TENAGA NASIONAL BERHAD (200866-W)

The Board of Directors is pleased to announce the following:

A. UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE 1st QUARTER ENDED 30 NOVEMBER 2010

(Amounts in RM million unless otherwise stated)

	INDIVIDUAL QUARTER	
	CURRENT YEAR QUARTER 30.11.2010	PRECEDING YEAR CORRESPONDING QUARTER 30.11.2009
Revenue	7,726.4	7,338.3
Operating expenses	(6,557.6)	(6,179.9)
Other operating income	84.6	82.8
Operating profit	1,253.4	1,241.2
Foreign exchange		
- Translation loss	(104.8)	(45.4)
- Transaction (loss)/gain	(1.5)	0.9
Share of results of jointly controlled entity	(0.2)	(0.2)
Share of results of associates (net of tax)	10.7	(4.3)
Profit before finance cost	1,157.6	1,192.2
Finance income	89.1	40.9
Finance cost	(249.1)	(260.0)
Profit from ordinary activities before taxation	997.6	973.1
Taxation and Zakat		
- Company and subsidiaries	(268.2)	(251.2)
- Deferred taxation	(14.5)	(24.4)
Profit for the period	714.9	697.5
Attributable to:		
- Owners of the Company	712.9	706.3
- Non-controlling interest	2.0	(8.8)
	714.9	697.5
Earnings per share attributable to the owners of the Company		
	Sen	**Sen**
Basic	16.38	16.28
Diluted	16.30	16.21

These unaudited Condensed Consolidated Income Statement should be read in conjunction with the annual audited financial statements for the year ended 31 August 2010.

B. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 1st QUARTER ENDED 30 NOVEMBER 2010

(Amounts in RM million unless otherwise stated)

	INDIVIDUAL QUARTER	
	CURRENT YEAR QUARTER 30.11.2010	PRECEDING YEAR CORRESPONDING QUARTER 30.11.2009
Profit for the period	**714.9**	**697.5**
Other Comprehensive Income (net of tax) : -		
Foreign currency translation differences	(3.4)	90.5
Total Comprehensive Income for the Period	**711.5**	**788.0**
Attributable to: -		
- Owners of the Company	709.5	796.8
- Non-controlling interest	2.0	(8.8)
	711.5	**788.0**

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C. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2010

(Amounts in RM million unless otherwise stated)

	30.11.2010	31.08.2010 (Restated)
NON-CURRENT ASSETS		
Property, plant and equipment	58,666.6	58,895.3
Associates	305.9	296.4
Available-for-sale Financial Assets	38.1	38.0
Deferred tax assets	51.4	55.9
Derivatives	61.9	-
	59,123.9	59,285.6
CURRENT ASSETS		
Non-current assets held for sale	18.0	18.0
Inventories	2,474.8	2,450.4
Trade receivables	2,549.2	2,467.6
Other receivables	1,262.8	1,413.8
Current tax assets	11.9	15.2
Amount due from associates	6.6	5.7
Short term investments	124.3	72.5
Marketable securities	9.0	8.6
Deposits, bank and cash balances	9,248.9	8,343.7
	15,705.5	14,795.5
CURRENT LIABILITIES		
Trade payables	(3,338.8)	(3,869.8)
Other payables	(1,729.1)	(1,727.1)
Amount due to associates	(623.4)	(623.6)
Current taxation	(482.0)	(317.6)
Short term borrowings	(3,791.9)	(3,162.7)
	(9,965.2)	(9,700.8)
NET CURRENT ASSETS	5,740.3	5,094.7
NON-CURRENT LIABILITIES		
Borrowings	(17,489.8)	(18,100.9)
Consumer deposits	(2,945.0)	(2,903.9)
Derivatives	(56.4)	-
Employee benefits	(3,962.6)	(3,866.3)
Other liabilities	(217.0)	(216.4)
Deferred tax liabilities	(6,843.7)	(6,837.1)
Deferred income	(3,107.7)	(3,042.2)
Government development grants	(601.4)	(599.0)
	(35,223.6)	(35,565.8)
TOTAL NET ASSETS	29,640.6	28,814.5
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	4,360.1	4,352.7
Share premium	5,395.5	5,354.2
Revaluation and other reserves	678.9	682.8
Retained profits	19,168.5	18,389.2
	29,603.0	28,778.9
NON-CONTROLLING INTEREST	37.6	35.6
TOTAL EQUITY	29,640.6	28,814.5
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	Sen	Sen
	679.0	661.2

These unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements for the year ended 31 August 2010.

D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 NOVEMBER 2010

(Amounts in RM million unless otherwise stated)

	Attributable to owners of the Company						
	Ordinary shares of RM1.00 each	Share premium	Employees' Share Option Scheme reserve	Revaluation and other reserves	Retained profits	Non controlling interest	Total equity
At 1 September 2010 (as previously reported)	**4,352.7**	**5,354.2**	**122.5**	**560.3**	**18,389.2**	**35.6**	**28,814.5**
Effects of adoption of FRS 139	-	-	-	-	65.9	-	65.9
As at 1 September 2010 (restated)	**4,352.7**	**5,354.2**	**122.5**	**560.3**	**18,455.1**	**35.6**	**28,880.4**
Profit for the 3-month period	-	-	-	-	712.9	2.0	714.9
Total other comprehensive income	-	-	-	(3.4)		-	(3.4)
Total comprehensive income	-	-	-	**(3.4)**	**712.9**	**2.0**	**711.5**
Realisation of revaluation reserve	-	-	-	(0.5)	0.5	-	-
Transaction with owners							
Provision for share option	-	-	-	-	-	-	-
Issuance of share capital - share options *	7.4	41.3	-	-	-	-	48.7
	7.4	41.3	-	-	-	-	48.7
At 30 November 2010	**4,360.1**	**5,395.5**	**122.5**	**556.4**	**19,168.5**	**37.6**	**29,640.6**

* Exercise of options representing 7,389,850 ordinary shares of RM1.00 each under the Employee Share Option Scheme II ("ESOS II");

	Attributable to owners of the Company						
	Ordinary shares of RM1.00 each	Share premium	Employees' Share Option Scheme reserve	Revaluation and other reserves	Retained profits	Non controlling interest	Total equity
At 1 September 2009	**4,337.0**	**5,271.5**	**89.1**	**503.9**	**15,804.6**	**40.2**	**26,046.3**
Profit for the 3-month period	-	-	-	-	706.3	(8.8)	697.5
Total other comprehensive income	-	-	-	90.5	-	-	90.5
Total comprehensive income	-	-	-	**90.5**	**706.3**	**(8.8)**	**788.0**
Realisation of revaluation reserve	-	-	-	(2.9)	2.9	-	-
Transaction with owners							
Dividend payable	-	-	-	-	(425.3)	-	(425.3)
Provision for share option	-	-	0.1	-	-	-	0.1
Issuance of share capital - share options	2.9	14.7	-	-	-	-	17.6
	2.9	14.7	0.1	-	(425.3)	-	(407.6)
At 30 November 2009	**4,339.9**	**5,286.2**	**89.2**	**591.5**	**16,088.5**	**31.4**	**26,426.7**

These unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the year ended 31 August 2010.

E. UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2010

(Amounts in RM million unless otherwise stated)

	FY2011 ended 30.11.2010	FY2010 ended 30.11.2009
Operating activities		
Cash generated from operations	1,681.1	1,570.5
Retirement benefits paid	(113.1)	(88.4)
Consumer contributions received	168.5	99.7
Customer deposits received	41.5	35.3
Tax paid	(106.1)	(67.1)
Net cash inflow from operating activities	1,671.9	1,550.0
Investing activities		
Investment in associates:		
- addition	-	-
- proceeds from redemption of unsecured loan notes	0.2	0.2
Dividend Income	-	16.0
Interest income received	74.2	40.4
Property, plant and equipment:		
- purchases	(653.8)	(635.8)
- disposals	0.3	2.2
Assets held for sale		
- disposals	-	4.6
Net cash out-flow from investing activities	(579.1)	(572.4)
Financing activities		
Bank borrowings:		
- new drawdowns	130.0	109.1
- repayments	(165.0)	(393.7)
Interest paid	(199.1)	(234.9)
Proceeds from issuance of shares	48.7	17.6
Government development grants received	-	22.4
Net cash out-flow from financing activities	(185.4)	(479.5)
Changes in cash and cash equivalents	907.4	498.1
Currency translation differences	(2.2)	(5.2)
Cash and cash equivalents		
- at start of period	8,343.7	6,163.9
- at end of period	9,248.9	6,656.8
Cash at bank, held in trust[1]	(136.8)	(51.9)
Debt Reserve Account[2]	(237.3)	(236.7)
Fund from MOF[3]	(7.4)	-
Cash Available	8,867.4	6,368.2

1. Deposits and cash at bank held in trust are in respect of a grant given to a subsidiary by the Malaysian Government for a designated capital project.
2. Debt reserve account relates to deposits placed with licensed financial institution as part of security obligations for bond financing.
3. Ministry of Finance (MOF) fund given to a subsidiary under stimulus package for training programmes.

These unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the year ended 31 August 2010.

F. EXPLANATORY NOTES

(Amounts in RM million unless otherwise stated)

1) BASIS OF PREPARATION

These unaudited condensed interim financial statements of the Group have been prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting", issued by Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's audited financial statements for the year ended 31 August 2010.

Within the context of these financial statements, the Group comprises the Company and its subsidiaries and the Group's interest in associates and a jointly controlled entity as at 31 August 2010. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the group since the year ended 31 August 2010.

2) AUDIT QUALIFICATION

The annual audited financial statements for the financial year ended 31 August 2010 were not subject to any qualification.

3) CHANGES IN ACCOUNTING POLICIES

The accounting policies applied are consistent with those adopted for the annual financial statements for the year ended 31 August 2010 except for the adoption of new standards, amendments to standards and IC Interpretations that are mandatory for the Group for the financial year beginning 1 September 2010. The adoption of these standards, amendments and interpretations do not have a material impact on the interim financial information of the Group except for the adoption of the following standards as set out below:

(I) Adoption of new accounting standards and changes in accounting policies

(a) Presentation of Financial Statements (FRS 101)

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement, and notes to the financial statement.

The adoption of FRS 101 (revised) has resulted in a change in the presentation of financial statements. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity. All 'non-owner changes in equity' are required to be shown in a statement of comprehensive income which can be presented as a single statement or two statements (comprising the income statement and statement of comprehensive income). The Group has elected to present the statement of comprehensive income in two statements.

(b) Leases (FRS 117)

The Group has adopted the amendments to FRS 117. The Group has reassessed and determined that all leasehold land of the Group which are in substance finance leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment.

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3) CHANGES IN ACCOUNTING POLICIES (CONT'D)

(I) Adoption of new accounting standards and changes in accounting policies (cont'd)

(c) Financial Instruments: Recognition and Measurement (FRS 139)
FRS 139 sets out the new requirements for the recognition and measurement of the Group's Financial Instruments. Initially, financial instruments are recorded at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments.

Financial Assets:
Financial Assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available for sale financial assets (AFS), or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group's financial assets include cash and short term deposits, trade and other receivables and AFS investments.

(i) Loans and receivables
Prior to 1 September 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate (EIR) method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment losses are recognised in the income statement.

(ii) AFS
Prior to 1 September 2010, AFS financial assets such as investments were accounted for at cost adjusted for amortisation of premium and accretion of discount less impairment or at the lower of cost and market value, determined on an aggregate basis. Under FRS 139, AFS financial asset is measured at fair value initially and subsequently with amortisation of premium with accretion of discount and other accrual of income recognised in income statement and with unrealised gains or losses recognised as other comprehensive income in the AFS reserve until the investment is derecognised, at which time the cumulative gain or losses is recognised in the income statement or determined to be impaired, at which time the cumulative loss is recognised in the income statement and removed from the AFS reserve.

(iii) Fair Value Through Profit or Loss
Derivative financial instruments were not previously recognised in the financial statements on inception. These are now recognised and measured at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value with changes in fair value recognised in profit or loss at each reporting date.

Financial Liabilities:
Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The group financial liabilities include trade and other payables, short term and long term borrowing and are carried out at amortised cost.

The Group has applied the new policies in relation to the financial instruments above in accordance with the transitional provisions in FRS 139 by recognizing and re-measuring all financial assets and financial liabilities as at 1 September 2010 as appropriate. The related adjustments to the previous carrying amounts are made to the opening retained profits and available-for-sale reserves as appropriate. Comparatives are not restated. The effects of the changes are disclosed below.

3) CHANGES IN ACCOUNTING POLICIES (CONT'D)

(II) Adjustments due to Change in Accounting Policies

The effects arising from the adoption of the new standard as described above, other than those disclosed in the statement of changes in equity, is set out below:

(a) Restatement arising from amendment to FRS 117

	As previously reported	Reclassification	As restated
	RM Million	RM Million	RM Million
As at 31 August 2010			
Property, plant and equipment	58,031.8	863.5	58,895.3
Prepaid operating leases	863.5	(863.5)	-

(b) Changes arising from adoption of FRS 139

	As Previously Reported as at 31-Aug-2010 RM Million	Effect from Adoption of FRS 139 RM Million	Restated Figures as at 1-Sep-2010 RM Million
Retained Profits	18,389.2	65.9	18,455.1
Non-Current Assets			
Derivatives	-	53.4	53.4
Current Assets			
Short term Investment	72.5	40.8	113.3
Non-Current Liabilities			
Borrowings	18,100.9	(42.6)	18,058.3
Derivatives	-	70.9	70.9

4) SEASONAL OR CYCLICAL FACTORS

The businesses of the Group are not subject to material seasonal or cyclical fluctuations.

5) UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME or CASH FLOWS

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the reporting period.

6) MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED

There were no changes in the estimates of the amounts reported in the previous financial year that have a material effect on the results of the current reporting period.

7) DEBT AND EQUITY SECURITIES

During the period, a total of 7,389,850 ordinary shares of RM1.00 each were issued under the Employee Share Option Scheme II ("ESOS II").

Except for the above, there were no other issuance, cancellation, repurchases, resales and repayments of debt and equity securities during the period under review.

8) DIVIDENDS PAID

There was no dividend paid during the quarter.

9) SEGMENTAL REPORTING

Segmental reporting is not presented as the Group is principally engaged in the generation, transmission, distribution and sales of electricity and the provision of other related services, which are substantially within a single business segment. The Group operates primarily in Malaysia.

10) VALUATION OF PROPERTY, PLANT & EQUIPMENT

The Directors have applied the transitional provisions of International Accounting Standard No. 16 (Revised) "Property, Plant and Equipment" as adopted by MASB which allows the freehold land, leasehold land, buildings and civil works to be stated at their previous years' valuations less depreciation. Accordingly, these valuations have not been updated.

11) MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There were no material events subsequent to the end of the reporting period.

12) CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group during the reporting period.

13) CONTINGENT LIABILITIES

Contingent liabilities of the Group include the following:-

	As at 30 Nov 2010	As at 31 Aug 2010
Claims by third parties	586.8	617.4
Trade guarantees and performance bonds	24.5	24.5
Guarantees given to financial institutions in respect of facilities granted	285.4	284.4
Stamp duties on transfer of assets to a subsidiary	108.0	108.0
Bank guarantee	3.6	3.6
Other contingent liabilities	4.9	4.9
	1,013.2	1,042.8

Claims by third parties include claims by contractors, consumers and former employees. These claims are being addressed and the Directors are of the opinion that their ultimate resolution will not have a material effect on the financial position of the Group.

The Company received notification on the 16th November 2010 of the Award issued by the Arbitral Tribunal in favour of TNB in respect of proceedings between Segari Energy Ventures Sdn. Bhd. (SEV) and Tenaga Nasional Berhad. Please refer to the announcement made to Bursa Malaysia dated 22 November 2010 for futher details.

14) CAPITAL COMMITMENTS

	As at 30 Nov 2010	As at 31 Aug 2010
Property, plant and equipment committed over a 5 year period		
Authorised but not contracted for	12,389.6	12,429.3
Contracted but not provided for in the financial statements	694.0	976.4
	13,083.6	13,405.7

G. ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B OF THE BURSA MALAYSIA LISTING REQUIREMENTS

15) REVIEW OF PERFORMANCE

Performance of the current three months ended 30 November 2010 (1st Quarter FY2011) against the corresponding three months ended 30 November 2009 (1st Quarter FY2010):

A 5.3% or RM388.1 million increase in revenue from RM7,338.3 million in the prevailing period was mainly due to an increase in sales of electricity in the Peninsula and SESB. The electricity demand has shown a growth of 5.0% in Peninsula and 6.4% in SESB as compared to the corresponding period last financial year.

Revenue grew by about 5.3% whereas operating expenses increased by 6.1% resulting in a marginal increase of 1% only in operating profits. Operating expenses increased at a faster rate mainly due to higher generation costs from utilization of coal where the average contracted coal price consumed was USD95.5/MT as compared to USD79.5/MT in the corresponding period last financial year.

The quarter under review also showed an increase in forex translation loss of RM104.8 million as compared to RM45.4 million in the corresponding quarter due to the strengthening of the JPY and USD against the MYR.

16) MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE PRECEDING QUARTER

Performance of the current quarter (1st Quarter FY2011) against the preceding quarter (4th Quarter FY2010):

The Group reported a revenue of RM7,726.4 million for the current quarter, a decrease of 1.8% as compared to the preceding quarter which reported a revenue of RM7,869.4 million.

Despite the lower revenue, operating profit recorded an increase of 75%, amounting to RM537.0 million. The comparatively lower operating expenses incurred during the current quarter resulted in a Net Profit After Tax (attributable to owners of the Company) of RM712.9 million, an increase of 83.5% as compared to RM388.4 million reported in the previous quarter. The decrease in operating expenses was mainly attributed by a lower fuel cost (6.8%) as compared to Q4 FY2010.

17) PROSPECTS

Financial Year 2011 sees TNB embarking on the second phase of its 20-Year Strategic Plan. The Plan known as '*GEMILANG2015- Growth, Global, Green*' encompasses four strategic themes which is to grow a profitable and sustainable business, delight customers, enhance operational excellence, as well as enhance human capital development and productivity. This phase is the critical step towards expanding its operations across the region. It is also crucial that TNB establishes a strong footing in the international arena to create a new and significant revenue stream leveraging on TNB's experience and competency in the energy business. In line with this 2nd phase, a new KPI namely revenue from non-regulated businesses has been introduced.

For the current financial year, demand growth is expected to be in line with the GDP forecast of 5% – 6%. However, the rising coal prices will weigh down operating margins. Whilst Management will continue with efforts to improve productivity, raise operational efficiencies and provide reliable electricity supply as reflected by the Headline KPIs, TNB's operating margins will continue to be depressed by the rising coal prices.

The coal supply disruptions due to inclement weather conditions and higher demand for coal due to the severe winter in the Northern Hemisphere have resulted in rising coal prices. Any further increases in coal price will significantly erode TNB's earnings in the coming quarters.

Given the foregoing scenario, the Board of Directors expects the Group's prospects for the year ending 31 August 2011 to be very challenging.

18) VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

This note is not applicable.

19) TAXATION and ZAKAT

Taxation and Zakat for the reporting period comprised the following:-

	Individual quarter ended 30-Nov-10	ended 30-Nov-09
Income Tax:		
Current tax and zakat	(268.2)	(251.2)
Deferred tax (net):		
Relating to origination and reversal of temporary differences	(14.5)	(24.4)
Total taxation and zakat	(282.7)	(275.6)

For the reporting period ended 30 November 2010 the Group recorded a 28.3% effective tax rate. The effective tax rate is calculated based on 'Total Tax Expenses' (including Deferred Tax) as a percentage of 'Profit before Tax', which includes foreign exchange losses. Not taking into account the foreign exchange losses the effective tax rate is 25.6%.

20) PROFIT/(LOSS) ON SALE OF INVESTMENTS

There were no disposals of any investments during the reporting period.

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21) PURCHASES AND DISPOSALS OF QUOTED SECURITIES

a) There were no purchases and disposals of quoted securities during the quarter.

b) Investments in quoted securities as at 30 Nov 2010 are as follows:-

	Quarter ended 30-Nov-10	
	Shares	Marketable Securities
At cost	72.5	24.1
At carrying value	124.3	9.0
At market value	124.3	9.0

22) STATUS OF CORPORATE PROPOSALS

There were no material corporate proposals entered into during the reporting period.

23) GROUP BORROWINGS

a) The analysis of Group borrowings classified under short and long term categories are as follows:-

	As at 30 Nov 10	As at 31 Aug 10
Short term - secured	511.9	474.0
- unsecured	3,280.0	2,688.7
Sub-total	3,791.9	3,162.7
Long term - secured	2,987.2	2,931.9
- unsecured	14,502.6	15,169.0
Sub-total	17,489.8	18,100.9
Total	21,281.7	21,263.6

b) Currency denominations:-

	As at 30 Nov 10	As at 31 Aug 10
Japanese Yen	5,253.6	5,306.7
US Dollar	4,490.5	4,516.5
Total Ringgit equivalent of foreign currency borrowings	9,744.1	9,823.2
Ringgit borrowings	11,537.6	11,440.4
Total	21,281.7	21,263.6

c) Effective average cost of borrowing based on exposure as at 30 November 2010 was 5.32% (FY2010: 5.25%).

d) Repayments of long term debts during the reporting period were as follows:
   (i) Foreign currency denominated term loans of RM132.2 million, and
   (ii) Ringgit denominated term loans of RM3.6 million.

24) DERIVATIVES FINANCIAL INSTRUMENTS

Type of Derivatives	As at 30-Nov-2010	
	Notional Amount	Fair Value
	RM Million	RM Million
Forward Currency Contracts		
- Less than 1 year	-	-
- 1 year to 3 years	-	-
- More than 3 years	-	-
Interest Rate Swaps		
- Less than 1 year	-	-
- 1 year to 3 years	-	-
- More than 3 years	838.7	(56.4)
Currency Options		
- Less than 1 year	-	-
- 1 year to 3 years	-	-
- More than 3 years	974.6	61.9
Total	**1,813.3**	**5.5**

There is no change to the cash requirements of the derivatives, risk associated with the derivatives and policies to mitigate those risks since the last financial year.

The related accounting policies of the Group in respect of derivative financial instruments are disclosed in Part F Note 3 of this announcement.

Fair value changes of financial liabilities
During the current quarter and financial period to-date, the Group recognised a total net gain of RM22.95million arising from the fair value changes on the derivatives financial instruments which are marked to market as at the date of statement of financial position.

25) MATERIAL LITIGATION

There is no pending material litigation at the date of this announcement other than those disclosed in the circular to shareholders of TNB dated 19 November 2010.

26) DIVIDEND

The Board of Directors has not recommended any dividend for the quarter ended 30 November 2010.

27) EARNINGS PER SHARE

	Individual quarter ended 30-Nov-10	Individual quarter ended 30-Nov-09
(a) Basic earnings/(loss) per share		
Profit attributable to owners of the Company (RM 'million)	712.9	706.3
Weighted average number of ordinary shares in issue ('000)	4,353,399	4,337,218
Basic earnings per share (sen)	16.38	16.28
(b) Diluted earnings/(loss) per share		
Profit attributable to owners of the Company (RM 'million)	712.9	706.3
Weighted average number of ordinary shares in issue ('000)	4,353,399	4,337,218
Adjustments for share options ('000)	21,321	19,731
Weighted average number of ordinary shares for diluted earnings per share ('000)	4,374,720	4,356,949
Diluted earnings per share (sen)	16.30	16.21

28) COMPARATIVE FIGURES

In accordance with the transitional provisions, the effects of adoption of FRS 139 are adjusted against the opening balances as at 1 September 2010, as detailed in Note 3(II)b. Comparatives have been restated following the change in accounting policy on leases, as explained in Note 3(I)b. As a result, the comparatives may not be comparable with the current period's results and financial position.

By Order of the Board

NOR ZAKIAH BINTI ABDUL GHANI (LS 0008795)
Company Secretary

Kuala Lumpur
19 January 2011