



## PRESENTATION TO ANALYSTS

Unaudited Consolidated Results for the  
2<sup>nd</sup> Quarter FY2016 ended 29<sup>th</sup> February 2016

27<sup>th</sup> April 2016

**RESULTS SNAPSHOTS**

**RESULTS HIGHLIGHTS**

**RESULTS DETAILS**

**QUESTION & ANSWER**

# KEY HIGHLIGHTS



## 3-Month Ended 29<sup>th</sup> February 2016

	2QFY2016	1QFY2016		QoQ
Profit After Tax	RM1.32 bn	RM1.96 bn	▼	(33.0%)
Revenue	RM10.49 bn	RM10.68 bn	▼	(1.8%)

“ 0.5% contraction in unit electricity demand in Peninsular Malaysia

## 6-Month Ended 29<sup>th</sup> February 2016

	1HFY2016	1HFY2015		YoY
Profit After Tax	RM3.28 bn	RM4.48 bn	▼	26.9%
Revenue	RM21.17 bn	RM21.64 bn	▼	(2.2%)

“ 3.6% unit electricity demand growth in Peninsular Malaysia

# UNAUDITED INCOME STATEMENT (GROUP)

## Year-on-Year Analysis



- “ 2.2% Reduction in Revenue due to Recognition of ICPT Over-Recovery of RM1.39bn
- “ Lower Net Profit of RM3.28bn

RM'mn	<u>CUMULATIVE</u>		
	Current Year To Date	Preceding Year Corresponding Period	Variance %
	29.02.16	28.02.15	
Revenue	21,166.1	21,637.1	(2.2)
Operating expenses	(17,246.5)	(16,457.1)	(4.8)
Other operating income	319.9	340.2	(6.0)
<b>Operating profit</b>	<b>4,239.5</b>	<b>5,520.2</b>	<b>(23.2)</b>
Foreign exchange:			
- Translation (loss)	(235.4)	(257.4)	8.5
- Transaction gain/(loss)	(5.5)	27.8	>(100.0)
Share of results of joint ventures	13.5	12.0	12.5
Share of results of associates (net of tax)	29.8	12.2	>100.0
<b>Profit before finance cost</b>	<b>4,041.9</b>	<b>5,314.8</b>	<b>(24.0)</b>
Finance income	120.0	135.7	(11.6)
Finance cost	(499.2)	(464.2)	(7.5)
<b>Profit from ordinary activities before taxation</b>	<b>3,662.7</b>	<b>4,986.3</b>	<b>(26.5)</b>
Taxation and Zakat:			
- Company and subsidiaries	(333.8)	(445.3)	25.0
- Deferred taxation	(51.7)	(56.3)	8.2
<b>Profit for the period</b>	<b>3,277.2</b>	<b>4,484.7</b>	<b>(26.9)</b>
Attributable to:			
- Owners of the Company	3,296.7	4,508.1	(26.9)
- Non-controlling interests	(19.5)	(23.4)	16.7
<b>Profit for the period</b>	<b>3,277.2</b>	<b>4,484.7</b>	<b>(26.9)</b>

# UNAUDITED INCOME STATEMENT (GROUP)

## Year-on-Year Analysis



### 7.7% Increase in Adjusted Profit After Tax

RM'mn	1HFY'16	1HFY'15
Profit After Tax	3,277.2	4,484.7
Forex Translation Loss	235.4	257.4
Reinvestment Allowance	(440.1)	(543.2)
ICPT Adjustment	0.0	(1,345.2)
<b>Adjusted Profit After Tax</b>	<b>3,072.5</b>	<b>2,853.7</b>

7.7%  
218.8

A green arrow pointing upwards, indicating an increase in the Adjusted Profit After Tax from 1HFY'15 to 1HFY'16.

# GENERATION MIX (PENINSULA)

## Year-on-Year Analysis



### 1.6% Increase in Fuel Costs Mainly due to Higher Piped Gas & Coal Prices

Table 1:

Fuel Costs (RM mn)				
Fuel Type	1HFY'16	1HFY'15	Variance	
			RM mn	%
Gas	3,786.5	3,515.6	270.9	7.7
LNG	570.3	993.1	(422.8)	(42.6)
Coal	3,084.1	2,674.2	409.9	15.3
Dist.	24.5	116.4	(91.9)	(79.0)
Oil	53.6	100.9	(47.3)	(46.9)
<b>Total</b>	<b>7,519.0</b>	<b>7,400.2</b>	<b>118.8</b>	<b>1.6</b>

Units Generated (Gwh)				
Fuel Type	1HFY'16	1HFY'15	Variance	
			Gwh	%
Gas & LNG	26,427.0	26,115.5	311.5	1.2
Coal	28,431.5	25,588.2	2,843.3	11.1
Dist.	37.0	151.7	(114.7)	(75.6)
Oil	122.3	208.0	(85.7)	(41.2)
Hydro	2,335.6	2,803.7	(468.1)	(16.7)
<b>Total</b>	<b>57,353.4</b>	<b>54,867.1</b>	<b>2,486.3</b>	<b>4.5</b>

Table 2:

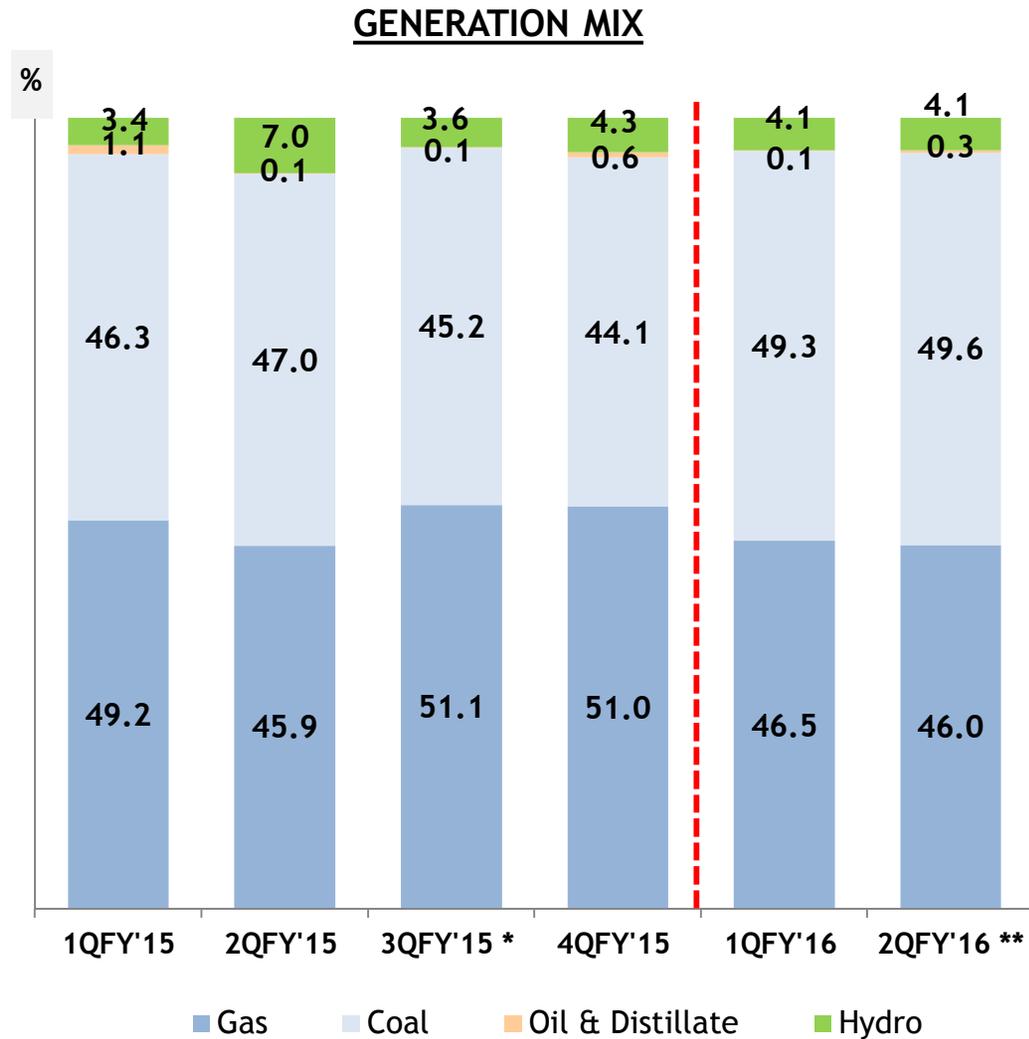
	1HFY'16	1HFY'15
Daily Average Gas Volume (mmscfd)	1,154	1,140
Average LNG Price (RM/mmbtu)	34.46	46.53
<b>Average Piped Gas Price (RM/mmbtu)</b>	<b>17.20</b>	<b>15.20</b>

Table 3:

	1HFY'16	1HFY'15	Var (%)
Average Coal Price Consumed (USD/MT)			
FOB	51.5	59.4	-13.3%
Freight	5.7	8.4	-32.1%
Others	0.5	0.6	-16.7%
CIF	57.7	68.4	-15.6%
<b>Average Coal Price Consumed (RM/MT) (CIF)</b>	<b>246.0</b>	<b>233.2</b>	<b>5.5%</b>
Coal Consumption (mn MT)	11.7	10.9	7.3%

# GENERATION MIX (PENINSULA) con't

## Quarterly Analysis



\* Manjung 4 COD on 14<sup>th</sup> Apr 2015  
 \*\* Prai COD on 20<sup>th</sup> Feb 2016 & CBPS COD on 27<sup>th</sup> Feb 2016

# ELECTRICITY GROWTH IN PENINSULA



## 3.6% Growth in Electricity Demand

UNITS SALES		FY2015				FY2016	
		1Q	2Q	3Q	4Q	1Q	2Q
Industrial	Gwh	10,973	10,976	10,761	11,009	11,101	10,820
	Growth (%)	3.1	1.6	1.7	0.1	1.2	(1.4)
Commercial	Gwh	9,018	8,860	8,990	9,361	9,369	9,404
	Growth (%)	3.4	3.1	1.4	2.0	3.9	6.1
Domestic	Gwh	5,538	5,338	5,775	6,121	5,886	5,981
	Growth (%)	3.0	2.1	4.1	2.5	6.3	12.0
Others	Gwh	496	493	462	483	490	497
	Growth (%)	6.9	5.6	(0.9)	0.6	(1.2)	0.8
TOTAL	Gwh	26,025	25,667	25,988	26,974	26,846	26,702
	Growth (%)	3.3	2.3	2.1	1.3	3.2	4.0

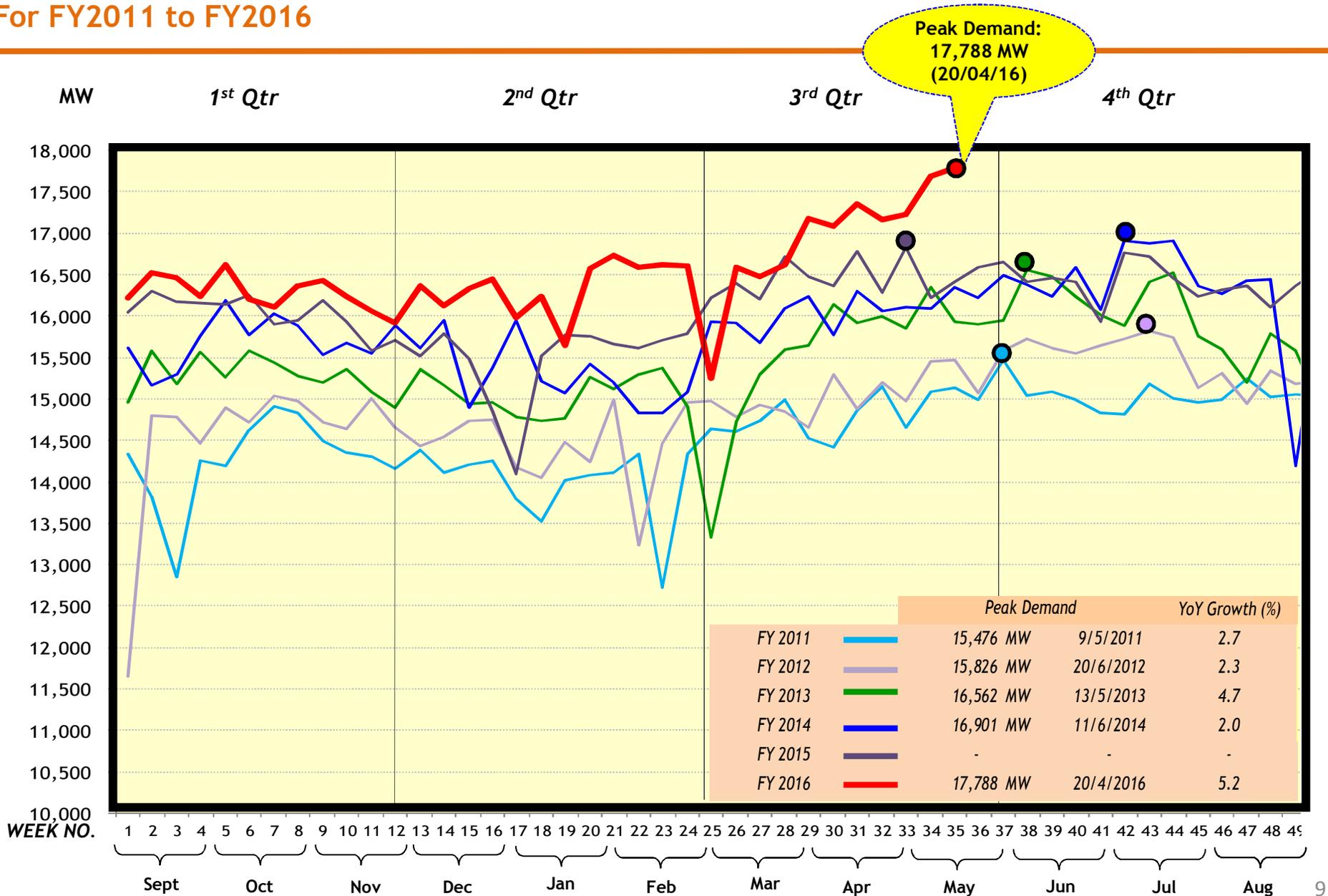
FY'15  
2.2%

	1HFY'16	1HFY'15
Growth (%)	3.6	2.8

# SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)



For FY2011 to FY2016



# HEADLINE KEY PERFORMANCE INDICATORS

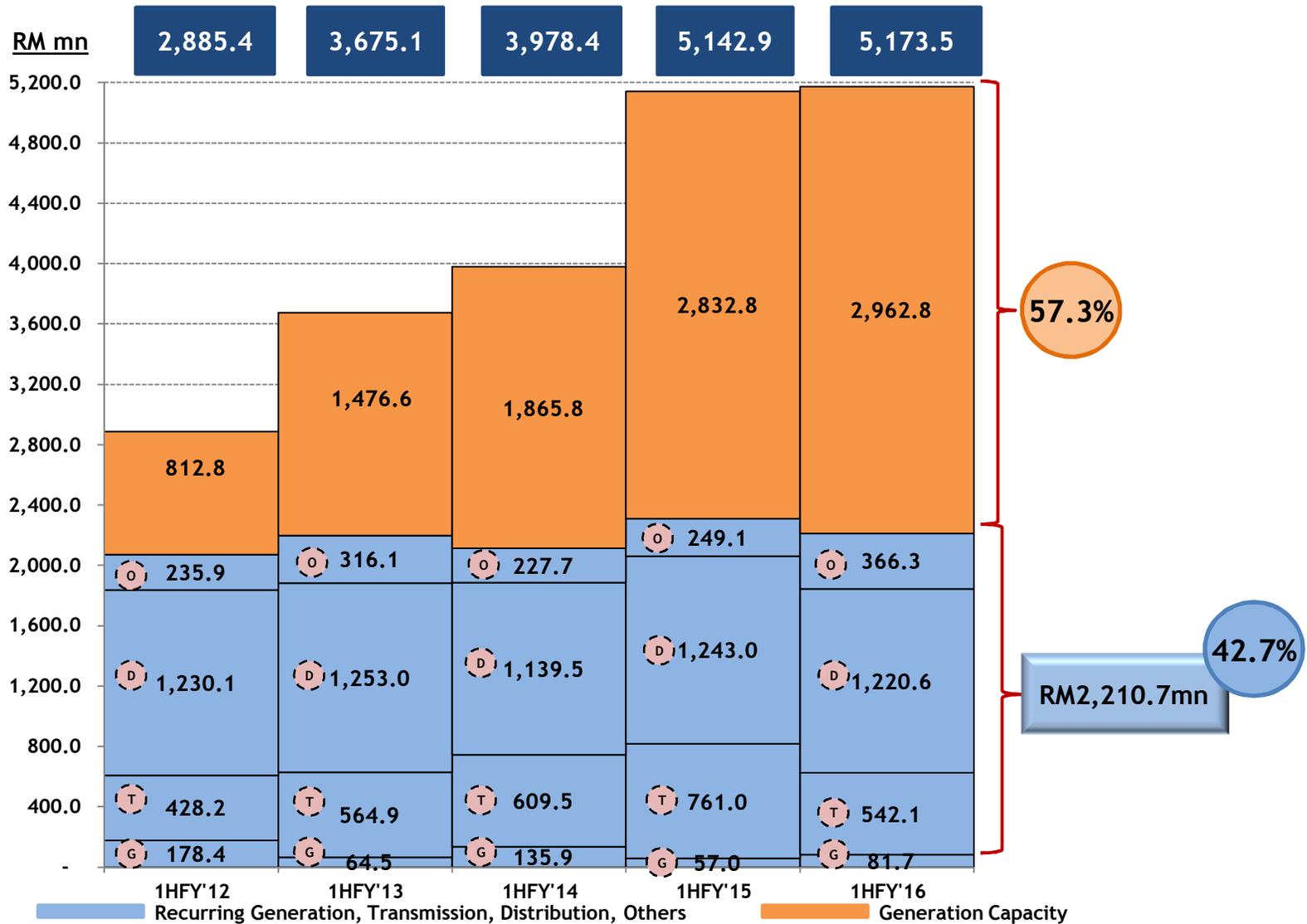


## INITIATIVES

	1HFY'16	FY'15
" Return on Assets (ROA) (%)	6.2	6.6
" Company CPU (sen/kwh)	33.6	35.1
" Revenue from Non-Regulated Business (RM bn)	1.2	2.6
" Equivalent Plant Availability Factor (EAF) (%)	87.7	88.8
" Transmission System Minutes (mins)	0.08	0.77
" Distribution SAIDI (mins)	24.3	49.7

# CAPITAL EXPENDITURE

Major Projects Represent 57.3% of Total CAPEX



# STATUS OF MAJOR PROJECTS

## Janamanjung Unit 5

**89%** 1,000MW

*COD Oct 2017*

## Hulu Terengganu Hydro (265MW)

**COMPLETED** 250MW

*COD Dec 2015 (U1 & U2)*

**Tambat** 15MW

*Aug 2016 (U3)  
Sep 2016 (U4)*

**95%**

## Connaught Bridge

**COMPLETED** 385MW

*COD 27<sup>th</sup> Feb 2016*

## Jimah East Power

**13%** 2,000MW

*COD*

*Jun 2019 (U1)  
Dec 2019 (U2)*

## Ulu Jelai Hydro

**97%** 372MW

*COD*

*Jul 2016 (U1)  
Sep 2016 (U2)*

## Prai

**COMPLETED** 1,071MW

*COD 20<sup>th</sup> Feb 2016*

## INTERIM DIVIDEND

Interim Single-Tier Dividend  
of 10.0 sen per ordinary share

Tenaga is committed to pay out dividend based on its Dividend Policy whereby:  
*Dividend is paid out based on 40%-60% of its Company's Annual Free Cashflow;  
Cashflow from Operations less Normalised Capex and Interest Servicing*

The Books Closure and payment dates will be announced in due course.

**RESULTS SNAPSHOTS**

**RESULTS HIGHLIGHTS**

**RESULTS DETAILS**

**QUESTION & ANSWER**

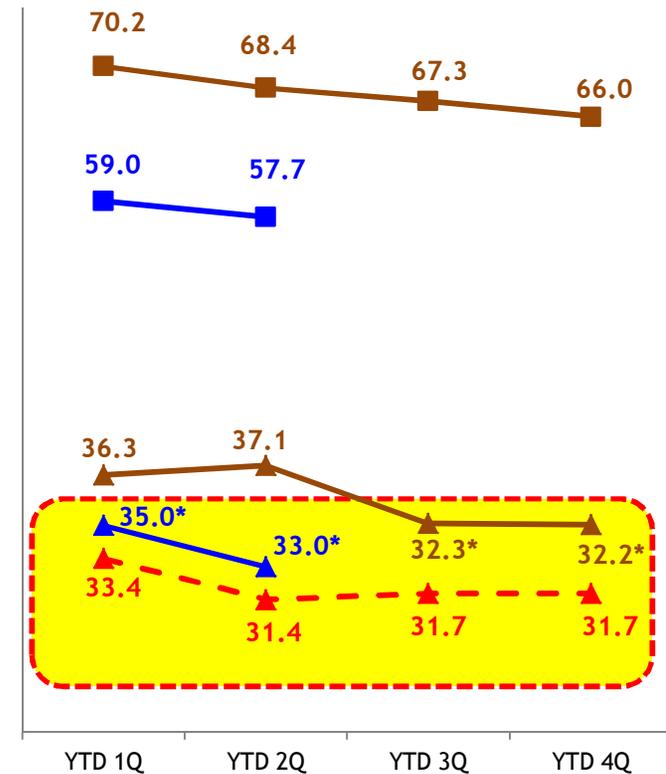
# QUARTERLY & YEARLY ANALYSIS



## Stable EBITDA Margin from ICPT Implementation

### ANALYSIS OF EBITDA MARGIN & COAL PRICES

RM mn	1QFY'16	2QFY'16	1HFY'16	1HFY'15
Total Units Sold (GWh)	28,571.1	28,411.2	56,982.3	54,689.0
Revenue	10,676.8	10,489.3	21,166.1	21,637.1
Operating Expenses (before depreciation)	7,078.0	7,430.6	14,508.6	13,960.0
Operating Income	139.3	180.6	319.9	340.2
<b>EBITDA</b>	<b>3,738.1</b>	<b>3,239.3</b>	<b>6,977.4</b>	<b>8,017.3</b>
<b>EBITDA Margin (%)</b>	<b>35.0%</b>	<b>30.9%</b>	<b>33.0%</b>	<b>37.1%</b>
Depreciation and Amortisation	1,340.4	1,397.5	2,737.9	2,497.1
EBIT	2,397.7	1,841.8	4,239.5	5,520.2
<b>EBIT Margin (%)</b>	<b>22.5%</b>	<b>17.6%</b>	<b>20.0%</b>	<b>25.5%</b>
Finance Cost	259.7	239.5	499.2	464.2
Profit Before Tax & Forex Translation	2,221.8	1,676.3	3,898.1	5,243.7
Net Profit Before Forex Translation	2,034.5	1,497.6	3,532.1	4,765.5
Translation Gain/(Loss)	(58.5)	(176.9)	(235.4)	(257.4)
<b>Net Profit attributable to :</b>				
<b>Equity Holders</b>	<b>1,976.0</b>	<b>1,320.7</b>	<b>3,296.7</b>	<b>4,508.1</b>
Non-controlling Interest	(13.8)	(5.7)	(19.5)	(23.4)



\* Includes ICPT over-recovery

- ▲— EBITDA Margin FY2016
- -▲- - EBITDA Margin FY2015 with ICPT adjustment
- Avg Coal Price FY2016
- Avg Coal Price FY2015
- ▲— EBITDA Margin FY2015

# OPERATING EXPENSES



## 4.8% Increase in Operating Expenses

RM mn	1HFY'16	1HFY'15	Variance RM mn	Variance %
Capacity Payment	1,994.4	1,993.9	(0.5)	(0.0)
Energy Payment	4,054.5	4,256.4	201.9	4.7
Total IPPs Purchases/Costs	6,048.9	6,250.3	201.4	3.2
Fuel Costs	10,343.1 { 4,294.2	10,154.3 { 3,904.0	188.8 { (390.2)	(10.0)
Repair & Maintenance	897.4	837.6	(59.8)	(7.1)
Staff Costs	1,925.7	1,792.2	(133.5)	(7.4)
TNB General Expenses	800.4	816.4	16.0	2.0
Subs. Cost of Sales & Opex	542.0	359.5	(182.5)	(50.8)
Depreciation & Amortisation	2,737.9	2,497.1	(240.8)	(9.6)
Total Operating Expenses	17,246.5	16,457.1	(789.4)	(4.8)

**RESULTS SNAPSHOTS**

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**QUESTION & ANSWER**

# DETAILS OF REVENUE



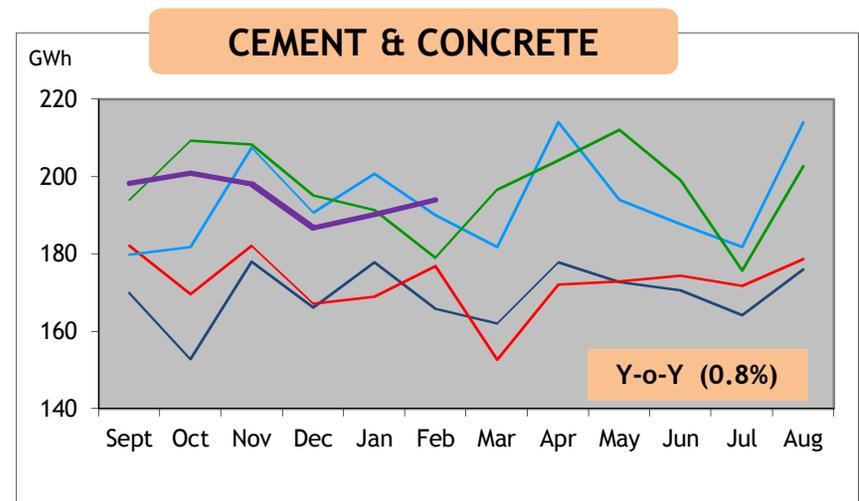
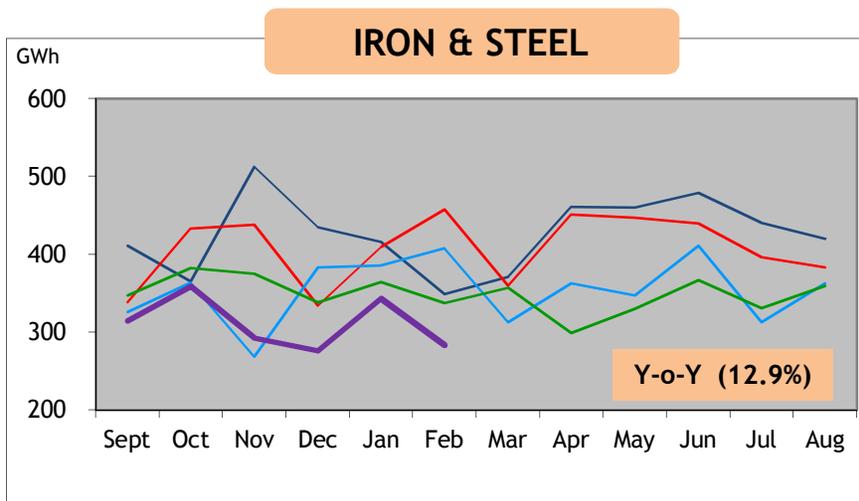
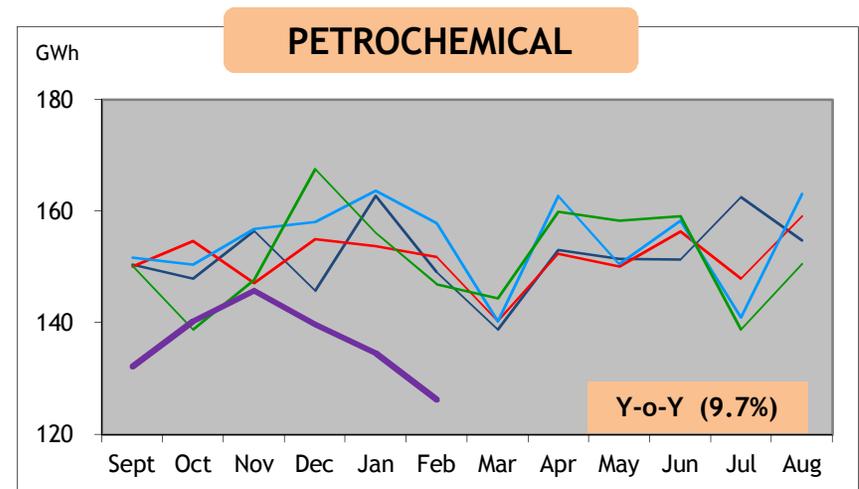
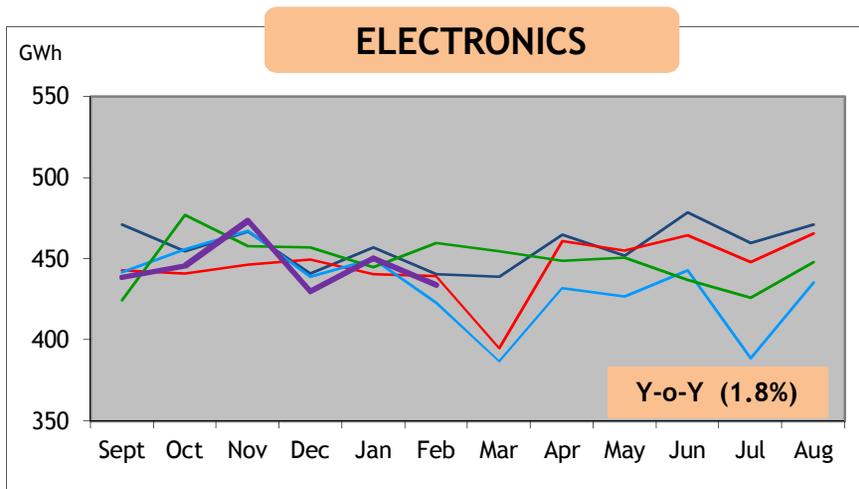
## 4.2% Increase in Sales of Electricity

	1HFY'16		1HFY'15		Growth
UNITS SOLD	GWh		GWh		%
- TNB	53,547.8		51,691.3		3.6
- EGAT (Export)	1.1		3.3		(66.7)
- SESB	2,678.6		2,432.4		10.1
- LPL	754.8		562.0		34.3
<b>Total Units Sold (GWh)</b>	<b>56,982.3</b>		<b>54,689.0</b>		<b>4.2</b>
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	21,070.5	39.3	20,225.0	39.1	4.2
- EGAT (Export)	0.9	81.8	3.0	90.9	(70.0)
- SESB	875.4	32.7	830.2	34.1	5.4
- LPL	282.9	37.5	270.6	48.1	4.5
<b>Sales of Electricity</b>	<b>22,229.7</b>	<b>39.0</b>	<b>21,328.8</b>	<b>39.0</b>	<b>4.2</b>
LPL Operating Lease (MFRS117)	21.9		18.0		21.7
Accrued Revenue	(456.4)		(391.8)		16.5
Imbalance Cost Pass-Through	(1,394.9)		-		(100.0)
<b>Total Sales of Electricity</b>	<b>20,400.3</b>		<b>20,955.0</b>		<b>(2.6)</b>
Goods & Services	566.5		469.8		20.6
Deferred Income	199.3		212.3		(6.1)
<b>Total Revenue</b>	<b>21,166.1</b>		<b>21,637.1</b>		<b>(2.2)</b>

# DETAILS OF REVENUE: SECTORAL ANALYSIS



Industrial Sector (Peninsula) Recorded Y-o-Y Growth of (0.1%)



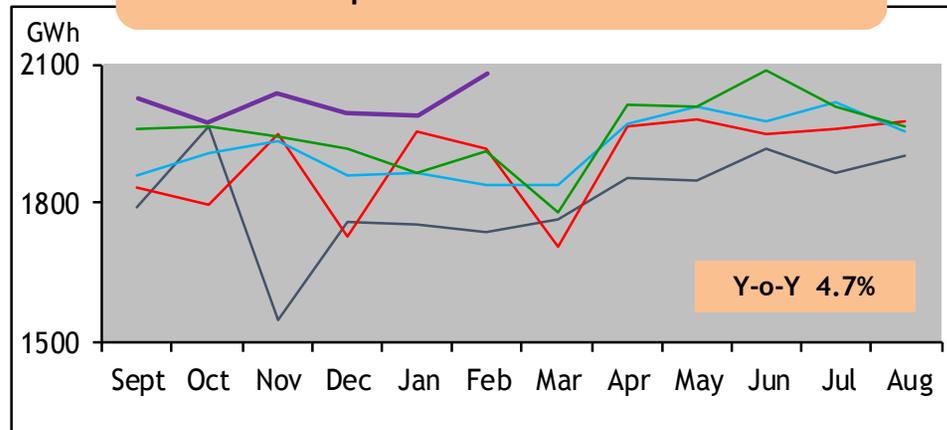
— FY2012  
 — FY2013  
 — FY2014  
 — FY2015  
 — FY2016

# DETAILS OF REVENUE: SECTORAL ANALYSIS

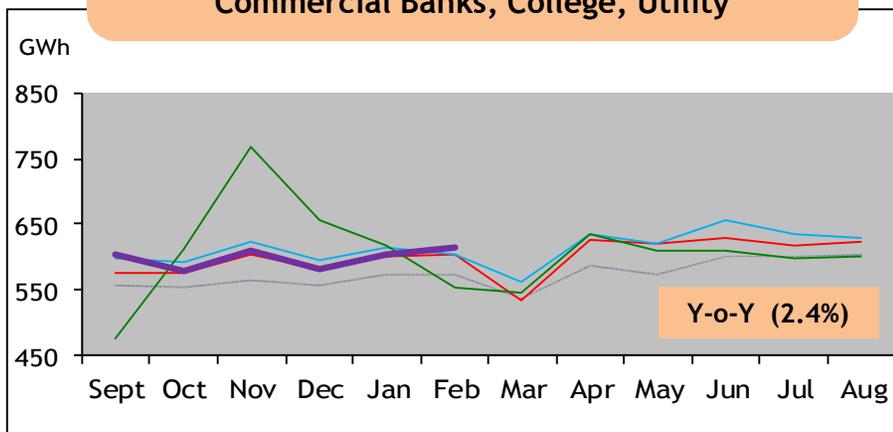


Commercial Sector (Peninsula) Recorded Y-o-Y Growth of 5.0%

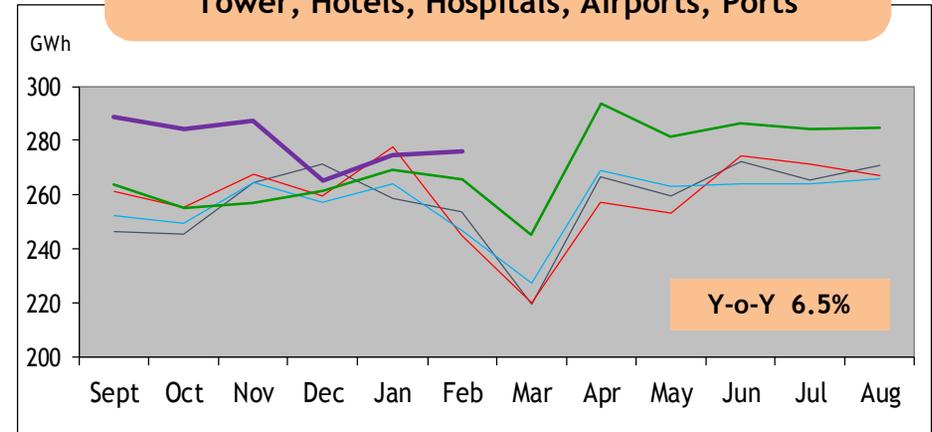
## LOW VOLTAGE Shop Lots & Retail Business



## MEDIUM VOLTAGE Shopping Malls, Office Buildings, Commercial Banks, College, Utility



## MEDIUM VOLTAGE (PEAK/OFF-PEAK) Mega Shopping Malls, Telecommunication Tower, Hotels, Hospitals, Airports, Ports

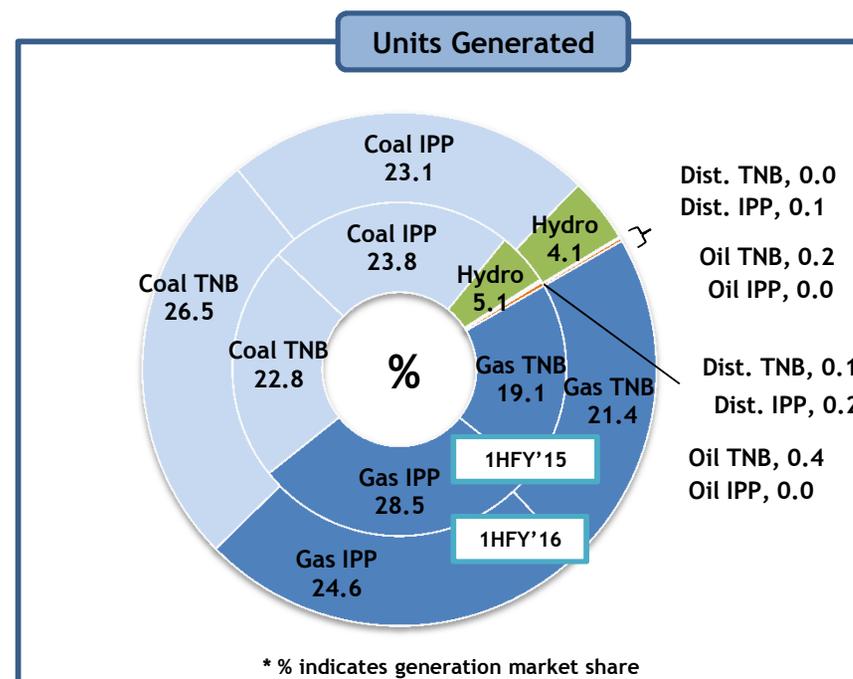
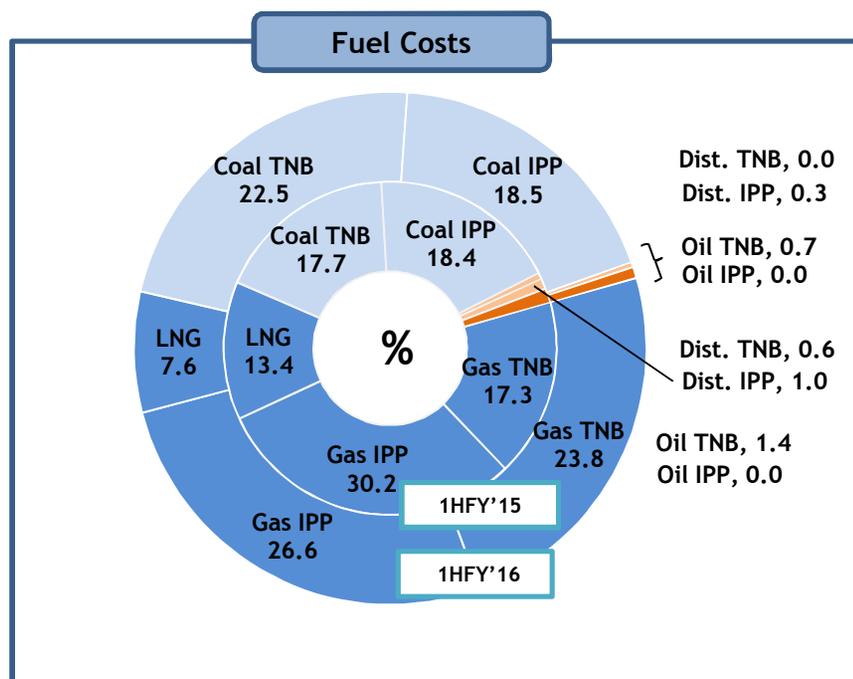


— FY2012 — FY2013 — FY2014 — FY2015 — FY2016

# FUEL COSTS (TNB & IPPs - PENINSULA)



1.6% Increase in Fuel Costs Mainly due to Higher Coal Price from Depreciating Ringgit



\* % indicates generation market share

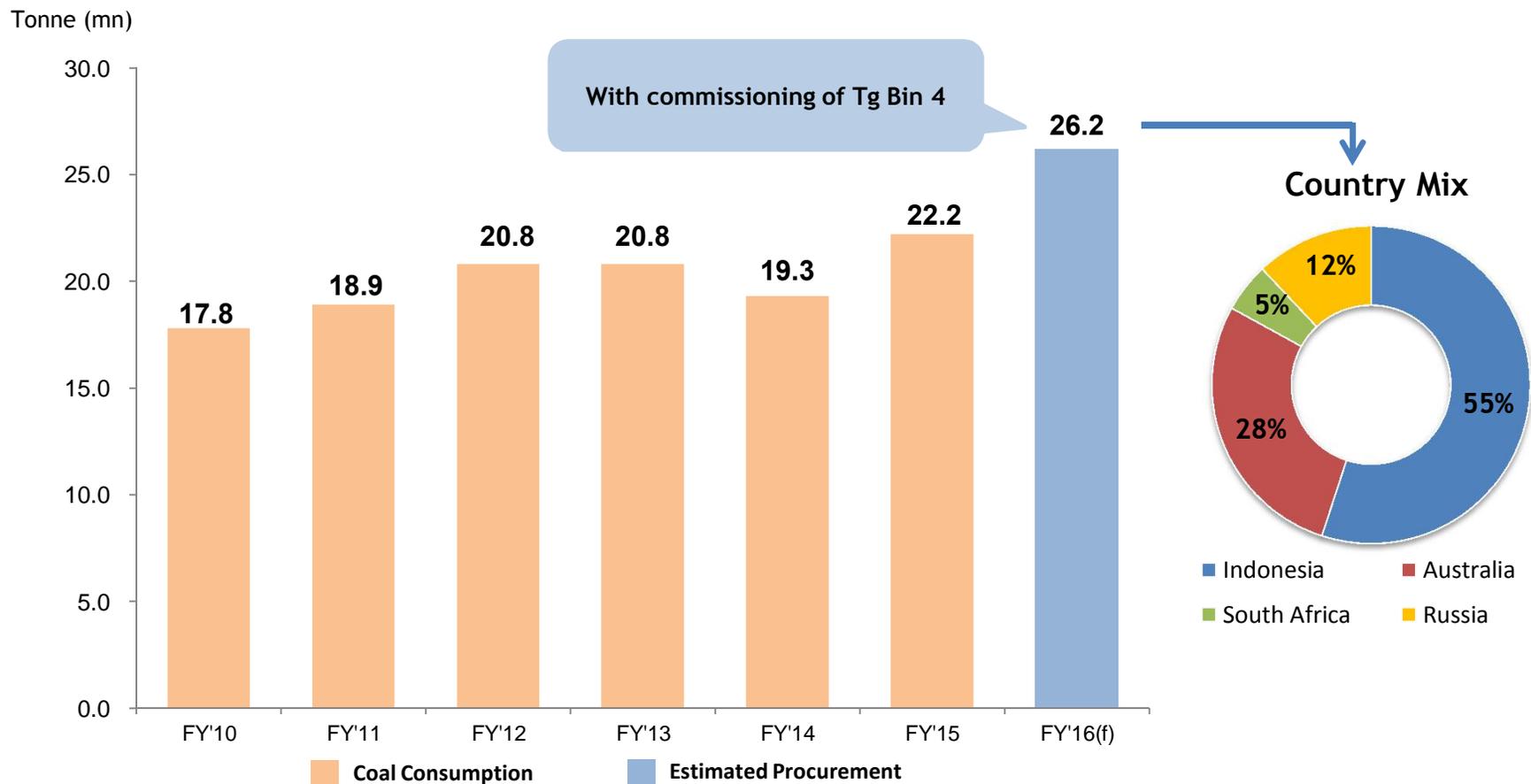
Fuel Type	Fuel Costs (RM mn)				Variance	
	1HFY'16	%	1HFY'15	%	RM mn	%
	Gas	3,786.5	58.0	3,515.6	60.9	(151.9)
LNG	570.3		993.1			
Coal	3,084.1	41.0	2,674.2	36.1	409.9	15.3
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<b>Total</b>	<b>7,519.0</b>	<b>100.0</b>	<b>7,400.2</b>	<b>100.0</b>	<b>118.8</b>	<b>1.6</b>

Fuel Type	Units Generated (Gwh)				Variance	
	1HFY'16	%	1HFY'15	%	Gwh	%
	Gas & LNG	26,344.2	46.0	26,115.5	47.6	228.7
Coal	28,438.1	49.6	25,588.2	46.6	2,849.9	11.1
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Hydro	2,335.6	4.1	2,803.7	5.1	(468.1)	(16.7)
<b>Total</b>	<b>57,277.2</b>	<b>100.0</b>	<b>54,867.1</b>	<b>100.0</b>	<b>2,410.1</b>	<b>4.4</b>

# COAL REQUIREMENT

Average Coal Price for 1HFY'16 was at USD57.7/MT

Average Coal Price (CIF)	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	1HFY'16
(USD/metric tonne)	88.2	106.9	103.6	83.6	75.4	66.0	57.7
(RM/metric tonne)	293.8	325.9	321.9	259.5	244.6	236.0	246.0

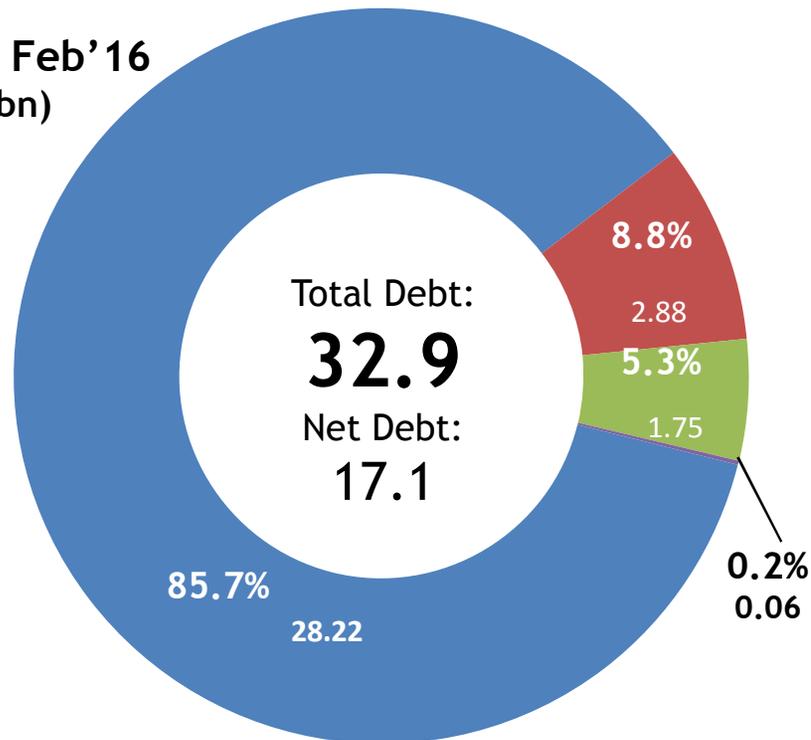


# DEBT EXPOSURE & FOREX

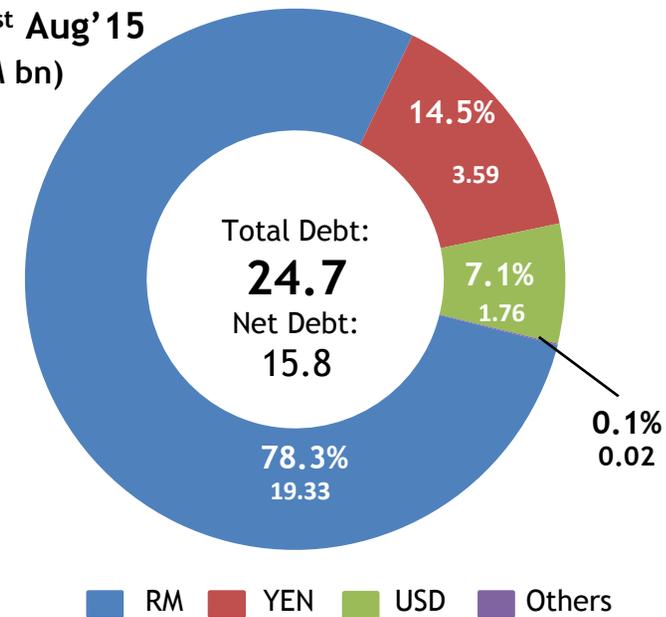


Higher Debt due to Sukuk Issuance for Jimah East Power of RM8.98bn

29<sup>th</sup> Feb'16  
(RM bn)



31<sup>st</sup> Aug'15  
(RM bn)



■ RM ■ YEN ■ USD ■ Others

Statistics	29th Feb'16	31st Aug'15
Gearing (%)	39.9	34.2
Net Gearing (%)	20.8	21.9
Fixed : Floating (%)	100.0 : 0.0	100.0 : 0.0
Final Exposure (%)	100.0 : 0.0	100.0 : 0.0
Weighted Average Cost of Debt (%)	5.21	4.80
Final Exposure (%)	5.21	4.80

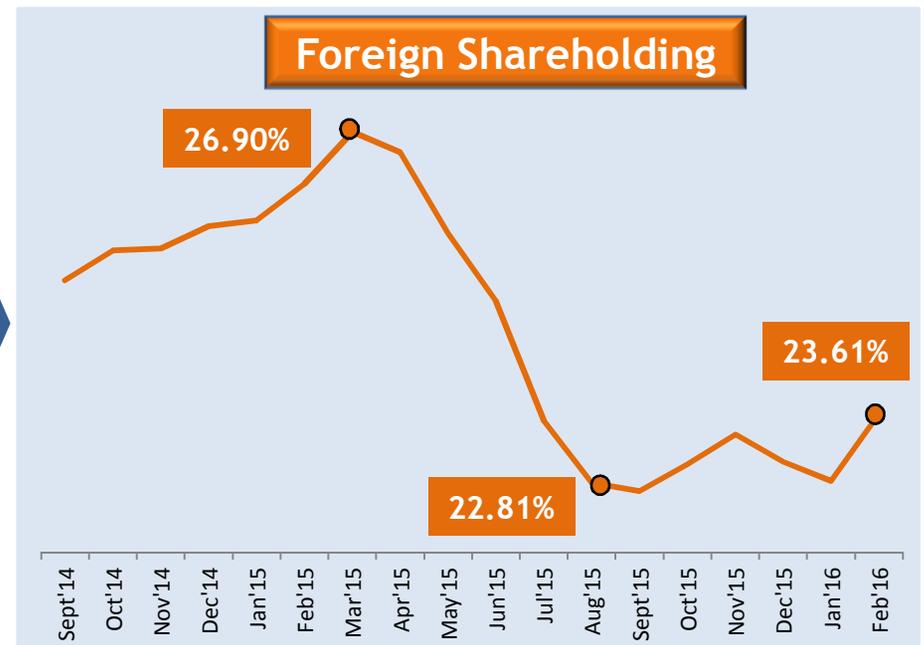
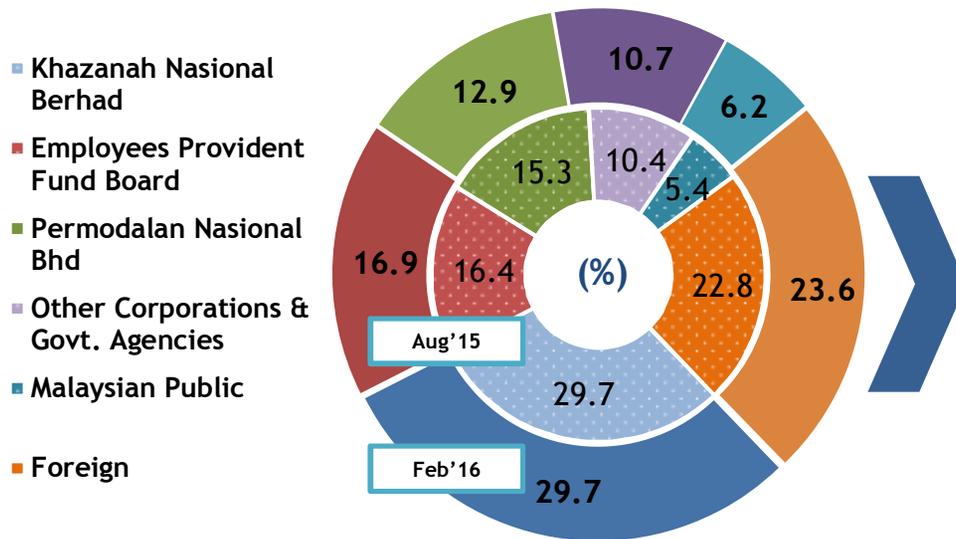
Closing	29 <sup>th</sup> Feb'16	31 <sup>st</sup> Aug'15
USD/RM	4.21	4.19
100YEN/RM	3.72	3.47
USD/YEN	113.17	120.75

\* Net Debt excludes investment in UTF

# SHAREHOLDING

Foreign Shareholding Remained Stable At Around 23%

Main Shareholding as at Feb'16



Trending FY2016 (%)

Sept'15	Oct'15	Nov'15	Dec'15	Jan'16	Feb'16
22.71	23.02	23.37	23.05	22.83	23.61

# AGENDA



**RESULTS SNAPSHOTS**

**RESULTS HIGHLIGHTS**

**RESULTS DETAILS**

**QUESTION & ANSWER**



# DISCLAIMER



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**THANK YOU**

**Unaudited Consolidated Results for the  
2<sup>nd</sup> Quarter FY2016 ended 29<sup>th</sup> February 2016**