



PRESENTATION TO ANALYSTS

Unaudited Consolidated Results for the
1st Quarter FY2017 ended 30th November 2016

24th January 2017

RESULTS HIGHLIGHTS

RESULTS DETAILS

QUESTION & ANSWER

KEY HIGHLIGHTS

Lower Profit Mainly due to Forex Translation Loss of RM0.23bn

Profit After Tax

8.9%

Declined by RM0.17bn

1QFY'17

RM **1.79**bn

1QFY'16

RM **1.96**bn

Forex Translation Loss

>100.0%

Increase in loss by RM0.17bn

1QFY'17

RM **0.23**bn

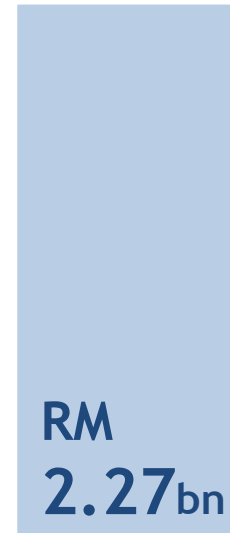
1QFY'16

RM **0.06**bn

Capital Expenditure



1QFY'17



1QFY'16

GROUP PROFIT ANALYSIS

3.4% Increase in Adjusted PAT Contributed by 3.6% Demand Growth

Table 1:

(RM mn)	1QFY'17	1QFY'16
Profit After Tax	1,788.5	1,962.2
Forex Translation (Gain) / Loss	231.2	58.5
Reinvestment Allowance	(331.5)	(388.0)
Adjusted Profit After Tax	1,688.2	1,632.7

3.4%

From

Table 3:

	1QFY'17	1QFY'16
Growth (%)	3.6	3.2

From

Table 2:

Revenue

5.3%

Revenue improved by RM0.56bn

1QFY'17

RM 11.24bn

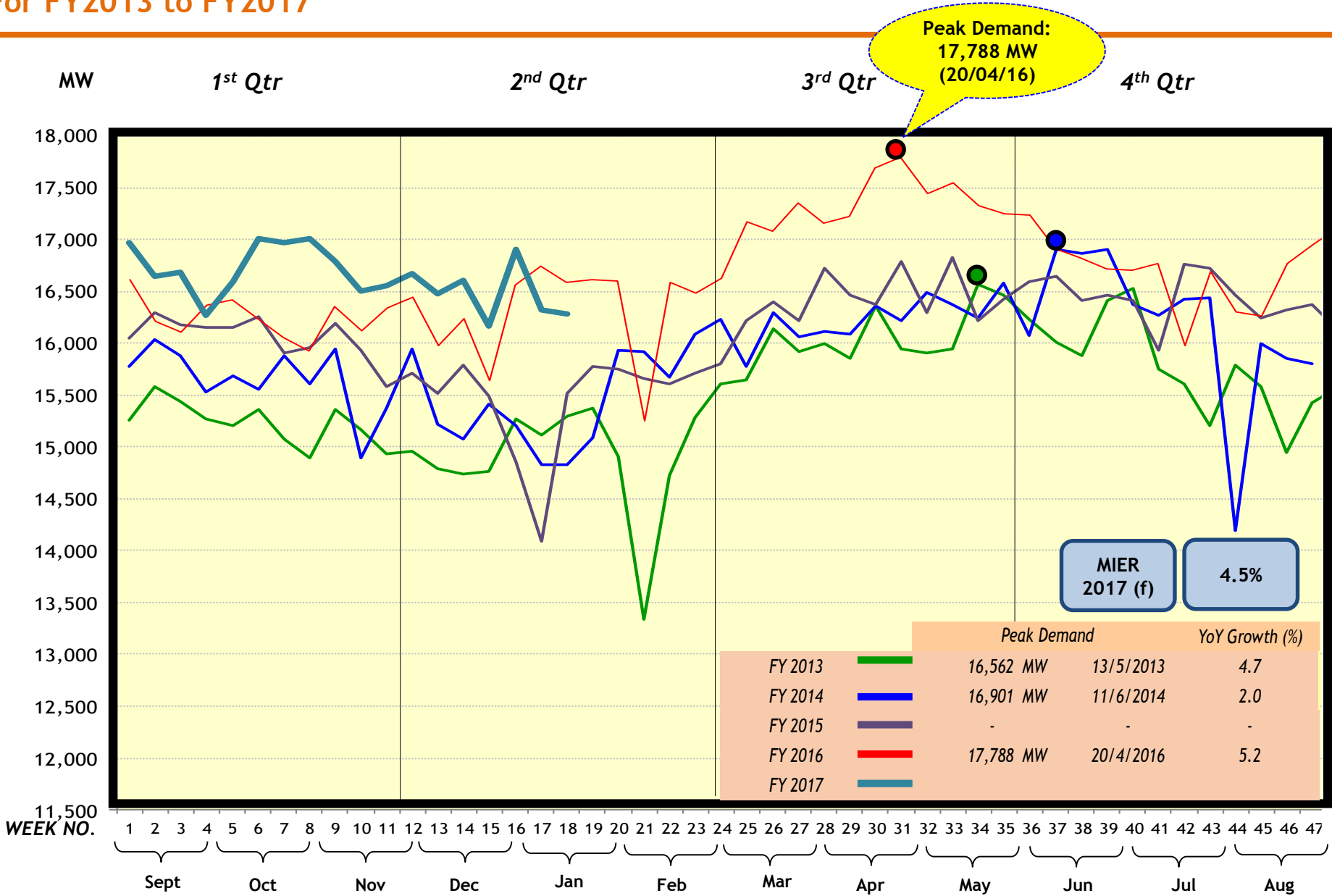
1QFY'16

RM 10.68bn

SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)



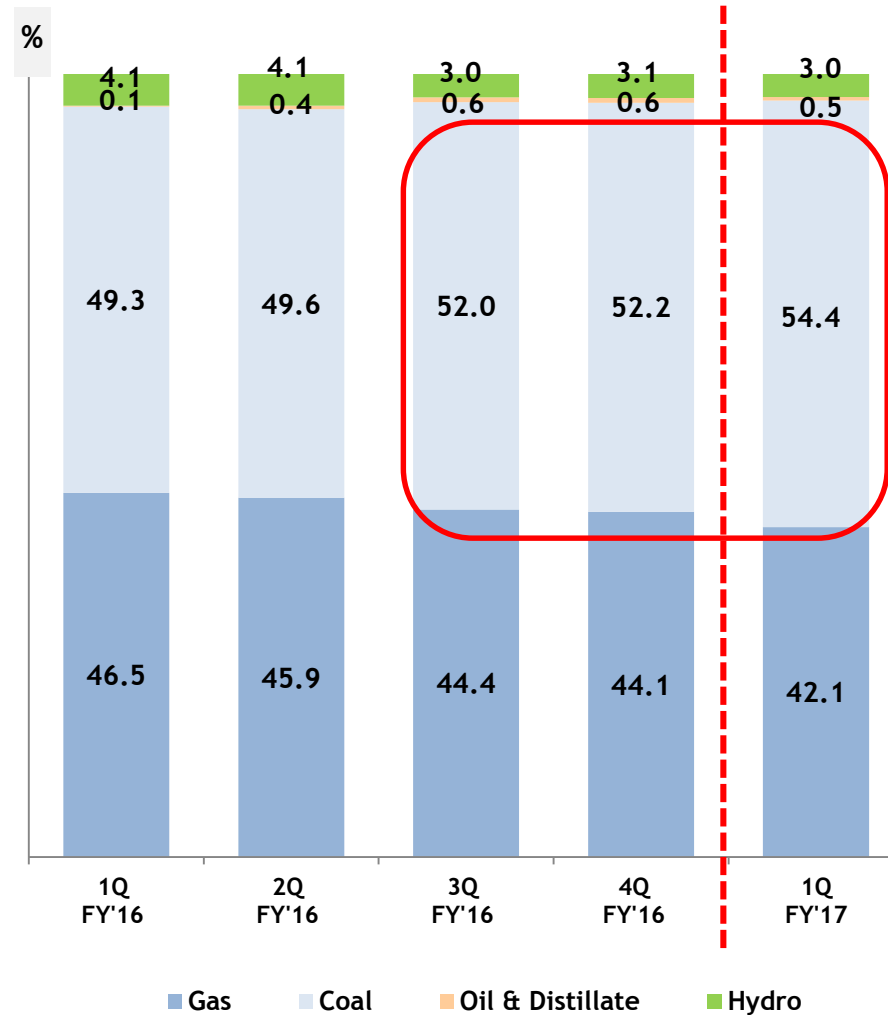
For FY2013 to FY2017



GENERATION MIX (PENINSULA)

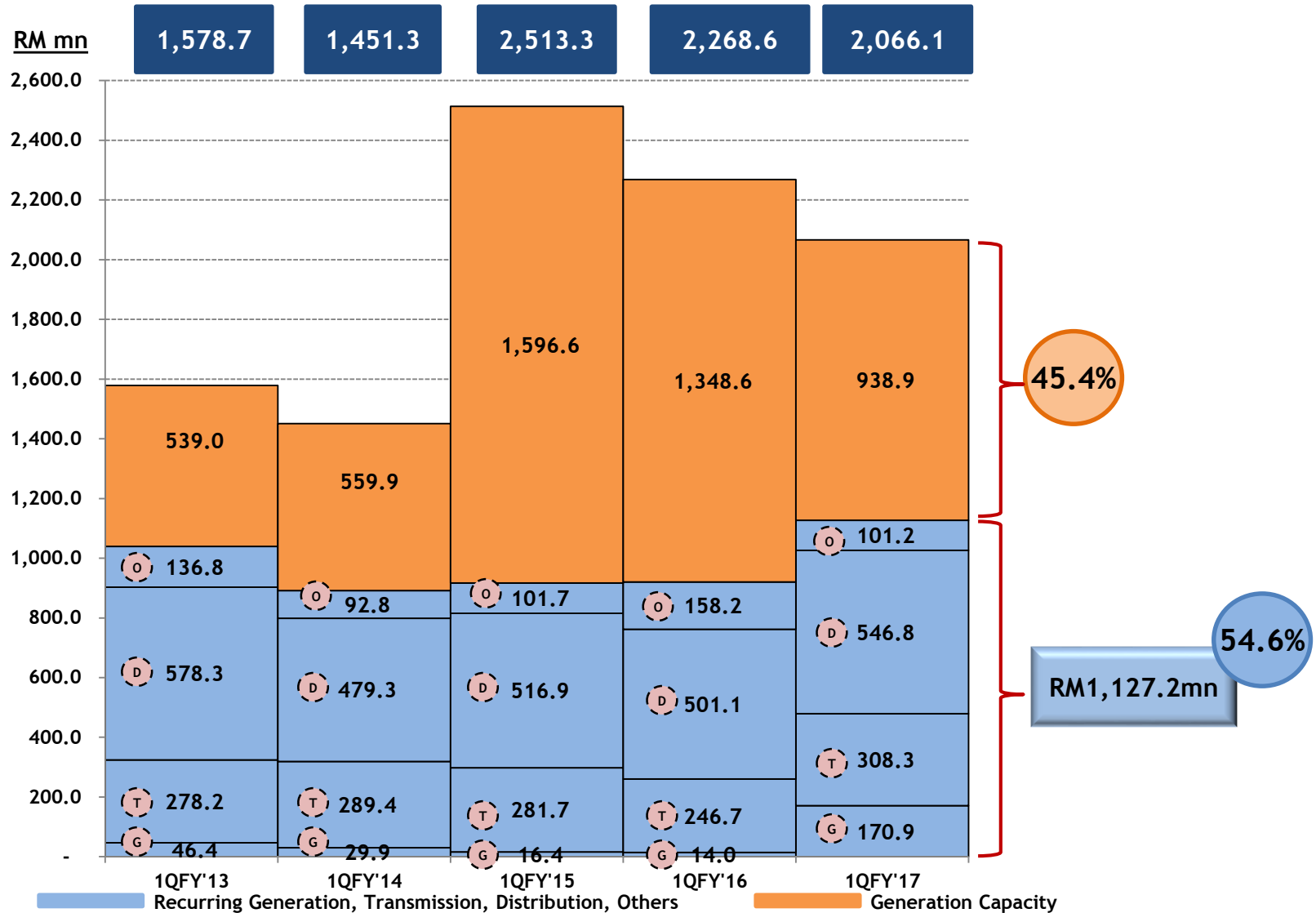
Quarterly Analysis

Increase in Coal Generation with Commissioning of Tg Bin Energy in March 2016



CAPITAL EXPENDITURE

Major Projects Represent 45.4% of Total CAPEX



STATUS OF MAJOR PROJECTS

3 Generation Projects With Capacity Over 3,000MW Currently in the Pipeline

Jimah East Power

33%

2,000MW

COD:
U1: 15th Jun 2019
U2: 15th Dec 2019



Janamanjung Unit 5

98%

1,000MW

COD:
1st Oct 2017



Hulu Terengganu Hydro

99%

15MW

Tambat

COD:
U3: end Feb 2017
U4 Completed: 23rd Dec 2016



INITIATIVES

	1QFY'17	FY'16
• Return on Assets (ROA) (%)	7.0	6.4
• Company CPU (sen/kwh)	34.1	34.2
• Revenue from Non-Regulated Business (RM bn)	0.5	2.7
• Equivalent Plant Availability Factor (EAF) (%)	88.7	89.3
• Transmission System Minutes (mins)	0.00	1.47
• Distribution SAIDI (mins)	10.4	49.7

1

**GREATER ACCESS
TO INTERNATIONAL
DEBT CAPITAL
MARKET THROUGH
MULTICURRENCY
SUKUK ISSUANCE**

**First Issuance of
International Sukuk
Amounting to USD0.75bn**

2

**5,000MW NEW
GENERATION
CAPACITY
INTERNATIONALLY
BY 2020**

**30% Significant Minority
Stake in GMR Energy
Limited**

3

**250MW INCREASE IN
TNB RENEWABLE
ENERGY (RE)
PORTFOLIO BY 2020**

**50% Equity Interest in
Vortex Solar
Investments S.a.r.l**

First Issuance of International Sukuk Amounting to USD0.75bn

Multicurrency Sukuk Program

USD2.50 bn in nominal value

First Issuance - 19 October 2016

USD0.75 bn in nominal value

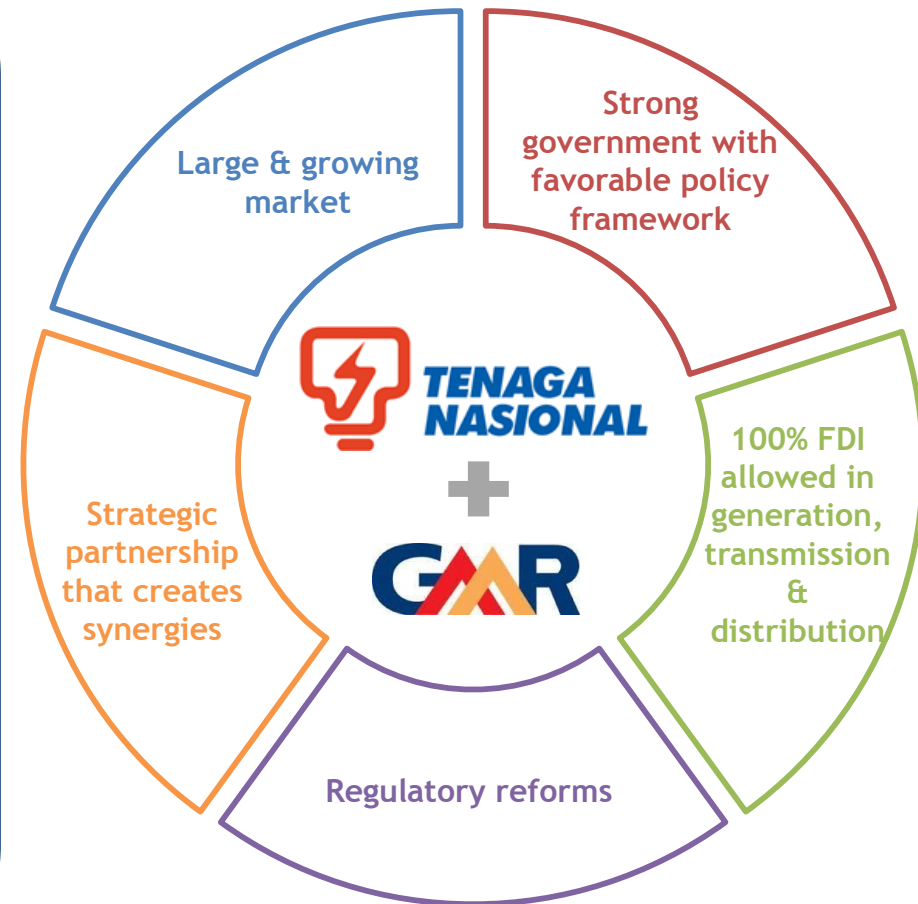
- The Sukuk transaction marks the return of TNB to the international debt capital markets after more than 10 years.
- Highlights:
 - Largest corporate 10-year sukuk issuance from Asia
 - Largest corporate sukuk in 2016
 - Largest ever 10-year USD corporate sukuk from a Malaysian corporate
 - Lowest ever 10-year coupon achieved by a Malaysian corporate
 - First sukuk in Asia to use Rights of Service as the underlying asset for the structure

INTERNATIONAL ACQUISITION

30% Significant Minority Stake in GMR Energy Limited

GMR Energy Limited

- On 4 November 2016, TNB had completed the acquisition of 30% equity interest of GMR Energy Limited via a bilateral transaction.
- Total cash consideration : USD300.0 mn.
- GMR Energy Limited assets includes 2,298MW coal, gas and solar plants.

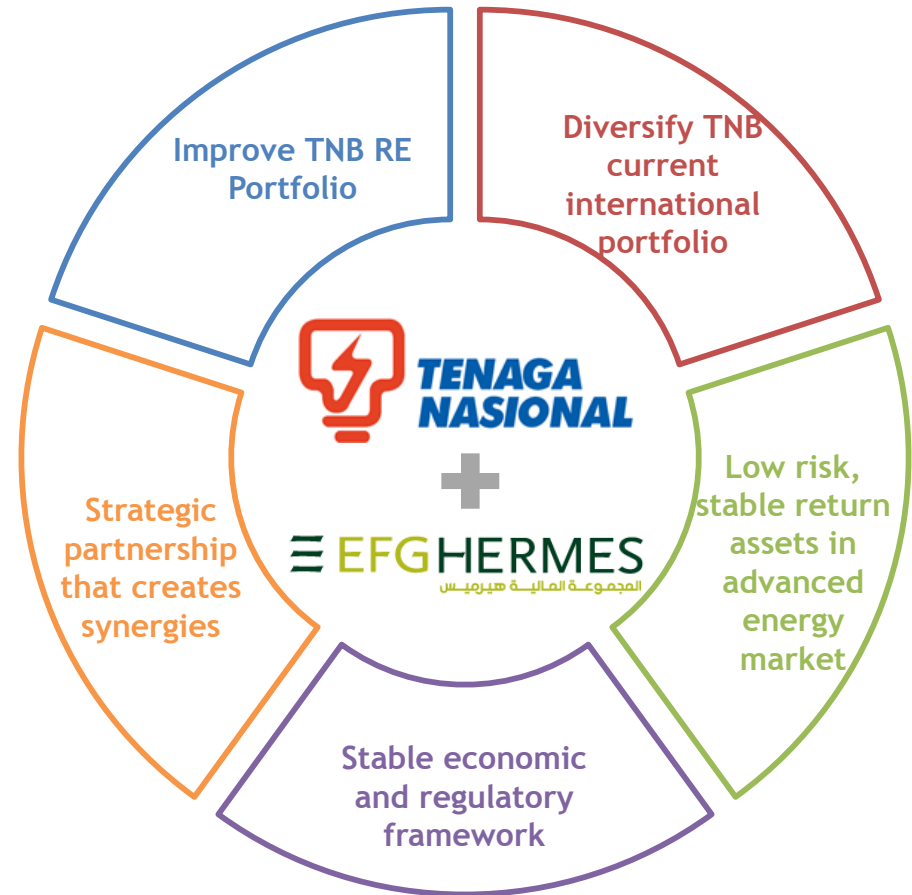


INTERNATIONAL ACQUISITION

50% Equity Interest in Vortex Solar Investments S.a.r.l.

Vortex Solar

- On 6 January 2017, TNB via wholly owned subsidiary had entered into a Subscription and Funding Agreement with Beaufort Investments S.a.r.l., a wholly owned subsidiary of EFG Hermes Holding to subscribe for 50.0% new equity shares in Vortex Solar Investments S.a.r.l.
- The transaction is expected to be completed by the third quarter of 2017.
- Total cash consideration : GBP86.0 mn.
- Vortex Solar assets includes 24 operational solar PV Farm across England and Wales with net installed capacity of about 365MW.



RESULTS HIGHLIGHTS

RESULTS DETAILS

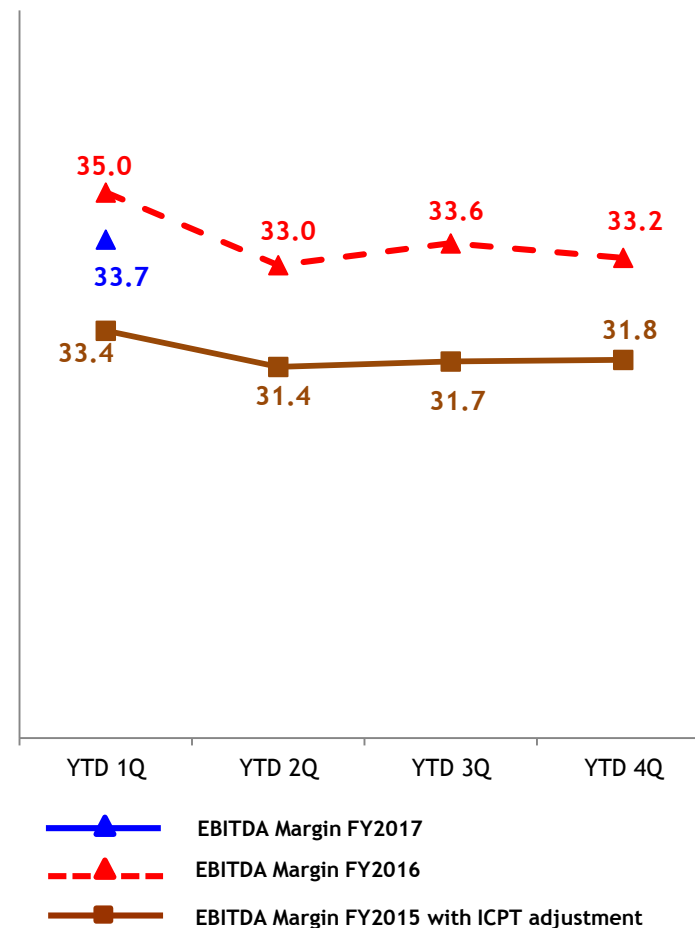
QUESTION & ANSWER

RESULTS DETAILS

Reduction in EBITDA Margin Mainly from Provision for Electricity Debtors

RM mn	1QFY'17	1QFY'16
Total Units Sold (GWh)	29,548.4	28,518.4
Revenue	11,241.6	10,676.8
Operating Expenses (before depreciation)	7,632.3	7,078.0
Operating Income	184.1	139.3
EBITDA	3,793.4	3,738.1
EBITDA Margin (%)	33.7%	35.0%
Depreciation and Amortisation	1,453.8	1,340.4
EBIT	2,339.6	2,397.7
EBIT Margin (%)	20.8%	22.5%
Finance Cost	278.3	259.7
Profit Before Tax & Forex Translation	2,226.4	2,221.8
Net Profit Before Forex Translation	1,971.7	2,034.5
Translation (Loss)	(231.2)	(58.5)
Net Profit attributable to : Equity Holders	1,740.5	1,976.0
Non-controlling Interest	48.0	(13.8)

ANALYSIS OF EBITDA MARGIN (%)



DETAILS OF REVENUE

5.3% Increase in Total Revenue Mainly From 3.6% Demand Growth in Peninsula

	1QFY'17		1QFY'16		Growth
UNITS SOLD	GWh		GWh		%
- TNB	27,811.3		26,846.2		3.6
- EGAT (Export)	22.6		1.1		>100.0
- SESB	1,302.5		1,254.5		3.8
- LPL	412.0		416.6		(1.1)
Total Units Sold (GWh)	29,548.4		28,518.4		3.6
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	10,952.7	39.4	10,583.0	39.4	3.5
- EGAT (Export)	13.5	59.7	1.0	90.9	>100.0
- SESB	448.4	34.4	433.6	34.6	3.4
- LPL	103.9	25.2	161.7	38.8	(35.7)
Sales of Electricity	11,518.5	39.0	11,179.3	39.2	3.0
LPL Operating Lease (MFRS117)	10.8		11.0		(1.8)
Accrued Revenue	73.3		(176.5)		>(100.0)
Imbalance Cost Pass-Through	(604.8)		(681.8)		(11.3)
Total Sales of Electricity	10,997.8		10,332.0		6.4
Goods & Services	152.6		261.0		(41.5)
Deferred Income	91.2		83.8		8.8
Total Revenue	11,241.6		10,676.8		5.3

OPERATING EXPENSES

7.9% Increase in Operating Expenses

RM mn	1QFY'17	1QFY'16	Variance RM mn	Variance %
Capacity Payment	1,114.8	975.9	(138.9)	(14.2)
Energy Payment	2,165.5	2,015.5	(150.0)	(7.4)
Total IPPs Purchases/Costs	3,280.3	2,991.4	(288.9)	(9.7)
Fuel Costs	5,499.9 { 2,219.6	5,203.3 { 2,211.9	296.6 { (7.7)	(0.3)
Repair & Maintenance	455.4	376.1	(79.3)	(21.1)
Staff Costs	928.1	960.3	32.2	3.4
TNB General Expenses	612.2	313.9	(298.3)	(95.0)
Subs. Cost of Sales & Opex □	136.7	224.4	87.7	39.1
Depreciation & Amortisation	1,453.8	1,340.4	(113.4)	(8.5)
Total Operating Expenses	9,086.1	8,418.4	(667.7)	(7.9)

GENERATION MIX (PENINSULA)

Year-on-Year Analysis

5.0% Increase in Fuel Costs Resulted from Higher Demand and Increased Piped Gas Price

Table 1:

Fuel Costs (RM mn)					Units Generated (Gwh)				
Fuel Type	1QFY'17	1QFY'16	Variance		Fuel Type	1QFY'17	1QFY'16	Variance	
			RM mn	%				Gwh	%
Gas	1,977.2	1,881.1	96.1	5.1	Gas & LNG	12,595.1	13,541.7	(946.6)	(7.0)
LNG	90.1	296.0	(205.9)	(69.6)	Coal	16,251.8	14,358.3	1,893.5	13.2
Coal	1,856.5	1,587.3	269.2	17.0	Dist.	19.7	8.8	10.9	>100.0
Dist.	12.4	4.6	7.8	>100.0	Oil	115.3	24.5	90.8	>100.0
Oil	33.2	11.4	21.8	>100.0	Hydro	882.8	1,182.3	(299.5)	(25.3)
Total	3,969.4	3,780.4	189.0	5.0	Total	29,864.7	29,115.6	749.1	2.6

Table 2:

	1QFY'17	1QFY'16
Daily Average Gas Volume (mmscfd)	1,079	1,175
Average LNG Price (RM/mmbtu)	24.84	33.07
Average Piped Gas Price (RM/mmbtu)	19.70	16.70

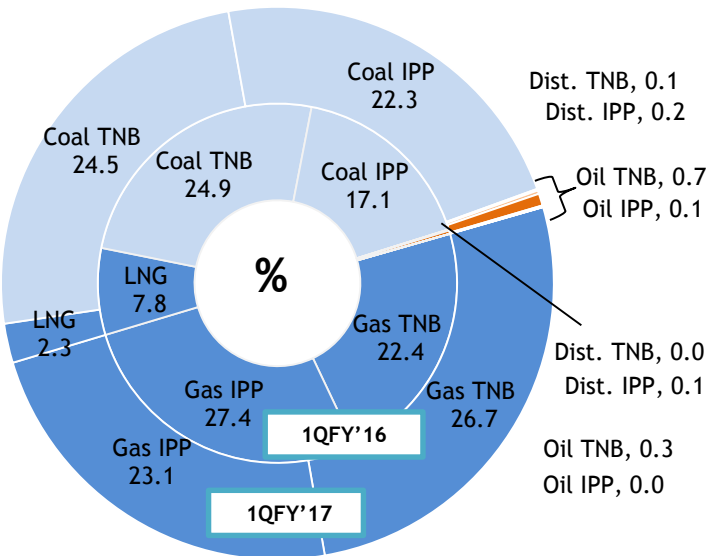
Table 3:

	FY2017			1QFY'17	1QFY'16	Var (%)
	Sept	Oct	Nov			
Average Coal Price Consumed (USD/MT)						
FOB	51.9	56.7	61.5	56.8	52.8	7.6%
Freight	6.1	5.3	5.9	5.7	5.8	-1.7%
Others	0.6	0.5	0.5	0.5	0.4	25.0%
CIF	58.6	62.5	67.9	63.0	59.0	6.8%
Average Coal Price Consumed (RM/MT) (CIF)	240.1	260.5	294.0	264.7	254.1	4.2%
Coal Consumption (mn MT)	2.2	2.5	2.3	7.0	6.1	14.3%

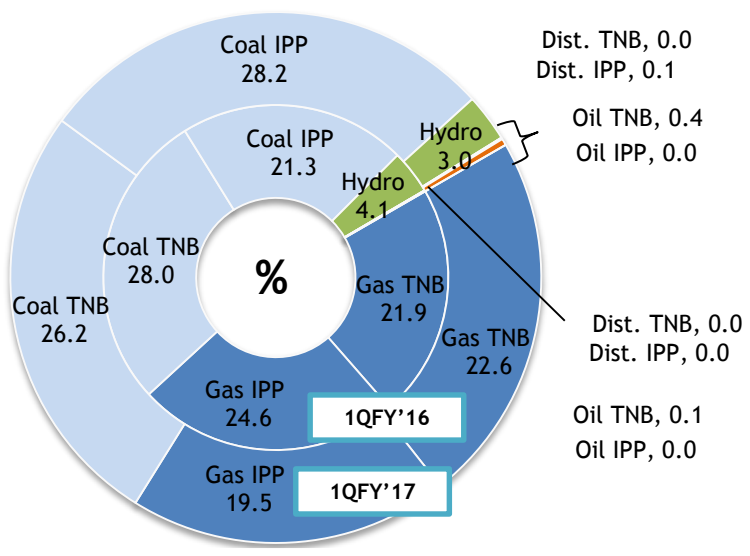
FUEL COSTS (TNB & IPPs - PENINSULA)



Fuel Costs



Units Generated

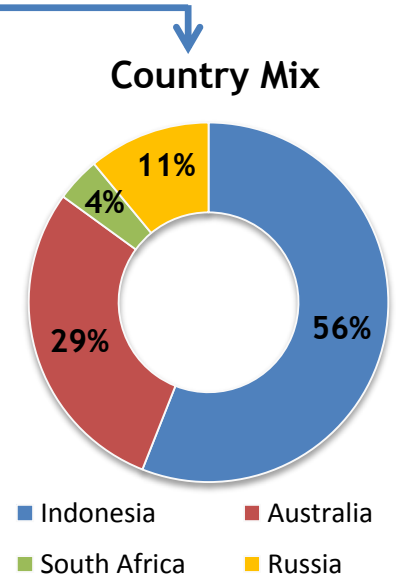
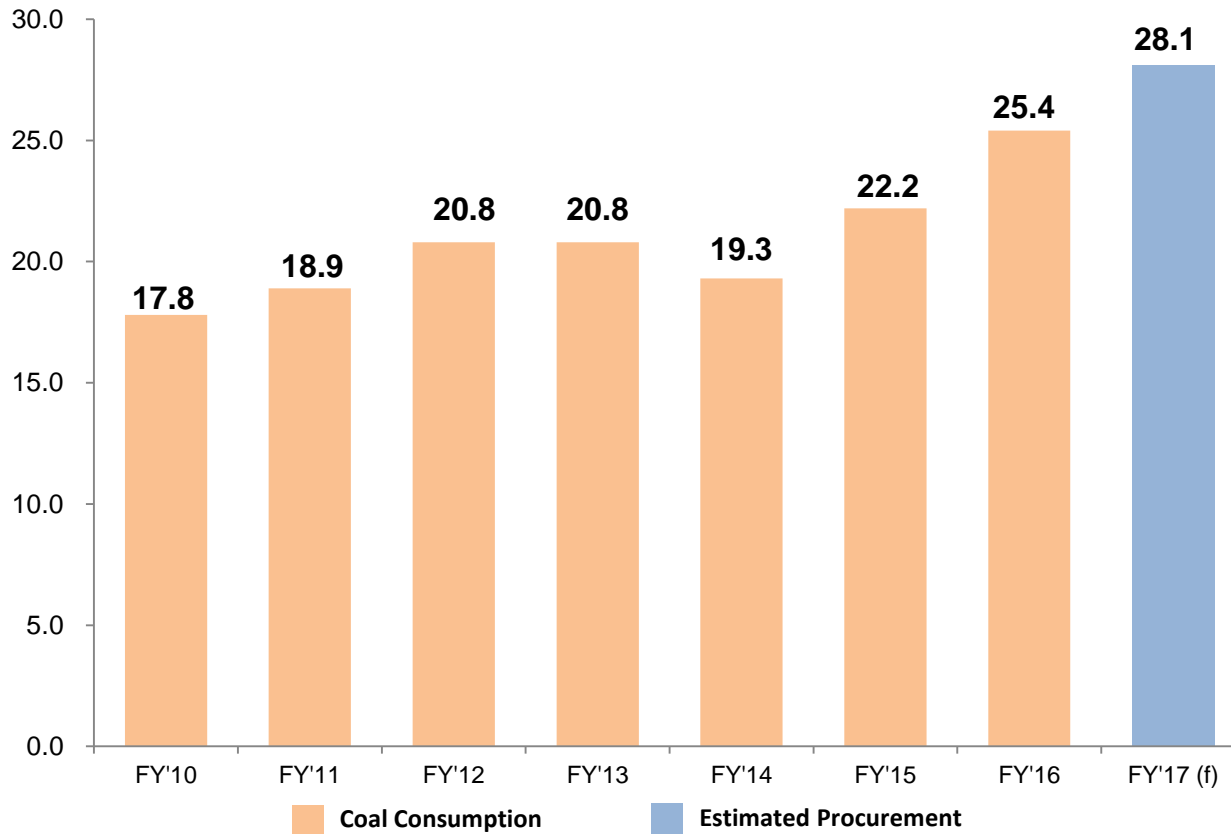


COAL REQUIREMENT

Average Coal Price for 1QFY'17 was at USD63.0/MT @ RM264.7/MT

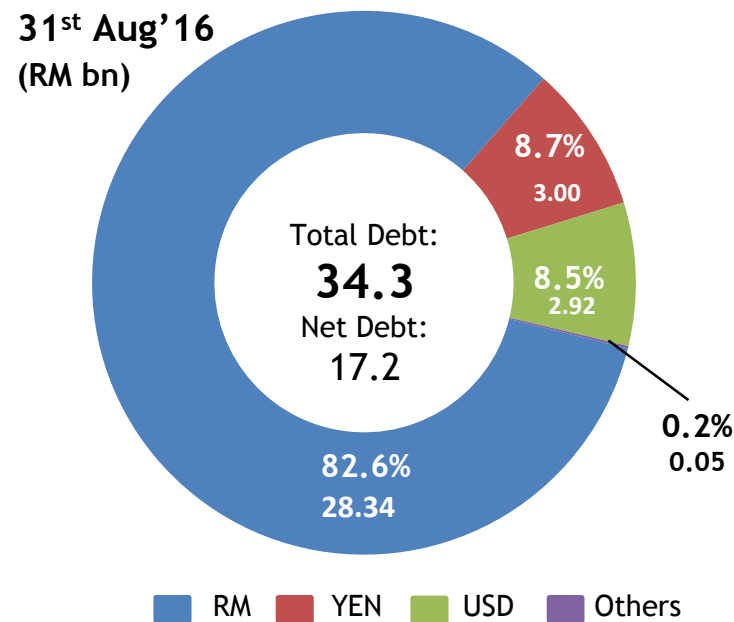
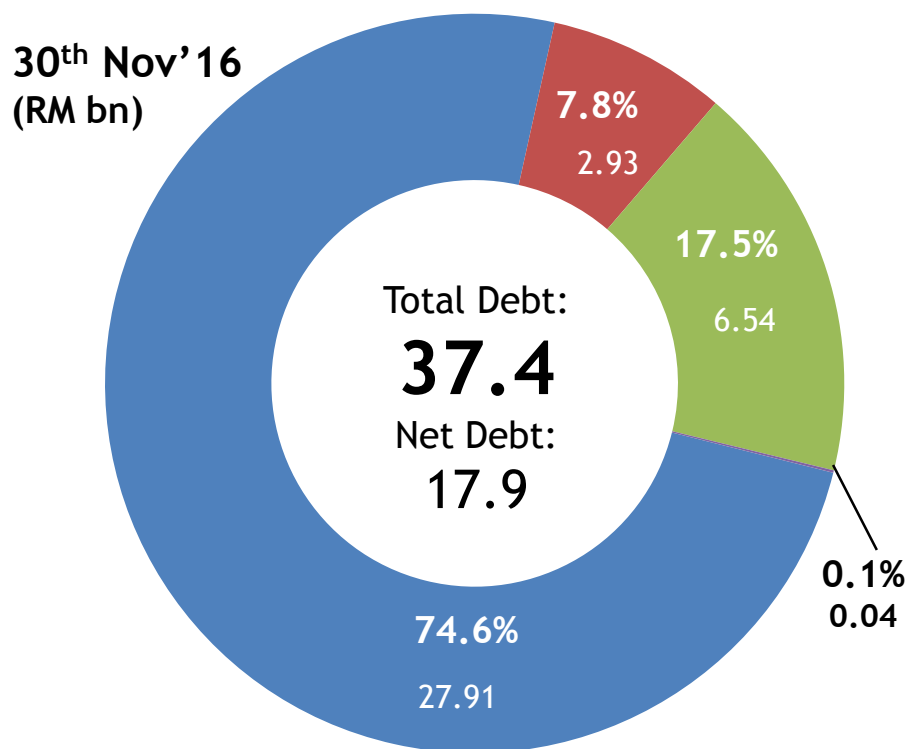
Average Coal Price (CIF)	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
(USD/metric tonne)	88.2	106.9	103.6	83.6	75.4	66.0	55.7
(RM/metric tonne)	293.8	325.9	321.9	259.5	244.6	236.0	231.1

Tonne (mn)



DEBT EXPOSURE & GEARING

Improved Gearing due to Multicurrency Sukuk Issuance of USD0.75bn in October 2016



Statistics	30th Nov'16	31st Aug'16
Gearing (%)	40.7	39.5
Net Gearing (%)	19.5	19.7
Fixed : Floating (%)	96.4 : 3.6	96.4 : 3.6
Final Exposure (%)	96.4 : 3.6	96.4 : 3.6
Weighted Average Cost of Debt (%)	4.63	5.06
Final Exposure (%)	4.63	5.06

Closing	30 th Nov'16	31 st Aug'16
USD/RM	4.47	4.06
100YEN/RM	3.96	3.96
USD/YEN	112.88	102.53

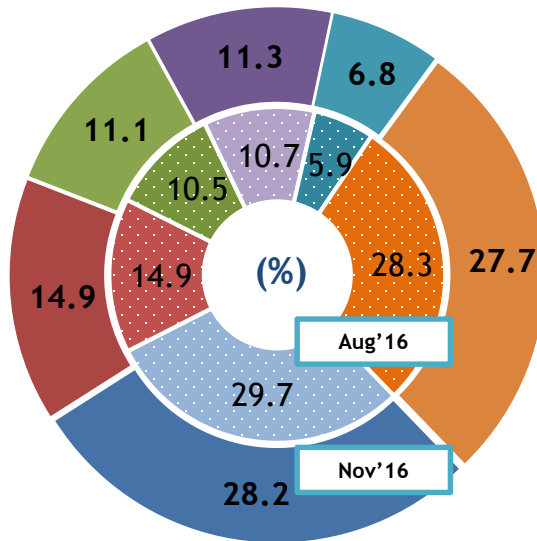
* Net Debt excludes deposits, bank and cash balances & investment in UTF

SHAREHOLDING

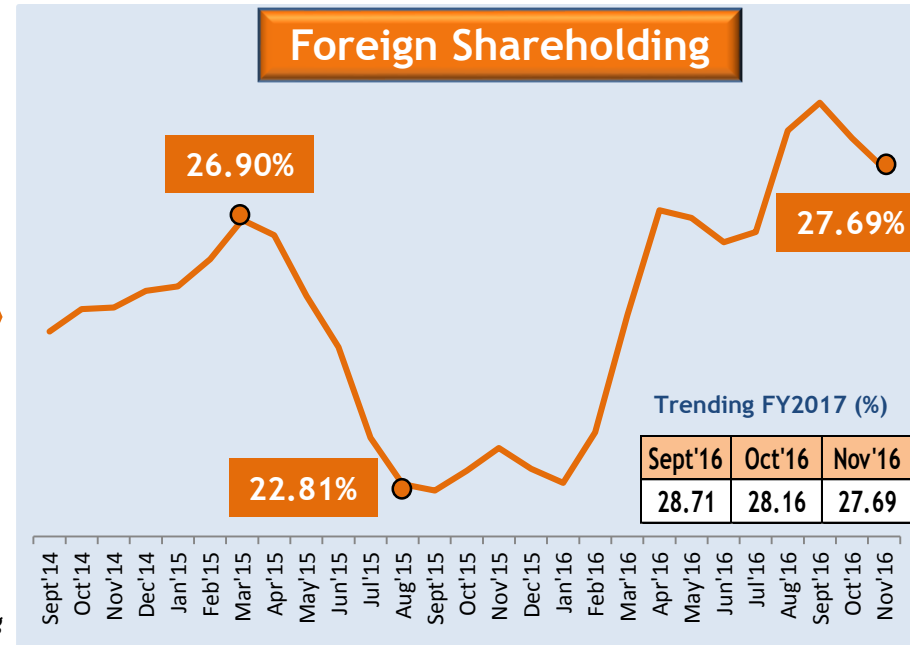
Foreign Shareholdings Remained Around 27%

Top 100* Shareholders as at Nov'16

- Khazanah Nasional Berhad
- Employees Provident Fund Board
- Permodalan Nasional Bhd
- Other Corporations & Govt. Agencies
- Malaysian Public
- Foreign



* 82% of total shareholding



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THANK YOU

**Unaudited Consolidated Results for the
1st Quarter FY2017 ended 30th November 2016**