



26TH ANNUAL GENERAL MEETING

PRESENTATION

15th December 2016

**A BRIGHTER
TOMORROW
BEGINS WITH A
BETTER TODAY.**






FINANCIAL HIGHLIGHTS



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FINANCIAL YEAR 2016

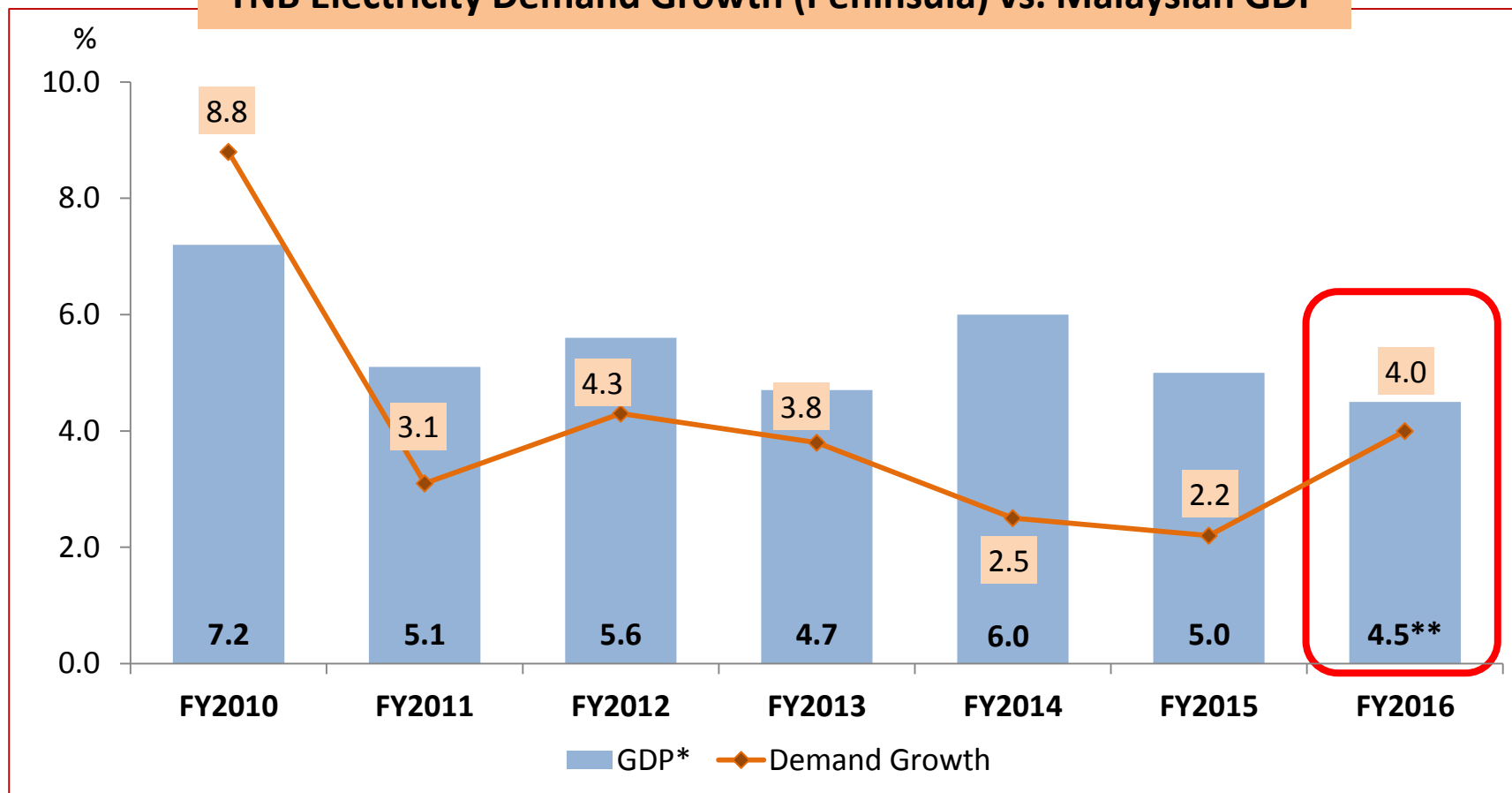
Improved Profit After Tax From Higher Electricity Demand Growth

	FY2016	FY2015		YoY
Electricity Demand Growth	4.0%	2.2%		1.8ppt
Profit After Tax	RM7.32 bn	RM6.06 bn		20.8%
Capital Expenditure	RM11.39 bn	RM10.77 bn		5.8%

ELECTRICITY GROWTH IN PENINSULA

Higher Electricity Demand Growth Mainly Contributed By Warm Weather Condition

TNB Electricity Demand Growth (Peninsula) vs. Malaysian GDP



* Based on Calendar Year

** Year 2016 – forecast figure

PERFORMANCE INDICATORS



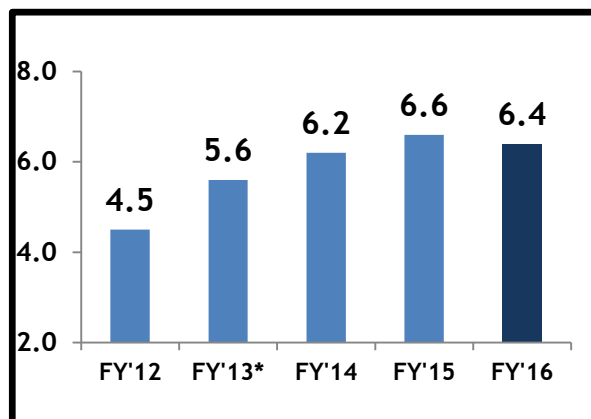
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KEY PERFORMANCE INDICATORS

Financial Indicators

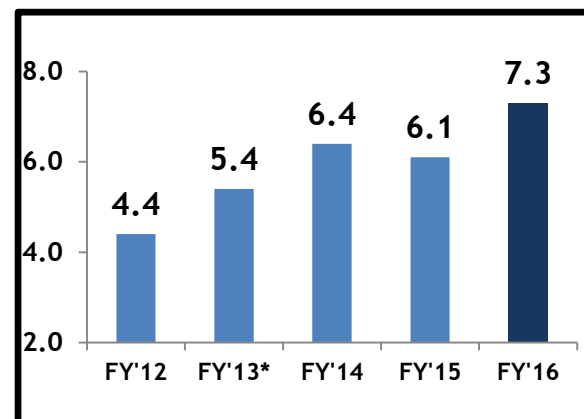
1

Return on Assets
(ROA)(%)



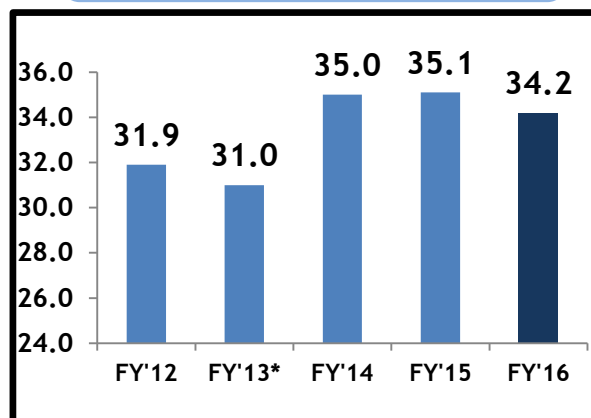
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Profit After Tax
(RM bn)



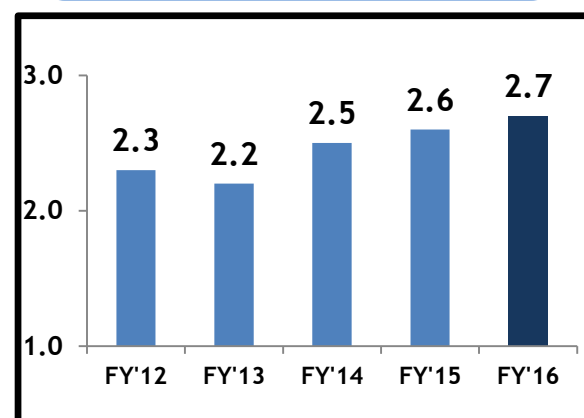
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Company CPU
(sen/kwh) #



4

Revenue from Non-Regulated
Business (RM bn)



Exclude Finance Cost

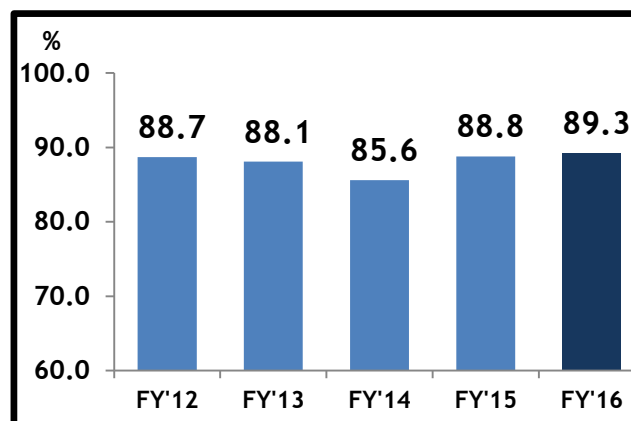
* FY2013 restated

KEY PERFORMANCE INDICATORS

Technical Indicators

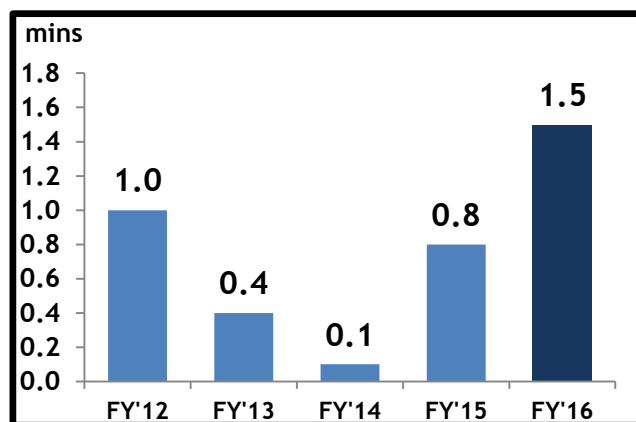
1

Equivalent Plant
Availability Factor (EAF)(%)*



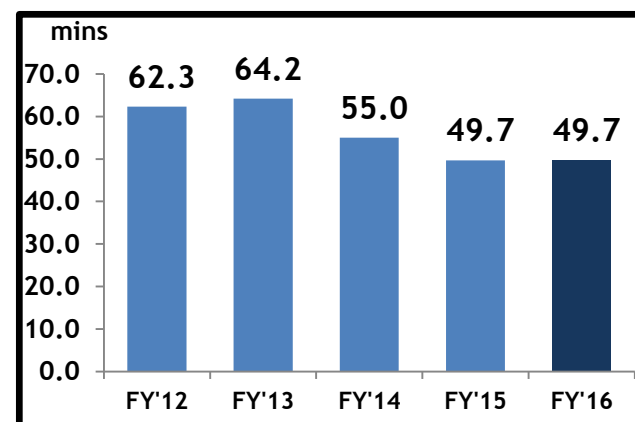
2

Transmission
System Minutes (mins)



3

Distribution SAIDI (mins)



*Including Janamanjung 1,2,3 & 4 and excluding KEV

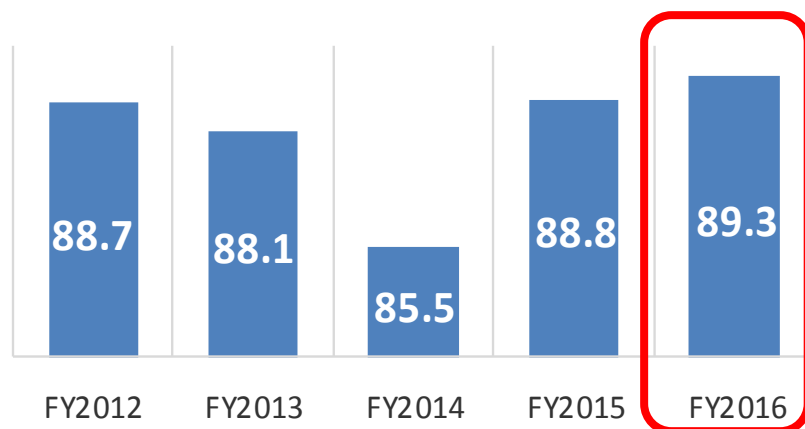
TNB POWER PLANT PERFORMANCE

Highest Power Plant Availability & Reliability

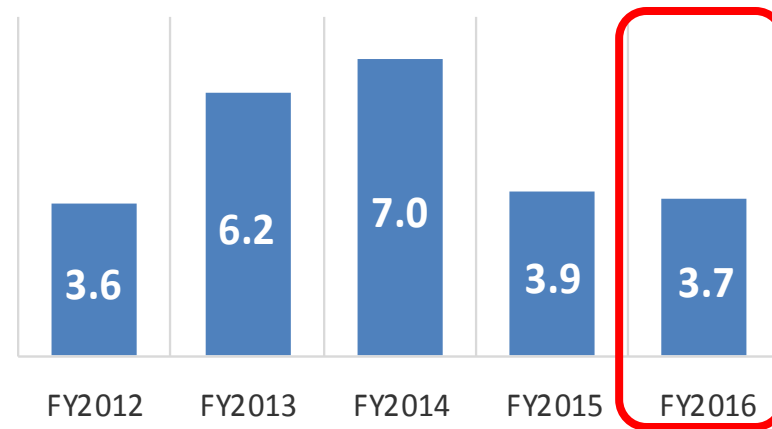
For FY2016, TNB power plants recorded:

- Equivalent Availability Factor (EAF) at **89.3%** - Highest plant availability in 5 years
- Equivalent Unplanned Outage Factor (EUOF) at **3.7%** - Highest plant reliability in 4 years

Availability* (%)



EUOF* (%)



*Including Janamanjung 1,2,3 & 4 and excluding KEV

DIVIDEND



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PROPOSED FINAL DIVIDEND

Total Dividend for FY2016: 32.0 sen per Ordinary Share

INTERIM DIVIDEND

Interim Single-Tier Dividend
of 10.0 sen per ordinary share

**PROPOSED
FINAL**

Single-Tier Dividend
of 22.0 sen per ordinary share

TOTAL DIVIDEND FOR FY2016: 32.0 sen per ordinary share

BOOK CLOSURE: 20th DEC 2016
PAYMENT: 30th DEC 2016

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*

KEY HIGHLIGHTS



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1

**4 GENERATION
PROJECTS
COMMISSIONED**

Increased TNB generation
market share

2

**INCENTIVE BASED
REGULATION (IBR)
&
IMBALANCED
COSTS
PASS-THROUGH
(ICPT)
IMPLEMENTATION**

TNB remains neutral from
fuel price fluctuations

3

**MULTICURRENCY
SUKUK ISSUANCE**

International sukuk
market debut

4

**CHANGE OF
FINANCIAL YEAR
END**

Alignment of the
financial year end

1,882MW Successfully Commissioned

Hulu Terengganu Hydro

250MW*COD:**3rd Dec 2015 (U1)**31st Dec 2015 (U2)*

Prai

1,071MW*COD:**20th Feb 2016*

Connaught Bridge

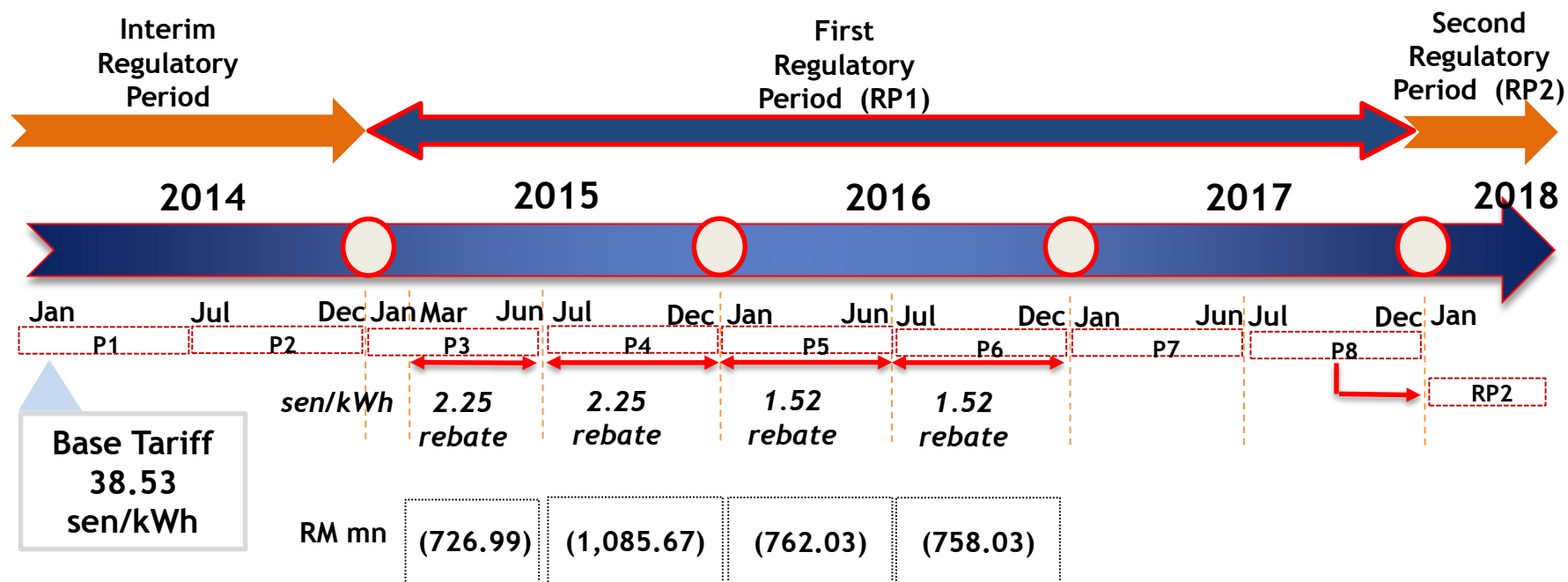
375MW*COD:**27th Feb 2016*

Ulu Jelai Hydro

186MW*COD:**15th Aug 2016 (U2)*

INCENTIVE BASED REGULATION (IBR) & IMBALANCED COST PASS-THROUGH (ICPT) MECHANISM

TNB remains neutral from fuel price fluctuations



RM3.33 billion
Total ICPT rebate passed through to customers
up to Dec 2016

TNB Debut in the International Sukuk Market

Multicurrency Sukuk Program**USD2.50 bn in nominal value****First Issuance - 19 October 2016****USD0.75 bn in nominal value**

- The Sukuk transaction marks the return of TNB to the international debt capital markets after more than 10 years.
- Highlights:
 - Largest corporate 10-year sukuk issuance from Asia
 - Largest corporate sukuk in 2016
 - Largest ever 10-year USD corporate sukuk from a Malaysian corporate
 - Lowest ever 10-year coupon achieved by a Malaysian corporate
 - First sukuk in Asia to use Rights of Service as the underlying asset for the structure

Alignment of Financial Year End with Regulator and Government Agencies

Current

1 September to 31 August

New

1 January to 31 December

- The new financial year will commence from 1 September 2017 to 31 December 2017, covering a period of four (4) months.
- Thereafter, the financial year of the Company shall revert to twelve (12) months ending 31 December, for each subsequent year.

BUSINESS STRATEGY & DIRECTION



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BUSINESS STRATEGY & DIRECTION

TNB Aspires to Become a Domestic and Regional Champion

DOMESTIC & REGIONAL CHAMPION

**Enabling a
Stable
Regulatory
Environment**

**Exceeding
Customer
Expectations**

**Driving
Operational
Excellence &
Cost Efficiencies**

**Growing
Profitable
Business**

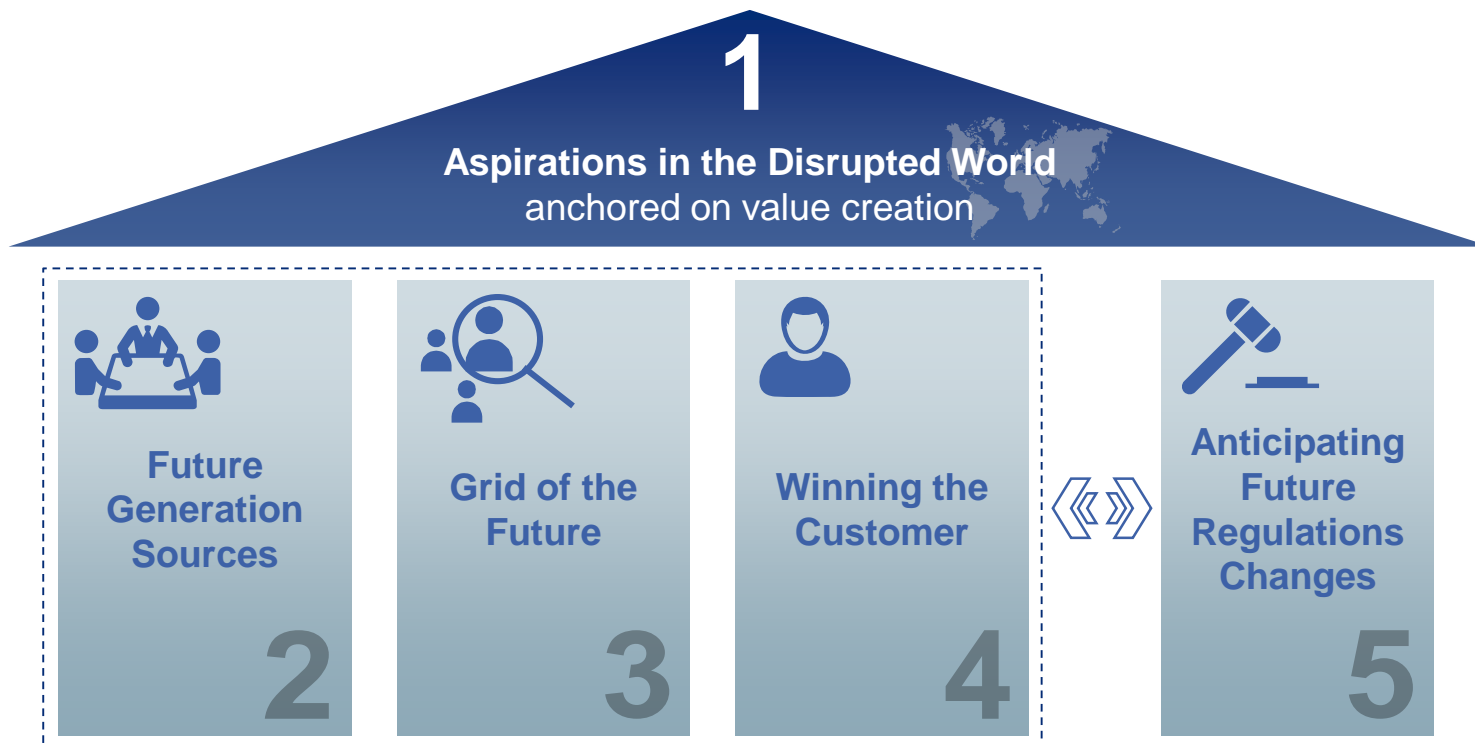
Transforming our people and leadership

OUR STRATEGY

TNB's strategy to achieve our aspiration of becoming amongst the leading corporations in the energy & related business globally is centred on five focus areas: Enabling a stable regulatory environment, exceeding customer expectations, driving operational excellence and cost efficiencies, growing profitable business, and transforming our people and leadership.

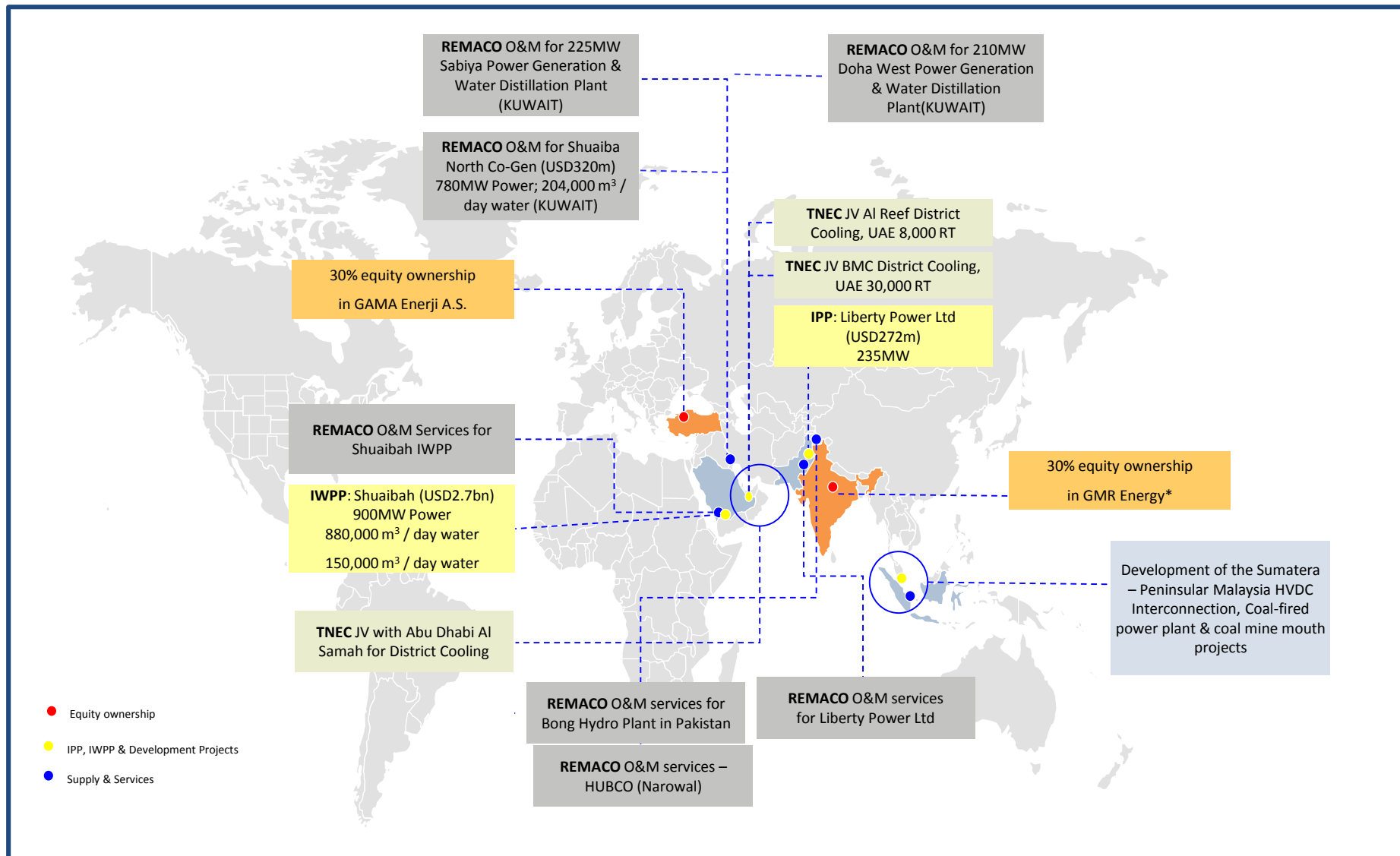
BUSINESS STRATEGY & DIRECTION

Reshaping TNB Future: Key Pillars of Value



BUSINESS STRATEGY & DIRECTION

TNB International Footprint : Currently One of the Largest Electricity Company in Asia 26th AGM

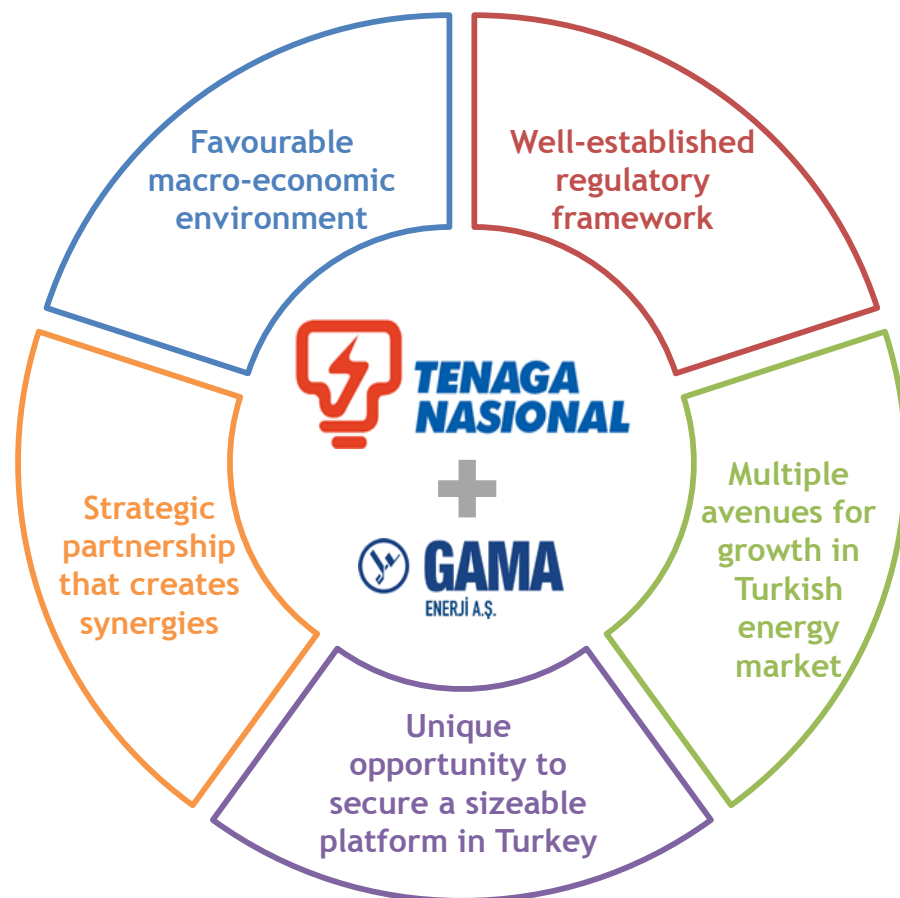


* Acquisition completed on 4 November 2016

30% Significant Minority Stake in GAMA Enerji A.S.

GAMA Enerji A.S.

- On 13 April 2016, TNB had completed the acquisition of 30% equity interest of GAMA Enerji A.S. from GAMA Holding A.S., International Finance Corporation (IFC) and IFC Global Infrastructure Fund Holding.
- Total cash consideration : USD255.0 mn.
- GAMA Enerji A.S. assets includes:
 - 840MW natural gas-fired plant
 - 45MW wind power plant under construction

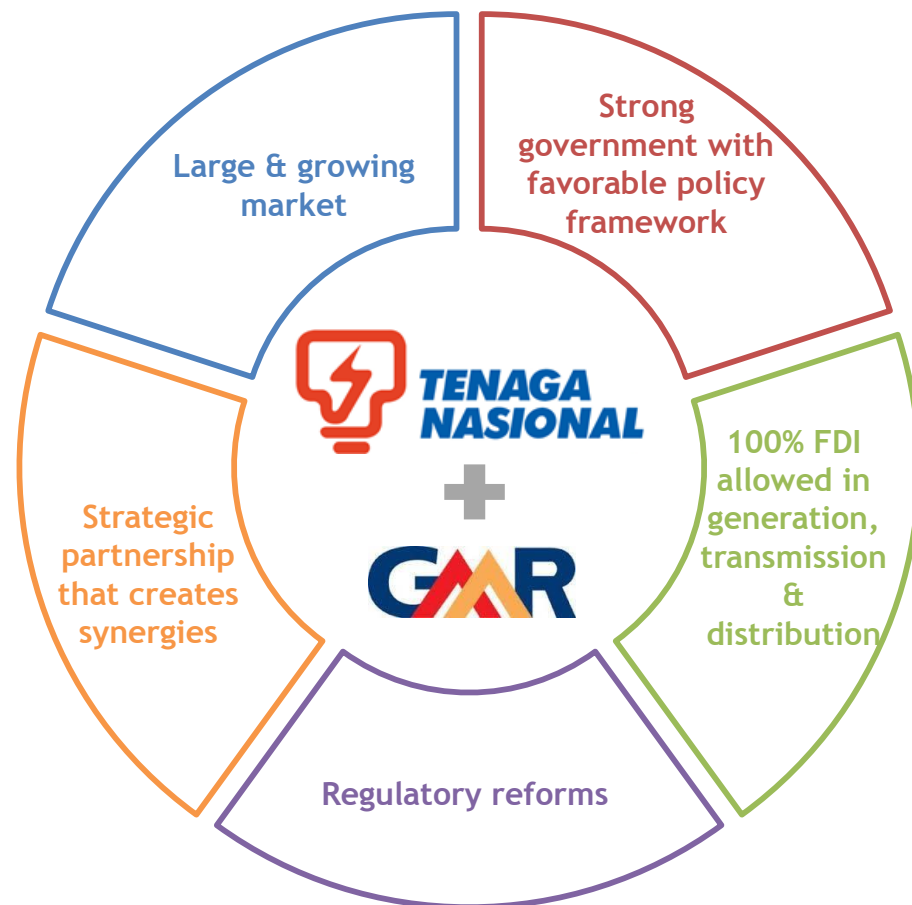


2 INTERNATIONAL ACQUISITION

30% Significant Minority Stake in GMR Energy Limited

GMR Energy Limited

- On 4 November 2016, TNB had completed the acquisition of 30% equity interest of GMR Energy Limited via a bilateral transaction.
- Total cash consideration : USD300.0 mn.
- GMR Energy Limited assets includes 2,298MW coal, gas and solar plants.



ACCOLADES



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ACCOLADES : FINANCIAL

1



The Edge Billion Ringgit Club Awards 2016

- Super Big Cap Companies (>RM40 bn Market Cap)
- Highest Returns to Shareholders Over Three Years

2



The Edge Billion Ringgit Club Awards 2015

- Company of the Year
- Best Performing Stock (>RM10 bn Market Cap)
- Highest Profit Growth Company (>RM10 bn Market Cap)
- Highest Profit Growth Company (Trading/ Services category)

3



The Asset Asian Awards 2016

Best Islamic Project Finance Deal

4



2016 Australasian Reporting Award

Bronze Award - Annual Report 2015

ACCOLADES : TECHNICAL

1



Platts Top 250 Asia Awards 2015

- Energy Company of the Year (9th place)
- Fastest Growing Energy Company in Asia (18th place)
- Ascender of the Decade Award (36th place)

2



PFI Asia Best Practice Citation Award

TNB Janamanjung

3



Frost & Sullivan 2016 Best Practices Award

Power Plant Service
Provider of the Year -
TNB REMACO

4



Asia Geospatial Excellence Award

- Implementation of Unmanned Aerial Systems (UAS) for Utilities Asset Management (2016)
- Implementation of Smartview for Outage Management in TNB Distribution (2015)

1



MSWG - ASEAN Corporate Governance Transparency Index, Findings and Recognition 2015

Industry Excellence Award
- Port & Utilities

2



Astrid Awards 2016, New York

Non-Traditional Hardcover
(Silver) -
Annual Report 2015

3



8th Annual Global CSR Summit & Awards 2016

- CSR Leadership Award (Platinum)
- Best Environmental Excellence Award (Gold)
- TNB Research
- Best Workplace Practices Award (Gold)
- TNB Janamanjung
- Best Environmental Excellence Award (Silver)
- TNB Janamanjung

4



PEKA CSR Investments Towards A Greener Malaysia Award

Winner of the GLC category

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.

THANK YOU