

Headline	TNB's Q2 net profit down 38.9pct		
MediaTitle	The Sun		
Date	28 Apr 2016	Language	English
Circulation	305,473	Readership	832,000
Section	Business	Page No	16
ArticleSize	88 cm ²	Journalist	N/A
PR Value	RM 4,305		



TNB's Q2 net profit down 38.9%

PETALING JAYA: Tenaga Nasional Bhd (TNB) saw its net profit for the second quarter ended Feb 29, 2016 (Q2FY16) plunged 38.9% to RM1.32 billion, from RM2.16 billion in the previous corresponding period, mainly due to the impact of the recognition of imbalance cost pass through (ICPT) during the period.

"The impact of the recognition of ICPT in the current quarter resulted in a lower profit attributable to the owners of the company by RM835.5 million from RM2.16 billion to RM1.32 billion," it said in a filing with Bursa Malaysia yesterday.

Revenue fell 1.1% to RM10.49 billion, against RM10.61 billion a year ago mainly due to the recognition of the over recoverability of ICPT during the period which offset the 4.6% increase of sales of electricity from RM10.56 billion to RM11.05 billion.

TNB said the increase sales of electricity was mainly from the peninsula which recorded an increase of 4.7%, with a corresponding growth in units of 4.0%.

For the six-month period, its net profit dipped 36.7% to RM3.3 billion, from RM4.51 billion a year ago, while revenue fell 2.17% to RM21.17 billion, compared with RM21.64 billion previously.

On prospects, TNB said, while investments in the oil and gas industry are likely to remain weak in 2016, investments in the non-energy sectors are expected to continue in 2016 thus generating positive spill-overs into the rest of the economy.

"Given this challenging scenario, the board of directors remain cautious on the group's prospects for the year ending Aug 31, 2016," it added.