PRESENTATION TO ANALYSTS

Unaudited Consolidated Results for the 3rd Quarter FY2015 ended 31st May 2015

30th July 2015

Prepared by:
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GROUP FINANCE DIVISION

AGENDA

RESULTS SNAPSHOTS

RESULTS HIGHLIGHTS

RESULTS DETAILS

QUESTION & ANSWER

3rd QUARTER FY2015

3-Month Ended 31st May 2015

TENAGA NASIONAL

Å Imbalance Cost Pass Through (ICPT) over-recovery recognition of RM1.82 bn

	3QFY2015	2QFY2015	QoQ
Profit After Tax	RM0.77 bn	RM2.13 bn	(64.1%)
EBITDA Margin	21.9%	37.8%	15.9ppt

CUMULATIVE FY2015

9 Months FY2015

	9MFY2015	9MFY2014 (Restated)	YoY
Profit After Tax	RM5.25 bn	RM5.10 bn	▲ 2.9%
EBITDA Margin	32.3%	27.4%	▲ 4.9ppt
Average Coal Price	USD67.3/mt	USD76.5/mt	▼ 12.0%
Forex Translation Gain/(Loss)	(RM85.8 mn)	RM292.2 mn	▼ >(100.0%)

GROUP PROFIT ANALYSIS

Higher Adjusted Profit After Tax with Effective Implementation of ICPT Mechanism

(RM mn)	9MFY'15	9MFY'14
Profit After Tax	5,251.3	5,104.8
Less: Forex Translation (Gain) / Loss	85.8	(292.2)
Change in Corporate Tax Rate		(188.7)
Reinvestment Allowance	(951.6)	(1,076.7)
Adjusted Profit After Tax	4,385.5	3,547.2

23.6%

GENERATION MIX (PENINSULA) con't

Year-on-Year Analysis

12.1% Reduction in Fuel Costs Mainly due to Lower Consumption of Gas & LNG, and Lower Coal Price

Table 1:

Fuel Cost (RM mn)				
Fuel Type	9MFY'14	9MFY'15	Variance	
			RM mn	%
Gas	6,273.0	5,574.9	(698.1)	(11.1)
LNG	2,629.9	1,862.9	(767.0)	(29.2)
Coal	3,447.0	4,039.4	592.4	17.2
Dist.	525.0	128.6	(396.4)	(75.5)
Oil	462.7	114.9	(347.8)	(75.2)
Hydro	-	-	-	-
Fuel Costs	**13,337.6**	**11,720.7**	**(1,616.9)**	**(12.1)**

Units Generated (Gwh)				
Fuel Type	9MFY'14	9MFY'15	Variance	
			Gwh	%
Gas & LNG	47,236.2	41,198.2	(6,038.0)	(12.8)
Coal	31,793.4	38,921.2	7,127.8	22.4
Dist.	729.1	161.2	(567.9)	(77.9)
Oil	896.9	231.9	(665.0)	(74.1)
Hydro	3,533.1	3,850.4	317.3	9.0
Total	**84,188.7**	**84,362.9**	**174.2**	**0.2**

Table 2:

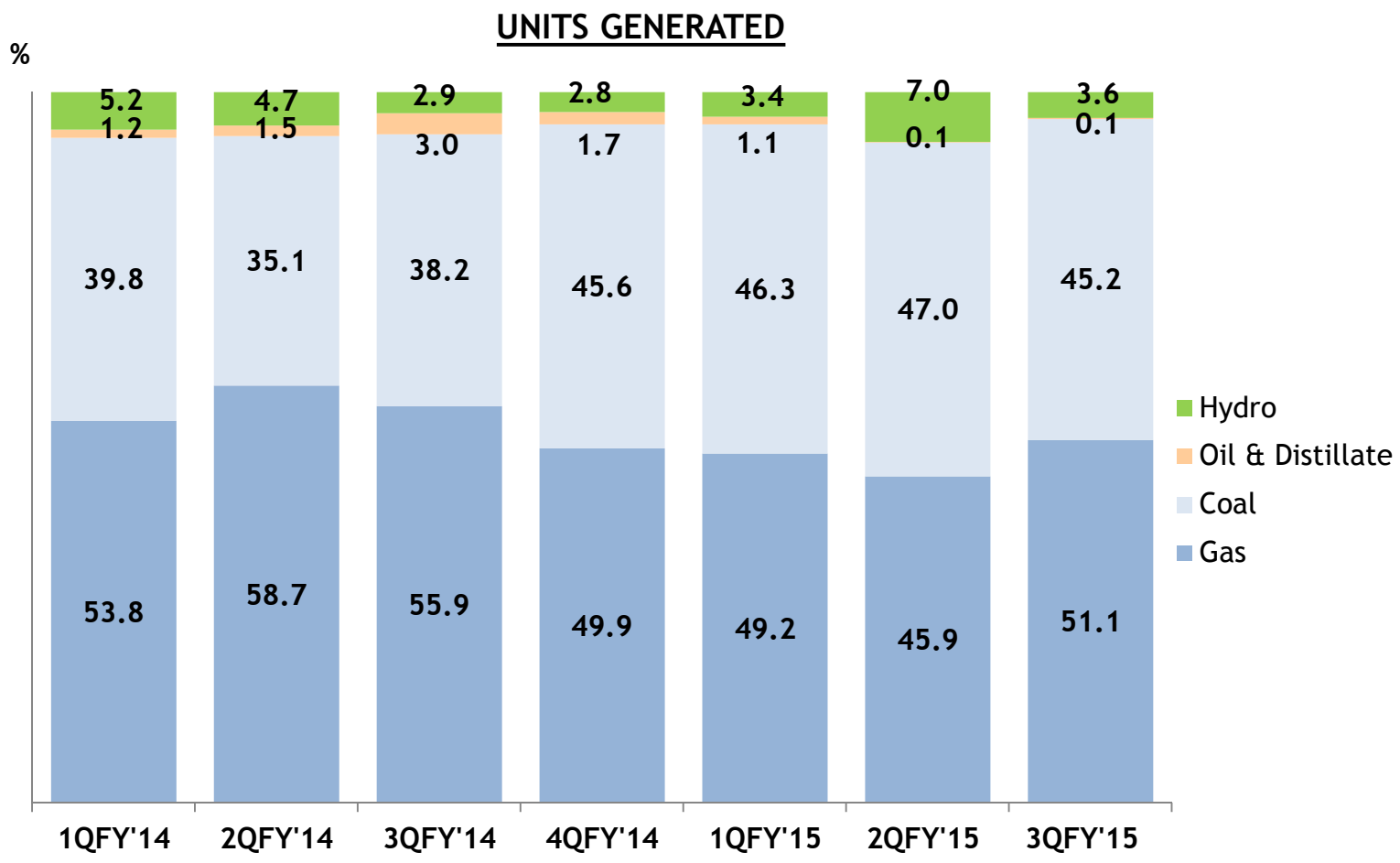
Average Gas Volume (mmscfd)	
9MFY'14	9MFY'15
1,370	1,186

Table 3:

	9MFY'14	9MFY'15	Var (%)
Average Coal Price Consumed (USD/MT)			
FOB	66.9	58.5	-12.6%
Freight	9.0	8.2	-8.9%
Others	0.6	0.6	0.0%
CIF	76.5	67.3	-12.0%
Average Coal Price Consumed (RM/MT) (CIF)	249.3	234.3	-6.0%
Coal Consumption (mn MT)	13.6	16.6	22.1%

GENERATION MIX (PENINSULA)

Quarterly Analysis



ELECTRICITY GROWTH IN PENINSULA

TENAGA NASIONAL

UNITS SALES		FY2014				FY2015									
		1Q	2Q	3Q	4Q	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Industrial	Gwh	10,644	10,802	10,584	10,998	3,704	3,582	3,687	3,587	3,660	3,729	3,256	3,799	3,706	3,736
	Growth (%)	1.0	2.5	1.8	0.1	9.0	0.9	(0.2)	0.7	0.7	3.5	0.2	2.7	1.9	(0.2)
Commercial	Gwh	8,718	8,596	8,865	9,175	2,867	3,006	3,145	3,007	2,936	2,917	2,741	3,143	3,106	3,198
	Growth (%)	3.6	1.4	4.0	2.4	0.5	4.0	5.7	5.1	1.3	2.8	(1.1)	3.4	1.7	4.2
Domestic	Gwh	5,379	5,229	5,545	5,971	1,842	1,886	1,810	1,789	1,730	1,819	1,886	1,958	1,931	2,062
	Growth (%)	3.9	1.9	3.1	6.0	2.6	4.1	2.1	3.9	1.2	1.2	2.8	7.9	1.8	8.6
Others	Gwh	464	467	466	480	168	164	164	165	166	162	151	157	154	161
	Growth (%)	7.2	1.7	4.0	15.4	7.0	5.8	7.9	5.8	6.4	4.5	1.3	(0.6)	(3.1)	1.3
TOTAL	Gwh	25,205	25,094	25,460	26,624	8,581	8,638	8,806	8,548	8,492	8,627	8,034	9,057	8,897	9,157
	Growth (%)	2.6	2.0	2.9	2.4	4.6	2.8	2.5	3.0	1.1	2.8	0.4	4.0	1.7	3.2

FY'14 2.5%

1QFY'15 3.3%

2QFY'15 2.3%

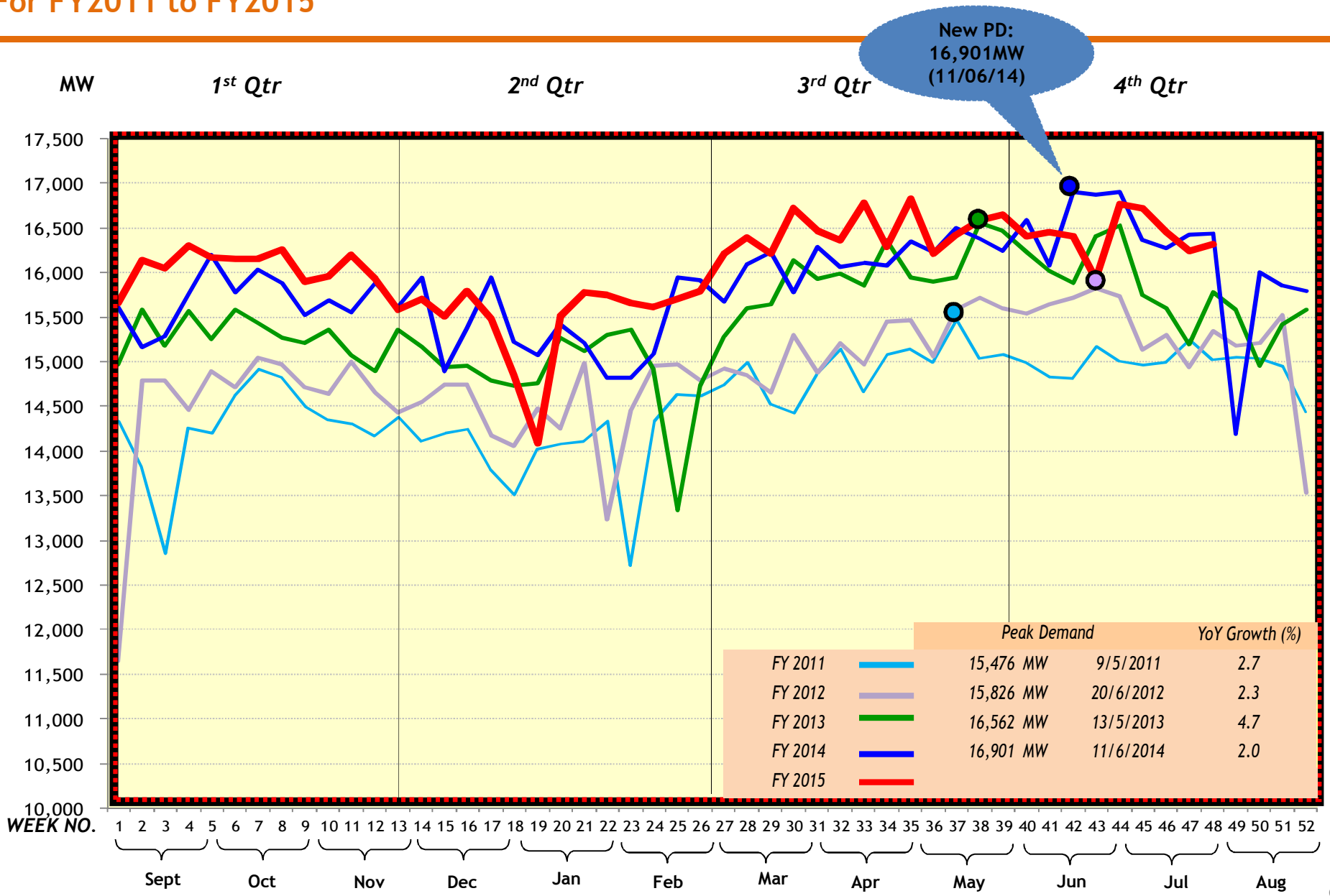
3QFY'15 2.1%

10MFY'15 2.6%

	9MFY'14	9MFY'15
Growth (%)	2.5	2.5

SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)

For FY2011 to FY2015



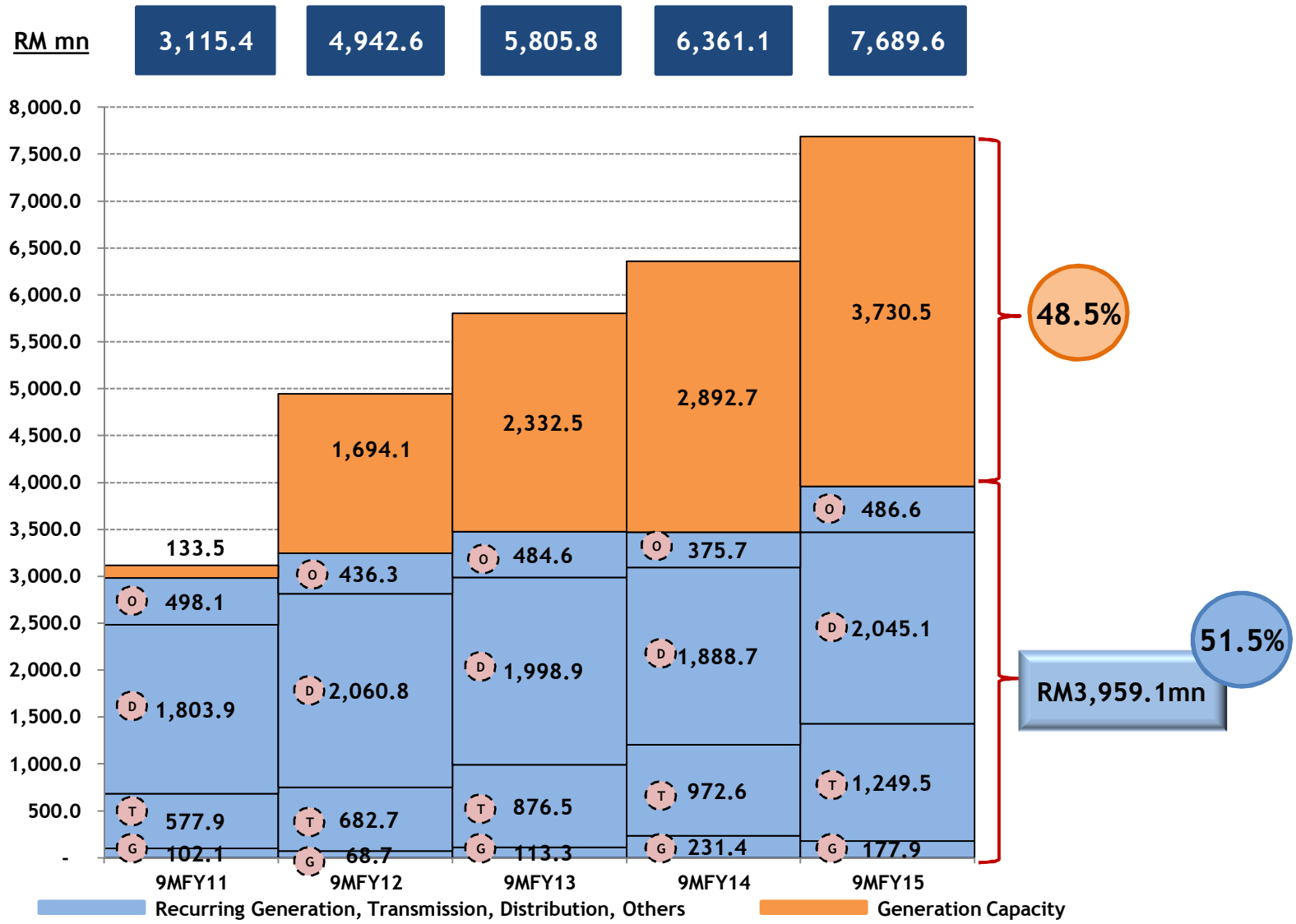
	Peak Demand		YoY Growth (%)
FY 2011	15,476 MW	9/5/2011	2.7
FY 2012	15,826 MW	20/6/2012	2.3
FY 2013	16,562 MW	13/5/2013	4.7
FY 2014	16,901 MW	11/6/2014	2.0
FY 2015			

HEADLINE KEY PERFORMANCE INDICATORS

INITIATIVES	FY'14	9MFY'15
Å Return on Assets (ROA) (%)	6.2	7.0
Å Company CPU (sen/kwh)	35.0	34.5
Å Revenue from Non-Regulated Business (RM bn)	2.5	1.8
Å Equivalent Plant Availability Factor (EAF) (%)	85.6	89.0
Å Transmission System Minutes (mins)	0.1	0.7
Å Distribution SAIDI (mins)	55.0	36.0

CAPITAL EXPENDITURE

Major Projects Represent 48.5% of Total CAPEX



STATUS OF MAJOR PROJECTS

TENAGA NASIONAL

Janamanjung Unit 5

49% 1,000MW

COD 1st Oct 2017

Hulu Terengganu Hydro

98% 265MW

COD Sept 2015 (U1)
Dec 2015 (U2)

Ulu Jelai Hydro

87% 372MW

COD Dec 2015 (U1)
Mar 2016 (U2)

Connaught Bridge

78% 385MW

COD 1st Sept 2015

Prai

97% 1,071MW

COD 1st Jan 2016

AGENDA

RESULTS SNAPSHOTS

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QUESTION & ANSWER

UNAUDITED INCOME STATEMENT (GROUP)

Year-on-Year Analysis

TENAGA NASIONAL

- Increase in Revenue from Jan'14 Tariff Review Partly Offset by ICPT Over Recovery
- Net Profit of RM5.25bn (9MFY'14 includes FY'13 Reinvestment Allowance of RM0.66bn)

RM'mn	CUMULATIVE Current Year To Date 31.05.15	Preceding Year Corresponding Period (Restated) 31.05.14	Variance %
Revenue	31,542.8	31,069.0	1.5
Operating expenses	(25,727.1)	(26,515.5)	3.0
Other operating income	593.0	349.5	69.7
Operating profit	6,408.7	4,903.0	30.7
Foreign exchange			
- Translation gain/(loss)	(85.8)	292.2	>(100.0)
- Transaction gain/(loss)	(87.1)	2.3	>(100.0)
Share of results of joint ventures	19.4	19.7	(1.5)
Share of results of associates (net of tax)	37.2	52.4	(29.0)
Profit before finance cost	6,292.4	5,269.6	19.4
Finance income	148.1	174.3	(15.0)
Finance cost	(719.3)	(639.0)	(12.6)
Profit from ordinary activities before taxation	5,721.2	4,804.9	19.1
Taxation and Zakat			
- Company and subsidiaries	(680.3)	252.9	>(100.0)
- Deferred taxation	210.4	47.0	>100.0
Profit for the period	5,251.3	5,104.8	2.9
Attributable to:			
- Owners of the Company	5,297.5	5,111.1	3.6
- Non-controlling interests	(46.2)	(6.3)	>(100.0)
Profit for the period	5,251.3	5,104.8	2.9

QUARTERLY & YEARLY ANALYSIS

TENAGA NASIONAL

Year-on-Year EBITDA Margin Improved Resulted from Lower Costs & ICPT Implementation

RM mn	1QFY'15	2QFY'15	3QFY'15	9MFY'15	9MFY'14 (Restated)
Total Units Sold (GWh)	27,431.2	27,197.6	27,493.1	82,121.9	79,843.7
Revenue	11,027.1	10,610.0	9,905.7	31,542.8	31,069.0
Operating Expenses (before depreciation)	7,161.8	6,798.2	7,986.2	21,946.2	22,910.4
Operating Income	136.9	203.3	252.8	593.0	349.5
EBITDA	**4,002.2**	**4,015.1**	**2,172.3**	**10,189.6**	**8,508.1**
EBITDA Margin (%)	**36.3%**	**37.8%**	**21.9%**	**32.3%**	**27.4%**
Depreciation and Amortisation	1,257.4	1,239.7	1,283.8	3,780.9	3,605.1
EBIT	**2,744.8**	**2,775.4**	**888.5**	**6,408.7**	**4,903.0**
EBIT Margin (%)	**24.9%**	**26.2%**	**9.0%**	**20.3%**	**15.8%**
Finance Cost	253.9	210.3	255.1	719.3	639.0
Profit Before Tax & Forex Translation	**2,574.9**	**2,668.8**	**563.3**	**5,807.0**	**4,512.7**
Net Profit Before Forex Translation	2,306.0	2,459.5	617.8	5,383.3	4,818.9
Translation Gain/(Loss)	45.9	(303.3)	171.6	(85.8)	292.2
Net Profit attributable to : Equity Holders	**2,351.9**	**2,156.2**	**789.4**	**5,297.5**	**5,111.1**
Non-controlling Interest	(0.9)	(22.5)	(22.8)	(46.2)	(6.3)

OPERATING EXPENSES

3.0% Decrease in OPEX

RM mn	9MFY'15	9MFY'14 (Restated)	Variance RM mn	Variance %
Capacity Payment	3,091.8	2,762.2	(329.6)	(11.9)
Energy Payment	6,488.3	6,833.2	344.9	5.0
Total IPPs Purchases/Costs	9,580.1	9,595.4	15.3	0.2
Fuel Costs	6,353.1	7,679.2	1,326.1	17.3
Repair & Maintenance	1,343.4	1,198.7	(144.7)	(12.1)
Staff Costs	2,704.7	2,584.7	(120.0)	(4.6)
TNB General Expenses	1,361.5	1,025.1	(336.4)	(32.8)
Subs. Gen Exp, Cost of Sales & Provision	603.4	827.3	223.9	27.1
Depreciation & Amortisation	3,780.9	3,605.1	(175.8)	(4.9)
Total Operating Expenses	25,727.1	26,515.5	788.4	3.0

15,933.2 17,274.6 1,341.4

AGENDA

RESULTS SNAPSHOTS

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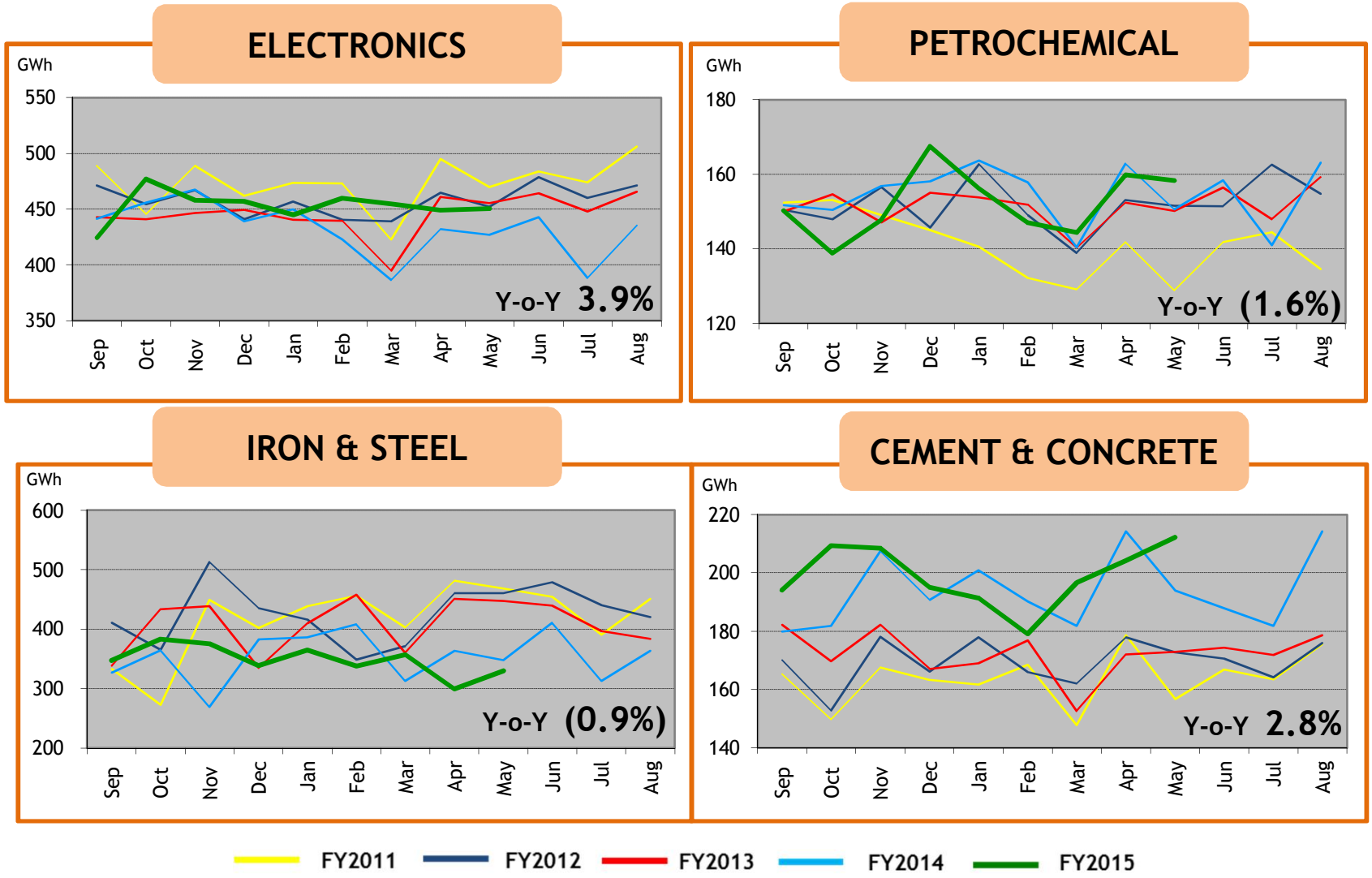
QUESTION & ANSWER

DETAILS OF REVENUE

	9MFY'15		9MFY'14 (Restated)		Growth
UNITS SOLD	**GWh**		**GWh**		**%**
- TNB	77,678.9		75,758.8		2.5
- EGAT (Export)	4.9		20.8		(76.4)
- SESB	3,646.0		3,505.0		4.0
- LPL	792.1		559.1		41.7
Total Units Sold (GWh)	**82,121.9**		**79,843.7**		**2.9**
REVENUE	**RM mn**	**Sen/KWh**	**RM mn**	**Sen/KWh**	
Sales of Electricity					
- TNB	30,504.7	39.3	27,500.2	36.3	10.9
- EGAT (Export)	4.3	87.8	20.0	96.2	(78.5)
- SESB	1,237.4	33.9	1,117.0	31.9	10.8
- LPL	405.3	51.2	381.1	68.2	6.4
Sales of Electricity	**32,151.7**	**39.2**	**29,018.3**	**36.3**	**10.8**
LPL Operating Lease (FRS117)	27.6		(20.0)		>100.0
Accrued Revenue	53.8		652.2		(91.8)
Imbalance Cost Pass Through	(1,820.5)		-		-
Total Sales of Electricity	**30,412.6**		**29,650.5**		**2.6**
Goods & Services	703.5		1,101.9		(36.2)
Deferred Income	426.7		316.6		34.8
Total Revenue	**31,542.8**		**31,069.0**		**1.5**

DETAILS OF REVENUE: SECTORAL ANALYSIS

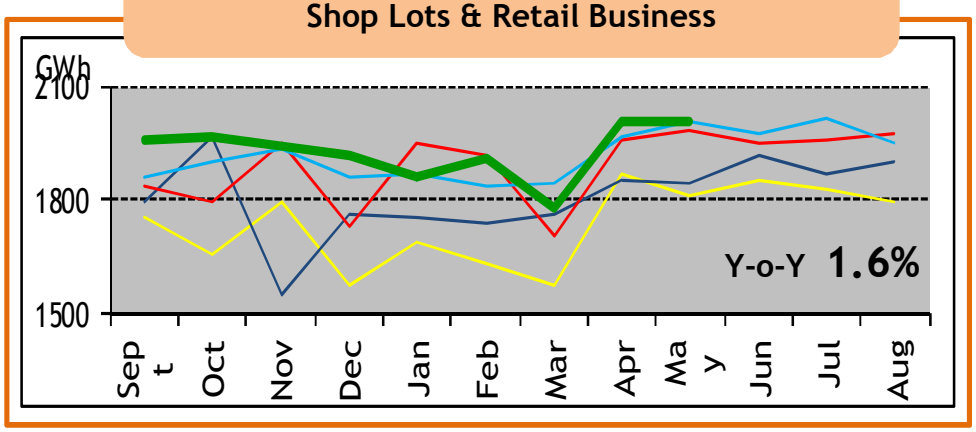
Industrial Sector (Peninsula) Recorded Y-o-Y Growth of 2.1%



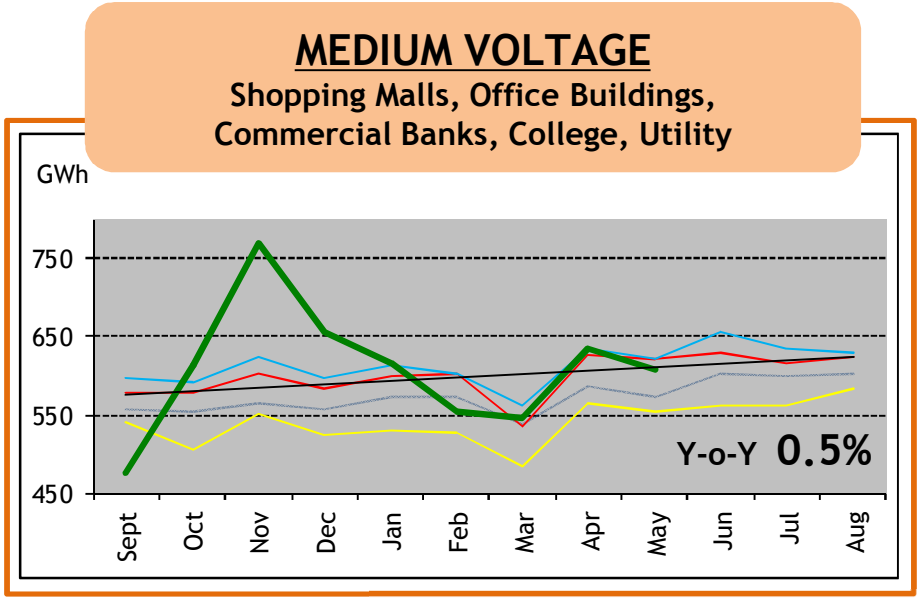
DETAILS OF REVENUE: SECTORAL ANALYSIS

Commercial Sector (Peninsula) Recorded Y-o-Y Growth of 2.6%

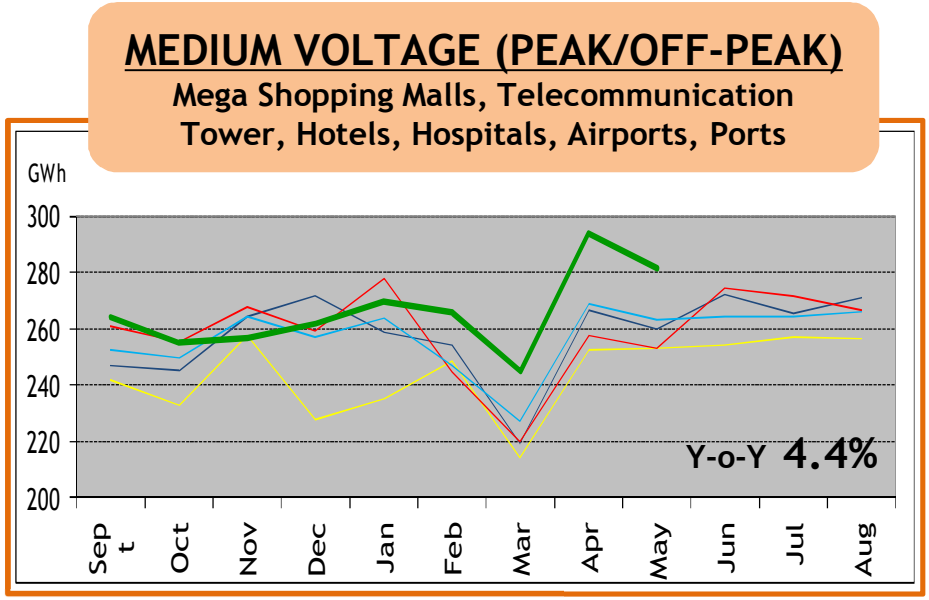
LOW VOLTAGE
Shop Lots & Retail Business



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



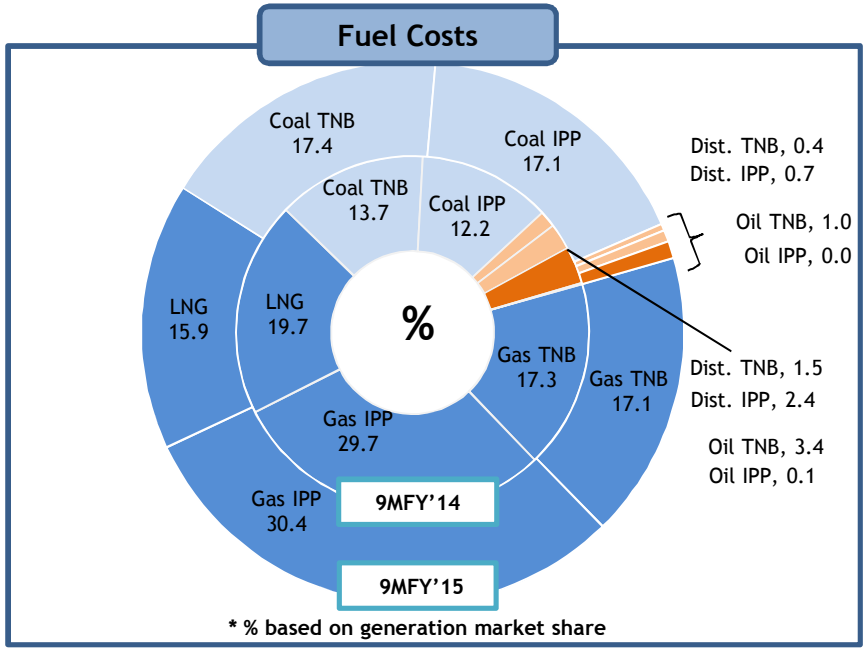
MEDIUM VOLTAGE (PEAK/OFF-PEAK)
Mega Shopping Malls, Telecommunication Tower, Hotels, Hospitals, Airports, Ports

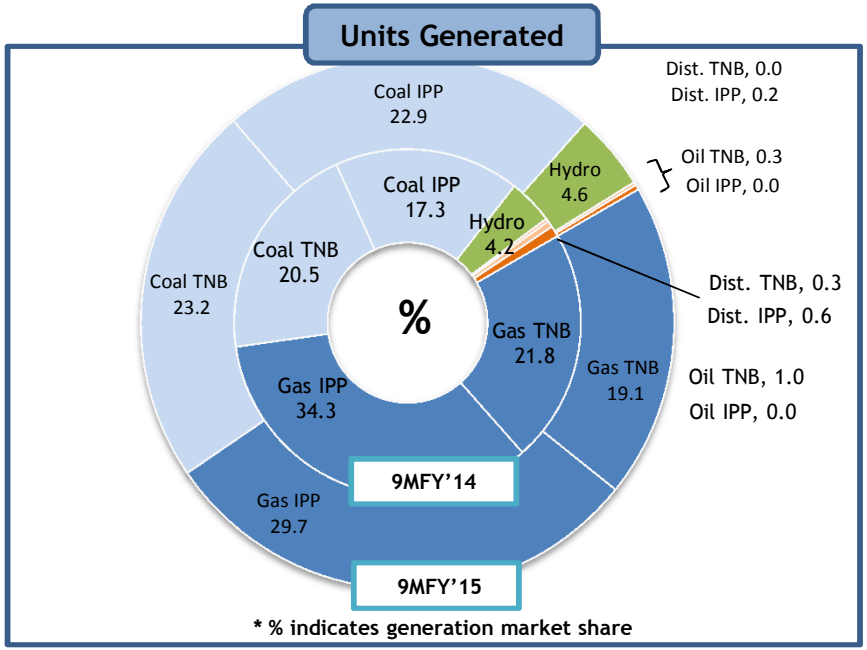


FY2011 FY2012 FY2013 FY2014 FY2015

FUEL COSTS (TNB & IPPs - PENINSULA)

Reduction in Fuel Costs Mainly due to Lower Consumption of Gas & LNG





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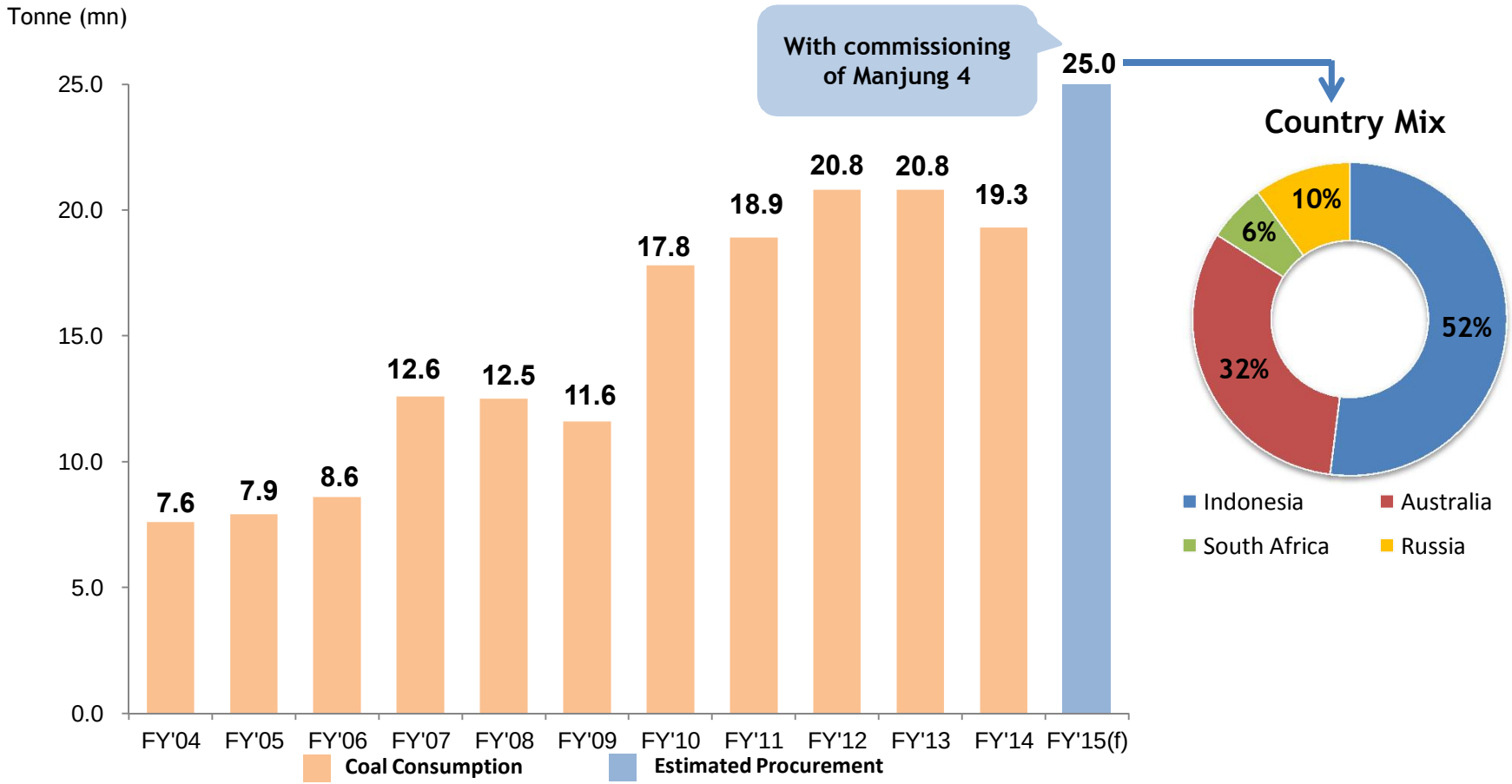
Hydro	3,533.1	4.2	3,850.4	4.6	317.3	9.0
Total	**84,188.7**	**100.0**	**84,362.9**	**100.0**	**174.2**	**0.2**

COAL REQUIREMENT

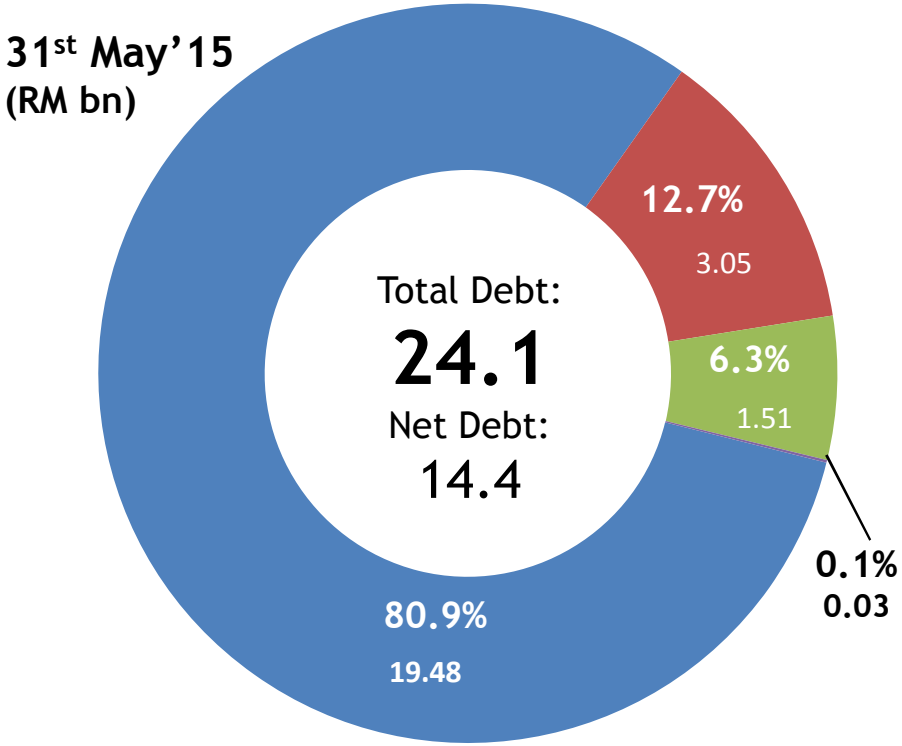
Average Coal Price for 9MFY'15 was at USD67.3/MT

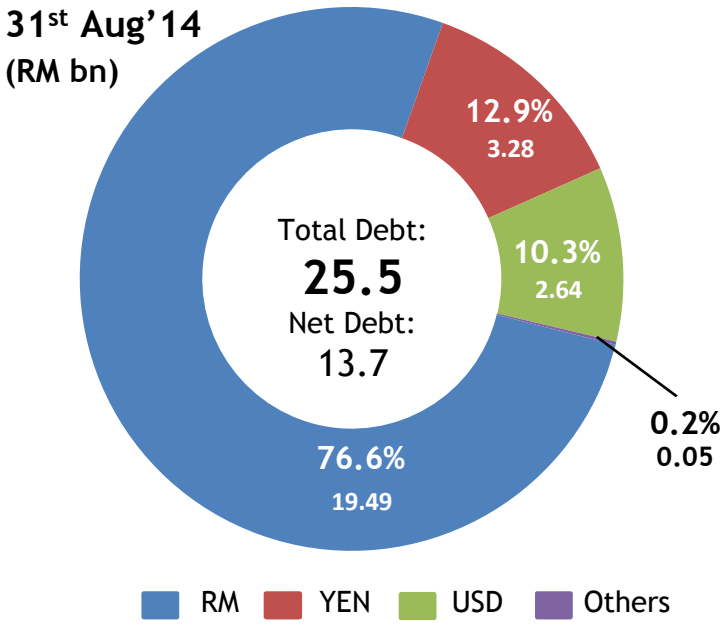
Average Coal Price (CIF)	FY'10	FY'11	FY'12	FY'13	FY'14	9MFY'15
(USD/metric tonne)	88.2	106.9	103.6	83.6	75.4	67.3
(RM/metric tonne)	293.8	325.9	321.9	259.5	244.6	234.3



DEBT EXPOSURE & FOREX

Lower Debt due to Settlement of USD350mn Bond



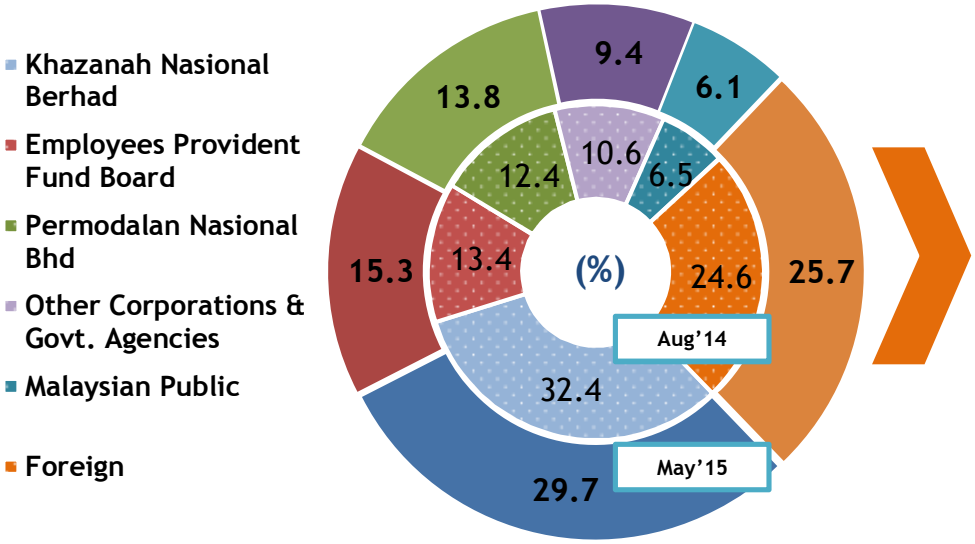


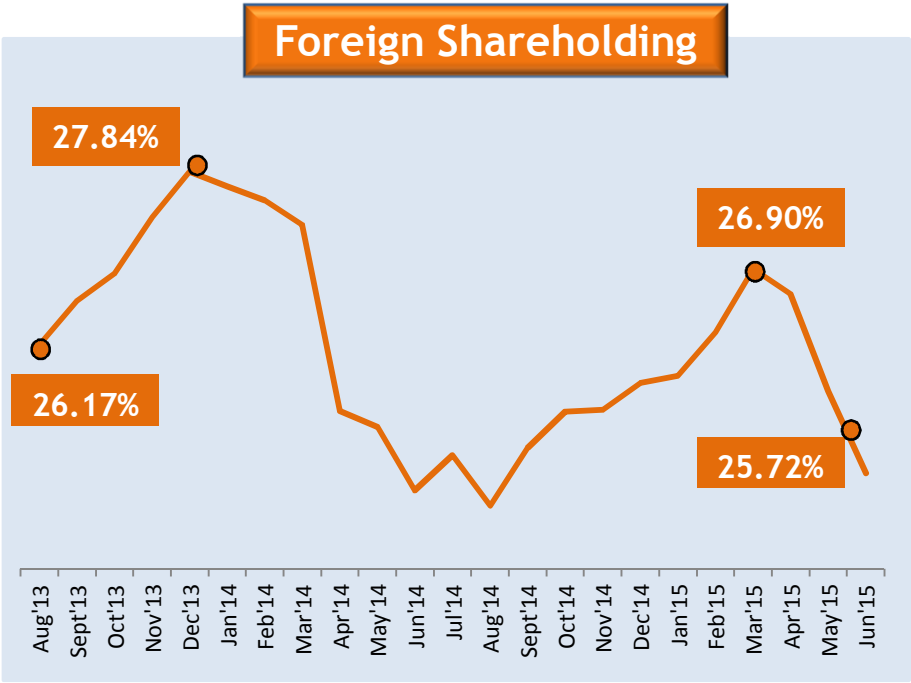
Statistics	31st May'15	31st Aug'14
Gearing (%)	33.9	36.9
Net Gearing (%)	20.2	19.9
Fixed : Floating (%)	100.0 : 0.0	99.3 : 0.7
Final Exposure (%)	100.0 : 0.0	100.0 : 0.0
Weighted Average Cost of Debt (%)	4.93	4.86
Final Exposure (%)	4.93	4.92

	31st May'15	31st Aug'14
USD/RM	3.66	3.15
100YEN/RM	2.96	3.04
USD/YEN	123.65	103.62

SHAREHOLDING

Main Shareholding as at May'15





Trending FY2015 (%)

Sept'14	Oct'14	Nov'14	Dec'14	Jan'15	Feb'15	Mar'15	Apr'15	May'15	Jun'15
25.17	25.52	25.54	25.80	25.87	26.29	26.90	26.66	25.72	24.93

AGENDA

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RESULTS DETAILS

QUESTION & ANSWER

DISCLAIMER

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TENAGA NASIONAL

Better. Brighter.

THANK YOU

Unaudited Consolidated Results for the 3rd Quarter FY2015 ended 31st May 2015