



UNAUDITED FINANCIAL RESULTS 4th QUARTER FY2009

26th October 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 August FY2009 (4th Quarter)

- Net profit before forex translation of RM408.6 million
- 6.6% increase in Group Revenue compared to 3rd Quarter FY2009 whilst Operating Expenses increased by 10.0%
- EBITDA margin at 22.6% compared to 25.7% for 3rd Quarter FY2009
- Forex translation loss of RM244.3 million

Full Year FY2009

- Net profit before forex translation of RM2,095.7 million
- 16.3% increase in Group Revenue against a 18.3% increase in Operating Expenses
- 2.6% reduction in unit electricity demand growth in Peninsula
- Average Coal price of USD90.2/mt (CIF)
- EBITDA margin at 25.2% compared to 29.9% for the corresponding period in FY2008
- Forex translation loss of RM1,177.8 million

FINANCIAL HIGHLIGHTS

FY2009 Reported Net Profit Before Forex Translation of RM2,095.7mn

RM mn

	FY2008	FY2009
Revenue	24,755.3	28,785.6
Operating Expenses	(21,508.1)	(25,443.9)
Other Operating Income	603.8	357.2
Operating Surplus	3,851.0	3,698.9
Finance Cost	(1,095.8)	(1,126.8)
Finance Income	191.0	177.1
Transaction Gain/(Loss)	(19.1)	(61.4)
Profit Before Tax & Translation Gain/(Loss)	2,972.0	2,720.9
Net Profit Before Translation Gain	2,540.8	2,095.7
Translation Gain/(Loss)	53.2	(1,177.8)
Profit/(Loss) for the period	2,600.4	853.0
Profit/(Loss) Attributable to:		
Equity Holders	2,594.0	917.9
Minority Interests	6.4	(64.9)
	2,600.4	853.0

FINANCIAL HIGHLIGHTS

Quarterly Analysis

- 4th Qtr Experienced 9.7% Demand Growth (4th Qtr vs 3rd Qtr)

- Decline in EBITDA Margin Arose from an Increase in Preventive Maintenance Initiatives & Year-End Provisions

RM mn	FY 2008	FY 2009	FY 2009			
			1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Total Units Sold (GWh)	90,650.2	87,780.4	22,587.0	20,580.8	21,278.7	23,333.9
Revenue	24,755.3	28,785.6	7,414.6	6,906.6	7,001.8	7,462.6
Operating Expenses (without depreciation)	17,952.8	21,882.4	5,822.8	4,885.2	5,307.4	5,867.0
Operating Income	603.8	357.2	56.4	100.5	107.4	92.9
EBITDA	7,406.3	7,260.4	1,648.2	2,121.9	1,801.8	1,688.5
EBITDA Margin (%)	29.9%	25.2%	22.2%	30.7%	25.7%	22.6%
Depreciation and Amortisation	3,555.3	3,561.5	757.4	961.0	890.6	952.5
EBIT	3,851.0	3,698.9	890.8	1,160.9	911.2	736.0
EBIT Margin (%)	15.6%	12.8%	12.0%	16.8%	13.0%	9.9%
Finance Income	191.0	177.1	51.6	51.3	32.3	41.9
Finance Cost	1,095.8	1,126.8	285.2	286.8	273.7	281.1
Profit Before Tax & Forex Translation	2,972.0	2,720.9	667.0	912.4	637.1	504.4
Net Profit Before Forex Translation	2,540.8	2,095.7	495.6	771.6	419.9	408.6
Translation Gain / (Loss)	53.2	(1,177.8)	(1,439.7)	(97.0)	603.2	(244.3)
Net Profit / (Loss) attributable to :						
Equity Holders	2,594.0	917.9	(944.1)	674.6	1,023.1	164.3
Minority Interest	6.4	(64.9)	3.4	(20.1)	(17.3)	(30.9)

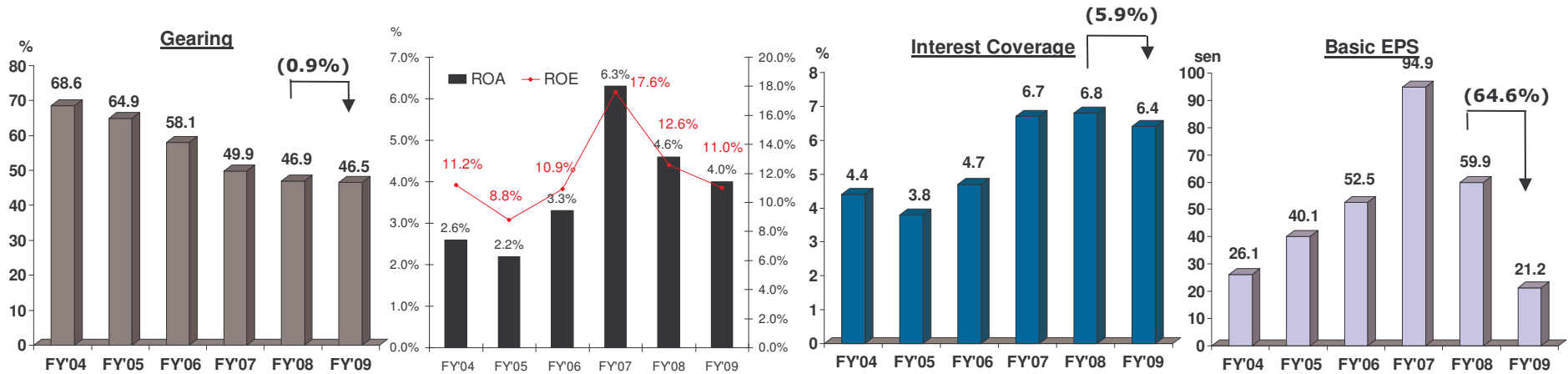
Coal Prices & Forex Impact

	FY2008	FY2009	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
			FY 2009	FY 2009	FY 2009	FY 2009
Average Coal Price Consumed (USD/MT) (CIF)	76.4	90.2	113.9	85.8	79.9	81.4
Coal Consumption* (mn MT)	12.5	11.6	3.0	2.0	2.9	3.7

FINANCIAL & TECHNICAL PERFORMANCE TRENDS

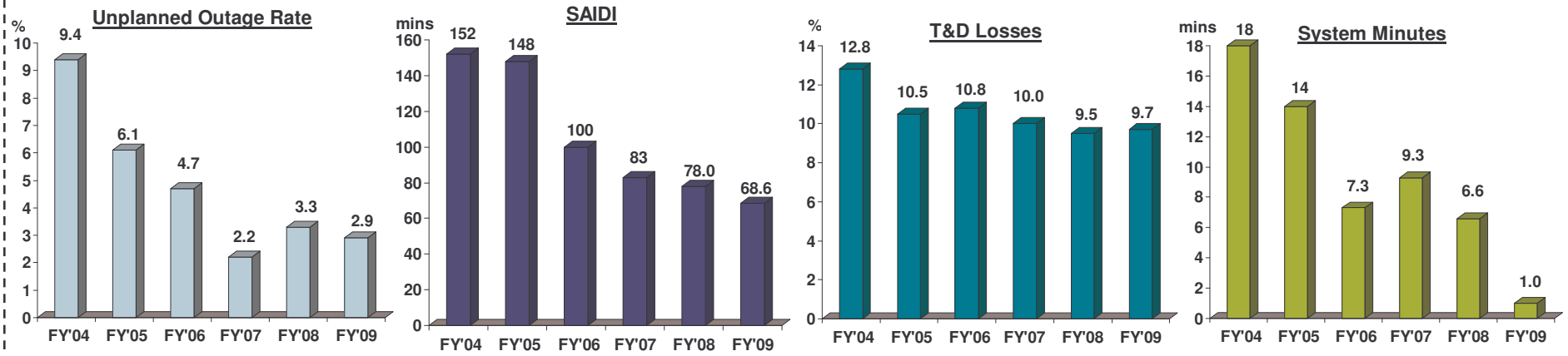
Financial Performance Reflects the Challenges Faced in FY2009 From Negative Electricity Demand Growth & Volatility in Coal Prices

Financial Ratios



Nevertheless, Our Commitment to Achieve Service Excellence 10/10 Continues

Technical Performance



HEADLINE KEY PERFORMANCE INDICATORS

Focus on Driving Technical Efficiencies to Improve Financial Performance

Initiatives	FY'08 Actual	FY'09				
		Target	3 Months	6 Months	9 Months	12 Months
Return on Assets (ROA)	4.6%	3.7% *	¹ 3.9%	¹ 4.8%	¹ 4.3%	4.0%
Gearing	46.9%	48 - 50%	49.3%	48.3%	46.4%	46.5%
Unplanned Outage Rate (UOR) **	3.3%	3 - 3.5%	2.8%	4.1%	3.5%	2.9%
T&D Losses	9.5%	9 - 9.5%	² 9.6% ³ 8.5%	² 9.9% ³ 9.2%	² 9.9% ³ 9.8%	9.7% 9.7%
Transmission System Minutes (mins)	6.6	6.5 - 7.0	0.4	0.7	0.9	1.0
Distribution SAIDI (mins)	78.0	75 - 80	22.9	42.4	54.4	68.6

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

* 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 M-O-M IN PENINSULA

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

UNITS SALES		FY 2008				FY 2009												FY 2010
		9 Mths	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Industrial	Gwh	29,997	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	3,178	3,346	3,330
	Growth (%)	6.0	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)	(7.0)	(6.1)	(4.9)
Commercial	Gwh	19,992	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	2,429	2,549	2,385
	Growth (%)	8.1	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	6.4	9.1	1.5
Domestic	Gwh	11,781	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	1,456	1,524	1,541
	Growth (%)	5.5	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	9.0	13.5	16.9
Others	Gwh	896	102	99	105	100	107	101	100	106	113	98	103	105	103	99	229	106
	Growth (%)	9.7	10.9	5.3	28.0	(1.0)	9.2	2.0	2.0	1.9	11.9	2.1	6.2	2.9	1.0	0.0	118.1	6.0
TOTAL	Gwh	62,666	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	7,162	7,648	7,362
	Growth (%)	6.6	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)	0.4	4.1	1.3

	FY 2008	FY 2009
Growth (%)	6.1	(2.6)

1st Qtr FY'09
1.1%

2nd Qtr FY'09
(7.6)%

3rd Qtr FY'09
(4.7)%

4th Qtr FY'09
0.6%

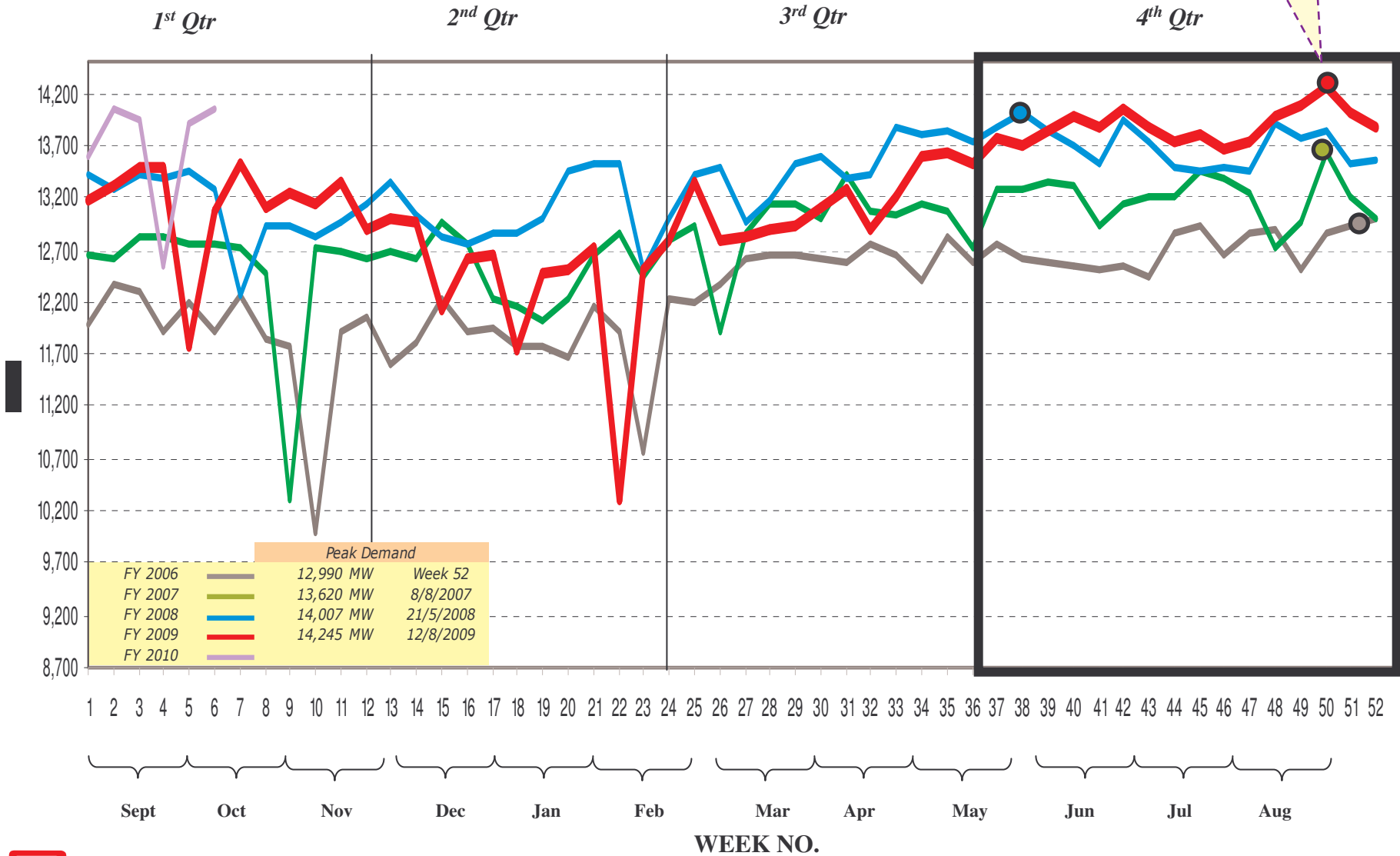
M-o-M shows (-)ve 3.7% due to holidays in Sept'09

SYSTEM WEEKLY PEAK DEMAND - PENINSULA

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

A New Record

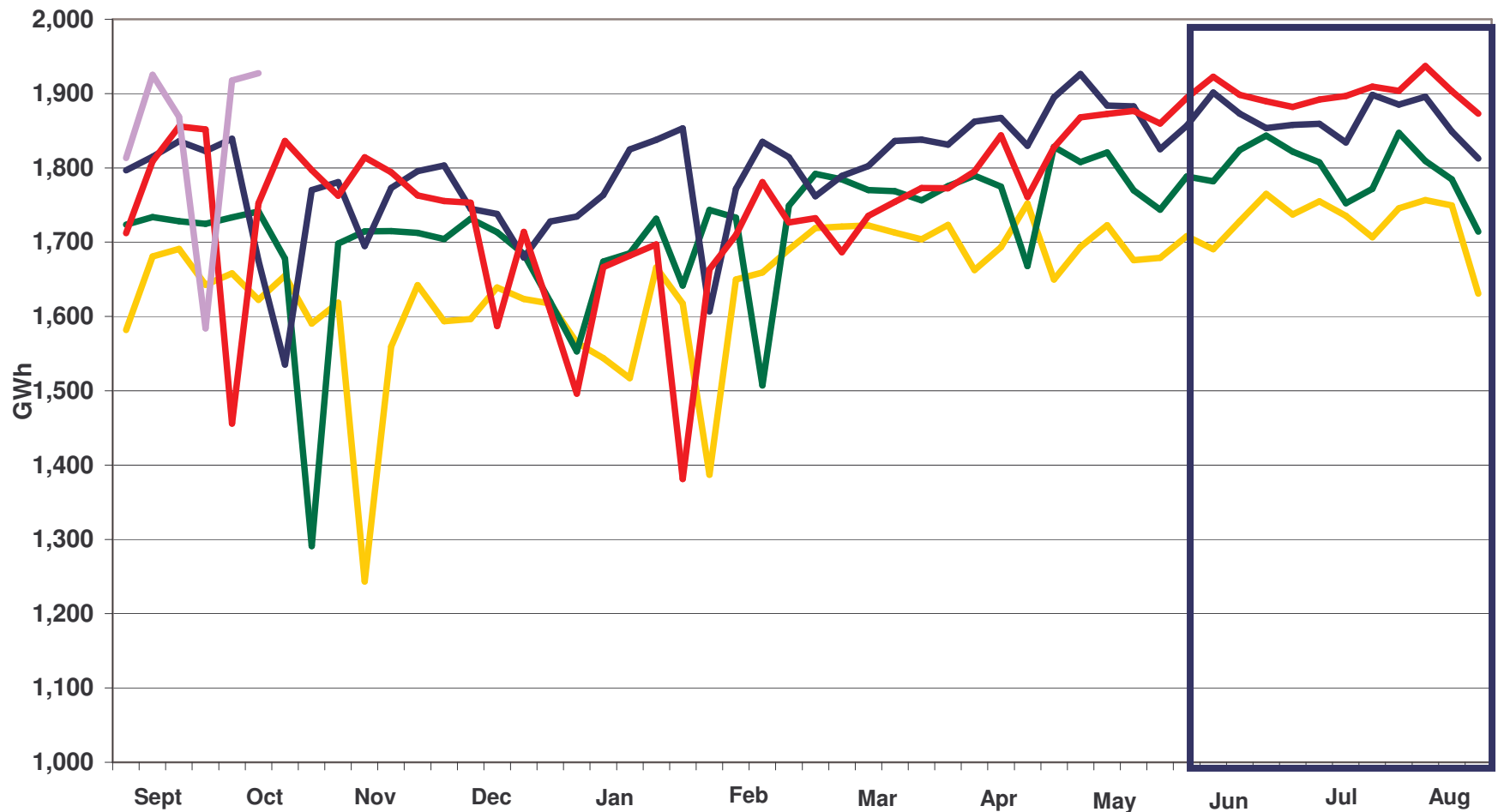
14,245MW
(12/08/09)



WEEKLY ELECTRICITY DEMAND GROWTH - PENINSULA

For FY2005/06 to FY2008/09 (Sept - Aug Period)
Electricity Demand Growth Signals a Better Outlook

Weekly Generation (GWh) – Week Ending 11/10/2009



ANNOUNCEMENT ON DIVIDEND FOR FY2009

- In line with our Dividend Policy, the Board of Directors has recommended a final dividend of **10.0 sen gross** per ordinary share less income tax of 25%, and a tax exempt dividend of 2.3 sen per ordinary share.
- The total final dividend payable is equivalent to gross dividend of **13.07 sen**.
- The total dividend for FY2009 of **17.77 sen** represents 54.4% of the Company's free cashflow. In total, dividend paid/payable for FY2009 is **RM576.8mn**.
- The final dividend is subject to the approval of the shareholders of TNB at the forthcoming Annual General Meeting.
- The Books Closure period for dividend entitlement & dividend payment date will be announced later.

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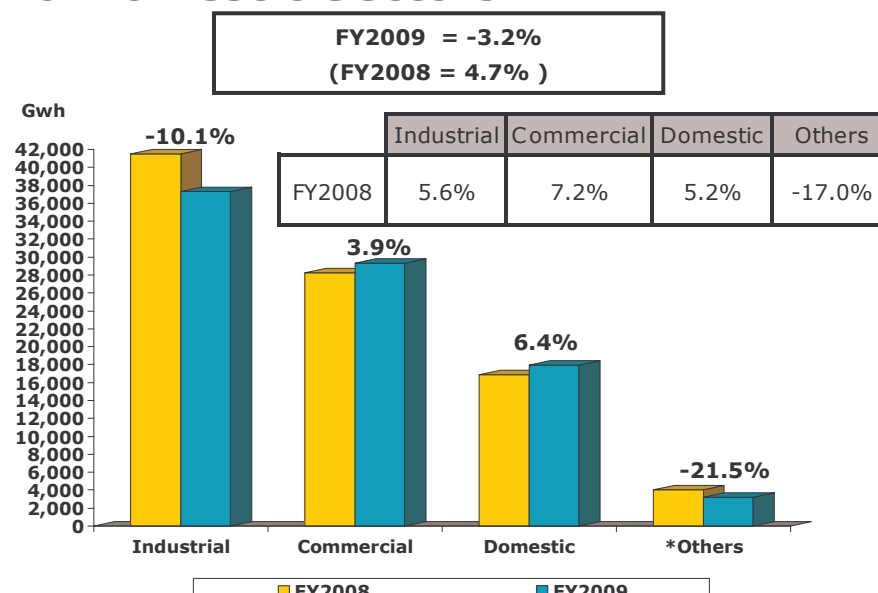
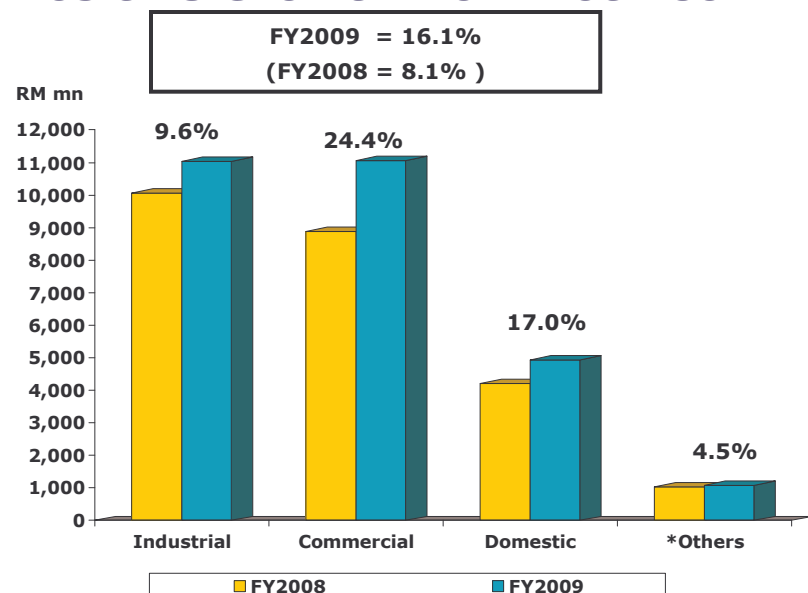
Details Of The Group's Performance

"Service Excellence 10/10"

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

ANALYSIS OF ELECTRICITY GROWTH BY SECTORS (GROUP)

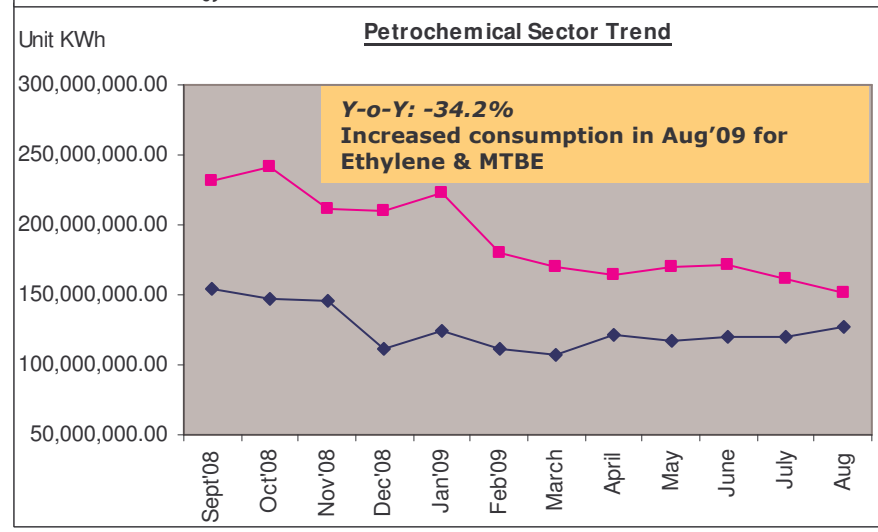
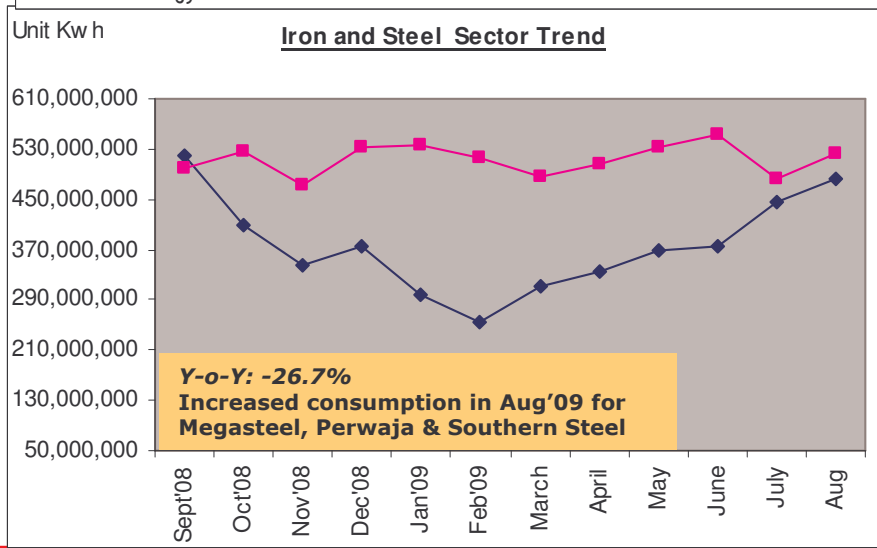
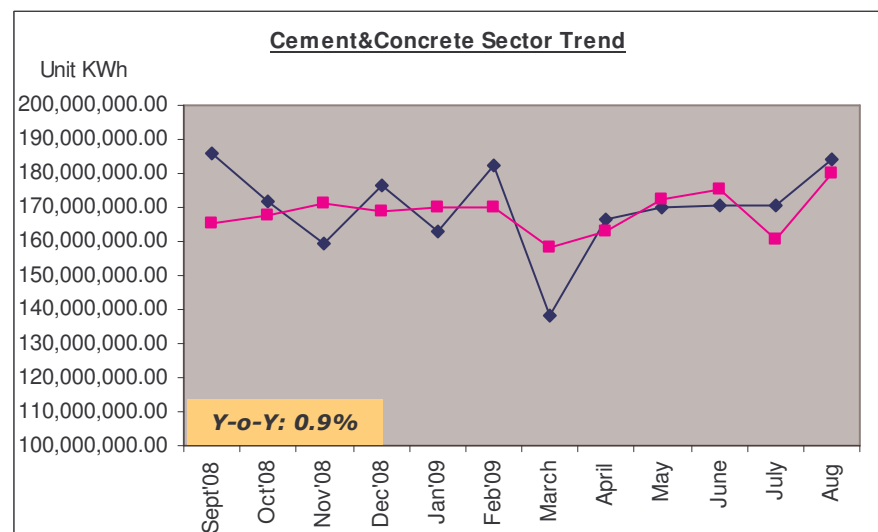
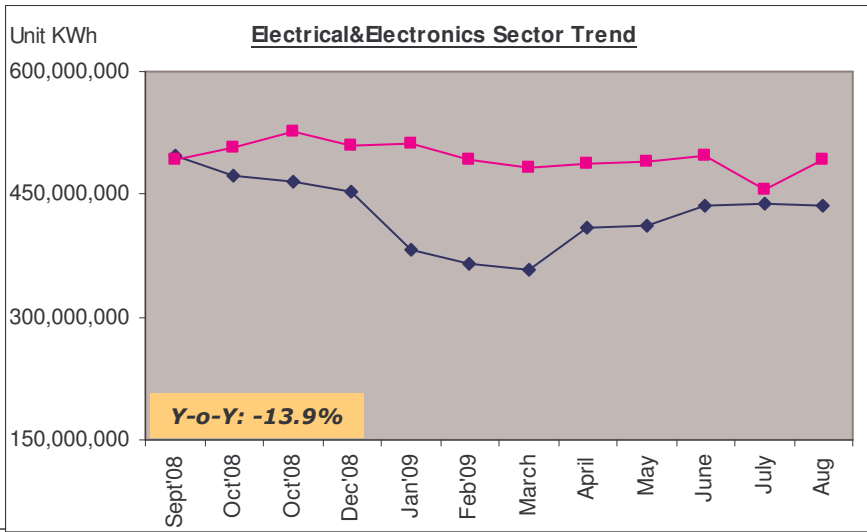
Positive Growth from Both Commercial & Domestic Sectors



	FY2008	Sen/ KWh	FY2009	Sen/ KWh	Growth %
UNITS SOLD	GWh		GWh		
- TNB	84,464.0		82,275.6		(2.6)
- EGAT (Export)	1,152.9		166.8		(85.5)
- SESB	3,384.7		3,734.4		10.3
- LPL	1,648.6		1,603.6		(2.7)
Total units sold (Gwh)	90,650.2		87,780.4		(3.2)
REVENUE	RM mn		RM mn		
Sales of Electricity					
- TNB	22,555.0	26.7	26,388.2	32.1	17.0
- EGAT (Export)	206.6	17.9	38.2	22.9	(81.5)
- SESB	853.9	25.2	953.7	25.5	11.7
- LPL	574.6	34.9	703.7	43.9	22.5
Total Sales of Electricity	24,190.1	26.7	28,083.8	32.0	16.1
Goods & Services	220.1		345.4		56.9
Deferred Income	345.1		356.4		3.3
TOTAL REVENUE	24,755.3		28,785.6		16.3

SECTORAL ANALYSIS – INDUSTRIAL SECTOR (PENINSULA)

The Gap Is Narrowing – Continuing Upward Trend From Iron & Steel and Cement & Concrete Sectors

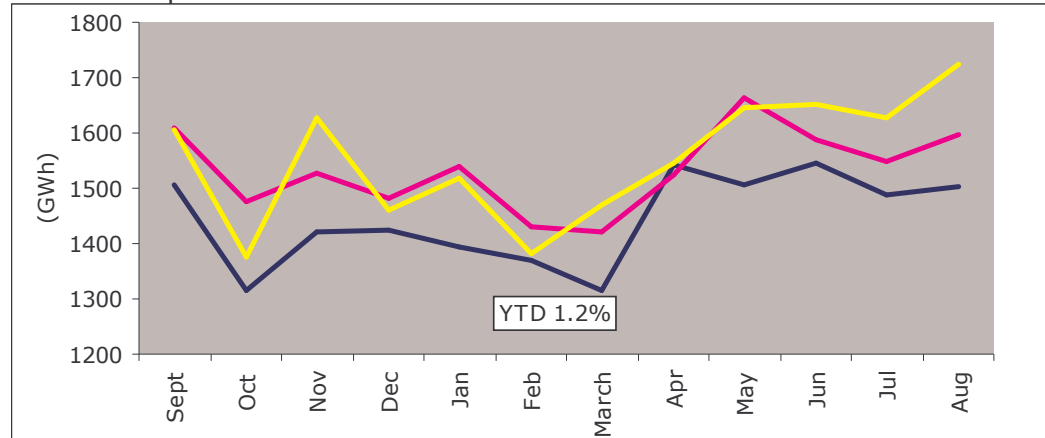


SECTORAL ANALYSIS – COMMERCIAL SECTOR (PENINSULA)

Upward Trend Continues

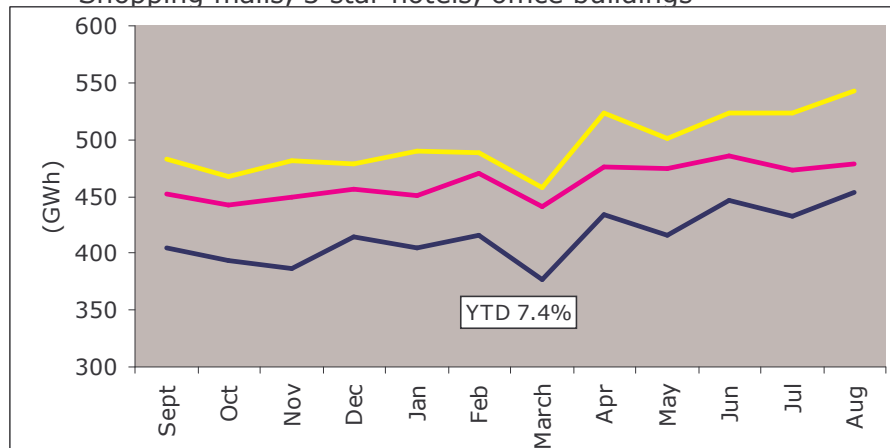
Low Voltage

Shop Lots & Retail Business



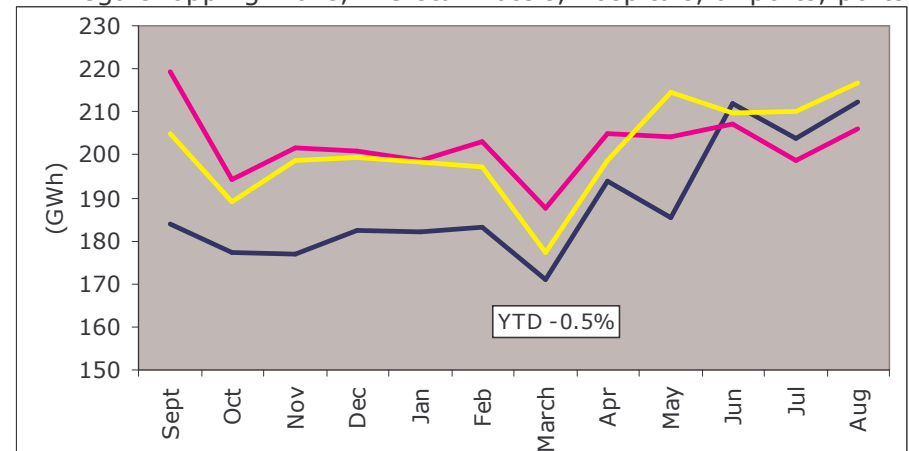
Medium Voltage

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 in Preventive Maintenance & Year-End Provisions Accounted for the Higher Operating Expenses in 4th Quarter

RM mn	FY2008	FY2009					Increase/ (Decrease)	
	12 Months	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Months	(RM mn)	(%)
Revenue	24,755.3	7,414.6	6,906.6	7,001.8	7,462.6	28,785.6	4,030.3	16.3%
Total IPPs Purchases	9,454.1	3,036.1	2,674.7	3,017.8	3,098.4	11,827.0	2,372.9	25.1%
Fuel Costs	4,156.6	1,580.6	1,174.4	1,094.5	1,297.9	5,147.4	990.8	23.8%
Repair & Maintenance	990.2	222.4	229.0	282.2	441.2	1,174.8	184.6	18.6%
Staff Costs	2,342.7	709.3	587.6	574.1	555.8	2,426.8	84.1	3.6%
TNB General Expenses	671.1	89.6	209.8	217.7	236.7	753.8	82.7	12.3%
* Subs. General Exp., Cost of Sales, Other Subs & Provisions	338.1	184.8	9.7	121.1	237.0	552.6	214.5	63.4%
Depreciation	3,555.3	757.4	961.0	890.6	952.5	3,561.5	6.2	0.2%
Total Operating Expenses	21,508.1	6,580.2	5,846.2	6,198.0	6,819.5	25,443.9	3,935.8	18.3%

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

COST PER UNIT

- Y-o-Y Group IPP & Fuel Cost Increased from 15.0sen/kwh to 19.4sen/kwh
- Profit Margin Reduced to 1.6 sen/kwh

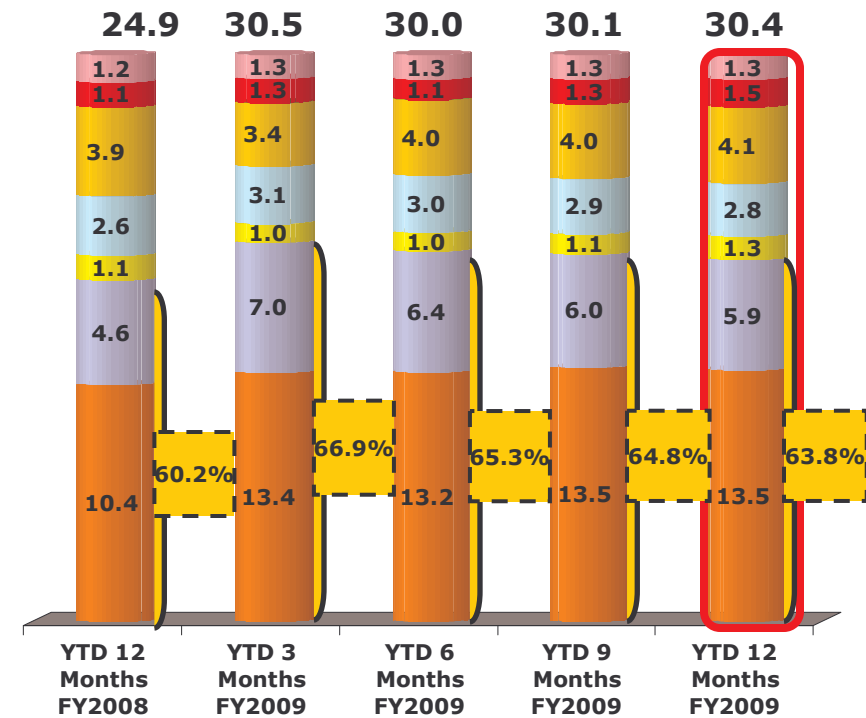
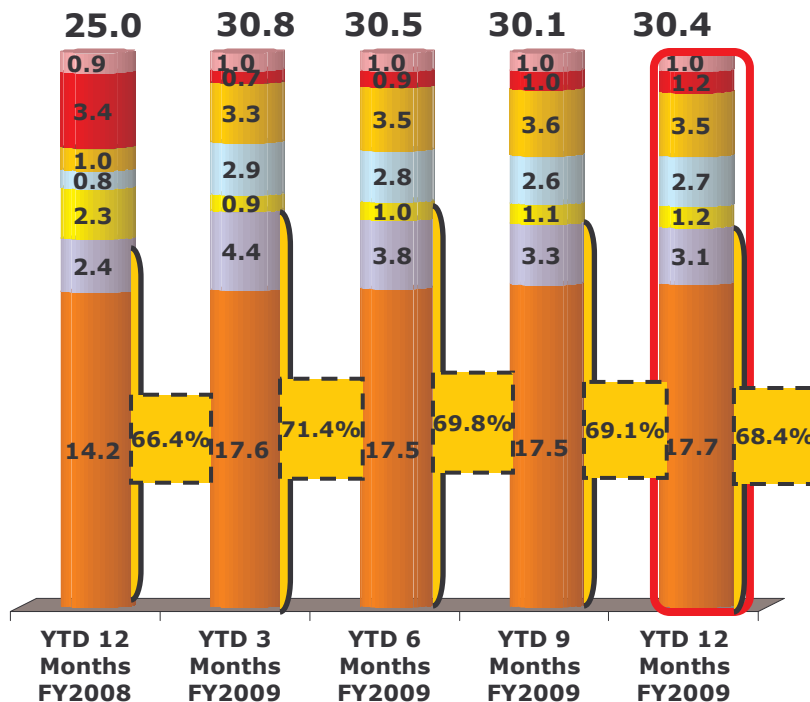
Company

Group

sen/kwh	FY2008	FY2009
Average Selling Price	26.7	32.0
Cost Per Unit	24.9	30.4
Margin	1.8	1.6

Average selling price : 32.1 sen/kwh

Average selling price : 32.0 sen/kwh



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

* General expenses exclude TNB Fuel's 3rd Party Cost of Sales as TNB Fuel is now treated as an agent
 ** Company's IPP cost includes TNBJ & KEV

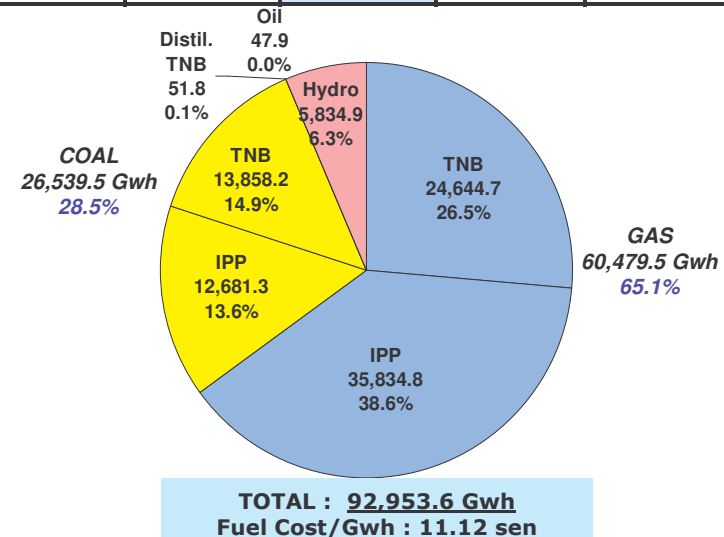
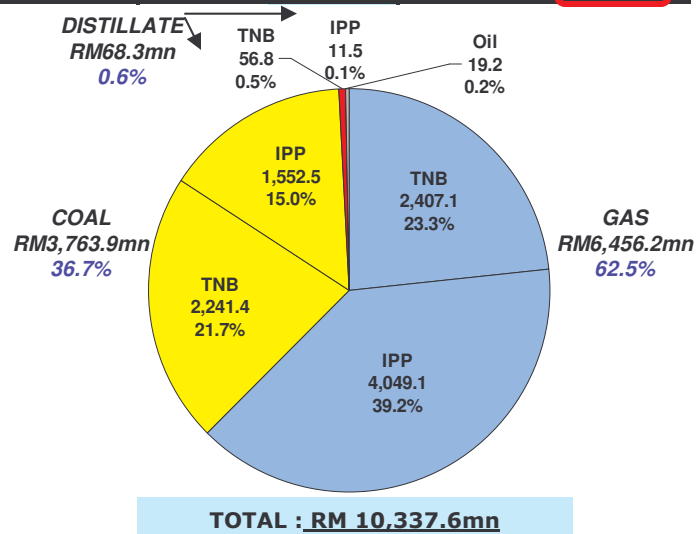
INDUSTRY GENERATION IN PENINSULA (TNB & IPPs) Y-o-Y ANALYSIS

45.8% Increase in Fuel Cost From:

- i) Increase in Gas & Coal Prices
- ii) Increase in Coal Generation from Lower Gas Allocation & Decline in Hydro Generation

Fuel Cost (RM mn)				
Fuel Type	12 Months		Variance	
	FY 2008	FY 2009	RM mn	%
Gas	3,851.3	6,456.2	2,604.9	67.6
Coal*	3,138.8	3,793.9	655.1	20.9
Dist.	64.0	68.3	4.3	6.7
Oil	34.9	19.2	(15.7)	(45.0)
Hydro	0.0	0.0	-	-
Total	7,089.0	10,337.6	3,248.6	45.8

Units Generated (Gwh)				
Fuel Type	12 Months		Variance	
	FY 2008	FY 2009	Gwh	%
Gas	61,136.8	60,479.5	(657.3)	(1.1)
Coal	27,481.0	26,539.5	(941.5)	(3.4)
Dist.	39.1	51.8	12.7	32.5
Oil	133.0	47.9	(85.1)	(64.0)
Hydro	6,598.3	5,834.9	(763.4)	(11.6)
Total	95,388.2	92,953.6	(2,434.6)	(2.6)

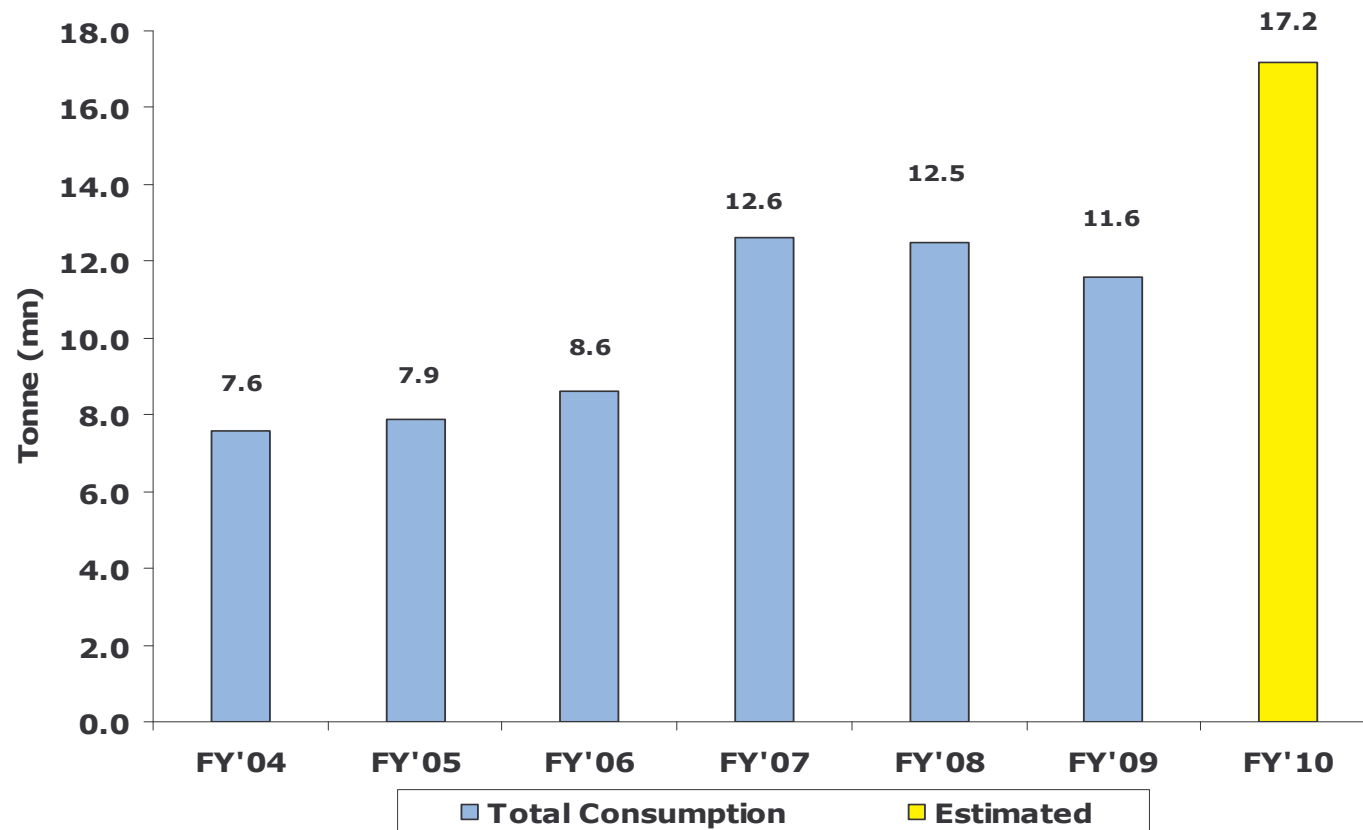


	FY2008	FY2009
Total Coal Consumption	12.5mn MT	11.6mn MT
Average Contracted Price of coal consumed	USD76.4/MT	USD90.2/MT

COAL REQUIREMENT

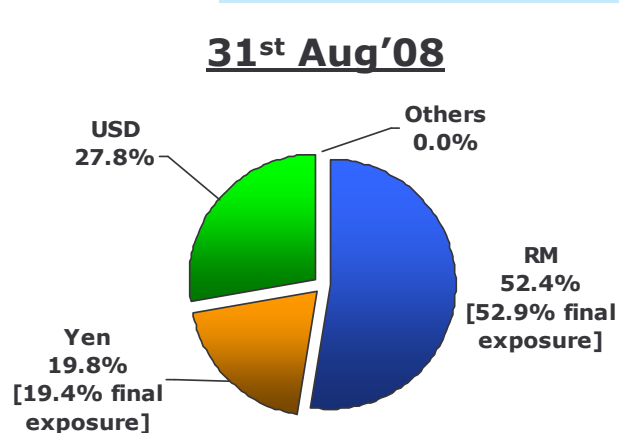
- Coal Procurement Estimate for FY2010 at 17.2mt

	FY'04	FY'05	FY'06	FY'07	FY'08	FY'09	FY'10 (estimate)
Average Coal Price (CIF) (USD/metric tonne)	34.0	49.8	52.8	45.3	76.4	90.2	88.03



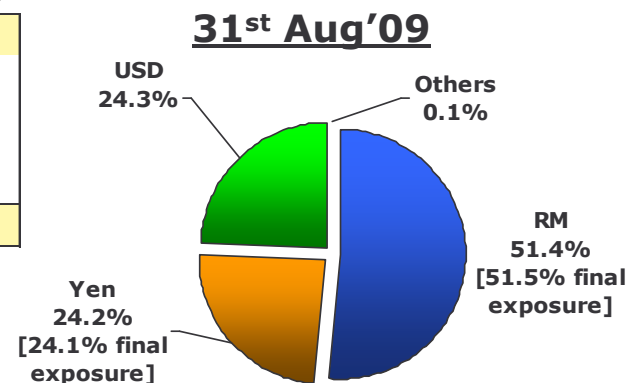
ANALYSIS OF DEBT EXPOSURE

- USD Exposure Reduced from 27.8% to 24.3% Resulting from USD Bond Buybacks
- Japanese Yen Exposure Increased from 19.8% to 24.2%



RM bn

Total Debt as at 31/08/08	22.7
Less:	
Debt Repayments	(1.8)
Add:	
Drawdowns	0.6
Forex Translation Loss	1.1
Total Debt as at 31/08/09	22.6



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

*Total Debt	RM22.6bn
Net Debt	RM16.5 bn
Gearing (%)	46.5
Net Gearing (%)	33.8

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

Fixed:Floating 92.9% : 7.1%
(Based on final exposure – Fixed:Floating 98.7% : 1.3%)

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

Weighted Average Cost of Debt 5.16%
(Based on final exposure – 5.32%)

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

USD/RM	:	3.53
100YEN/RM	:	3.75
USD/YEN	:	94.13

As at 22nd Oct 2009

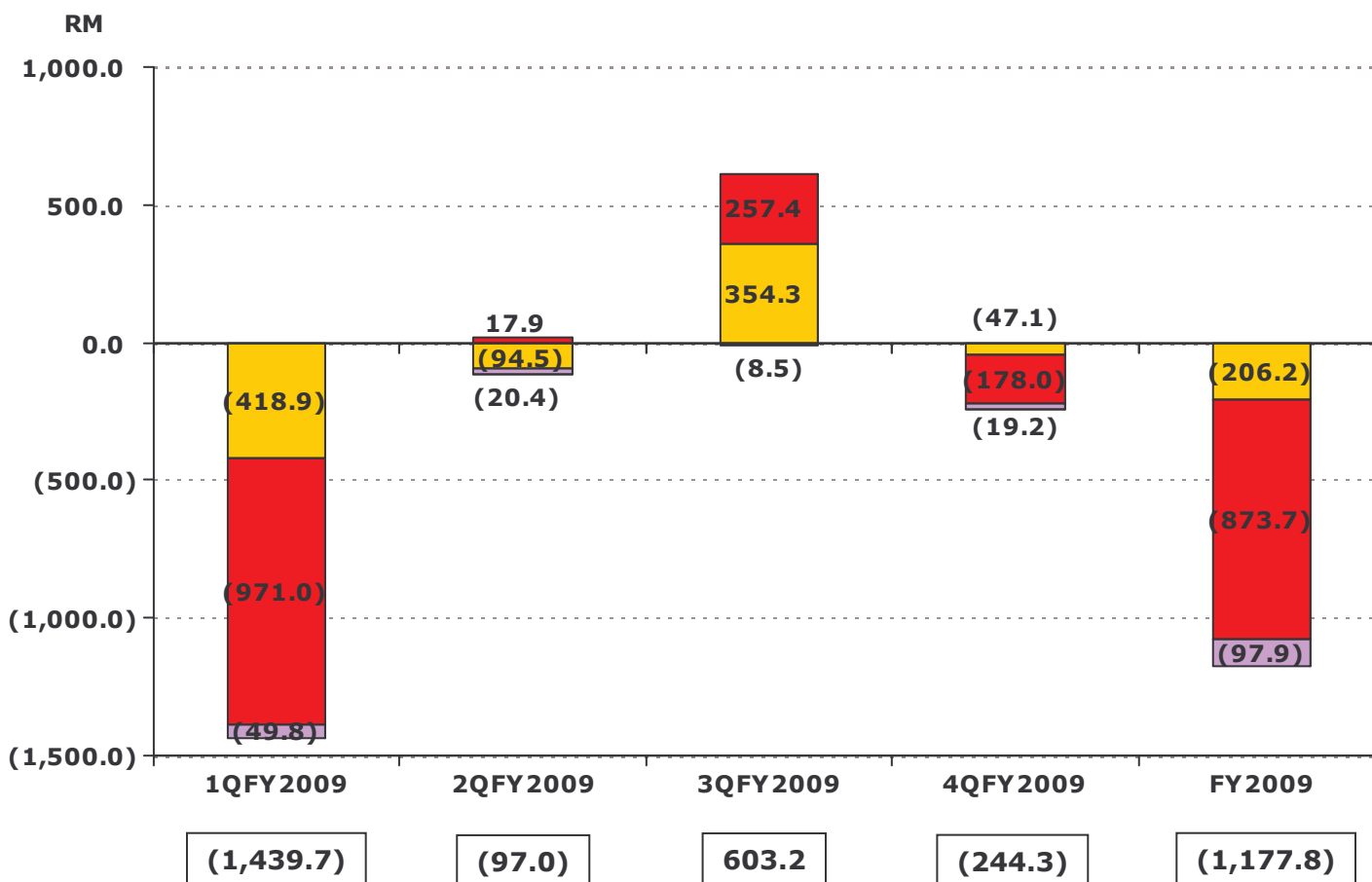
USD/RM	:	3.40
100YEN/RM	:	3.72
USD/YEN	:	91.47

* In accordance with FRS 132

DEBT EXPOSURE & FOREX

FY'09 Translation Losses – 74.2% from Japanese Yen Exposure and 17.5% from USD Exposure

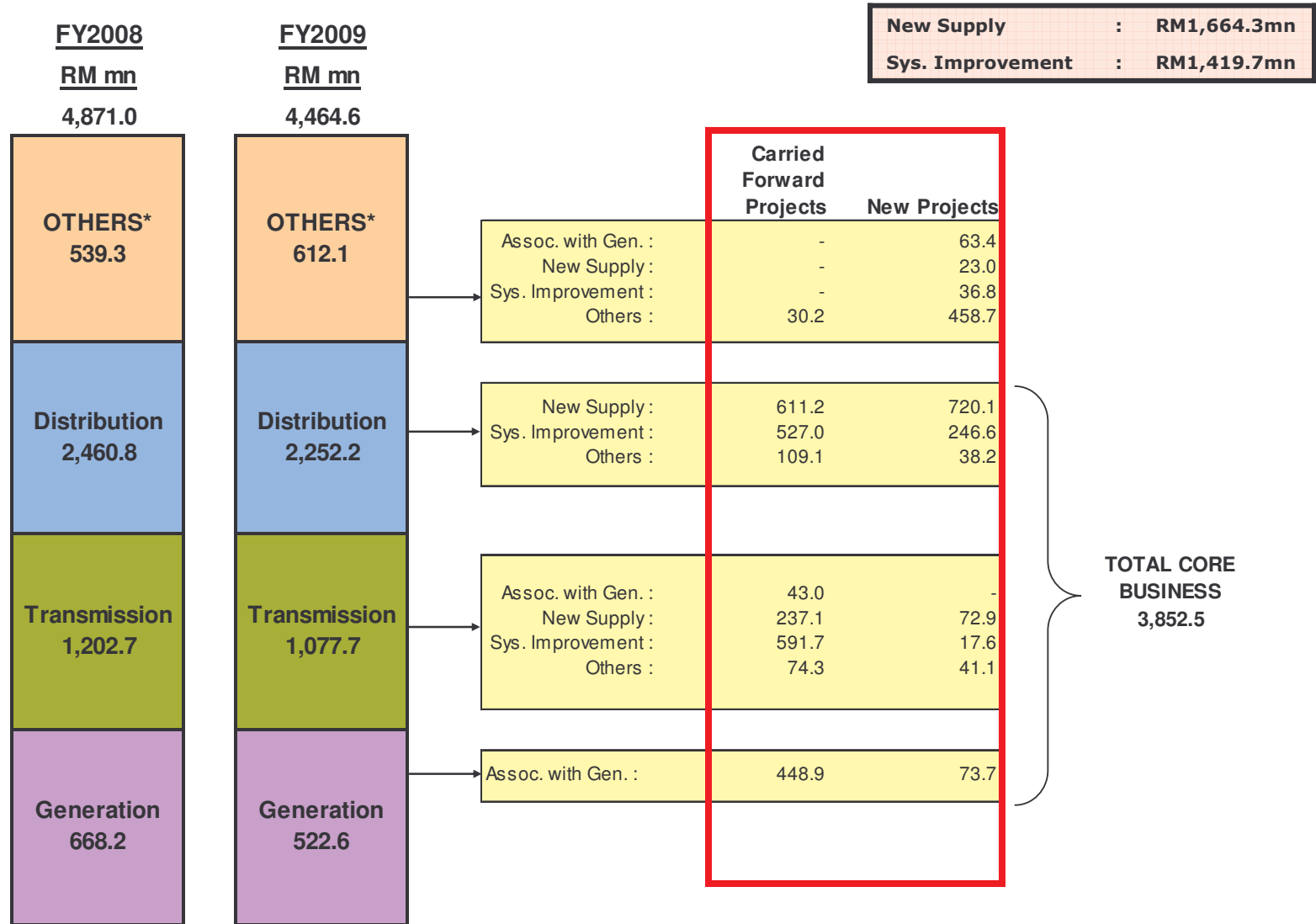
Ex. Rate	1/09/08	30/11/08	28/02/09	31/05/09	31/08/09	22/10/09
1USD:RM	3.39	3.62	3.70	3.50	3.53	3.40
100JPY:RM	3.13	3.80	3.79	3.63	3.75	3.72
USD:100JPY	108.43	95.26	97.63	96.42	94.13	91.47



CAPITAL EXPENDITURE

59.9% CAPEX Incurred on Carried Forward Projects

67.7% CAPEX Incurred Relate to New Supply & System Improvements



* Includes SESB

CASHFLOW

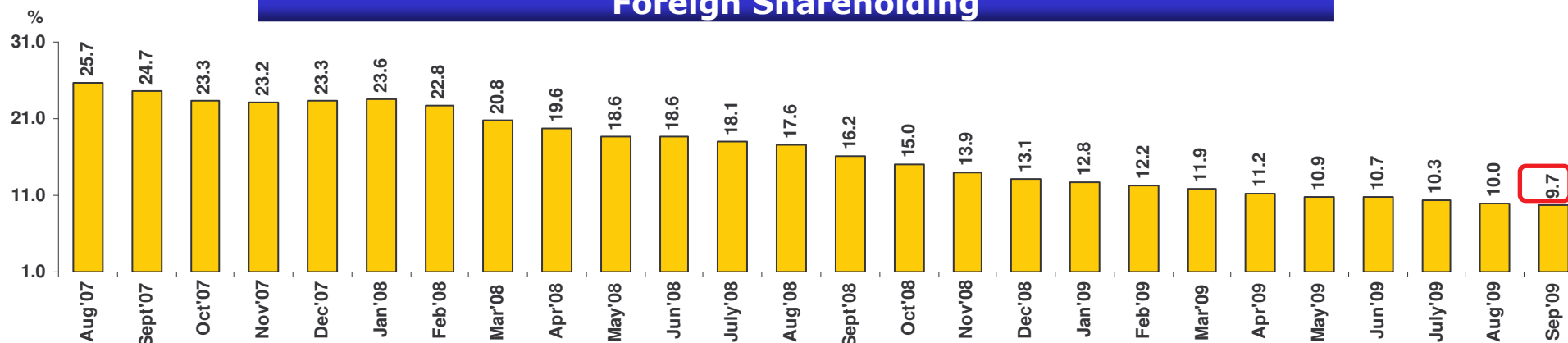
+ve Free Cashflows Reported at Company & Group Levels

41.9% & 52.4% Increase in Group and Company Free Cashflow Respectively from Lower Capital Expenditure

	Group					Company				
	FY2008	YTD FY'09				FY2008	YTD FY'09			
	12 Mths	3 Mths	6 Mths	9 Mths	12 Mths	12 Mths	3 Mths	6 Mths	9 Mths	12 Mths
Cashflow From Operations	7,341.4	778.1	2,486.9	4,711.5	7,409.9	5,508.1	301.8	1,831.2	3,524.8	5,930.4
(-) Capex	(4,607.4)	(683.4)	(1,800.5)	(2,795.8)	(4,128.4)	(4,137.6)	(601.8)	(1,638.3)	(2,467.1)	(3,575.1)
(-) Interest Servicing	(1,225.1)	(258.2)	(617.3)	(857.5)	(1,188.8)	(876.6)	(180.2)	(438.7)	(596.0)	(829.8)
(+) Dividend from Subs/ Assocs.	3.6	0.0	54.0	54.0	54.0	542.9	0.0	54.0	54.0	54.1
FREE CASH FLOW	1,512.5	(163.5)	123.1	1,112.2	2,146.7	1,036.8	(480.2)	(191.8)	515.7	1,579.6
(+) New Debt	815.8	330.7	628.0	652.1	592.2	375.4	40.2	65.0	249.2	289.0
(-) Repayment	(1,967.3)	(438.7)	(1,404.8)	(1,615.8)	(1,796.7)	(1,461.0)	(120.4)	(754.0)	(1,139.9)	(1,178.2)
(+) Proceeds from Issuance of Shares	19.6	0.8	0.8	1.6	15.2	19.6	0.8	0.8	1.6	15.2
Cash Flow After Debt Service	380.6	(270.7)	(652.9)	150.1	957.4	(29.2)	(559.6)	(880.0)	(373.4)	705.6
Others	(275.9)	53.4	(208.3)	(438.8)	(174.5)	(282.2)	45.3	(207.2)	315.9	271.2
Net Cash	104.7	(217.3)	(861.2)	(288.7)	782.9	(311.4)	(514.3)	(1,087.2)	(689.3)	976.8
Currency translation differences	(20.1)	2.0	2.6	(1.9)	(2.9)	0.0	0.0	0.0	0.0	0.0
Cash Balance	5,383.9	5,168.6	4,525.3	5,093.3	6,163.9	4,213.0	3,698.6	3,125.8	3,523.7	5,189.8

SHAREHOLDING

Foreign Shareholding



Main Shareholdings

	Aug'07	Aug'08	Aug'09	Variance (Aug'09 & Aug'08)
Name	%	%	%	%
Khazanah Nasional Berhad	37.67	37.80	37.78	(0.05)
Employees Provident Fund Board	10.06	11.32	13.99	23.59
Skim Amanah Saham Bumiputera	7.23	8.94	9.60	7.38
Kumpulan Wang Persaraan	3.23	3.53	3.15	(10.76)
Other Corporations & Govt. Agencies	9.90	17.14	19.51	13.83
Subtotal	68.09	78.73	84.03	6.73
Foreign	25.67	17.64	10.01	(43.25)
Malaysian Public	6.24	3.63	5.96	64.19
Total	100.00	100.00	100.00	
Paid Up Capital (mn shares)	4,331.71	4,334.50	4,337.00	0.06

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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