



PRESENTATION TO ANALYST

GROUP UNAUDITED FINANCIAL RESULTS FOR THE 1st QUARTER FY2014 ENDED 30th NOVEMBER 2013

23rd JANUARY 2014

RESULTS SNAPSHOTS

RESULTS HIGHLIGHTS

RESULTS DETAILS

QUESTION & ANSWER

1st QUARTER FY2014

3-Month Ended 30th Nov 2013



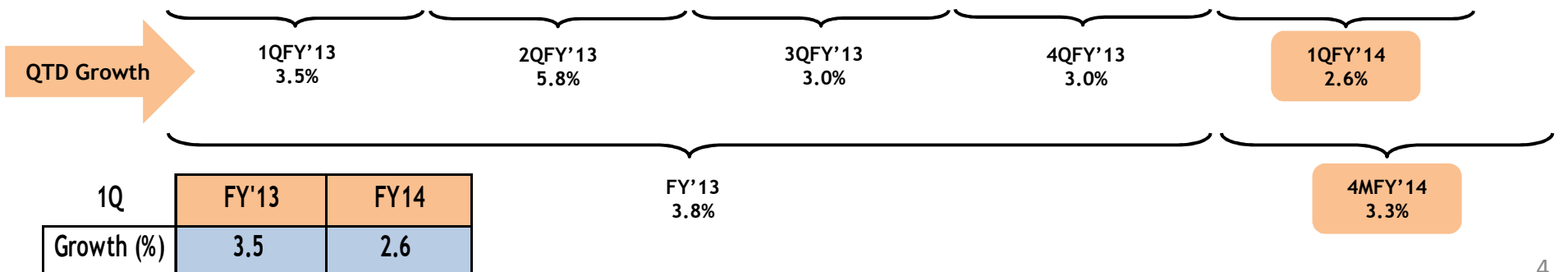
- **Group Revenue grew by 5.0%.**
- **Group Operating Profit declined by 13.4% to RM1.52 billion.**
- **EBITDA margin reduced by 3 percentage points to 28.0%.**

ANALYSIS OF ELECTRICITY GROWTH IN PENINSULA



Slower Electricity Growth in 1QFY'14

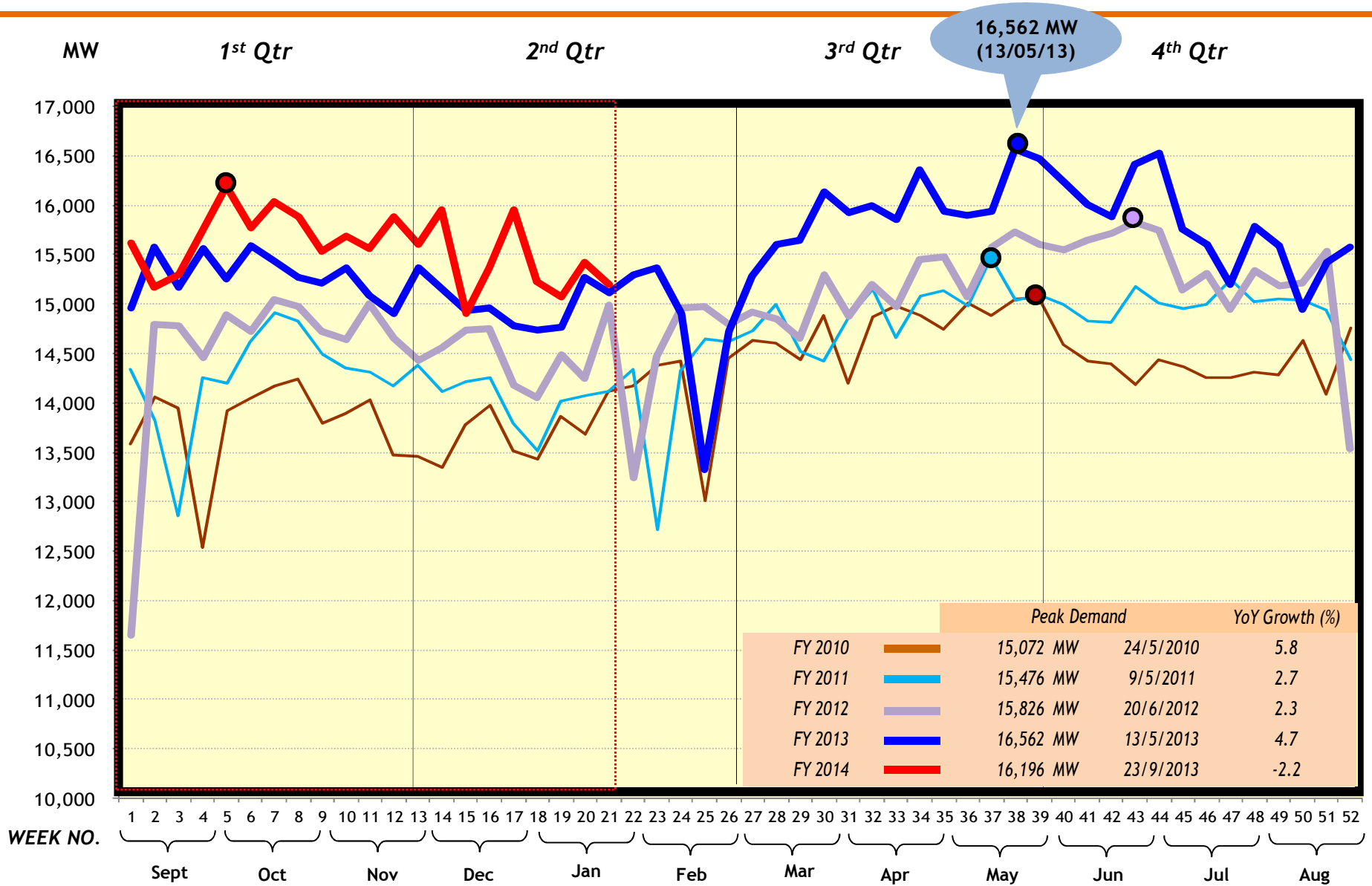
UNITS SALES		FY 2013												FY 2014			
		Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Industrial	Gwh	3,395	3,518	3,628	3,410	3,518	3,614	3,093	3,665	3,638	3,684	3,569	3,732	3,399	3,550	3,695	3,563
	Growth (%)	(3.0)	6.3	0.2	0.4	1.8	11.3	(6.3)	0.6	3.4	0.0	(0.7)	2.1	0.1	0.9	1.8	4.5
Commercial	Gwh	2,765	2,724	2,922	2,669	2,938	2,869	2,570	2,975	2,983	2,986	2,977	3,001	2,853	2,890	2,975	2,860
	Growth (%)	2.9	(4.6)	18.3	(0.3)	9.7	7.8	(1.6)	5.9	7.4	3.1	5.1	4.5	3.2	6.1	1.8	7.2
Domestic	Gwh	1,802	1,614	1,760	1,645	1,715	1,774	1,693	1,814	1,871	1,801	1,862	1,971	1,795	1,811	1,773	1,722
	Growth (%)	1.3	6.0	11.6	8.4	5.7	10.2	5.5	9.7	9.7	(0.7)	8.0	13.0	(0.4)	12.2	0.7	4.7
Others	Gwh	150	136	147	145	155	159	152	147	149	146	115	155	157	155	152	156
	Growth (%)	(8.0)	(18.1)	113.0	8.2	9.9	21.4	15.2	5.8	8.8	0.7	(16.1)	14.0	4.7	14.0	3.4	7.6
TOTAL	Gwh	8,112	7,992	8,457	7,869	8,326	8,416	7,508	8,601	8,641	8,617	8,523	8,859	8,204	8,406	8,595	8,301
	Growth (%)	(0.2)	1.8	9.3	1.9	5.4	10.0	(1.9)	4.3	6.1	0.9	2.9	5.4	1.1	5.2	1.6	5.5



SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)



For FY2010 to FY2014

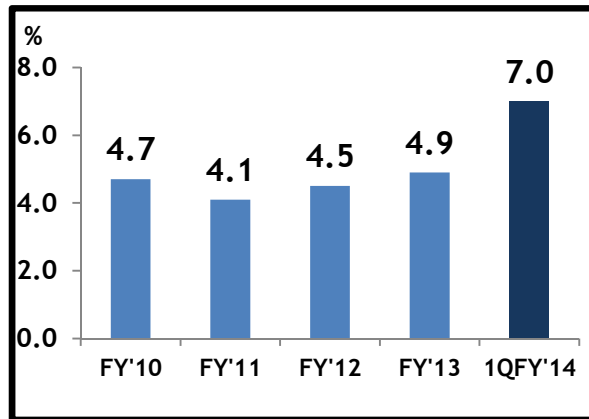


HEADLINE KEY PERFORMANCE INDICATORS

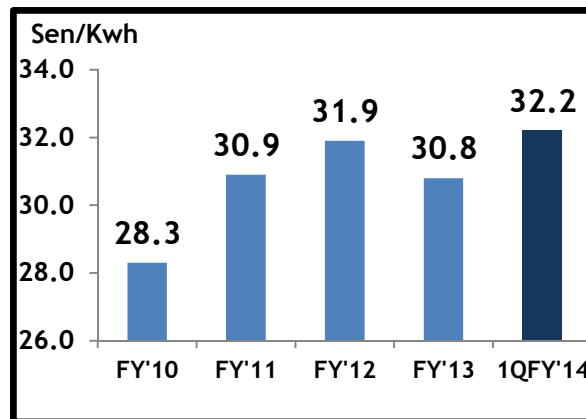


Financial Indicators

1 Return on Assets (ROA)(%)

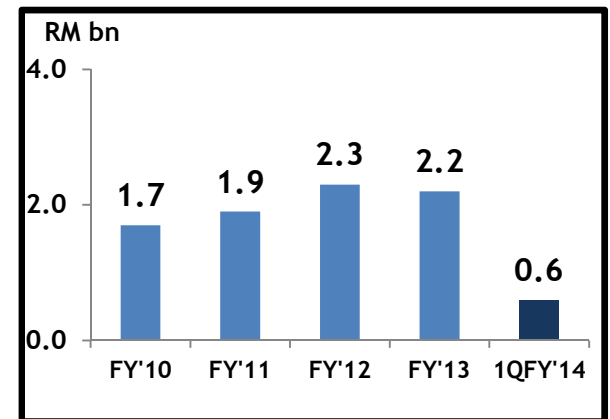


2 Company CPU (sen/kwh)



*not restated ('10-'11)

3 Revenue from Non-Regulated Business (RM bn)

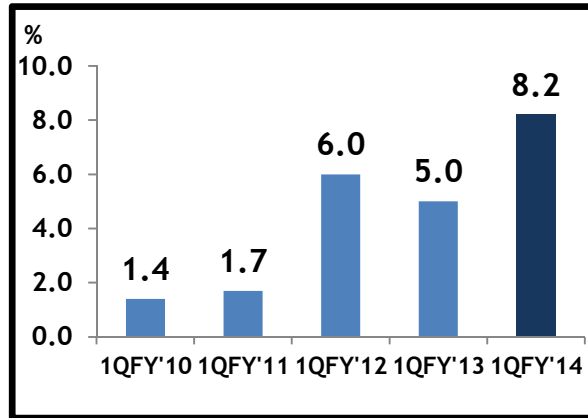


HEADLINE KEY PERFORMANCE INDICATORS

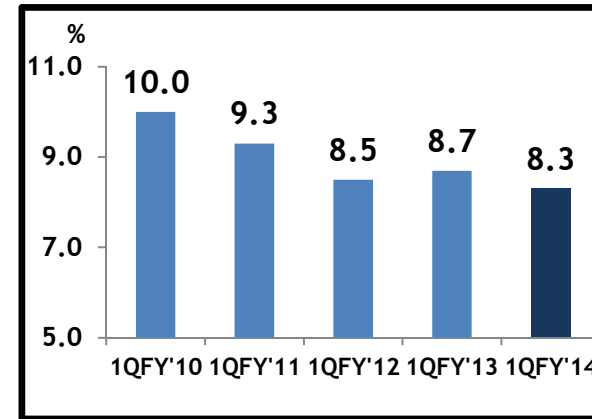


Technical Indicators

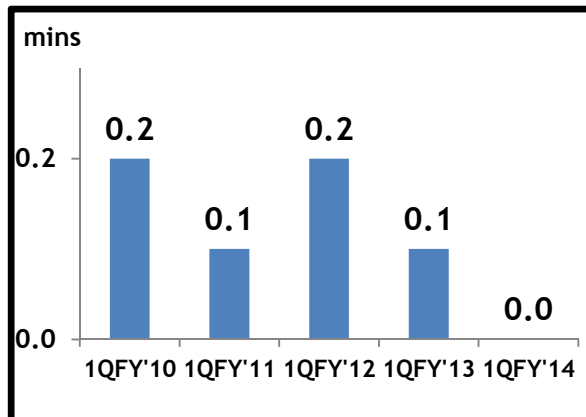
1 Unplanned Outage Rate (UOR)(%)



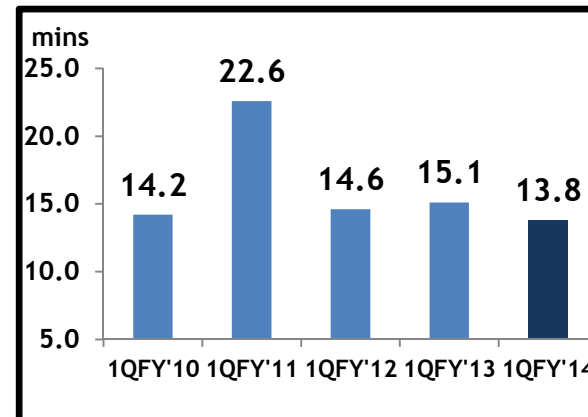
2 T & D Losses (%)



3 Transmission System Minutes (mins)



4 Distribution SAIDI (mins)



RESULTS SNAPSHOTS

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QUESTION & ANSWER

UNAUDITED INCOME STATEMENTS (GROUP)



- 5.0% Increase in Revenue against 8.9% Increase in Operating Expenses
- Lower Operating Profit of RM1.52bn

RM'mn	1QFY'13	1QFY'14	Variance %
Continuing Operations:			
Revenue	9,130.8	9,585.4	5.0
Operating expenses	(7,465.9)	(8,130.4)	(8.9)
Other operating income	92.9	67.9	(26.9)
Operating profit	1,757.8	1,522.9	(13.4)
Forex			
- Translation Gain	397.4	252.7	(36.4)
- Transaction Gain	2.4	8.1	>100.0
Share of results of jointly controlled entities and associates (net of tax)	25.6	21.4	(16.4)
Profit before finance cost	2,183.2	1,805.1	(17.3)
Finance income	49.0	38.0	(22.4)
Finance cost	(229.6)	(240.5)	(4.7)
Profit before taxation and zakat	2,002.6	1,602.6	(20.0)
Taxation and Zakat			
- Company and subsidiaries	(551.0)	(118.8)	78.4
- Deferred taxation	(36.2)	234.7	>100.0
Profit for the financial period	1,415.4	1,718.5	21.4
Attributable to:			
- Owners of the Company	1,415.5	1,734.9	22.6
- Non-controlling interests	(0.1)	(16.4)	>(100.0)
	1,415.4	1,718.5	21.4

MONTHLY & YEARLY ANALYSIS



Higher Generation Costs Resulted in Lower EBITDA Margin

RM mn	1QFY'13	1QFY'14	Sept'13	Oct'13	Nov'13
Total Units Sold (Gwh)	26,070.4	26,717.4	8,727.2	8,918.2	9,072.0
Revenue	9,130.8	9,585.4	3,074.2	3,165.4	3,345.8
Operating Expenses (before depreciation)	6,394.5	6,966.1	2,008.2	2,134.1	2,823.8
Operating Income	92.9	67.9	(5.2)	35.3	37.8
EBITDA	2,829.2	2,687.2	1,060.8	1,066.6	559.8
EBITDA Margin (%)	31.0%	28.0%	34.5%	33.7%	16.7%
Depreciation and Amortisation	1,071.4	1,164.3	393.0	367.6	403.7
EBIT	1,757.8	1,522.9	667.8	699.0	156.1
EBIT Margin (%)	19.3%	15.9%	21.7%	22.1%	4.7%
Finance Cost	229.6	240.5	73.4	76.8	90.3
Profit Before Tax & Forex Translation	1,605.2	1,349.9	656.6	615.5	77.8
Net Profit Before Forex Translation	1,018.1	1,482.2	608.7	548.6	324.9
Translation Gain	397.4	252.7	24.8	219.6	8.3
Net Profit Attributable to Equity Holders	1,415.5	1,734.9	633.5	768.2	333.2
Non-controlling Interest	(0.1)	(16.4)	9.1	(2.3)	(23.2)

COAL PRICE & CONSUMPTION

	1QFY'13	1QFY'14	Var (%)
Average Coal Price Consumed (USD/MT)			
FOB	75.5	67.5	-10.6%
Freight	8.4	9.1	8.3%
Others	0.5	0.6	20.0%
CIF	84.4	77.2	-8.5%
Average Coal Price Consumed (RM/MT) (CIF)	258.7	249.0	-3.7%
Coal Consumption (mn MT)	5.1	4.7	-7.8%

OPERATING EXPENSES



Y-o-Y Analysis Shows 8.9% Increase in OPEX

RM mn	1QFY'13	1QFY'14	Variance RM mn	Variance %
Capacity Payment	1,147.4	906.1	241.3	21.0
Energy Payment	2,484.2	2,085.4	398.8	16.1
Total IPPs Purchases/Costs	3,631.6	2,991.5	640.1	17.6
Fuel Costs	5,016.6 { 1,385.0	5,177.4 { 2,185.9	(800.9)	(57.8)
Repair & Maintenance	311.5	333.7	(22.2)	(7.1)
Staff Costs	682.3	838.6	(156.3)	(22.9)
TNB General Expenses	210.2	296.9	(86.7)	(41.2)
Subs. Gen Exp, Cost of Sales & Provision	173.9	319.5	(145.6)	(83.7)
Depreciation & Amortisation	1,071.4	1,164.3	(92.9)	(8.7)
Total Operating Expenses	7,465.9	8,130.4	(664.5)	(8.9)

RESULTS SNAPSHOTS

RESULTS HIGHLIGHTS

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QUESTION & ANSWER

DETAILS OF REVENUE BY BUSINESS SEGMENTS



3.1% Increase in Group Sales of Electricity

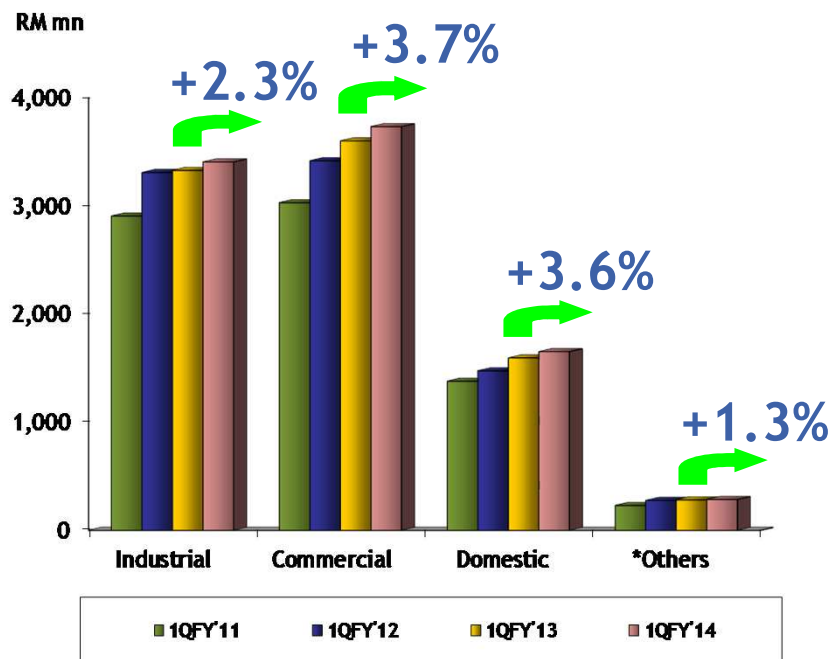
	1QFY'13		1QFY'14		Growth
UNITS SOLD	GWh		GWh		%
- TNB	24,559.8		25,205.3		2.6
- EGAT (Export)	2.1		6.2		>100.0
- SESB	1,150.4		1,166.7		1.4
- LPL	358.1		339.2		(5.3)
Total Units Sold (GWh)	26,070.4		26,717.4		2.5
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	8,295.4	33.8	8,566.2	34.0	3.3
- EGAT (Export)	2.7	128.6	8.2	132.3	>100.0
- SESB	340.3	29.6	345.9	29.6	1.6
- LPL	167.8	46.9	157.2	46.3	(6.3)
Sales of Electricity	8,806.2	33.8	9,077.5	34.0	3.1
LPL Operating Lease (FRS117)	-		6.4		>100.0
Accrued Revenue	3.4		41.0		>100.0
Total Sales of Electricity	8,809.6		9,124.9		3.6
Goods & Services	206.3		376.9		82.7
Deferred Income	114.9		83.6		(27.2)
Total Revenue	9,130.8		9,585.4		5.0

ELECTRICITY GROWTH BY SECTORS (GROUP)

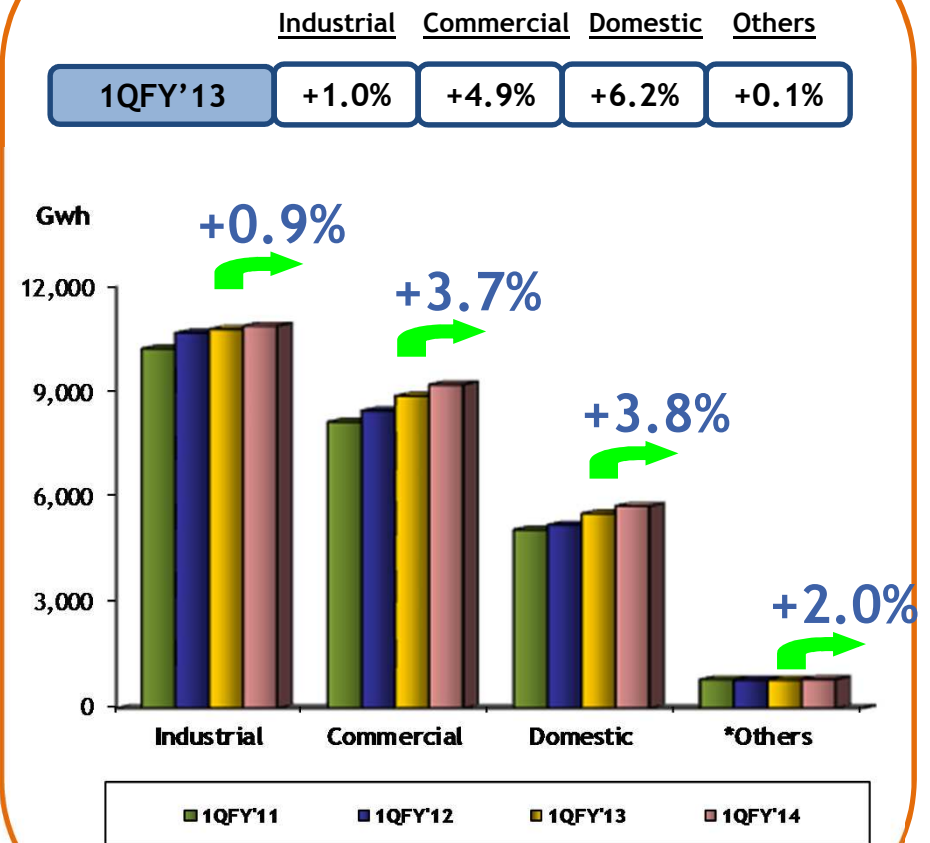


Analysis

1QFY'14 = 3.1%
(1QFY'13 = 3.9%)



1QFY'14 = 2.5%
(1QFY'13 = 3.4%)



Notes:

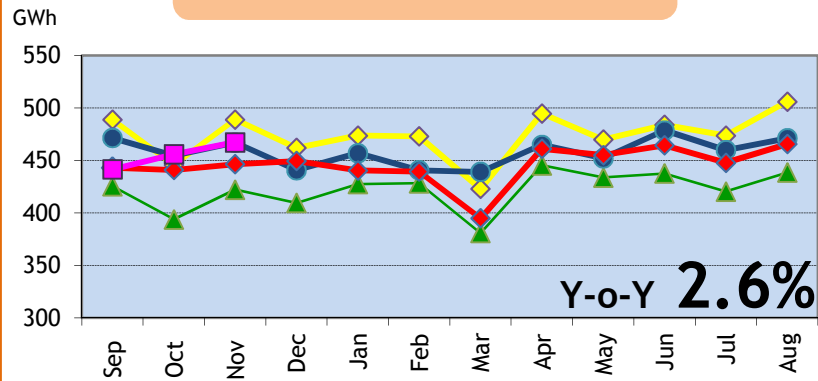
* Includes Specific Agriculture, Mining, Public Lighting, LPL & EGAT Revenue excluding accrued revenue

DETAILS OF REVENUE: SECTORAL ANALYSIS

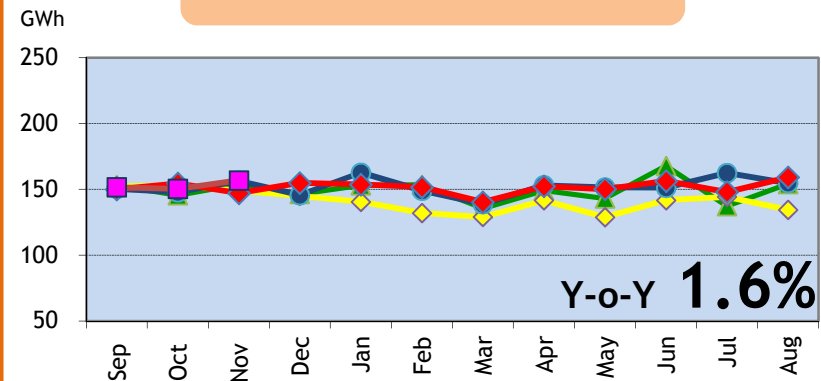


Industrial Sector* (Peninsula) Recorded Y-o-Y Growth of 1.0%

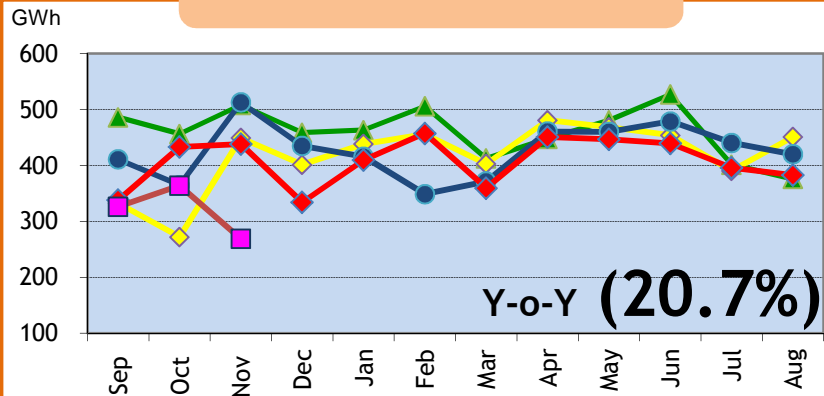
ELECTRONICS



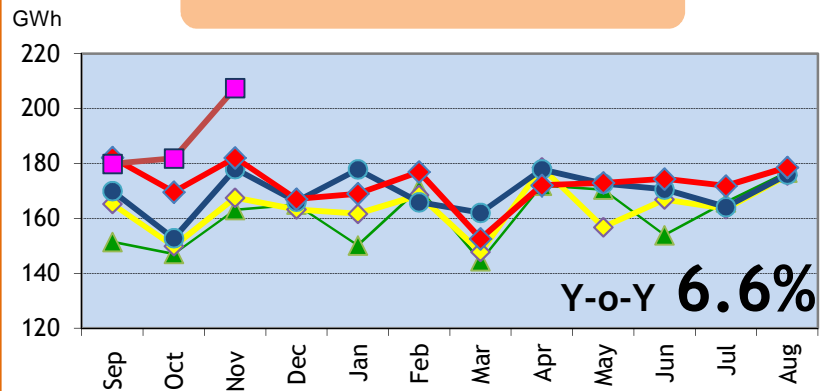
PETROCHEMICAL



IRON & STEEL



CEMENT & CONCRETE



▲ FY2010
 ◆ FY2011
 ● FY2012
 ◆ FY2013
 ■ FY2014

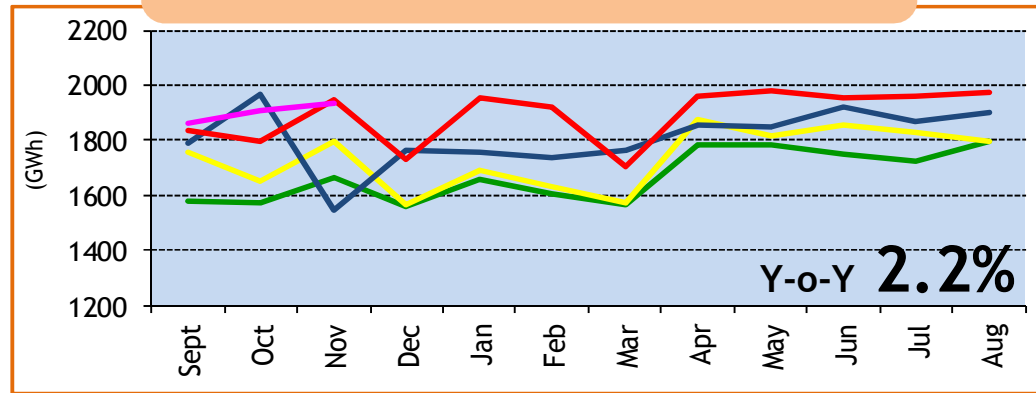
* Source : Top 1,000 PRIME customers database (PRIME customer YTD unit sales equivalent to 33.9% of total YTD unit sales)
 * PRIME customers for 4 sectors above attributes 39.2% from the whole PRIME customers YTD unit sales

DETAILS OF REVENUE: SECTORAL ANALYSIS

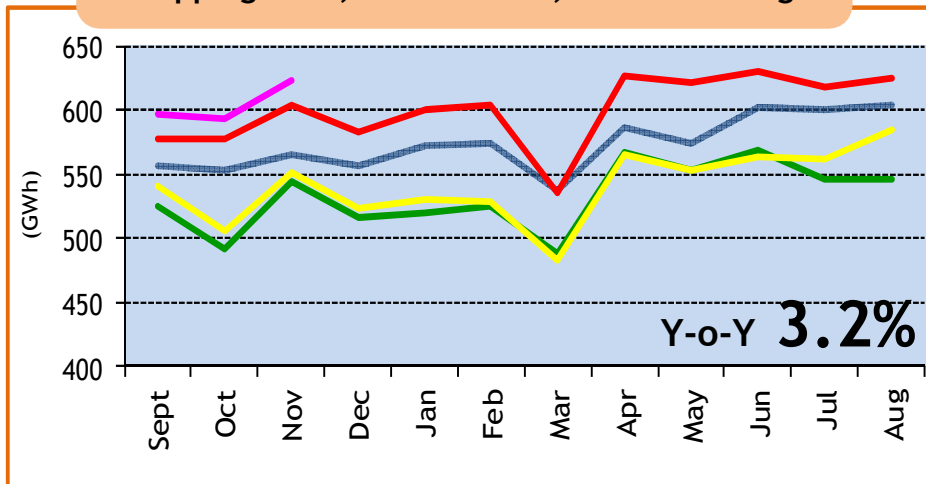


Commercial Sector (Peninsula) Recorded Y-o-Y Growth of 3.7%

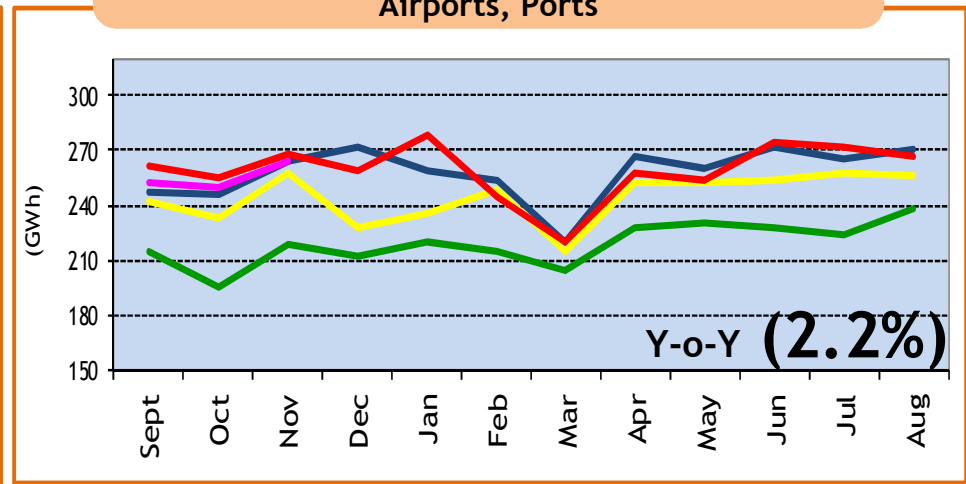
LOW VOLTAGE Shop Lots & Retail Business



MEDIUM VOLTAGE Shopping Malls, 3 Star Hotels, Office Buildings



MEDIUM VOLTAGE (PEAK/OFF-PEAK) Mega Shopping Malls, 4-5 Star Hotels, Hospitals, Airports, Ports



FY2010 FY2011 FY2012 FY2013 FY2014

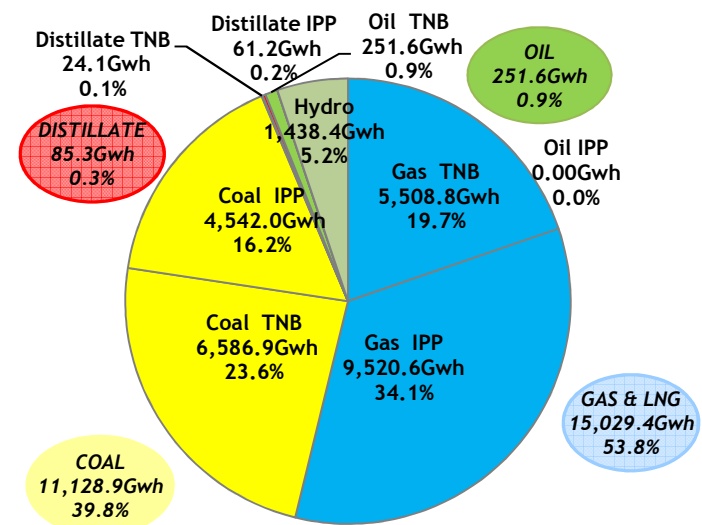
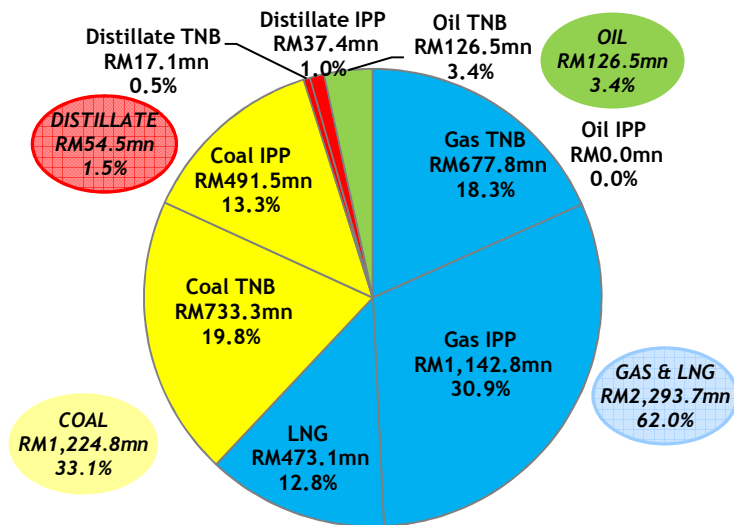
INDUSTRY GENERATION IN PENINSULA (TNB & IPPs)



Increased Gas Generation due to Improved Gas Supply from RGT

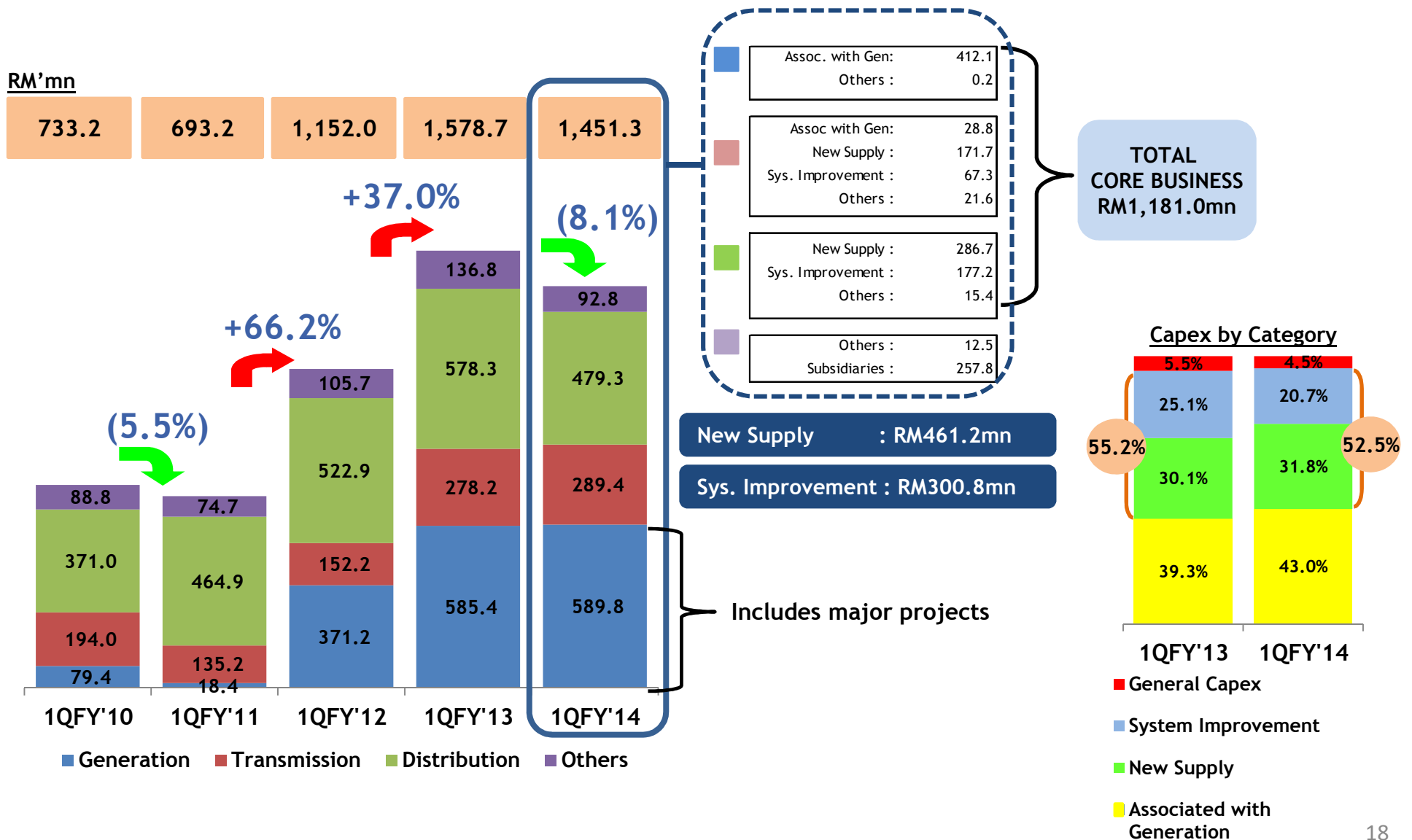
Fuel Cost (RM mn)				
Fuel Type	1QFY'13	1QFY'14	Variance	
			RM mn	%
Gas	1,423.8	1,820.6	396.8	27.9
LNG	0.0	473.1	473.1	>100.0
Coal	1,326.8	1,224.8	(102.0)	(7.7)
Distillate	612.5	54.5	(558.0)	(91.1)
Oil	393.8	126.5	(267.3)	(67.9)
Hydro	0.0	0.0	-	-
Sub Total	3,756.9	3,699.5	(57.4)	(1.5)
Fuel Cost Compensation	(538.5)	(116.5)	422.0	78.4
Total	3,218.4	3,583.0	364.6	11.3

Units Generated (Gwh)				
Fuel Type	1QFY'13	1QFY'14	Variance	
			Gwh	%
Gas	12,245.0	15,029.4	2,784.4	22.7
Coal	12,010.7	11,128.9	(881.8)	(7.3)
Distillate	1,019.3	85.3	(934.0)	(91.6)
Oil	744.5	251.6	(492.9)	(66.2)
Hydro	1,037.5	1,438.4	400.9	38.6
Total	27,057.0	27,933.6	876.6	3.2



CAPITAL EXPENDITURE

Major Projects Represent 45.4% of Total CAPEX



PROGRESS OF MAJOR PROJECTS

All Major Projects are on Track as Scheduled



Janamanjung Unit 4

76% 1,000MW

COD 31st Mar 2015

Hulu Terengganu Hydro

52% 265MW

COD Sept 2015 (U1)
Dec 2015 (U2)

Ulu Jelai Hydro

50% 372MW

COD Dec 2015 (U1)
Mar 2016 (U2)

Prai

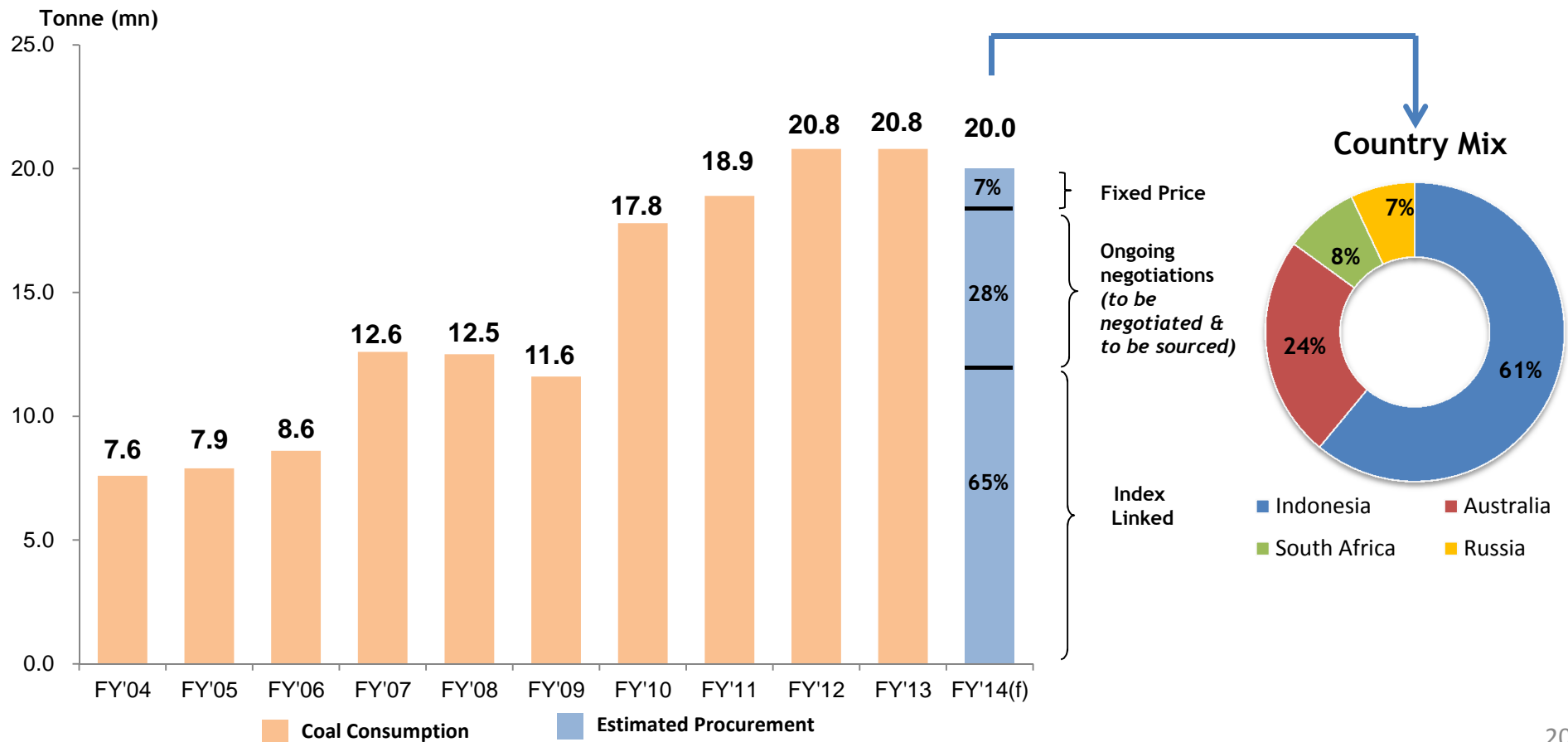
27% 1,070MW

COD 1st Jan 2016

COAL REQUIREMENT

Average Coal Price for 1QFY'14 was at USD77.2/MT

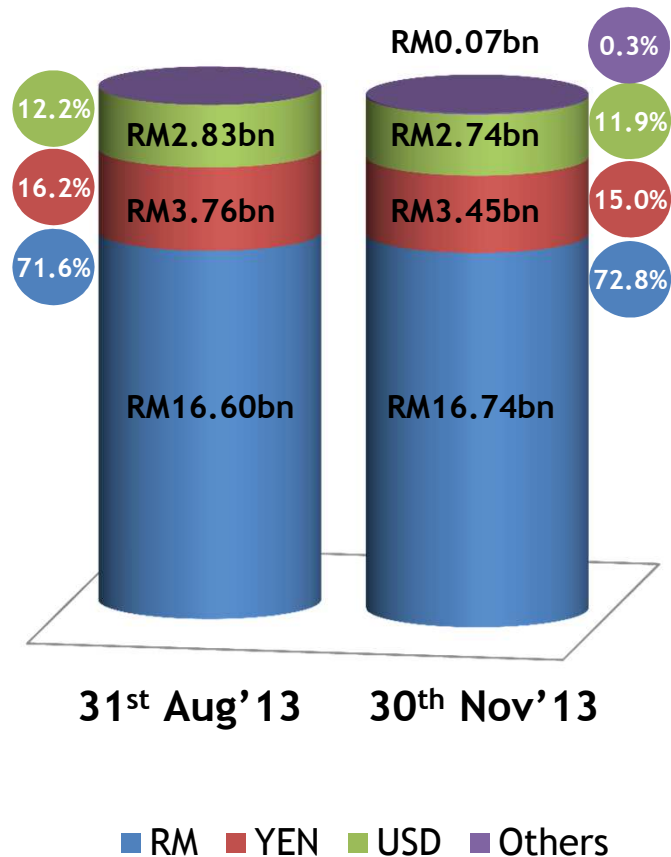
	FY'04	FY'05	FY'06	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	1QFY'14
Average Coal Price (CIF) (USD/metric tonne)	34.0	49.8	52.8	45.3	76.4	90.2	88.2	106.9	103.6	83.6	77.2



DEBT EXPOSURE & FOREX



Increase in Ringgit Loan Mainly due to Strengthening of RM Against Yen & USD



Statistics	31st Aug'13	30th Nov'13
Total Debt (RM bn)	23.2	23.0
Net Debt (RM bn)	13.7	12.6
Gearing (%)	39.6	38.3
Net Gearing (%)	23.3	21.0
Fixed : Floating (%)	98.8 : 1.2	98.8 : 1.2
Final Exposure (%)	100.0 : 0.0	100.0 : 0.0
Weighted Average Cost of Debt (%)	4.68	4.71
Final Exposure (%)	4.77	4.79

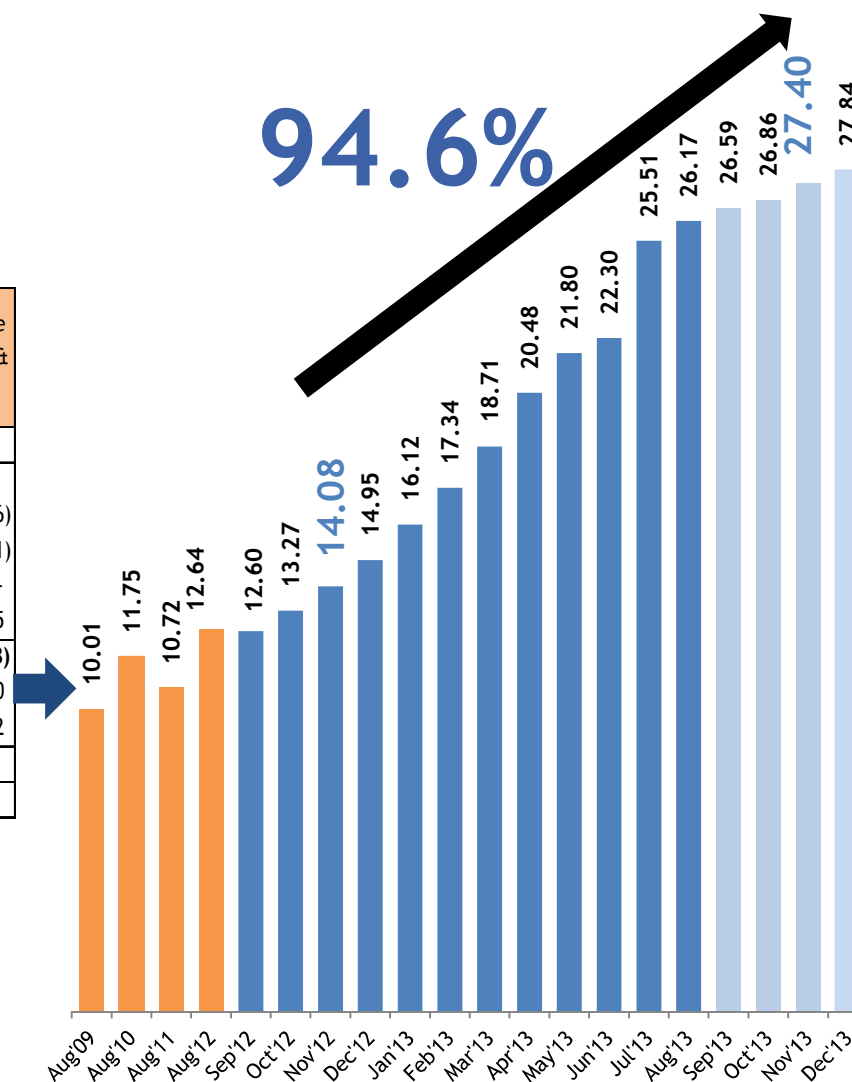
	31st Aug'13	30th Nov'13
USD/RM	3.29	3.22
100YEN/RM	3.35	3.15
USD/YEN	98.21	102.22

SHAREHOLDING



Foreign Shareholding Reflects TNB as Best Performing Stock in KLCI for 2013

MAIN SHAREHOLDING		Aug'10	Aug'11	Aug'12	Aug'13	Nov'13	Variance (Nov'13 & Aug'13)
Name		%	%	%	%	%	%
Khazanah Nasional Berhad		35.65	35.55	35.36	32.42	32.42	-
Employees Provident Fund Board		12.48	13.17	12.67	11.18	10.29	(7.96)
Skim Amanah Saham Bumiputera		9.59	9.90	10.66	8.27	6.64	(19.71)
Lembaga Tabung Haji		3.83	3.82	3.80	0.04	-	-
Other Corporations & Govt. Agencies		23.97	20.06	18.58	15.04	16.10	7.05
Subtotal		85.52	82.50	81.07	66.91	65.45	(2.18)
	Foreign	11.75	10.72	12.64	26.17	27.40	4.70
	Malaysian Public	2.73	6.78	6.29	6.92	7.15	3.32
Total		100.00	100.00	100.00	100.00	100.00	
	Paid Up Capital (mn shares)	4,352.7	5,456.6	5,501.6	5,643.6	5,643.6	



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DISCLAIMER



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THANK YOU