

SIARAN AKHBAR PRESS STATEMENT

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S.A. 2015/01/13 (HQ)

Enhanced Capex Investments Amidst Sustained Performance Standards

3 months ended 30th November 2014 (1stQuarter FY2015)

- **Profit After Tax of RM2.35 billion (1QFY2014 : RM1.73 billion)**
- **73.2% increase in Capital Expenditure; total amount of RM2.51 billion (1QFY2014 : RM1.45 billion)**
- **3.3% unit electricity demand growth in Peninsular Malaysia**
- **3.6% increase in Operating Expenses; total amount of RM8.42 billion (1QFY2014 : RM8.12 billion)**

Kuala Lumpur, 22 January 2015 - Tenaga Nasional Berhad (TNB) today announced a Profit After Tax of RM2.35 billion for the 1st Quarter of the Financial Year ending 31st August 2015 (FY2015). During the period, the Group further illustrated its commitment in ensuring system efficiency, security and reliability by investing RM2.51 billion on Capital Expenditure (Capex), an increase of 73.2% as compared to the same period last financial year.

For the current quarter, Peninsular Malaysia recorded unit electricity demand growth of 3.3%. This was mainly contributed by the commercial and industrial sectors.

Operating Expenses for the period under review increased by 3.6% to RM8.42 billion as compared to RM8.12 billion in 1QFY2014. This was partly attributed to higher generation costs resulted from higher Liquefied Natural Gas (LNG) cost.

Peninsula (Gwh)	3-month	
	FY2015	FY2014
Unit Sales	26,024.7	25,205.3

Group (RM million)	3-month	
	FY2015	FY2014 (Restated)
Revenue	11,027.1	9,572.4
Operating Expenses	(8,419.2)	(8,124.3)
Operating Profit	2,744.8	1,517.5
Forex Translation Gain	45.9	252.7
Net Profit Attributable to Owners of the Company	2,351.9	1,750.3
EBITDA margin	36.3%	27.9%

TNB's President / Chief Executive Officer, Datuk Seri Ir. Azman Mohd remarked that the Group entered the first regulatory period under the Incentive Based Regulation (IBR) starting 1st January 2015 amid changing global economic environment. Movements in economic factors, such as currency fluctuations and interest rate will impact TNB and the power industry in general.

“As the Group face new challenges in the new environment, we will not lose our resolve to continuously ensure that the lights are on; and we will do this through efficient operations with enhanced transparency in the operational, financial and technical performance aspects of the company as mandated under the IBR.”

In the light of prevailing global economic conditions and volatility of foreign exchange that will impact the Malaysian economy, the Board of Directors is cautious on the Group's prospect for the Financial Year 2015.

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Financial Highlights

RM' Million	3-month ended 30 th November	
	<u>FY2015</u>	<u>FY2014</u> <u>(Restated)</u>
Total Revenue	11,027.1	9,572.4
Operating Expenses	(8,419.2)	(8,124.3)
Other Operating Income	136.9	69.4
Operating Surplus (EBIT)	<u>2,744.8</u>	<u>1,517.5</u>
Finance Cost	(253.9)	(227.5)
Forex Translation Gain	45.9	252.7
Net Profit (before Forex Translation Gain)	2,306.0	1,497.6
Net Profit Attributable to Owners of the Company	2,351.9	1,750.3
Earnings per share	41.67 sen	31.01 sen

About Tenaga Nasional Berhad

TNB's core activities are in the generation, transmission, and distribution of electricity. In addition to being the nation's primary electricity generation enterprise, TNB also transmits and distributes all the electricity in Peninsular Malaysia, Sabah and Federal Territory of Labuan. As at 31 August 2014, TNB supplies electricity to approximately 8.6 million customers.

TNB, through its subsidiaries, is also involved in the manufacturing of transformers, high voltage switchgears and cables; the provider of professional consultancy services, construction and operating and maintenance of district cooling facilities, generation equipment, repair and maintenance, fuel supply services; services related to renewable energy, energy efficiency and power quality; higher education and skill training and undertakes research and development.

As an integrated electricity provider, TNB has and will continue to meet its crucial role in powering the nation's progress.

For further information, please visit www.tnb.com.my.