



UNAUDITED FINANCIAL RESULTS 3RD QUARTER FY2009

22nd July 2009



AGENDA

- ❑ **Highlights Of The Group's Performance**
- ❑ **Details Of The Group's Performance**
- ❑ **Q&A**

Highlights Of The Group's Performance

"Powering The Nation."

Y.Bhg. Tan Sri Leo Moggie
CHAIRMAN

KEY HIGHLIGHTS

3 months ended 31 May FY2009 (3rd Quarter)

- Net profit before forex translation of RM419.9 million
- 1.4% increase in Group Revenue compared to 2nd Quarter FY2009 whilst Operating Expenses increased by 6.0%
- EBITDA margin at 25.7% compared to 30.7% for 2nd Quarter FY2009
- Forex translation gain of RM603.2 million

9 month period FY2009

- Net profit before forex translation of RM1,687.1 million
- 18.4% increase in Group Revenue against a 25.2% increase in Operating Expenses
- 3.7% reduction in unit electricity demand growth in Peninsula
- Average Coal price of USD94.3/mt (CIF)
- EBITDA margin at 26.1% compared to 34.4% for the corresponding period in FY2008
- Forex translation loss of RM933.5 million
- Economic loss of RM1,051.7 million

FINANCIAL HIGHLIGHTS

9 Months Reported Net Profit of RM753.6mn

RM mn

	YTD 9 Months FY'08	YTD 9 Months FY'09
Revenue	18,012.2	21,323.0
Operating Expenses	(14,869.9)	(18,624.4)
Other Operating Income	495.8	264.3
Operating Surplus	3,638.1	2,962.9
Finance Cost	(845.3)	(845.7)
Finance Income	144.5	135.2
Transaction Gain/(Loss)	(12.3)	(63.1)
Profit Before Tax & Translation Gain/(Loss)	2,958.4	2,216.5
Net Profit Before Translation Gain	2,534.9	1,687.1
Translation Gain/(Loss)	342.0	(933.5)
Profit/(Loss) for the period	2,881.7	719.6
Profit/(Loss) Attributable to:		
Equity Holders	2,876.9	753.6
Minority Interests	4.8	(34.0)
	2,881.7	719.6

FINANCIAL HIGHLIGHTS

Quarterly Analysis – 3rd Qtr Decline in EBITDA Margin From Higher Coal Generation

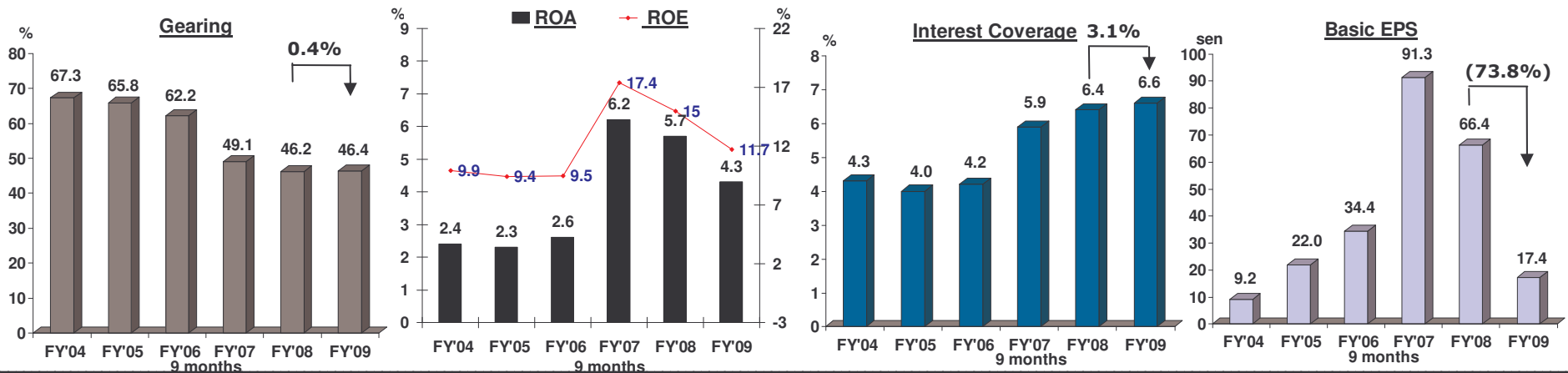
RM mn	YTD 9 Months		FY 2009		
	FY 2008	FY 2009	1st Qtr	2nd Qtr	3rd Qtr
Total Units Sold (GWh)	67,577.5	64,446.5	22,587.0	20,580.8	21,278.7
Revenue	18,012.2	21,323.0	7,414.6	6,906.6	7,001.8
Operating Expenses (without depreciation)	12,309.7	16,015.4	5,822.8	4,885.2	5,307.4
Operating Income	495.8	264.3	56.4	100.5	107.4
EBITDA	6,198.3	5,571.9	1,648.2	2,121.9	1,801.8
EBITDA Margin (%)	34.4%	26.1%	22.2%	30.7%	25.7%
Depreciation and Amortisation	2,560.2	2,609.0	757.4	961.0	890.6
EBIT	3,638.1	2,962.9	890.8	1,160.9	911.2
EBIT Margin (%)	20.2%	13.9%	12.0%	16.8%	13.0%
Finance Income	144.5	135.2	51.6	51.3	32.3
Finance Cost	845.3	845.7	285.2	286.8	273.7
Profit Before Tax & Forex Translation	2,958.4	2,216.5	667.0	912.4	637.1
Net Profit Before Forex Translation	2,534.9	1,687.1	495.6	771.6	419.9
Translation Gain / (Loss)	342.0	(933.5)	(1,439.7)	(97.0)	603.2
Net Profit / (Loss) attributable to : Equity Holders	2,876.9	753.6	(944.1)	674.6	1,023.1
Minority Interest	4.8	(34.0)	3.4	(20.1)	(17.3)

Coal Prices & Forex Impact

	YTD 3rd Qtr			1st Qtr	2nd Qtr	3rd Qtr
	FY 2008	FY 2009	Variance	FY 2009	FY 2009	FY 2009
Average Contracted Coal Price (USD/MT) (CIF)	71.2	94.3	32%	113.9	85.8	79.9
Coal Consumption* (mn MT)	8.5	7.9	-7%	3.0	2.0	2.9

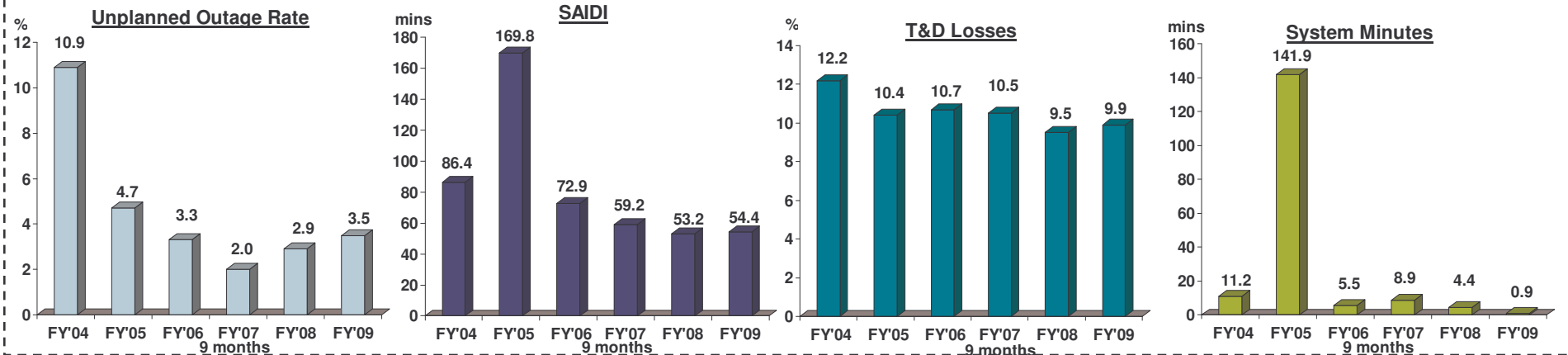
FINANCIAL & TECHNICAL PERFORMANCE TRENDS

Financial Ratios



Our Commitment to Achieve Service Excellence 10/10

Technical Performance



HEADLINE KEY PERFORMANCE INDICATORS

On Track

Initiatives	FY'08 Actual	Target	FY'09		
			3 Months	6 Months	9 Months
Return on Assets (ROA)	4.6%	3.7% *	3.9% ¹	4.8% ¹	4.3% ¹
Gearing	46.9%	48 - 50%	49.3%	48.3%	46.4%
Unplanned Outage Rate (UOR) **	3.3%	3 - 3.5%	2.8%	4.1%	3.5%
T&D Losses	9.5%	9 - 9.5%	9.6% ² 8.5% ³	9.9% ² 9.2% ³	9.9% ² 9.8% ³
Transmission System Minutes (mins)	6.6	6.5 - 7.0	0.4	0.7	0.9
Distribution SAIDI (mins)	78.0	75 - 80	22.9	42.4	54.4

$$\text{Gearing} = \frac{\text{Long-term \& Short-term debt}}{\text{Long-term \& Short-term debt} + \text{Shareholder's Funds} + \text{MI}}$$

* ROA calculated based on assumptions of:

- Coal price at USD85/mt
- Demand growth -0.5%
- Exchange rate USD1 = RM3.68

** Excluding KEV

Note: ¹ based on adjusted annualised net profit

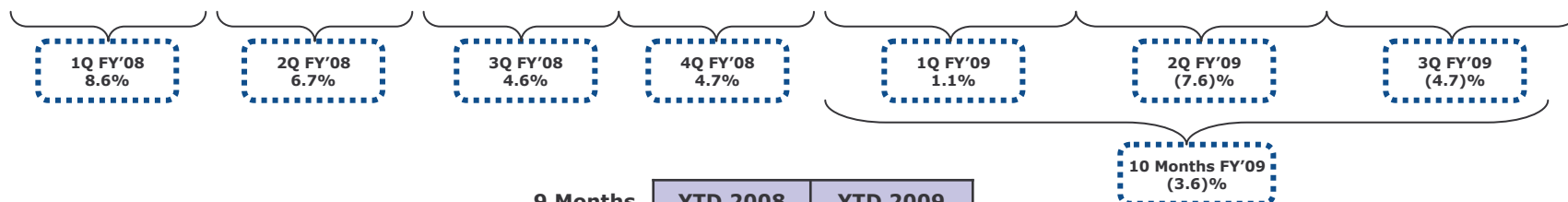
² based on 12-month rolling averages

³ based on YTD

ANALYSIS OF ELECTRICITY GROWTH IN PENINSULA

Positive Month-on-Month Demand Growth from March'09

UNITS SALES		FY 2008												FY 2009									
		Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Industrial	Gwh	3,486	3,283	3,226	3,277	3,355	3,447	3,108	3,412	3,403	3,532	3,417	3,565	3,501	3,238	3,086	3,007	2,847	2,500	2,609	2,911	2,956	3,081
	Growth (%)	7.2	8.5	10.0	(1.7)	6.4	13.0	8.4	2.1	2.2	4.6	4.2	5.5	0.4	(1.4)	(4.3)	(8.2)	(15.1)	(27.5)	(16.1)	(14.7)	(13.1)	(12.8)
Commercial	Gwh	2,324	2,154	2,223	2,183	2,235	2,152	2,091	2,253	2,377	2,330	2,282	2,336	2,349	2,416	2,177	2,193	2,262	2,122	2,162	2,332	2,422	2,446
	Growth (%)	8.5	11.6	9.4	5.6	10.3	7.8	8.7	1.4	10.4	3.6	5.1	5.6	1.1	12.2	(2.1)	0.5	1.2	(1.4)	3.4	3.5	1.9	5.0
Domestic	Gwh	1,331	1,293	1,315	1,259	1,269	1,310	1,284	1,289	1,431	1,350	1,336	1,343	1,318	1,465	1,309	1,312	1,351	1,305	1,371	1,358	1,533	1,491
	Growth (%)	4.5	17.4	(0.3)	4.8	1.3	16.7	4.0	(2.5)	6.8	0.6	4.3	6.8	(0.9)	13.3	(0.5)	4.2	6.5	(0.4)	6.8	5.4	7.1	10.5
TOTAL	Gwh	7,242	6,828	6,863	6,817	6,963	7,010	6,579	7,051	7,313	7,314	7,134	7,349	7,268	7,226	6,673	6,612	6,566	6,040	6,240	6,704	7,016	7,121
	Growth (%)	7.2	11.2	7.7	1.9	6.7	12.0	7.6	1.0	5.7	3.6	4.5	6.0	0.4	5.8	(2.8)	(3.0)	(5.7)	(13.8)	(5.2)	(4.9)	(4.1)	(2.6)

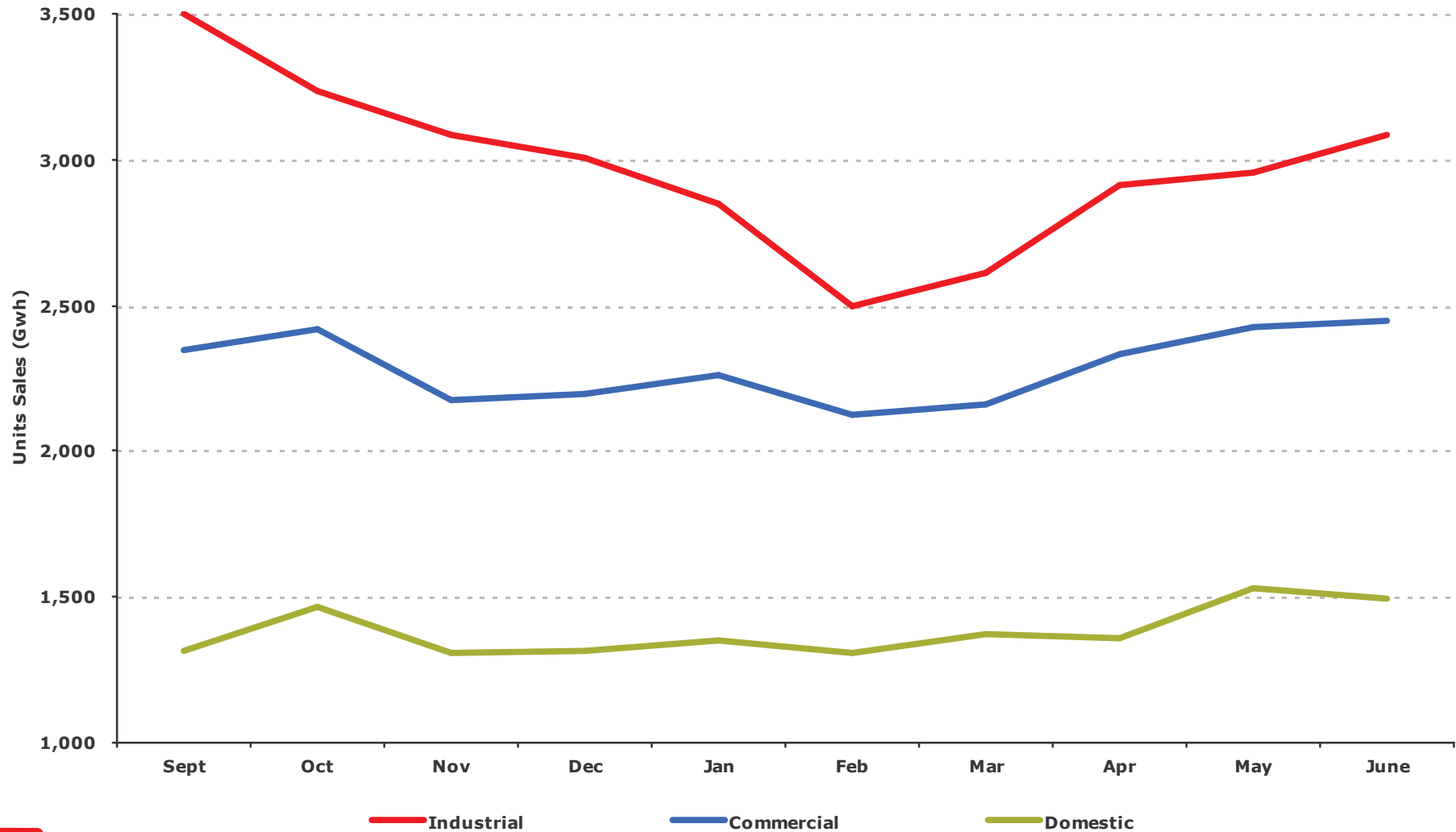


9 Months	YTD 2008	YTD 2009
Growth (%)	6.6	(3.7)

ANALYSIS OF ELECTRICITY GROWTH IN PENINSULA

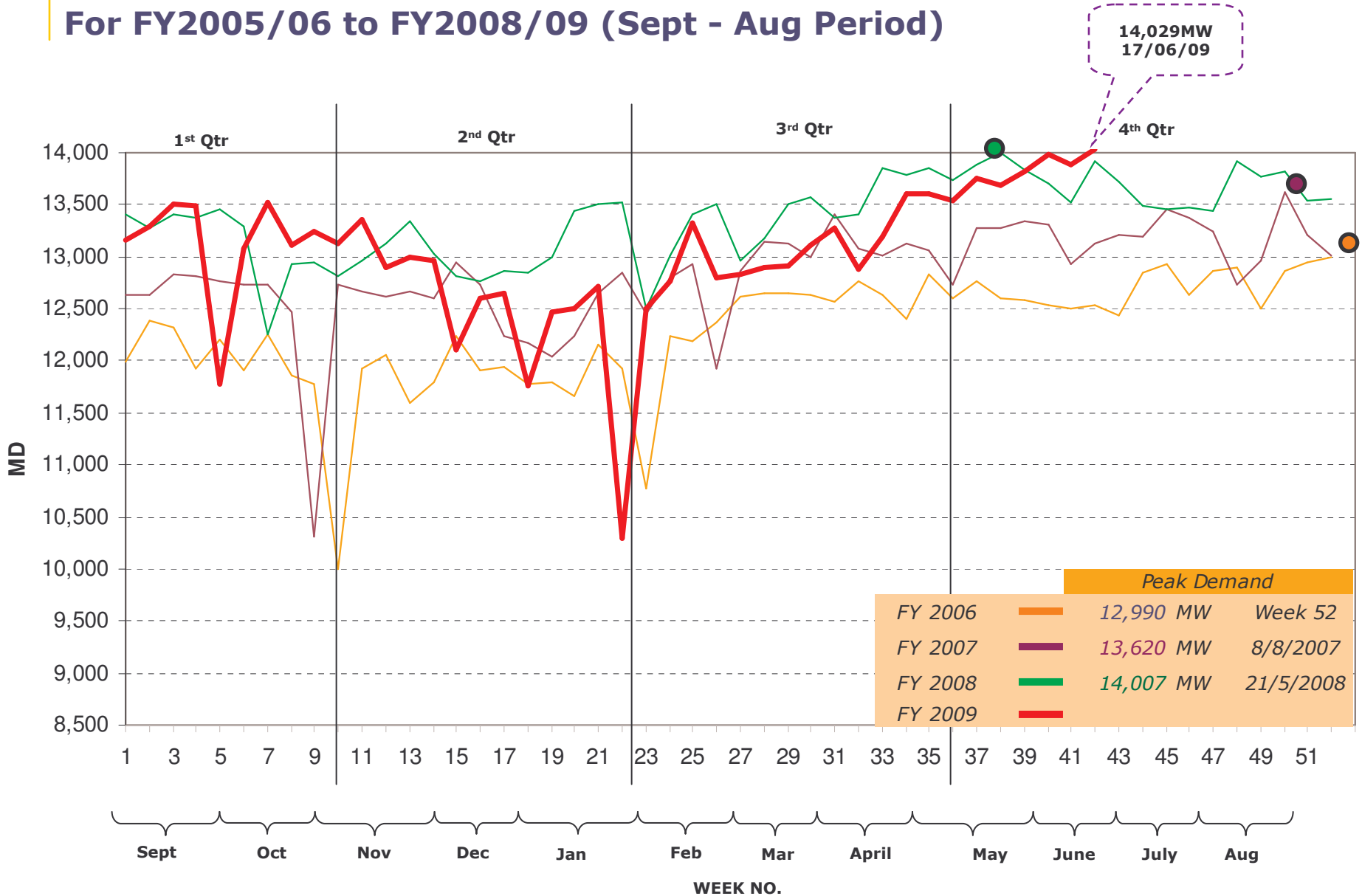
FY2009 - Month on Month Analysis

Industrial Sector Reported The Sharpest Dip



SYSTEM WEEKLY PEAK DEMAND - PENINSULA

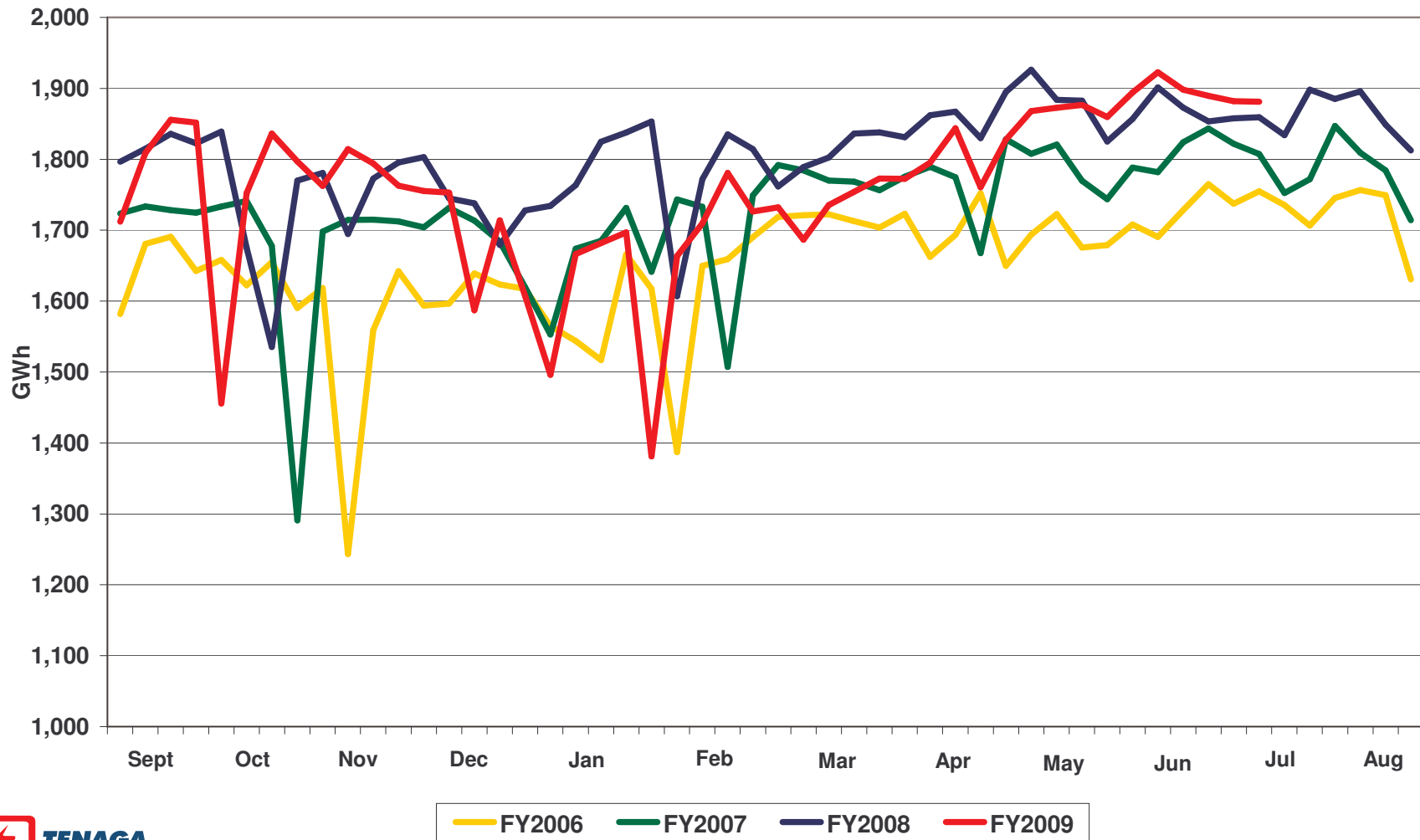
For FY2005/06 to FY2008/09 (Sept - Aug Period)



WEEKLY ELECTRICITY DEMAND GROWTH - PENINSULA

For FY2005/06 to FY2008/09 (Sept - Aug Period)

Weekly Generation (GWh) – Week Ended 28/06/2009



AGENDA

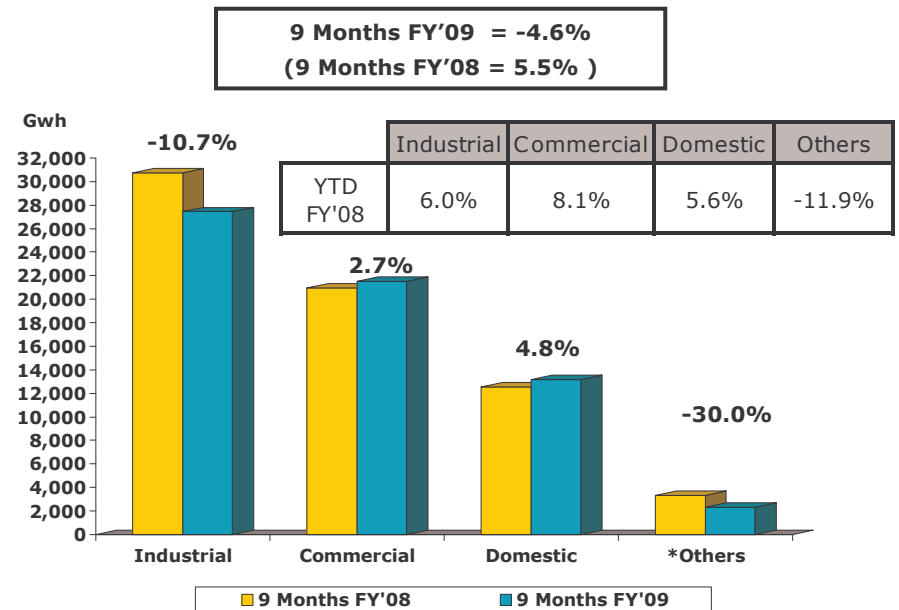
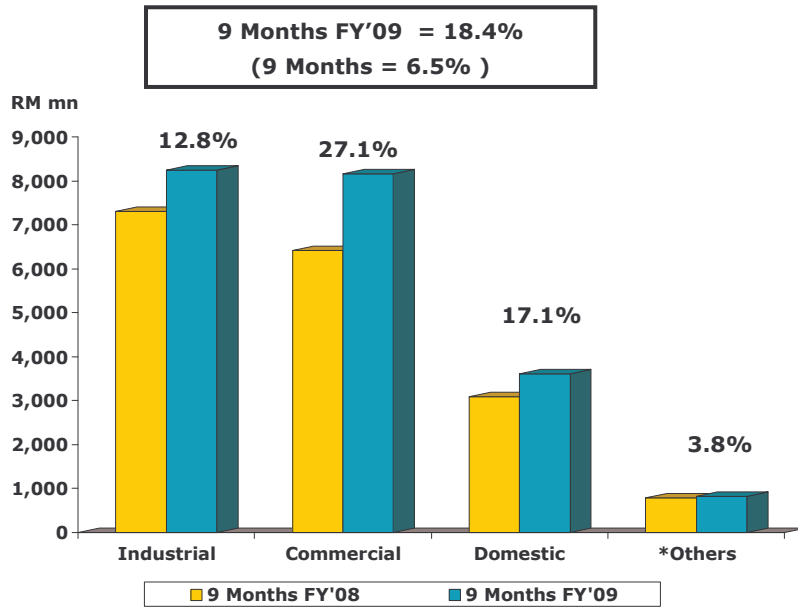
- ❑ **Highlights Of The Group's Performance**
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Details Of The Group's Performance

"Service Excellence 10/10"

**Y.Bhg. Dato' Sri Che Khalib Bin Mohamad Noh
President/Chief Executive Officer**

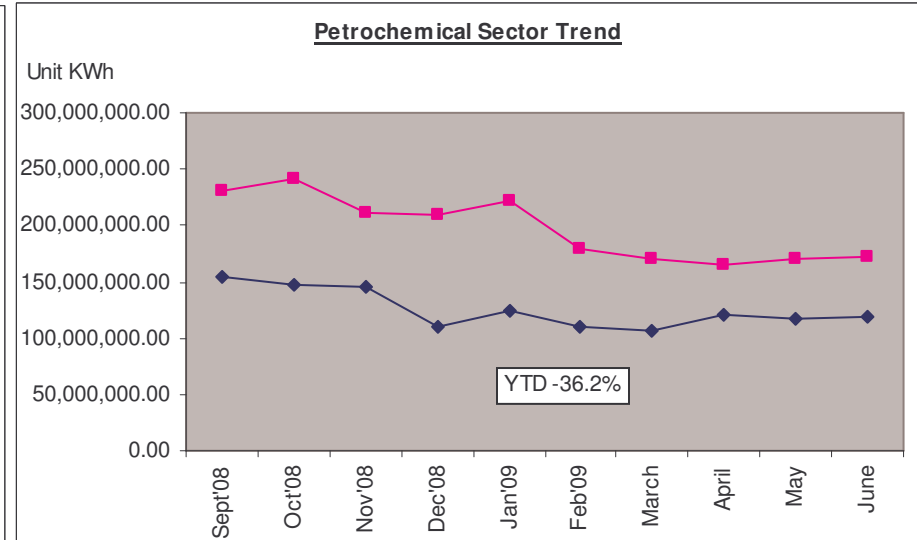
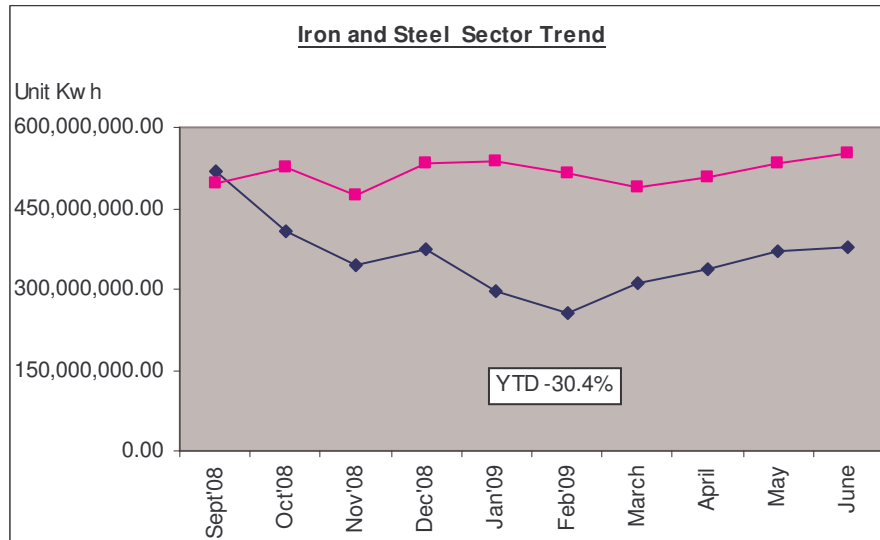
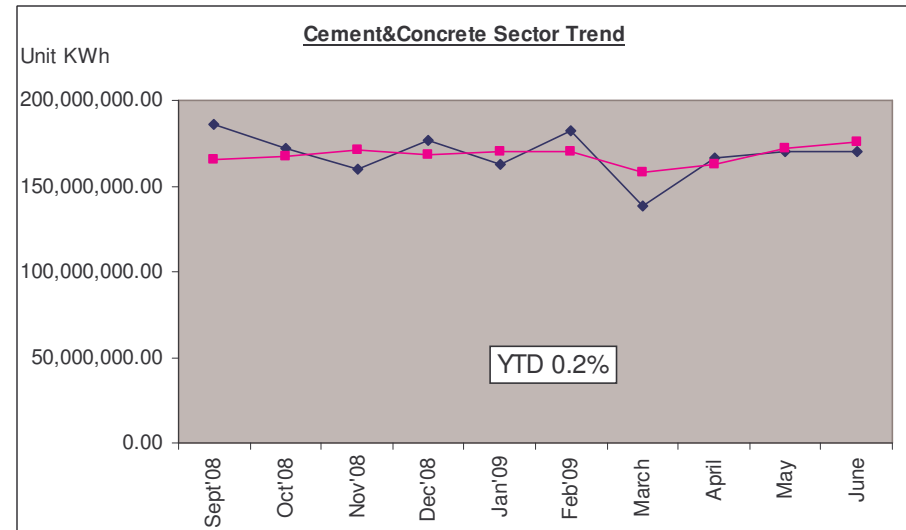
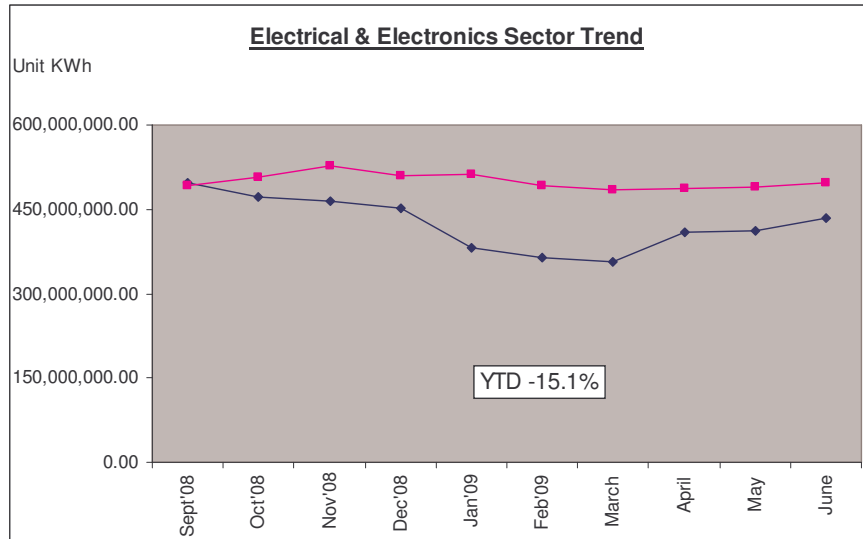
ANALYSIS OF ELECTRICITY GROWTH BY SECTORS



	9 Months FY'08	Sen/ KWh	9 Months FY'09	Sen/ KWh	Growth %
UNITS SOLD	GWh		GWh		
- TNB	62,666.0		60,345.3		(3.7)
- EGAT (Export)	1,148.1		146.0		(87.3)
- SESB	2,542.8		2,760.9		8.6
- LPL	1,220.6		1,194.3		(2.2)
Total units sold (Gwh)	67,577.5		64,446.5		(4.6)
REVENUE	RM mn		RM mn		
Sales of Electricity					
- TNB	16,353.3	26.1	19,549.2	32.4	19.5
- EGAT (Export)	205.5	17.9	32.2	22.1	(84.3)
- SESB	641.1	25.2	699.7	25.3	9.1
- LPL	399.8	32.8	553.5	46.3	38.4
Total Sales of Electricity	17,599.7	26.0	20,834.6	32.3	18.4

SECTORAL ANALYSIS – INDUSTRIAL SECTOR

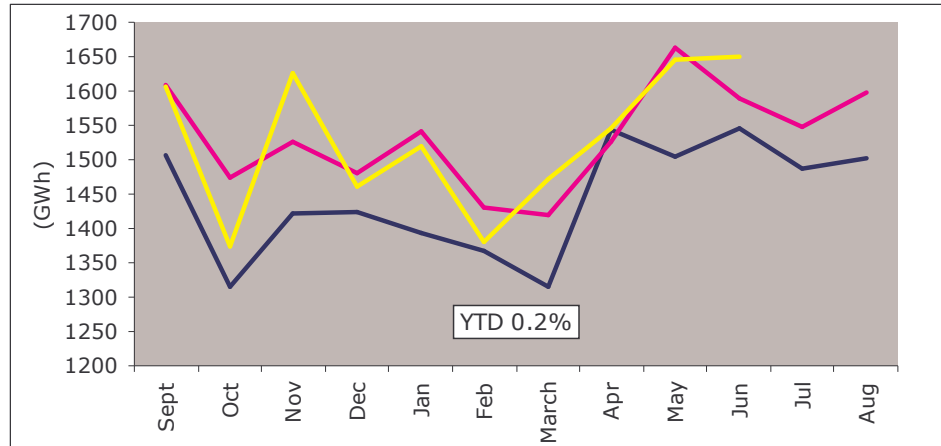
The Gap Is Narrowing



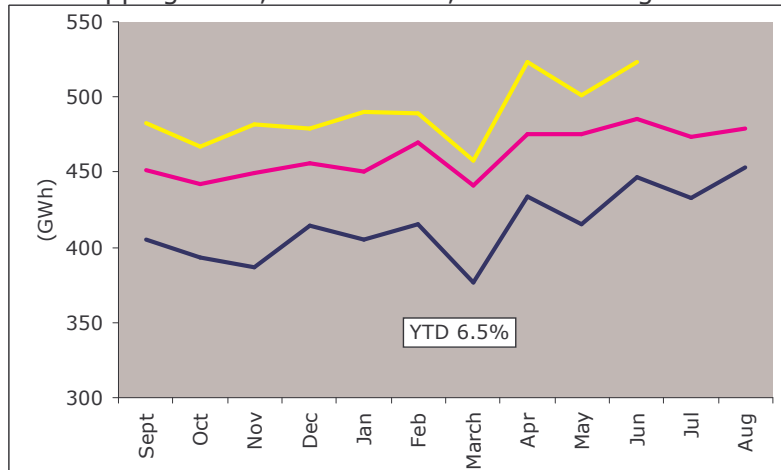
SECTORAL ANALYSIS – COMMERCIAL SECTOR

Commercial Sector Analysis Which Represents Approximately 97.5%

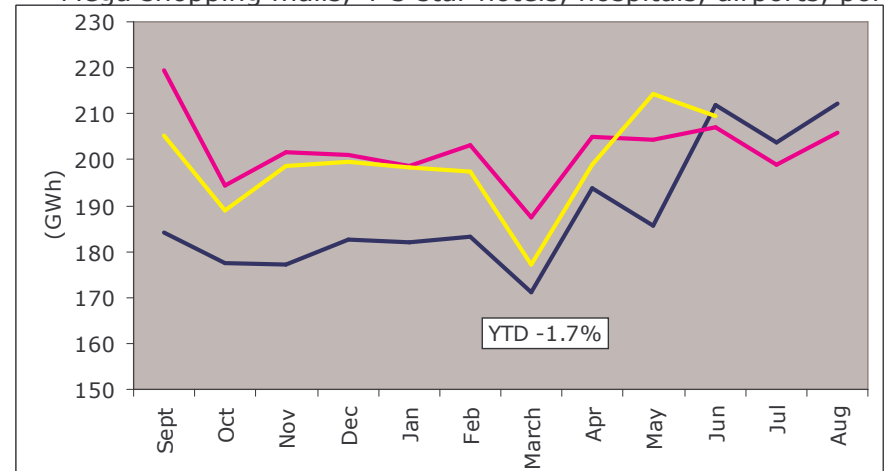
Low Voltage
Shop Lots & Retail Business



Medium Voltage
Shopping malls, 3 star hotels, office buildings



Medium Voltage (Peak/Off-Peak)
Mega shopping malls, 4-5 star hotels, hospitals, airports, ports



OPERATING EXPENSES

Increase Principally From Higher Generation Cost

RM mn	FY'08	FY'09				Increase/ (Decrease)	
	YTD 9 Months	1st Qtr	2nd Qtr	3rd Qtr	YTD 9 Months	YTD 9 Months FY'09 vs FY'08 (RM mn)	YTD 9 Months FY'09 vs FY'08 (%)
Revenue	18,012.2	7,414.6	6,906.6	7,001.8	21,323.0	3,310.8	18.4%
Total IPPs Purchased	6,615.0	3,036.1	2,674.7	3,017.8	8,728.6	2,113.6	32.0%
Fuel Costs	2,652.1	1,580.6	1,174.4	1,094.5	3,849.5	1,197.4	45.1%
Repair & Maintenance	634.4	222.4	229.0	282.2	733.6	99.2	15.6%
Staff Costs	1,791.5	709.3	587.6	574.1	1,871.0	79.5	4.4%
TNB General Expenses	439.8	89.6	209.8	217.7	517.1	77.3	17.6%
* Subs. General Exp., Cost of Sales & Provisions	176.9	184.8	9.7	121.1	315.6	138.7	78.4%
Depreciation	2,560.2	757.4	961.0	890.6	2,609.0	48.8	1.9%
Total Operating Expenses	14,869.9	6,580.2	5,846.2	6,198.0	18,624.4	3,754.5	25.2%

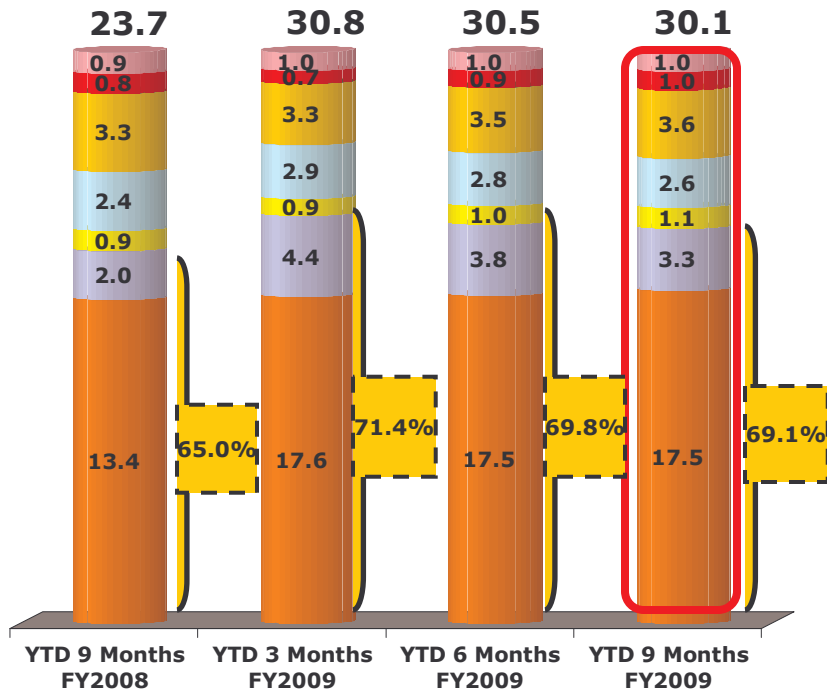
* TNB Fuel's Cost of Sales eliminated and set off against Revenue from Goods & Services

COST PER UNIT

29.2% Increase YoY

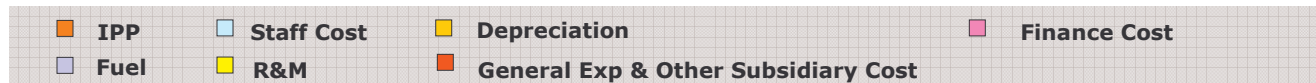
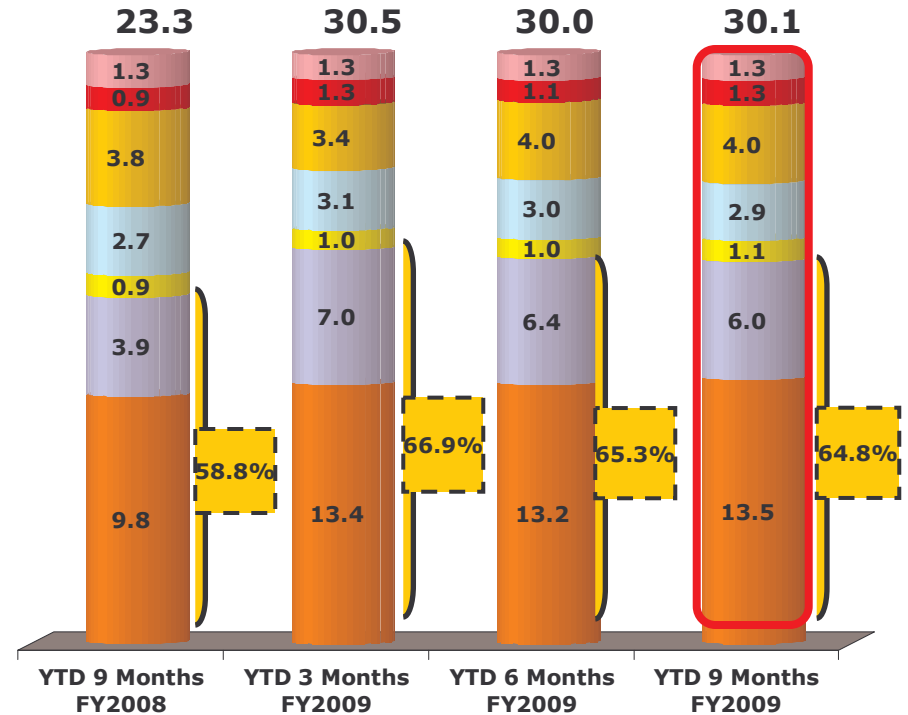
Company

Average selling price : 32.4 sen/kwh



Group

Average selling price : 32.3 sen/kwh



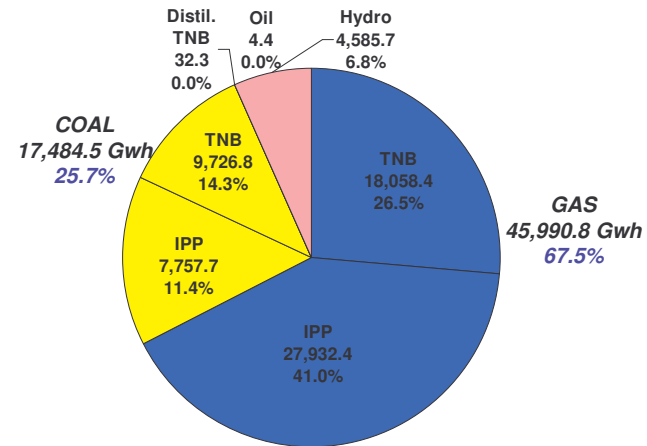
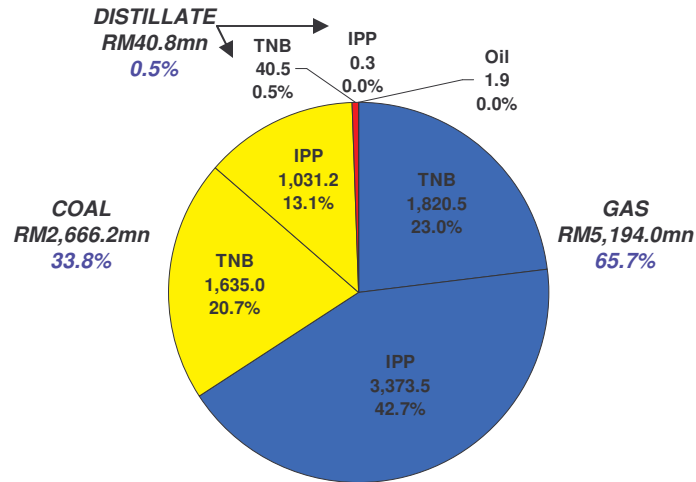
* General expenses exclude TNB Fuel's 3rd Party Cost of Sales as TNB Fuel is now treated as an agent

INDUSTRY GENERATION IN PENINSULA (TNB & IPPs) Y-o-Y ANALYSIS

31.9% Increase in Coal Cost Despite a 10.5% Decline in Coal Generation

Fuel Cost (RM mn)				
Fuel Type	9 Months		Variance	
	FY 2008	FY 2009	RM mn	%
Gas	2,635.3	5,194.0	2,558.7	97.1
Coal	2,022.1	2,666.2	644.1	31.9
Dist.	38.3	40.8	2.5	6.5
Oil	34.6	1.9	(32.7)	(94.5)
Hydro	-	-	-	-
Total	4,730.3	7,902.9	3,172.6	67.1

Units Generated (Gwh)				
Fuel Type	9 Months		Variance	
	FY 2008	FY 2009	Gwh	%
Gas	45,637.5	45,990.8	353.3	0.8
Coal	19,545.4	17,484.5	(2,060.9)	(10.5)
Dist.	15.9	32.3	16.4	103.1
Oil	132.5	4.4	(128.1)	(96.7)
Hydro	5,190.4	4,585.7	(604.7)	(11.7)
Total	70,521.7	68,097.7	(2,424.0)	(3.4)



TOTAL : RM 7,902.9mn

TOTAL : 68,097.7 Gwh
Fuel Cost/Gwh : 11.23 sen

	YTD 9 Months FY'08	YTD 9 Months FY'09
Total Coal Consumption	8.5mn MT	7.9mn MT
Average Contracted Price of coal consumed	USD71.2/MT	USD94.3/MT

INDUSTRY GENERATION IN PENINSULA (TNB & IPPs)

Q-o-Q ANALYSIS

69.5% Increase in Coal Generation Due to Higher Demand

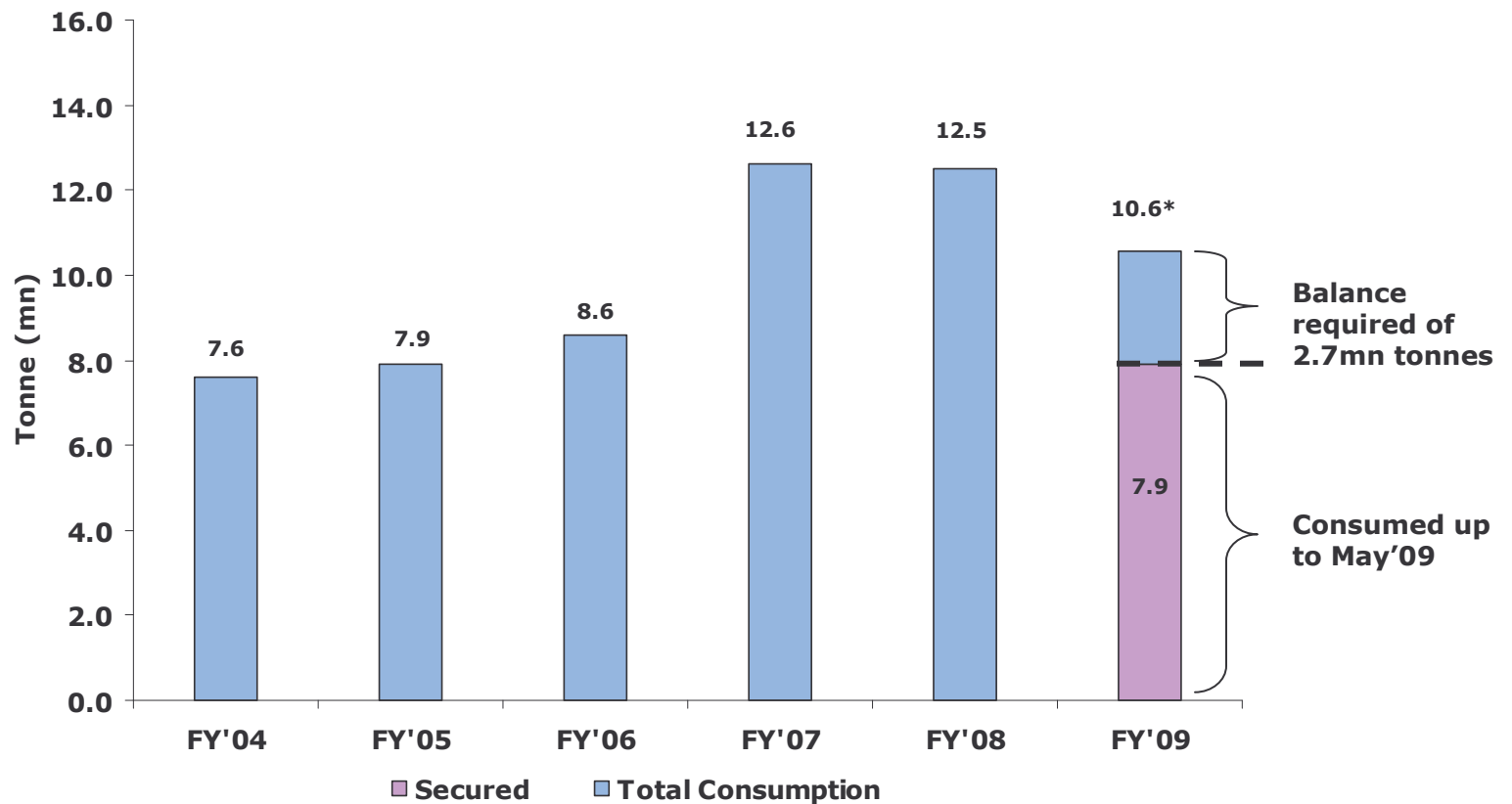
RM	2nd Qtr	3rd Qtr	3Q VS 2Q (%)
Gas	1,796.3	1,692.8	-5.8%
Coal	604.7	830.7	37.4%
Distillate	16.0	12.5	-21.9%
Oil	0.8	0.4	-50.0%
Hydro	0.0	0.0	0.0%
TOTAL	2,417.8	2,536.4	4.9%

Gwh	2nd Qtr	3rd Qtr	3Q VS 2Q (%)
Gas	14,958.0	16,415.8	9.7%
Coal	3,802.1	6,442.9	69.5%
Distillate	21.9	10.3	-53.0%
Oil	0.6	3.2	433.3%
Hydro	1,478.2	1,532.5	3.7%
TOTAL	20,260.8	24,404.7	20.5%

COAL REQUIREMENTS FOR FY'09 OF 10.6MN MT

31.1% of Remaining 2.7mn MT Based on Index-linked Pricing

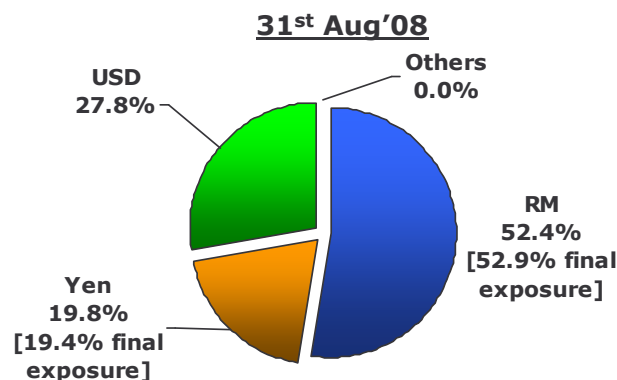
	FY'04	FY'05	FY'06	FY'07	FY'08	May'09
Average Coal Price (CIF) (USD/metric tonne)	34.0	49.8	52.8	45.3	76.4	94.3



* Revised tonnage

ANALYSIS OF DEBT EXPOSURE

Decrease in USD Exposure From 27.8% to 24.3% As a Result of USD228.9mn Bonds Repurchased & Cancelled

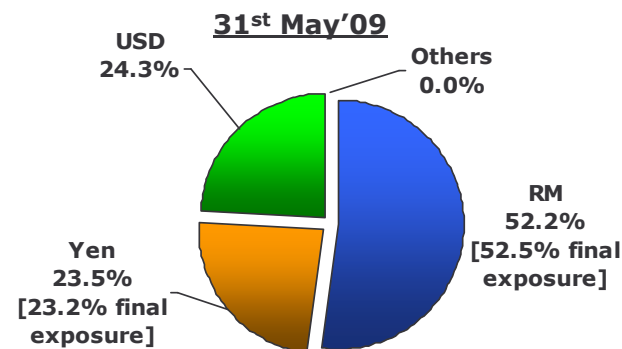


*Total Debt	RM22.7 bn
Net Debt	RM17.3 bn
Gearing (%)	46.9
Net Gearing (%)	35.8

Fixed:Floating 92.2% : 7.8%
 (Based on final exposure – Fixed:Floating 92.6% : 7.4%)

Weighted Average Cost of Debt 5.44%
 (Based on final exposure – 5.49%)

USD/RM	:	3.39
100YEN/RM	:	3.13
USD/YEN	:	108.31



*Total Debt	RM22.5 bn
Net Debt	RM17.4 bn
Gearing (%)	46.4
Net Gearing (%)	35.8

Fixed:Floating 92.8% : 7.2%
 (Based on final exposure – Fixed:Floating 98.7% : 1.3%)

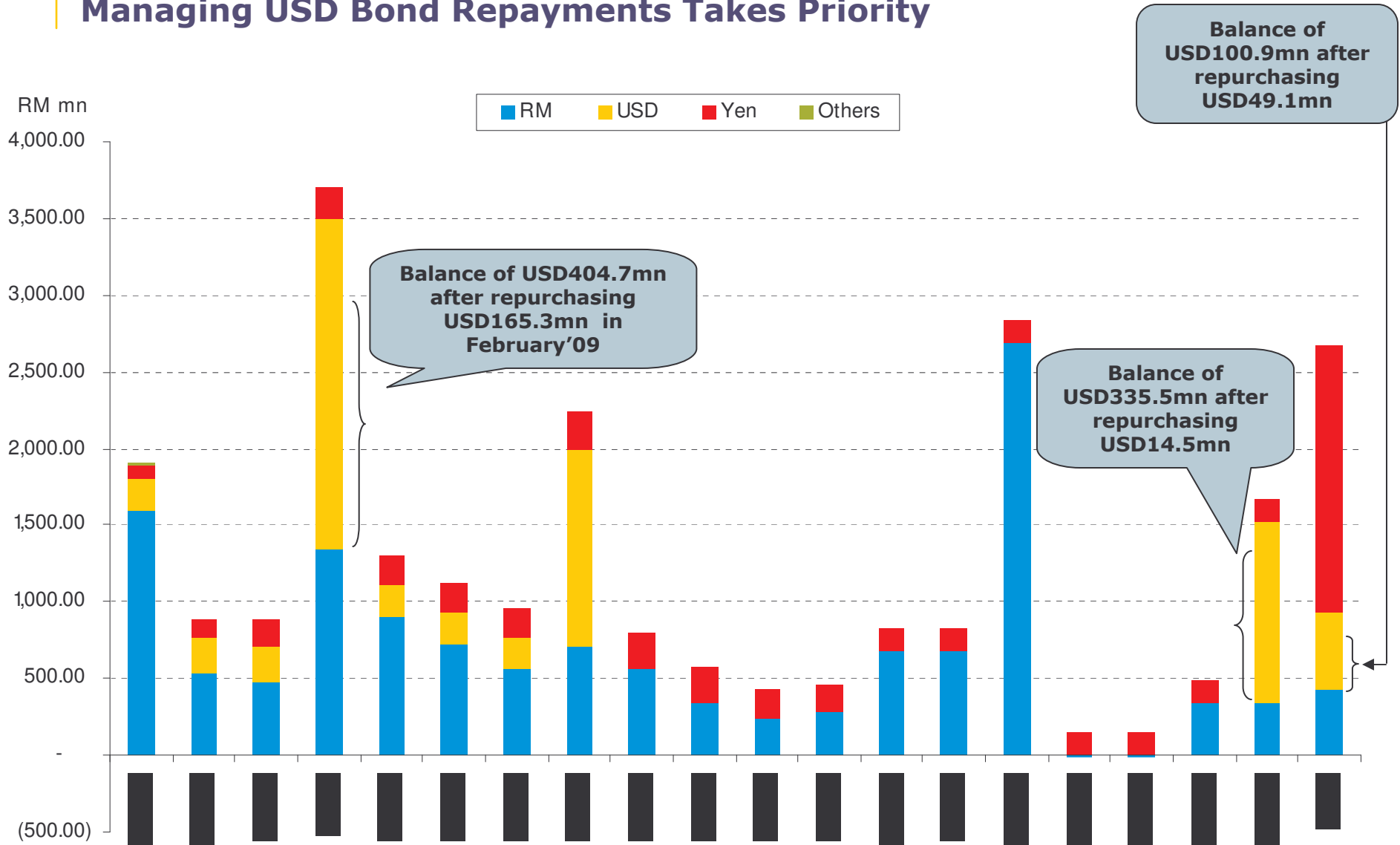
Weighted Average Cost of Debt 5.18%
 (Based on final exposure – 5.34%)

USD/RM	:	3.50
100YEN/RM	:	3.63
USD/YEN	:	96.42

* In accordance with FRS 132

DEBT LIABILITY PROFILE

Managing USD Bond Repayments Takes Priority

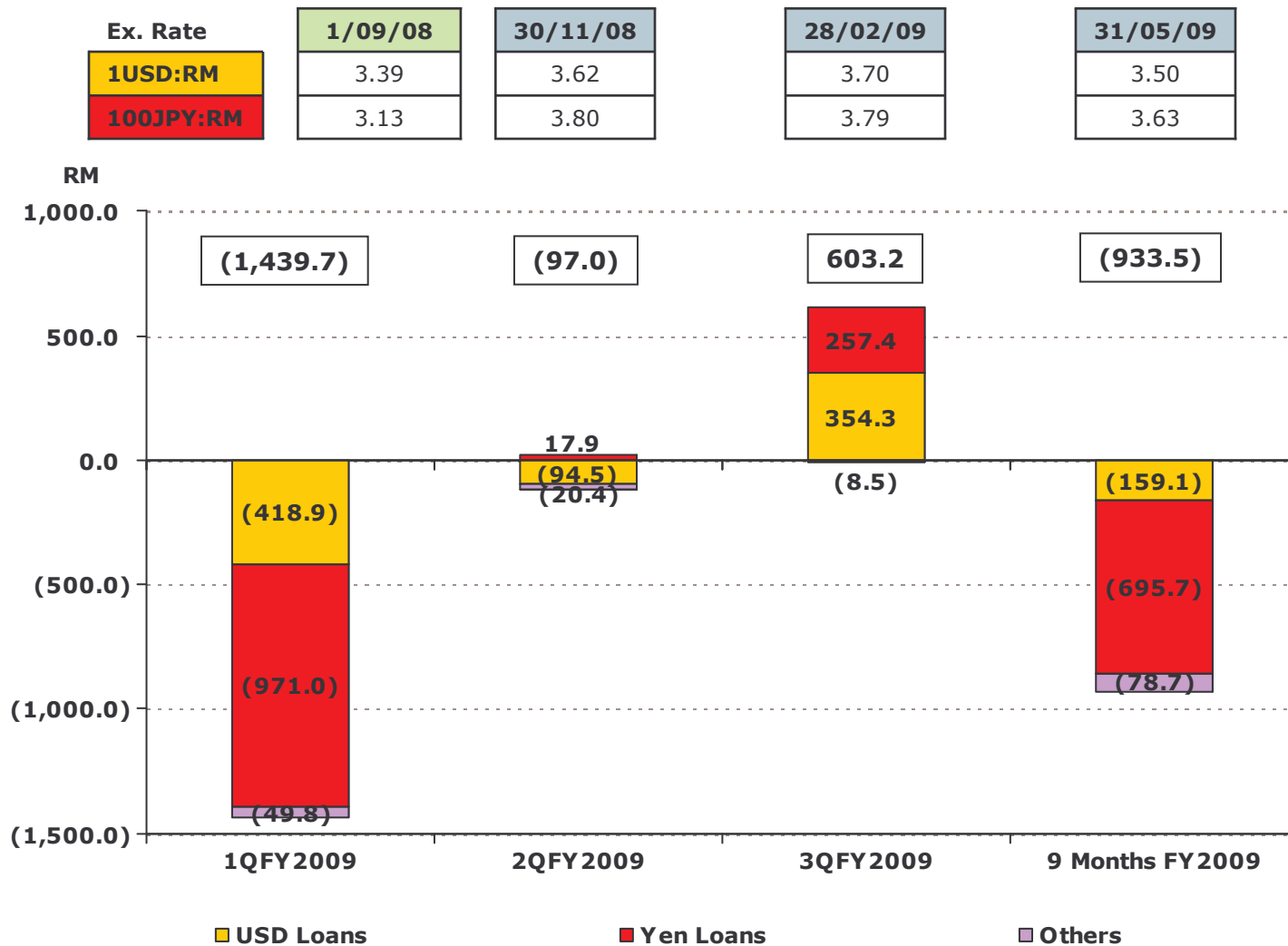


Underlying Long Term Loans & Derivatives as at 31st August 2008

ANALYSIS OF DEBT EXPOSURE

Quarterly Forex Translation Gain/(Losses)

3rd Qtr Forex Translation Gain From Stronger RM Against USD & Japanese Yen



CAPITAL EXPENDITURE

63.4% CAPEX Incurred To date Relate to Carried Forward Projects

67.7% CAPEX Incurred Relate to New Supply & System Improvements

9 Months FY'08

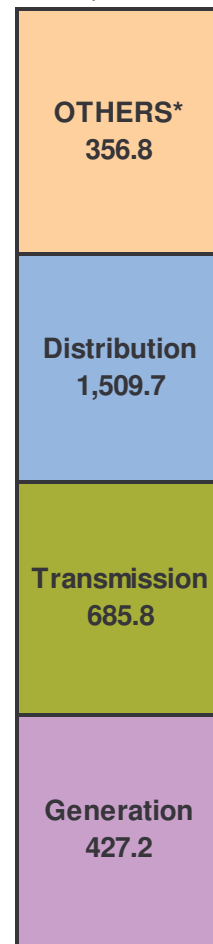
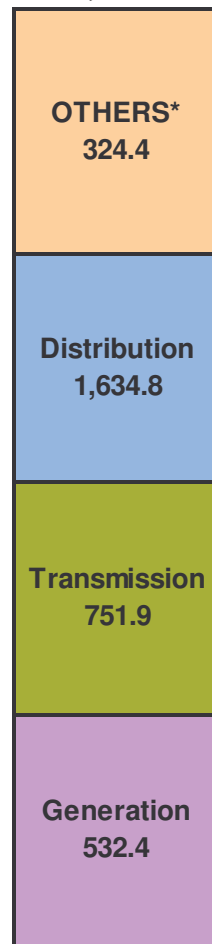
9 Months FY'09

RM mn

RM mn

3,243.5

2,979.5



New Supply	: RM1,118.8mn
Sys. Improvement	: RM 899.2mn

	Carried Forward Projects	New Projects
Assoc. with Gen. :	-	54.5
New Supply :	-	16.1
Sys. Improvement :	-	27.4
Others :	17.8	241.0
Total	17.8	339.0
New Supply :	483.8	411.6
Sys. Improvement :	369.6	143.2
Others :	-	101.5
Total	853.4	656.3
Assoc. with Gen. :	40.9	-
New Supply :	165.0	42.3
Sys. Improvement :	351.1	7.9
Others :	71.5	7.1
Total	568.5	56.3
Assoc. with Gen. :	389.8	37.4
Total	389.8	37.4

TOTAL CORE BUSINESS
2,622.7

* Includes SESB

CASHFLOW

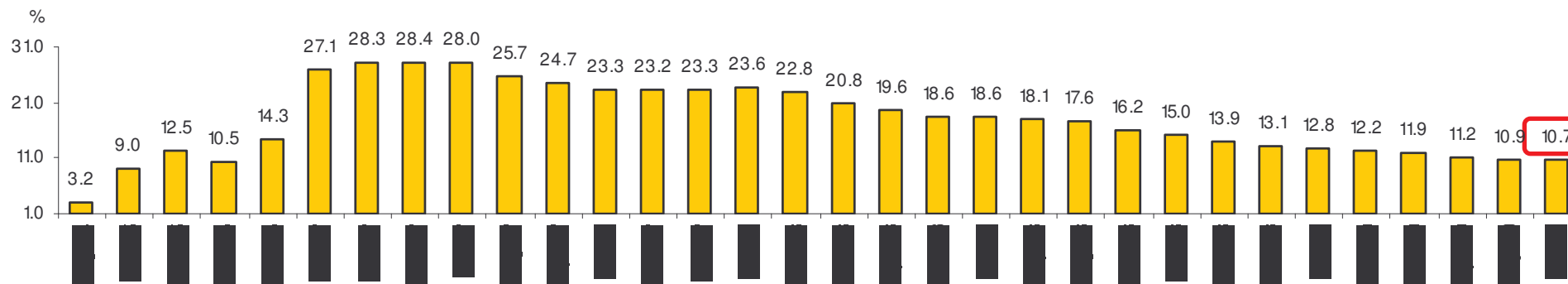
+ve Free Cashflows Reported at Company & Group Levels

	Group				Company			
	YTD FY'08	YTD FY'09			YTD FY'08	YTD FY'09		
	9 Months	3 Months	6 Months	9 Months	9 Months	3 Months	6 Months	9 Months
Cashflow From Operations	4,855.8	778.1	2,486.9	4,711.5	3,240.6	301.8	1,831.2	3,524.8
(-) Capex	(3,050.8)	(683.4)	(1,800.5)	(2,795.8)	(2,766.3)	(601.8)	(1,638.3)	(2,467.1)
(-) Interest Servicing	(924.8)	(258.2)	(617.3)	(857.5)	(639.0)	(180.2)	(438.7)	(596.0)
(+) Dividend from Subs/Assocs.	2.4	0.0	54.0	54.0	541.7	0.0	54.0	54.0
FREE CASH FLOW	882.6	(163.5)	123.1	1,112.2	377.0	(480.2)	(191.8)	515.7
(+) New Debt	942.8	330.7	628.0	652.1	348.0	40.2	65.0	249.2
(-) Repayment	(1,970.8)	(438.7)	(1,404.8)	(1,615.8)	(1,416.7)	(120.4)	(754.0)	(1,139.9)
(+) Proceeds from Issuance of Shares	13.2	0.8	0.8	1.6	13.2	0.8	0.8	1.6
Cash Flow After Debt Service	(132.2)	(270.7)	(652.9)	150.1	(678.5)	(559.6)	(880.0)	(373.4)
Others	(446.9)	53.4	(208.3)	(438.8)	(353.2)	45.3	(207.2)	315.9
Net Cash	(579.1)	(217.3)	(861.2)	(288.7)	(1,031.7)	(514.3)	(1,087.2)	(689.3)
Currency translation differences	(14.0)	2.0	2.6	(1.9)	0.0	0.0	0.0	0.0
Cash Balance	4,706.2	5,168.6	4,525.3	5,093.3	3,492.6	3,698.6	3,125.8	3,523.7

SHAREHOLDING

6% Increase in Government Agencies' Shareholding

Foreign Shareholding



Main Shareholdings

	Aug'07	Aug'08	May'09	Variance (May'09 & Aug'08)
Name	%	%	%	%
Khazanah Nasional Berhad	37.67	37.80	37.80	0.00
Employees Provident Fund Board	10.06	11.32	14.74	30.21
Skim Amanah Saham Bumiputera	7.23	8.94	8.79	(1.68)
Kumpulan Wang Persaraan	3.23	3.53	3.53	0.00
Other Corporations & Govt. Agencies	9.90	17.14	18.58	8.40
Subtotal	68.09	78.73	83.44	5.98
Foreign	25.67	17.64	10.89	(38.27)
Malaysian Public	6.24	3.63	5.67	56.20
Total	100.00	100.00	100.00	
Paid Up Capital (mn shares)	4,331.71	4,334.50	4,334.80	0.01

AGENDA

- ❑ **Highlights Of The Group's Performance**
- ❑ **Details Of The Group's Performance**
- ❑ **Q & A**

**We now open the session for
Q&A**

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