



PRESENTATION TO ANALYSTS

**Unaudited Consolidated Results for the
1st Quarter FY2015 ended 30th November 2014**

22nd January 2015

RESULTS SNAPSHOTS

RESULTS HIGHLIGHTS

RESULTS DETAILS

QUESTION & ANSWER

1st QUARTER FY2015

3-Month Ended 30th Nov 2014



- Profit After Tax of RM2.35 billion (1QFY2014: RM1.73 billion).
- 73.2% increase in Capital Expenditure; total amount of RM2.51 billion (1QFY2014: RM1.45 billion).
- 3.3% unit electricity demand growth in Peninsular Malaysia.
- 3.6% increase in Operating Expenses; total amount of RM8.42 billion (1QFY2014: RM8.12 billion).

UNAUDITED INCOME STATEMENT (GROUP)

Year-on-Year Analysis



15.2% Increase in Revenue against 3.6% Increase in Operating Expenses

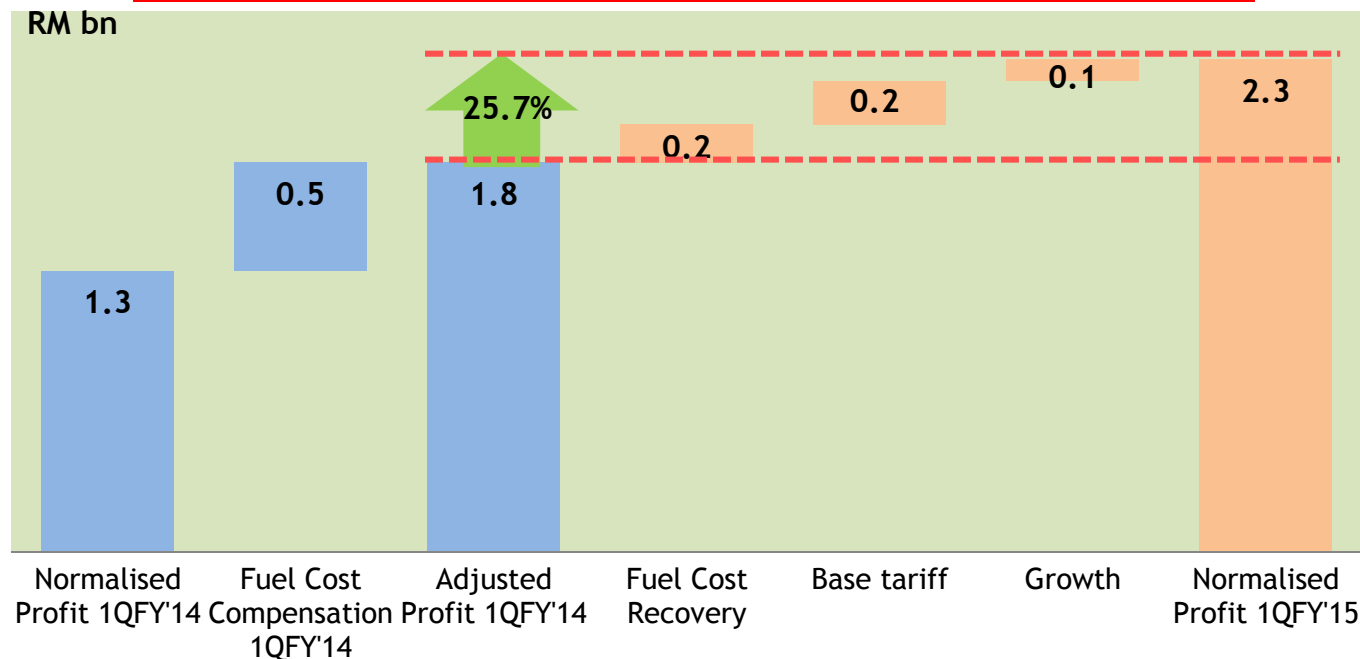
RM'mn	INDIVIDUAL QUARTER		
	Current Year Quarter 30.11.14	Preceding Year Corresponding Quarter (restated) 30.11.13	Variance %
Revenue	11,027.1	9,572.4	15.2
Operating expenses	(8,419.2)	(8,124.3)	(3.6)
Other operating income	136.9	69.4	97.3
Operating profit	2,744.8	1,517.5	80.9
Foreign exchange			
- Translation gain	45.9	252.7	(81.8)
- Transaction gain	10.1	8.1	24.7
Share of results of joint ventures	7.4	6.4	15.6
Share of results of associates	15.4	21.4	(28.0)
Profit before finance cost	2,823.6	1,806.1	56.3
Finance income	51.1	38.0	34.5
Finance cost	(253.9)	(227.5)	(11.6)
Profit from ordinary activities before taxation	2,620.8	1,616.6	62.1
Taxation and Zakat			
- Company and subsidiaries	(248.2)	(118.9)	>(100.0)
- Deferred taxation	(21.6)	234.7	>(100.0)
Profit for the period	2,351.0	1,732.4	35.7
Attributable to:			
- Owners of the Company	2,351.9	1,750.3	34.4
- Non-controlling interests	(0.9)	(17.9)	(95.0)
Profit for the period	2,351.0	1,732.4	35.7

GROUP PROFIT ANALYSIS



Higher Normalised Profit due to Growth and Tariff Review

(RM mn)	1QFY'14 (Restated)	1QFY'15
Profit After Tax	1,732.4	2,351.0
Less: Forex Translation Gain	252.7	45.9
Profit Before Forex & After Tax	1,479.7	2,305.1
Adjustments for Non-Comparative Items:		
Change in Corporate Tax Rate	(186.7)	
Normalised Profit Before Forex and After Tax	1,293.0	2,305.1



QUARTERLY ANALYSIS: GENERATION MIX (PENINSULA)



Fuel Mix Shifting Back to Coal

Table 1:

UNIT GENERATED

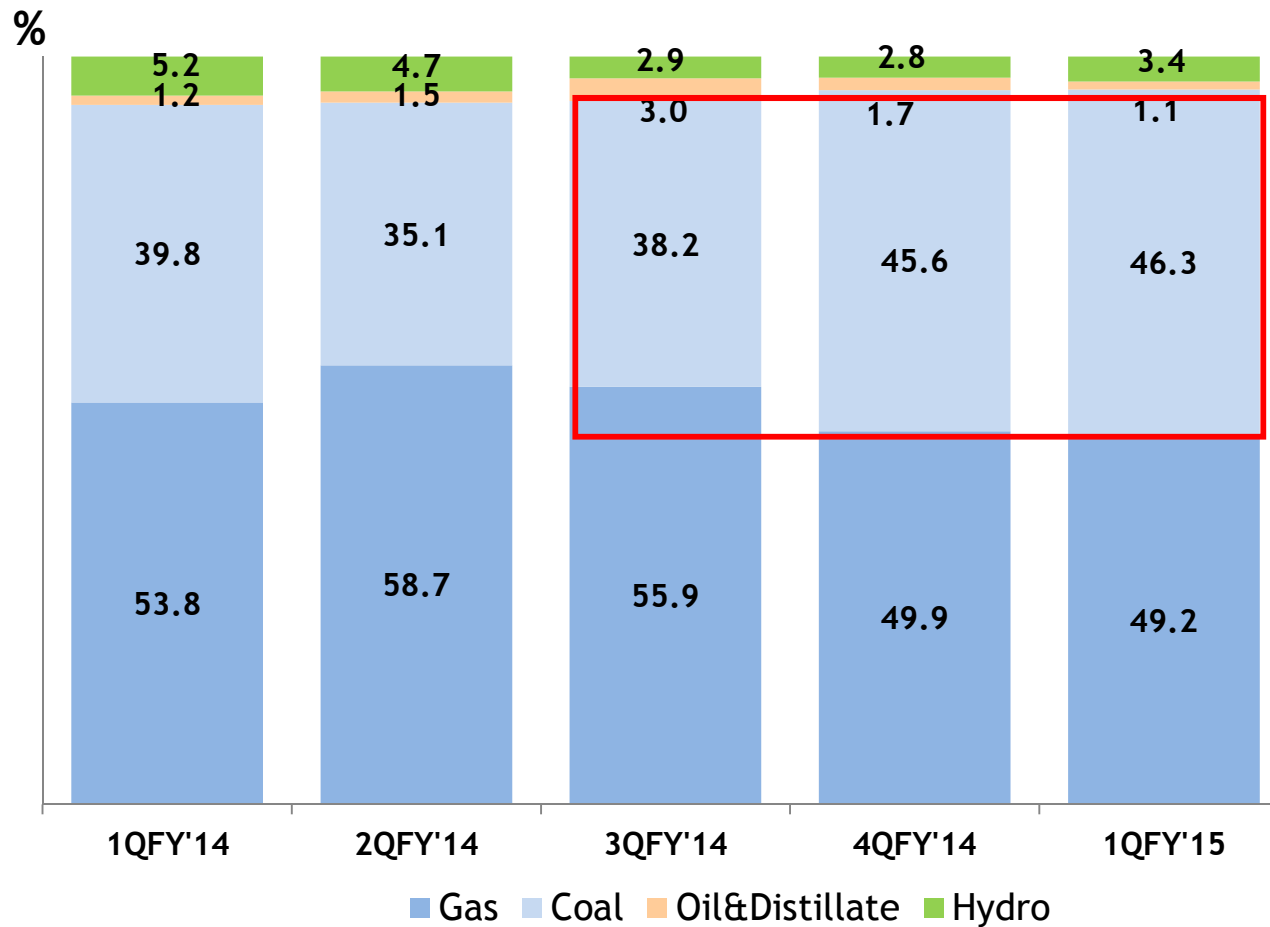


Table 2:

Average Gas Volume (mmscfd)	
1QFY'14	1,321
2QFY'14	1,383
3QFY'14	1,405
4QFY'14	1,217
1QFY'15	1,218

ELECTRICITY GROWTH IN PENINSULA



UNITS SALES		FY 2014				FY 2015		
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Sept	Oct	Nov
Industrial	Gwh	10,644	10,802	10,584	10,998	3,704	3,582	3,687
	Growth (%)	1.0	2.5	1.8	0.1	9.0	0.9	(0.2)
Comercial	Gwh	8,718	8,596	8,865	9,175	2,867	3,006	3,145
	Growth (%)	3.6	1.4	4.0	2.4	0.5	4.0	5.7
Domestic	Gwh	5,379	5,229	5,545	5,971	1,842	1,886	1,810
	Growth (%)	3.9	1.9	3.1	6.0	2.6	4.1	2.1
Others	Gwh	464	467	466	480	168	164	164
	Growth (%)	7.2	1.7	4.0	15.4	7.0	5.8	7.9
TOTAL	Gwh	25,205	25,094	25,460	26,624	8,581	8,638	8,806
	Growth (%)	2.6	2.0	2.9	2.4	4.6	2.8	2.5

FY'14
2.5%

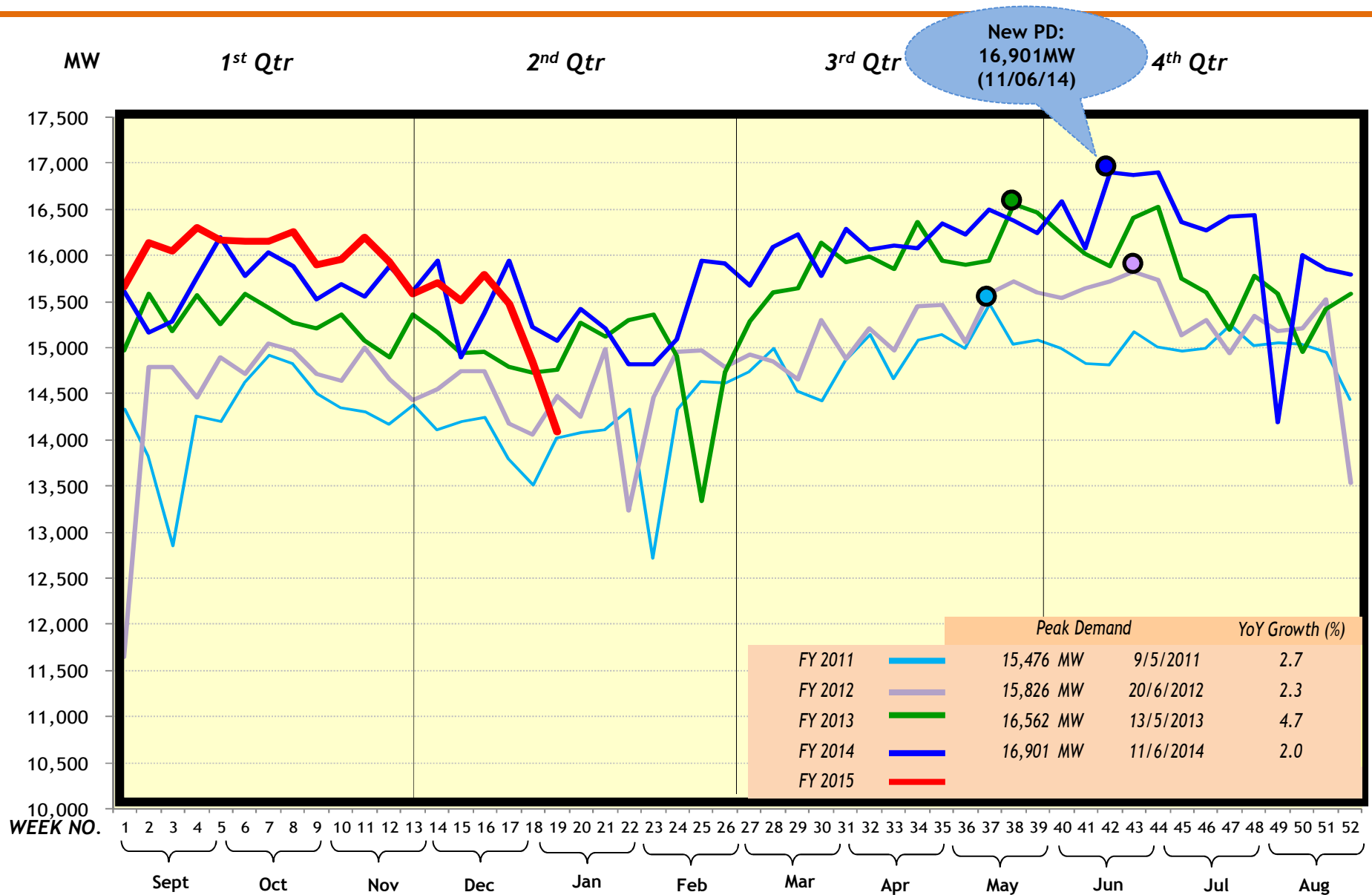
1QFY'15
3.3%

	1QFY'14	1QFY'15
Growth (%)	2.6	3.3

SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)



For FY2011 to FY2015



HEADLINE KEY PERFORMANCE INDICATORS

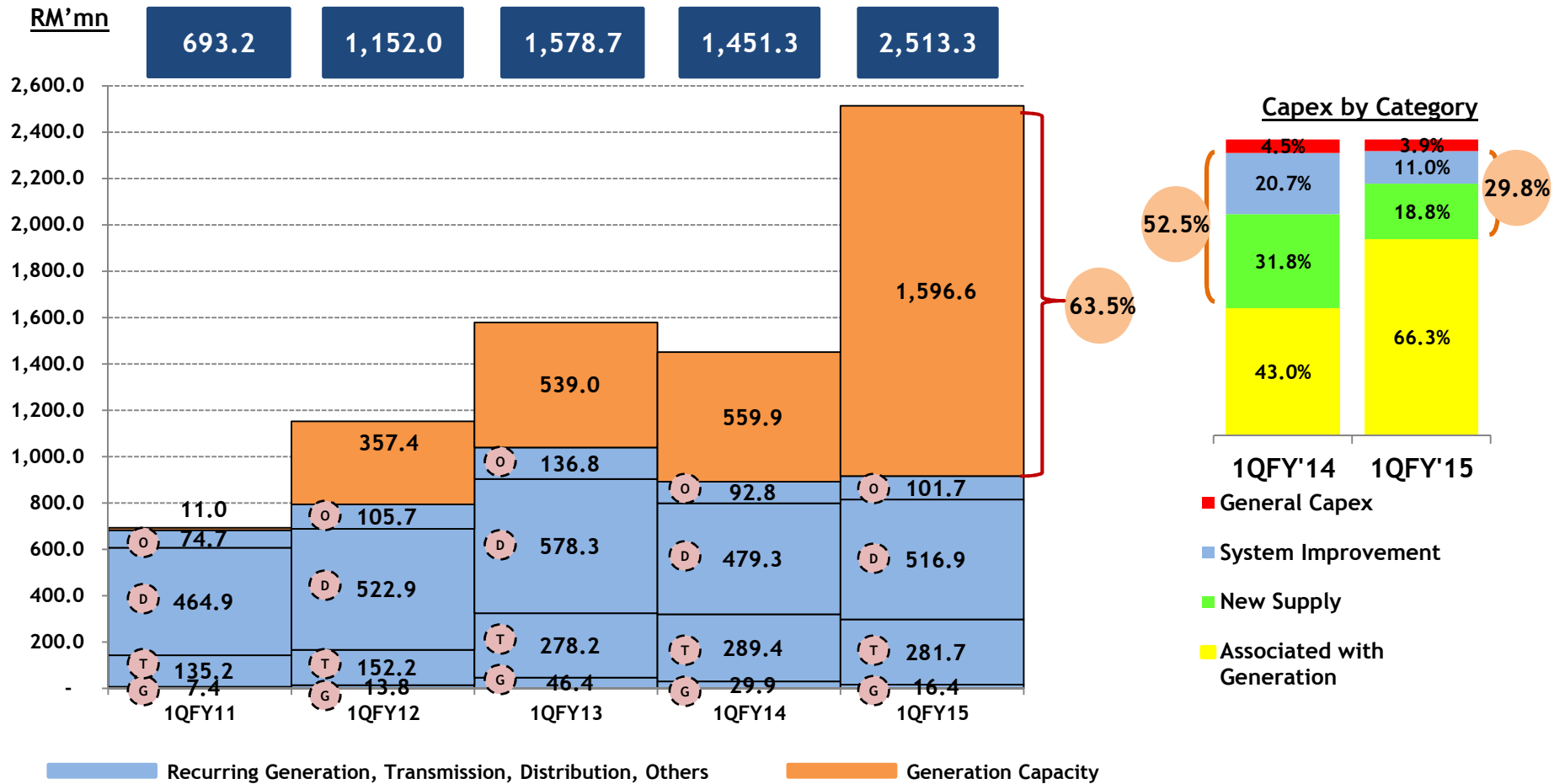


	FY'14	1QFY'15
• Return on Assets (ROA) (%)	6.2	8.3
• Company CPU (sen/kwh)	35.0	32.5
• Revenue from Non-Regulated Business (RM bn)	2.5	0.6
• Equivalent Plant Availability Factor (EAF) (%)	85.6	93.0
• Transmission System Minutes (mins)	0.1	0.2
• Distribution SAIDI (mins)	55.0	11.9

CAPITAL EXPENDITURE



Major Projects Represent 63.5% of Total CAPEX



STATUS OF MAJOR PROJECTS



All Major Projects are on Track as Scheduled

Janamanjung Unit 4

99% **1,000MW**

COD 31st Mar 2015

Hulu Terengganu Hydro

90% **265MW**

COD Sept 2015 (U1)
Dec 2015 (U2)

Ulu Jelai Hydro

77% **372MW**

COD Dec 2015 (U1)
Mar 2016 (U2)

Janamanjung Unit 5

31% **1,000MW**

COD 1st Oct 2017

Prai

89% **1,070MW**

COD 1st Jan 2016

Connaught Bridge

70% **385MW**

COD 1st Sept 2015

RESULTS SNAPSHOTS

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RESULTS DETAILS

QUESTION & ANSWER

QUARTERLY & YEARLY ANALYSIS

Higher OPEX Mainly due to Higher LNG Cost, Mitigated by Lower Coal Price

Table 1:

RM mn	1QFY'15	1QFY'14 (Restated)
Total Units Sold (GWh)	27,431.2	26,717.4
Revenue	11,027.1	9,572.4
Operating Expenses (before depreciation)	7,161.8	6,966.4
Operating Income	136.9	69.4
EBITDA	4,002.2	2,675.4
EBITDA Margin (%)	36.3%	27.9%
Depreciation and Amortisation	1,257.4	1,157.9
EBIT	2,744.8	1,517.5
EBIT Margin (%)	24.9%	15.9%
Finance Cost	253.9	227.5
Profit Before Tax & Forex Translation	2,574.9	1,363.9
Net Profit Before Forex Translation	2,306.0	1,497.6
Translation Gain	45.9	252.7
Net Profit attributable to :		
Owners of the Company	2,351.9	1,750.3
Non-controlling Interest	(0.9)	(17.9)

Table 2:

<u>COAL PRICE & CONSUMPTION</u>	<u>1QFY'14</u>	<u>1QFY'15</u>	<u>Var (%)</u>
Average Coal Price Consumed (USD/MT)			
FOB	67.5	60.4	-10.5%
Freight	9.1	9.3	2.2%
Others	0.6	0.5	-16.7%
CIF	77.2	70.2	-9.1%
Average Coal Price Consumed (RM/MT) (CIF)	249.0	230.2	-7.6%
Coal Consumption (mn MT)	4.7	5.6	19.1%

OPERATING EXPENSES

3.6% Increase in OPEX



RM mn	1QFY'15	1QFY'14 (Restated)	Variance RM mn	Variance %
Capacity Payment	1,021.5	906.1	(115.4)	(12.7)
Energy Payment	2,093.5	2,085.4	(8.1)	(0.4)
Total IPPs Purchases/Costs	3,115.0	2,991.5	(123.5)	(4.1)
Fuel Costs	2,236.3	2,185.9	(50.4)	(2.3)
Repair & Maintenance	382.2	333.7	(48.5)	(14.5)
Staff Costs	823.8	838.6	14.8	1.8
TNB General Expenses	430.8	285.1	(145.7)	(51.1)
Subs. Gen Exp, Cost of Sales & Provision	173.7	331.6	157.9	47.6
Depreciation & Amortisation	1,257.4	1,157.9	(99.5)	(8.6)
Total Operating Expenses	8,419.2	8,124.3	(294.9)	(3.6)

RESULTS SNAPSHOTS

RESULTS HIGHLIGHTS

RESULTS DETAILS

QUESTION & ANSWER

DETAILS OF REVENUE



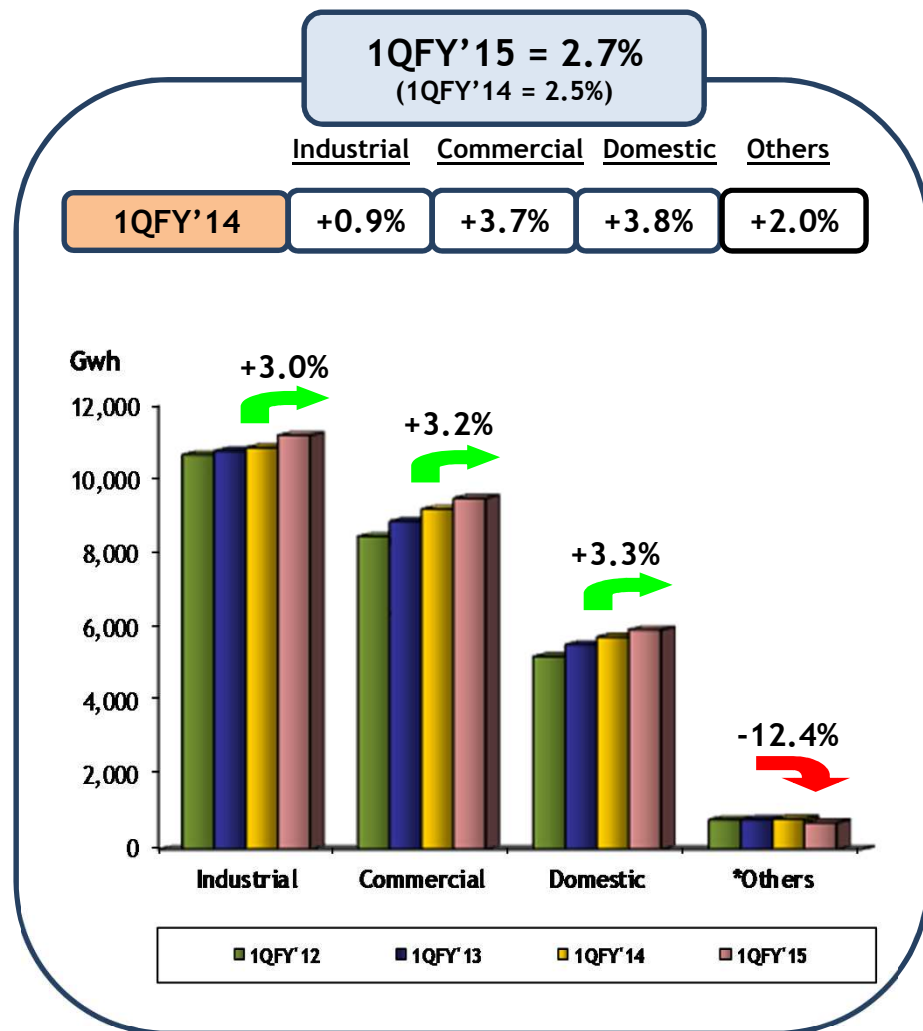
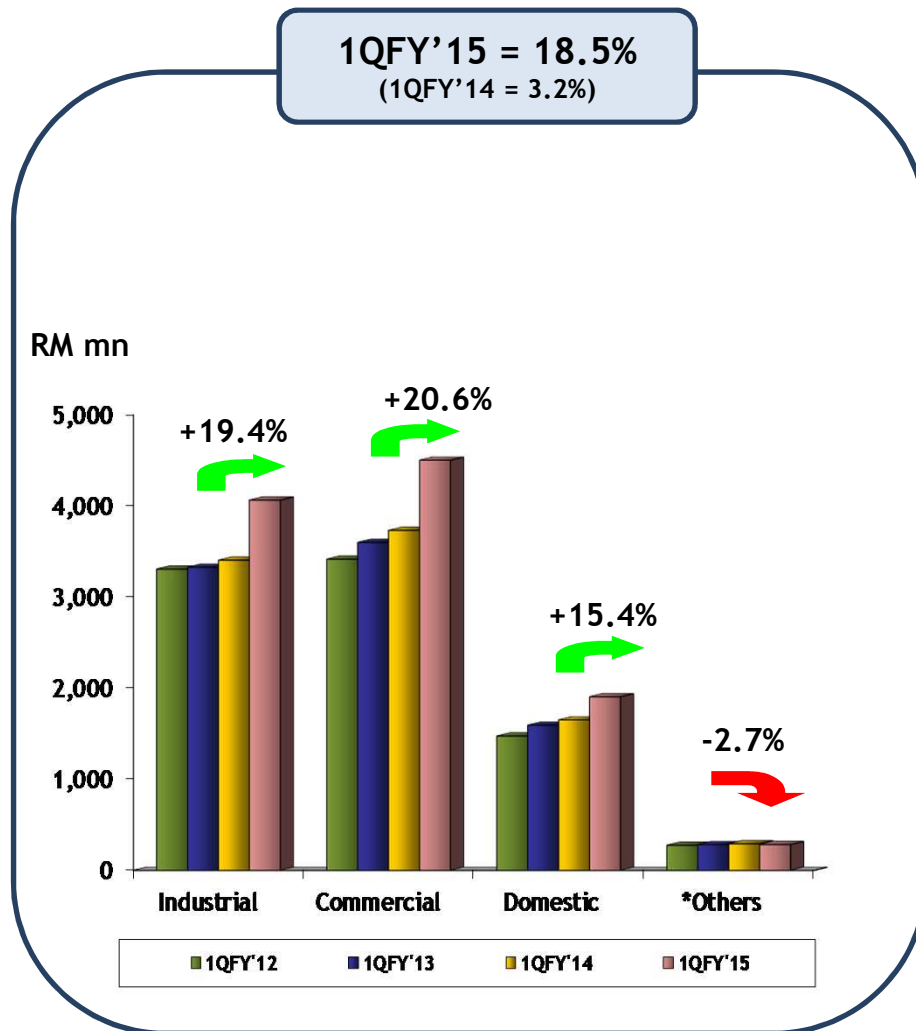
18.5% Increase in Group Sales of Electricity

	1QFY'15		1QFY'14 (Restated)		Growth
UNITS SOLD	GWh		GWh		%
- TNB	26,024.7		25,205.3		3.3
- EGAT (Export)	3.2		6.2		(48.4)
- SESB	1,194.4		1,166.7		2.4
- LPL	208.9		339.2		(38.4)
Total Units Sold (GWh)	27,431.2		26,717.4		2.7
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	10,210.4	39.2	8,566.2	34.0	19.2
- EGAT (Export)	3.0	93.8	8.2	132.3	(63.4)
- SESB	417.5	35.0	345.9	29.6	20.7
- LPL	130.3	62.4	157.2	46.3	(17.1)
Sales of Electricity	10,761.2	39.2	9,077.5	34.0	18.5
LPL Operating Lease (FRS117)	-		6.4		100.0
Accrued Revenue	(105.1)		41.0		>(100.0)
Total Sales of Electricity	10,656.1		9,124.9		16.8
Goods & Services	258.4		363.9		(29.0)
Deferred Income	112.6		83.6		34.7
Total Revenue	11,027.1		9,572.4		15.2

ELECTRICITY GROWTH BY SECTORS (GROUP)



Analysis



Notes:

* Includes Specific Agriculture, Mining, Public Lighting, LPL & EGAT

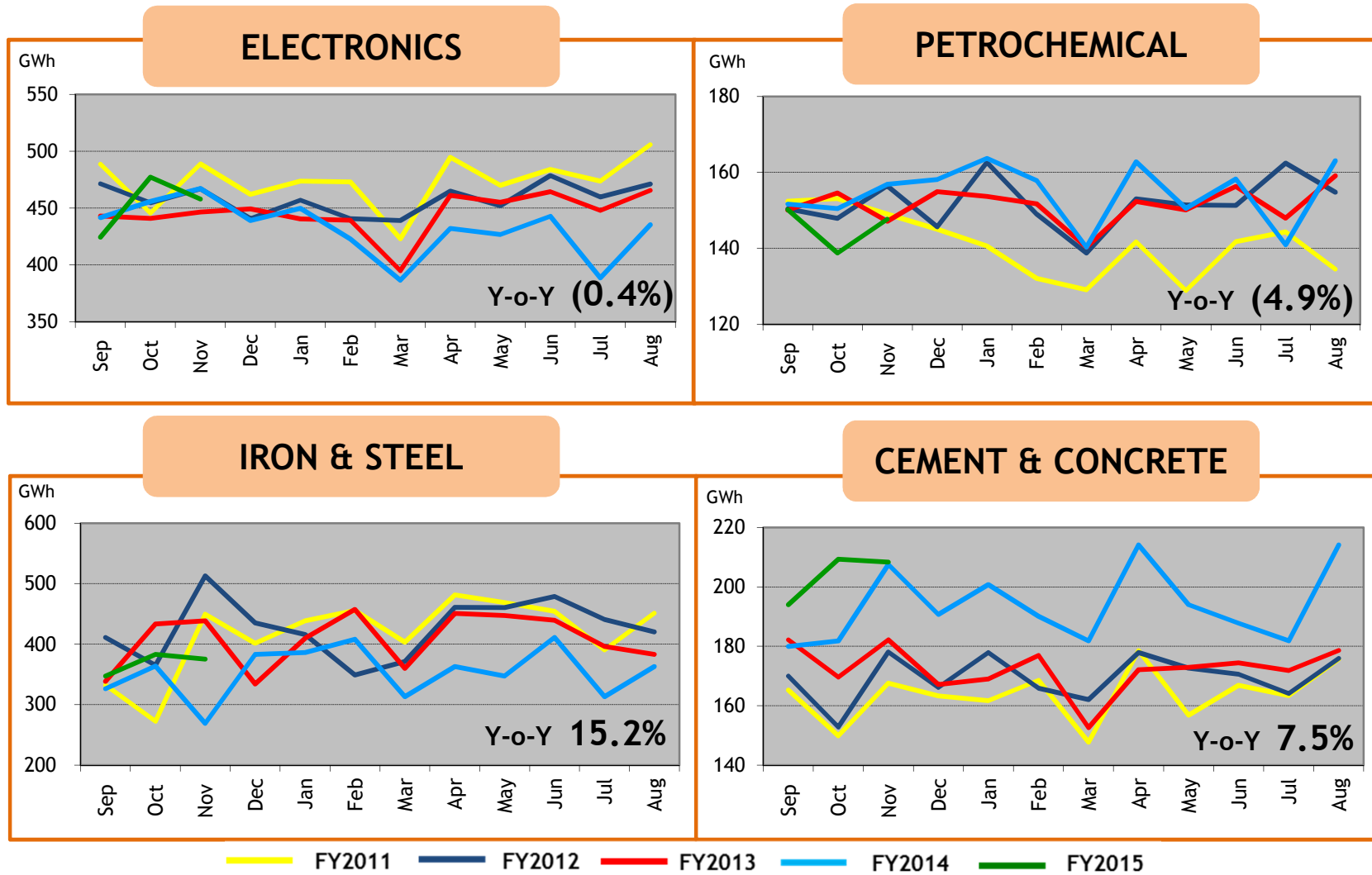
Revenue excluding accrued revenue

(-) Indicates Negative Growth

DETAILS OF REVENUE: SECTORAL ANALYSIS



Industrial Sector* (Peninsula) Recorded Y-o-Y Growth of 3.1%



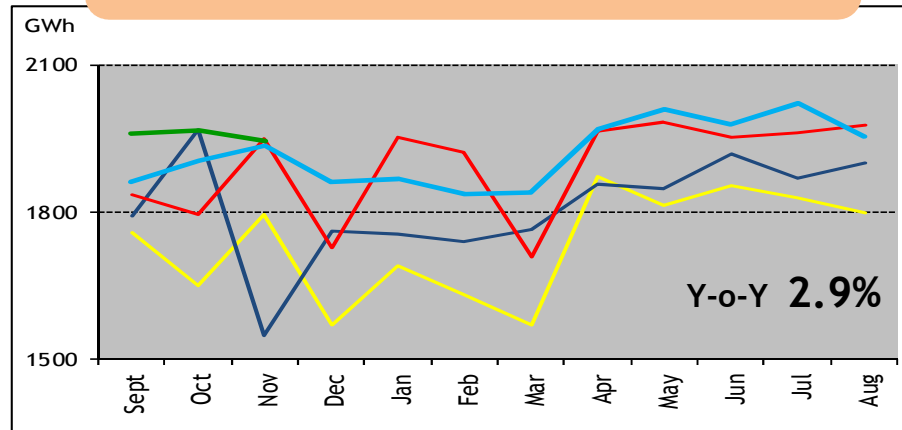
* Source : Top 1,000 PRIME customers database (PRIME customer YTD unit sales equivalent to 33.3% of total YTD unit sales)
 * PRIME customers for 4 sectors above attributes 38.3% from the whole PRIME customers YTD unit sales

DETAILS OF REVENUE: SECTORAL ANALYSIS

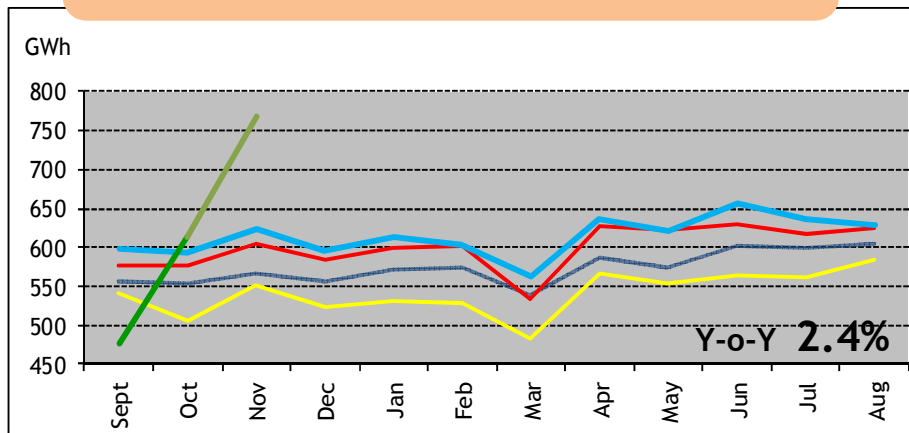


Commercial Sector (Peninsula) Recorded Y-o-Y Growth of 3.4%

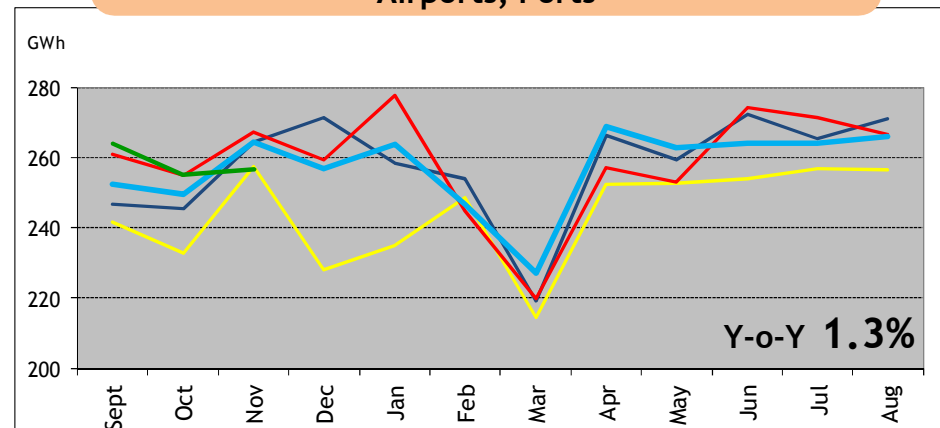
LOW VOLTAGE Shop Lots & Retail Business



MEDIUM VOLTAGE Shopping Malls, 3 Star Hotels, Office Buildings



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

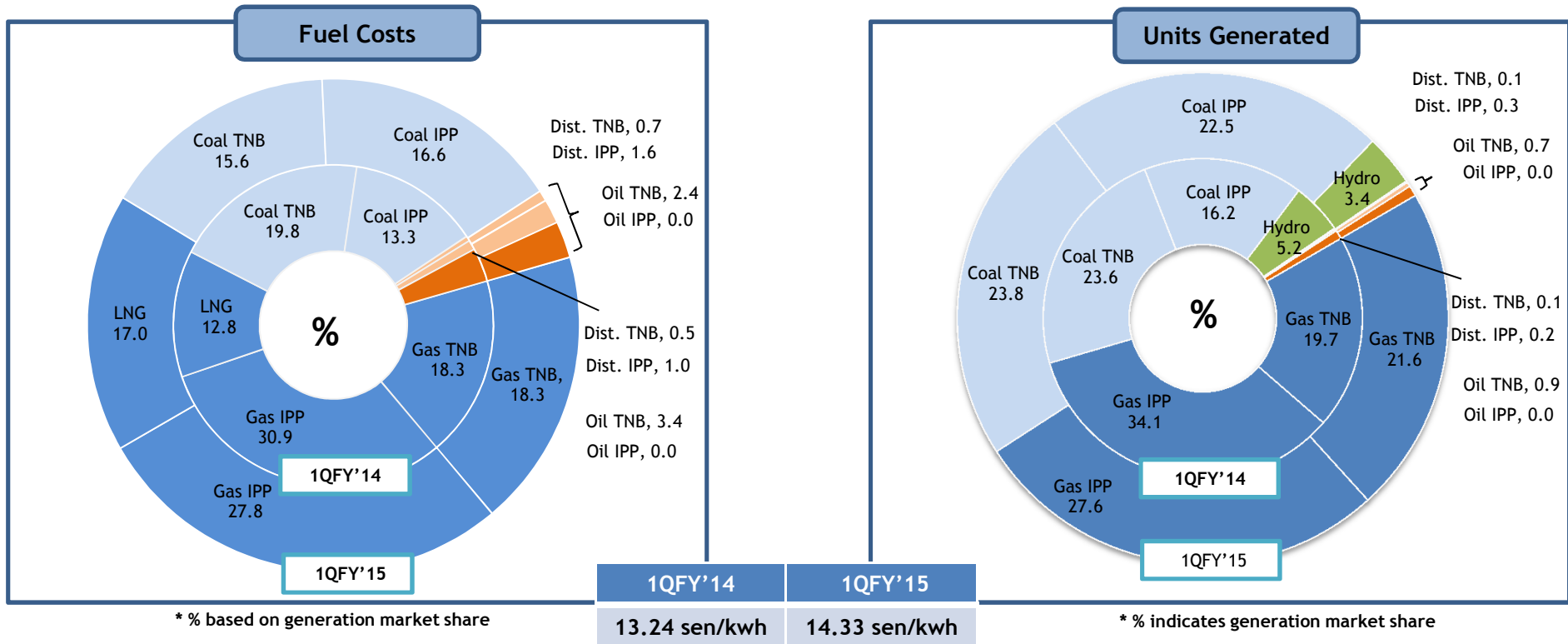


— FY2011
 — FY2012
 — FY2013
 — FY2014
 — FY2015

INDUSTRY GENERATION IN PENINSULA (TNB & IPPs)



Higher Fuel Costs Mainly Attributed to Increase in Gas and LNG Costs



Fuel Cost (RM mn)						
Fuel Type	1QFY'14	%	1QFY'15	%	Variance	
					RM mn	%
Gas	1,820.6	62.0	1,861.6	63.1	253.1	11.0
LNG	473.1		685.2			
Coal	1,224.8	33.1	1,301.4	32.2	76.6	6.3
Dist.	54.5	1.5	95.3	2.3	40.8	74.9
Oil	126.5	3.4	97.4	2.4	(29.1)	(23.0)
Hydro	-	-	-	-	-	-
Total	3,699.5	100.0	4,040.9	100.0	341.4	9.2

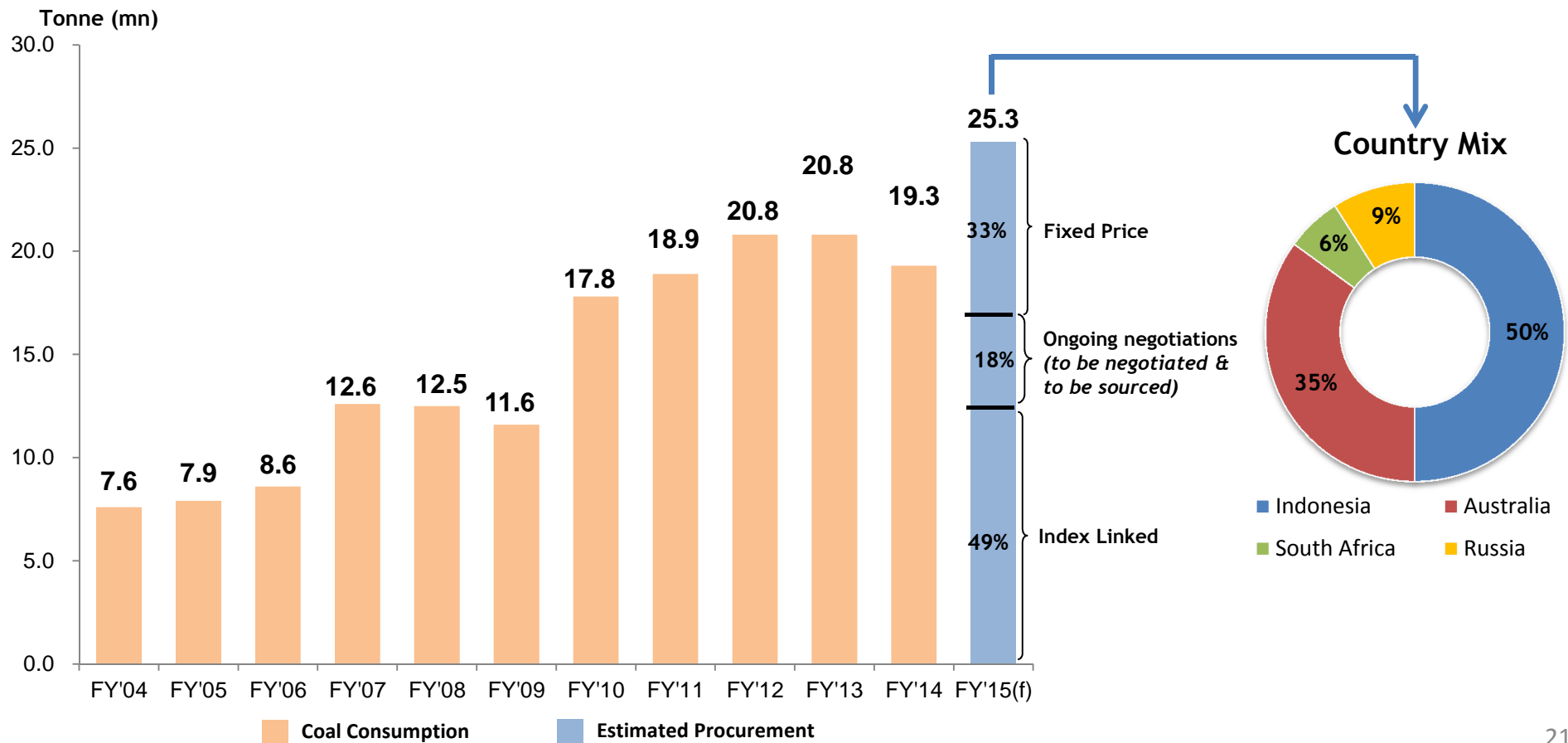
Units Generated (Gwh)						
Fuel Type	1QFY'14	%	1QFY'15	%	Variance	
					Gwh	%
Gas & LNG	15,029.4	53.8	13,860.0	49.2	(1,169.4)	(7.8)
Coal	11,128.9	39.8	13,056.0	46.3	1,927.1	17.3
Dist.	85.3	0.3	132.2	0.4	46.9	55.0
Oil	251.6	0.9	202.9	0.7	(48.7)	(19.4)
Hydro	1,438.4	5.2	943.6	3.4	(494.8)	(34.4)
Total	27,933.6	100.0	28,194.7	100.0	261.1	0.9

COAL REQUIREMENT

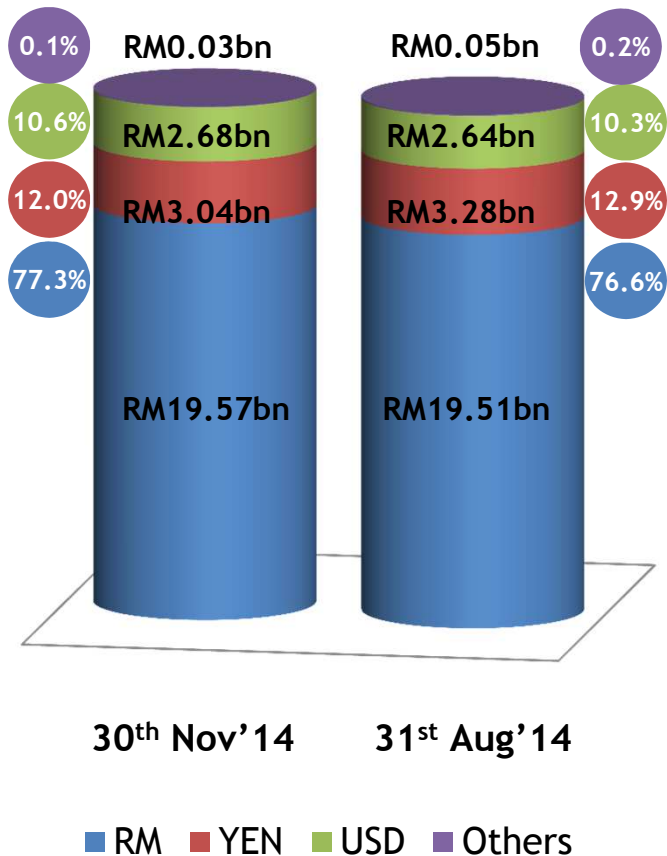


Average Coal Price for 1QFY'15 was at USD70.2/MT

	FY'05	FY'06	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	1QFY'15
Average Coal Price (CIF) (USD/metric tonne)	49.8	52.8	45.3	76.4	90.2	88.2	106.9	103.6	83.6	75.4	70.2



DEBT EXPOSURE & FOREX



Statistics	30th Nov'14	31st Aug'14
Total Debt (RM bn)	25.3	25.5
Net Debt (RM bn)	20.4	17.3
Gearing (%)	35.6	36.9
Net Gearing (%)	28.7	25.2
Fixed : Floating (%)	99.6 : 0.4	99.3 : 0.7
Final Exposure (%)	100.0 : 0.0	100.0 : 0.0
Weighted Average Cost of Debt (%)	4.91	4.86
Final Exposure (%)	4.96	4.92

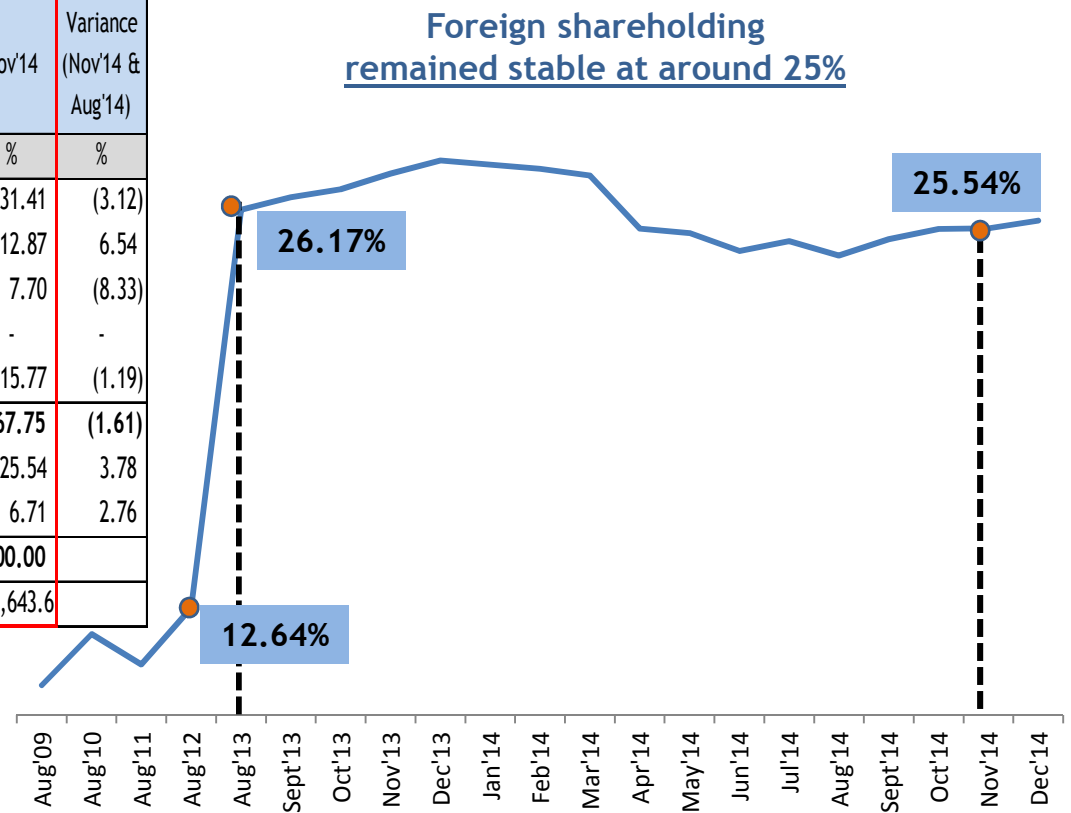
	30th Nov'14	31st Aug'14
USD/RM	3.38	3.15
100YEN/RM	2.86	3.04
USD/YEN	118.18	103.62

SHAREHOLDING



Foreign Shareholding's Trend Remained Stable

<u>MAIN SHAREHOLDING</u>		Aug'11	Aug'12	Aug'13	Aug'14	Nov'14	Variance (Nov'14 & Aug'14)
Name		%	%	%	%	%	%
Khazanah Nasional Berhad		35.55	35.36	32.42	32.42	31.41	(3.12)
Employees Provident Fund Board		13.17	12.67	11.18	12.08	12.87	6.54
Skim Amanah Saham Bumiputera		9.90	10.66	8.27	8.40	7.70	(8.33)
Lembaga Tabung Haji		3.82	3.80	0.04	-	-	-
Other Corporations & Govt. Agencies		20.06	18.58	15.04	15.96	15.77	(1.19)
Subtotal		82.50	81.07	66.91	68.86	67.75	(1.61)
	Foreign	10.72	12.64	26.17	24.61	25.54	3.78
	Malaysian Public	6.78	6.29	6.92	6.53	6.71	2.76
Total		100.00	100.00	100.00	100.00	100.00	
	Paid Up Capital (mn shares)	5,456.6	5,501.6	5,643.6	5,643.6	5,643.6	



FOREIGN SHAREHOLDING FY14/15 (%)

Sept'13	Oct'13	Nov'13	Dec'13	Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14	Jul'14	Aug'14
26.59	26.86	27.40	27.84	27.70	27.56	27.33	25.53	25.37	24.76	25.10	24.61

Sept'14	Oct'14	Nov'14	Dec'14
25.17	25.52	25.54	25.80

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RESULTS HIGHLIGHTS

RESULTS DETAILS

QUESTION & ANSWER

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THANK YOU

**Unaudited Consolidated Results for the
1st Quarter FY2015 ended 30th November 2014**