



PRESENTATION TO ANALYSTS

**Unaudited Consolidated Results for the
3rd Quarter FY2017 ended 31st May 2017**

27th July 2017

RESULTS HIGHLIGHTS

RESULTS DETAILS

QUESTION & ANSWER

KEY HIGHLIGHTS

- Stable Operating Profit and EBITDA Margin at Around RM7.0bn and 33% Respectively
- Sustained Capital Investment of Approximately RM7.5bn During 9MFY'17

Table 1:

Operating Profit

0.6%

Improved by RM0.04bn

9MFY'17

RM7.03bn

9MFY'16

RM6.99bn



Table 2:

	9MFY'17	9MFY'16
EBITDA Margin (%)	33.1	33.6

Table 3:

Capital Expenditure

**RM
7.54bn**

9MFY'17

**RM
7.65bn**

9MY'16

KEY HIGHLIGHTS

11.3% Reduction in Adjusted PAT Mainly from Increased Finance Cost and Taxation

Table 1:

Profit After Tax

7.3%

Declined by RM0.40bn

9MFY'17

RM5.18bn

9MFY'16

RM5.58bn

Table 2:

Adjusted Profit After Tax

(RM mn)	9MFY'17	9MFY'16
Profit After Tax	5,177.6	5,584.4
Forex Translation Loss	11.4	275.2
Reinvestment Allowance	(765.7)	(871.4)
Adjusted Profit After Tax	4,423.3	4,988.2

11.3%

Table 3:

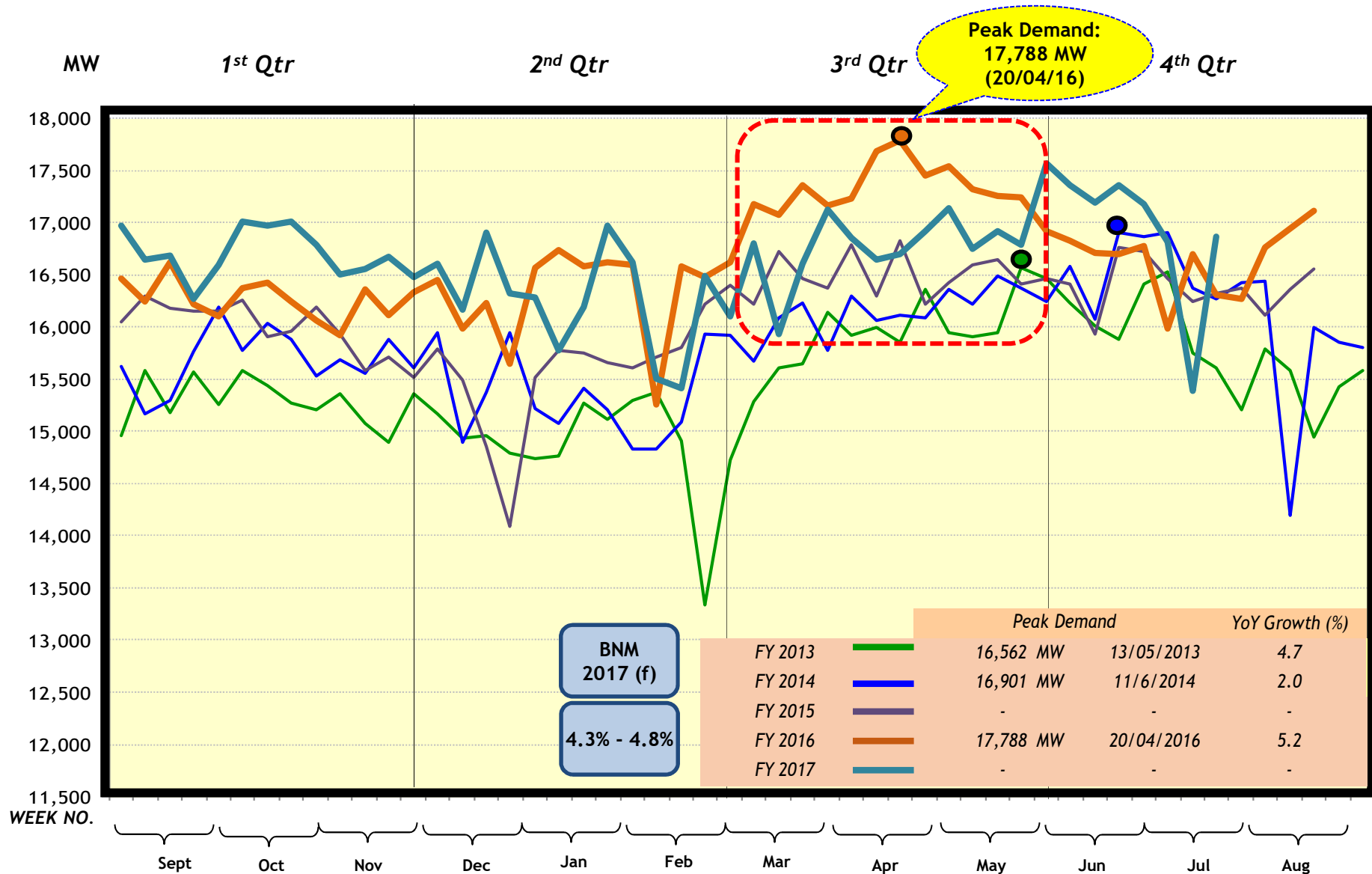
	RM bn
Increase in Finance Cost: Interest on PPA Saving Fund	0.15
Increase in Deferred Taxation Expense	0.43
	0.58

Mainly From

SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)

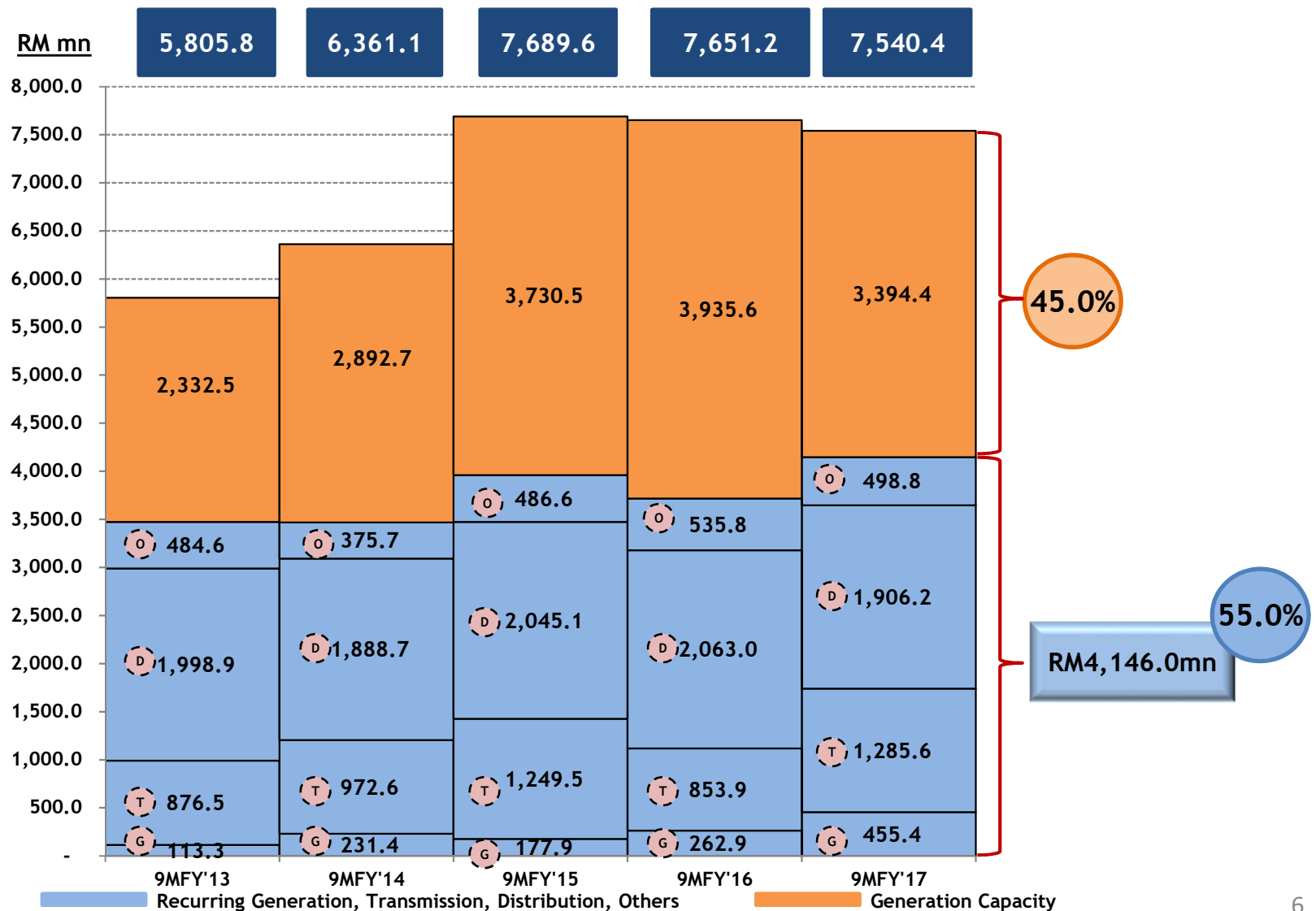


Normalised Y-o-Y Demand Growth for FY2017 Post El-Nino Phenomenon in 3QFY2016



CAPITAL EXPENDITURE

Major Projects Represent 45.0% of Total CAPEX



STATUS OF MAJOR PROJECTS

- 2 Generation Projects With 3GW Capacity in the Pipeline
- 1 Large-Scale Solar Project Awarded by Energy Commission on 2nd March 2017

Jimah East Power

56.3% **2,000MW**
COD:
U1: 15th Jun 2019
U2: 15th Dec 2019



Janamanjung Unit 5

99.5% **1,000MW**
COD:
1st Oct 2017



TNB Sepang Solar

50MW
COD:
1st Nov 2018



KEY PERFORMANCE INDICATORS



INITIATIVES

	9MFY'17	FY'16
• Return on Assets (ROA) (%)	5.6	6.4
• Company CPU (sen/kwh)	36.1	34.2
• Revenue from Non-Regulated Business (RM bn)*	2.1	2.7
• Equivalent Plant Availability Factor (EAF) (%)	89.1	89.3
• Transmission System Minutes (mins)	0.19	1.47
• Distribution SAIDI (mins)	35.5	49.7

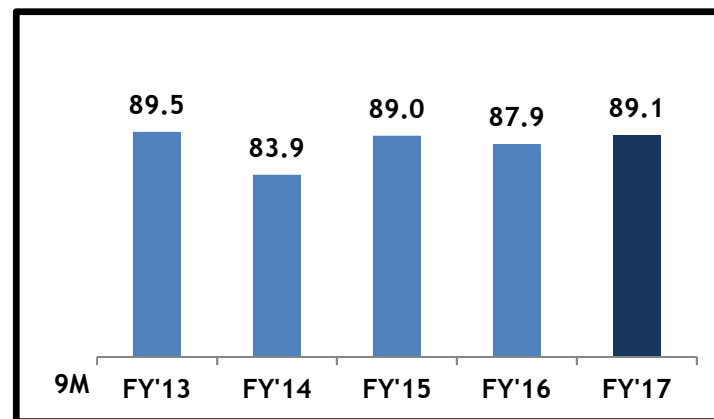
* Gross revenue of all subsidiaries excluding SESB, KEV, TNBJ & TNB Capital.

5-YEAR PERFORMANCE

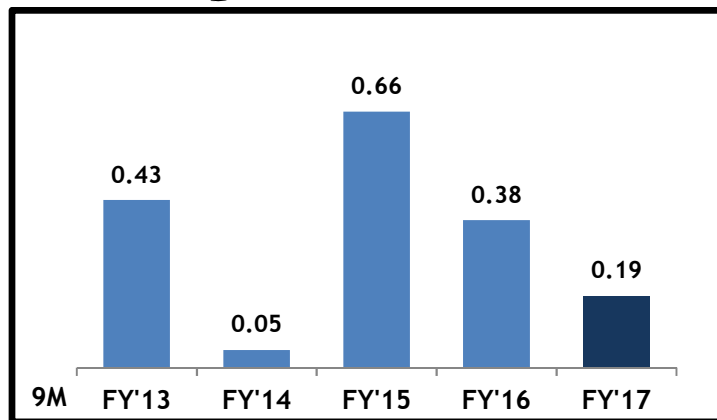
Continued Exceptional Operational Performances

TECHNICAL PERFORMANCE

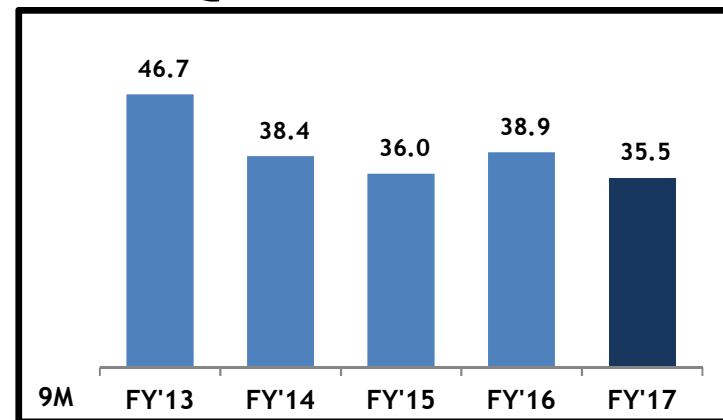
1 EQUIVALENT PLANT AVAILABILITY FACTOR (EAF) (%)



2 SYSTEM MINUTES (mins)



3 SAIDI (mins)



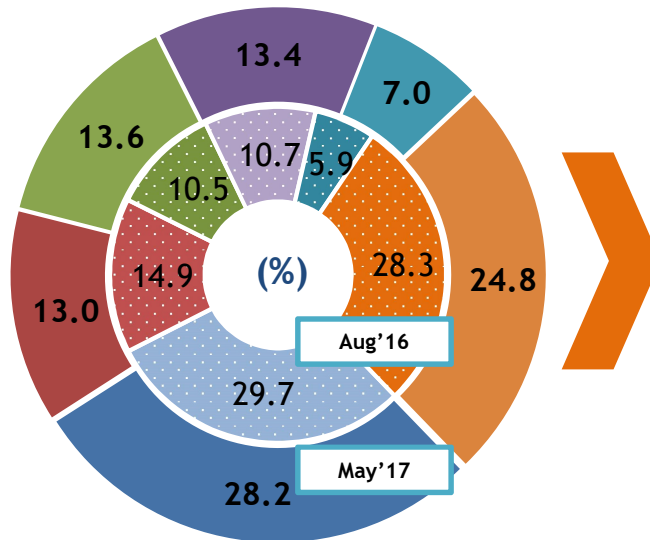
SHAREHOLDING

Sustained Foreign Ownership at Around 25%



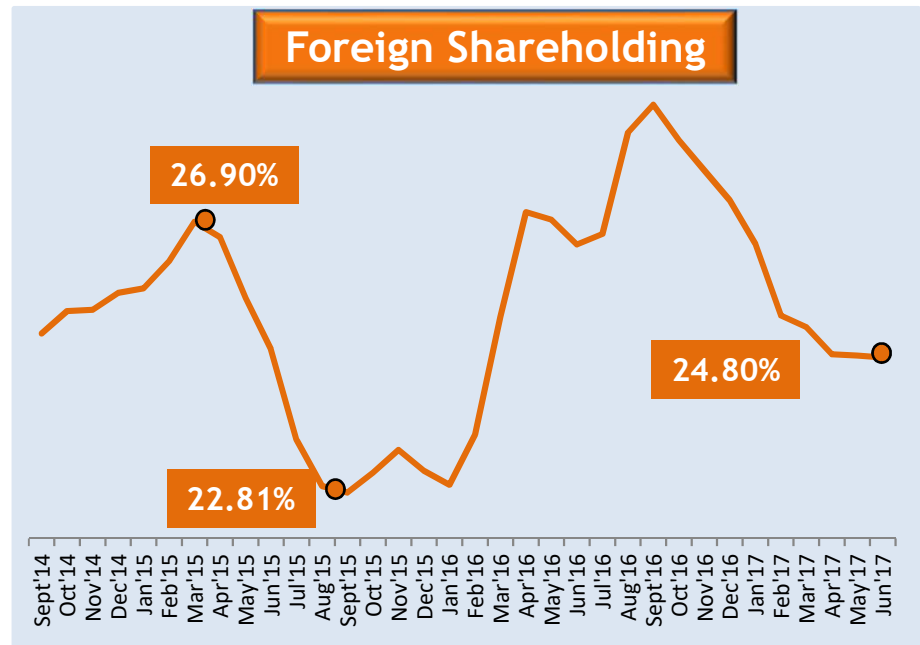
Top 100* Shareholders as at May'17

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



* 82% of total shareholding

Foreign Shareholding



Trending of Foreign Shareholding FY2017 (%)

Sept'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	Mar'17	Apr'17	May'17	Jun'17
28.71	28.16	27.69	27.23	26.56	25.45	25.27	24.85	24.83	24.80

RESULTS HIGHLIGHTS

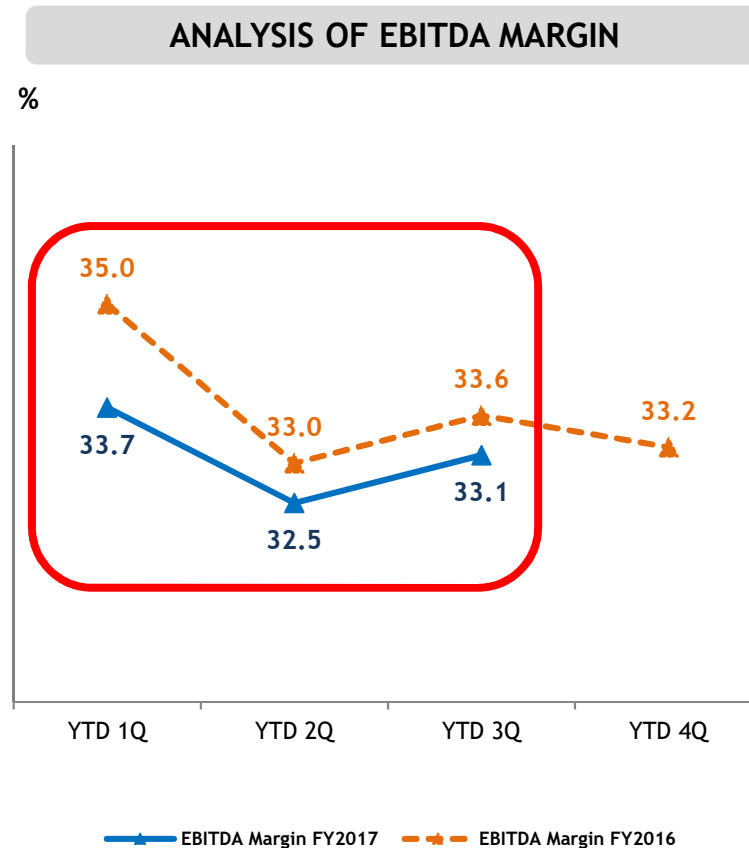
RESULTS DETAILS

QUESTION & ANSWER

RESULTS DETAILS

Stable EBITDA Margin from Effective Implementation of ICPT Mechanism under IBR Framework

RM mn	1QFY'17	2QFY'17	3QFY'17	9MFY'17	9MFY'16
Total Units Sold (GWh)	29,548.4	28,463.2	28,592.1	86,603.7	86,084.5
Revenue	11,241.6	11,162.3	12,549.2	34,953.1	33,294.8
Operating Expenses (before depreciation)	7,632.3	7,833.2	8,456.1	23,921.6	22,610.5
Operating Income	184.1	158.4	202.3	544.8	508.2
EBITDA	3,793.4	3,487.5	4,295.4	11,576.3	11,192.5
EBITDA Margin (%)	33.7%	31.2%	34.2%	33.1%	33.6%
Depreciation and Amortisation	1,453.8	1,508.4	1,582.4	4,544.6	4,205.9
EBIT	2,339.6	1,979.1	2,713.0	7,031.7	6,986.6
EBIT Margin (%)	20.8%	17.7%	21.6%	20.1%	21.0%
Finance Cost	278.3	390.9	489.3	1,158.5	758.9
Profit Before Tax & Forex Translation	2,226.4	1,670.9	2,243.5	6,140.8	6,469.7
Net Profit Before Forex Translation	1,971.7	1,453.2	1,771.3	5,196.2	5,880.6
Translation Gain/(Loss)	(231.2)	28.7	191.1	(11.4)	(275.2)
Net Profit attributable to : Owners of the Company	1,740.5	1,481.9	1,962.4	5,184.8	5,605.4
Non-controlling Interest	48.0	(41.5)	(13.7)	(7.2)	(21.0)



DETAILS OF REVENUE



- 5.0% Increase in Revenue Mainly from ICPT Recoverability from Higher Generation Costs
- Revenue Includes ICPT Over-Recovery of RM0.3bn (9MFY'16: RM1.9bn)

	9MFY'17		9MFY'16		Growth
UNITS SOLD	GWh		GWh		%
- TNB	81,720.3		81,149.7		0.7
- EGAT (Export)	23.3		1.1		>100.0
- SESB	3,842.3		3,836.0		0.2
- LPL	1,017.8		1,097.7		(7.3)
Total Units Sold (GWh)	86,603.7		86,084.5		0.6
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	32,185.7	39.4	32,126.9	39.6	0.2
- EGAT (Export)	14.2	60.9	0.9	81.8	>100.0
- SESB	1,320.7	34.4	1,327.3	34.6	(0.5)
- LPL	315.6	31.0	395.9	36.1	(20.3)
Sales of Electricity	33,836.2	39.1	33,851.0	39.3	(0.0)
LPL Operating Lease (MFRS117)	33.5		32.2		4.0
Accrued Revenue	426.6		66.5		>100.0
Imbalance Cost Pass-Through	(288.8)		(1,932.5)		(85.1)
Total Sales of Electricity	34,007.5		32,017.2		6.2
Goods & Services	717.2		976.7		(26.6)
Deferred Income	228.4		300.9		(24.1)
Total Revenue	34,953.1		33,294.8		5.0

ELECTRICITY GROWTH IN PENINSULA

Normalised Electricity Demand Growth at 0.7% Post El-Nino Phenomenon

UNITS SALES		FY2016				FY2017			
		1Q	2Q	3Q	9M	1Q	2Q	3Q	9M
Industrial	Gwh	11,101	10,820	10,604	32,525	10,975	10,966	10,794	32,735
	Growth (%)	1.2	(1.4)	(1.5)	(0.6)	(1.1)	1.3	1.8	0.6
Commercial	Gwh	9,369	9,404	9,804	28,577	10,053	9,530	9,649	29,232
	Growth (%)	3.9	6.1	9.1	6.4	7.3	1.3	(1.6)	2.3
Domestic	Gwh	5,886	5,981	6,700	18,567	6,244	5,930	5,980	18,154
	Growth (%)	6.3	12.0	16.0	11.5	6.1	(0.9)	(10.7)	(2.2)
Others	Gwh	490	497	494	1,481	539	531	530	1,600
	Growth (%)	(1.2)	0.8	6.9	2.1	10.0	6.8	7.3	8.0
Total	Gwh	26,846	26,702	27,602	81,150	27,811	26,957	26,953	81,721
	Growth (%)	3.2	4.0	6.2	4.5	3.6	1.0	(2.4)	0.7

	9MFY'17	9MFY'16
Growth (%)	0.7	4.5

OPERATING EXPENSES

6.2% Increase in Operating Expenses

RM mn	9MFY'17	9MFY'16	Variance RM mn	Variance %
Capacity Payment	3,292.1	3,017.5	(274.6)	(9.1)
Energy Payment	7,070.8	6,115.9	(954.9)	(15.6)
Total IPPs Purchases/Costs	10,362.9	9,133.4	(1,229.5)	(13.5)
Fuel Costs	17,384.6 { 7,021.7	15,739.9 { 6,606.5	(1,644.7) { (415.2)	(6.3)
Repair & Maintenance	1,463.1	1,406.6	(56.5)	(4.0)
Staff Costs	2,682.2	2,993.5	311.3	10.4
TNB General Expenses	1,580.3	1,765.1	184.8	10.5
Subs. Cost of Sales & Opex	811.4	705.4	(106.0)	(15.0)
Depreciation & Amortisation	4,544.6	4,205.9	(338.7)	(8.1)
Total Operating Expenses	28,466.2	26,816.4	(1,649.8)	(6.2)

GENERATION MIX (PENINSULA)

Year-on-Year Analysis



12.3% Increase in Fuel Costs Mainly due to Higher Coal Price

Table 1:

Fuel Costs (RM mn)					Units Generated (Gwh)				
Fuel Type	9MFY'17	9MFY'16	Variance		Fuel Type	9MFY'17	9MFY'16	Variance	
			RM mn	%				Gwh	%
Gas	6,232.5	5,806.4	426.1	7.3	Gas & LNG	38,553.2	40,878.6	(2,325.4)	(5.7)
LNG	231.4	875.4	(644.0)	(73.6)	Coal	47,057.4	45,215.2	1,842.2	4.1
Coal	6,298.4	4,616.8	1,681.6	36.4	Dist.	35.3	59.0	(23.7)	(40.2)
Dist.	35.1	39.2	(4.1)	(10.5)	Oil	194.1	298.0	(103.9)	(34.9)
Oil	57.6	113.4	(55.8)	(49.2)	Hydro	3,772.2	3,294.7	477.5	14.5
Total	12,855.0	11,451.2	1,403.8	12.3	Total	89,612.2	89,745.5	(133.3)	(0.1)

Table 2:

	9MFY'17	9MFY'16	Var (%)
Average Coal Price Consumed (USD/MT)			
FOB	65.3	50.4	29.6%
Freight	6.2	5.3	17.0%
Others	0.4	0.5	-20.0%
CIF	71.9	56.2	27.9%
Average Coal Price Consumed (RM/MT) (CIF)	312.3	234.7	33.1%
Coal Consumption (mn MT)	20.2	18.6	8.6%

Table 3:

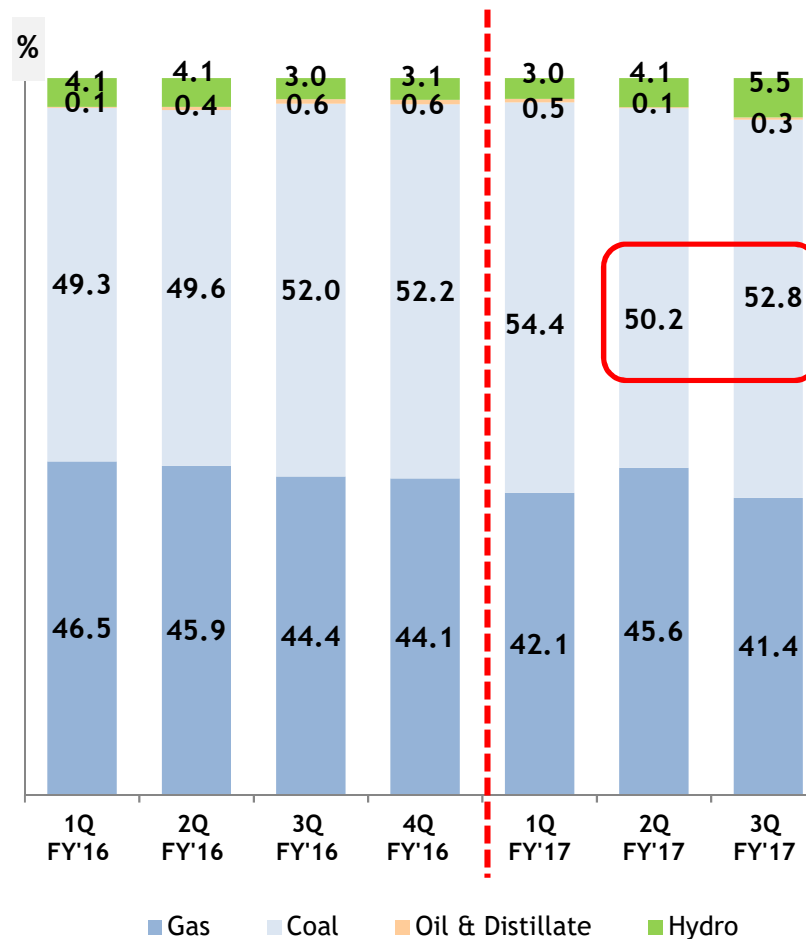
	9MFY'17	9MFY'16
Daily Average Gas Volume (mmscfd)	1,068	1,136
Average LNG Price (RM/mmbtu)	27.34	34.36
Average Piped Gas Price (RM/mmbtu)	20.53	17.53

GENERATION MIX (PENINSULA)

Quarterly Analysis

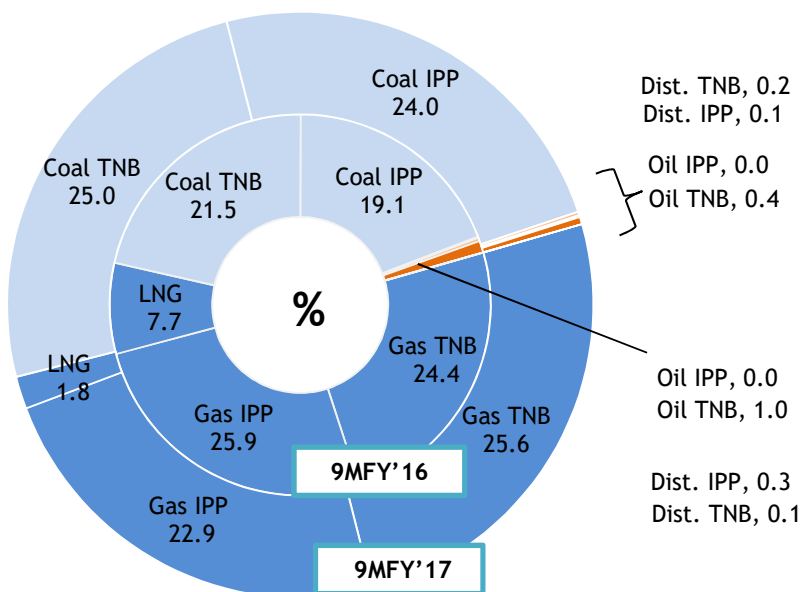


Improved Coal Generation in 3QFY'17

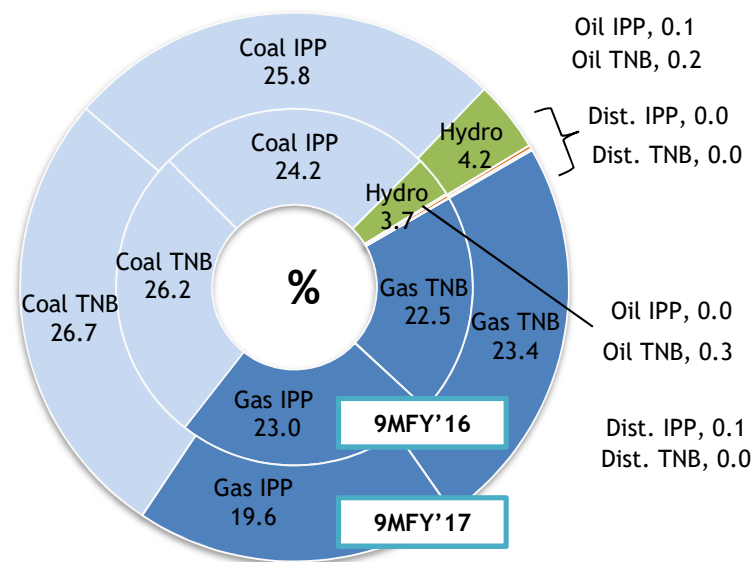


FUEL COSTS (TNB & IPPs - PENINSULA)

Fuel Costs



Units Generated

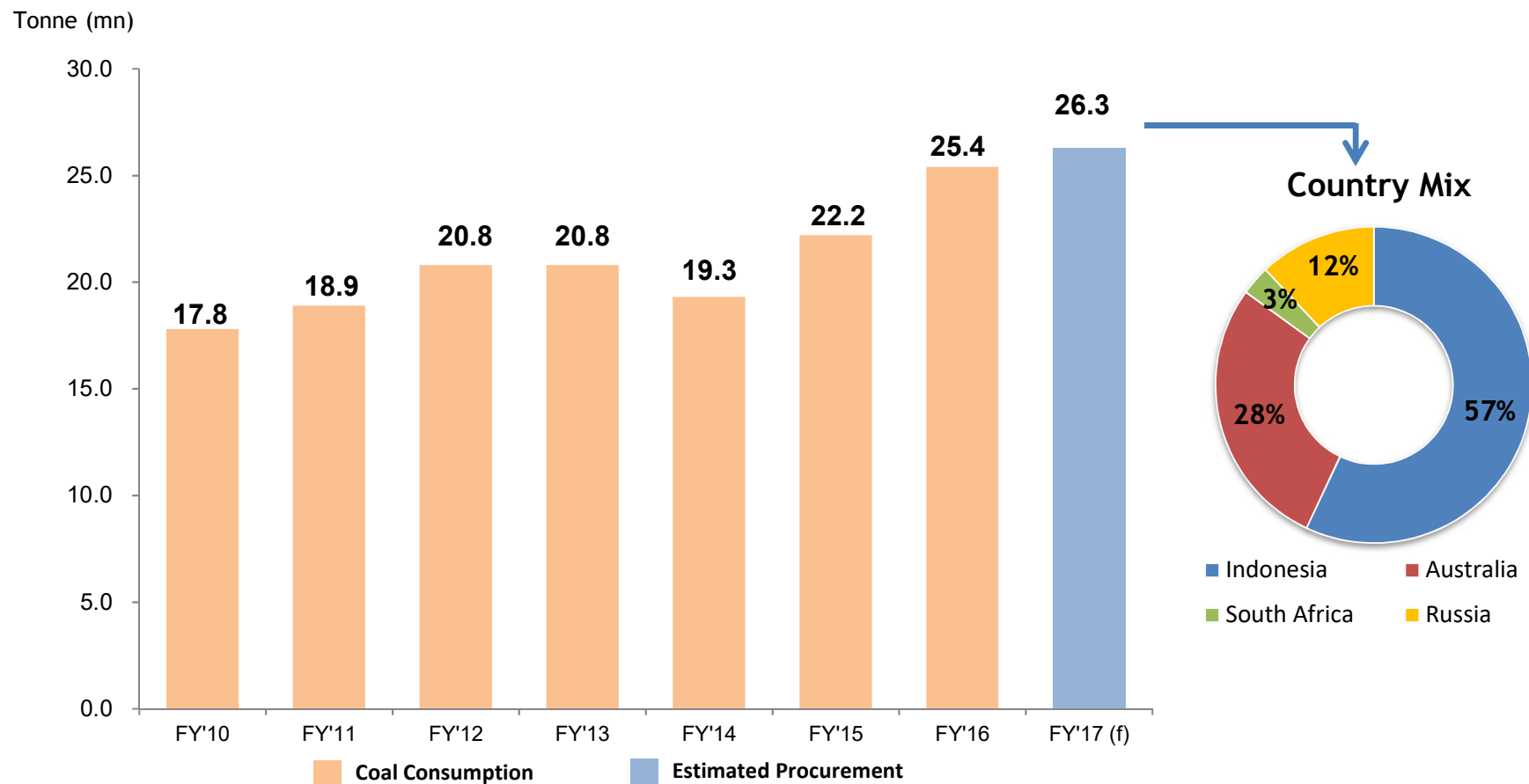


% indicates generation market share

COAL REQUIREMENT

Average Coal Price for 9MFY'17 was at USD71.9/MT @ RM312.3/MT

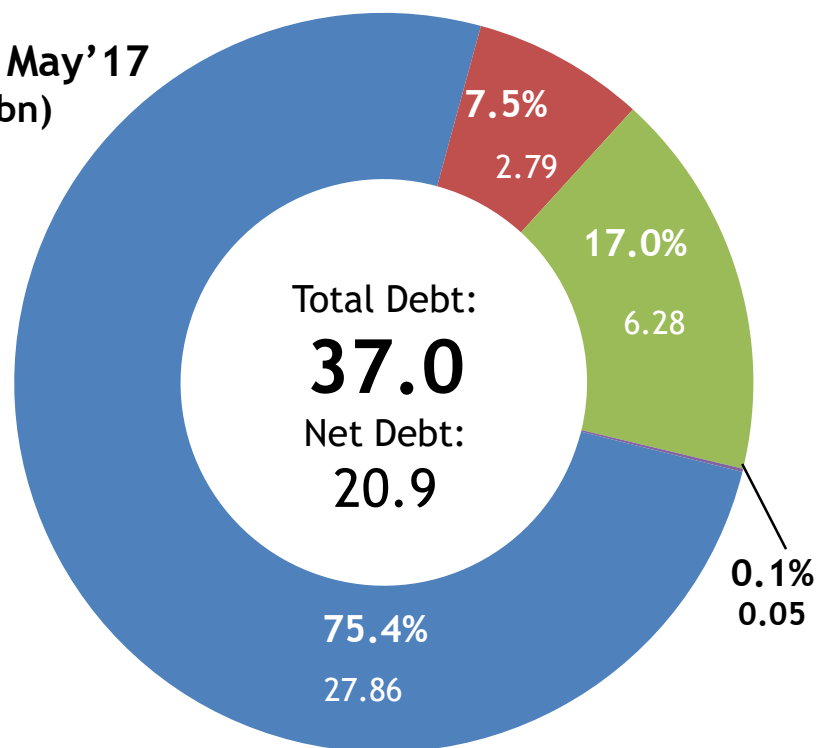
Average Coal Price (CIF)	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16	9MFY'17
USD/metric tonne	88.2	106.9	103.6	83.6	75.4	66.0	55.7	71.9
RM/metric tonne	293.8	325.9	321.9	259.5	244.6	236.0	231.1	312.3



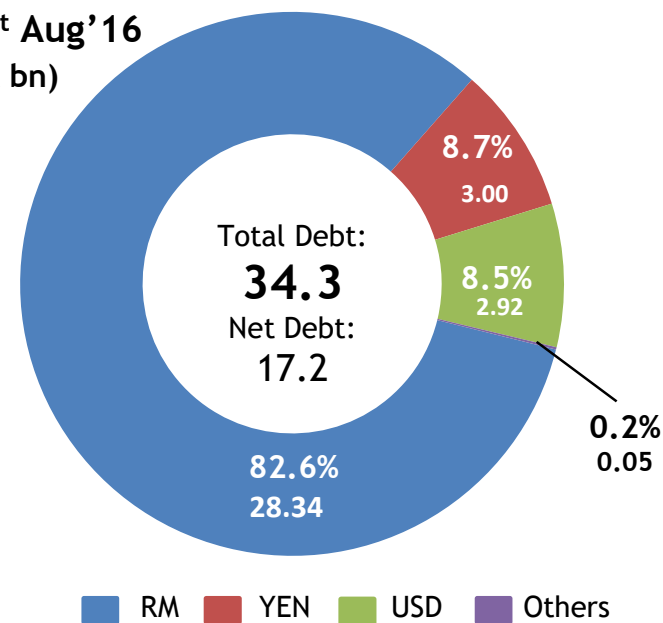
DEBT EXPOSURE & GEARING

Stable Gearing at Around 40%

31st May'17
(RM bn)



31st Aug'16
(RM bn)



■ RM ■ YEN ■ USD ■ Others

Statistics	31st May'17	31st Aug'16
Gearing (%)	39.8	39.5
Net Gearing (%)	22.5	19.7
Fixed : Floating (%)	96.5 : 3.5	96.4 : 3.6
Final Exposure (%)	96.5 : 3.5	96.4 : 3.6
Weighted Average Cost of Debt (%)	4.67	5.06
Final Exposure (%)	4.67	5.06

Closing	31 st May'17	31 st Aug'16
USD/RM	4.28	4.06
100YEN/RM	3.86	3.96
USD/YEN	110.88	102.53

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

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THANK YOU

**Unaudited Consolidated Results for the
3rd Quarter FY2017 ended 31st May 2017**