and stable returns in Malaysia - return on RAB > 9% p.a.
- Robust growth of business - net profit growth of 7-11% p.a.

Regional champion
- Presence in 7-10 countries by 2025
Most Targets that were Set in 2005 were Met Ahead of Target Date

<table>
<thead>
<tr>
<th>INITIATIVES</th>
<th>1ST PHASE</th>
<th>2ND PHASE</th>
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<tbody>
<tr>
<td></td>
<td>TARGET FY’10</td>
<td>ACTUAL FY’05</td>
</tr>
<tr>
<td>Return on Assets (ROA) (%)</td>
<td>6.5</td>
<td>2.2</td>
</tr>
<tr>
<td>Gearing (%)</td>
<td>&lt; 60.0</td>
<td>64.9</td>
</tr>
<tr>
<td>Company CPU (sen/kwh)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from Non-Regulated Business (RM bn)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unplanned Outage Rate (UOR) (%)</td>
<td>No target</td>
<td>6.1</td>
</tr>
<tr>
<td>T &amp; D Losses (%)</td>
<td>No target</td>
<td>10.5</td>
</tr>
<tr>
<td>Transmission System Minutes (mins)</td>
<td>9.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Distribution SAIDI (mins)</td>
<td>&lt; 100.0</td>
<td>148.0</td>
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</tbody>
</table>

Note: Not track as TNB Headline KPI
4 TARIFF

YOU SEE

KEEPING THE LIGHTS ON
Current Tariff Structure:

- **Commercial**:
  - Average reduction of 2.7% (-2.6 to -2.7%) in March 2009.
  - Average increase of 8.3% (6.2 to 8.3%) in June 2011.

- **Industrial**:
  - Average reduction of 5.0% (-4.8 to -5.2%) in March 2009.
  - Average increase of 8.3% (6.2 to 10%) in June 2011.

- **Domestic**:
  - Average reduction of 2.54% (-3.0 to -4.7%) in March 2009.
  - Average increase of 10% in June 2011.

**Tariff History: Timeline**

- **May 1997**: Tariff review submitted - Government deferred decision.
- **Dec 1999**: Interim tariff increase 1.8sen/kWh.
- **Dec 2000**: Tariff review submitted - Government deferred decision.
- **Dec 2004**: Government approved 12% tariff increase. No FCPT.
- **June 2006**: Tariff reduced by 3.7%.
- **July 2008**: Government reduced gas price to RM10.70/mmbtu. In support of Government efforts to gradually remove subsidies. Tariff increased by 7.12% (inclusive of base increase). FiT from Dec’11. FCPT introduced.
- **March 2009**: Tariff review submitted.
- **April 2009**: Government increased gas price to RM13.70/mmbtu. In line with Government effort to gradually remove subsidies. Tariff increased by 7.12% (inclusive of base increase).
- **June 2011**: Tariff review submitted. No tariff increase for 75% of the household consumers in 2011.
## TARIFF
### Electricity Tariff Review

<table>
<thead>
<tr>
<th>Approval date</th>
<th>Effective date</th>
<th>Quantum</th>
<th>Gas (RM/mmbtu)</th>
<th>Coal (USD/MT)</th>
<th>Average Tariff (sen/kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2006</td>
<td>Jun 2006</td>
<td>12%</td>
<td>6.40</td>
<td>45.00</td>
<td>26.2</td>
</tr>
<tr>
<td>Jun 2008</td>
<td>Jul 2008</td>
<td>23 - 24%</td>
<td>14.31</td>
<td>75.00</td>
<td>32.5</td>
</tr>
<tr>
<td>Feb 2009</td>
<td>Mar 2009</td>
<td>(3.7%)</td>
<td>10.70</td>
<td>85.00*</td>
<td>31.3</td>
</tr>
<tr>
<td>Jun 2009</td>
<td>Jul 2009</td>
<td>Neutral</td>
<td>10.70</td>
<td>85.00*</td>
<td>31.3</td>
</tr>
<tr>
<td>May 2011</td>
<td>Jun 2011</td>
<td>7.1%</td>
<td>13.70</td>
<td>85.00*</td>
<td>33.5</td>
</tr>
</tbody>
</table>

* Tariff setting assumption of FOREX USD1 : RM3.60
Current FOREX USD1 : RM3.09

### Graphical Representation
- **Base tariff adjustment**
- **Fuel adjustment**
- **Gas Price**
- **Gas Price**

- **Gas RM14.31 per mmbTU**
- **Gas RM13.70 per mmbTU**
- **Gas RM10.70 per mmbTU**

- **Govt. decided not to review gas price for the power sector**

- **Quantum of tariff review**
  - June 2006: 12% (Inc. fuel)
  - July 2008: 24%
  - March 2009: -3.7%
  - June 2011: 5.1%
TARIFF
Benchmarking: Comparison with Regional Countries

DOMESTIC

<table>
<thead>
<tr>
<th>Country</th>
<th>2013</th>
<th>TNB (Mar 09)</th>
<th>TNB (New)</th>
<th>Thailand</th>
<th>Singapore</th>
<th>Philippines</th>
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<tbody>
<tr>
<td>Indonesia</td>
<td>21.83</td>
<td>27.39</td>
<td>28.63</td>
<td>34.58</td>
<td>57.50</td>
<td>65.60</td>
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COMMERCIAL

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<th>2013</th>
<th>TNB (Mar 09)</th>
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<th>Thailand</th>
<th>Singapore</th>
<th>Philippines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>31.24</td>
<td>37.85</td>
<td>41.01</td>
<td>41.88</td>
<td>52.62</td>
<td>57.93</td>
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INDUSTRIAL

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<th>Country</th>
<th>2013</th>
<th>TNB (Mar 09)</th>
<th>TNB (New)</th>
<th>Thailand</th>
<th>Singapore</th>
<th>Philippines</th>
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<tr>
<td>Indonesia</td>
<td>28.57</td>
<td>28.56</td>
<td>30.94</td>
<td>31.08</td>
<td>31.44</td>
<td>49.75</td>
</tr>
</tbody>
</table>

Notes:
1. Singapore - Average reduction of 3.3% from 1st Oct 2010 based on latest fuel cost pass-through
2. Thailand – Jan-Dec 2010, include fuel adjustment, (Ft). Ft has been maintained since Jan 2009.
3. Indonesia (PLN) – 10% tariff increase effective 1st July 2010, Indonesia Govt. subsidy of about USD7 billion per year
4. Philippines (Meralco) – Jan-Dec 2008
5. TNB (New) – average 7.12% increase effective 1st June 2011
Source: TNB Analysis, ASEAN Utility Data Exchange, SP Services
5 DIVIDEND

YOU SEE

KEEPING THE LIGHTS ON
Tenaga is committed to pay out dividend based on its Dividend Policy whereby:

Dividend is paid out based on **40% to 60%** of its Company’s annual free cash flow;
Cash flow from Operations less Normalized Capex and Interest Servicing

The Board of Directors has approved a Single-Tier Interim dividend of 10.0 sen per ordinary share representing 53% of the Company’s Free Cashflow.

![Graph showing dividend paid and yield over years](image)
Remains steady with the implementation of ETP

“Malaysia Central Bank has revised 2013 GDP growth to 4.5% - 5% due to prolonged weakness in the external environment. Going forward, domestic demand is expected to remain on its steady growth trajectory.” - Bank Negara Malaysia (BNM), 21st August 2013

Expected to improve with commencement of RGT in Malacca.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Daily average gas volume (mmcf/d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4QFY12</td>
<td>1,015</td>
</tr>
<tr>
<td>1QFY13</td>
<td>1,043</td>
</tr>
<tr>
<td>2QFY13</td>
<td>1,105</td>
</tr>
<tr>
<td>3QFY13</td>
<td>1,106</td>
</tr>
</tbody>
</table>

GAS SUPPLY

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Mmscfd</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY’12</td>
<td>960</td>
</tr>
</tbody>
</table>

Coal price is expected to remain stable for the next 1 year.

Average coal price for FY2013 is forecasted at below USD90/mt.

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Coal Price (CIF) (USD/MT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY07</td>
<td>45.3</td>
</tr>
<tr>
<td>FY08</td>
<td>76.4</td>
</tr>
<tr>
<td>FY09</td>
<td>90.2</td>
</tr>
<tr>
<td>FY10</td>
<td>88.2</td>
</tr>
<tr>
<td>FY11</td>
<td>106.9</td>
</tr>
<tr>
<td>FY12</td>
<td>103.6</td>
</tr>
<tr>
<td>9M FY13</td>
<td>84.5</td>
</tr>
</tbody>
</table>
PART TWO
RESULTS HIGHLIGHTS

Results Snapshots

3-Month Ended 31st May 2013 (3rd Quarter FY2013)

- Net Profit before Forex Translation of RM1.38 billion (2QFY2013: RM0.88 billion).
- Strengthening of RM against Yen by 8.3%.
- Average Coal Price of USD84.4/mt (2QFY2013: USD84.7/mt).
- Net Profit of RM1.71 billion (2QFY2013: RM1.27 billion).
- EBITDA margin at 30.7% (2QFY2013: 27.1%).

9-Month Ended 31st May 2013

- Net Profit before Forex Translation of RM3.28 billion (9MFY2012: RM3.67 billion).
- Strengthening of RM against Yen by 22.8%.
- Average Coal Price of USD84.5/mt (9MFY2012: USD107.5/mt).
- 4.1% unit electricity demand growth in Peninsular Malaysia.
- Net Profit of RM4.39 billion (9MFY2012: RM3.35 billion).
- EBITDA margin at 29.6% (9MFY2012: 31.9%).
RESULTS HIGHLIGHTS

Adjusted Net Profit (Restated Fuel Cost Compensation)

36.0% Improvement in Adjusted Net Profit Before Forex Translation
Mainly Attributed to Electricity Demand Growth and Lower Coal Price

<table>
<thead>
<tr>
<th>RM mn</th>
<th>9MFYʼ12 (Restated)</th>
<th>9MFYʼ13</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit Attributable to Owners of the Company</td>
<td>3,349.5</td>
<td>4,394.8</td>
<td>31.2%</td>
</tr>
<tr>
<td><strong>Adjustments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel Cost Compensation Recognised in Other Income</td>
<td>(1,678.6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>419.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Net Profit</td>
<td>2,090.6</td>
<td>4,394.8</td>
<td>&gt;100%</td>
</tr>
<tr>
<td>Forex Translation Gain / (Loss)</td>
<td>(323.8)</td>
<td>1,110.7</td>
<td>&gt;100%</td>
</tr>
<tr>
<td>Adjusted Net Profit Before Forex Translation Gain / (Loss)</td>
<td>2,414.4</td>
<td>3,284.1</td>
<td>36.0%</td>
</tr>
</tbody>
</table>

* Mechanism was approved in Apr 2012, and only restated into respective periods in 3QFY12
** Includes Fuel Cost Compensation of RM1,173.1mn
### RESULTS HIGHLIGHTS

**Year-on-Year Analysis (Restated Fuel Cost Compensation for FY2012)**

**Improved Net Profit Resulted from Forex Translation Gain & Lower Coal Price**

#### COAL PRICE & CONSUMPTION

<table>
<thead>
<tr>
<th></th>
<th>9MFY2012 (Restated)</th>
<th>9MFY2013</th>
<th>Var (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Coal Price Consumed (USD/MT)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FOB</td>
<td>97.3</td>
<td>74.8</td>
<td>-23.1%</td>
</tr>
<tr>
<td>Freight</td>
<td>9.7</td>
<td>9.2</td>
<td>-5.2%</td>
</tr>
<tr>
<td>Others</td>
<td>0.5</td>
<td>0.5</td>
<td>0.0%</td>
</tr>
<tr>
<td>CIF</td>
<td>107.5</td>
<td>84.5</td>
<td>-21.4%</td>
</tr>
<tr>
<td>Average Coal Price Consumed (RM/MT) (CIF)</td>
<td>332.3</td>
<td>259.5</td>
<td>-21.9%</td>
</tr>
<tr>
<td>Coal Consumption (mn MT)</td>
<td>15.5</td>
<td>15.7</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

#### Key Financials

<table>
<thead>
<tr>
<th></th>
<th>1QFY2013</th>
<th>2QFY2013</th>
<th>3QFY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Units Sold (Gwh)</td>
<td>75,400.9</td>
<td>78,009.8</td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>26,513.6</td>
<td>27,628.5</td>
<td></td>
</tr>
<tr>
<td>Operating Expenses (before depreciation)</td>
<td>20,049.4</td>
<td>19,766.2</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>311.1</td>
<td>320.3</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>6,775.3</td>
<td>8,182.6</td>
<td></td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>25.6%</td>
<td>29.6%</td>
<td></td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>3,136.6</td>
<td>3,241.0</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>3,638.7</td>
<td>4,941.6</td>
<td></td>
</tr>
<tr>
<td>EBIT Margin (%)</td>
<td>13.7%</td>
<td>17.9%</td>
<td></td>
</tr>
<tr>
<td>Finance Cost</td>
<td>633.3</td>
<td>643.1</td>
<td></td>
</tr>
<tr>
<td>Profit Before Tax &amp; Forex Translation</td>
<td>3,109.9</td>
<td>4,538.9</td>
<td></td>
</tr>
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</tr>
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<td>Translation Gain</td>
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<tr>
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**RM mn**

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</tbody>
</table>
RESULTS HIGHLIGHTS
System Weekly Peak Demand (Peninsula) for FY2009/10 to FY2013/14

Weekly Peak Demand & Trough (MW)

<table>
<thead>
<tr>
<th></th>
<th>Peak Demand</th>
<th>YoY Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2009</td>
<td>14,245 MW</td>
<td>12/8/2009</td>
</tr>
<tr>
<td>FY 2010</td>
<td>15,072 MW</td>
<td>24/5/2010</td>
</tr>
<tr>
<td>FY 2011</td>
<td>15,476 MW</td>
<td>9/5/2011</td>
</tr>
<tr>
<td>FY 2012</td>
<td>15,826 MW</td>
<td>20/6/2012</td>
</tr>
<tr>
<td>FY 2013</td>
<td>16,562 MW</td>
<td>13/5/2013</td>
</tr>
</tbody>
</table>

16,562 MW (13/05/13)
**RESULTS DETAILS**

Coal Requirement

**Coal Procurement Estimate for FY2013 is at 22.0 mn MT**

<table>
<thead>
<tr>
<th></th>
<th>FY'04</th>
<th>FY'05</th>
<th>FY'06</th>
<th>FY'07</th>
<th>FY'08</th>
<th>FY'09</th>
<th>FY'10</th>
<th>FY'11</th>
<th>FY'12</th>
<th>9MFY'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Coal Price (CIF) (USD/metric tonne)</td>
<td>34.0</td>
<td>49.8</td>
<td>52.8</td>
<td>45.3</td>
<td>76.4</td>
<td>90.2</td>
<td>88.2</td>
<td>106.9</td>
<td>103.6</td>
<td>84.5</td>
</tr>
</tbody>
</table>
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CONTACT DETAILS

INVESTOR RELATIONS & MANAGEMENT
REPORTING DEPARTMENT
Tenaga Nasional Berhad
4th Floor, TNB Headquarters
No. 129, Jalan Bangsar,
59200 Kuala Lumpur, MALAYSIA
Tel : +603 2296 5566
Fax : +603 2284 0095
Email : tenaga_ird@tnb.com.my
Website : www.tnb.com.my

For further enquiries, kindly contact us at:

IR OFFICERS:
Anida +603 2296 6077 anidai@tnb.com.my
Sherleen +603 2296 6183 sherleena@tnb.com.my
Effa +603 2296 6647 effarizamn@tnb.com.my
Nadia +603 2296 6787 nuranadiaah@tnb.com.my
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