



UNAUDITED FINANCIAL RESULTS 1st QUARTER FY2011

19th January 2011



- ☐ Highlights of The Group's Performance

- ☐ Details of The Group's Performance

- ☐ Q & A

Highlights of The Group's Performance

"Powering The Nation"

3-months ended 30 November 2011 (1st Quarter FY2011)

- Net Profit of RM712.9 million.
- 6.1% increase in Operating Expenses due to higher coal prices against a 5.3% increase in Group Revenue.
- 5.0% unit electricity demand growth in Peninsular Malaysia.
- Average coal price at USD95.5/metric tonne
- EBITDA margin at 28.5% compared to 29.5% for 1st Quarter FY2010.

FINANCIAL HIGHLIGHTS

Year-On-Year Analysis



- Group Demand Grew by 5.2%, Revenue Increased by 5.3%
- 1.0% Marginal Increase in Operating Profit Resulting from Higher Demand But Offset by Higher Fuel Costs
- Profit Before Taxation of RM997.6mn
- Net Profit Attributable to Equity Holder's of RM712.9mn

RM'mn	FY 2010	FY 2011	Variance %
Revenue	7,338.3	7,726.4	5.3
Operating expenses	(6,179.9)	(6,557.6)	6.1
Operating income	82.8	84.6	2.2
Operating profit	1,241.2	1,253.4	1.0
Forex			
- Transaction Gain/(Loss)	0.9	(1.5)	(266.7)
- Translation Gain/(Loss)	(45.4)	(104.8)	>100.0
Share of results of jointly controlled entities and associates (net of tax)	(4.5)	10.5	(333.3)
Profit before finance cost	1,192.2	1,157.6	(2.9)
Finance income	40.9	89.1	>100.0
Finance cost	(260.0)	(249.1)	(4.2)
Profit before taxation	973.1	997.6	2.5
Taxation and Zakat			
- Company and subsidiaries	(251.2)	(268.2)	6.8
- Deferred taxation	(24.4)	(14.5)	(40.6)
Profit for the period	697.5	714.9	2.5
Attributable to:			
- Equity holders of the Company	706.3	712.9	0.9
- Non Controlling Interest	(8.8)	2.0	(122.7)
	697.5	714.9	2.5

FINANCIAL HIGHLIGHTS

Quarter-On-Quarter Analysis



Lower EBITDA Margin due to Rising Coal Prices

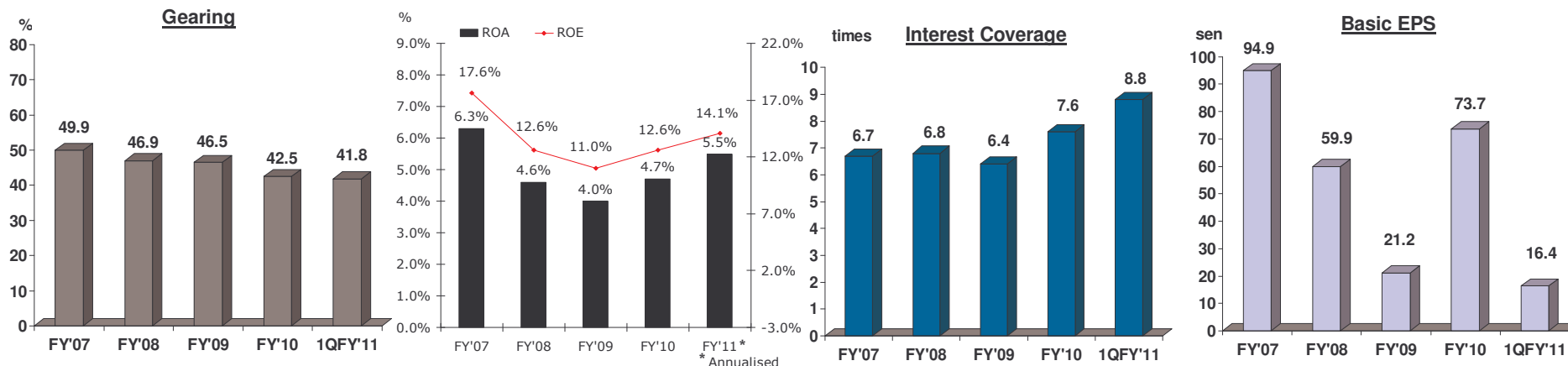
RM mn	3 Months	
	FY 2010	FY 2011
Total Units Sold (GWh)	23,117.5	24,324.6
Revenue	7,338.3	7,726.4
Operating Expenses (without depreciation)	5,259.3	5,610.8
Operating Income	82.8	84.6
EBITDA	2,161.8	2,200.2
EBITDA Margin (%)	29.5%	28.5%
Depreciation and Amortisation	920.6	946.8
EBIT	1,241.2	1,253.4
EBIT Margin (%)	16.9%	16.2%
Finance Cost	260.0	249.1
Profit Before Tax & Forex Translation	1,018.5	1,102.4
Net Profit Before Forex Translation	751.7	817.7
Translation Gain / (Loss)	(45.4)	(104.8)
Net Profit attributable to :		
Equity Holders	706.3	712.9
Non Controlling Interest	(8.8)	2.0

	1st Qtr (Sept-Nov)		
	FY'10	FY'11	Var (%)
Average Coal Price * Consumed (USD/MT) (CIF)	79.5	95.5	20.1%
Average Coal Price Consumed (RM/MT) (CIF)	274.1	297.4	8.5%
Coal Consumption (mn MT)	4.2	4.3	2.4%

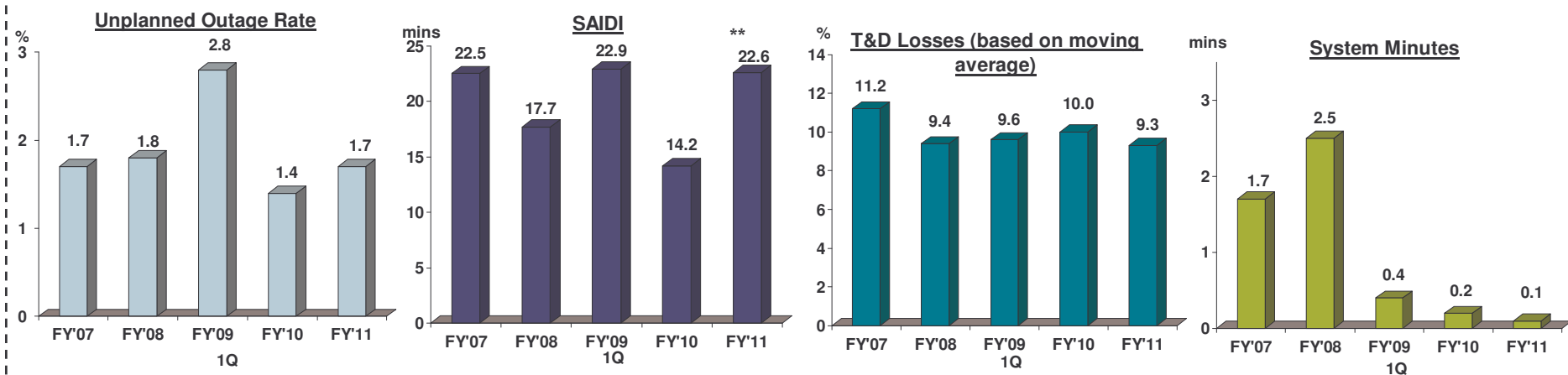
PERFORMANCE INDICATORS

Financial & Technical 5-Year Performance

Financial Ratios



Technical Performance



* All financial ratios prior to FY11 were based on full-year

** Based on revised formula

PERFORMANCE INDICATORS

Headline Key Performance Indicators

INITIATIVES	ACTUAL FY 2010	TARGET FY 2011	YTD 1 st QTR FY 2011
Return on Assets (ROA) (%) ¹	4.7	4.5 *	5.5
Company CPU (sen/kwh) ²	28.3	29.0 - 29.5**	27.5
Revenue from Non-Regulated ³ Business (RM bn)	1.7	1.8 - 1.9	0.34
Unplanned Outage Rate (UOR) (%) ***	2.7	3.6 - 4.0	1.7
T & D Losses (%)	9.5	9.0 - 9.5	$\frac{9.3^4}{8.4^5}$
Transmission System Minutes (mins)	0.9	1.0 - 2.5	0.1
Distribution SAIDI (mins) ⁶	87.4	85.0 - 93.0	22.6

Note:

- 1 based on adjusted annualised net profit
- 2 without finance cost
- 3 gross revenue of all subsidiaries excluding SESB, KEV, TNBJ & TNB Capital
- 4 based on 12-month moving average (as total system)
- 5 based on YTD (as total system)
- 6 based on new formula

Assumptions:

- *ROA - Demand growth at 5.0% (adopted forecast)
- Coal price at USD85/mt
- Gas price at RM10.70/mmbtu
- **CPU - OPEX at RM28.19bn
- Coal price at USD94.74/mt
- Gas price at RM10.70/mmbtu

*** Excluding KEV

ANALYSIS OF ELECTRICITY GROWTH M-O-M IN PENINSULA

For 1QFY2011, Peninsula Reported 5.0% Growth Y-o-Y

UNITS SALES		FY 2010												FY 2011			
		Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Industrial	Gwh	3,330	3,092	3,429	3,276	3,353	3,402	2,967	3,501	3,413	3,533	3,338	3,438	3,377	3,072	3,502	3,290
	Growth (%)	(4.9)	(4.5)	11.1	9.0	17.8	36.1	13.7	20.3	15.5	14.7	5.0	2.7	1.4	(0.6)	2.1	0.4
Commercial	Gwh	2,385	2,323	2,495	2,353	2,465	2,412	2,325	2,649	2,636	2,614	2,561	2,654	2,612	2,462	2,682	2,398
	Growth (%)	1.5	(3.9)	14.6	7.3	9.0	13.7	7.5	13.6	8.8	6.9	5.5	4.1	9.5	6.0	7.5	1.9
Domestic	Gwh	1,541	1,373	1,452	1,370	1,488	1,409	1,558	1,660	1,631	1,643	1,532	1,559	1,674	1,479	1,604	1,455
	Growth (%)	16.9	(6.3)	10.9	4.4	10.1	8.0	13.6	22.3	6.4	10.2	5.2	2.3	8.6	7.7	10.5	6.2
Others	Gwh	106	106	111	114	125	108	117	119	116	112	127	113	116	123	123	124
	Growth (%)	6.0	(0.9)	10.0	14.0	17.9	(4.4)	18.9	15.5	10.5	8.7	28.3	(50.7)	9.4	16.0	10.8	8.8
TOTAL	Gwh	7,362	6,894	7,487	7,113	7,431	7,331	6,967	7,929	7,796	7,902	7,558	7,764	7,779	7,136	7,911	7,267
	Growth (%)	1.3	(4.6)	12.2	7.6	13.2	21.4	11.7	18.3	11.1	11.0	5.5	1.5	5.7	3.5	5.7	2.2

1st Qtr FY'10
2.7%

2nd Qtr FY'10
13.8%

3rd Qtr FY'10
13.7%

4th Qtr FY'10
5.9%

1st Qtr FY'11
5.0%

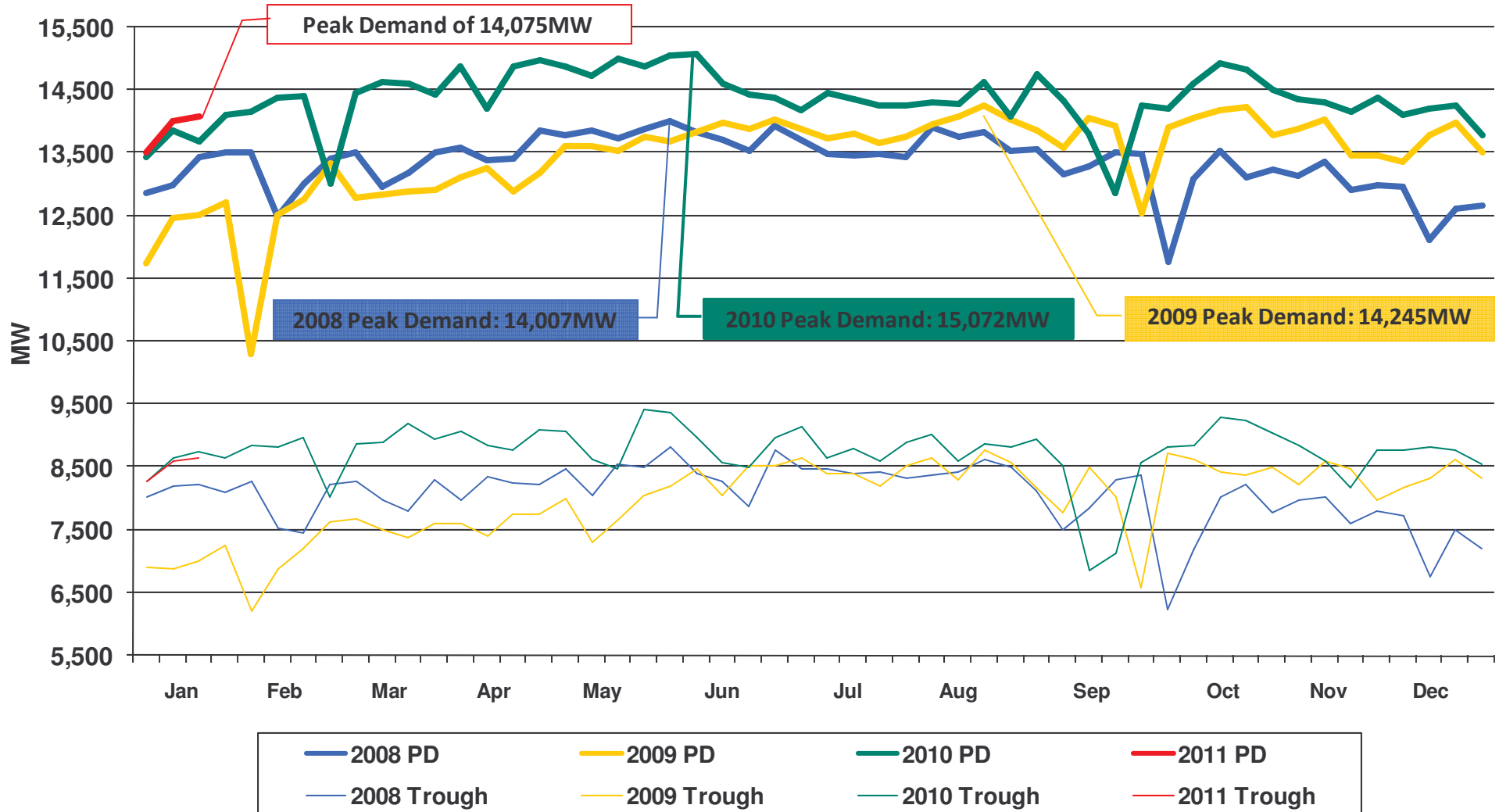
12 Months FY'10
8.8%

1 st Quarter	YTD FY 2010	YTD FY 2011
Growth (%)	2.7	5.0

SYSTEM WEEKLY PEAK DEMAND PENINSULA)

For FY2007/08 to FY2010/11 (Sept - Aug Period)

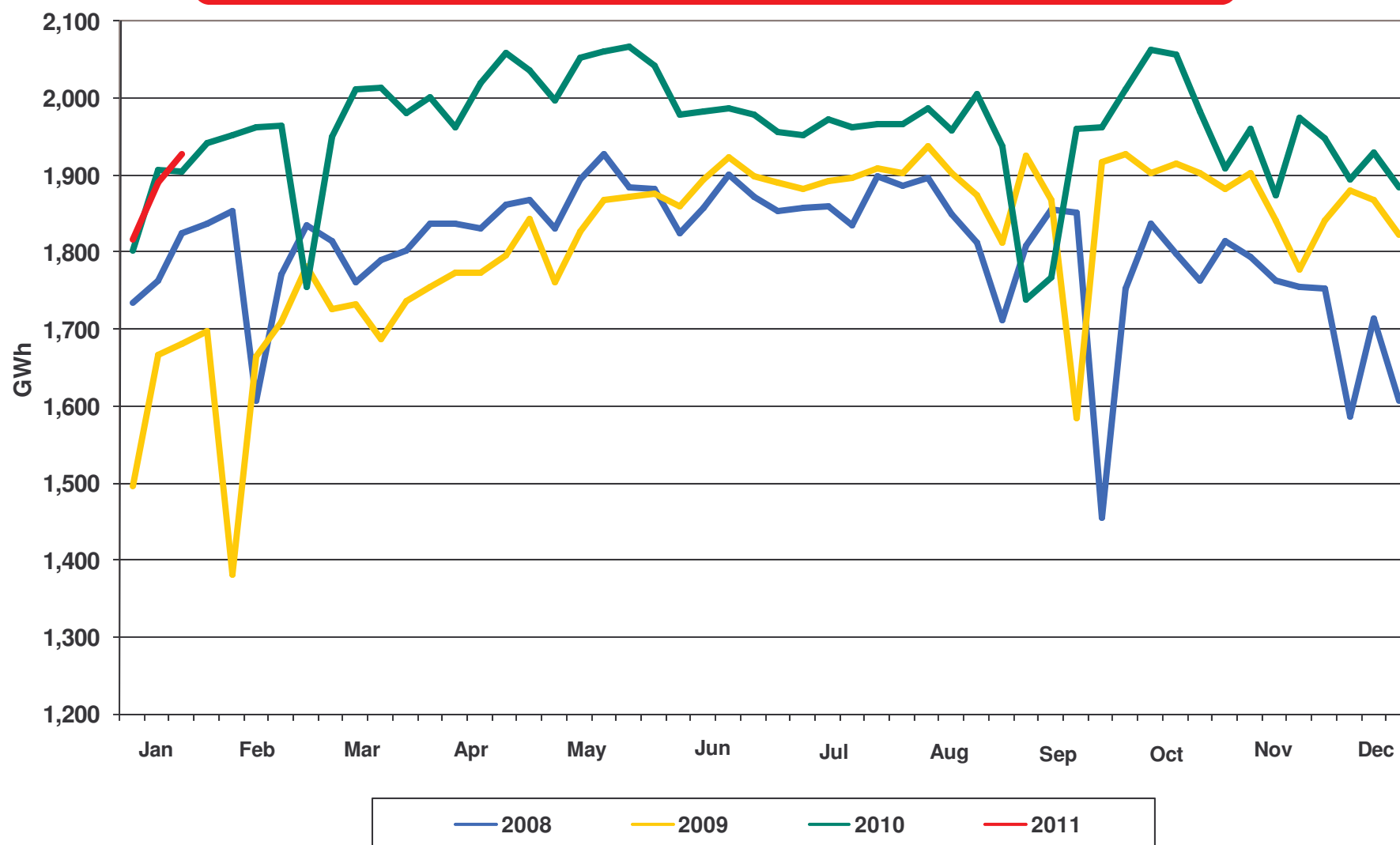
Weekly Peak Demand & Trough (MW) - Week Ending 16th January 2011



WEEKLY ELECTRICITY DEMAND GROWTH (PENINSULA)

For FY2007/08 to FY2010/11 (Sept - Aug Period)

Weekly Generation (Gwh) - Week Ending 16th January 2011



- ❑ Highlights Of The Group's Performance

- ❑ Details Of The Group's Performance

- ❑ Q & A

Details Of The Group's Performance

“GEMILANG2015 - Growth, Global, Green”

DETAILS OF REVENUE

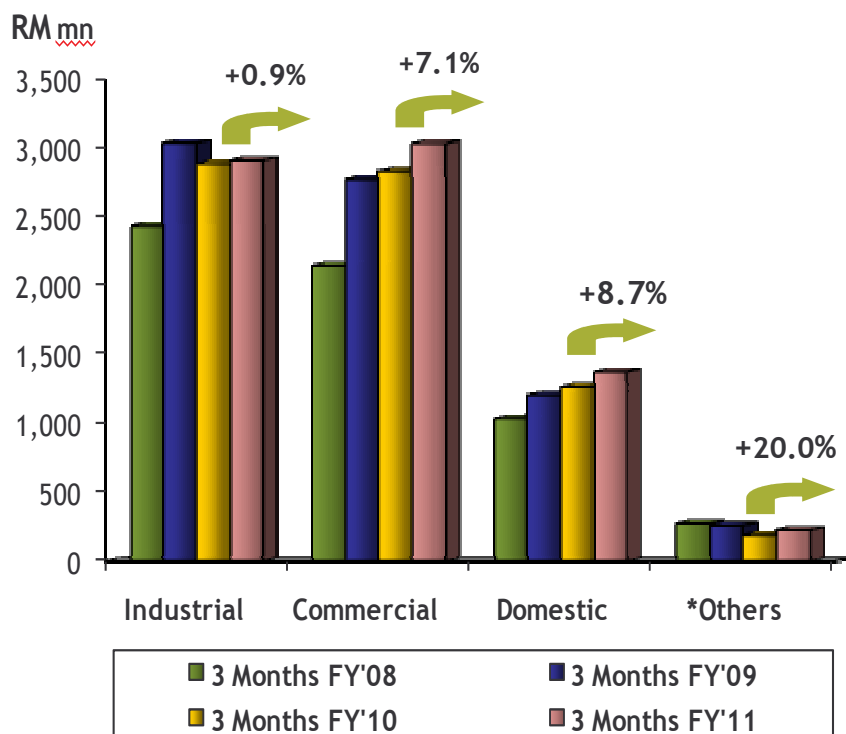
By Business Segments

Both Peninsula and SESB Continue to Report Strong Demand Growth

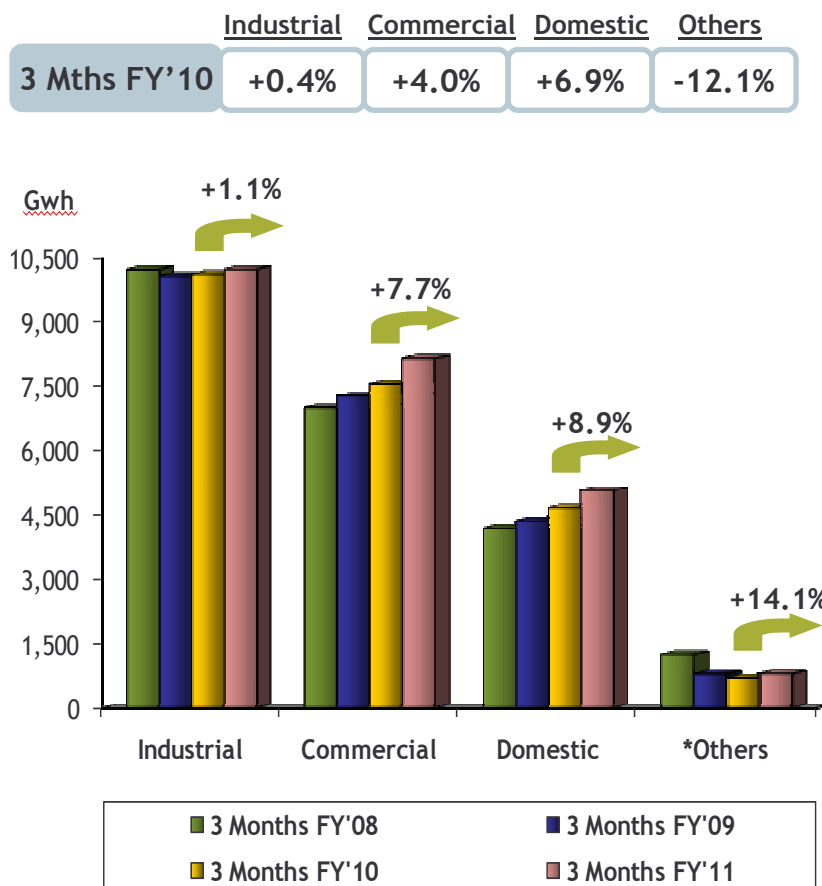
	1Q FY'10		1Q FY'11		Growth
UNITS SOLD	GWh		GWh		%
- TNB	21,743.2		22,826.3		5.0
- EGAT (Export)	3.9		65.1		> 100.0
- SESB	992.1		1,055.2		6.4
- LPL	378.3		378.0		(0.1)
Total Units Sold (GWh)	23,117.5		24,324.6		5.2
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	6,814.3	31.3	7,136.1	31.3	4.7
- EGAT (Export)	2.3	59.0	13.6	20.9	> 100.0
- SESB	247.5	24.9	269.5	25.5	8.9
- LPL	107.4	28.4	127.2	33.7	18.4
Total Sales of Electricity	7,171.5	31.0	7,546.4	31.0	5.2
Goods & Services	76.5		86.3		12.8
Deferred Income	90.3		93.7		3.8
Total Revenue	7,338.3		7,726.4		5.3

ANALYSIS OF ELECTRICITY GROWTH BY SECTORS (GROUP)

3 Mths FY'11 = 5.2%
(3 Mths FY'10 = -1.4%)



3 Mths FY'11 = 5.2%
(3 Mths FY'10 = 2.3%)



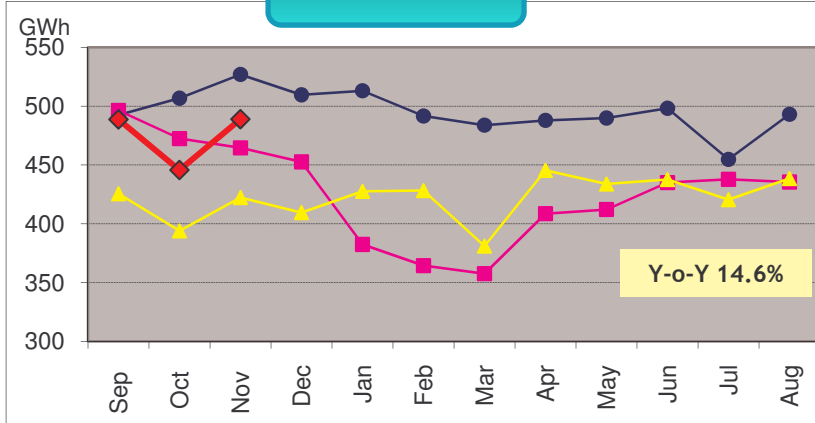
* Includes Specific Agriculture, Mining, Public Lighting, LPL & EGAT

(-) Indicates Negative Growth

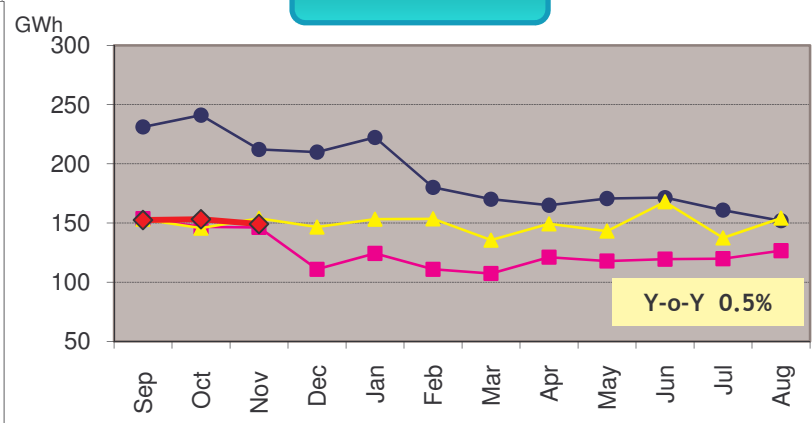
SECTORAL ANALYSIS - INDUSTRIAL SECTOR (PENINSULA)

Y-o-Y Growth of 1.0%
All Industries are Recovering Except for Iron & Steel

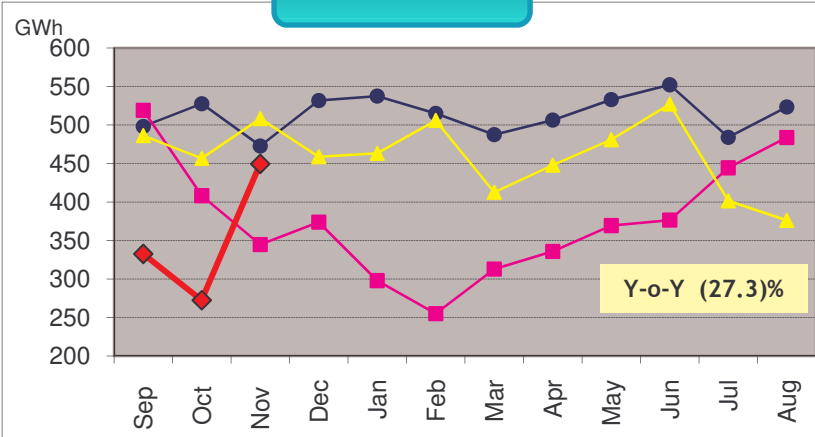
ELECTRONICS



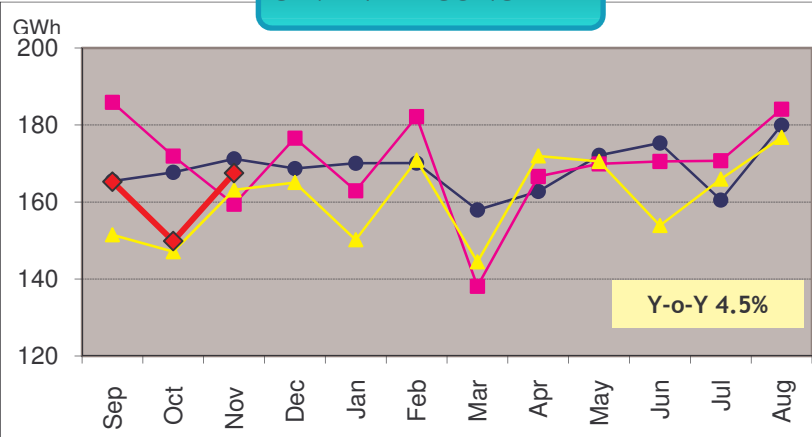
PETROCHEMICAL



IRON & STEEL



CEMENT & CONCRETE



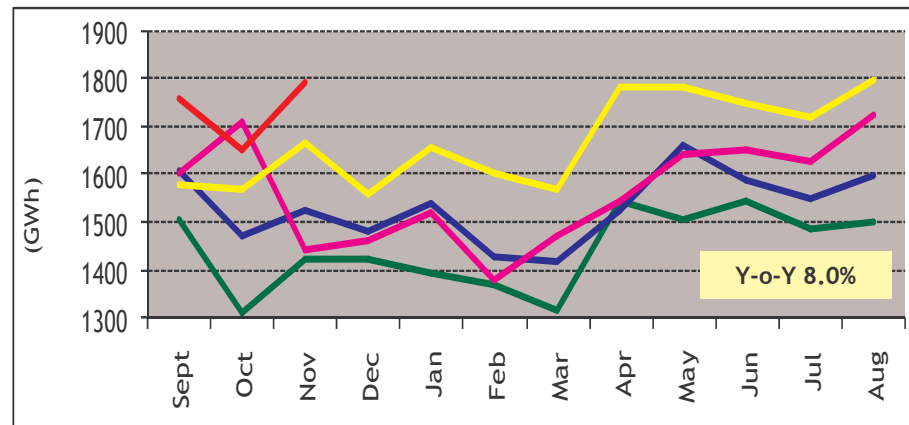
● FY2008 ■ FY2009 ▲ FY2010 ◆ FY2011

* Source : Top 1,000 PRIME customers database (PRIME customer YTD unit sales equivalent to 36.0% of total YTD unit sales)
* PRIME customers for 4 sectors above attributes 41.6% from the whole PRIME customers YTD unit sales

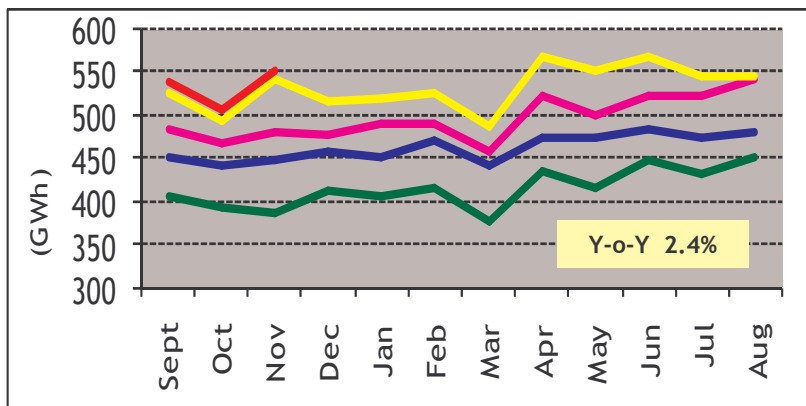
SECTORAL ANALYSIS - COMMERCIAL SECTOR (PENINSULA)

Strong Growth from Commercial Sub-sectors

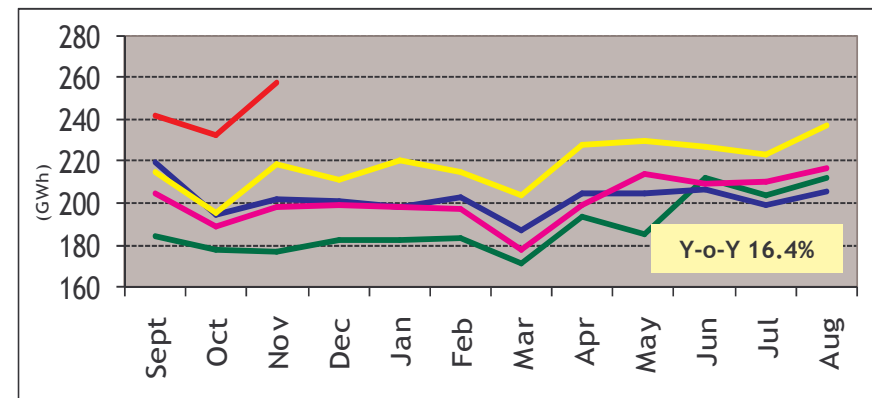
Low Voltage Shop Lots & Retail Business



Medium Voltage Shopping Malls, 3 Star Hotels, Office Buildings



Medium Voltage (Peak/Off-Peak) Mega Shopping Malls, 4-5 Star Hotels, Hospitals, Airports, Ports



— FY2007 — FY2008 — FY2009 — FY2010 — FY2011

OPERATING EXPENSES

6.1% Increase in Operating Expenses

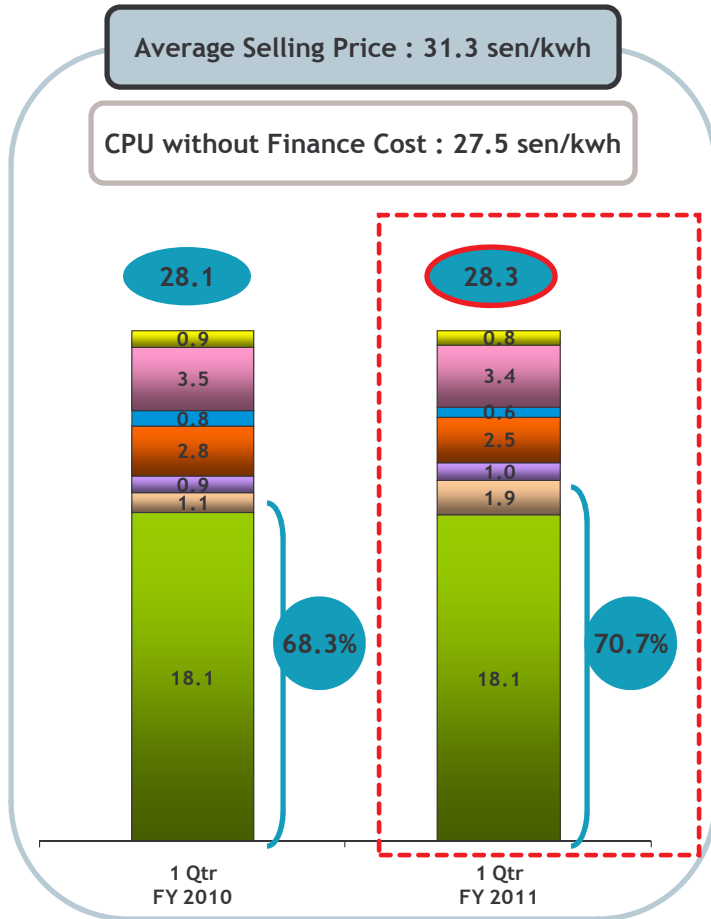
RM'mn	1Q FY2010	1Q FY2011	Variance %
Total IPP Purchases	3,137.5	3,169.8	1.0
Fuel Costs	1,306.1	1,412.0	8.1
Fuel Adjustment	(237.0)	(46.2)	(80.5)
Fuel subsidy - SESB	(111.3)	(68.5)	(38.5)
Repair & Maintenance	228.5	261.3	14.4
Staff costs	695.4	657.6	(5.4)
TNB General Expenses	160.5	134.6	(16.1)
Main Subs* Gen Exp & Cost of Sales	76.0	92.0	21.1
Other Subsidiaries	2.4	(2.7)	> (100.0)
Provisions	1.2	0.9	(25.0)
Depreciation & Amortisation	920.6	946.8	2.8
	6,179.9	6,557.6	6.1

COST PER UNIT

- 0.7% Increase In Cost Per Unit Sold
- 6.3% Decrease in Margin as a Result of Increasing Coal Prices

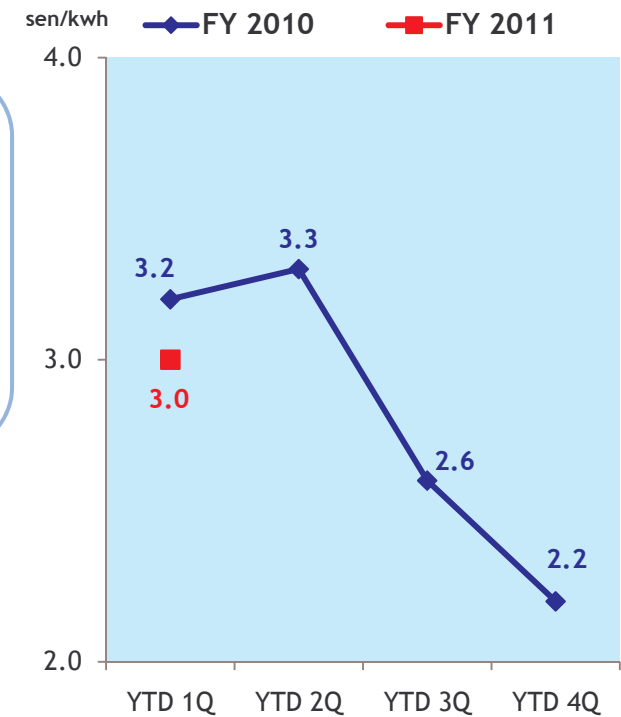
Average Selling Price : 31.3 sen/kwh

CPU without Finance Cost : 27.5 sen/kwh



	YTD FY'10	YTD FY'11
ASP	31.3	31.3
CPU	28.1	28.3
MARGIN	3.2	3.0

Margin Analysis



* Company's IPP cost includes TNBJ & KEV

■ IPP ■ R&M ■ Depreciation ■ Finance Cost
■ Fuel ■ Staff Cost ■ General Exp & Other Subsidiary Cost

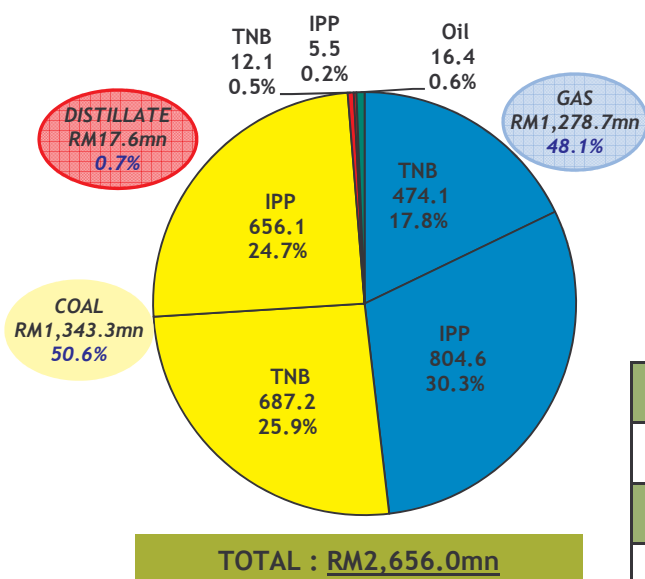
INDUSTRY GENERATION IN PENINSULA (TNB & IPPs)

Y-o-Y Analysis

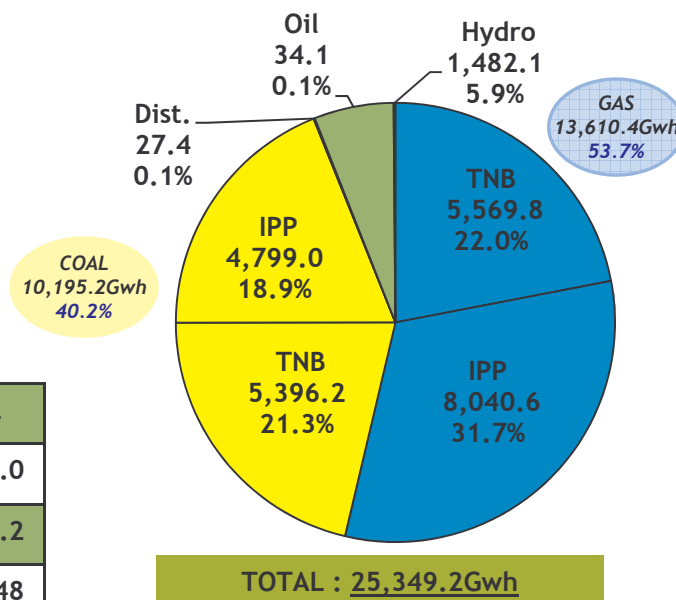
Coal Represents 40.2% of the Generation Mix

Fuel Cost (RM mn)				
Fuel Type	3 Months		Variance	
	YTD FY'10	YTD FY'11	RM mn	%
Gas	1,296.5	1,278.7	(17.8)	(1.4)
Coal	1,174.5	1,343.3	168.8	14.4
Dist.	34.3	17.6	(16.7)	(48.7)
Oil	42.7	16.4	(26.3)	(61.6)
Hydro	0.0	0.0	-	-
Total	2,548.0	2,656.0	108.0	4.2

Units Generated (Gwh)				
Fuel Type	3 Months		Variance	
	YTD FY'10	YTD FY'11	Gwh	%
Gas	13,495.5	13,610.4	114.9	0.9
Coal	9,449.8	10,195.2	745.4	7.9
Dist.	48.9	27.4	(21.5)	(44.0)
Oil	117.4	34.1	(83.3)	(71.0)
Hydro	1,418.7	1,482.1	63.4	4.5
Total	24,530.3	25,349.2	818.9	3.3



	TOTAL
RM mn	2,656.0
Gwh	25,349.2
Fuel Cost/Kwh (sen)	10.48
Coal Consumption (mn MT)	4.3

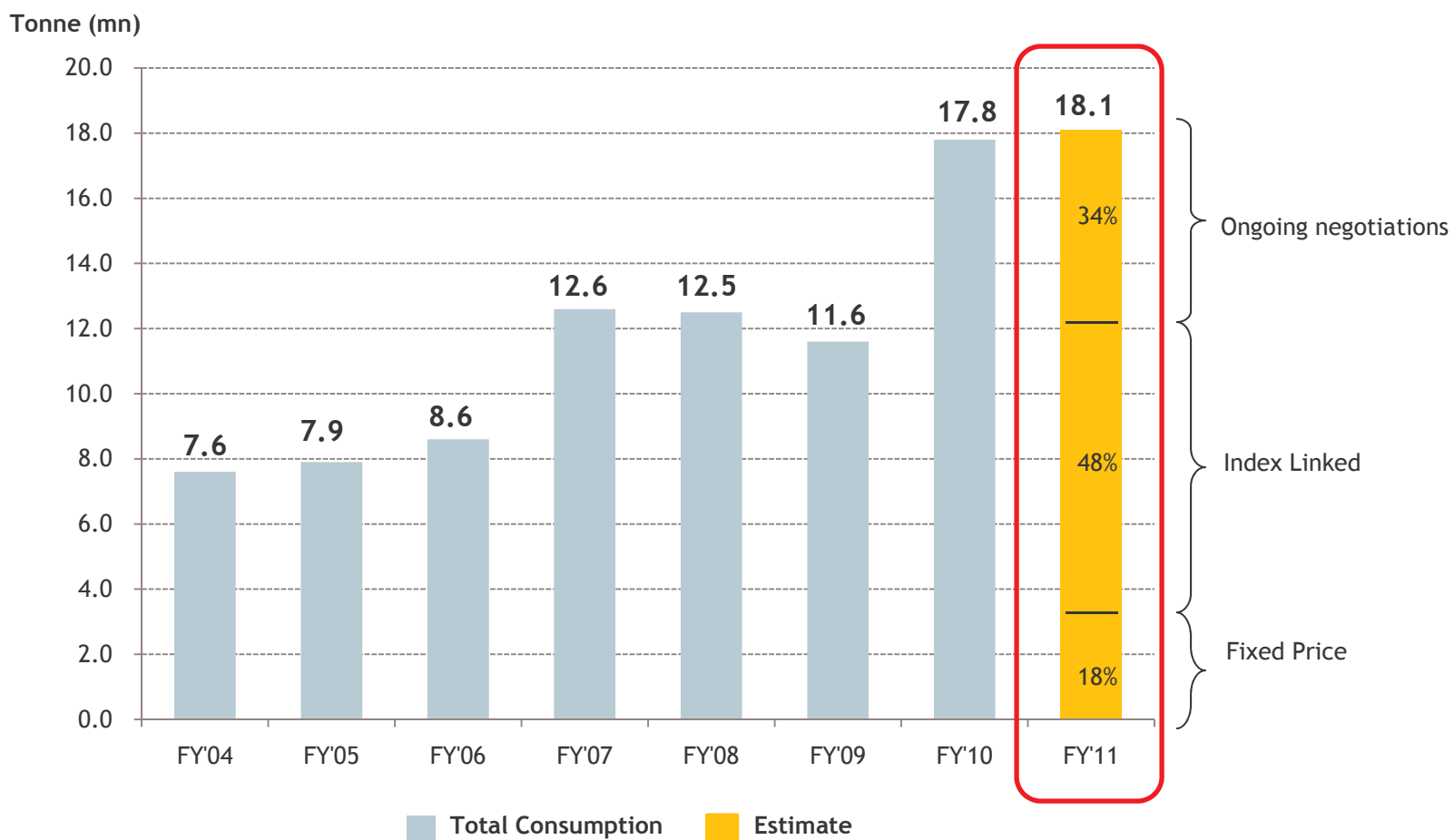


DETAILS OF OPERATING EXPENSES

Coal Requirement

Coal Procurement Estimate for FY2011 at 18.1 mn MT

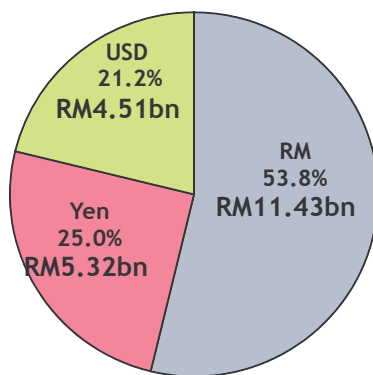
	FY'04	FY'05	FY'06	FY'07	FY'08	FY'09	FY'10	1QFY'11
Average Coal Price (CIF) (USD/metric tonne)	34.0	49.8	52.8	45.3	76.4	90.2	88.0	95.5



DEBT EXPOSURE & FOREX

RM Weakened Against USD & Yen

31st Aug'10



* Total Debt RM21.3 bn

Net Debt RM12.9 bn

Gearing (%) 42.5

Net Gearing (%) 25.8

Fixed:Floating 94.9% : 5.1%
[Based on final exposure, Fixed:Floating 98.9% : 1.1%]

Weighted Average Cost of Debt 5.14%
[Based on final exposure, 5.31%]

USD/RM : 3.14

100YEN/RM : 3.69

USD/YEN : 85.09

RM bn

Total Debt 31/08/10 21.3

- Debt Repayments (0.2)

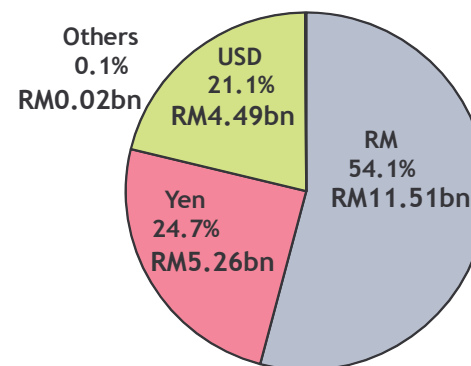
+ Drawdowns 0.1

Forex Translation Loss 0.1

Total Debt 30/11/10 21.3

	Exchange Rate	
	USD:RM	100 YEN:RM
31/08/10	3.139	3.692
30/09/10	3.087	3.707
31/10/10	3.112	3.861
30/11/10	3.150	3.749
14/01/11	3.056	3.706

30th Nov'10



* Total Debt RM21.3bn

Net Debt RM12.0bn

Gearing (%) 41.8

Net Gearing (%) 23.6

Fixed:Floating 94.8% : 5.2%
[Based on final exposure, Fixed:Floating 98.8% : 1.2%]

Weighted Average Cost of Debt 5.15%
[Based on final exposure, 5.33%]

USD/RM : 3.15

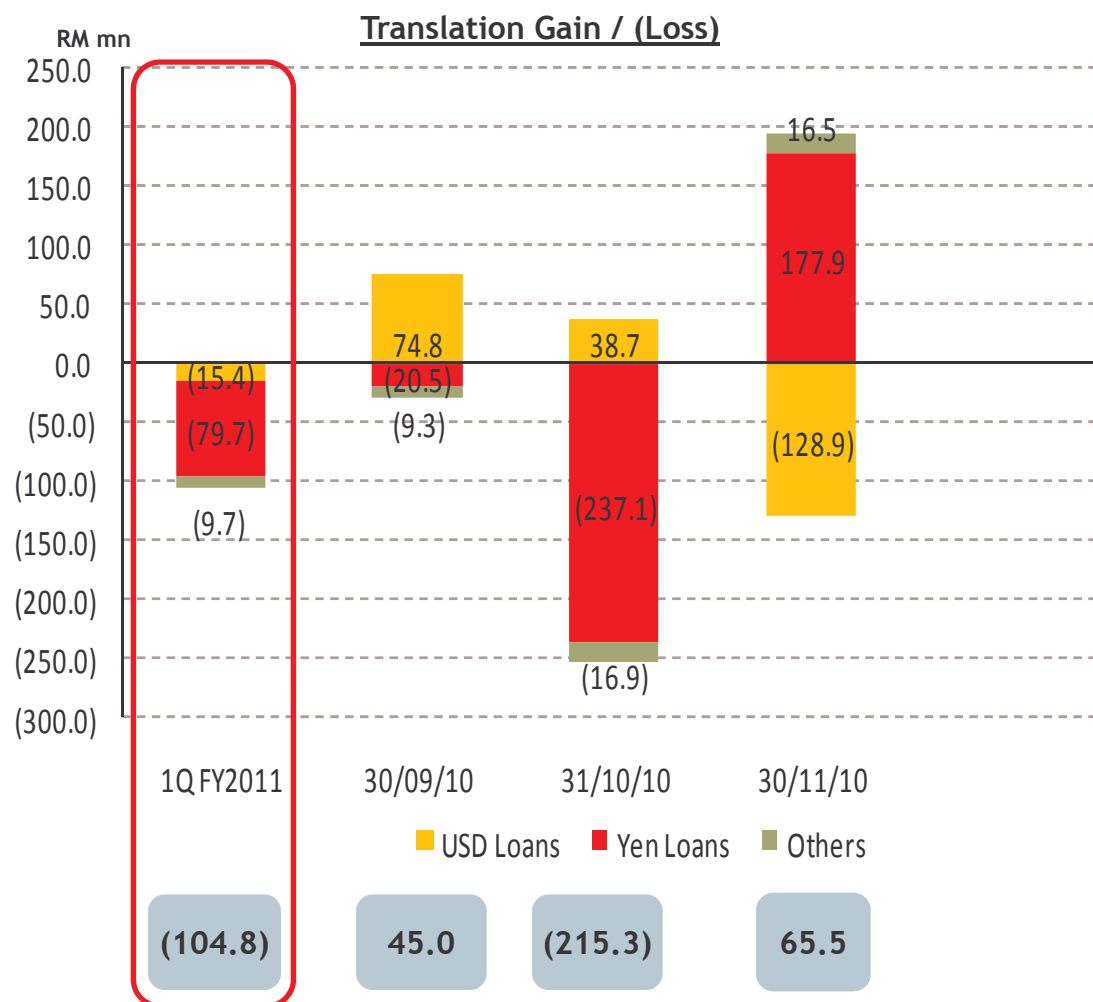
100YEN/RM : 3.75

USD/YEN : 84.00

DEBT EXPOSURE & FOREX

Translation Loss from the Strengthening of The US Dollar & Japanese Yen

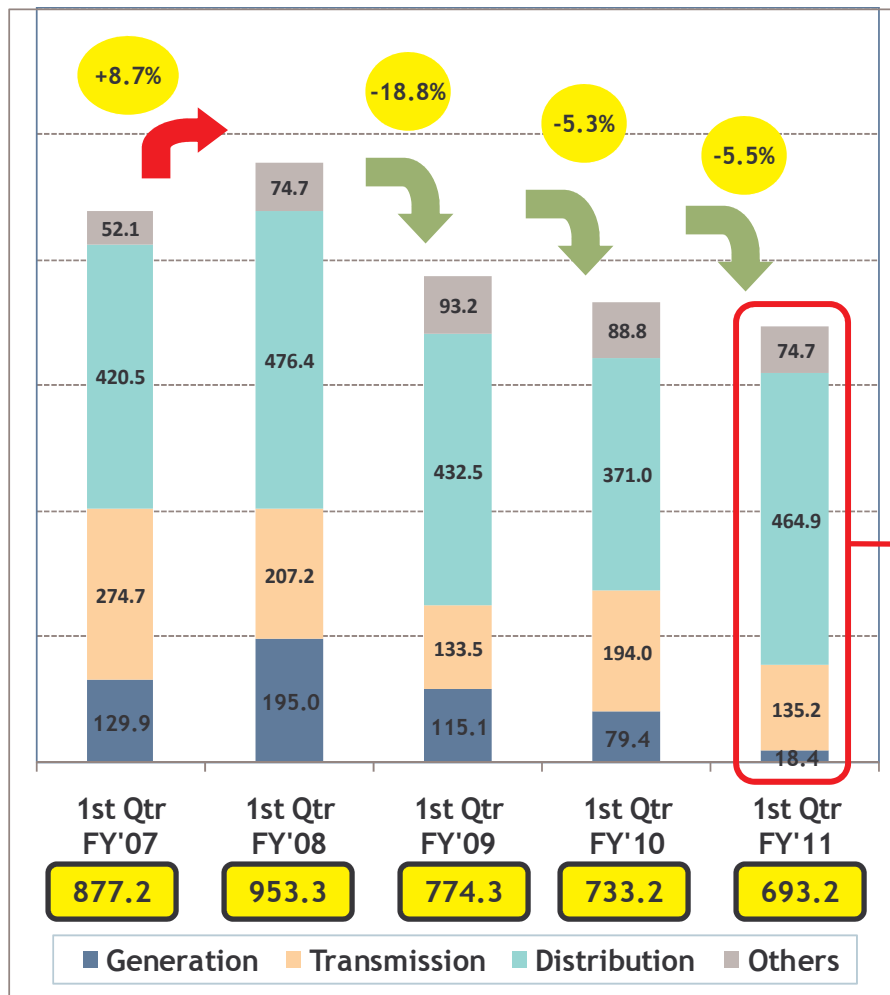
31/08/10	1QFY'11	30/09/10	31/10/10	30/11/10	14/01/11	Ex. Rate
3.14	3.15	3.09	3.11	3.15	3.06	1USD:RM
3.69	3.75	3.71	3.86	3.75	3.71	100JPY:RM



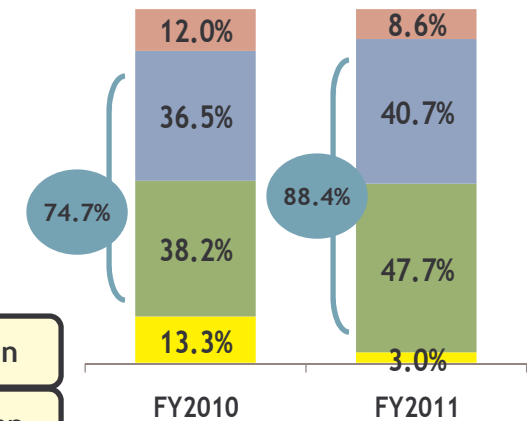
CAPITAL EXPENDITURE

- 65.3% of Total Capex Incurred are Carried Forward Projects
- 88.4% of Total Capex Incurred Relates to New Supply and System Improvement

Capex By Division (RM mn)



Capex By Category



New Supply : RM330.5mn

Sys. Improvement : RM282.4mn

	Carried Forward Projects	New Projects
Assoc. with Gen. :	-	2.2
New Supply :	-	13.4
Sys. Improvement :	-	30.5
Others :	10.6	18.0

New Supply :	182.6	107.4
Sys. Improvement :	98.2	65.8
Others :	9.8	1.1

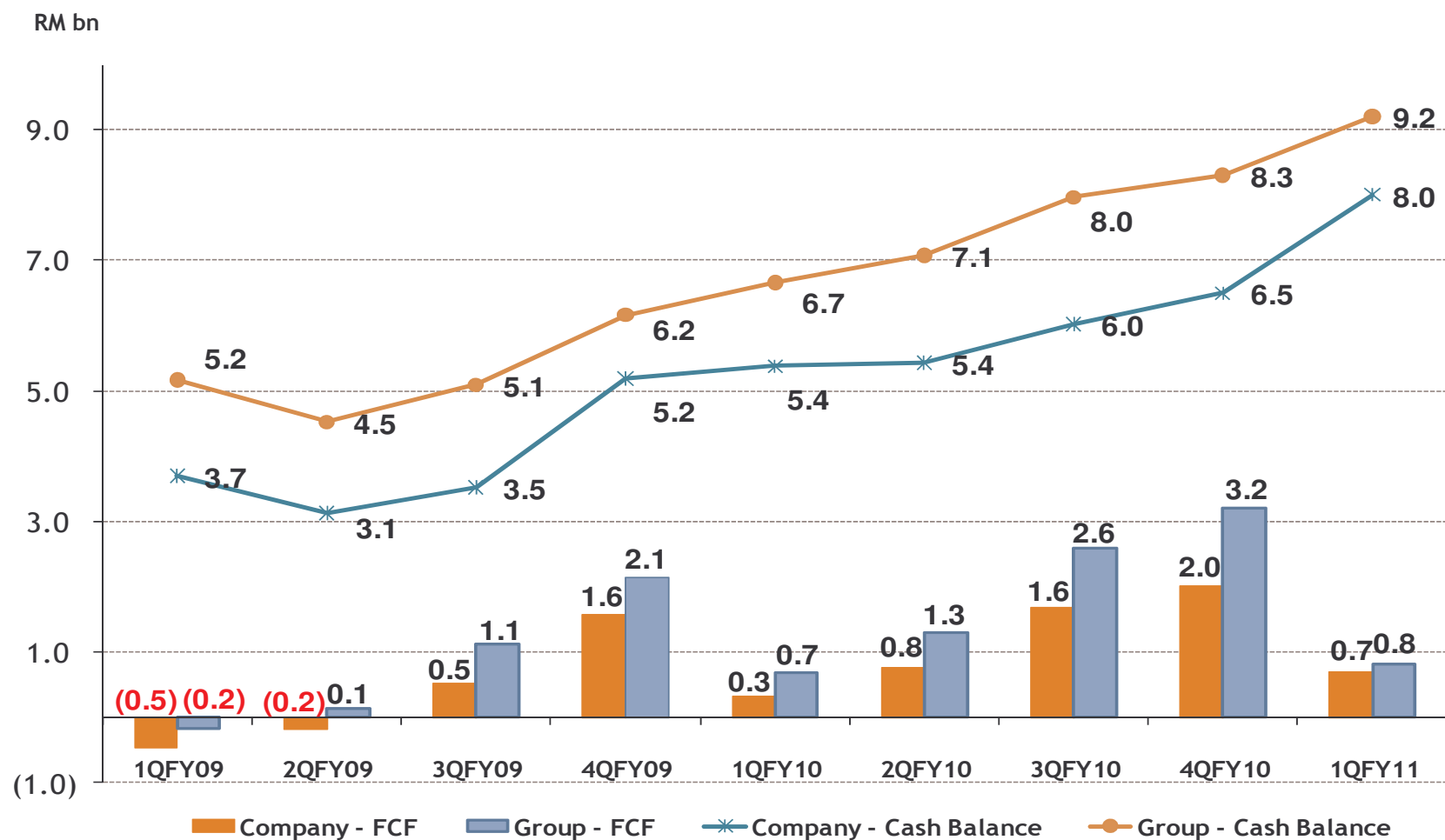
New Supply :	27.1	0.8
Sys. Improvement :	87.1	1.1
Others :	19.1	1.1

Assoc. with Gen. :	18.2	0.2
--------------------	------	-----

**TOTAL
CORE BUSINESS
RM 618.5mn**

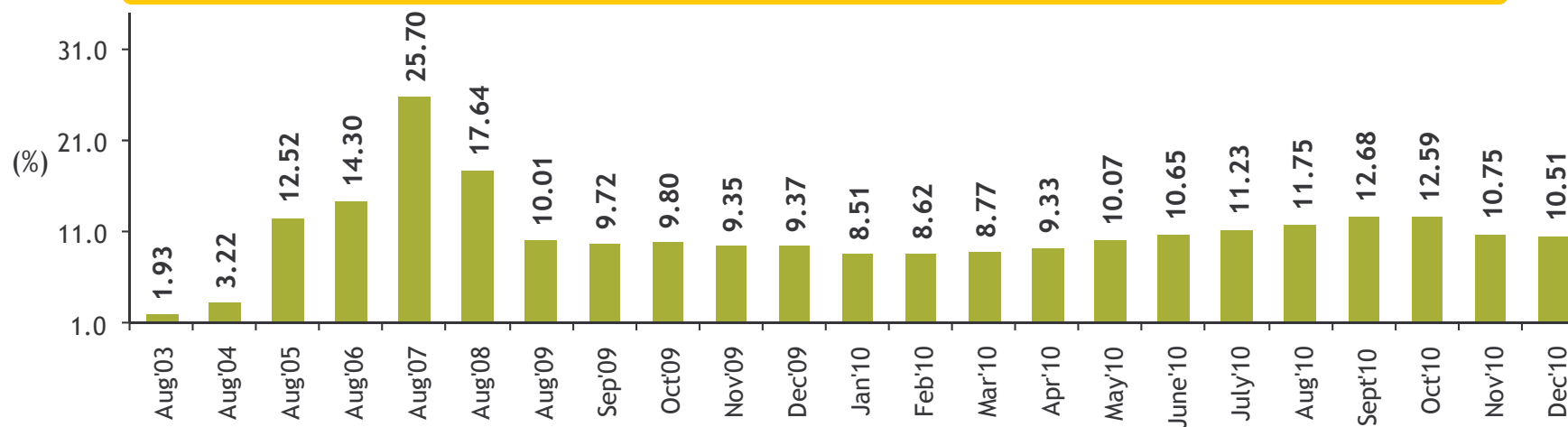
CASHFLOW

Cash Balance Continues to Improve



SHAREHOLDING

Foreign Shareholding



Main Shareholding

	Aug'08	Aug'09	Aug'10	Nov'10	Variance (Nov'10 & Aug'10)
Name	%	%	%	%	%
Khazanah Nasional Berhad	37.80	37.78	35.65	35.59	(0.17)
Employees Provident Fund Board	11.32	13.99	12.48	12.44	(0.32)
Skim Amanah Saham Bumiputera	8.94	9.60	9.59	9.53	(0.63)
Kumpulan Wang Persaraan	3.53	3.15	2.88	4.15	44.10
Other Corporations & Govt. Agencies	17.14	19.51	24.92	21.41	(14.09)
Subtotal	78.73	84.03	85.52	83.12	(2.81)
Foreign	17.64	10.01	11.75	10.75	(8.51)
Malaysian Public	3.63	5.96	2.73	6.13	124.54
Total	100.00	100.00	100.00	100.00	
Paid Up Capital (mn shares)	4,334.50	4,337.00	4,352.70	4,360.10	

- ☐ Highlights Of The Group's Performance

- ☐ Details Of The Group's Performance

- ☐ Q & A

We now open the session for
Q&A

DISCLAIMER



All information contained herein is meant strictly for the use of this presentation only and should not be used or relied on by any party for any other purpose and without the prior written approval of TNB. The information contained herein is the property of TNB and it is privileged and confidential in nature. TNB has the sole copyright to such information and you are prohibited from disseminating, distributing, copying, reproducing, using and/or disclosing this information.



THANK YOU

“Powering The Nation’s Progress”