



MESYUARAT AGUNG TAHUNAN TENAGA NASIONAL BERHAD KE - 27

18 DISEMBER 2017

FINANCIAL HIGHLIGHTS



27th ANNUAL GENERAL MEETING

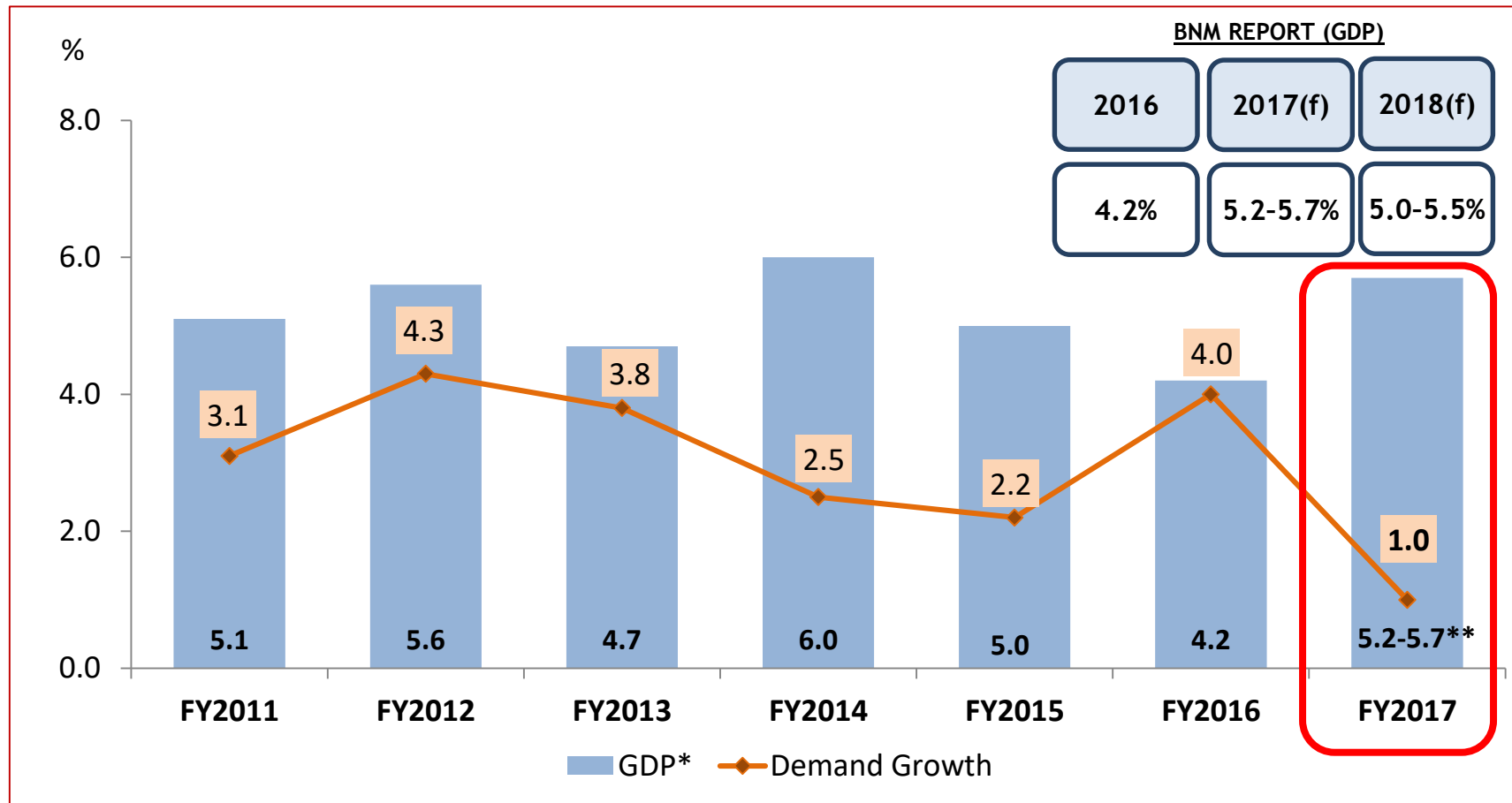
FINANCIAL POSITION FOR FINANCIAL YEAR 2017 INTACT

- Stable EBITDA Margin from Effective Implementation of ICPT Mechanism under IBR Framework
- Sustained Capital Expenditure of RM12.06bn During FY'17

	FY2017	FY2016		YoY
EBITDA Margin	32.6%	33.2%	▼	0.6ppt
Profit After Tax	RM6.91 bn	RM7.32 bn	▼	5.6%
Capital Expenditure	RM12.06 bn	RM11.39 bn	▲	5.9%

ELECTRICITY DEMAND GROWTH IN FY2017

TNB Electricity Demand Growth (Peninsula) vs. Malaysian GDP



* Based on Calendar Year
** Year 2017 – forecast figure

PERFORMANCE INDICATORS

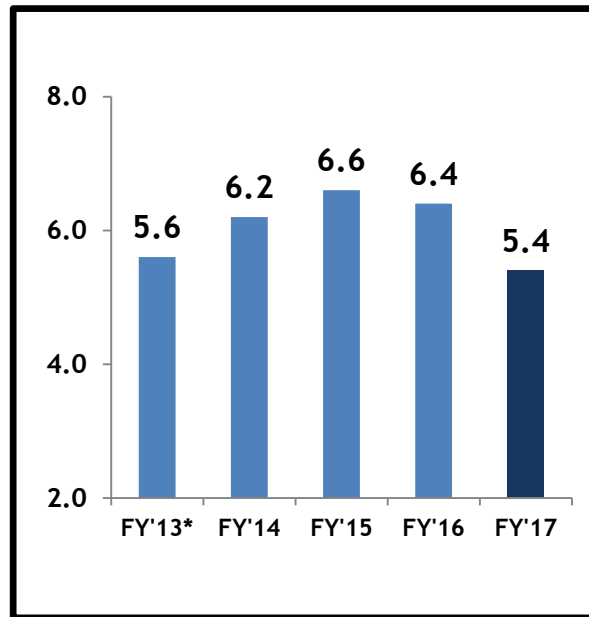


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STABLE FINANCIAL PERFORMANCE IN FY2017

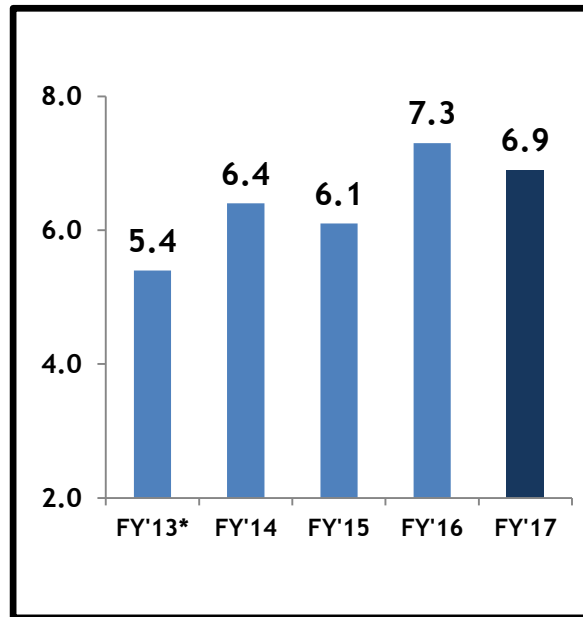
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Return on Assets
(ROA)(%)



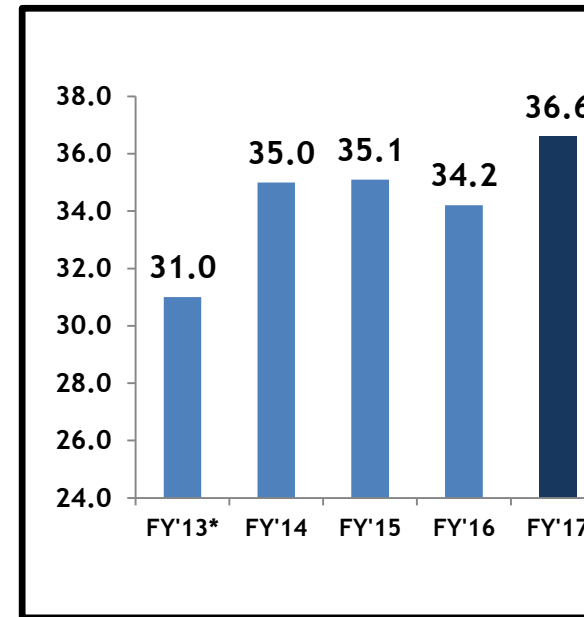
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Profit After Tax
(RM bn)



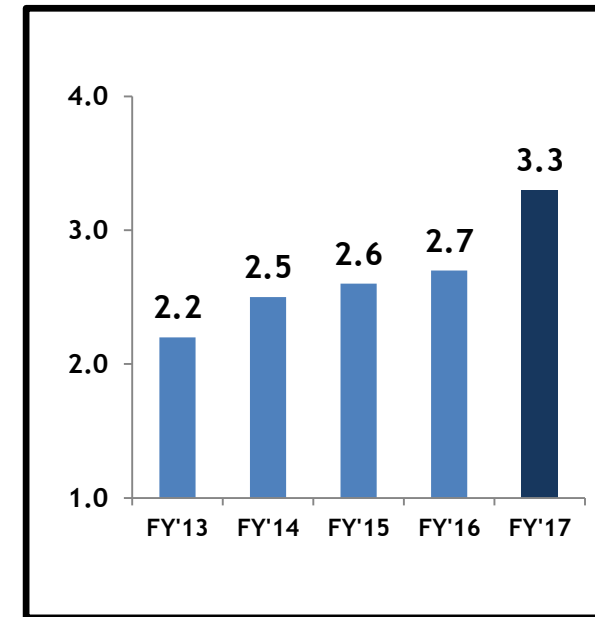
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Company CPU
(sen/kwh) #



4

Revenue from Non-Regulated
Business (RM bn)**



Exclude Finance Cost

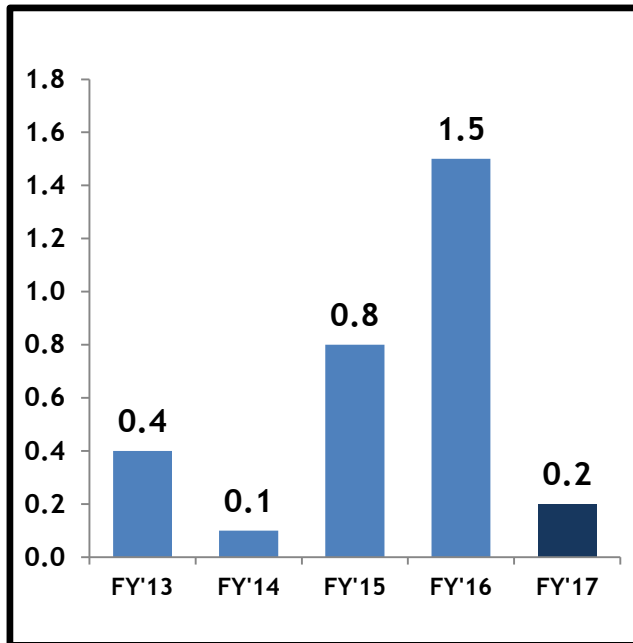
* FY2013 restated

** Gross revenue of all subsidiaries excluding SESB, KEV, TNBJ & TNB Capital

SOLID TECHNICAL PERFORMANCE IN FY2017

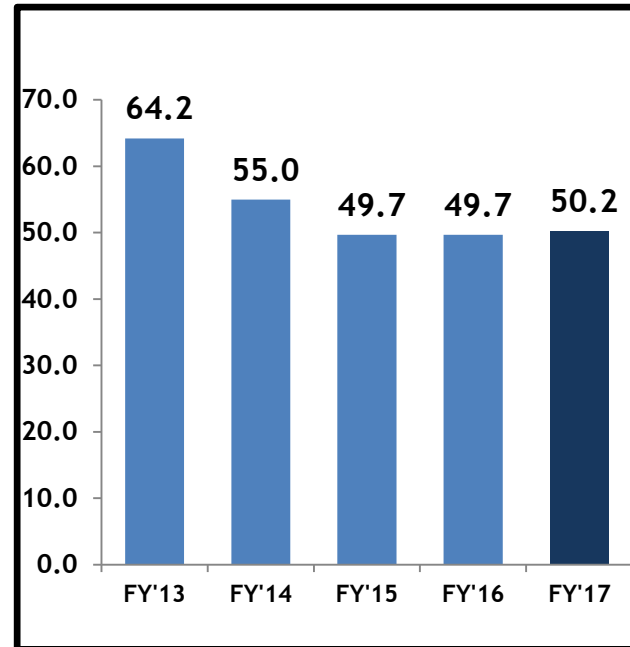
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Transmission
System Minutes (mins)



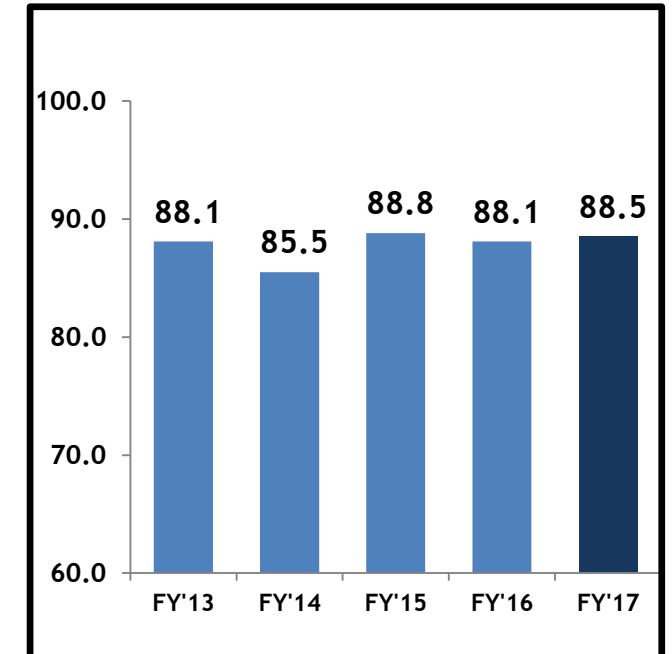
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Distribution SAIDI (mins)



3

Equivalent Plant
Availability Factor (EAF)(%)*



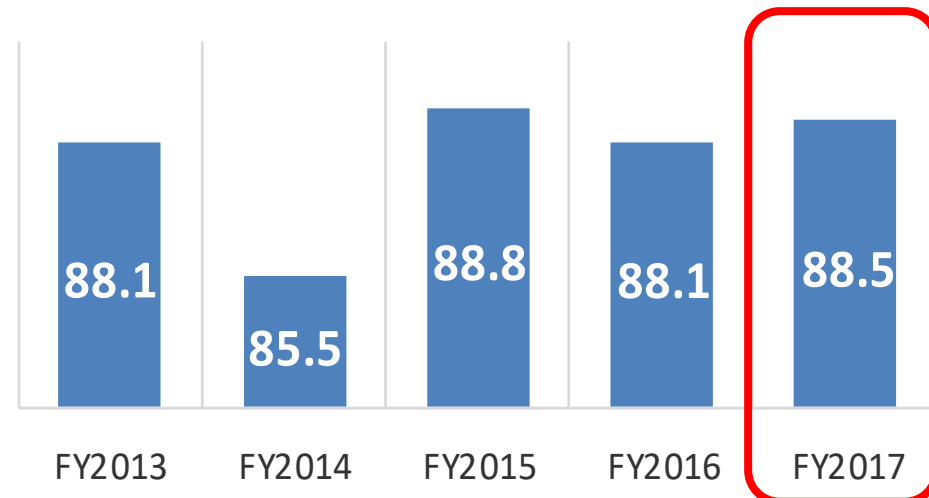
*Including TNB wholly-owned generating capacity in Peninsular Malaysia

STEADY PERFORMANCE OF TNB POWER PLANTS

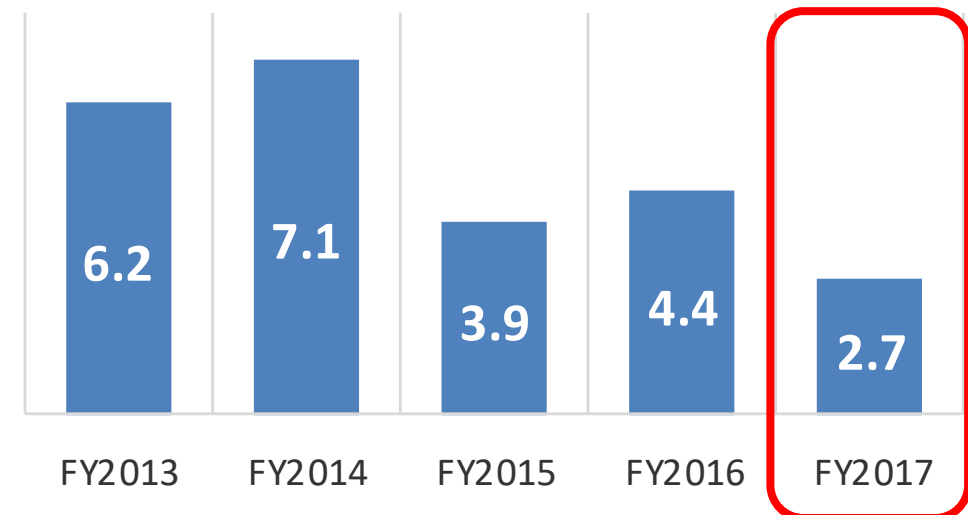
For FY2017, TNB power plants recorded:

- Equivalent Availability Factor (EAF) at **88.5%**
- Equivalent Unplanned Outage Factor (EUOF) at **2.7%**

Availability* (%)



EUOF* (%)



**Including TNB wholly-owned generating capacity in Peninsular Malaysia*

KEY HIGHLIGHTS



27th ANNUAL GENERAL MEETING

SOLID MILESTONES AND DELIVERABLES TO MAXIMIZE SHAREHOLDERS RETURN

1

**CONTINUOUS
EXPANSION IN
DOMESTIC AND
GLOBAL MARKET**

- i. 50% stake of 365MW Solar PV farm in United Kingdom - Vortex Solar
- ii. 1,000 MW Coal Plant - Janamanjung 5
- iii. 50MW Large Scale Solar at Kuala Langat Selangor - TNB Sepang Solar
- iv. 30MW Large Scale Solar at Bukit Selambau, Kedah

2

**STABLE RETURN
FROM EFFECTIVE
IBR
IMPLEMENTATION**

Incentive Based Regulation (IBR) & Imbalanced Cost Pass-Through (ICPT)

3

**SUCCESSFUL
ESTABLISHMENT OF
5 BILLION SUKUK
PROGRAM (IMTN)**

IMTN to support TNB growth

4

**HIGHER RANGE OF
DIVIDEND PAYOUT
RATIO**

30% to 60% dividend payout ratio of PATAMI

STEADY STREAM OF POWER GENERATION TO SUPPORT THE NATION GROWTH

1,000MW Commissioned and 3,490MW in the Pipeline

Janamanjung Unit 5

1,000MW (Coal)

COMPLETED

COD:
28th Sep 2017

Jimah East Power

70%

2,000MW (Coal)

COD:
U1: 15th Jun 2019
U2: 15th Dec 2019

TNB Sepang Solar

32%

50MW (Solar)

COD:
1st Nov 2018

Southern Power Generation

7%

1,440MW (Gas)

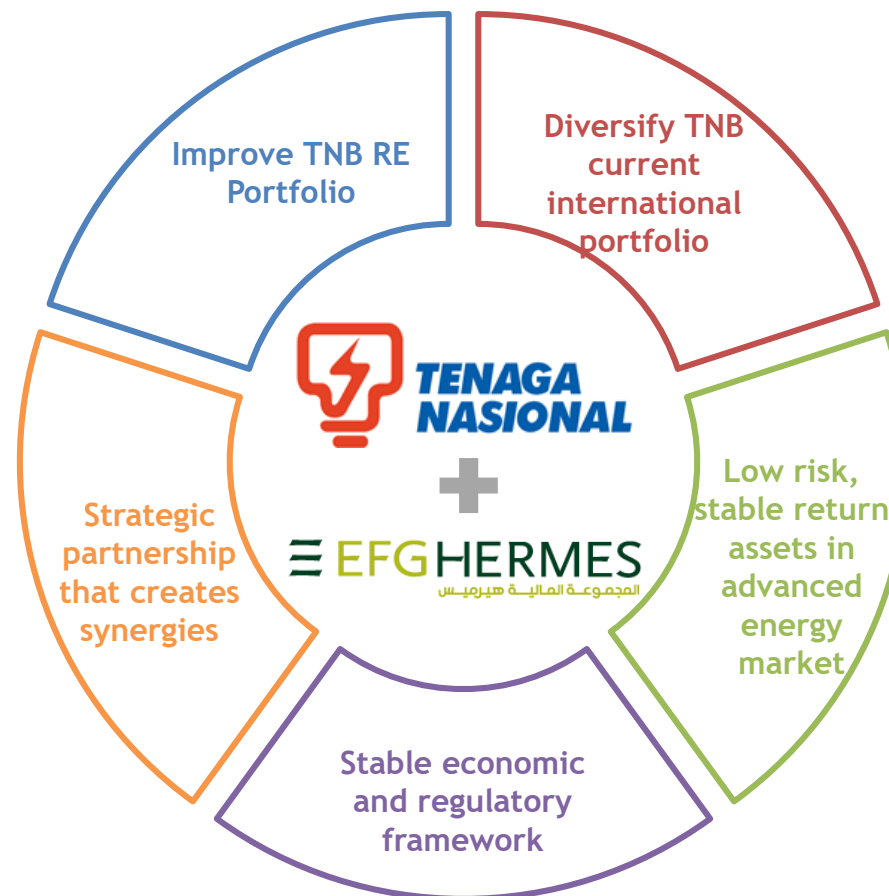
COD:
1st Jul 2020

BUILDING RENEWABLE ENERGY PORTFOLIO FOR BETTER FUTURE

50% Ownership of Vortex Solar in United Kingdom

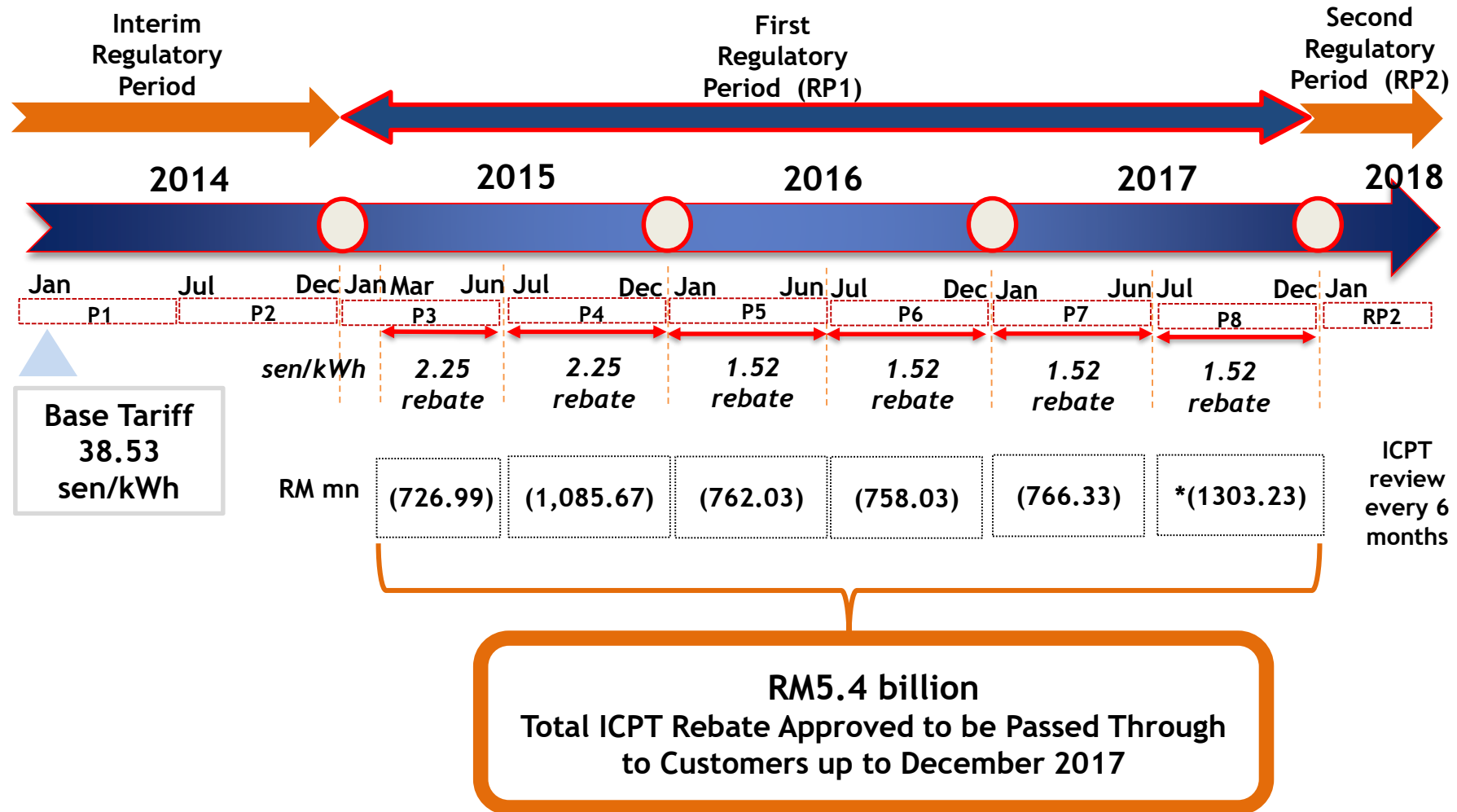
Vortex Solar

- Vortex Solar assets include 24 operational solar PV Farm across England and Wales with net installed capacity of about 365MW.
- Total cash consideration : GBP86.0 mn.



TNB REMAINS NEUTRAL FROM FUEL FLUCTUATION

Incentive Based Regulation (IBR) & Imbalanced Cost Pass-Through (ICPT)



Source: Regulatory Economics & Planning

* Comprises of: RM 523.23 million total imbalance cost for period Jan- Jun 2017 and RM 780 million to continue the current ICPT rebate of 1.52 sen/kWh.

OVERSUBSCRIPTION OF RM2.0 BILLION SUKUK INDICATES STRONG MARKET CONFIDENCE

First Issuance from the Approved Islamic Medium Term Note Programme (IMTN) of RM5.0 billion

First Issuance - 3rd August 2017

RM 2.0 billion

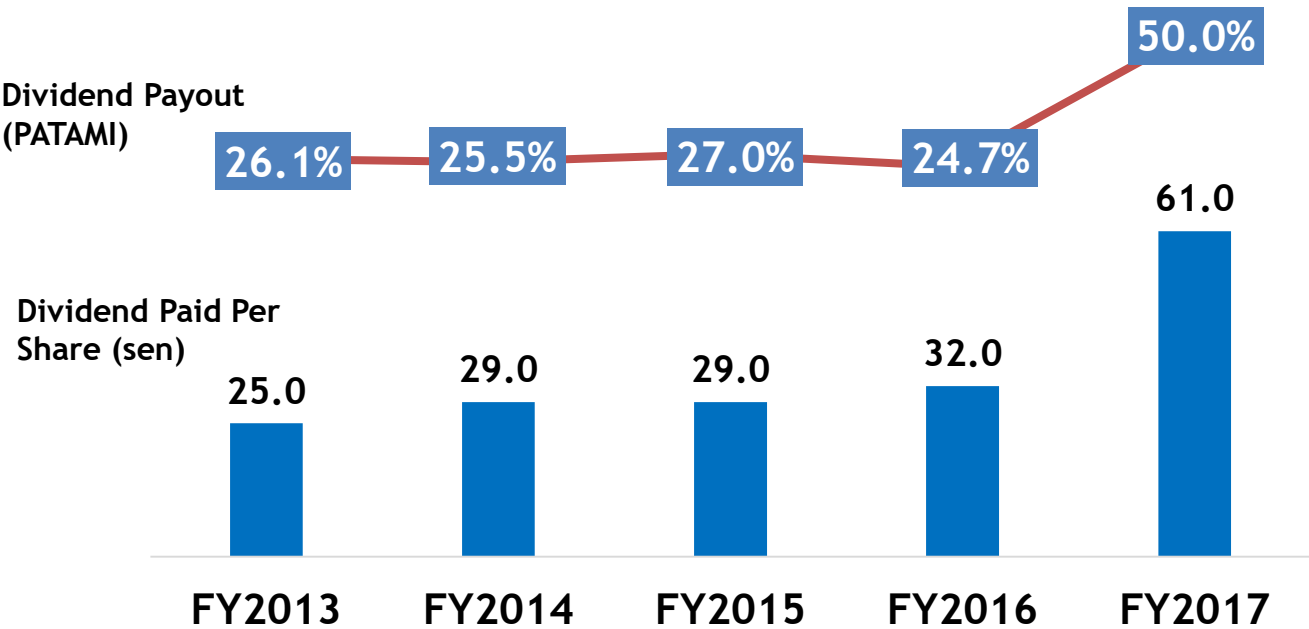
No	Tenor (years)	Issue Size (RM Million)
1.	15	500
2.	20	1,500

FY2017 MARKS THE HIGHEST DIVIDEND PAYOUT TO DATE

Continue to Maximise Shareholders Value Through Consistent and Sustainable Dividend Payout of RM3.5 Billion

Dividend Policy

Distribution of dividend is based on 30% to 60% dividend payout ratio, based on the reported Consolidated Net Profit Attributable to Shareholders After Minority Interest, excluding Extraordinary, Non-Recurring items



BUSINESS STRATEGY & DIRECTION



27th ANNUAL GENERAL MEETING

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:



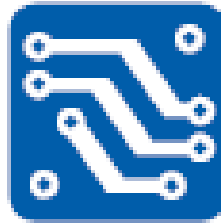
SHAPING SUSTAINABLE FUTURE

Our Strategic Plan 2017 - 2025 Towards Achieving Continuous Growth

3 STRATEGIC PILLARS



**Future
Generation
Sources**



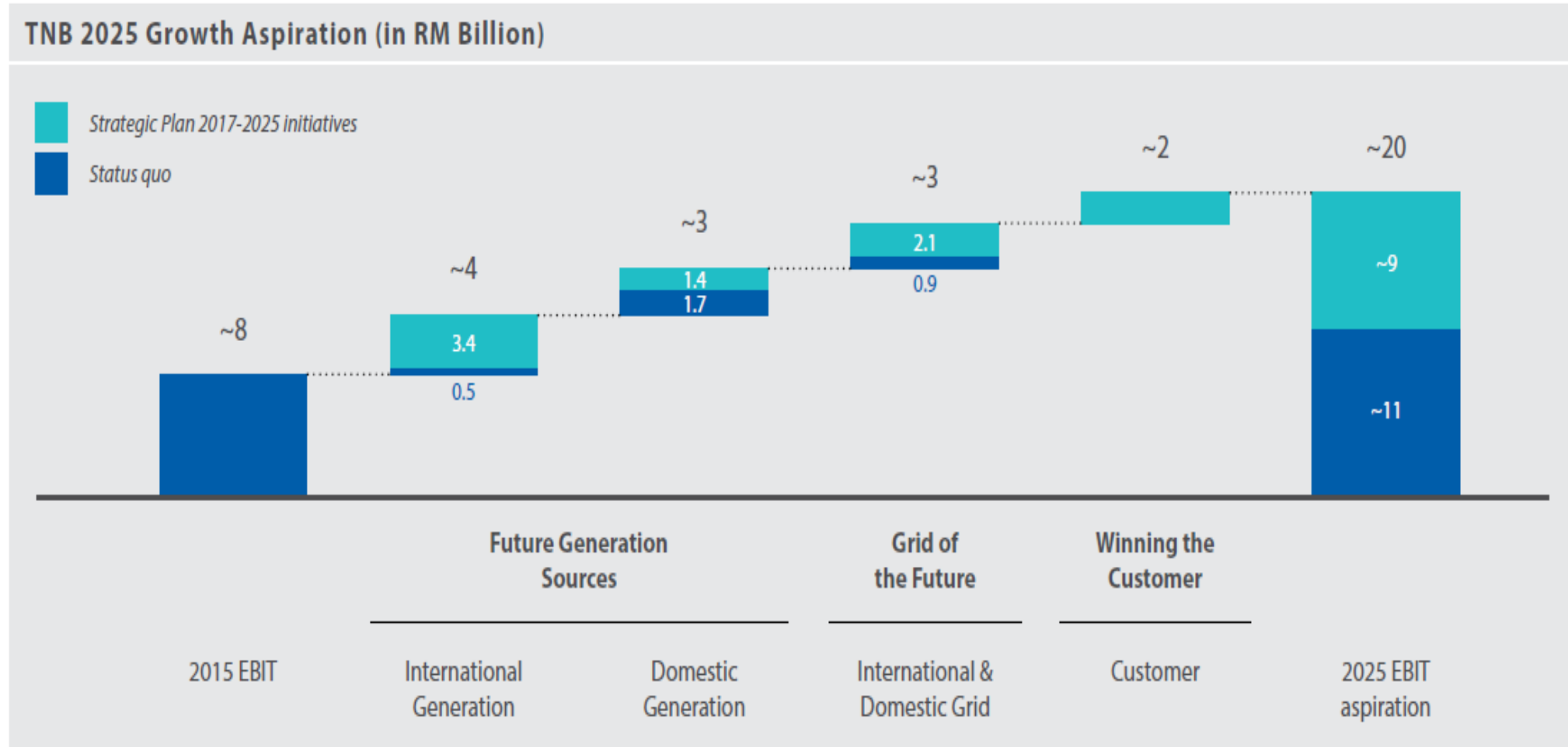
**Grid of the
Future**



**Winning the
Customer**

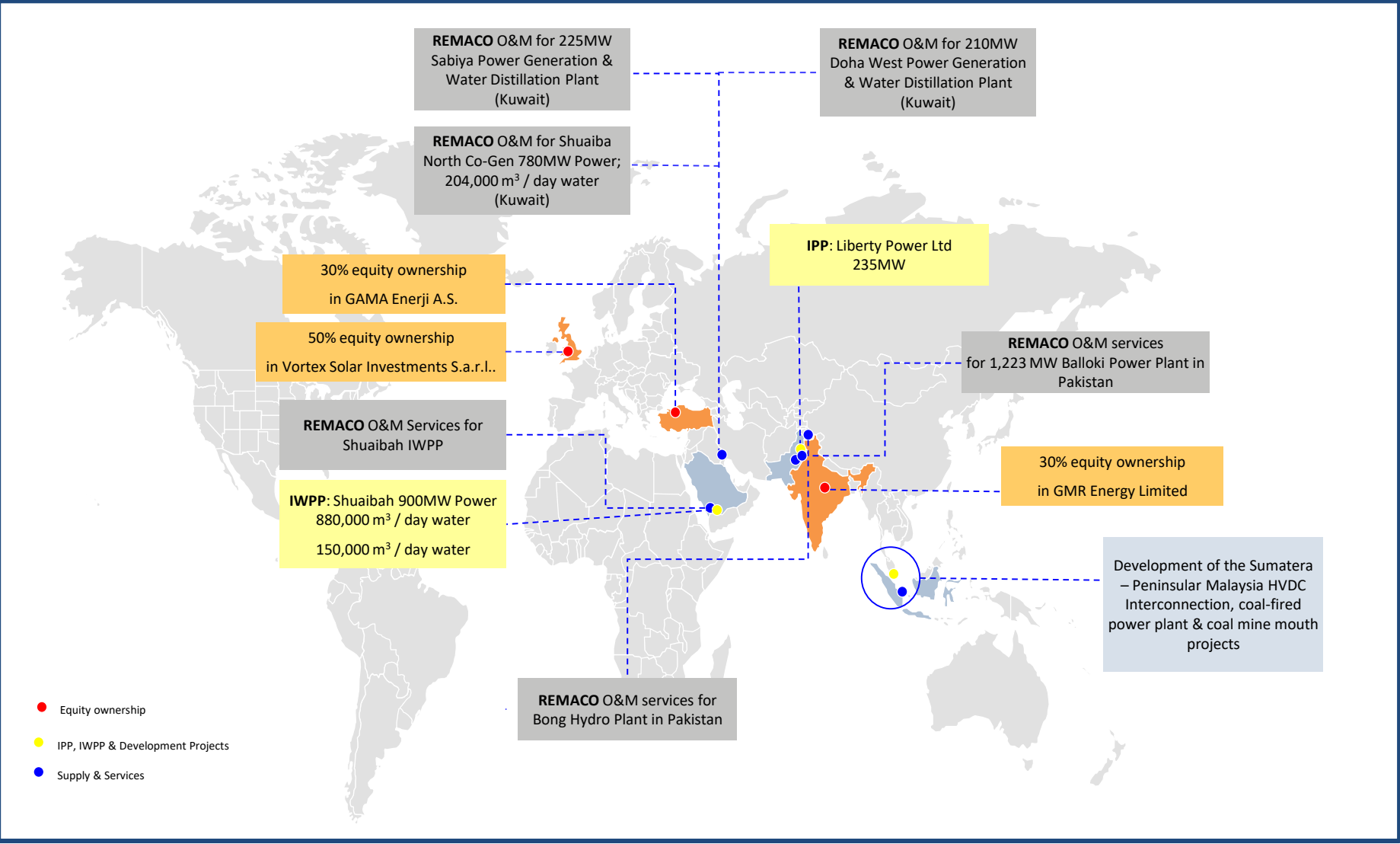
TNB 2025 GROWTH ASPIRATION

Aspire to Grow our EBIT to RM20.0 billion by 2025 through Domestic & International Investment



EXPANDING GLOBAL FOOTPRINT TO ACHIEVE ASPIRATION

TNB is currently present in more than 5 countries



ACCOLADES



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ACCOLADES : FINANCIAL

1

Brand Finance®



Utilities 50 2017

**BRAND FINANCE'S GLOBAL TOP 50
UTILITY BRANDS IN 2017 OR UTILITIES
50 (2017)**

- ❑ Fastest growing brand in the Utilities 50 list
- ❑ Ranked 24th in 2017, rose 15 spots from 2016

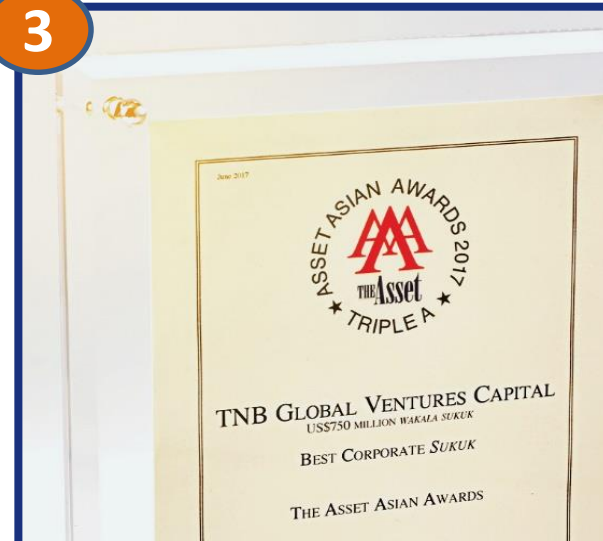
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**10TH ANNUAL BEST DEAL
& SOLUTION AWARDS 2016**

- ❑ Best Foreign Currency Bond Deal of the Year 2016 in Southeast Asia
- TNB Global Ventures Capital for its US\$750 million Sukuk Wakala

3



ASSET ASIAN AWARDS 2017

- ❑ TNB Global Ventures Capital for its US\$750 Million Wakala Sukuk
- Best Corporate Sukuk

ACCOLADES : FINANCIAL

4



2017 AUSTRALASIAN REPORTING AWARD

- ❑ Gold Award for Excellence in Content Reporting

5



ISLAMIC FINANCE NEWS (IFN) AWARDS DEALS OF THE YEAR 2016

- ❑ Sime Darby TNBES Renewable Energy Term Financing-i Facility
 - Malaysia Deal of the Year
 - Project & Infrastructure Deal of the Year

6



THE EDGE BILLION RINGGIT CLUB 2017

- ❑ Super Big Cap Companies, More Than RM40 Billion Market Capitalisation
 - Best CR Initiatives
 - Highest Returns to Shareholders Over Three Years
 - Highest Growth in Profit After Tax Over Three Years

ACCOLADES : TECHNICAL

1



RED HAT INNOVATION AWARDS APAC 2016

- ❑ Infrastructure Category

2



ASIA GEOSPATIAL EXCELLENCE AWARD 2016

- ❑ Implementation of Unmanned Aerial Systems (UAS) for Utilities Asset Management

3



SHARE GUIDE ASSOCIATION MALAYSIA (SGAM) ICT AWARD 2016

- ❑ Malaysia IT User Group Category: Unmanned Aerial Services (UAS) Project

ACCOLADES : TECHNICAL

4



ASEAN ENERGY AWARDS 2016

- ❑ Energy Management in Buildings and Industries - Large Building Category - Wisma TNB Jalan Timur, Malaysia
- ❑ 1st Runner-up

5



ASIA - PACIFIC RISK MANAGEMENT AWARDS 2017

- ❑ Asia-Pacific Risk Management Team of the Year

6



ASIAN UTILITY INNOVATORS AWARDS 2017

- ❑ Best Digital Transformation Project

ACCOLADES : CORPORATE GOVERNANCE, CSR & BRAND

1



MSWG MALAYSIA - ASEAN CORPORATE GOVERNANCE TRANSPARENCY INDEX, FINDINGS AND RECOGNITION 2016

- ❑ Industry Excellence - Consumer Services
- ❑ Merit Award for CG Disclosures - 9th Place

2



9TH ANNUAL GLOBAL CSR SUMMIT & AWARDS 2017

- ❑ Best Workplace Practises Award - Gold
- ❑ Best Community Programme Award - Gold

3



THE BRANDLAUREATE BEST BRANDS AWARD 2016 - 2017

- ❑ Brand of the Year for Best Performing Government-Linked Company
 - Energy & Power Category

4



11TH EMPLOYER BRANDING AWARDS 2017

- ❑ Malaysia Best Employer Brand Award

Our Appreciation Goes To...

- The 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