



25TH ANNUAL GENERAL MEETING

PRESENTATION

14th December 2015

**BETTER ENVIRONMENT.
BRIGHTER FUTURE.**

FINANCIAL HIGHLIGHTS






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FINANCIAL YEAR 2015



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	FY2015	FY2014		YoY
Profit After Tax	RM6.1 bn	RM6.4 bn		5.7%
Forex Translation Gain/(Loss)	(RM0.8 bn)	RM0.4 bn		>100.0%
CAPEX	RM10.8 bn	RM10.0 bn		7.8%

YEARLY ANALYSIS

Year-on-Year EBITDA Margin Improved Resulted from Full ICPT Implementation

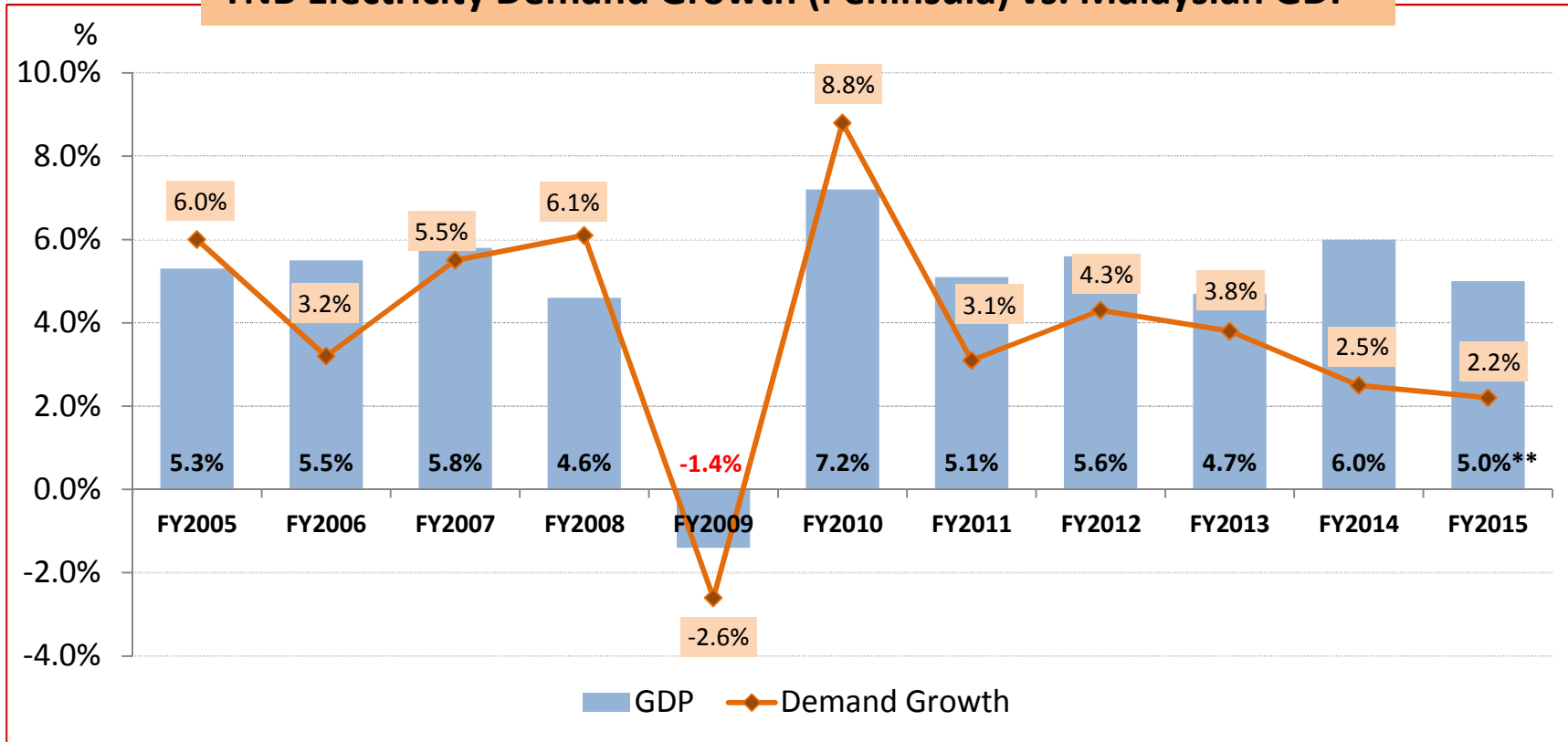
RM mn	FY'15	FY'14
Total Units Sold (GWh)	110,837.3	108,101.7
Revenue	43,286.8	42,792.4
Operating Expenses (before depreciation)	30,189.2	31,392.6
Operating Income	824.2	653.7
EBITDA	13,921.8	12,053.5
EBITDA Margin (%)	32.2%	28.2%



ELECTRICITY GROWTH IN PENINSULA

Slower Electricity Growth in line with the Shift from Industrial-based to Commercial-based Economy

TNB Electricity Demand Growth (Peninsula) vs. Malaysian GDP*



* Based on Calendar Year

** Year 2015 – forecast figure

	FY'14	FY'15
Growth (%)	2.5	2.2

PERFORMANCE INDICATORS



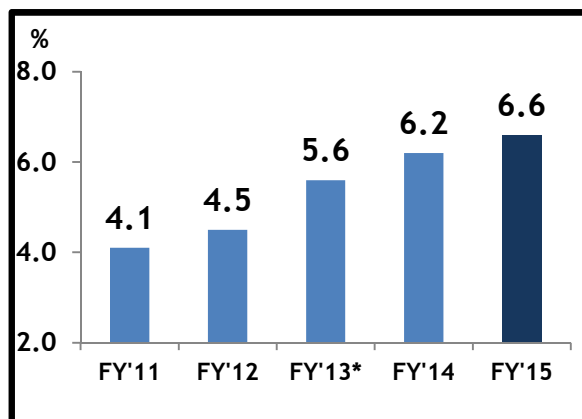
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Headline Key Performance Indicators

Financial Indicators

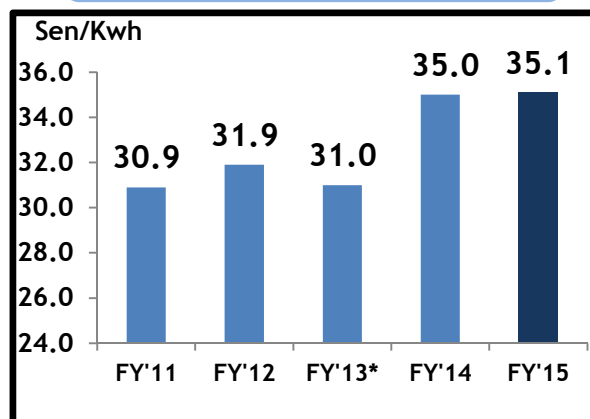
1

Return on Assets (ROA)(%)



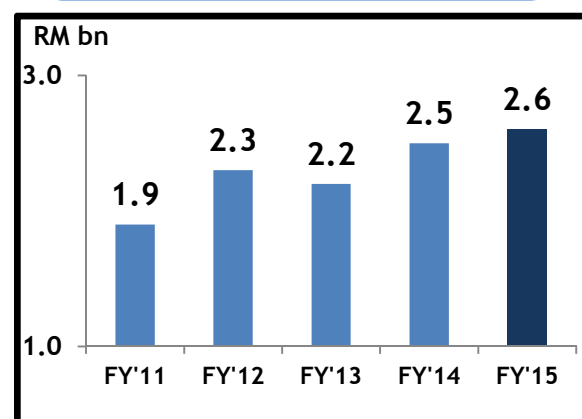
2

Company CPU (sen/kwh)



3

Revenue from Non-Regulated Business (RM bn)



Exclude Finance Cost

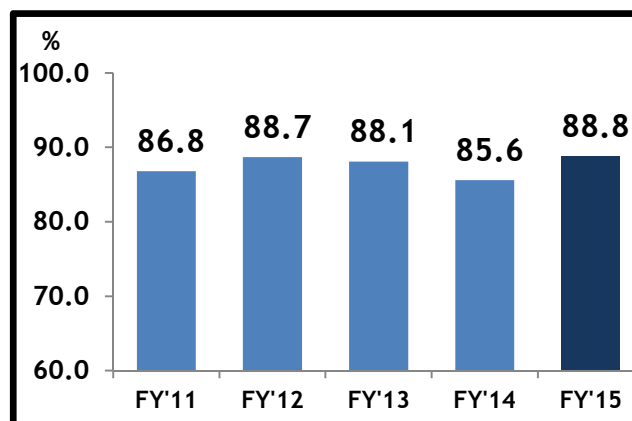
* FY2013 restated

Headline Key Performance Indicators

Technical Indicators

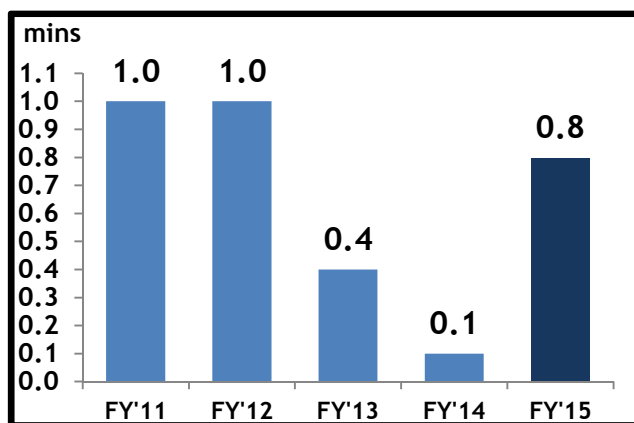
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Equivalent Plant
Availability Factor (EAF)(%)



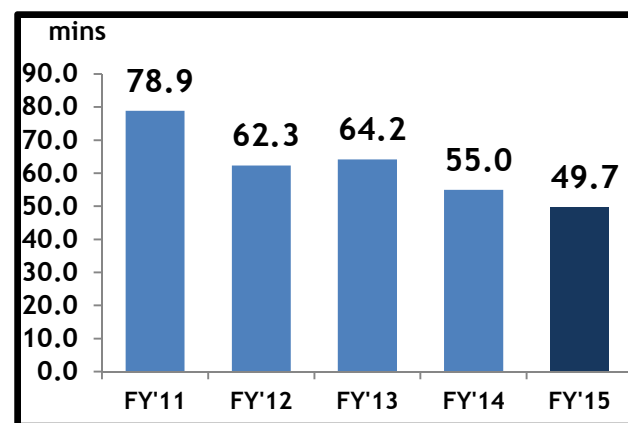
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Transmission
System Minutes (mins)



3

Distribution SAIDI (mins)



DIVIDEND



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PROPOSED FINAL DIVIDEND



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INTERIM DIVIDEND

Interim Single-Tier Dividend
of 10.0 sen per ordinary share

**PROPOSED
FINAL**

Single-Tier Dividend
of 19.0 sen per ordinary share

TOTAL DIVIDEND FOR FY2015: 29.0 sen per ordinary share

BOOK CLOSURE: 17th DEC 2015
PAYMENT: 31st DEC 2015

Tenaga is committed to pay out dividend based on its Dividend Policy whereby:
*Dividend is paid out based on 40%-60% of its Company's Annual Free Cashflow;
Cashflow from Operations less Normalised Capex and Interest Servicing*

FY2015 KEY HIGHLIGHTS



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FY2015 KEY HIGHLIGHTS

1

**FIRST FULL YEAR
IMPLEMENTATION
OF INCENTIVE
BASED
REGULATION (IBR)**

Ensures fair returns to TNB

2

**IMBALANCE COST
PASS-THROUGH
(ICPT)
IMPLEMENTATION**

**TNB remains neutral from
fuel price fluctuations**

3

**COMMISSIONING
OF MANJUNG 4**

**Increased TNB generation
market share**

BUSINESS STRATEGY & DIRECTION



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BUSINESS STRATEGY & DIRECTION

20-Year Strategic Plan

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



BUSINESS STRATEGY & DIRECTION

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



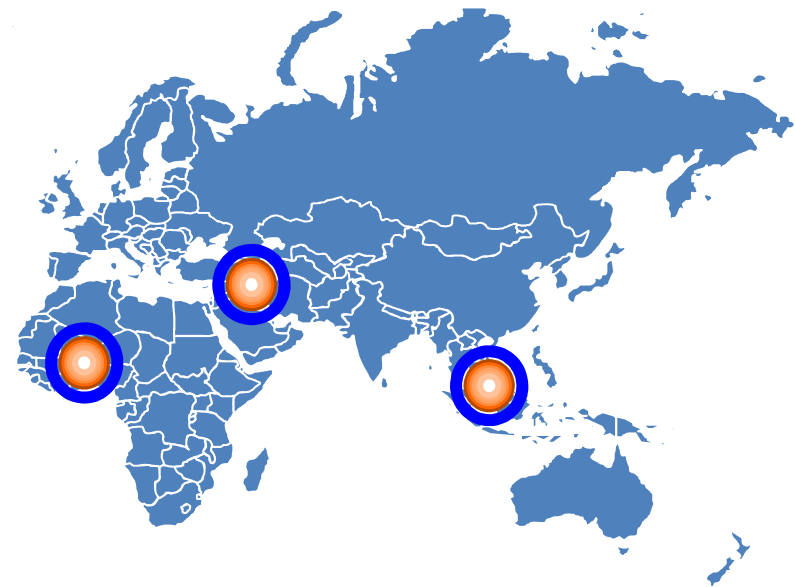
- Large, growing and admired employer of choice
- International mobility opportunities and world-class capability building

Increase shareholder value



- Fair and stable returns in Malaysia
- Robust growth of business

Regional champion



- Presence in 7-10 countries by 2025

BUSINESS STRATEGY & DIRECTION

6 Key Result Areas have been identified which will help TNB to meet its aspirations

KRA

1 Enhance regulatory engagement



2 Exceed customer expectations



3 Drive operational & cost efficiencies



4 Grow profitable New Business



5 Transform organization



6 SESB Turnaround



Rational

- Foster and enhance engagement with stakeholders so as to facilitate MESI reform initiatives
- Managing the regulatory body more proactive with emphasis on results and not on the current issues.
- Improve customer touchpoints, channels, products and services
- Enhance TNB's brand as the electricity provider of choice
- Implementation of IBR requires year-on-year improvements and efficiencies are critical to achieve regulatory outcome
- Address escalating operational costs
- Capture new sources of growth and profits
- Build another global Malaysian brand
- Large change in organization required to deliver and sustain high aspirations
- Enhance staff capabilities and groom future leaders
- Reliability (i.e. SAIDI) and adequacy is main priority for key stakeholders, and significant improvement expected
- Turnaround program leads to changes in mindset and capabilities, which should be institutionalized broadly in the longer term

BUSINESS STRATEGY & DIRECTION

TNB Transformation Program Achievements

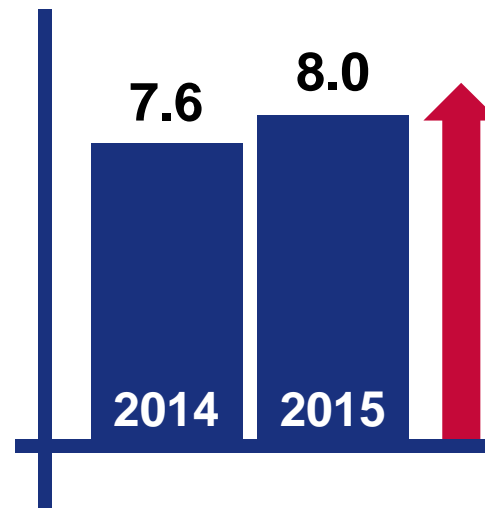


Better. Brighter.

KRA 1:

Enhance Regulatory Engagement

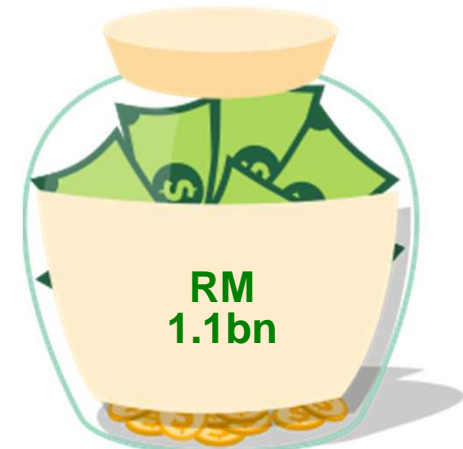
CUSTOMER SATISFACTION INDEX



KRA 2:

Exceed Customer Expectations

TOTAL COST EFFICIENCIES OBTAINED



KRA 3:

Drive Operational & Cost Efficiencies

BUSINESS STRATEGY & DIRECTION

TNB Transformation Program Achievements

NON-REGULATED
REVENUE
FY 2015

RM
2.6bn

KRA 4:

Grow Profitable New Business

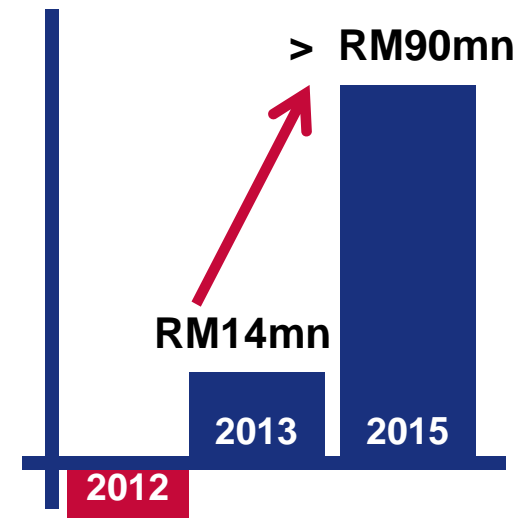
PROVIDE WORLD
CLASS PROGRAMS IN
LEADERSHIP
DEVELOPMENT CENTRE



KRA 5:

Transform Organisation

TURNAROUND SESB
FINANCIAL PERFORMANCE

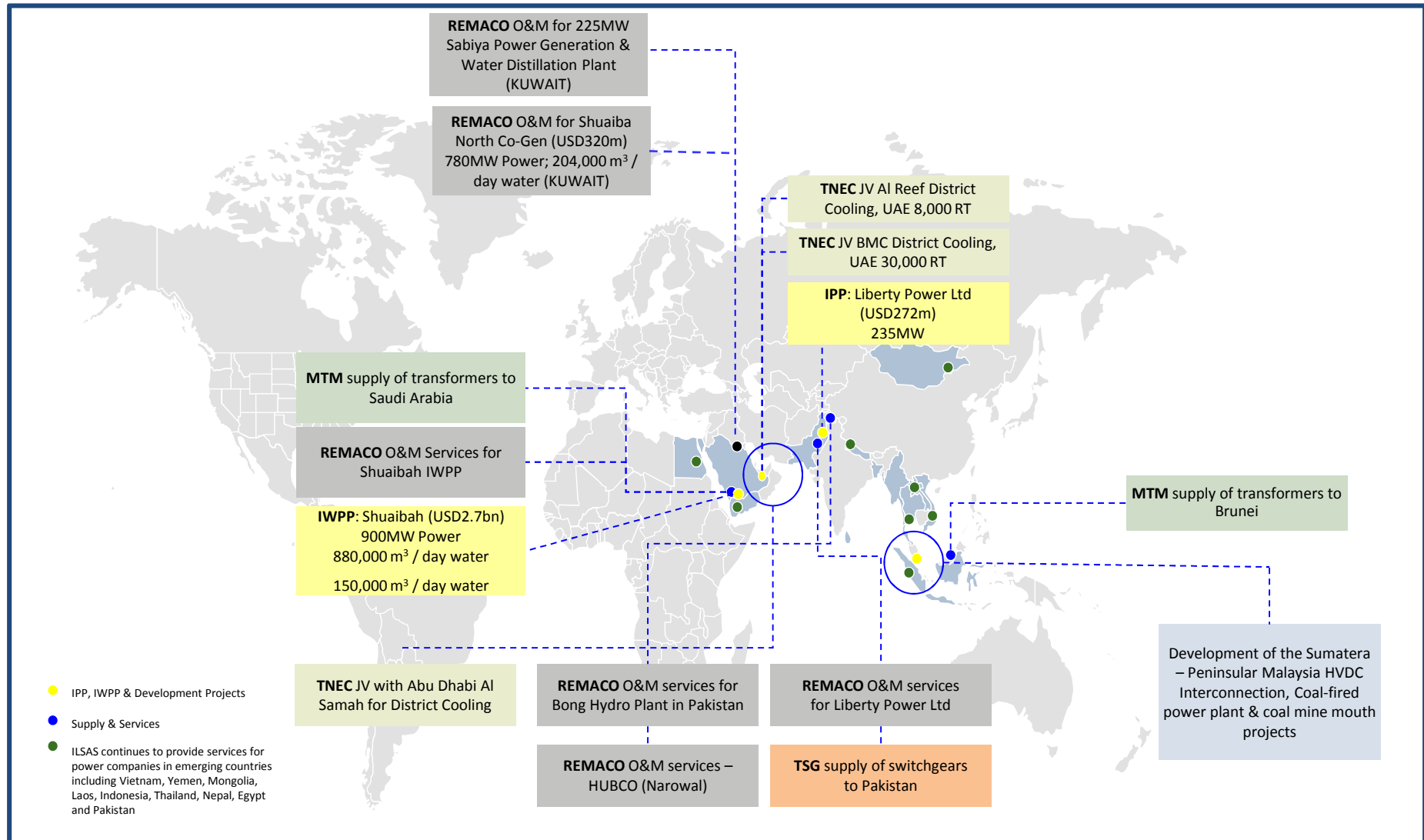


KRA 6:

SESB Turnaround

BUSINESS STRATEGY & DIRECTION

Business Expansion in Energy Related Businesses



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

ACCOLADES



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1



Platts Top 250 Global Energy
Company rankings,
Ranked 13th Overall in Asia for 2014

1

2



World Branding Awards,
Tenaga Nasional Bhd was awarded
Brand of the Year under
Power Category in Malaysia

2



The IEM Award for Contribution to Engineering Industry in Malaysia – Utility

Edison Electric Institute –
Asian Utility Award 2014,
Large Capitalization (Gold Performance)





Malaysia Best Employer Brand Awards 2015

The Golden Globe Tigers Summit Awards 2015
- for **Excellence in HR Leadership**





Contact Centre Association of Singapore (CCAs)
Contact Centre Award 2014 –
Best Customer Experience Delivered (Silver)

Association of Customer Experience Industry
of Malaysia (ACE) 15th National Customer
Experience Industry Award 2014,
Best Contact Centre (3rd Place) – Utilities





7th Annual Global CSR Summit & Awards 2015,
CSR Leadership Award (Silver)

The Brandlaureate Awards,
**Transformational Corporate Leader Brand Icon
Leadership Award**





Malaysia Social Media Week 2015
Social Media Excellence Awards,
**Corporate Social Responsibility on
Public Awareness**

Anugerah Buku Negara 2014,
Anugerah Perdana –
**Kategori Tajaan Korporat
(Pemuliharaan Alam Sekitar)**





7th Annual Global CSR Summit & Awards 2015
Best Environmental Excellence Award (Gold)

FTSE4Good Bursa Malaysia Index –
**In recognition of TNB's Good Environmental,
Social & Governance (ESG) practices**





7th Annual Global CSR Summit & Awards 2015
Excellence in Provision of Literacy & Education Award (Gold)

Asia Geospatial Award,
Implementation of Smartview for Outage Management in TNB Distribution



ACKNOWLEDGEMENTS



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Our Appreciation Goes To...

- Government of Malaysia;
- Ministry of Energy, Green Technology and Water and other Ministries;
- The Energy Commission; and
- Other agencies for all the assistance rendered.

Our thanks also to our **VALUED SHAREHOLDERS** and
CUSTOMERS for their loyalty and trust

Special thanks to all our **EMPLOYEES** for their dedication and commitment.

DISCLAIMER



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THANK YOU