TENAGA NASIONAL BERHAD (200866-W)

The Board of Directors is pleased to announce the following:

A. UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE 2nd QUARTER ENDED 28 FEBRUARY 2009

(Amounts in RM million unless otherwise stated)

	INDIVIDUAL QUARTER		CUMULATIVE	
	CURRENT YEAR QUARTER 28.02.2009	PRECEDING YEAR CORRESPONDING QUARTER 29.02.2008	CURRENT YEAR TO DATE 28.02.2009	PRECEDING YEAR CORRESPONDING PERIOD 29.02.2008
Revenue	6,906.6	5,972.5	14,321.2	12,014.8
Operating expenses	(5,846.2)	(4,930.8)	(12,426.4)	(9,507.4)
Other operating income	100.5	99.6	156.9	273.0
Operating profit	1,160.9	1,141.3	2,051.7	2,780.4
Foreign exchange				
- Translation gain/(loss)	(97.0)	280.4	(1,536.7)	522.8
- Transaction gain/(loss)	(23.3)	9.6	(21.3)	9.4
Share of results of associates (net of tax)	10.3	14.6	18.1	24.0
Profit before finance cost	1,050.9	1,445.9	511.8	3,336.6
Finance income	51.3	51.0	102.9	94.3
Finance cost	(286.8)	(280.1)	(572.0)	(570.1)
Profit from ordinary activities before taxation	815.4	1,216.8	42.7	2,860.8
Taxation and Zakat				
- Company and subsidiaries	(40.1)	(121.6)	(146.2)	(443.9)
- Deferred taxation	(120.8)	(26.0)	(182.7)	169.2
Profit/(loss) for the period	654.5	1,069.2	(286.2)	2,586.1
Attributable to:				
- Equity holders of the Company	674.6	1,063.2	(269.5)	2,578.1
- Minority interests	(20.1)	6.0	(16.7)	8.0
	654.5	1,069.2	(286.2)	2,586.1
Earnings/(loss) per share attributable to ordinary equity holders of the company				
	Sen	Sen	Sen	Sen
Basic	15.56	24.54	(6.22)	59.51
Diluted	15.56	24.43	(6.22)	59.22

These unaudited Condensed Consolidated Income Statement should be read in conjunction with the annual audited financial statements for the year ended 31 August 2008.

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B. UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 28 FEBRUARY 2009

(Amounts in RM million unless otherwise stated)

	28-Feb-09	31-Aug-08
NON-CURRENT ASSETS		
Property, plant and equipment	57,692.2	57,475.2
Prepaid operating leases	844.6	844.1
Associates	284.2	322.5
Investments	38.0	38.0
	58,859.0	58,679.8
CURRENT ASSETS		
Non-current assets held for sale	30.3	14.1
Inventories	2,417.1	2,230.3
Trade receivables	2,393.0	2,085.5
Other receivables	1,398.2	1,366.7
Current tax assets	15.6	14.4
Amount due from associates	47.2	46.1
Short term investments	12.6	12.6
Marketable securities	6.8	8.5
Deposits, bank and cash balances	4,525.3	5,383.9
	10,846.1	11,162.1
CURRENT LIABILITIES		
Trade payables	(3,341.2)	(3,999.7)
Other payables	(1,289.6)	(1,187.7)
Amount due to associates	(389.3)	(346.8)
Current taxation	(52.7)	(69.4)
Short term borrowings	(1,231.5)	(1,058.3)
	(6,304.3)	(6,661.9)
NET CURRENT ASSETS	4,541.8	4,500.2
NON-CURRENT LIABILITIES		
Borrowings	(22,198.0)	(21,682.1)
Consumer deposits	(2,634.3)	(2,551.9)
Employee benefits	(3,309.3)	(3,124.8)
Other liabilities	(240.6)	(258.9)
Deferred taxation	(6,515.5)	(6,337.4)
Deferred income	(2,927.0)	(2,899.4)
Government development grants	(541.3)	(563.6)
	(38,366.0)	(37,418.1)
TOTAL NET ASSETS	25,034.8	25,761.9
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	4,334.6	4,334.5
Share premium	5,259.5	5,258.8
Revaluation and other reserves	598.3	718.2
Retained profits	14,754.4	15,345.7
	24,946.8	25,657.2
MINORITY INTERESTS	88.0	104.7
TOTAL EQUITY	25,034.8	25,761.9
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	Sen 575.5	Sen 591.9

These unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the year ended 31 August 2008.

C. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 28 FEBRUARY 2009

(Amounts in RM million unless otherwise stated)

	Attributable to equity holders of the Company						
	Ordinary shares of RM1.00 each	Share premium	Employees' Share Option Scheme reserve	Revaluation and other reserves	Retained profits	Minority interests	Total equity
At 1 September 2008	4,334.5	5,258.8	62.8	655.4	15,345.7	104.7	25,761.9
Currency translation differences	-	-	-	(118.7)	-	-	(118.7)
Loss for the 6-month period	-	-	-	-	(269.5)	(16.7)	(286.2)
Dividends paid	-	-	-	-	(325.1)		(325.1)
Provision for share option	-	-	2.1	-	-	-	2.1
Issuance of share capital - share options *	0.1	0.7	-	-	-	-	0.8
Realisation of revaluation reserve	-	-	-	(3.3)	3.3	-	-
At 28 February 2009	4,334.6	5,259.5	64.9	533.4	14,754.4	88.0	25,034.8

* Exercise of options representing 128,950 ordinary shares of RM1.00 each under the Employee Share Option Scheme II ("ESOS II");

	Attributable to equity holders of the Company						
	Ordinary shares of RM1.00 each	Share premium	Employees' Share Option Scheme reserve	Revaluation and other reserves	Retained profits	Minority interests	Total equity
At 1 September 2007	4,331.7	5,242.0	35.7	859.2	13,530.0	98.3	24,096.9
Currency translation differences	-	-	-	95.1	-	-	95.1
Profit for the 6-month period	-	-	-	-	2,578.1	8.0	2,586.1
Dividends paid	-	-	-	-	(522.6)	-	(522.6)
Provision for share option	-	-	1.5	-	-	-	1.5
Issuance of share capital - share options *	1.8	10.9	-	-	-	-	12.7
At 29 February 2008	4,333.5	5,252.9	37.2	954.3	15,585.5	106.3	26,269.7

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 2008.

D. UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 28 FEBRUARY 2009

(Amounts in RM million unless otherwise stated)

	FY2009 ended 28-Feb-09	FY2008 ended 29-Feb-08
Operating activities		
Cash generated from operations	2,532.9	3,730.5
Retirement benefits paid	(169.2)	(126.1)
Consumer contributions received	202.7	211.3
Customer deposits received	82.5	102.4
Tax paid	(162.0)	(261.1)
Net cash inflow from operating activities	2,486.9	3,657.0
Investing activities		
Proceeds from redemption of RULS in Associates	2.4	6.0
Dividend Income	54.0	2.4
Interest income received	99.5	112.5
Property, plant and equipment:		
- purchases	(1,800.5)	(1,990.9)
- disposals	2.2	9.6
Assets held for sale		
- disposals	7.0	105.1
Prepaid operating leases		
- disposals	5.7	1.5
Net cash out-flow from investing activities	(1,629.7)	(1,753.8)
Financing activities		
Bank borrowings:		
- new drawdowns	628.0	402.4
- repayments	(1,404.8)	(1,290.8)
Interest paid	(617.3)	(664.9)
Dividend paid	(325.1)	(522.6)
Proceeds from issuance of shares	0.8	12.7
Net cash out-flow from financing activities	(1,718.4)	(2,063.2)
Changes in cash and cash equivalents	(861.2)	(160.0)
Currency translation differences	2.6	(10.1)
Cash and cash equivalents		
- at start of period	5,383.9	5,299.3
- at end of period	4,525.3	5,129.2
Cash at bank, held in trust*	(46.9)	(252.8)
Cash Available	4,478.4	4,876.4

* 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.

These unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the year ended 31 August 2008.

E. 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 2008.

The accounting policies, method of computation and basis of consolidation applied in these unaudited condensed interim financial statements are consistent with those used in the preparation of the audited financial statements for the year ended 31 August 2008.

2) AUDIT QUALIFICATION
The annual audited financial statements for the financial year ended 31 August 2008 were not subject to any qualification.

3) SEASONAL OR CYCLICAL FACTORS
The businesses of the Group are not subject to material seasonal or cyclical fluctuations.

4) 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.

5) 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.

6) DEBT AND EQUITY SECURITIES
(a) On 19 December 2008, TNB has repurchased USD10.0 million of TNB's USD150.0 million 7.50% Debentures due 2096. The total amount outstanding after the repurchase is USD140.0 million..

(b) On 12 February 2009, TNB has repurchased USD165.3 million of TNB's USD600.0 million 7.625% Notes due 2011. The total amount outstanding after the repurchase is USD404.7 million.

(c) During the period, a total of 128,950 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.

7) DIVIDENDS PAID
In respect of the financial year ended 31 August 2008, TNB declared a final dividend of 10.0 sen gross per ordinary share less income tax at 25%, paid on 23 December 2008 totalling RM325.1 million.

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8) SEGMENTAL REPORTING

As the principal activities of the Group are the generation, transmission, distribution and sale of electricity in Malaysia, segmental reporting is deemed not necessary.

9) 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.

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

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

11) CHANGES IN THE COMPOSITION OF THE GROUP

On 18 December 2008, TNB announced that the dormant subsidiaries of TNB, as set out in the table below, will be placed under Member's Voluntary Winding-Up pursuant to Section 254(1)(b) of the Companies Act, 1965 as the said subsidiaries are inactive and hence no longer required for the Group's operations.

The winding-up of the said subsidiaries will not have any effect on the issued and paid-up capital and it will not have any material effect on the earnings and net assets of TNB Group or on the shareholding of the substantial shareholders of TNB.

	Name of Company	Nature of relationship	Cost of Investment (RM)
1.	TNB Kekal Sdn.Bhd.	Wholly-owned subsidiary of TNB	2.00
2.	TNB Paka Sdn.Bhd.	Wholly-owned subsidiary of TNB	2.00
3.	TNB Kapar Sdn.Bhd.	Wholly-owned subsidiary of TNB	2.00
4.	TNBG Power Services Sdn.Bhd.	Wholly-owned subsidiary of TNB	2.00

12) CONTINGENT LIABILITIES

Contingent liabilities of the Group include the following:-

	As at 28 February 2009	As at 31 August 2008
Claims by third parties	1,053.4	1,077.5
Trade guarantees and performance bonds	1.1	1.2
Corporate guarantee for long term loans of a subsidiary company	335.7	307.5
Stamp duties on transfer of assets	108.0	108.0
Other contingencies	15.5	5.9
	1,513.7	1,500.1

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.

13) CAPITAL COMMITMENTS

	As at 28 Feb 2009	As at 31 Aug 2008
Property, plant and equipment committed over a 5 year period		
Authorised but not contracted for	16,136.1	16,352.9
Contracted but not provided for in the financial statements	266.7	548.0
	16,402.8	16,900.9

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

14) REVIEW OF PERFORMANCE

(a) Performance of the current six months ended 28 February 2009 (2nd Quarter FY2009) against the corresponding six months ended 29 February 2008 (2nd Quarter FY2008):

For the six months ended 28 February 2009, the Group recorded a loss attributable to shareholders of the Company of RM269.5 million as compared to the gain of RM2,578.1 million in the corresponding period in FY2008, a reduction of 110.5%.

Revenue rose to RM14,321.2 million from RM12,014.8, an increase of RM2,306.4 million or 19.2%. This was mainly due to the increase in tariff effective from July 2008. However, in terms of unit growth the Company recorded a reduction of 3.2% compared to the same period last financial year. The industrial sector recorded the biggest reduction of 9.4%.

Operating expenses of the Group increased by RM2,919.0 million or 30.7% which is mainly attributable to the higher fuel cost and payments to the independent power producers. As for the forex, Ringgit Malaysia has weakened against the major currencies the Group is exposed to, namely Japanese Yen and US Dollar, thus recording a loss of RM1,536.7 million.

(b) Performance of the current second quarter (three months) FY2009 against the corresponding second quarter (three months) FY2008:

For the quarter, the Group recorded a total revenue of RM6,906.6 million against RM5,972.5 million for the same period last financial year, an improvement of 15.6% or RM934.1 million. The improvement was derived mainly from sales of electricity in Peninsular Malaysia which recorded an increased of RM850.6 million or 15.5% resulting from the tariff review which took effect from July 2008. Unit sold however, registered a negative growth of 3.2%. The industrial sector which was affected the most by the economic slowdown recorded the biggest reduction of 9.4%.

The Group registered a profit attributable to shareholders of the Company of RM674.6 million for the current quarter against RM1,063.2 million recorded for the corresponding quarter last year, a decrease of RM388.6 million or 36.6% resulted mainly from foreign exchange translation loss of RM97.0 million in current quarter compared to a gain of RM280.4 million recorded in the corresponding period last financial year.

14) REVIEW OF PERFORMANCE (continued)
ECONOMIC PROFIT STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 28.02.2009	Preceding Year Corresponding Quarter 29.02.2008	Current Year To Date 28.02.2009	Preceding Year Corresponding Period 29.02.2008
NOPLAT computation:				
Earning Before Interest and Tax (EBIT)*	972.4	956.5	1,719.7	2,337.8
Adjusted Tax	(243.1)	(248.7)	(429.9)	(607.8)
NOPLAT	**729.3**	**707.8**	**1,289.8**	**1,730.0**
Economic Charge computation:				
Average Invested Capital	54,923.9	53,971.0	54,923.9	53,971.0
WACC	7.6%	7.6%	7.6%	7.6%
Economic Charge	**(1,038.1)**	**(1,020.1)**	**(2,076.1)**	**(2,040.1)**
Economic Loss	**(308.8)**	**(312.3)**	**(786.3)**	**(310.1)**

EXPLANATORY NOTES

(a) Performance of the current six months ended 28 February 2009 (2nd Quarter FY2009) against the corresponding six months ended 29 February 2008 (2nd Quarter FY2008):

Economic Profit/(Loss) ("EP/(L)") is a measure of value created by a business during a single period by comparing the rate of return generated by the company against its cost of capital.

Economic loss has increased by RM476.2 million to record at RM786.3 million from RM310.1 million. This is largely due to a significantly higher growth in operating expenses by 30.7% (compared to +11.3% growth over the same period) despite recording a stronger revenue growth of 19.4% (compared to +6.5% growth over the same period). Subsequently, the EBIT* margin has deteriorated to 12.2% from 19.7%.

The increased in operating expenditure growth are particularly attributable to the rise in IPP purchased costs and higher-fuel related expenses in view of higher gas prices and coal prices.

(b) Performance of the current second quarter FY2009 against the corresponding second quarter FY2008:

The economic loss was recorded at RM308.8 million from RM312.3 million; representing an improvement of RM3.5 million over the corresponding period. This is mainly attributable to higher revenue growth of 15.8% as the result of tariff adjustment in Jul-08 (compared to 5.1% growth in the same period last year). Meanwhile, operating expenses have increased by 18.6% (compared to 14.9% growth recorded over the same period). The EBIT* margin was recorded at 14.3% as compared to 16.2% over the same period last year.

**EBIT is defined as Operating profit adjusted for released of deferred income and other operating income.*

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

Performance of the current quarter (2nd Quarter FY2009) against the preceding quarter (1st Quarter FY2009):

Compared to the immediate preceding quarter, the Group's revenue of RM6,906.6 million was RM508.0 million lower than the preceding quarter revenue of RM7,414.6 million, a reduction of 6.9%, mainly due to the lower sale of electricity during the quarter under review.

Operating expenses was lower by RM734.0 million from RM6,580.2 million to RM5,846.2 million or 11.2%. This was mainly due to the decrease in energy payment to IPPs and lower fuel cost as a result of lower electricity demand during the quarter under review.

The Group recorded marginal unrealised foreign exchange loss of RM97.0 million compared to the loss of RM1,439.7 million recorded in the preceding quarter.

16) CURRENT YEAR PROSPECTS

As outlined by the Minister of Finance in his Mini Budget Speech on 10 March 2009, Malaysia as a "highly open economy" is likely to be impacted by the global economic recession as a result of declining exports, sharp drop in commodity prices, reduced FDIs and adverse investor/consumer sentiment as well as services sector stemming from poor performance of the equity markets. With the 2009 Budget allocation and the two Stimulus Packages totalling RM273 billion as well as a conducive monetary policy, the Government expects the impact of the global contraction on the domestic economy to be mitigated and revised the GDP growth for 2009 downwards from 3.5% previously to between (1.0%) and 1.0%.

Electricity demand in Peninsula is the main driver of the Group's earnings growth. The slowdown in economic activity and the declining exports which affected the industrial sector caused TNB to register an unprecedented (3.2%) demand growth for the 6-month period ended 28 February 2009.

Operationally, higher fuel cost and IPP payments continue to impinge on the Group's profitability wherein operating expenditure increased by RM2.9 billion or 30.7% compared to the previous period. Whilst the higher tariff approved earlier on 1 July 2008 mitigated the rising operating expenditure particularly fuel cost, the lower demand growth has also resulted in a lower dispatch from the coal-fired power plants thereby improving profit margins. Further, the more stable coal price for the year will ease the financial burden although a weaker Ringgit will lessen the advantage.

Given the foregoing scenario, the Board of Directors affirms the view that the Group's financial performance for FY2009 will remain weak.

17) VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

This note is not applicable.

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18) TAXATION and ZAKAT

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

	Individual quarter		Cumulative	
	ended 28-Feb-09	ended 29-Feb-08	ended 28-Feb-09	ended 29-Feb-08
Income Tax:				
Current tax and zakat	**(40.1)**	(121.6)	**(146.2)**	(443.9)
Deferred tax (net):				
Relating to origination and reversal of temporary differences	**(120.8)**	(26.0)	**(182.7)**	(54.8)
Relating to changes in the Corporate income tax rate	**-**	-	**-**	224.0
Sub-total	**(120.8)**	(26.0)	**(182.7)**	169.2
Total taxation and zakat	**(160.9)**	(147.6)	**(328.9)**	(274.7)

For the reporting period ended 28 February 2009 the Group recorded a 770.3% effective tax rate. This is because 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 the account the foreign exchange losses the effective tax rate is 20.5% [The Corporate Income Tax rate is 25%].

19) PROFIT/(LOSS) ON SALE OF INVESTMENTS

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

20) 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 28 February 2009 are as follows:-

	Quarter ended 28-Feb-09
At cost	1.0
At carrying value	Nil
At market value	Nil

21) STATUS OF CORPORATE PROPOSALS

On 21 January 2009, TNB and Sarawak Energy Berhad ("SEB") announced that the Government has given approval in principle for TNB and SEB to take over the operation of Bakun Hydroelectric Project from Sarawak Hidro Sdn. Bhd. through a leasing agreement and to develop the associated transmission system from Sarawak to Peninsular Malaysia. The Board of Directors of both companies have resolved to proceed with the Project and commence the negotiations with the relevant authorities.

Please refer to the announcement made to Bursa Malaysia for further details.

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22) GROUP BORROWINGS

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

	As at 28 Feb 09	As at 31 Aug 08
Short term - secured	472.4	399.6
- unsecured	759.1	658.7
Sub-total	1,231.5	1,058.3
Long term - secured	3,100.2	3,168.8
- unsecured	19,097.8	18,513.3
Sub-total	22,198.0	21,682.1
Total	23,429.5	22,740.4

b) Currency denominations:-

	As at 28 Feb 09	As at 31 Aug 08
Japanese Yen	5,442.4	4,506.1
US Dollar	6,110.5	6,310.7
Others	14.9	1.8
Total Ringgit equivalent of foreign currency borrowings	11,567.8	10,818.6
Ringgit borrowings	11,861.7	11,921.8
Total	23,429.5	22,740.4

c) Effective average cost of funding based on exposure as at 28 February 2009 was 5.36% (FY2008: 5.66%).

d) Repayments of long term debts during the reporting period were as follows:
   (i) Foreign currency denominated term loans of RM797.7 million, and
   (ii) Ringgit denominated term loans of RM189.5 million.

23) OFF BALANCE SHEET FINANCIAL INSTRUMENTS

TNB has certain financial instruments including assets and liabilities incurred in the normal course of business. As part of its risk management's strategy, the Company manages its exposure to market rate movements of its financial liabilities through the use of derivative financial instruments. Virtually all foreign currency contracts are denominated in US Dollar and Japanese Yen.

TNB has entered into interest rate swap (IRS) and cross currency interest rate swap (CCIRS) agreements as well as currency option agreements, which mature from year 2010 to 2034. TNB has entered into these derivatives to reduce its exposure to losses resulting from adverse fluctuations in interest rates or foreign currency exchange rates on underlying debt instruments.

The details and the financial effects of the derivative financial instruments that TNB has entered into are substantially described in note 28 to the financial statements of TNB for the financial year ended 31 August 2008 (pages 232-234 of TNB's Annual Report).

There have been no material changes to the derivative financial instruments described therein between 3 November 2008 (being the date of financial statements) and the date of this announcement.

23) OFF BALANCE SHEET FINANCIAL INSTRUMENTS (continued)

As at 8 April 2009, the outstanding notional principal amount of derivative financial instruments entered into by the Group was RM2,391.0 million. While this amount represents the total notional principal amount of outstanding off balance sheet financial instruments, it is not a measure of the extent of risks that TNB is exposed to.

All the above instruments were executed with creditworthy financial institutions and the Directors of TNB are of the view that the possibility of non-performance by these financial institutions is unlikely on the basis of their respective current financial strength.

24) 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 18 November 2008.

25) DIVIDEND

The Board of Directors has recommended an interim dividend of 2.0 sen gross per ordinary share less income tax of 25%, and 2.0 sen tax-exempt dividend per ordinary share equivalent to 2.7 sen gross dividend per ordinary share. The dividend payable equivalent to total gross dividend of 4.7 sen per ordinary share (2008: 10.0 sen) in respect of the financial year ending 31 August 2009. The Books Closure and Payment dates will be announced in due course.

26) EARNINGS PER SHARE

	Individual quarter		Cumulative quarter	
	ended 28-Feb-09	ended 29-Feb-08	ended 28-Feb-09	ended 29-Feb-08
(a) Basic earnings/(loss) per share				
Profit attributable to equity holders of the Company (RM 'million)	674.6	1,063.2	(269.5)	2,578.1
Weighted average number of ordinary shares in issue ('000)	4,334,572	4,332,777	4,334,572	4,332,418
Basic earnings/(loss) per share (sen)	15.56	24.54	(6.22)	59.51
(b) Diluted earnings/(loss) per share				
Profit attributable to equity holders of the Company (RM 'million)	674.6	1,063.2	(269.5)	2,578.1
Elimination of interest expense net of tax effect (RM'million) on Unsecured Convertible Redeemable Income Securities (RM 'million)	-	0.9	-	0.9
	674.6	1,064.1	(269.5)	2,579.0
Weighted average number of ordinary shares in issue ('000)	4,334,572	4,332,777	4,334,572	4,332,418
Adjustments for:-				
- conversion of share options exercised ('000)	-	15,736	-	15,901
- conversion of Unsecured Convertible Redeemable Income Securities ('000)	-	6,521	-	6,583
Weighted average number of ordinary shares for diluted earnings per share ('000)	4,334,572	4,355,034	4,334,572	4,354,902
Diluted earnings/(loss) per share (sen)	15.56	24.43	(6.22)	59.22

By Order of the Board

NOR ZAKIAH BINTI ABDUL GHANI (LS 0008795)
Company Secretary

Kuala Lumpur
15 April 2009