



## SIARAN AKHBAR

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## PRESS STATEMENT

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### PROJECT 3B'S ACQUISITION WILL ENHANCE SHAREHOLDERS'S VALUE

- Not a bail out
- 2,000MW power plant with good prospect

**Tenaga Nasional Berhad (TNB)** is confident that its acquisition of the 1Malaysia Development Bhd's 3B Project will enhance its shareholder's value and bring positive value in the long term, said Its President/ Chief Executive Officer, Datuk Seri Ir. Azman Mohd.

"It is a greenfield power plant with good prospect and with the increased generation capacity of 2,000 MW upon completion of the Project, the acquisition will bring about positive value to TNB in the long run.

"Based on financial analysis, the Project is expected to have a positive impact on the earnings of TNB. It is not a bailout of 1MDB," stressed Ir. Azman.

He disclosed that the national utility corporation received today an official letter of invitation from the Energy Commission (Suruhanjaya Tenaga) to be the lead developer in the Project for the development of the 2x1000MW coal-fired power plant in Jimah, as a consortium with Mitsui Co. Ltd. TNB is offered a levelised tariff of not more than 26.67 sen per kWh.

"We expect to submit a proposal in relation to the takeover of 1MDB's 70 percent ownership in the project soon, taking into consideration among others the cost of delay in the project, higher forex exchange based on current situation and TNB's expected return. "

Ir. Azman also disclosed that TNB has conducted due diligence and commenced negotiations with 1MDB.

"We wish to stress that no premium will be paid for the acquisition of the 70 percent stake in the project.

"As a power utility, TNB is keen to participate as the developer to ensure reliability and security of supply for the nation while maximising its shareholders' value," he added.

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