AUDITED FINANCIAL RESULTS FOR THE 4TH QUARTER FY2011 AND FINANCIAL YEAR ENDED 31ST AUGUST 2011

28th October 2011

AGENDA

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

Highlights of The Group's Performance

"Powering The Nation"

KEY HIGHLIGHTS

3-month ended 31 August 2011 (4th Quarter FY2011)

- Net Loss of RM453.9 million
- 17.4% increase in Group Revenue compared to 3rd Quarter FY2011 against 12.5% increase in Operating Expenses
- Average Coal Price of USD117.3/mt

Full Year FY2011

- Net Profit of RM499.5 million
- 6.2% increase in Group Revenue against a 19.1% increase in Operating Expenses
- Additional fuel cost of RM2.1 billion from oil and distillate
- EBITDA margin at 16.1% compared to 26.8% reported in FY2010
- 3.1% Unit Electricity Demand growth in Peninsular Malaysia
- Average Coal Price of USD 106.9/mt

FINANCIAL HIGHLIGHTS
Year-On-Year Analysis

- 6.2% Increase in Group Revenue against 19.1% Increase in Operating Expenses
- 72.3% Decrease in Operating Profit Resulting from Higher Fuel Costs
- Net Profit Attributable to the Owners of the Company of RM499.5mn

RM'mn	FY 2010	FY 2011	Variance %
Continuing Operation:			
Revenue	30,317.4	32,206.9	6.2
Operating expenses	(26,519.7)	(31,582.8)	19.1
Operating income	382.3	532.0	39.2
Operating profit	4,180.0	1,156.1	(72.3)
Forex			
- Transaction Gain	23.4	32.9	40.6
- Translation Gain	632.6	(227.0)	>(100.0)
Share of results of jointly controlled entities and associates (net of tax)	44.6	93.4	>100.0
Profit before finance cost	4,880.6	1,055.4	(78.4)
Finance income	209.7	319.1	52.2
Finance cost	(1,070.9)	(827.8)	(22.7)
Profit before taxation	4,019.4	546.7	(86.4)
Taxation and Zakat			
- Company and subsidiaries	(684.0)	(130.2)	(81.0)
- Deferred taxation	(139.2)	90.0	> 100.0
Profit from continuing operation	3,196.2	506.5	(84.2)
Discontinued Operation:			
Profit/(Loss) from discontinued operation (net of tax)	-	-	-
Profit for the financial period	3,196.2	506.5	(84.2)
Attributable to:			
- Owners of the Company	3,200.8	499.5	(84.4)
- Non-controlling interests	(4.6)	7.0	>100.0
	3,196.2	506.5	(84.2)

FINANCIAL HIGHLIGHTS

Quarter-On-Quarter Analysis

The Quarterly Loss in the 4QFY2011 is Attributed to Higher Fuel Costs Due to Lower Gas Volume, Higher Coal Price and Consumption & Higher Utilisation of Oil & Distillate Resulting in Lower EBITDA Margin

RM mn	12 Months		FY2011			
	FY 2010	FY 2011	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Total Units Sold (GWh)	95,196.6	97,887.8	24,324.6	23,682.0	24,260.2	25,621.0
Revenue	30,317.4	32,206.9	7,815.1	7,503.5	7,768.1	9,120.2
Operating Expenses (without depreciation)	22,569.5	27,541.7	5,610.8	6,087.2	7,406.2	8,437.5
Operating Income	382.3	532.0	84.6	168.1	153.7	125.6
EBITDA	**8,130.2**	**5,197.2**	**2,288.9**	**1,584.4**	**515.6**	**808.3**
EBITDA Margin (%)	**26.8%**	**16.1%**	**29.3%**	**21.1%**	**6.6%**	**8.9%**
Depreciation and Amortisation	3,950.2	4,041.1	946.8	1,001.8	1,035.4	1,057.1
EBIT	**4,180.0**	**1,156.1**	**1,342.1**	**582.6**	**(519.8)**	**(248.8)**
EBIT Margin (%)	**13.8%**	**3.6%**	**17.2%**	**7.8%**	**-6.7%**	**-2.7%**
Finance Cost	1,070.9	827.8	249.1	167.2	231.4	180.1
Profit/(Loss) Before Tax & Forex Translation	**3,386.8**	**773.7**	**1,191.1**	**569.9**	**(661.4)**	**(325.9)**
Net Profit/(Loss) Before Forex Translation	2,568.2	726.5	868.1	477.9	(500.2)	(119.3)
Translation Gain / (Loss)	632.6	(227.0)	(104.8)	152.4	60.0	(334.6)
Net Profit/(Loss) attributable to :						
Equity Holders	**3,200.8**	**499.5**	**763.3**	**630.3**	**(440.2)**	**(453.9)**
Non Controlling Interest	(4.6)	7.0	2.0	1.2	(18.3)	22.1

FACTORS CONTRIBUTING TO THE LOSSES IN THE 2nd HALF FY2011

FINANCIAL HIGHLIGHTS

Losses in 2nd Half FY2011 due to Lower Gas Volume Resulting from Severe Gas Curtailment

- Resulted in higher usage of oil & distillate — **RM2.7bn**
- If generate using gas (at RM13.70/mmbtu) — **RM0.6bn**
- Additional fuel cost incurred — **RM2.1bn**

TNB had to also burn an additional 1.1mn MT of coal amounting to RM 0.4bn to supplement the lower gas volume

FINANCIAL HIGHLIGHTS

Operating Expenses - Quarterly/Half-Yearly Analysis

- 31.4% Increase in Operating Expenses for the 2HFY2011 is Mainly from IPP Energy Payment & Fuel Costs due to Higher Consumption of Oil & Distillate and Higher Coal Price & Consumption
- The IPP Energy Payment & Fuel Costs for the 2HFY2011 Increased by RM3.2bn or 50.5% from the 1HFY2011

	FY2011 (RM mn)				FY2011 (RM mn)		
	1Q	2Q	3Q	4Q	1H	2H	Variance
Capacity Payment	1,334.6	1,368.4	1,362.0	1,370.3	2,703.0	2,732.3	29.3
Energy Payment	1,835.2	1,787.0	2,308.6	2,617.8	3,622.2	4,926.4	1,304.2
EGAT/Singapore	-	-	158.9	70.2	-	229.1	229.1
Total IPP Purchases	3,169.8	3,155.4	3,829.5	4,058.3	6,325.2	7,887.8	1,562.6
Fuel Costs	1,297.3	1,420.4	2,067.9	2,319.5	2,717.7	4,387.4	1,669.7
Repair & Maintenance	261.3	323.2	342.8	592.4	584.5	935.2	350.7
Staff costs	657.6	805.4	682.4	674.1	1,463.0	1,356.5	(106.5)
TNB General Expenses	134.6	224.3	231.0	278.4	358.9	509.4	150.5
Subs Gen Exp, Cost of Sales & Provision	90.2	158.5	252.6	514.8	248.7	767.4	518.7
Depreciation & Amortisation	946.8	1,001.8	1,035.4	1,057.1	1,948.6	2,092.5	143.9
	6,557.6	7,089.0	8,441.6	9,494.6	13,646.6	17,936.2	4,289.6

1H vs 2H
RM3,203mn

1H vs 2H
31.4%

FINANCIAL HIGHLIGHTS

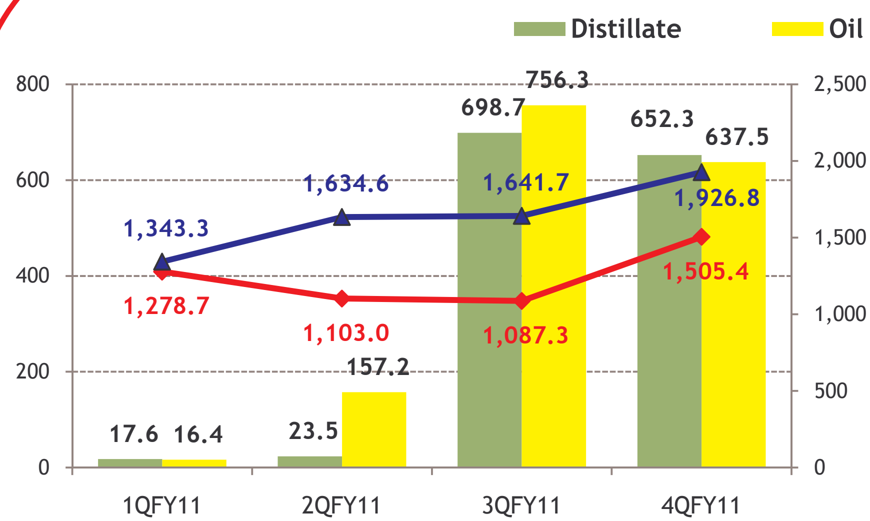
Fuel - Quarterly/Half-Yearly Generation Mix

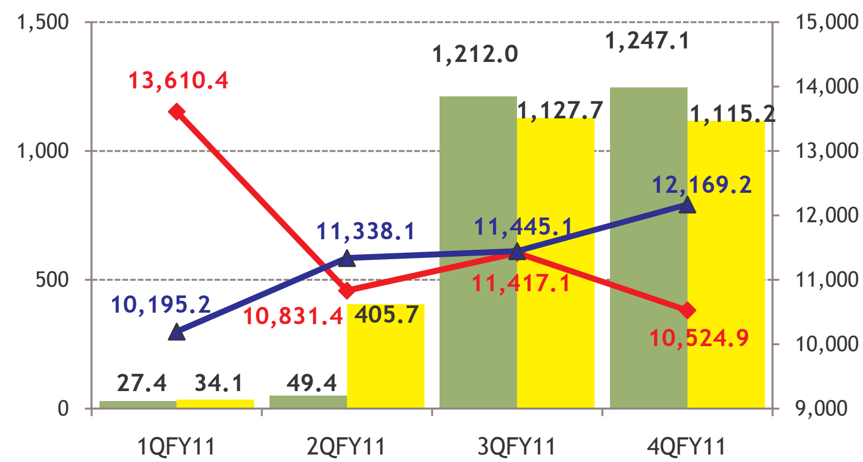
Lower Gas Volume Led to Alternative Generation Using Oil and Distillate

GENERATION COST (RM mn)

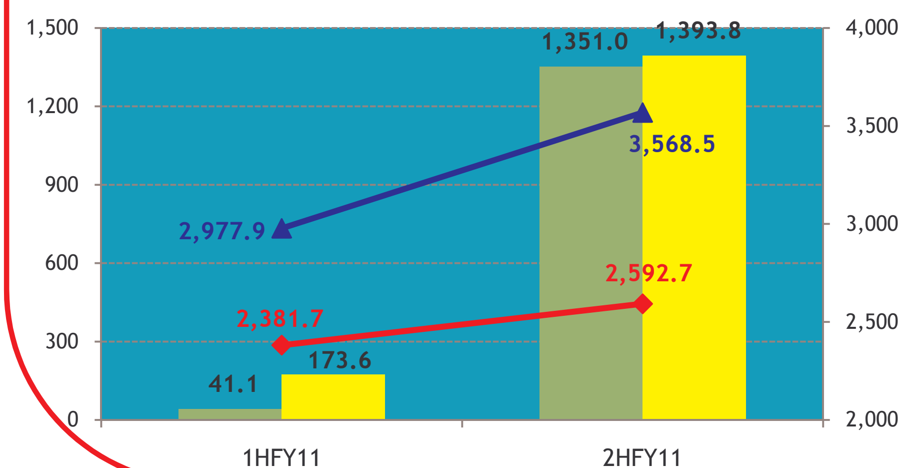
QUARTERLY

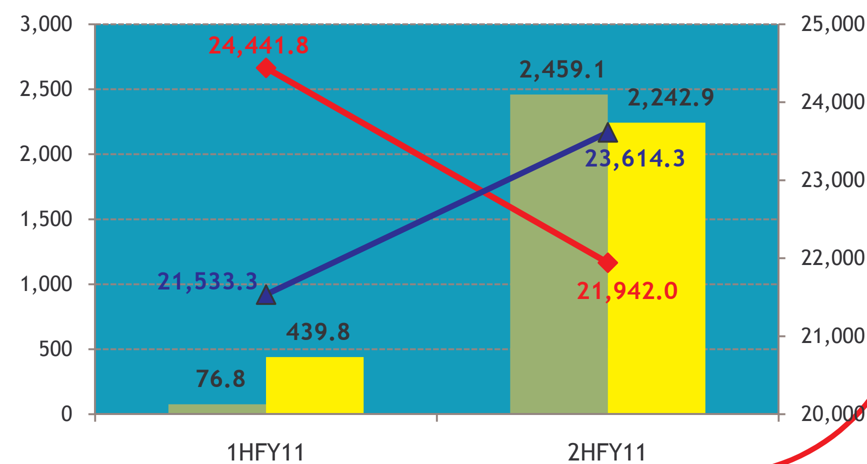
GENERATION MIX (Gwh)





HALF-YEARLY

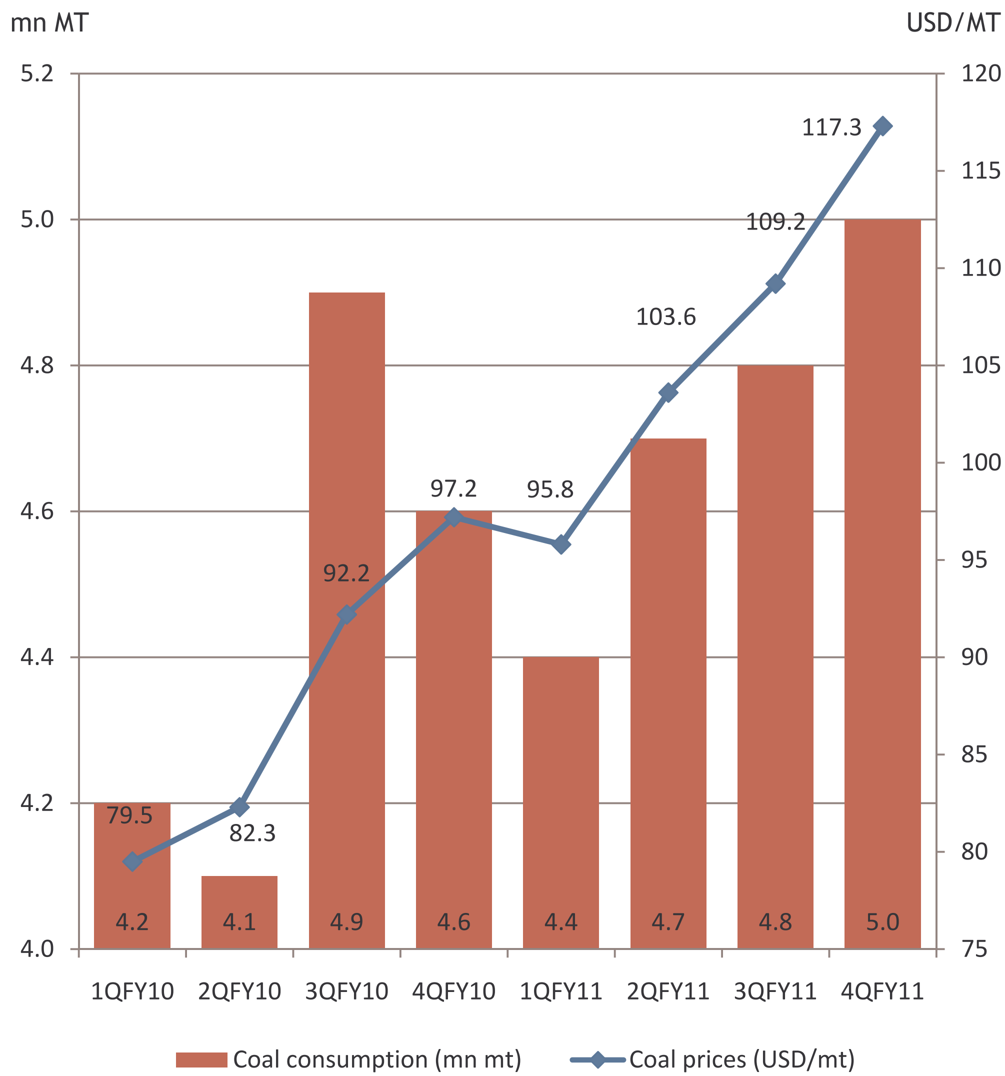




FINANCIAL HIGHLIGHTS

Fuel Analysis - Quarterly & Half-Yearly Coal Prices & Coal Consumption

Average Coal Prices and Consumption Continued to Increase



RM mn	1H	2H	Variance
Fuel costs			
Gas	2,381.7	2,592.7	211.0
Coal	2,977.9	3,568.5	590.6
Oil	173.6	1,393.8	1,220.2
Distillate	41.1	1,351.0	1,309.9
Total Fuel Costs			3,331.7

12 Months (Sept-Aug)

	FY'10	FY'11	Var (%)
Average Coal Price Consumed (USD/MT) *			
FOB	69.2	93.2	34.7%
Freight	18.5	13.2	-28.6%
Others	0.5	0.5	0.0%
CIF	88.2	106.9	21.2%
Average Coal Price Consumed (RM/MT) (CIF)	293.8	325.9	10.9%
Coal Consumption (mn MT)	17.8	18.9	6.2%

FINANCIAL HIGHLIGHTS

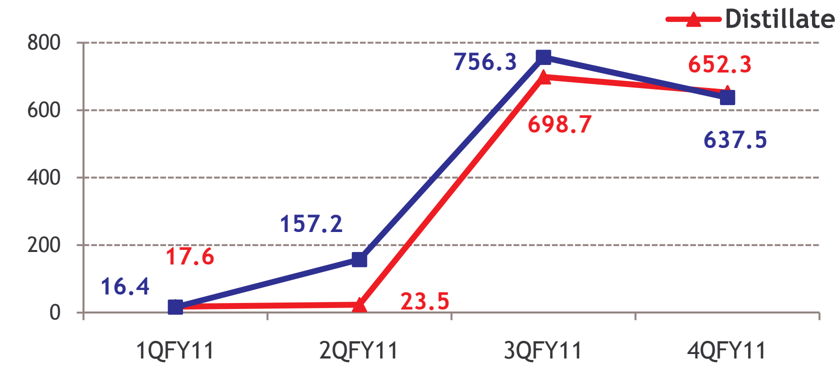
Fuel - Quarterly & Half-Yearly Oil & Distillate Analysis

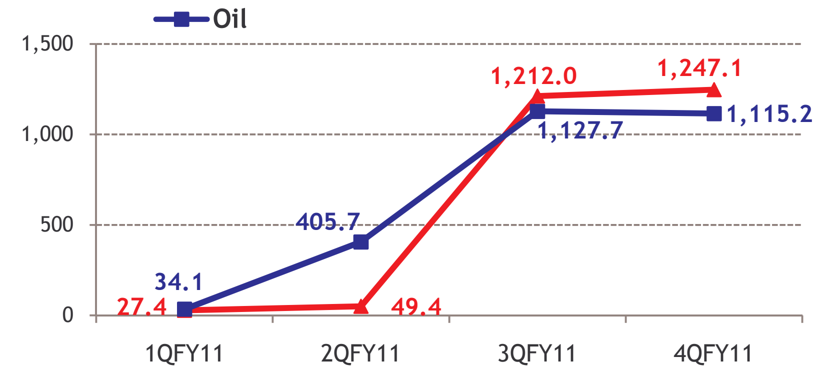
Oil and Distillate Increased by RM1.2bn and RM1.3bn Respectively from 1HFY2011 to 2HFY2011

COST OF GENERATION (RM mn)

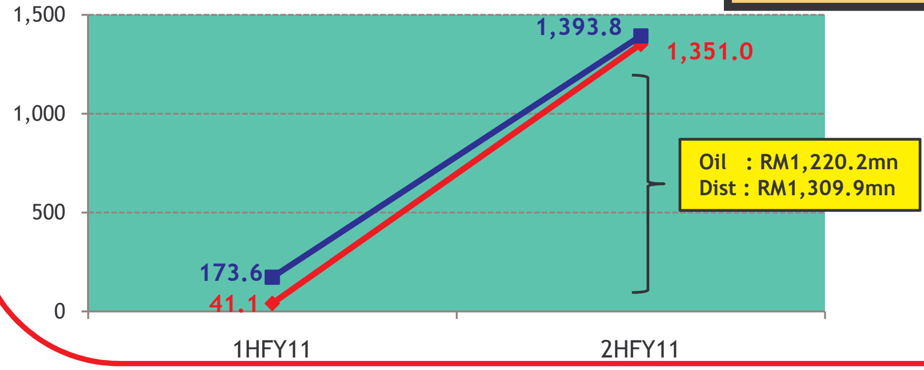
QUARTERLY

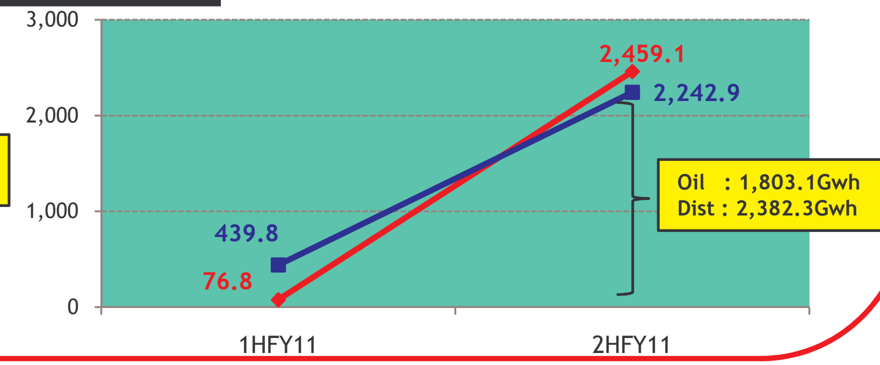
UNITS GENERATED (Gwh)





HALF-YEARLY





Consumption	1QFY2011	2QFY2011	3QFY2011	4QFY2011	1HFY2011	2HFY2011	Variance
Oil (MT)	10,554	99,947	284,288	262,342	110,501	546,630	436,129
Distillate (mn litres)	6	22	256	296	28	552	524

PERFORMANCE INDICATORS

Headline Key Performance Indicators

INITIATIVES	ACTUAL FY 2010	TARGET FY 2011	YTD FY 2011			
			1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Return on Assets (ROA) (%)	4.7	4.5 *	5.5	4.5	2.6	2.1
Company CPU (sen/kwh)	28.3	29.0 - 29.5**	27.5	29.3	31.1	32.7
Revenue from Non-Regulated Business (RM bn)	1.7	1.8 - 1.9	0.34	0.69	1.15	1.8
Unplanned Outage Rate (UOR) (%)	2.7	3.6 - 4.0	1.7	2.4	5.3	7.1
T & D Losses (%)	9.5	9.0 - 9.5	9.3	9.2	9.3	9.0
Transmission System Minutes (mins)	0.9	1.0 - 2.5	0.1	0.4	0.4	1.0
Distribution SAIDI (mins)	87.4	85.0 - 93.0	22.6	43.2	63.5	78.9

Assumptions:
*ROA - Demand growth at 5.0% (adopted forecast)
- Coal price at USD85/mt
- Gas price at RM10.70/mmbtu

**CPU - OPEX at RM28.19bn
- Coal price at USD94.74/mt
- Gas price at RM10.70/mmbtu

ANALYSIS OF ELECTRICITY GROWTH M-O-M IN PENINSULA

For FY2011, Peninsula Reported 3.1% Growth Y-o-Y

UNITS SALES		FY 2010				FY 2011												FY'12
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Industrial	Gwh	9,851	10,031	9,881	10,309	3,377	3,072	3,502	3,290	3,423	3,445	3,041	3,614	3,497	3,513	3,464	3,627	3,500
	Growth (%)	0.3	20.1	16.6	7.3	1.4	(0.6)	2.1	0.4	2.1	1.3	2.5	3.2	2.5	(0.6)	3.8	5.5	3.6
Commercial	Gwh	7,203	7,230	7,610	7,829	2,612	2,462	2,682	2,398	2,536	2,486	2,342	2,776	2,703	2,759	2,735	2,729	2,687
	Growth (%)	3.7	9.9	10.0	5.5	9.5	6.0	7.5	1.9	2.9	3.1	0.7	4.8	2.5	5.5	6.8	2.8	2.9
Domestic	Gwh	4,366	4,267	4,849	4,734	1,674	1,479	1,604	1,455	1,486	1,422	1,454	1,590	1,652	1,674	1,645	1,600	1,779
	Growth (%)	6.7	7.5	13.8	5.9	8.6	7.7	10.5	6.2	(0.1)	0.9	(6.7)	(4.2)	1.3	1.9	7.4	2.6	6.3
Others	Gwh	323	347	352	352	116	123	123	124	126	120	113	127	124	132	121	124	163
	Growth (%)	4.9	8.8	15.0	(18.3)	9.4	16.0	10.8	8.8	0.8	11.1	(3.4)	6.7	6.9	17.9	(4.7)	9.7	40.5
TOTAL	Gwh	21,743	21,875	22,692	23,224	7,779	7,136	7,911	7,267	7,571	7,473	6,950	8,107	7,976	8,078	7,965	8,080	8,129
	Growth (%)	2.7	13.8	13.7	5.9	5.7	3.5	5.7	2.2	1.9	1.9	(0.2)	2.2	2.3	2.2	5.4	4.1	4.5

12 Months	FY 2010	FY 2011
Growth (%)	8.8	3.1

1st Qtr FY'11
5.0%

2nd Qtr FY'11
2.0%

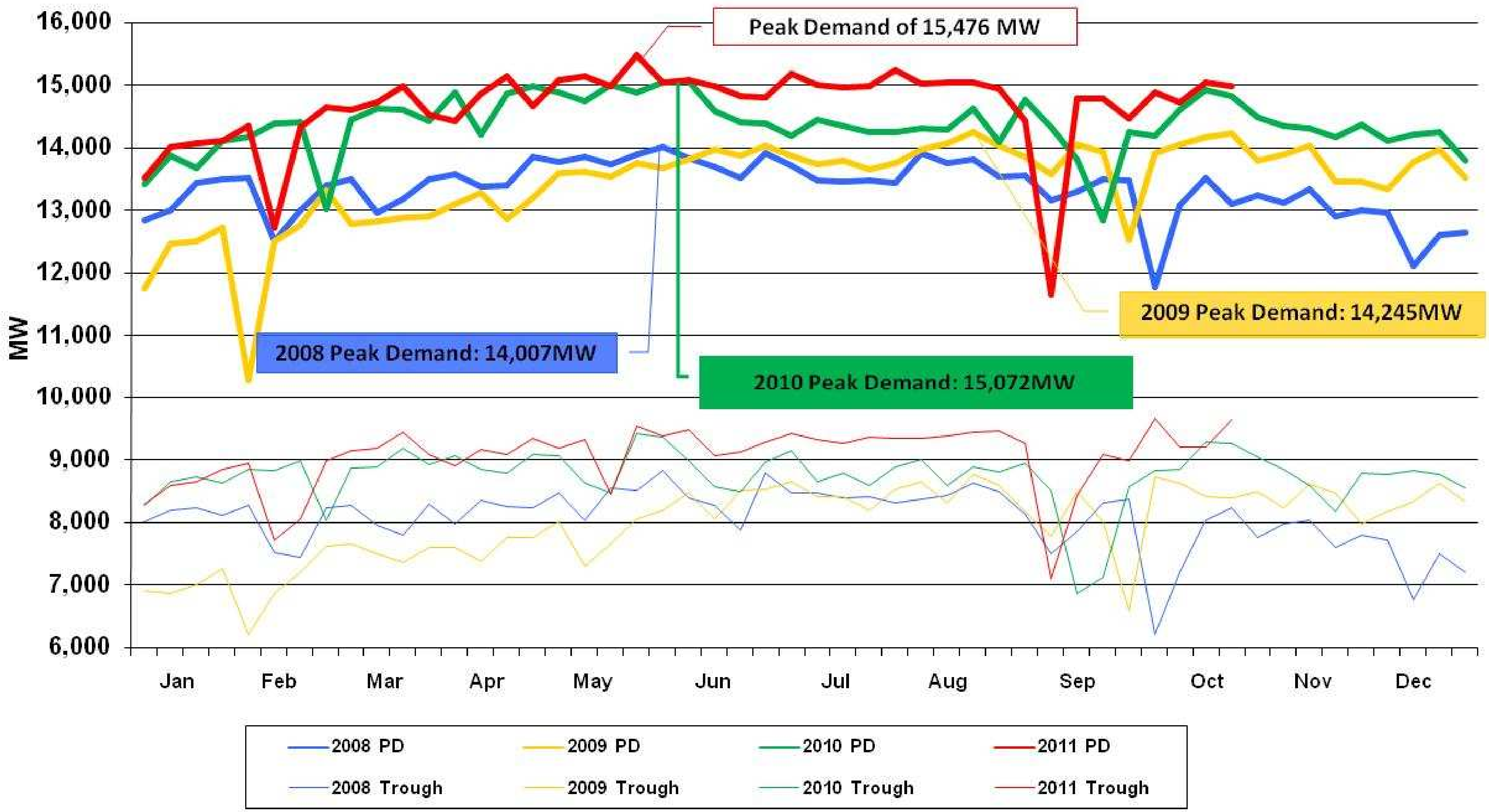
3rd Qtr FY'11
1.5%

4th Qtr FY'11
3.9%

12 Months FY'11
3.1%

SYSTEM WEEKLY PEAK DEMAND (PENINSULA)
For FY2008/09 to FY2011/12

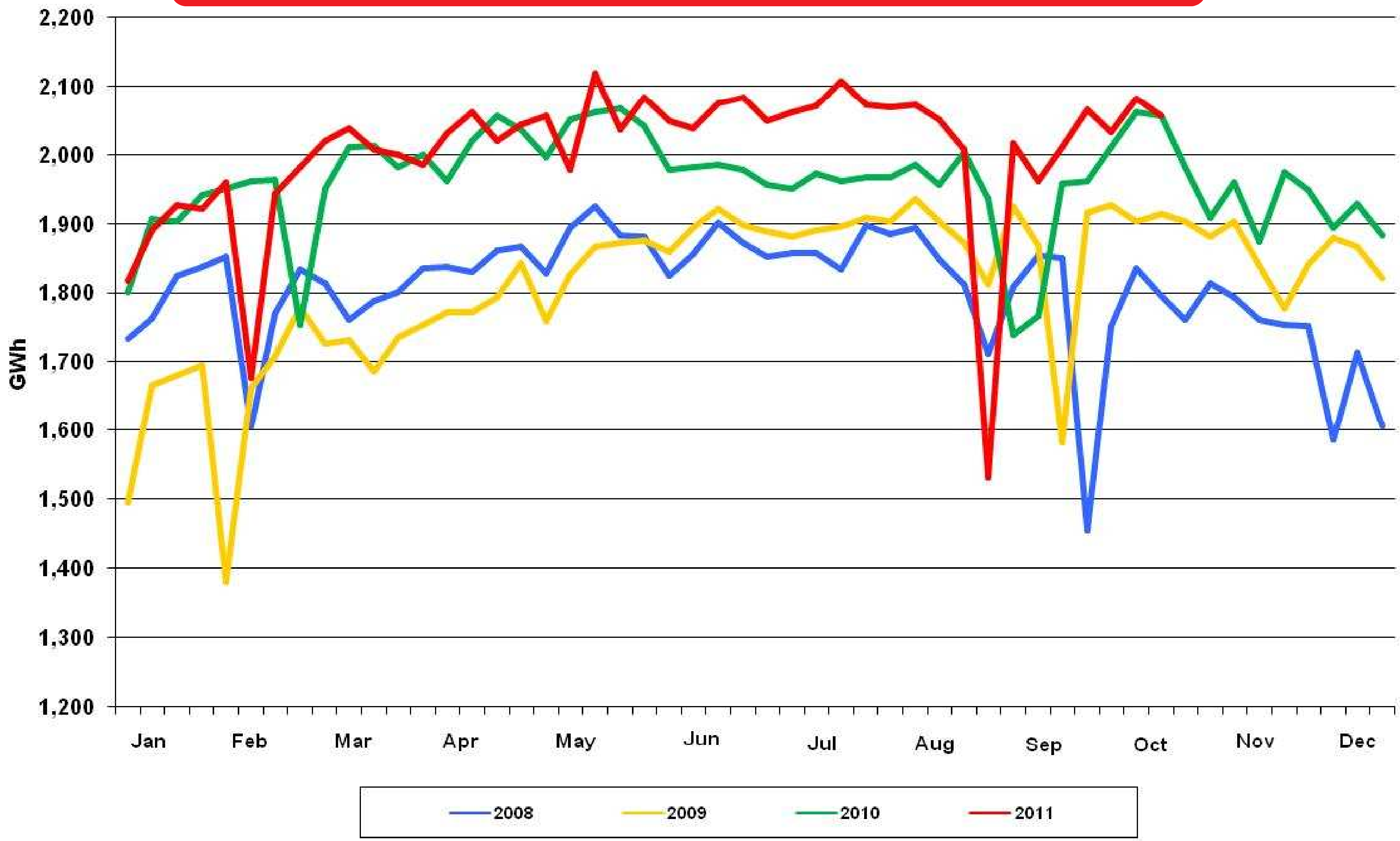
Weekly Peak Demand & Trough (MW) – Week Ending 23rd October 2011



WEEKLY ELECTRICITY DEMAND GROWTH (PENINSULA)

For FY2008/09 to FY2011/12

Weekly Generation (Gwh) – Week Ending 23rd October 2011



AGENDA

- Highlights Of The Group’s Performance
- Details Of The Group’s Performance
- Q & A

Details Of The Group's Performance

"GEMILANG2015 - Growth, Global, Green"

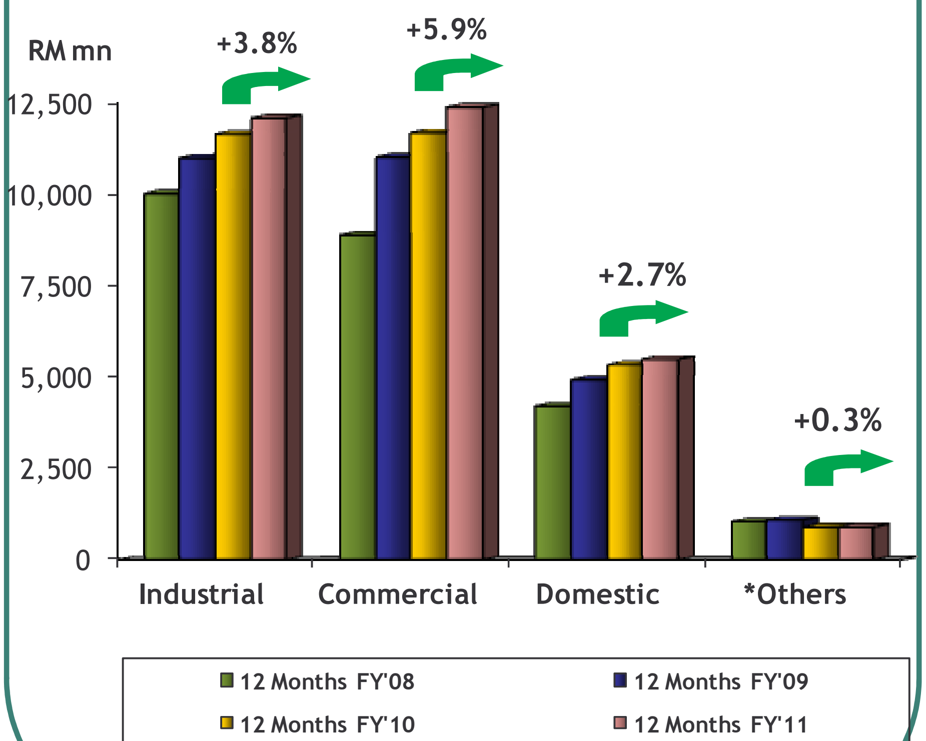
DETAILS OF REVENUE
By Business Segments

4.3% Increase in Group Sales of Electricity

	FY'10		FY'11		Growth
UNITS SOLD	**GWh**		**GWh**		**%**
- TNB	89,532.5		92,291.1		3.1
- EGAT (Export)	88.2		72.8		(17.5)
- SESB	4,050.6		4,199.2		3.7
- LPL	1,525.3		1,324.7		(13.2)
Total Units Sold (GWh)	95,196.6		97,887.8		2.8
REVENUE	**RM mn**	**Sen/KWh**	**RM mn**	Sen/KWh	
Sales of Electricity					
- TNB	28,020.5	31.3	29,273.1	31.7	4.5
- EGAT (Export)	21.4	24.3	18.6	25.5	(13.1)
- SESB	1,029.5	25.4	1,079.0	25.7	4.8
- LPL	522.8	34.3	503.2	38.0	(3.7)
Sales of Electricity	29,594.2	31.1	30,873.9	31.5	4.3
Accrued Revenue	(2.7)		291.5		>100.0
Total Sales of Electricity	29,591.5		31,165.4		5.3
Goods & Services	361.1		648.0		79.5
Deferred Income	364.8		393.5		7.9
Total Revenue	30,317.4		32,206.9		6.2

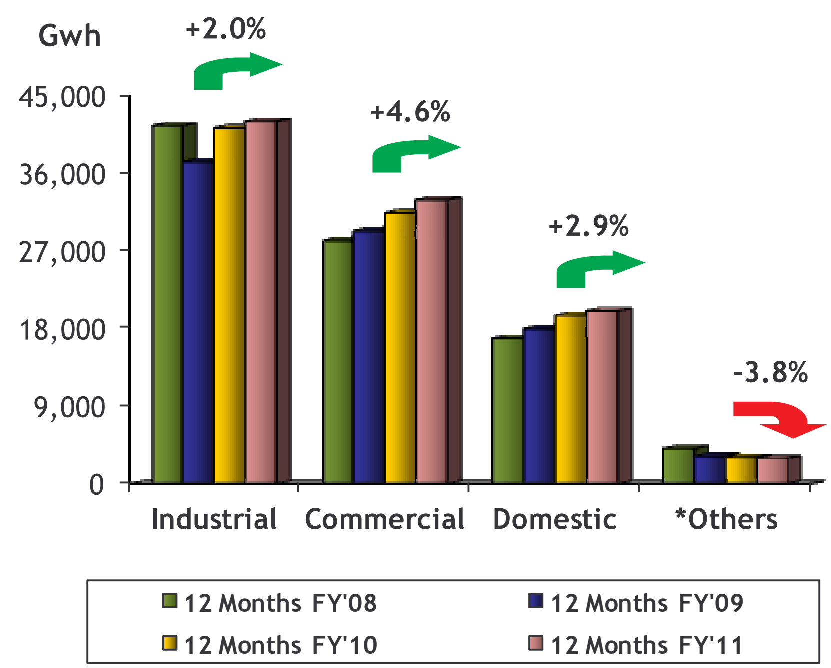
ANALYSIS OF ELECTRICITY GROWTH BY SECTORS (GROUP)

12 Mths FY'11 = 4.3%
(12 Mths FY'10 = 5.4%)



12 Mths FY'11 = 2.8%
(12 Mths FY'10 = 8.4%)

	Industrial	Commercial	Domestic	Others
12 Mths FY'10	+10.5%	+7.2%	+8.5%	-4.6%

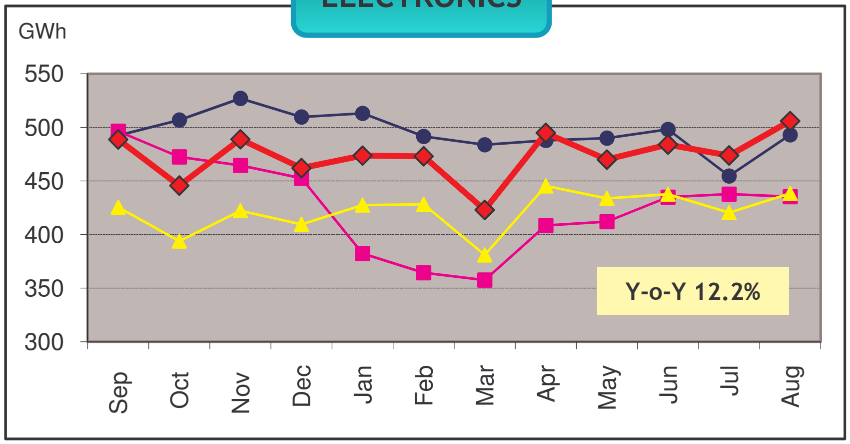


* Includes Specific Agriculture, Mining, Public Lighting, LPL & EGAT
(-) Indicates Negative Growth

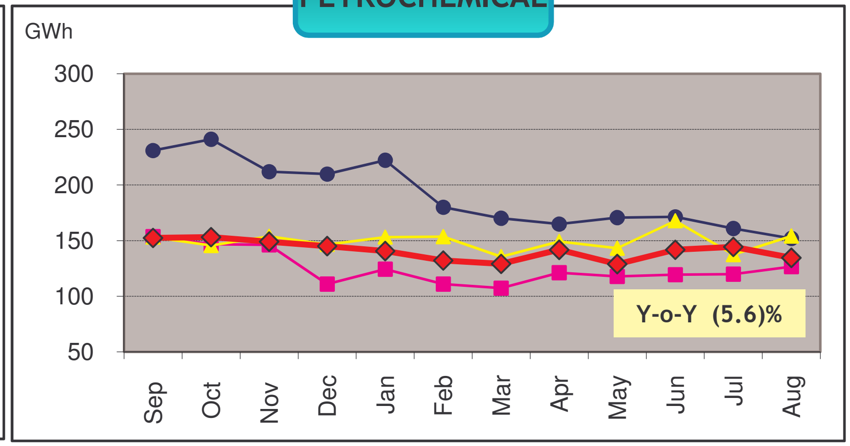
SECTORAL ANALYSIS - INDUSTRIAL SECTOR (PENINSULA)

Y-o-Y Growth of 2.0%

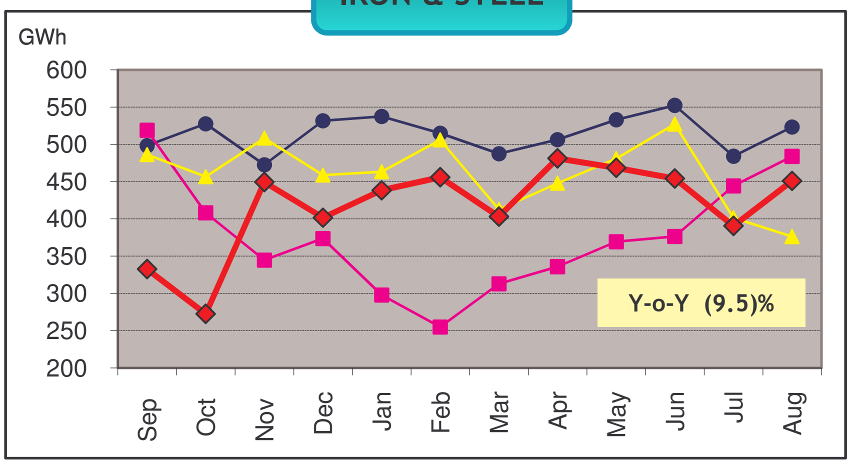
ELECTRONICS



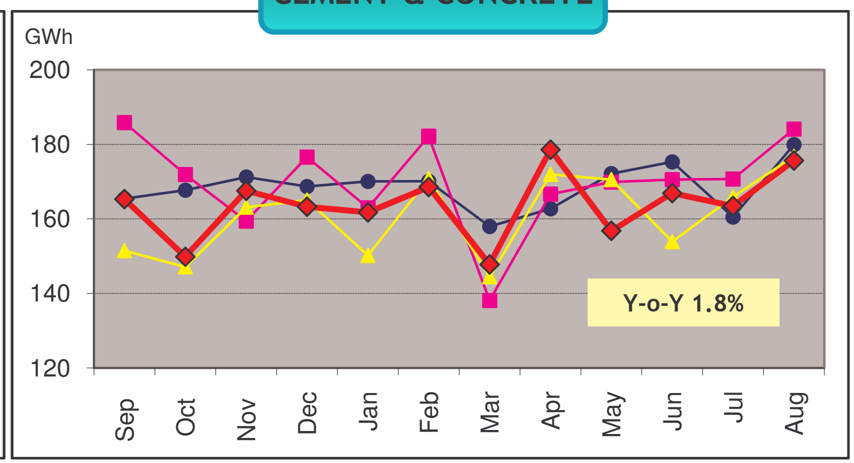
PETROCHEMICAL



IRON & STEEL



CEMENT & CONCRETE



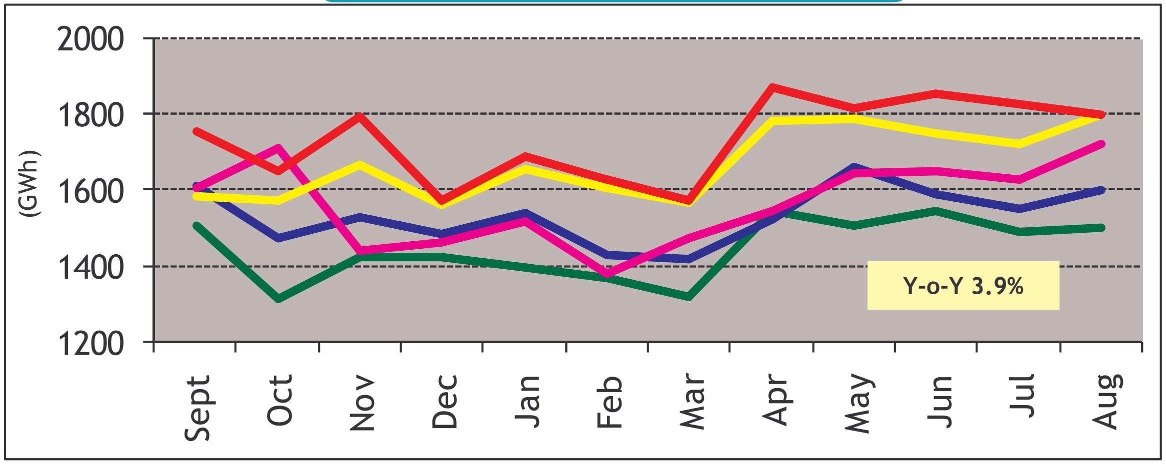
FY2008 FY2009 FY2010 FY2011

* Source : Top 1,000 PRIME customers database (PRIME customer YTD unit sales equivalent to 35.7% of total YTD unit sales)
* PRIME customers for 4 sectors above attributes 43.5% from the whole PRIME customers YTD unit sales

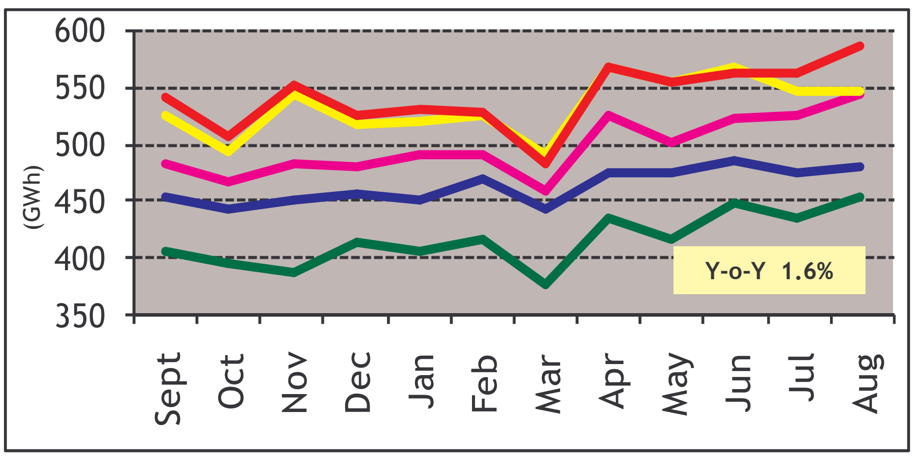
SECTORAL ANALYSIS - COMMERCIAL SECTOR (PENINSULA)

Strong Growth from Commercial Sectors Y-o-Y of 4.5%

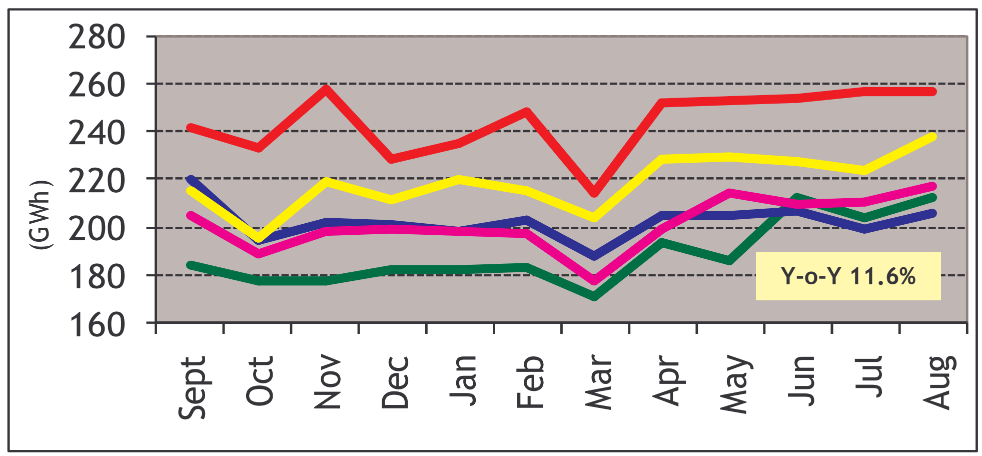
Low Voltage
Shop Lots & Retail Business



Medium Voltage
Shopping Malls, 3 Star Hotels, Office Buildings



Medium Voltage (Peak/Off-Peak)
Mega Shopping Malls, 4-5 Star Hotels, Hospitals, Airports, Ports



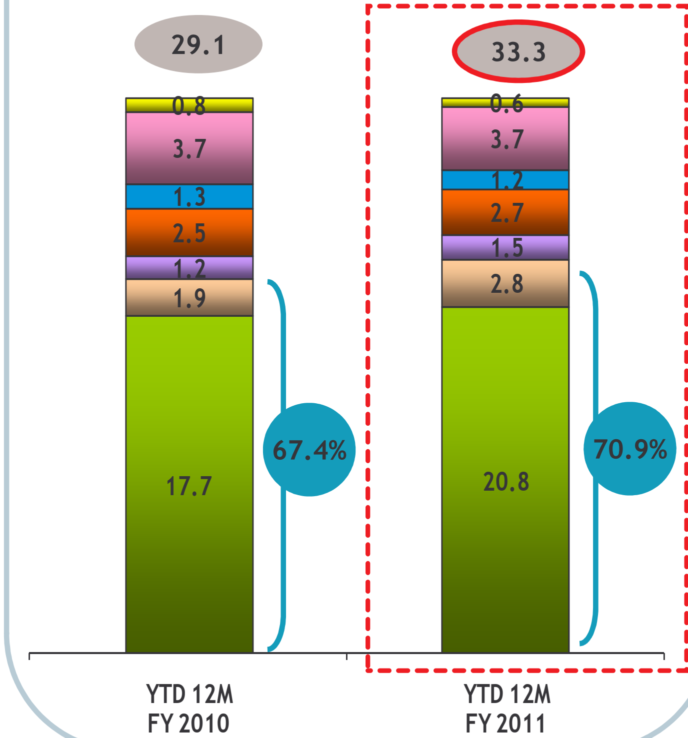
FY2007 FY2008 FY2009 FY2010 FY2011

COST PER UNIT
At Company Level

Margin Compression by Four Times due to Higher Coal Prices and Higher Utilisation of Oil and Distillate

Average Selling Price : 31.7 sen/kwh

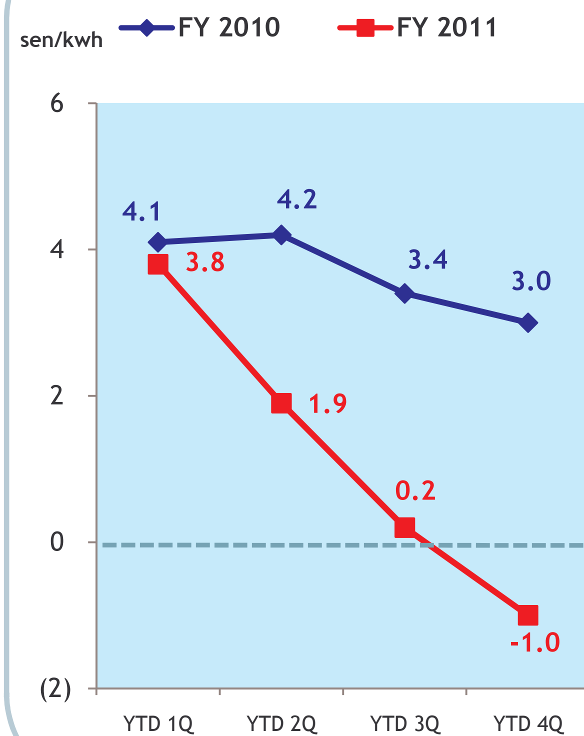
CPU without Finance Cost : 32.7 sen/kwh



	YTD FY'10	YTD FY'11
ASP	31.3	31.7
CPU*	28.3	32.7
MARGIN	3.0	-1.0

* CPU without Finance Cost

Margin Analysis



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

**Company's IPP cost includes TNBJ & KEV

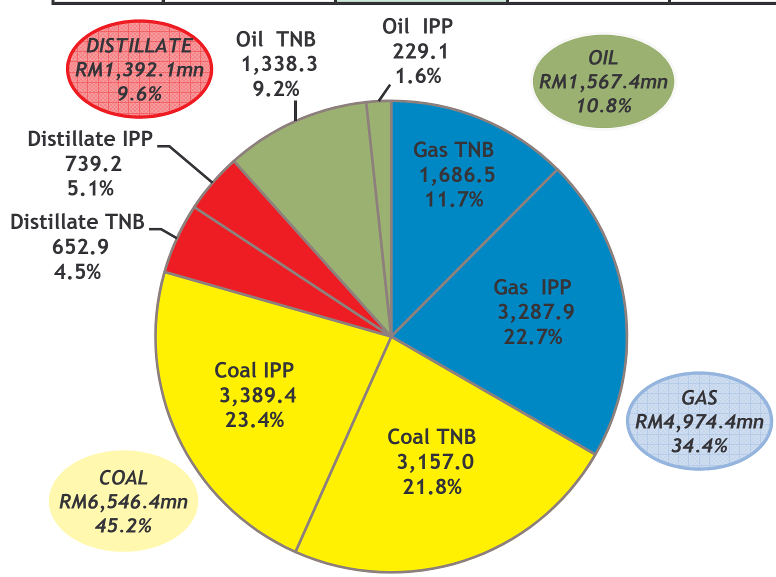
INDUSTRY GENERATION IN PENINSULA (TNB & IPPs)

Y-o-Y Analysis

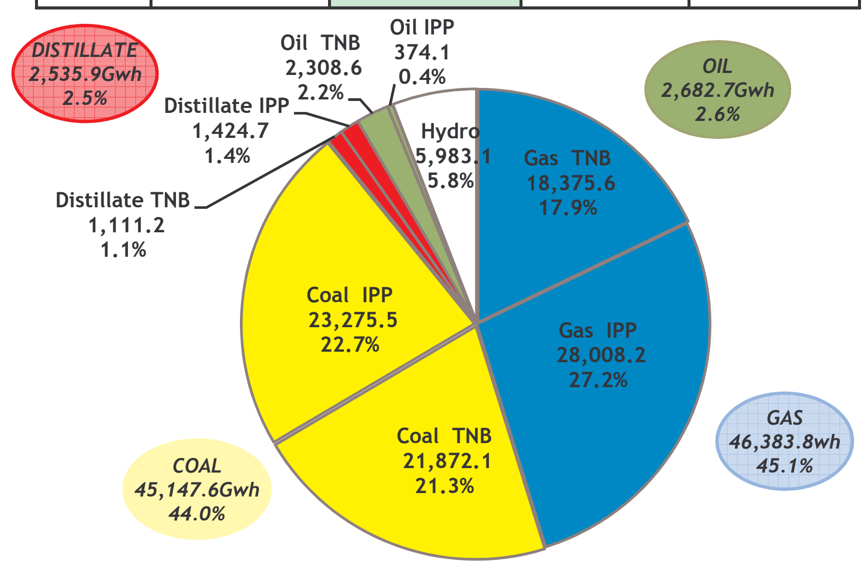
- Coal Represents 44.0% of the Industry Generation Mix
- 15.2% Decline in Gas Generation Mainly Attributed by Gas Curtailment
- Higher Utilisation of Oil and Distillate

Fuel Cost (RM mn)				
Fuel Type	12 Months		Variance	
	YTD FY'10	YTD FY'11	RM mn	%
Gas	5,433.8	4,974.4	(459.4)	(8.5)
Coal*	5,270.4	6,546.4	1,276.0	24.2
Dist.	116.4	1,392.1	1,275.7	>100
Oil	94.5	1,567.4	1,472.9	>100
Hydro	0.0	0.0	-	0.0
Total	**10,915.1**	**14,480.3**	**3,565.2**	32.7

Units Generated (Gwh)				
Fuel Type	12 Months		Variance	
	YTD FY'10	YTD FY'11	Gwh	%
Gas	54,714.2	46,383.8	(8,330.4)	(15.2)
Coal	40,539.9	45,147.6	4,607.7	11.4
Dist.	225.1	2,535.9	2,310.8	>100
Oil	250.8	2,682.7	2,431.9	>100
Hydro	5,149.2	5,983.1	833.9	16.2
Total	**100,879.2**	**102,733.1**	**1,853.9**	1.8



TOTAL : RM14,480.3mn



TOTAL : 102,733.1Gwh
Fuel Cost/Kwh : 14.10sen

FUEL COST ANALYSIS

Cost of Generation from Oil and Distillate is Approximately Five Times the Cost of Generation using Gas

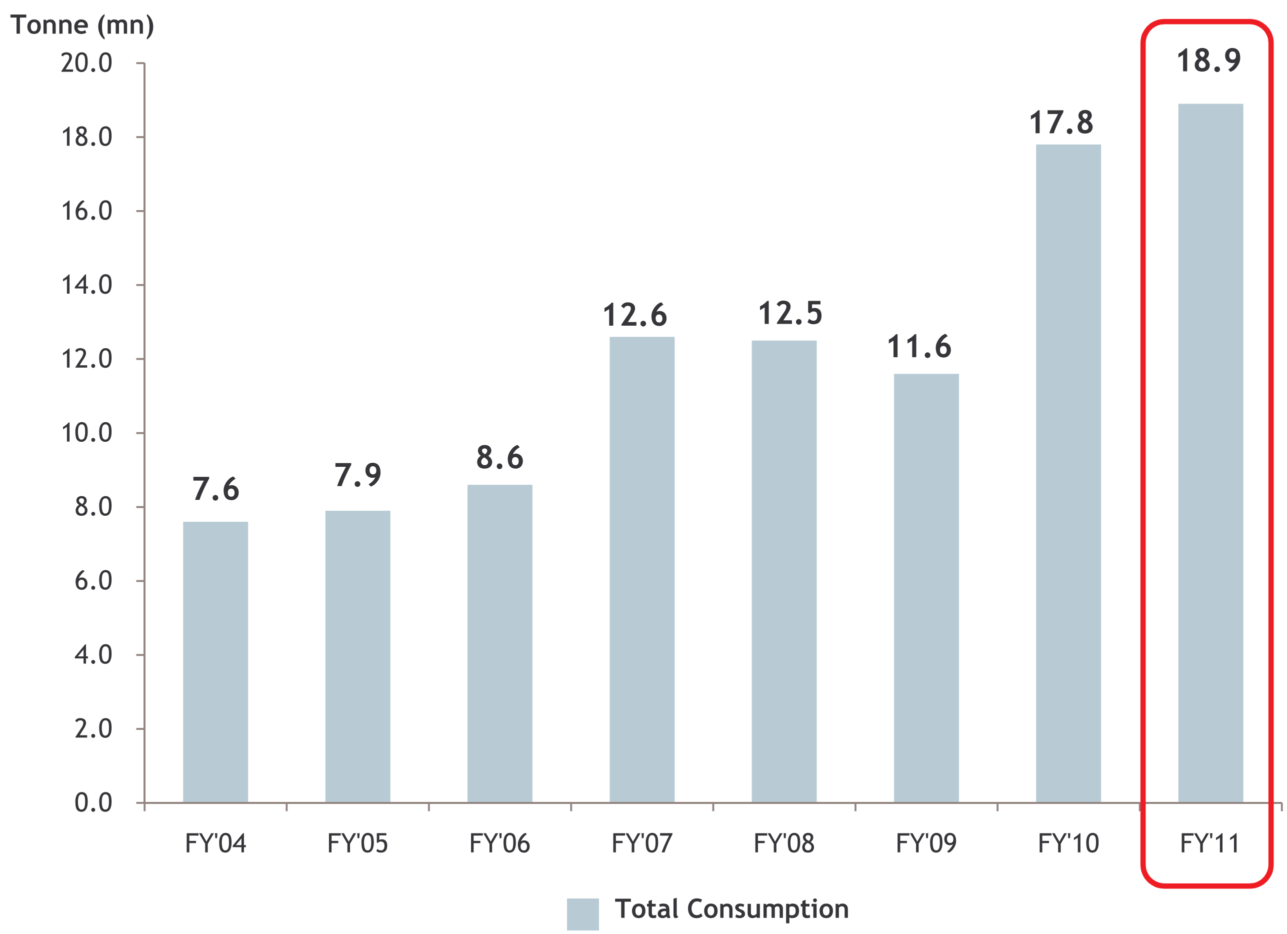
	Fuel Cost & Units Generated (UG)				Fuel Cost Per Unit Generated	
	FY2010		FY2011		FY2010	FY2011
	Fuel Cost (RM mn)	UG (Gwh)	Fuel Cost (RM mn)	UG (Gwh)	Sen/Kwh	Sen/Kwh
GAS*	5,433.8	54,714.2	4,974.4	46,383.8	9.93	10.72
COAL	5,270.4	40,539.9	6,546.4	45,147.6	13.00	14.50
OIL	94.5	250.8	1,567.4	2,682.7	37.68	58.43
DISTILLATE	116.4	225.1	1,392.1	2,535.9	51.71	54.90

**Gas price at :*
•RM10.70 per mmbtu (from 1 Sept 2010 - 31 May 2011)
•RM13.70 per mmbtu (from 1 June 2011 - 31 Aug 2011)

COAL REQUIREMENT

Coal Utilisation for FY2011 at 18.9 mn MT

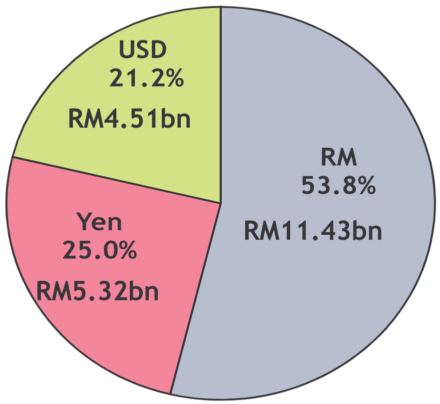
	FY'04	FY'05	FY'06	FY'07	FY'08	FY'09	FY'10	FY'11
Average Coal Price (CIF) (USD/metric tonne)	34.0	49.8	52.8	45.3	76.4	90.2	88.2	106.9



DEBT EXPOSURE & FOREX

Yen Strengthened against Ringgit

31st Aug'10



* Total Debt	RM21.3bn
Net Debt	RM12.9bn
Gearing (%)	42.5
Net Gearing (%)	25.8

Fixed:Floating 94.9% : 5.1%
[Based on final exposure, Fixed:Floating 98.9% : 1.1%]

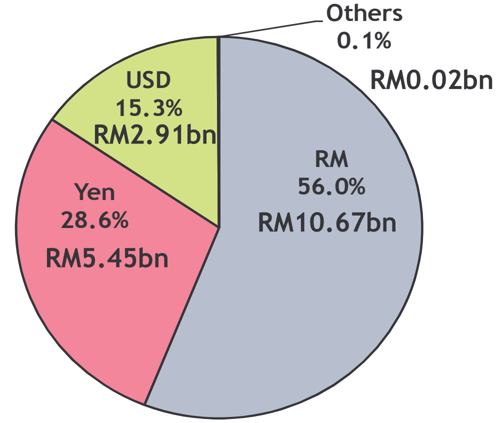
Weighted Average Cost of Debt 5.14%
[Based on final exposure, 5.31%]

USD/RM	: 3.14
100YEN/RM	: 3.69
USD/YEN	: 85.09

	RM bn
Total Debt 31/08/10	21.3
- Debt Repayment	(3.4)
+ Drawdowns	0.8
- Others *	0.4
Total Debt 31/08/11	19.1

* Others include Forex Translation Loss & FRS 139

31st Aug'11



* Total Debt	RM19.1bn
Net Debt	RM15.1bn
Gearing (%)	38.6
Net Gearing (%)	30.6

Fixed:Floating 96.8% : 3.2%
[Based on final exposure, Fixed:Floating 100.0% : 0.0%]

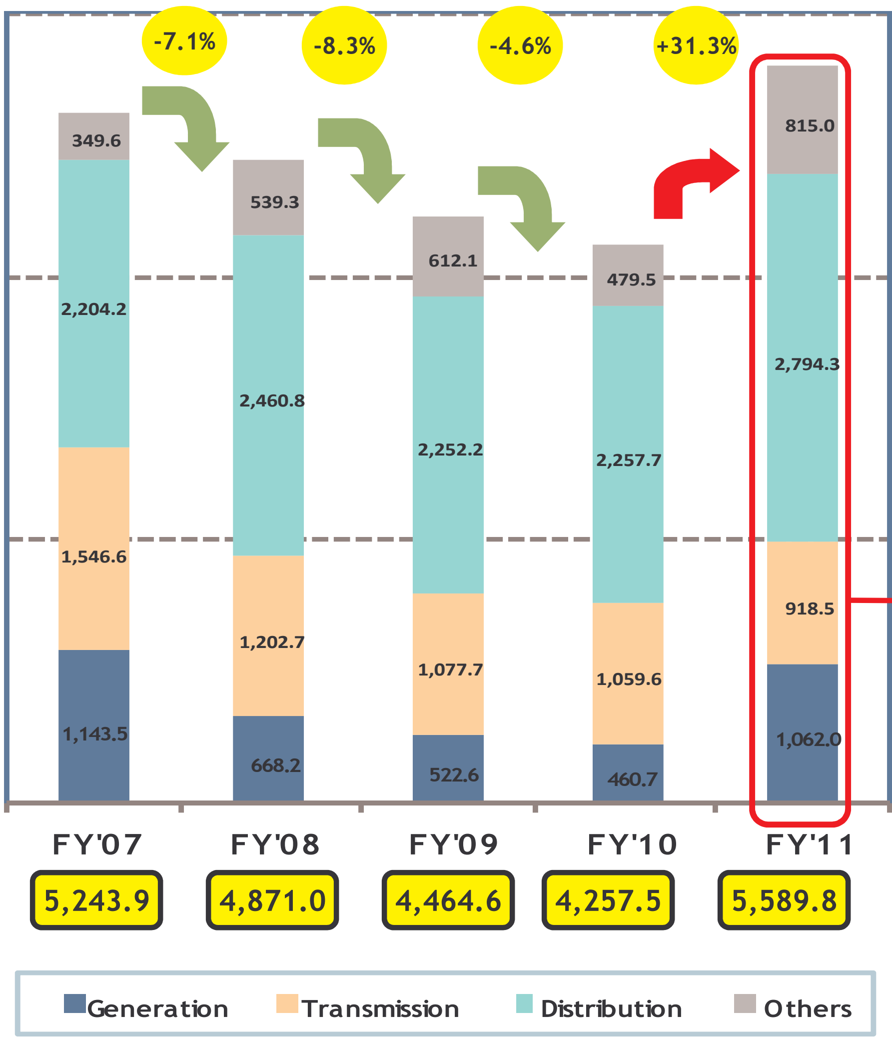
Weighted Average Cost of Debt 4.94%
[Based on final exposure, 5.09%]

USD/RM	: 2.98
100YEN/RM	: 3.88
USD/YEN	: 76.80

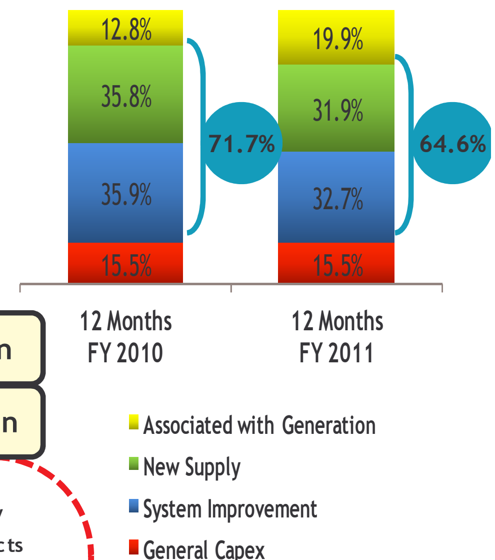
CAPITAL EXPENDITURE

FY2011 Capex Includes RM0.9bn for 3 Generation Projects (TNBJ Unit 4 and 2 Hydro Projects)

Capex By Division (RM mn)



Capex By Category



New Supply : RM1,783.5mn

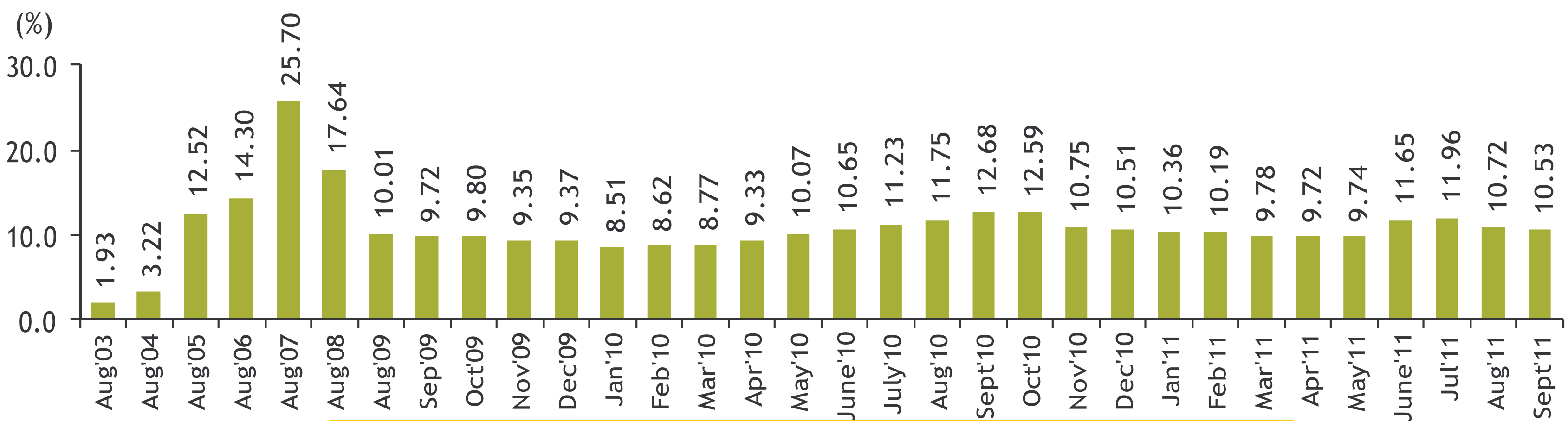
Sys. Improvement : RM1,827.1mn

		Carried Forward Projects	New Projects
Others	Assoc. with Gen. :		49.7
	New Supply :		36.2
	Sys. Improvement :		163.5
	Others :	59.7	505.9
Distribution	New Supply :	616.6	918.8
	Sys. Improvement :	540.8	535.3
	Others :	86.7	96.1
Transmission	New Supply :	211.9	
	Sys. Improvement :	537.5	50.0
	Others :	80.6	38.5
Generation	Assoc. with Gen. :	460.6	601.4

TOTAL CORE BUSINESS RM4,774.8mn

SHAREHOLDING

Foreign Shareholding



Main Shareholding

	Aug'10	Nov'10	Feb'11	May'11	Aug'11	Variance (Aug'11 & Aug'10)
Name	%	%	%	%	%	%
Khazanah Nasional Berhad	35.65	35.59	35.58	35.58	35.55	(0.28)
Employees Provident Fund Board	12.48	12.44	12.76	13.41	13.17	5.53
Skim Amanah Saham Bumiputera	9.59	9.53	10.03	10.02	9.90	3.23
Kumpulan Wang Persaraan	2.88	4.15	4.01	4.01	3.75	30.21
Other Corporations & Govt. Agencies	24.92	21.41	21.40	21.06	20.13	(19.22)
Subtotal	**85.52**	**83.12**	**83.78**	**84.08**	**82.50**	(3.53)
Foreign	11.75	10.75	10.19	9.74	10.72	(8.77)
Malaysian Public	2.73	6.13	6.03	6.18	6.78	148.35
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	
Paid Up Capital (mn shares)	4,352.70	4,360.10	5,450.80	5,451.70	5,456.60	

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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