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PRESS STATEMENT

S.A 2017/05/30 (HQ)

TNB ACQUIRES MAJOR SOLAR POWER PORTFOLIO IN BRITAIN

Kuala Lumpur, 12 May 2017: Tenaga Nasional Berhad ('TNB') today, via its wholly owned subsidiary, TNB International Sdn. Bhd. ("TNBI"), has completed the acquisition of a 50% interest in one of Britain's largest portfolios of operating solar power assets with a combined net installed capacity of 365 MW.

The acquisition, with an enterprise value of c.GBP 470 million, achieves a key objective of TNB's five-year international expansion plan to acquire up to 250 MW capacity of renewable energy projects by 2020.

The acquisition was through Vortex Solar UK Limited ('Vortex Solar UK') which is an indirect wholly owned subsidiary of a TNB joint venture, Vortex Solar Investments S.a.r.l. ('Vortex'), which acquired a 100% interest in the portfolio. TNB has a 50% shareholding in Vortex with Beaufort Investments S.a.r.l. which holds the balance of 50%.

Vortex Solar UK signed a Sale and Purchase Agreement in January with a subsidiary of Terraform Power Inc. to acquire the solar portfolio which includes 24 solar photovoltaic farms, Britain's third largest solar power business.

TNB funded the acquisition through a US\$750 million sukuk proceeds issued by the company in October last year.

TNB CEO Datuk Seri Ir. Azman bin Mohd said: 'We are pleased to complete this acquisition which was a rare opportunity to acquire a sizeable solar power business in Britain and helps us deliver the renewable energy (RE) part of Tenaga's international expansion plan more than one year ahead of schedule.'

'The assets are an excellent investment which are immediately earnings enhancing with 80% of revenue under long term, 15-year power purchase agreements and subsidized by Renewable Obligation Certificates for the next 20 years.'

With the completion of the acquisition, Tenaga's international renewable energy portfolio will have a combined net installed capacity of 252 MW following acquisitions in power companies in India and Turkey in 2016.

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About: -

Beaufort Investments S.a.r.l. is one of the Middle East's largest Private Equity firms with more than 10 years' experience of investing in a range of industries including renewable energy where it has assets in Spain, Portugal, France and Belgium. It is a wholly owned subsidiary of the Egyptian Financial Group-Hermes Holding SAE Group (EFG-Hermes).

TerraForm Power Inc. (Nasdaq:TERP): Terraform Power Inc. is a global owner and operator of clean energy power plants.

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