

The Board of Directors is pleased to announce the following:

**A. UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE 1st QUARTER ENDED 30 NOVEMBER 2012**

(Amounts in RM million unless otherwise stated)

	<b>INDIVIDUAL QUARTER</b>	
	<b>CURRENT YEAR QUARTER 30.11.12</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER 30.11.11 (Restated)</b>
Revenue	9,130.8	8,694.4
Operating expenses	(7,465.9)	(8,259.8)
Other operating income	92.9	94.9
Operating profit	1,757.8	529.5
Foreign exchange		
- Translation gain/(loss)	397.4	(419.1)
- Transaction gain/(loss)	2.4	(1.1)
Share of results of jointly controlled entity	(0.1)	(0.2)
Share of results of associates (net of tax)	25.7	20.0
Profit before finance cost	2,183.2	129.1
Finance income	49.0	69.4
Finance cost	(229.6)	(211.9)
Profit/(loss) from ordinary activities before taxation	2,002.6	(13.4)
Taxation and Zakat		
- Company and subsidiaries	(551.0)	(18.8)
- Deferred taxation	(36.2)	(44.2)
<b>Profit/(loss) for the period</b>	<b>1,415.4</b>	<b>(76.4)</b>
Attributable to:		
- Owners of the Company	1,415.5	(74.1)
- Non-controlling interest	(0.1)	(2.3)
<b>Profit/(loss) for the period</b>	<b>1,415.4</b>	<b>(76.4)</b>
Earnings per share attributable to the owners of the Company		
	<b>Sen</b>	<b>Sen</b>
Basic	25.71	(1.36)
Diluted	25.63	(1.36)

These unaudited Condensed Consolidated Income Statements should be read in conjunction with the annual audited financial statements for the year ended 31 August 2012.

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**B. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 1st QUARTER ENDED 30 NOVEMBER 2012**

(Amounts in RM million unless otherwise stated)

	<b>INDIVIDUAL QUARTER</b>	
	<b>CURRENT YEAR QUARTER 30.11.12</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER 30.11.11 (Restated)</b>
<b>Profit/(loss) for the period</b>	<b>1,415.4</b>	<b>(76.4)</b>
<b>Other Comprehensive (Expense)/Income (net of tax) :-</b>		
<b>Item that will not be reclassified subsequently to profit or loss</b>		
Defined benefit plan actuarial losses	(3,223.9)	-
<b>Item that may be reclassified subsequently to profit or loss</b>		
Foreign currency translation differences	33.6	(4.8)
<b>Total Comprehensive Expense for the Period</b>	<b>(1,774.9)</b>	<b>(81.2)</b>
<b>Attributable to: -</b>		
- Owners of the Company	(1,774.8)	(78.9)
- Non-controlling interest	(0.1)	(2.3)
<b>Total Comprehensive Expense for the Period</b>	<b>(1,774.9)</b>	<b>(81.2)</b>

These Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 31 August 2012.

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**C. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
30 NOVEMBER 2012**

(Amounts in RM million unless otherwise stated)

	30.11.2012	31.08.2012 (Restated)	01.09.2011 (Restated)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	65,262.6	64,769.9	61,861.4
Jointly controlled entities	0.3	0.4	0.6
Associates	507.7	491.2	407.8
Investments in unquoted debt securities	163.7	163.7	164.0
Available-for-sale financial assets	38.0	38.0	38.0
Deferred tax assets	2.5	-	30.2
Derivative financial instruments	96.4	116.3	89.9
Long term receivables	392.3	419.2	388.6
Lease receivables	14.7	-	-
Prepaid leases	3,946.2	3,789.3	3,161.0
	<u>70,424.4</u>	<u>69,788.0</u>	<u>66,141.5</u>
<b>CURRENT ASSETS</b>			
Non-current assets held for sale	9.9	9.8	11.4
Inventories	2,740.8	2,842.2	2,645.9
Trade receivables	6,153.8	5,843.9	4,819.0
Other receivables	1,128.0	1,144.8	1,203.1
Current tax assets	15.0	142.4	264.5
Lease receivables	0.9	-	-
Amount due from associates	57.4	62.6	14.6
Marketable securities	9.3	9.1	8.6
Derivative financial instruments	-	-	1.5
Deposits, bank and cash balances	8,466.9	8,626.3	3,954.2
	<u>18,582.0</u>	<u>18,681.1</u>	<u>12,922.8</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	(4,069.1)	(4,534.5)	(4,116.3)
Other payables	(1,082.8)	(1,212.1)	(1,455.1)
Amount due to associates	(750.0)	(697.9)	(707.9)
Current taxation liabilities	(290.5)	(331.0)	(5.7)
Derivatives	(0.1)	-	-
Deferred income	(892.7)	(894.7)	(523.9)
Short term borrowings	(1,415.5)	(1,604.2)	(1,727.3)
Hire purchase creditors and finance lease obligation	(53.2)	(55.1)	(49.1)
	<u>(8,553.9)</u>	<u>(9,329.5)</u>	<u>(8,585.3)</u>
<b>NET CURRENT ASSETS</b>	10,028.1	9,351.6	4,337.5
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	(21,028.9)	(21,467.6)	(17,326.8)
Consumer deposits	(3,340.3)	(3,284.7)	(3,084.9)
Derivative financial instruments	(21.6)	(21.5)	(44.1)
Employee benefits	(10,479.6)	(6,131.7)	(6,146.4)
Other liabilities	(900.2)	(892.2)	(910.0)
Deferred tax liabilities	(6,830.2)	(7,874.1)	(7,370.7)
Deferred income	(2,238.6)	(2,291.2)	(2,849.6)
Government development grants	(694.3)	(671.0)	(627.2)
Hire purchase creditors and finance lease obligation	(1,341.1)	(1,338.8)	(1,334.3)
	<u>(46,874.8)</u>	<u>(43,972.8)</u>	<u>(39,694.0)</u>
<b>TOTAL NET ASSETS</b>	<u>33,577.7</u>	<u>35,166.8</u>	<u>30,785.0</u>
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Share capital	5,535.3	5,501.6	5,456.6
Share premium	4,681.2	4,529.1	4,332.6
Revaluation and other reserves	(3,206.5)	(16.2)	10.0
Retained profits	26,306.8	24,891.3	20,753.8
	<u>33,316.8</u>	<u>34,905.8</u>	<u>30,553.0</u>
<b>NON-CONTROLLING INTEREST</b>	<u>260.9</u>	<u>261.0</u>	<u>232.0</u>
<b>TOTAL EQUITY</b>	<u>33,577.7</u>	<u>35,166.8</u>	<u>30,785.0</u>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	Sen 601.9	Sen 634.5	Sen 559.9

These unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the annual audited financial statements for the year ended 31 August 2012.



**D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 NOVEMBER 2012**  
(Amounts in RM million unless otherwise stated)

	Attributable to owners of the Company							Total equity
	Ordinary shares of RM1.00 each	Share premium	Share Option Scheme reserve	Employee Benefit Reserve	Revaluation and other reserves	Retained profits	Non controlling interest	
<b>At 1 September 2012</b>								
(as previously reported)	5,501.6	4,529.1	181.6	-	467.1	25,457.9	261.0	36,398.3
Effects of adoption of MFRS 119	-	-	-	-	-	(1,231.5)	-	(1,231.5)
Effects of adoption of MFRS 1	-	-	-	-	(664.9)	664.9	-	-
<b>As at 1 September 2012 (restated)</b>	<b>5,501.6</b>	<b>4,529.1</b>	<b>181.6</b>	<b>-</b>	<b>(197.8)</b>	<b>24,891.3</b>	<b>261.0</b>	<b>35,166.8</b>
Profit for the period	-	-	-	-	-	1,415.5	(0.1)	1,415.4
Total other comprehensive income	-	-	-	-	33.6	-	-	33.6
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.6</b>	<b>1,415.5</b>	<b>(0.1)</b>	<b>1,449.0</b>
<b>Transaction with owners</b>								
Employee Benefit Reserve	-	-	-	(3,223.9)	-	-	-	(3,223.9)
Issuance of share capital	33.7	152.1	-	-	-	-	-	185.8
- share options *	33.7	152.1	-	(3,223.9)	-	-	-	(3,038.1)
<b>At 30 November 2012</b>	<b>5,535.3</b>	<b>4,681.2</b>	<b>181.6</b>	<b>(3,223.9)</b>	<b>(164.2)</b>	<b>26,306.8</b>	<b>260.9</b>	<b>33,577.7</b>

These unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the annual audited financial statements for the year ended 31 August 2012.

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**D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 NOVEMBER 2012 (CONTINUATION)**  
(Amounts in RM million unless otherwise stated)

	Attributable to owners of the Company							Total equity
	Ordinary shares of RM1.00 each	Share premium	Share Option Scheme reserve	Employee Benefit Reserve	Revaluation and other reserves	Retained profits	Non controlling interest	
<b>At 1 September 2011 (restated)</b>	<b>5,456.6</b>	<b>4,332.6</b>	<b>156.6</b>	-	<b>532.8</b>	<b>21,518.8</b>	<b>232.0</b>	<b>32,229.4</b>
Effects of adoption of MFRS 119	-	-	-	-	-	(1,444.4)	-	(1,444.4)
Effects of adoption of MFRS 1	-	-	-	-	(679.4)	679.4	-	-
<b>As at 1 September 2011 (restated)</b>	<b>5,456.6</b>	<b>4,332.6</b>	<b>156.6</b>	-	<b>(146.6)</b>	<b>20,753.8</b>	<b>232.0</b>	<b>30,785.0</b>
Profit for the period	-	-	-	-	-	(74.1)	(2.3)	(76.4)
Total other comprehensive income	-	-	-	-	(4.8)	-	-	(4.8)
<b>Total comprehensive income</b>	-	-	-	-	<b>(4.8)</b>	<b>(74.1)</b>	<b>(2.3)</b>	<b>(81.2)</b>
<b>Transaction with owners</b>	-	-	-	-	-	-	-	-
Employee Benefit Reserve	-	-	-	-	-	-	-	-
Issuance of share capital - share options	0.1	0.2	-	-	-	-	-	0.3
	<b>0.1</b>	<b>0.2</b>	-	-	-	-	-	<b>0.3</b>
<b>At 30 November 2011 (restated)</b>	<b>5,456.7</b>	<b>4,332.8</b>	<b>156.6</b>	-	<b>(151.4)</b>	<b>20,679.7</b>	<b>229.7</b>	<b>30,704.1</b>

These unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the annual audited financial statements for the year ended 31 August 2012.

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**E. UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2012**

(Amounts in RM million unless otherwise stated)

	FY2013 ended 30.11.2012	FY2012 ended 30.11.2011
<b>Operating activities</b>		
Cash generated from operations	1,594.4	828.0
Retirement benefits paid	(145.2)	(166.2)
Consumer contributions received	272.3	120.3
Customer deposits received	55.5	52.1
Tax paid	(412.5)	(43.4)
Net cash inflow from operating activities	<u>1,364.5</u>	<u>790.8</u>
<b>Investing activities</b>		
Investment in associates:		
- proceeds from redemption of unsecured loan notes/RULS	0.2	0.2
Interest income received	52.1	40.9
Property, plant and equipment:		
- purchases	(1,460.7)	(959.8)
- disposals	0.7	-
Net cash out-flow from investing activities	<u>(1,407.7)</u>	<u>(918.7)</u>
<b>Financing activities</b>		
Bank borrowings:		
- new drawdowns	142.5	4,943.2
- repayments	(361.2)	(713.8)
Interest paid	(118.3)	(136.9)
Proceeds from issuance of shares	185.8	0.3
Government development grants received	36.2	-
Net cash out-flow from financing activities	<u>(115.0)</u>	<u>4,092.8</u>
<b>Changes in deposit, bank and cash balances</b>	(158.2)	3,964.9
<b>Currency translation differences</b>	(1.2)	0.8
<b>Deposit, bank and cash balances</b>		
- at start of period	<u>8,626.3</u>	<u>3,954.2</u>
- at end of period	<u>8,466.9</u>	<u>7,919.9</u>
Cash at bank, held in trust <sup>1</sup>	(228.9)	(197.4)
Debt Reserve Account <sup>2</sup>	(218.6)	(225.2)
Funds from MOF <sup>3</sup>	(2.5)	(4.9)
Cash and cash equivalents	<u>8,016.9</u>	<u>7,492.4</u>

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 Statements should be read in conjunction with the annual audited financial statements for the year ended 31 August 2012.



## 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 the reporting requirements as set out in Malaysian Financial Reporting Standards ("MFRS") 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 2012.

Within the context of these financial statements, the Group comprises the Company and its subsidiaries and the Group's interest in associates and jointly controlled entities as at 31 August 2012. 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 2012.

### 2) AUDIT QUALIFICATION

The annual audited financial statements for the financial year ended 31 August 2012 were not subject to any qualification.

### 3) CHANGES IN ACCOUNTING POLICIES

The Group had adopted the Malaysian Financial Reporting Standards ("MFRS") framework commencing 1 September 2012. The MFRS Framework comprises standards as issued by the International Accounting Standards Board ("IASB"). This condensed interim financial statements is the Group's first MFRS compliant condensed report, hence MFRS 1 "First-time Adoption of Malaysian Financial Reporting Standards" has been applied.

#### **Application of MFRS 1 – Adoption transitional arrangements**

Subject to certain transition elections as disclosed below, the Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 September 2011 (date of transition) and throughout all financial periods presented, as if these policies had always been in effect. Comparative figures for 2012 in these condensed interim financial statements have been restated to give effect to these changes.

MFRS 1 allows exemptions from the application of certain MFRSs to assist companies with the transition process. The following optional exemption, contained within MFRS 1, have been utilised in the preparation of the Group's statements of financial position as at 1 September 2011.

#### Foreign Currency Translation Reserve

Under FRS, the Group recognised translation differences on foreign operations in a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be zero as at the date of transition to MFRS. Accordingly, at date of transition to MFRS, the cumulative foreign currency translation difference of RM215.5 million was adjusted to retained earnings.

#### Revaluation Reserve

Under the transitional provision of FRS 116 ("Property, Plant and Equipment"), certain freehold land, buildings and civil works are stated at previous years' revaluations less accumulated depreciation. Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the cost model under MFRS 116 Property, Plant and Equipment. At the date of transition to MFRS, the revaluation surplus amounted to RM894.9 million was transferred to retained earnings.



**New standards, amendments to standards and IC interpretations that are applicable to the Group effective 1 September 2012**

- Revised MFRS 124 "Related party disclosures"
- Amendment to MFRS 7 "Financial Instruments: Disclosures – Transfers of Financial Assets"
- Amendment to MFRS 112 "Deferred Tax : Recovery of underlying assets"
- Amendment to MFRS 101 "Presentation of Items of other comprehensive income"

The adoption of the revised standards, amendments to standards and IC Interpretations did not have any significant impact to the Group during the current quarter and financial period to date, except the disclosure requirements under MFRS 124, which is still being assessed.

**Early adoption of MFRS 119 "Employee benefits"**

The Group has decided to early adopt the Amendment to MFRS 119 "Employee benefits", which is to be effective starting 1 January 2013.

Previously, net actuarial gains and losses arising from experience-based adjustments and changes in actuarial assumptions have been recognised to the income statement, as the case may be, over the expected average remaining service lives of the participating employees.

In accordance with the new standards, actuarial gains and losses are to be recognised in the Other Comprehensive Income in the financial period in which they occur and no longer deferred using the corridor approach.

The adoption of Amendment to MFRS 119 resulted in a change in accounting policy. This has been accounted for as a Prior Year Adjustment (PYA) in accordance with MFRS 108 – Accounting Policies, Changes in Accounting Estimates and Errors.

The full impact of the adoption of MFRS 119 is still being finalised.

**Impact of adoption of new standards**

Arising from the application of MFRS 1 and the early adoption of MFRS 119 above, the condensed financial statements for the previous financial periods have been restated as follows:

	As previously reported for period ended 1 Sep 2011 RM Million	Adjustments		Restated for period ended 1 Sep 2011 RM Million
		Effect of application of MFRS 1 RM Million	Effect of adoption of MFRS 119 RM Million	
<b>Condensed Consolidated Statement Of Financial Position</b>				
<b>Non-Current Liabilities</b>				
Employee benefits	(4,220.5)	-	(1,925.9)	(6,146.4)
Deferred tax liability	(7,852.2)	-	481.5	(7,370.7)
<b>Capital and Reserves attributable to Owners of the Company</b>				
Revaluation & Other Reserves	(689.4)	679.4	-	(10.0)
Retained profits	(21,518.8)	(679.4)	1,444.4	(20,753.8)





	As previously reported for period ended 31 Aug 2012 RM Million	Adjustments		Restated for period ended 31 Aug 2012 RM Million
		Effect of application of MFRS 1 RM Million	Effect of adoption of MFRS 119 RM Million	
<b>Condensed Consolidated Statement Of Financial Position</b>				
<b>Non-Current Liabilities</b>				
Employee benefits	(4,489.7)	-	(1,642.0)	(6,131.7)
Deferred tax liability	(8,284.6)	-	410.5	(7,874.1)
<b>Capital and Reserves attributable to Owners of the Company</b>				
Revaluation & Other Reserves	(648.7)	664.9	-	(16.2)
Retained profits	(25,457.9)	(664.9)	1,231.5	(24,891.3)
<b>Condensed Consolidated Income Statements</b>				
Operating expenses	(31,592.1)	-	284.0	(31,308.1)
Deferred taxation	(462.6)	-	(71.0)	(533.6)

	INDIVIDUAL QUARTER			
	As previously reported for period ended 30 Nov 2011 RM Million	Adjustments		Restated for period ended 30 Nov 2011 RM Million
		Effect of application of MFRS 1 RM Million	Effect of adoption of MFRS 119 RM Million	
<b>Condensed Consolidated Income Statement</b>				
Operating expenses	(8,330.8)	-	71.0	(8,259.8)
Deferred taxation	(26.5)	-	(17.7)	(44.2)

**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**

The early adoption of MFRS 119 "Employee benefits" and the remeasurement of long term liability of employee benefits have resulted in a material change to the balances in liabilities and equity, as disclosed in Note 3 and 6 respectively.

**6) MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED**

The Group has recognised an amount of RM3,223.9 million (net of tax) during the current reporting period in relation to the remeasurement of long term employee benefits liability.

**7) DEBT AND EQUITY SECURITIES**

During the period, a total of 33,776,121 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**

There was no dividend paid during the quarter.

The Board of Directors has not recommended any dividend for the quarter ended 30 November 2012.



**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 Group does not adopt a revaluation policy on its Property, Plant and Equipment.

**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 was no material change to the composition of the Group during the reporting period.

**13) CONTINGENT LIABILITIES**

Contingent liabilities of the Group include the following:-

	<b>As at 30 Nov 2012</b>	<b>As at 31 Aug 2012</b>
Claims by third parties	375.0	320.8
Trade guarantees and performance bonds	21.0	27.4
Other contingent liabilities	<u>5.0</u>	<u>5.0</u>
	<u>401.0</u>	<u>353.2</u>

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.

**14) CAPITAL COMMITMENTS**

	<b>As at 30 Nov 2012</b>	<b>As at 31 Aug 2012</b>
<b>Property, plant and equipment committed over a 5 year period</b>		
Authorised but not contracted for	13,447.7	13,513.9
Contracted but not provided for in the financial statements	<u>6,391.1</u>	<u>4,224.6</u>
	<u>19,838.8</u>	<u>17,738.5</u>



**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 first quarter (three months) FY2013 against the corresponding first quarter (three months) FY2012:

The quarter recorded a total sales of electricity of RM8,806.2 million against RM8,478.2 million for the same period last financial year. The improvement was mainly from sales of electricity in Peninsular Malaysia and Sabah which recorded an increase of 3.9% and 5.2% respectively. The units sold also registered a growth of 3.5% in the Peninsula and 3.4% in Sabah as compared to the corresponding period.

During the quarter under review, an operating profit of RM1,757.8 million was recorded as compared to an operating profit of RM529.5 million in the corresponding quarter last financial year due to comparatively lower operating expenses incurred during the current quarter. The current quarter also reported a foreign currency translation gain of RM397.4 million as compared to a foreign currency translation loss of RM419.1 million reported in the comparative quarter of FY2012. These two factors resulted in a Net Profit After Tax (attributable to the Owners of the Company) of RM1,415.5 million, as compared to a Net Loss After Tax (attributable to the Owners of the Company) of RM74.1 million reported in quarter one of FY2012.

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

Performance of the current quarter (1<sup>st</sup> Quarter FY2013) against the preceding quarter (4<sup>th</sup> Quarter FY2012):

The Group reported a total sales of electricity of RM8,806.2 million for the current quarter, a decrease of 2.6% as compared to the preceding quarter which reported an amount of RM9,041.8 million. The decrease was mainly contributed by the drop of sales of electricity and units sold by 2.7% in Peninsular Malaysia.

A decrease in net operating cost by RM596.1 million coupled by a higher foreign currency translation gain by RM304.4 million resulted in a Net Profit After Tax (attributable to the Owners of the Company) of RM1,415.5 million from RM1,061.1 million in the preceding quarter. The higher foreign currency translation gain was mainly attributable to the strengthening of the Ringgit Malaysia against the US Dollar and the Japanese Yen.



## **17) PROSPECTS**

The Malaysian economy remains stable despite the uncertainties and continued weakness in Europe. The Malaysian Institute of Economic Research (MIER) expects domestic demand to remain resilient and to continue picking up the slack of weak external demand and has forecasted a 5.6% GDP growth. The growth is expected to be driven by strong domestic demand in services, manufacturing and construction sectors resulting from the implementation of the Economic Transformation Programme as announced by the Government.

The Group remains cautious on its outlook for the current financial year as the prevailing operating environment has yet to indicate any sustained improvement. The availability of gas supply has become a major concern to the Group following the revised commissioning date of the Liquefied Natural Gas (LNG) Regasification Terminal in Sungai Udang, Malacca. To make up for the shortfall in gas and meeting rising demand, usage of alternative fuels will have to continue, resulting in higher generating costs. Additionally, continuous usage of distillate will have an adverse impact on the performance and life span of the gas power plants.

Given the foregoing scenario, the Board of Directors remains cautious on the Group's prospects for the year ending 31 August 2013.

## **18) PROFIT FROM OPERATIONS**

The following items have been charged/(credited) in arriving at the profit from operations:

	<b>Year ended 30 Nov 12</b>
Property, plant and equipment:	
-Depreciation	1,071.4
Provision for receivables	13.0
Provision for inventories	1.4
Inventories written off	5.1

Other than the items highlighted above, there were no impairment of property, plant and equipment and disposal of quoted or unquoted investment during the quarter and financial year ended 30 November 2012.

## **19) VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT**

This note is not applicable as the Group did not publish any profit forecast.

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## 20) TAXATION and ZAKAT

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

	Individual quarter	
	ended 30-Nov-12	ended 30-Nov-11 (Restated)
<b>Income Tax:</b>		
Current tax and zakat	(551.0)	(18.8)
<b>Deferred tax (net):</b>		
Relating to origination and reversal of temporary differences	(36.2)	(44.2)
<b>Total taxation and zakat</b>	<u>(587.2)</u>	<u>(63.0)</u>

For the reporting period ended 30 November 2012, the Group recorded a 29.3% effective tax rate which was higher than the statutory tax rate of 25.0%. This was mainly due to the under provision of tax of a subsidiary in the previous year.

## 21) STATUS OF CORPORATE PROPOSALS

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

## 22) GROUP BORROWINGS

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

	As at 30 Nov 12	As at 31 Aug 12
Short term - secured	573.5	547.9
- unsecured	842.1	1,056.3
<b>Sub-total</b>	<b>1,415.6</b>	<b>1,604.2</b>
Long term - secured	6,825.4	6,728.2
- unsecured	14,203.5	14,739.4
<b>Sub-total</b>	<b>21,028.9</b>	<b>21,467.6</b>
<b>Total</b>	<b>22,444.5</b>	<b>23,071.8</b>

- b) Currency denominations:-

	As at 30 Nov 12	As at 31 Aug 12
Japanese Yen	4,713.2	5,221.2
US Dollar	2,766.0	2,876.8
Others	-	23.1
<b>Total Ringgit equivalent of foreign currency borrowings</b>	<b>7,479.2</b>	<b>8,121.1</b>
Ringgit borrowings	14,965.3	14,950.7
<b>Total</b>	<b>22,444.5</b>	<b>23,071.8</b>

- c) Effective average cost of borrowing based on exposure as at 30 November 2012 was 4.93% (FY2012: 4.89%).
- d) Repayments of long term debts during the reporting period were as follows:
- (i) Foreign currency denominated term loans of RM123.8 million, and
  - (ii) Ringgit denominated term loans of RM150.2 million.



## 23) DERIVATIVES FINANCIAL INSTRUMENTS

Type of Derivatives	As at 30 November 2012	
	Notional Amount	Fair Value
	RM Million	RM Million
<b>Forward Currency Contracts</b>		
- Less than 1 year	43.4	(0.04)
- 1 year to 3 years	-	-
- More than 3 years	-	-
<b>Interest Rate Swaps</b>		
- Less than 1 year	-	-
- 1 year to 3 years	-	-
- More than 3 years	449.8	(21.6)
<b>Currency Options</b>		
- Less than 1 year	-	-
- 1 year to 3 years	-	-
- More than 3 years	957.1	96.4
<b>Total</b>	<b>1,450.3</b>	<b>74.8</b>

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.

### Fair value changes of financial liabilities

The Group recognised a total net loss of RM20.0 million during the current quarter and for the financial period to-date arising from the fair value changes on the derivatives financial instruments which are marked to market as at the date of the statement of financial position.

#### 24) REALISED AND UNREALISED PROFITS

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:

	30 November 2012	31 August 2012 (Restated)
	RM Million	RM Million
Total retained profits of the Company and its subsidiaries		
-Realised	29,158.2	28,495.7
-Unrealised	(5,842.6)	(6,889.0)
Total share of retained profits from jointly controlled entities		
-Realised	(10.3)	(10.2)
-Unrealised	-	-
Total share of retained profits from associates		
-Realised	209.8	225.0
-Unrealised	(109.2)	(115.5)
Consolidation adjustments	2,900.9	3,185.3
<b>Total retained profits of the Group</b>	<b>26,306.8</b>	<b>24,891.3</b>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure above includes Integrex Berhad's (ITB), where TNB holds 22.12% shareholding, realised and unrealised profits for period as at 30 September 2012 and not 30 November 2012. This is due to unavailability of the information from ITB for reason it did not want to contravene with any Bursa Listing Requirements by releasing its financial information prior to its quarterly announcement.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive by Bursa Malaysia and should not be applied for any other purposes.

#### 25) MATERIAL LITIGATION

There is no pending material litigation other than those announced to Bursa Malaysia since the date of the last audited financial statements.



26) EARNINGS PER SHARE

	Individual quarter	
	ended 30.11.2012	ended 30.11.2011 (Restated)
<b>(a) Basic earnings/(loss) per share</b>		
Profit/(loss) attributable to owners of the Company (RM 'million)	1,415.5	(74.1)
Weighted average number of ordinary shares in issue ('000)	5,505,030	5,456,660
Basic earnings per share (sen)	25.71	(1.36)
<b>(b) Diluted earnings/(loss) per share</b>		
Profit/(loss) attributable to owners of the Company (RM 'million)	1,415.5	(74.1)
Weighted average number of ordinary shares in issue ('000)	5,505,030	5,456,660
Adjustments for share options ('000)	16,940	9
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>5,521,970</u>	<u>5,456,669</u>
Diluted earnings per share (sen)	25.63	(1.36)

27) EXCEPTIONAL ITEMS

Except as disclosed in Note 5, there were no exceptional items incurred during the quarter.

28) COMPARATIVE FIGURES

Comparatives have been restated following the first-time adoption of MFRS and early adoption of MFRS 119 as shown in Note 3.

By Order of the Board

NORAZNI BINTI MOHD ISA (LS 0009635)

Company Secretary

Kuala Lumpur  
23 January 2013