



The Board of Directors is pleased to announce the following:

A. AUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 4th QUARTER ENDED 31 AUGUST 2013
(Amounts in RM million unless otherwise stated)

| | INDIVIDUAL QUARTER | | CUMULATIVE | |
|--|--|---|--|--|
| | CURRENT YEAR QUARTER 31.08.13 | PRECEDING YEAR CORRESPONDING QUARTER 31.08.12 (Restated) | CURRENT YEAR TO DATE 31.08.13 | PRECEDING YEAR CORRESPONDING PERIOD 31.08.12 (Restated) |
| Revenue | 9,502.2 | 9,334.8 | 37,130.7 | 35,848.4 |
| Operating expenses | (8,855.1) | (8,122.2) | (31,862.3) | (31,308.2) |
| Other operating income | 300.5 | 150.9 | 620.8 | 2,140.6 |
| Operating profit | 947.6 | 1,363.5 | 5,889.2 | 6,680.8 |
| Foreign exchange | | | | |
| - Translation gain/(loss) | (617.1) | 93.0 | 493.6 | (230.8) |
| - Transaction gain/(loss) | 84.7 | (11.1) | 109.1 | (21.4) |
| Share of results of jointly controlled entities | - | 0.3 | (0.1) | (0.2) |
| Share of results of associates (net of tax) | 12.6 | 13.4 | 74.9 | 27.0 |
| Profit before finance cost | 427.8 | 1,459.1 | 6,566.7 | 6,455.4 |
| Finance income | 71.4 | 87.0 | 225.2 | 188.7 |
| Finance cost | (293.2) | (189.7) | (936.3) | (823.0) |
| Profit from ordinary activities before taxation | 206.0 | 1,356.4 | 5,855.6 | 5,821.1 |
| Taxation and Zakat | | | | |
| - Company and subsidiaries | (250.0) | (112.0) | (1,419.2) | (868.4) |
| - Deferred taxation | 255.8 | (177.2) | 194.3 | (533.6) |
| Profit for the period | 211.8 | 1,067.2 | 4,630.7 | 4,419.1 |
| Attributable to: | | | | |
| - Owners of the Company | 219.4 | 1,061.0 | 4,614.2 | 4,410.5 |
| - Non-controlling interest | (7.6) | 6.2 | 16.5 | 8.6 |
| Profit for the period | 211.8 | 1,067.2 | 4,630.7 | 4,419.1 |
| Earnings per share attributable to the owners of the Company | | | | |
| | Sen | Sen | Sen | Sen |
| Basic | 3.94 | 19.42 | 82.81 | 80.71 |
| Diluted | 3.94 | 19.37 | 82.81 | 80.51 |

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



A. AUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 4th QUARTER ENDED 31 AUGUST 2013 (CONTINUATION)

(Amounts in RM million unless otherwise stated)

| | INDIVIDUAL QUARTER | | CUMULATIVE | |
|--|-------------------------------|--|-------------------------------|---|
| | CURRENT YEAR QUARTER 31.08.13 | PRECEDING YEAR CORRESPONDING QUARTER 31.08.12 (Restated) | CURRENT YEAR TO DATE 31.08.13 | PRECEDING YEAR CORRESPONDING PERIOD 31.08.12 (Restated) |
| Profit for the period | 211.8 | 1,067.2 | 4,630.7 | 4,419.1 |
| Other comprehensive income/(expense) Items that will not be reclassified subsequently to profit or loss | | | | |
| Defined benefit plan actuarial losses | (680.9) | (2.4) | (3,905.5) | (2.4) |
| Items that may be reclassified subsequently to profit or loss | | | | |
| Foreign currency translation differences | (11.4) | (10.5) | 46.5 | (51.2) |
| Fair value of available-for-sale financial assets | 0.2 | - | 0.2 | - |
| Total other comprehensive income/(expense) for the period | <u>(692.1)</u> | <u>(12.9)</u> | <u>(3,858.8)</u> | <u>(53.6)</u> |
| Total comprehensive income/(expense) for the period | <u>(480.3)</u> | <u>1,054.3</u> | <u>771.9</u> | <u>4,365.5</u> |
| Attributable to: - | | | | |
| - Owners of the Company | (472.7) | 1,048.1 | 755.4 | 4,356.9 |
| - Non-controlling interest | (7.6) | 6.2 | 16.5 | 8.6 |
| Total comprehensive income/(expense) for the period | <u>(480.3)</u> | <u>1,054.3</u> | <u>771.9</u> | <u>4,365.5</u> |

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

B. AUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 AUGUST 2013

(Amounts in RM million unless otherwise stated)

| | 31.08.2013 | 31.08.2012 (Restated) | 01.09.2011 (Restated) |
|---|-------------------|--------------------------|--------------------------|
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 73,973.6 | 64,769.9 | 61,861.4 |
| Jointly controlled entity | 0.3 | 0.4 | 0.6 |
| Associates | 483.2 | 491.2 | 407.8 |
| Investments in unquoted debt securities | 163.9 | 163.7 | 164.0 |
| Available-for-sale financial assets | 38.0 | 38.0 | 38.0 |
| Deferred tax assets | 4.9 | - | 30.2 |
| Derivative financial instruments | 61.9 | 116.3 | 89.9 |
| Long term receivables | 305.1 | 419.2 | 388.6 |
| Prepaid operating leases | 3,525.3 | 3,164.8 | 2,528.0 |
| Finance lease receivables | 15.4 | - | - |
| | <u>78,571.6</u> | <u>69,163.5</u> | <u>65,508.5</u> |
| CURRENT ASSETS | | | |
| Non-current assets held for sale | 9.8 | 9.8 | 11.4 |
| Inventories | 2,877.7 | 2,842.2 | 2,645.9 |
| Trade receivables | 5,820.1 | 5,843.9 | 4,819.0 |
| Other receivables | 1,418.9 | 1,144.8 | 1,203.1 |
| Tax recoverable | 21.9 | 142.4 | 264.5 |
| Amount due from associates | 87.5 | 62.6 | 14.6 |
| Finance lease receivables | 1.4 | - | - |
| Amount due from jointly controlled entity | 17.1 | - | - |
| Financial asset at fair value through profit or loss | 9.7 | 9.1 | 8.6 |
| Prepaid operating leases | 663.8 | 624.5 | 633.0 |
| Derivative financial instruments | - | - | 1.5 |
| Deposits, bank and cash balances | 9,531.1 | 8,626.3 | 3,954.2 |
| | <u>20,459.0</u> | <u>19,305.6</u> | <u>13,555.8</u> |
| CURRENT LIABILITIES | | | |
| Trade payables | (4,981.4) | (4,534.5) | (4,116.3) |
| Other payables | (1,633.0) | (1,236.8) | (1,491.1) |
| Amount due to associates | (615.6) | (697.9) | (707.9) |
| Current taxation liabilities | (780.6) | (331.0) | (5.7) |
| Derivative financial instruments | (0.3) | - | - |
| Deferred income | (1,062.1) | (894.7) | (523.9) |
| Short term borrowings | (1,175.9) | (1,604.2) | (1,727.3) |
| Finance lease payables | (630.9) | (55.1) | (49.1) |
| | <u>(10,879.8)</u> | <u>(9,354.2)</u> | <u>(8,621.3)</u> |
| NET CURRENT ASSETS | 9,579.2 | 9,951.4 | 4,934.5 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | (22,013.7) | (21,467.6) | (17,326.8) |
| Consumer deposits | (3,478.5) | (3,284.7) | (3,084.9) |
| Derivative financial instruments | (12.8) | (21.5) | (44.1) |
| Employee benefits | (11,444.2) | (6,141.2) | (6,153.5) |
| Other liabilities | (903.0) | (867.5) | (874.0) |
| Deferred tax liabilities | (6,430.8) | (7,874.1) | (7,370.7) |
| Deferred income | (2,059.9) | (2,291.2) | (2,849.6) |
| Government development grants | (781.7) | (671.0) | (627.2) |
| Finance lease payables | (5,634.5) | (1,338.8) | (1,334.3) |
| | <u>(52,759.9)</u> | <u>(43,957.6)</u> | <u>(39,665.1)</u> |
| TOTAL NET ASSETS | <u>35,390.9</u> | <u>35,157.3</u> | <u>30,777.9</u> |
| CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY | | | |
| Share capital | 5,643.6 | 5,501.6 | 5,456.6 |
| Share premium | 5,382.2 | 4,529.1 | 4,332.6 |
| Other reserves | (5,509.1) | (1,468.7) | (1,440.1) |
| Retained profits | 29,600.6 | 26,335.7 | 22,198.2 |
| | <u>35,117.3</u> | <u>34,897.7</u> | <u>30,547.3</u> |
| NON-CONTROLLING INTEREST | 273.6 | 259.6 | 230.6 |
| TOTAL EQUITY | <u>35,390.9</u> | <u>35,157.3</u> | <u>30,777.9</u> |
| NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY | Sen 622.2 | Sen 634.3 | Sen 559.8 |

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

C. AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY AS AT 31 AUGUST 2013
(Amounts in RM million unless otherwise stated)

| | Attributable to owners of the Company | | | | | | | Total Equity |
|---|---------------------------------------|------------------|----------------------------|--------------------------------|--------------------------------------|---------------------|--------------------------------|-----------------|
| | Employees' | | | | | | | |
| | Ordinary Shares of RM1.00 each | Share Premium | Share Scheme Reserve | Employee Benefit Reserve | Revaluation and Other Reserves | Retained Profits | Non Controlling Interest | |
| At 1 September 2012 | | | | | | | | |
| (as previously reported) | 5,501.6 | 4,529.1 | 181.6 | - | 467.1 | 25,457.9 | 261.0 | 36,298.3 |
| Effects of adoption of MFRS 119 | - | - | - | (1,452.5) | - | 212.9 | (1.4) | (1,241.0) |
| Effects of adoption of MFRS 1 | - | - | - | - | (664.9) | 564.9 | - | - |
| As at 1 September 2012 (restated) | 5,501.6 | 4,529.1 | 181.6 | (1,452.5) | (197.8) | 26,335.7 | 259.5 | 35,157.3 |
| Profit for the financial year | - | - | - | - | - | 4,614.2 | 16.5 | 4,530.7 |
| Foreign currency translation differences | - | - | - | - | 46.5 | - | - | 46.5 |
| Fair value of available-for-sale financial assets | - | - | - | - | 0.2 | - | - | 0.2 |
| Employee benefit reserve | - | - | - | (3,905.5) | - | - | - | (3,905.5) |
| Total comprehensive income | - | - | - | (3,905.5) | 46.7 | 4,614.2 | 16.5 | 771.9 |
| Transaction with owners | | | | | | | | |
| Dividend paid to non-controlling interest | - | - | - | - | - | - | (2.5) | (2.5) |
| Dividend paid | - | - | - | - | - | - | - | - |
| - Final for FY2012 | - | - | - | - | - | (830.3) | - | (830.3) |
| - Interim for FY2013 | - | - | - | - | - | (560.0) | - | (560.0) |
| Employees' Share Option Scheme | - | - | - | - | - | - | - | - |
| - option granted | - | - | 43.3 | - | - | - | - | 43.3 |
| - expiry of ESOS | - | 183.9 | (224.9) | - | - | - | - | - |
| Issuance of share capital | 142.0 | 669.2 | - | - | - | - | - | 811.2 |
| - share options | 142.0 | 852.1 | (181.6) | - | - | (1,349.3) | (2.5) | (528.3) |
| At 31 August 2013 | 5,643.6 | 5,382.2 | - | (5,356.0) | (151.1) | 29,600.6 | 272.6 | 35,390.9 |

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

C. AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY AS AT 31 AUGUST 2013 (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 | |
| At 1 September 2011 (restated) | 5,456.6 | 4,332.6 | 156.6 | - | 532.8 | 21,518.8 | 232.0 | 32,229.4 |
| (as previously reported) | - | - | - | (1,450.1) | - | - | (1.4) | (1,451.5) |
| Effects of adoption of MFRS 119 | - | - | - | - | (679.4) | 679.4 | - | - |
| Effects of adoption of MFRS 1 | - | - | - | - | - | - | - | - |
| As at 1 September 2011 (restated) | 5,456.6 | 4,332.6 | 156.6 | (1,450.1) | (146.6) | 22,198.2 | 230.6 | 30,777.9 |
| Profit for the financial year (restated) | - | - | - | - | - | 4,410.5 | 8.6 | 4,419.1 |
| Foreign currency translation differences | - | - | - | - | (51.2) | - | - | (51.2) |
| Employee benefit reserve | - | - | - | (2.4) | - | - | - | (2.4) |
| Total comprehensive income | - | - | - | (2.4) | (51.2) | 4,410.5 | 8.6 | 4,365.5 |
| Transaction with owners | - | - | - | - | - | - | (1.5) | (1.5) |
| Dividend paid to non-controlling interest | - | - | - | - | - | (273.0) | - | (273.0) |
| Dividend paid for FY2012 | - | - | - | - | - | - | - | - |
| Changes in ownership interest in a subsidiary | - | - | - | - | - | - | 21.9 | 21.9 |
| Employees' Share Option Scheme - option granted | - | - | 25.0 | - | - | - | - | 25.0 |
| Issuance of share capital - share options | 45.0 | 196.5 | - | - | - | - | - | 241.5 |
| At 31 August 2012 (restated) | 45.0 | 196.5 | 25.0 | - | - | (273.0) | 20.4 | 13.9 |
| | 5,501.6 | 4,529.1 | 181.6 | (1,452.5) | (197.8) | 26,335.7 | 259.6 | 35,157.3 |

These audited 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.

D. AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 AUGUST 2013

(Amounts in RM million unless otherwise stated)

| | FY2013 ended 31.08.13 | FY2012 ended 31.08.12 (Restated) |
|---|-----------------------------|---|
| Operating activities | | |
| Cash generated from operations | 9,404.8 | 8,538.8 |
| Retirement benefits paid | (633.5) | (608.3) |
| Consumer contributions received | 905.4 | 777.4 |
| Customer deposits received | 193.8 | 199.8 |
| Tax paid | (822.6) | (432.1) |
| Net cash generated from operating activities | <u>9,047.9</u> | <u>8,475.6</u> |
| Investing activities | | |
| Investment in associates: | | |
| - addition | - | (91.9) |
| - proceeds from redemption of unsecured loan notes/RULS | 18.7 | 5.2 |
| Dividend received | 74.6 | 25.4 |
| Interest received | 265.2 | 166.7 |
| Short term investment | - | 0.2 |
| Property, plant and equipment: | | |
| - purchases | (7,921.2) | (7,004.4) |
| - disposals | 5.9 | 6.0 |
| Disposal of assets held for sale | 11.4 | 18.3 |
| Net cash used in investing activities | <u>(7,545.4)</u> | <u>(6,874.5)</u> |
| Financing activities | | |
| Bank borrowings: | | |
| - new drawdowns | 4,299.4 | 5,241.7 |
| - repayments | (3,742.1) | (1,604.7) |
| Interest paid | (743.0) | (675.2) |
| Proceeds from issuance of shares | 811.2 | 241.5 |
| Issue of shares to non-controlling interest | - | 21.9 |
| Dividend paid to non-controlling interests | (2.5) | (1.5) |
| Dividends paid | (1,390.3) | (273.0) |
| Government development grants received | 169.0 | 120.8 |
| Net cash (used in)/generated from financing activities | <u>(598.3)</u> | <u>3,071.5</u> |
| Changes in deposit, bank and cash balances | 904.2 | 4,672.6 |
| Currency translation differences | 0.6 | (0.5) |
| Deposit, bank and cash balances | | |
| - at start of period | 8,626.3 | 3,954.2 |
| - at end of period | <u>9,531.1</u> | <u>8,626.3</u> |
| Cash at bank, held in trust ¹ | (53.5) | (97.9) |
| Debt reserve account ² | (213.8) | (218.6) |
| Funds from MoF ³ | (0.5) | (2.5) |
| Cash and cash equivalents | <u>9,263.3</u> | <u>8,307.3</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 audited Condensed Consolidated Cash Flow Statements should be read in conjunction with the annual audited financial statements for the year ended 31 August 2012.



E. EXPLANATORY NOTES

(Amounts in RM million unless otherwise stated)

1) BASIS OF PREPARATION

These audited 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", International Financial Reporting Standards ("IFRS") 34 "Interim Financial Reporting" 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 those 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 2013. 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 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 are 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 Statements 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 financial year 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 amounting to RM894.9 million was transferred to retained earnings.

N



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.

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 for accounting periods commencing from 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 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.

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 | |
| Condensed Consolidated Statements Of Financial Position | | | | |
| Non-Current Liabilities | | | | |
| Employee benefits | (4,220.5) | - | (1,933.0) | (6,153.5) |
| Deferred tax liability | (7,852.2) | - | 481.5 | (7,370.7) |
| Capital and Reserves attributable to Owners of the Company | | | | |
| Other Reserves | (689.4) | 679.4 | 1,450.1 | 1,440.1 |
| Retained profits | (21,518.8) | (679.4) | - | (22,198.2) |
| Non-controlling interest | (232.0) | - | 1.4 | (230.6) |



| | 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 | |
| Condensed Consolidated Statements Of Financial Position | | | | |
| Non-Current Liabilities | | | | |
| Employee benefits | (4,489.7) | - | (1,651.5) | (6,141.2) |
| Deferred tax liability | (8,284.6) | - | 410.5 | (7,874.1) |
| Capital and Reserves attributable to Owners of the Company | | | | |
| Other Reserves | (648.7) | 664.9 | 1,452.5 | 1,468.7 |
| Retained profits | (25,457.9) | (664.9) | (212.9) | (26,335.7) |
| Non-controlling Interest | (261.0) | - | 1.4 | (259.6) |
| Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income | | | | |
| Operating expenses | (31,592.1) | - | 283.9 | (31,308.2) |
| Deferred taxation | (462.6) | - | (71.0) | (533.6) |
| Other Comprehensive Income | | | | |
| -Employee Benefit Reserve | - | - | (2.4) | (2.4) |

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 Note 6 respectively.

The renewal of the first generation Independent Power Producers' ("IPP") licenses has resulted in Supplementary Agreement ("SA") and new Power Purchase Agreement ("PPA") put in place. The reassessment has led the operating leases to be reclassified as finance lease. As at 1 March 2013, the prepaid operating leases balance relating to the original agreements amounting to RM247.9 million has been charged to the Profit or Loss. In addition the recognition of PPE amounting to RM3,490.2 million was made.

6) MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED

The Group has recognised an amount of RM3,905.5 million (net of tax) in the Other Comprehensive Income (OCI) 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 142,057,440 ordinary shares of RM1.00 each were issued under the Employee Share Option Scheme II ("ESOS II"). This scheme expired on 7th July 2013.

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

- a) A final single-tier dividend of 15.0 sen per ordinary share for Financial Year 2012 was paid on 28 December 2012 totalling RM830.3 million.
- b) An interim single-tier dividend of 10.0 sen per ordinary share for Financial Year 2013 was paid on 29 May 2013 totalling RM560.0 million.
- c) The Board of Directors has proposed a final single-tier dividend of 15.0 sen per ordinary share in respect of the period ended 31 August 2013 subject to approval at the Annual General Meeting. The Books Closure and payment dates will be announced in due course.

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:-

| | As at 31 Aug 2013 | As at 31 Aug 2012 |
|--|-------------------------|-------------------------|
| Claims by third parties | 385.1 | 320.8 |
| Trade guarantees and performance bonds | 12.3 | 27.4 |
| Other contingent liabilities | <u>140.8</u> | <u>5.0</u> |
| | <u>538.2</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

| | As at 31 Aug 2013 | As at 31 Aug 2012 |
|---|-------------------------|-------------------------|
| Property, plant and equipment committed over a 5-year period | | |
| Authorised but not contracted for | 18,236.7 | 13,513.9 |
| Contracted but not provided for in the financial statements | <u>4,171.5</u> | <u>4,224.6</u> |
| | <u>22,408.2</u> | <u>17,738.5</u> |



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

15) REVIEW OF PERFORMANCE

- (a) Performance of the current financial year ended 31 August 2013 against the corresponding financial year ended 31 August 2012:

The Group recorded a 4.0% or RM1,377.7 million improvement in sales of electricity from RM34,476.8 million to RM35,854.5 million. The improvement was mainly from sales of electricity in Peninsular Malaysia and Sabah, which recorded an increase of 4.3% and 7.3% respectively. The electricity demand grew by 3.8% in the Peninsula and 5.7% in Sabah as compared to the corresponding period last financial year.

Profit attributable to the Owners of the Company for the period under review was RM4,614.2 million as compared to RM4,410.5 million recorded in the corresponding period last financial year, an increase of RM203.7 million or 4.6%. The current reporting period recorded a translation gain of RM493.6 million as compared to a loss of RM230.8 million reported in the previous year due to the strengthening of the Ringgit against the Japanese Yen.

- (b) Performance of the current fourth quarter (three months) FY2013 against the corresponding fourth quarter (three months) FY2012:

The quarter recorded sales of electricity of RM9,430.9 million against RM9,071.7 million for the same period last financial year. The improvement was mainly from sales of electricity in the Peninsula and Sabah, which recorded an increase of 4.3% and 6.4% respectively. The units sold also registered a growth of 3.0% in the Peninsula and 8.2% in Sabah as compared to the corresponding quarter.

Despite the increase in sales of electricity, the Group reported a significant drop in profit attributable to owners of the Company by RM841.6 million, decreased from RM1,061.0 million (Q4 FY2012) to RM219.4 million (Q4 FY2013). This is mainly due to increase in operating expenses by RM732.9 million, coupled by loss in foreign currency translation of RM617.1 million resulted from the weakening of the Ringgit against the US Dollar during the quarter under review.

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

Performance of the current quarter (4th Quarter FY2013) against the preceding quarter (3rd Quarter FY2013):

The Group reported a higher total sales of electricity of RM9,430.9 million for the current quarter as compared to RM8,875.3 million in the preceding quarter, an increase of RM555.6 million or 6.3%. The increase was mainly contributed by the sales of electricity in Peninsular Malaysia and Sabah of 5.5% and 2.5% respectively.

Higher operating expenses of RM8,855.1 million as compared to RM7,915.0 million recorded in the preceding quarter of this financial year, contributed to a significantly low profit attributable to owners of the Company, from RM1,707.2 million (in Q3 FY2013) to RM219.4 million (in Q4 FY2013).

Additionally, the weakening of Ringgit against the US Dollar and Japanese Yen during the quarter under review has resulted the Group reported a huge loss in foreign currency translation of RM617.7 million as compared to a gain of RM324.7 million recorded in the last quarter.



17) PROSPECTS

For the Financial Year 2014, the electricity demand growth is expected to remain steady, in line with the expectancy of improving global outlook. This is supported by the projected domestic economic growth of 5% to 5.5% as announced in the 2014 Budget recently.

Based on the aforementioned scenario, The Board of Directors views the prospects of the Group for the Financial Year 2014 to remain stable subject to fuel prices remaining manageable.

18) PROFIT FROM OPERATIONS

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

| | Quarter ended 31 Aug 13 | Period ended 31 Aug 13 |
|--------------------------------|--|---------------------------------------|
| Property, plant and equipment: | | |
| -Depreciation | 1,328.5 | 4,569.5 |
| -Profit on sale of properties | - | (10.6) |
| -Provision for impairment | - | 100.0 |
| Provision for receivables | (94.3) | 2.3 |
| Provision for inventories | 3.8 | 8.0 |
| Inventories written off | 6.1 | 20.7 |

Other than the items highlighted above, there were no disposal of quoted investment during the quarter and financial period ended 31 August 2013.

19) VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

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



20) TAXATION and ZAKAT

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

| | Individual quarter | | Cumulative quarter | |
|---|--------------------|----------------------------------|--------------------|----------------------------------|
| | ended 31 Aug 13 | ended 31 Aug 12 (Restated) | ended 31 Aug 13 | ended 31 Aug 12 (Restated) |
| Income Tax: | | | | |
| Current tax and zakat | (250.0) | (112.0) | (1,419.2) | (868.4) |
| Deferred tax (net): | | | | |
| Relating to origination and reversal of temporary differences | 255.8 | (177.2) | 194.3 | (533.6) |
| Total taxation and zakat | 5.8 | (289.2) | (1,224.9) | (1,402.0) |

For the reporting period ended 31 August 2013, the Group recorded a 20.9% effective tax rate, which is lower than the statutory tax rate of 25.0%. The lower effective tax rate is mainly due to unrealised forex gain and income of non-taxable in nature.

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 31 Aug 13 | As at 31 Aug 12 |
|----------------------|--------------------|--------------------|
| Short term - secured | 506.2 | 547.9 |
| - unsecured | 669.7 | 1,056.3 |
| Sub-total | 1,175.9 | 1,604.2 |
| Long term - secured | 8,810.6 | 6,728.1 |
| - unsecured | 13,203.1 | 14,739.5 |
| Sub-total | 22,013.7 | 21,467.6 |
| Total | 23,189.6 | 23,071.8 |

- b) Currency denominations:-

| | As at 31 Aug 13 | As at 31 Aug 12 |
|--|--------------------|--------------------|
| Japanese Yen | 3,742.4 | 5,221.2 |
| US Dollar | 2,825.3 | 2,876.8 |
| Others | 23.5 | 23.1 |
| Total Ringgit equivalent of foreign currency borrowings | 6,591.2 | 8,121.1 |
| Ringgit borrowings | 16,598.4 | 14,950.7 |
| Total | 23,189.6 | 23,071.8 |

- c) Effective average cost of borrowing based on exposure as at 31 August 2013 was 4.77% (FY2012: 4.90%).
- d) Repayments of long term debts during the reporting period were as follows:
- Foreign currency denominated term loans of RM978.4 million, and
 - Ringgit denominated term loans of RM2,459.0 million.



23) DERIVATIVES FINANCIAL INSTRUMENTS

| Type of Derivatives | As at 31 August 2013 | |
|-----------------------------------|-------------------------------|--------------------------|
| | Notional Amount RM Million | Fair Value RM Million |
| Forward Currency Contracts | | |
| - Less than 1 year | 20.6 | (0.3) |
| Interest Rate Swaps | | |
| - More than 3 years | 291.9 | (12.8) |
| Currency Options | | |
| - More than 3 years | 872.0 | 61.9 |
| Total | 1,184.5 | 48.8 |

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 gain of RM19.8 million during the current quarter and a total net loss of RM45.7 million 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 statements 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:

| | 31 August 2013 | 31 August 2012 (Restated) |
|--|-------------------|---------------------------------|
| | RM Million | RM Million |
| Total retained profits of the Company and its subsidiaries | | |
| -Realised | 31,232.9 | 29,472.8 |
| -Unrealised | (4,563.0) | (6,421.7) |
| Total share of retained profits from jointly controlled entities | | |
| -Realised | (10.4) | (10.2) |
| -Unrealised | - | - |
| Total share of retained profits from associates | | |
| -Realised | 190.6 | 225.0 |
| -Unrealised | (110.6) | (115.5) |
| Consolidation adjustments | 2,861.1 | 3,185.3 |
| Total retained profits of the Group | 29,600.6 | 26,335.7 |

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 Integrax Berhad's (ITB), where TNB holds 22.12% shareholding, realised and unrealised profits for period as at 30 June 2013 and not 31 August 2013. 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 | | Cumulative quarter | |
|--|--------------------|---------------------------------|--------------------|---------------------------------|
| | ended 31.08.13 | ended 31.08.12 (Restated) | ended 31.08.13 | ended 31.08.12 (Restated) |
| (a) Basic earnings per share | | | | |
| Profit attributable to owners of the Company (RM 'million) | 219.4 | 1,061.0 | 4,614.2 | 4,410.5 |
| Weighted average number of ordinary shares in issue ('000) | 5,571,816 | 5,464,516 | 5,571,816 | 5,464,516 |
| Basic earnings per share (sen) | 3.94 | 19.42 | 82.81 | 80.71 |
| (b) Diluted earnings per share | | | | |
| Profit attributable to owners of the Company (RM 'million) | 219.4 | 1,061.0 | 4,614.2 | 4,410.5 |
| Weighted average number of ordinary shares in issue ('000) | 5,571,816 | 5,464,516 | 5,571,816 | 5,464,516 |
| Adjustments for share options ('000) | - | 13,484 | - | 13,484 |
| Weighted average number of ordinary shares for diluted earnings per share ('000) | 5,571,816 | 5,478,000 | 5,571,816 | 5,478,000 |
| Diluted earnings per share (sen) | 3.94 | 19.37 | 82.81 | 80.51 |

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
31 October 2013