

# PRESENTATION TO ANALYSTS

**Audited Consolidated Results for the  
4<sup>th</sup> Quarter FY2015 ended 31<sup>st</sup> August 2015**

**29<sup>th</sup> October 2015**

**RESULTS SNAPSHOTS**




**RESULTS HIGHLIGHTS**

**RESULTS DETAILS**

**QUESTION & ANSWER**

# CUMULATIVE FY2015

## Net Profit Impacted by Ringgit Depreciation

	FY2015	FY2014		YoY
Profit After Tax	RM6.1 bn	RM6.4 bn		5.7%
Forex Translation Gain/(Loss)	(RM0.8 bn)	RM0.4 bn		>100.0%
CAPEX	RM10.8 bn	RM10.0 bn		7.8%

# AUDITED INCOME STATEMENT (GROUP)

## Year-on-Year Analysis



Though Operating Profit Increased by 20.1%, Forex Translation Loss Resulted in Lower Net Profit in Current Year

RM'mn	Current Year To Date 31.08.15	Preceding Year Corresponding Period 31.08.14	Variance %
Revenue	43,286.8	42,792.4	1.2
Operating expenses	(35,483.4)	(36,265.1)	2.2
Other operating income	824.2	653.7	26.1
<b>Operating profit</b>	<b>8,627.6</b>	<b>7,181.0</b>	<b>20.1</b>
Foreign exchange			
- Translation gain/(loss)	(819.3)	445.3	>(100.0)
- Transaction gain/(loss)	(113.0)	3.6	>(100.0)
Share of results of joint ventures	24.1	19.6	23.0
Share of results of associates	77.0	83.1	(7.3)
<b>Profit before finance cost</b>	<b>7,796.4</b>	<b>7,732.6</b>	<b>0.8</b>
Finance income	282.2	256.7	9.9
Finance cost	(944.9)	(874.6)	(8.0)
<b>Profit from ordinary activities before taxation</b>	<b>7,133.7</b>	<b>7,114.7</b>	<b>0.3</b>
Taxation and Zakat			
- Company and subsidiaries	(817.2)	(631.3)	(29.4)
- Deferred taxation	(255.6)	(56.6)	>(100.0)
<b>Profit for the period</b>	<b>6,060.9</b>	<b>6,426.8</b>	<b>(5.7)</b>
Attributable to:			
- Owners of the Company	6,118.4	6,467.0	(5.4)
- Non-controlling interests	(57.5)	(40.2)	(43.0)
<b>Profit for the period</b>	<b>6,060.9</b>	<b>6,426.8</b>	<b>(5.7)</b>

Avg	FY'15	FY'14	Var
USD	3.575	3.243	(10.2%)
Yen	3.026	3.192	5.2%

# GENERATION MIX (PENINSULA)

## Year-on-Year Analysis

### 9.6% Reduction in Fuel Costs due to Lower Consumption of Gas & LNG and Oil & Distillate

Table 1:

Fuel Costs (RM mn)				
Fuel Type	FY'15	FY'14	Variance	
			RM mn	%
Gas	7,808.2	8,408.7	(600.5)	(7.1)
LNG	2,593.6	3,408.8	(815.2)	(23.9)
Coal	5,508.4	4,841.9	666.5	13.8
Dist.	189.4	732.1	(542.7)	(74.1)
Oil	172.5	602.6	(430.1)	(71.4)
<b>Total</b>	<b>16,272.1</b>	<b>17,994.1</b>	<b>(1,722.0)</b>	<b>(9.6)</b>

Units Generated (Gwh)				
Fuel Type	FY'15	FY'14	Variance	
			Gwh	%
Gas & LNG	56,424.3	62,088.2	(5,663.9)	(9.1)
Coal	52,070.6	45,355.6	6,715.0	14.8
Dist.	228.0	979.5	(751.5)	(76.7)
Oil	352.6	1,147.3	(794.7)	(69.3)
Hydro	5,115.9	4,375.4	740.5	16.9
<b>Total</b>	<b>114,191.4</b>	<b>113,946.0</b>	<b>245.4</b>	<b>0.2</b>

Table 2:

	FY'15	FY'14
Daily Average Gas Volume (mmscfd)	1,213	1,331
Average LNG Price (RM/mmbtu)	45.21	46.45

Table 3:

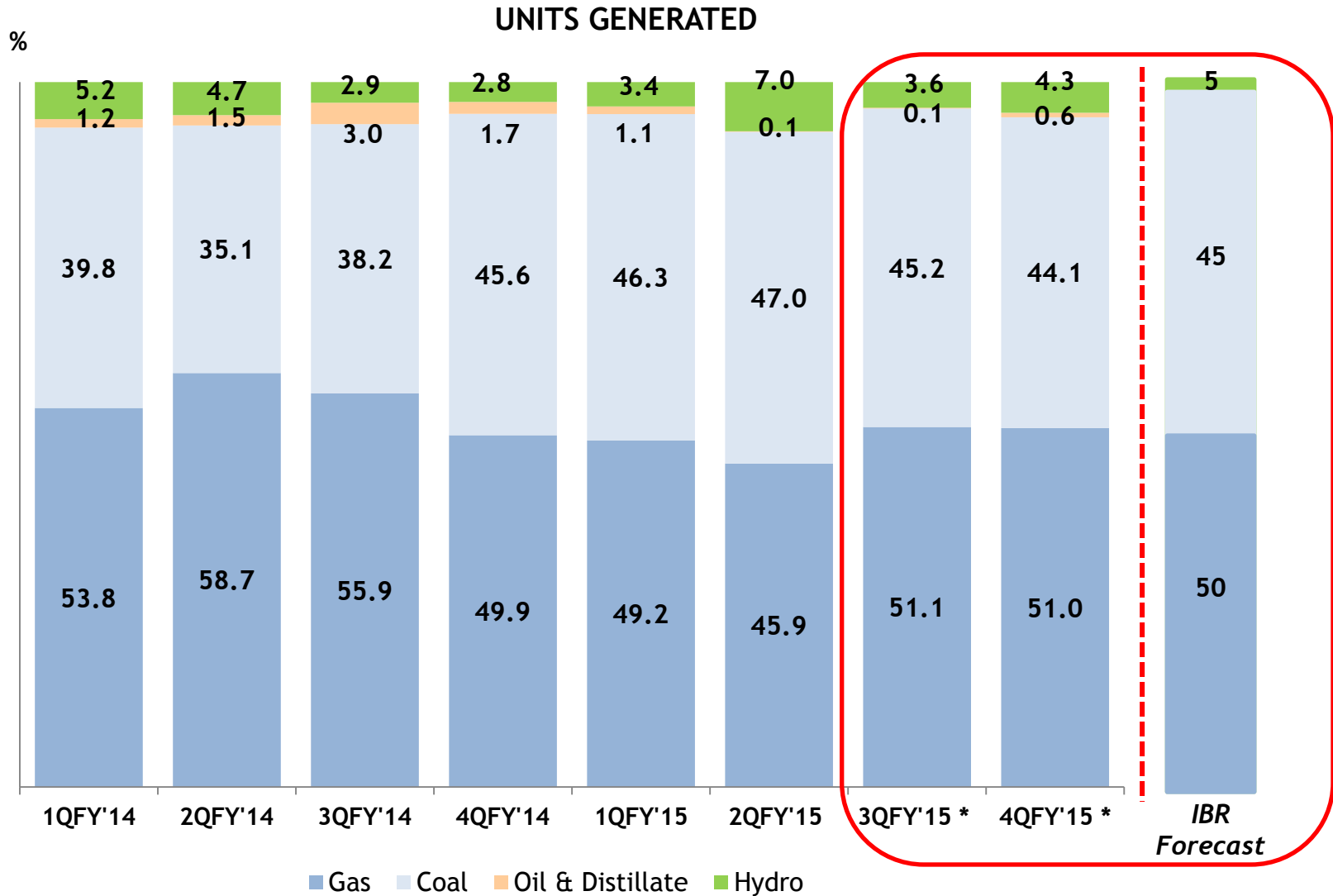
	FY'15	FY'14	Var (%)
Average Coal Price Consumed (USD/MT)			
FOB	57.8	65.7	-12.0%
Freight	7.7	9.1	-15.4%
Others	0.5	0.6	-16.7%
CIF	66.0	75.4	-12.5%
Average Coal Price Consumed (RM/MT) (CIF)	236.0	244.6	-3.5%
Coal Consumption (mn MT)	22.2	19.3	15.0%

# GENERATION MIX (PENINSULA) con't

## Quarterly Analysis



### Generation Mix is in Line With IBR Forecast



\* Includes Manjung 4 (COD on 14<sup>th</sup> Apr 2015)

# ELECTRICITY GROWTH IN PENINSULA

UNITS SALES		FY2014				FY2015												YTD
		1Q	2Q	3Q	4Q	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	12M
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	3,675	3,598	43,719
	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)	0.7	(0.2)	1.6
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	3,105	3,058	36,229
	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	0.5	1.4	2.5
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	2,094	1,965	22,772
	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	1.6	(2.3)	2.9
Others	Gwh	464	467	466	480	168	164	164	165	166	162	151	157	154	161	160	162	1,934
	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	(0.6)	1.3	3.0
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	9,034	8,783	104,654
	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	0.8	(0.1)	2.2

FY'14  
2.5%

1QFY'15  
3.3%

2QFY'15  
2.3%

3QFY'15  
2.1%

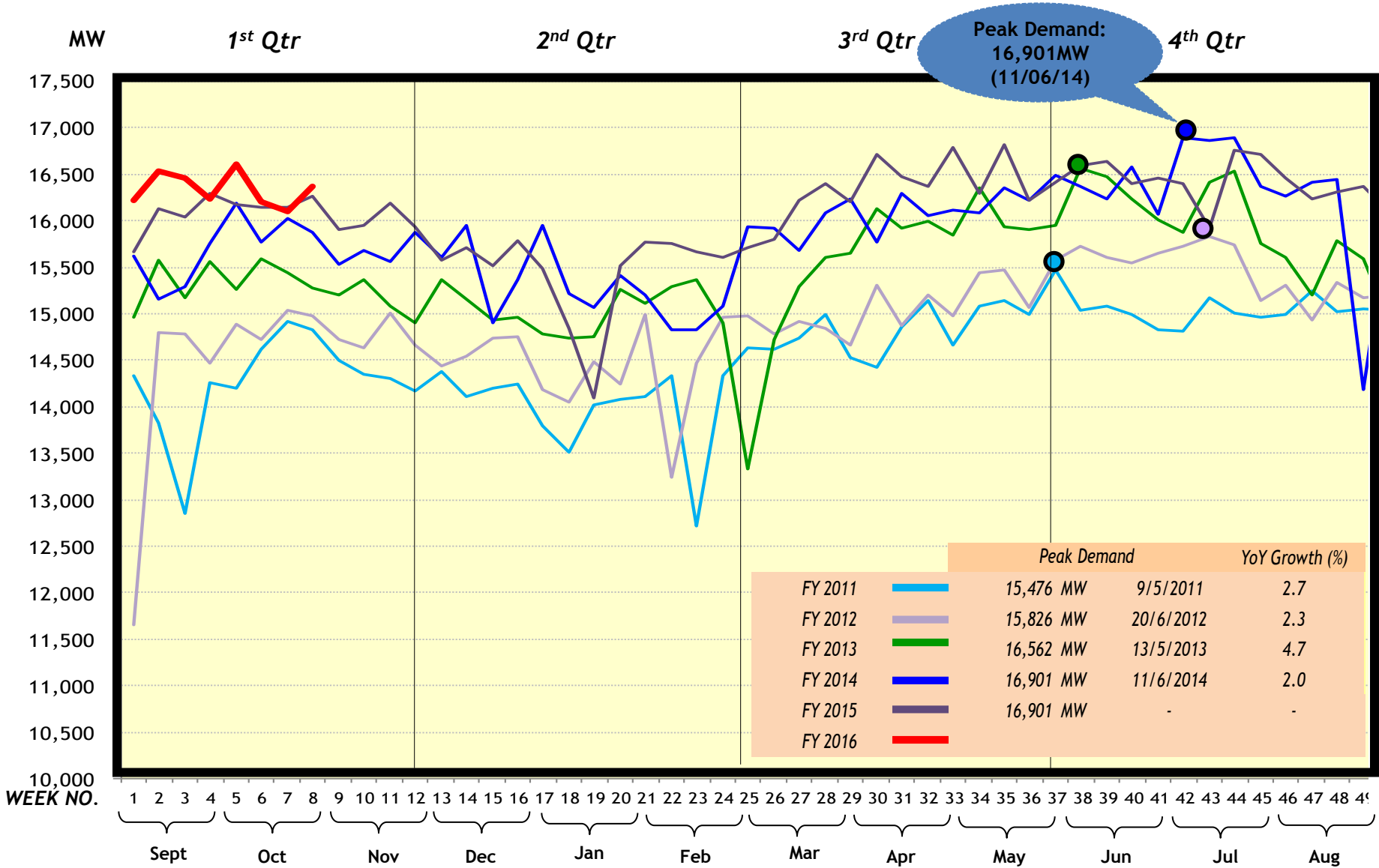
4QFY'15  
1.3%

	FY'14	FY'15
Growth (%)	2.5	2.2

# SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)



For FY2011 to FY2016



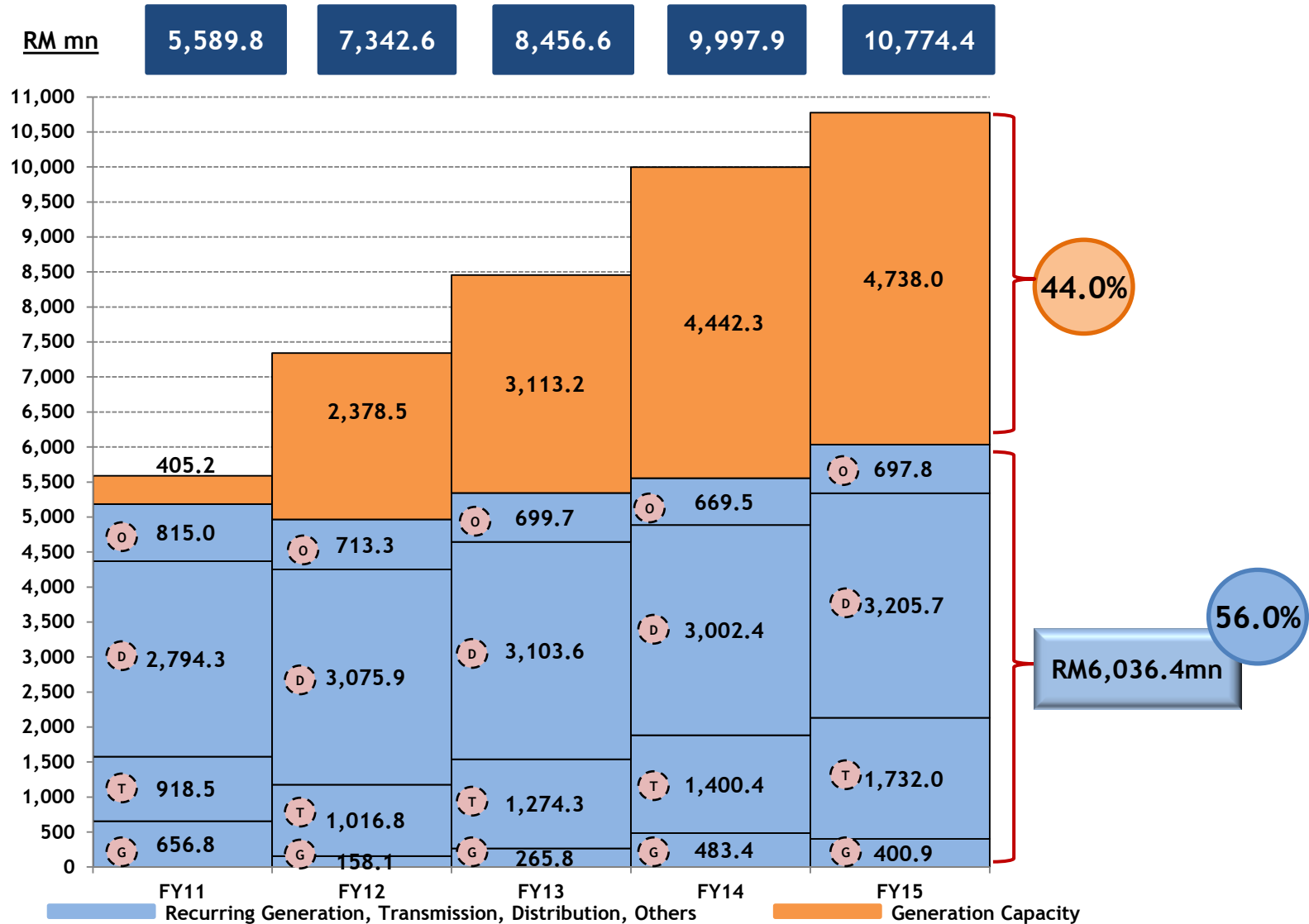


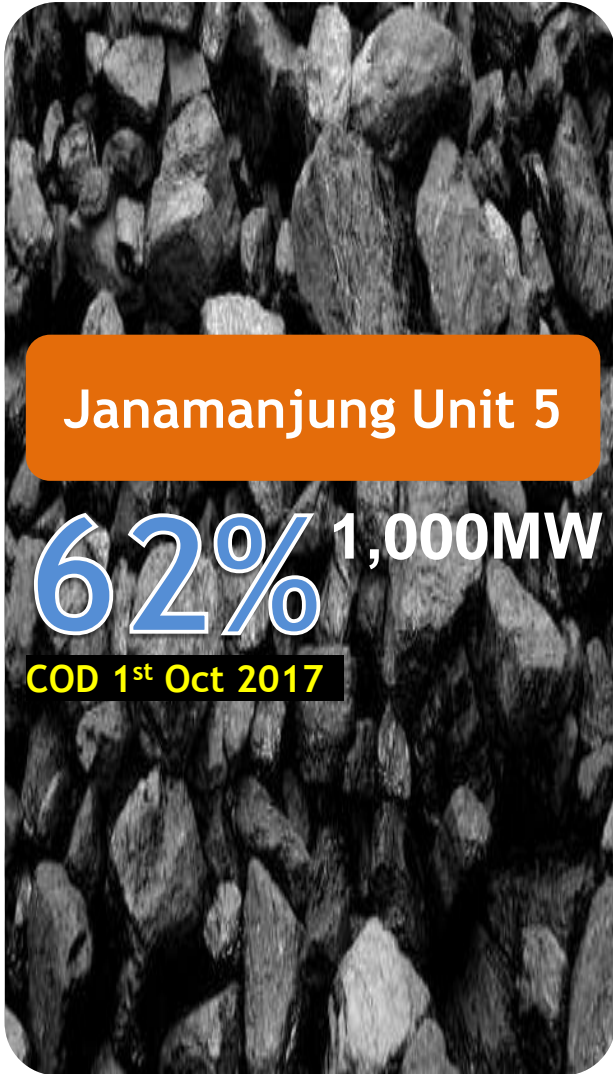
## INITIATIVES

	FY'15	FY'14
• Return on Assets (ROA) (%)	6.6	6.2
• Company CPU (sen/kwh)	35.1	36.3
• Revenue from Non-Regulated Business (RM bn)	2.6	2.5
• Equivalent Plant Availability Factor (EAF) (%)	88.8	85.6
• Transmission System Minutes (mins)	0.8	0.1
• Distribution SAIDI (mins)	49.7	55.0

# CAPITAL EXPENDITURE

Major Projects Represent 44.0% of Total CAPEX

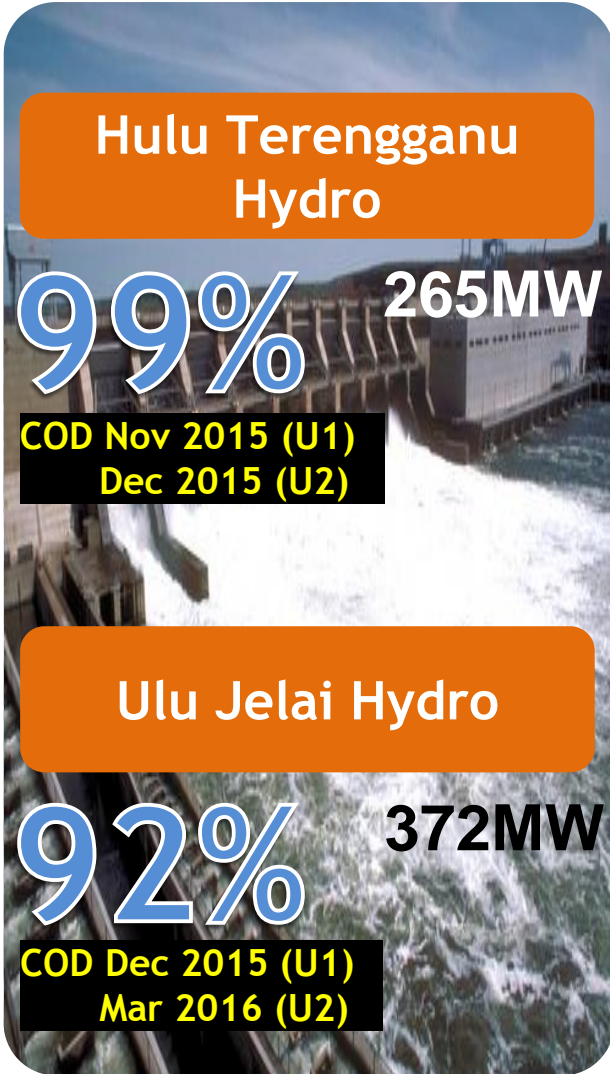




**Janamanjung Unit 5**

**62%** 1,000MW

**COD 1<sup>st</sup> Oct 2017**



**Hulu Terengganu Hydro**

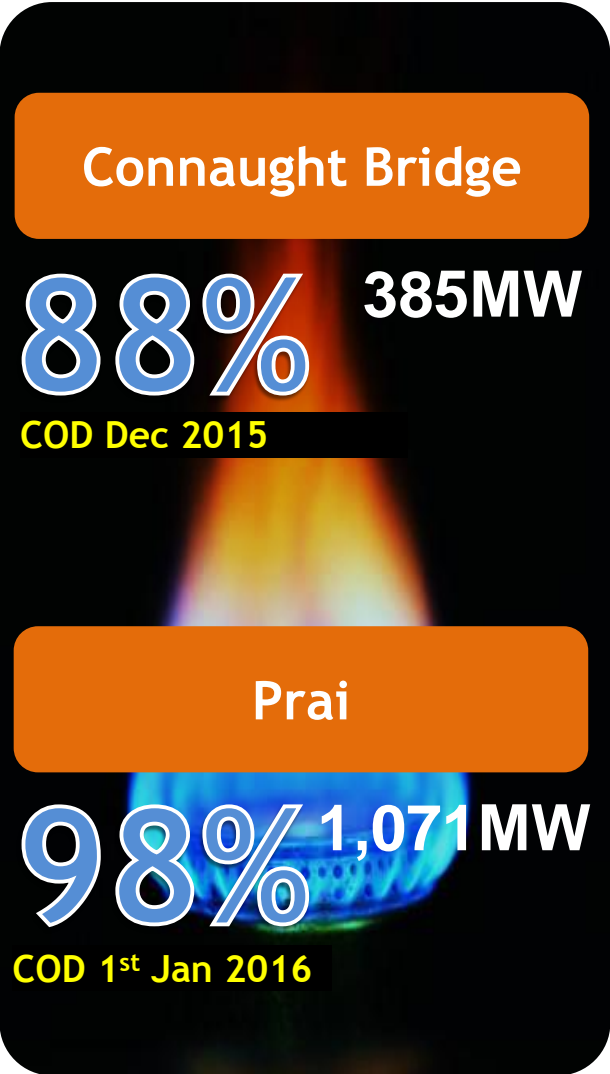
**99%** 265MW

**COD Nov 2015 (U1)  
Dec 2015 (U2)**

**Ulu Jelai Hydro**

**92%** 372MW

**COD Dec 2015 (U1)  
Mar 2016 (U2)**



**Connaught Bridge**

**88%** 385MW

**COD Dec 2015**

**Prai**

**98%** 1,071MW

**COD 1<sup>st</sup> Jan 2016**

# PROPOSED FINAL DIVIDEND

29.0 sen Represents Approximately 49.2% of the Company's Free Cashflow

## INTERIM DIVIDEND

Interim Single-Tier Dividend  
of 10.0 sen per ordinary share

**PROPOSED  
FINAL**

Single-Tier Dividend  
of 19.0 sen per ordinary share

**TOTAL DIVIDEND FOR FY2015: 29.0 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

## Year-on-Year EBITDA Margin Improved Resulted from Full ICPT Implementation

RM mn	1QFY'15	2QFY'15	3QFY'15	4QFY'15	FY'15	FY'14
Total Units Sold (GWh)	27,431.2	27,197.6	27,493.1	28,715.4	110,837.3	108,101.7
Revenue	11,027.1	10,610.0	9,905.7	11,744.0	43,286.8	42,792.4
Operating Expenses (before depreciation)	7,161.8	6,798.2	7,986.2	8,243.0	30,189.2	31,392.6
Operating Income	136.9	203.3	252.8	231.2	824.2	653.7
EBITDA	4,002.2	4,015.1	2,172.3	3,732.2	13,921.8	12,053.5
<b>EBITDA Margin (%)</b>	<b>36.3%</b>	<b>37.8%</b>	<b>21.9%</b>	<b>31.8%</b>	<b>32.2%</b>	<b>28.2%</b>
Depreciation and Amortisation	1,257.4	1,239.7	1,283.8	1,513.3	5,294.2	4,872.5
EBIT	2,744.8	2,775.4	888.5	2,218.9	8,627.6	7,181.0
EBIT Margin (%)	24.9%	26.2%	9.0%	18.9%	19.9%	16.8%
Finance Cost	253.9	210.3	255.1	225.6	944.9	874.6
Profit Before Tax & Forex Translation	2,574.9	2,668.8	563.3	2,146.0	7,953.0	6,669.4
Net Profit Before Forex Translation	2,306.0	2,459.5	617.8	1,554.4	6,937.7	6,021.7
Translation Gain/(Loss)	45.9	(303.3)	171.6	(733.5)	(819.3)	445.3
Net Profit attributable to :						
Equity Holders	2,351.9	2,156.2	789.4	820.9	6,118.4	6,467.0
Non-controlling Interest	(0.9)	(22.5)	(22.8)	(11.3)	(57.5)	(40.2)

# OPERATING EXPENSES

2.2% Reduction in OPEX Mainly due to Lower Generation Costs

RM mn	FY'15	FY'14	Variance RM mn	Variance %
Capacity Payment	4,012.3	3,799.1	(213.2)	(5.6)
Energy Payment	8,893.1	9,453.4	560.3	5.9
Total IPPs Purchases/Costs	12,905.4	13,252.5	347.1	2.6
Fuel Costs	21,836.4 { 8,931.0	23,540.6 { 10,288.1	1,704.2 { 1,357.1	13.2
Repair & Maintenance	2,048.8	1,813.1	(235.7)	(13.0)
Staff Costs	3,602.3	3,576.2	(26.1)	(0.7)
TNB General Expenses	1,783.0	1,629.1	(153.9)	(9.4)
Subs. Cost of Sales & Opex □	918.7	833.6	(85.1)	(10.2)
Depreciation & Amortisation	5,294.2	4,872.5	(421.7)	(8.7)
Total Operating Expenses	35,483.4	36,265.1	781.7	2.2

**RESULTS SNAPSHOTS**

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# DETAILS OF REVENUE

Total Revenue Includes Full Recognition of ICPT

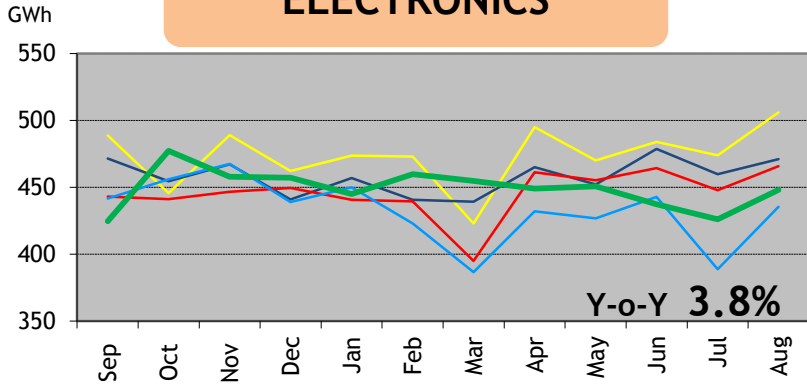
	FY'15		FY'14		Growth
UNITS SOLD	GWh		GWh		%
- TNB	104,652.9		102,382.8		2.2
- EGAT (Export)	4.9		30.2		(83.8)
- SESB	4,983.7		4,708.2		5.9
- LPL	1,195.8		980.5		22.0
<b>Total Units Sold (GWh)</b>	<b>110,837.3</b>		<b>108,101.7</b>		<b>2.5</b>
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	41,219.5	39.4	38,018.0	37.1	8.4
- EGAT (Export)	4.3	87.8	28.6	94.7	(85.0)
- SESB	1,683.0	33.8	1,544.4	32.8	9.0
- LPL	550.8	46.1	628.8	64.1	(12.4)
<b>Sales of Electricity</b>	<b>43,457.6</b>	<b>39.2</b>	<b>40,219.8</b>	<b>37.2</b>	<b>8.1</b>
LPL Operating Lease (FRS117)	37.8		(26.8)		>(100.0)
Accrued Revenue	80.2		666.0		(88.0)
Imbalance Cost Pass-Through	(1,854.5)		-		-
<b>Total Sales of Electricity</b>	<b>41,721.1</b>		<b>40,859.0</b>		<b>2.1</b>
Goods & Services	1,149.9		1,384.2		(16.9)
Deferred Income	415.8		549.2		(24.3)
<b>Total Revenue</b>	<b>43,286.8</b>		<b>42,792.4</b>		<b>1.2</b>

# DETAILS OF REVENUE: SECTORAL ANALYSIS

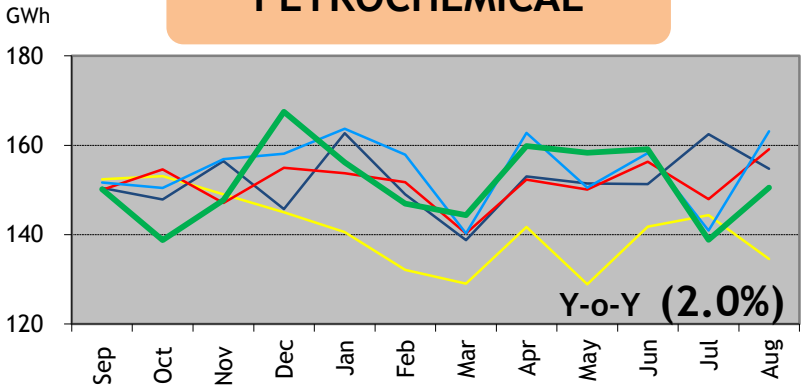


Industrial Sector (Peninsula) Recorded Y-o-Y Growth of 1.6%

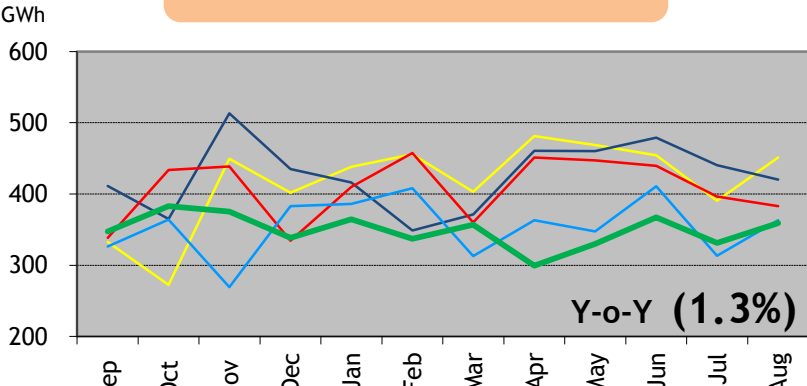
## ELECTRONICS



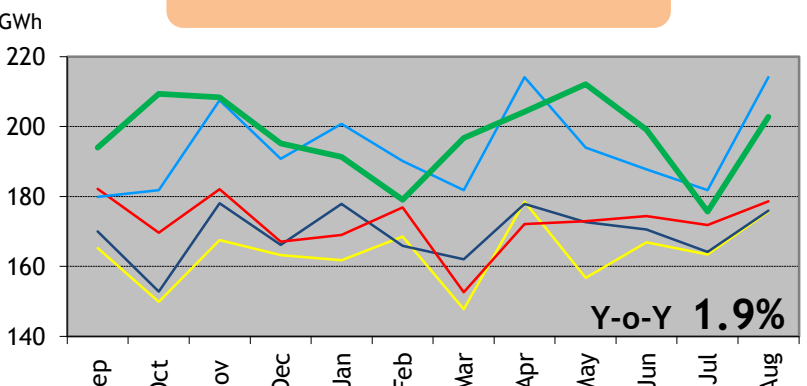
## PETROCHEMICAL



## IRON & STEEL

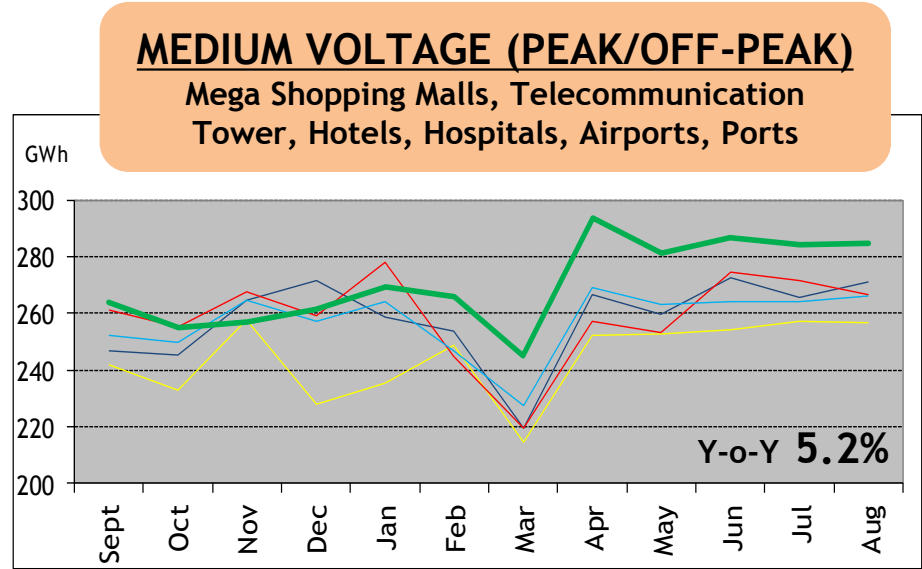
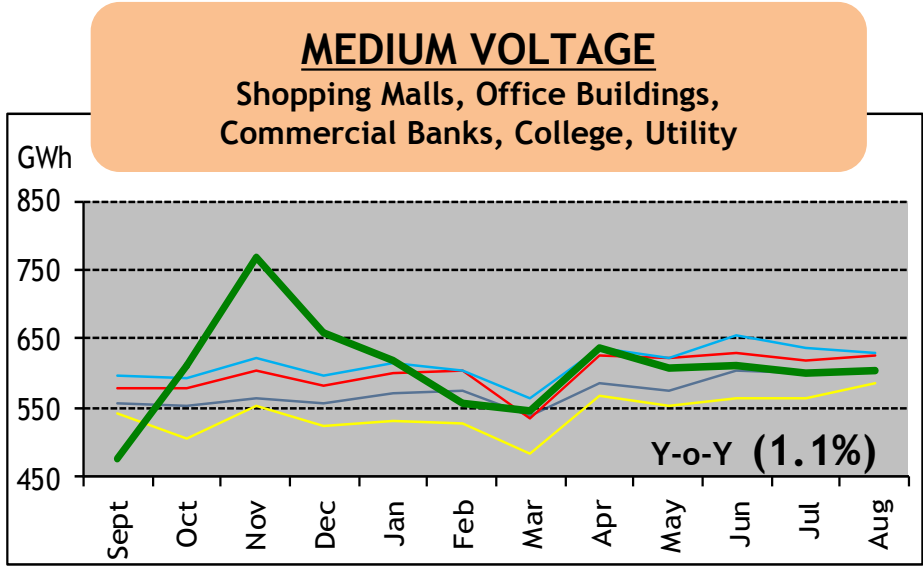
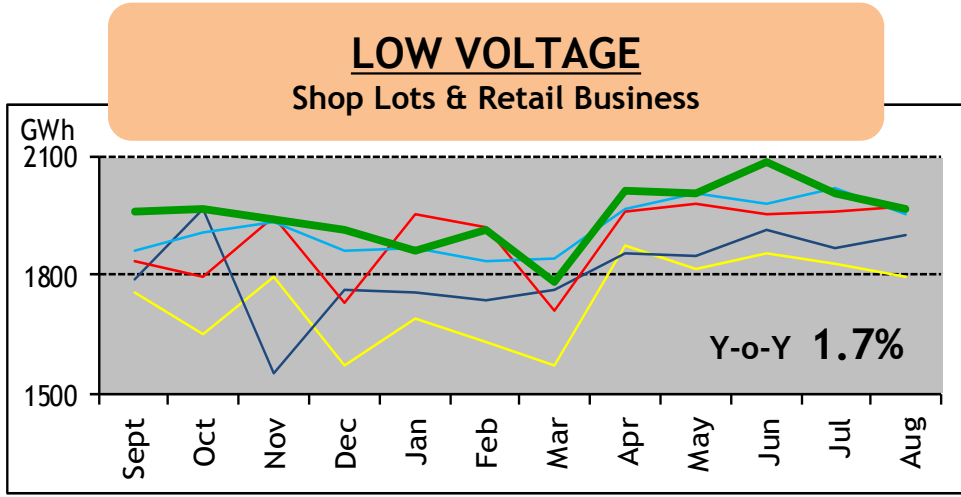


## CEMENT & CONCRETE



— FY2011   
 — FY2012   
 — FY2013   
 — FY2014   
 — FY2015

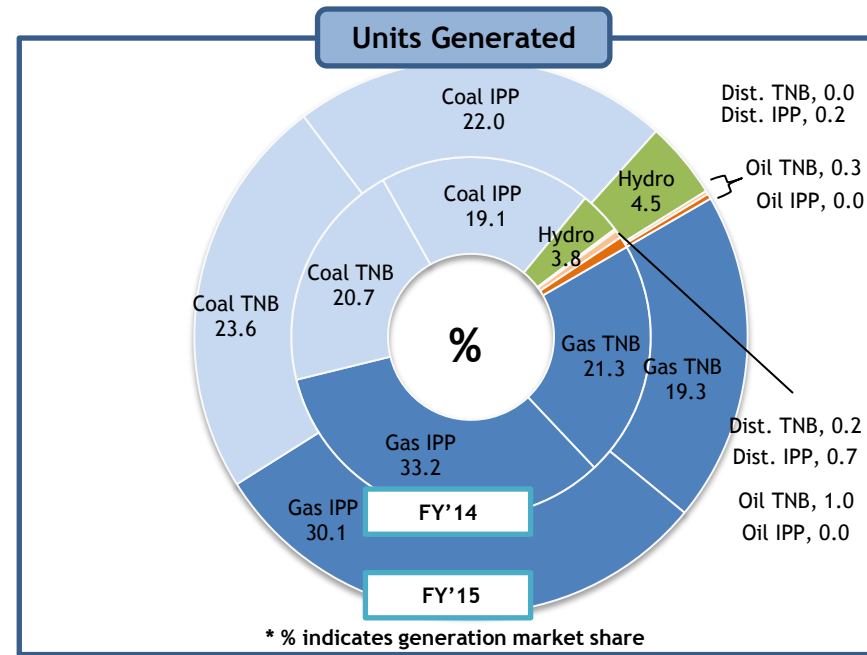
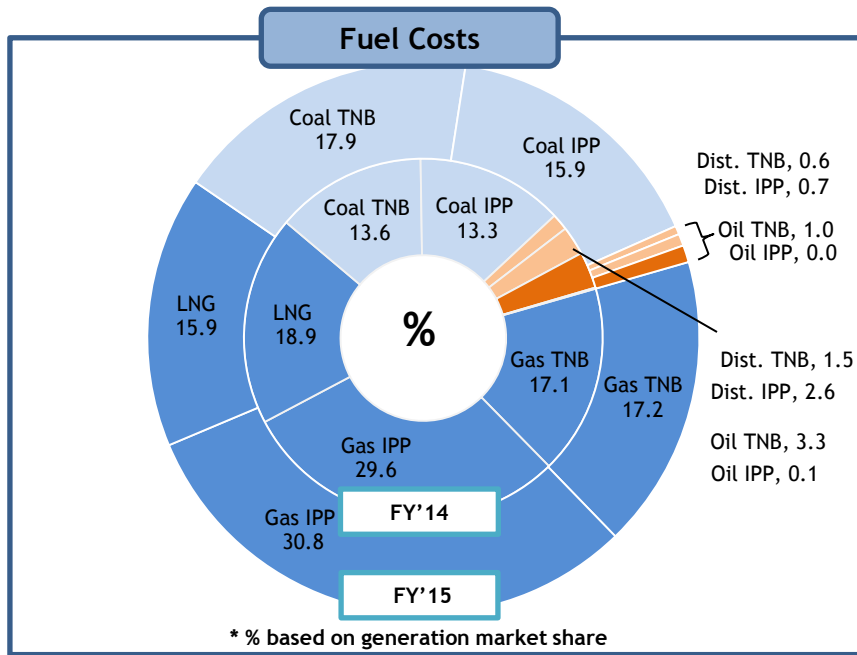
## Commercial Sector (Peninsula) Recorded Y-o-Y Growth of 2.5%



— FY2011   
 — FY2012   
 — FY2013   
 — FY2014   
 — FY2015

# FUEL COSTS (TNB & IPPs - PENINSULA)

9.6% Reduction in Fuel Costs Mainly due to Lower Generation from Gas & LNG and Oil & Distillate



Fuel Costs (RM mn)						
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					RM mn	%
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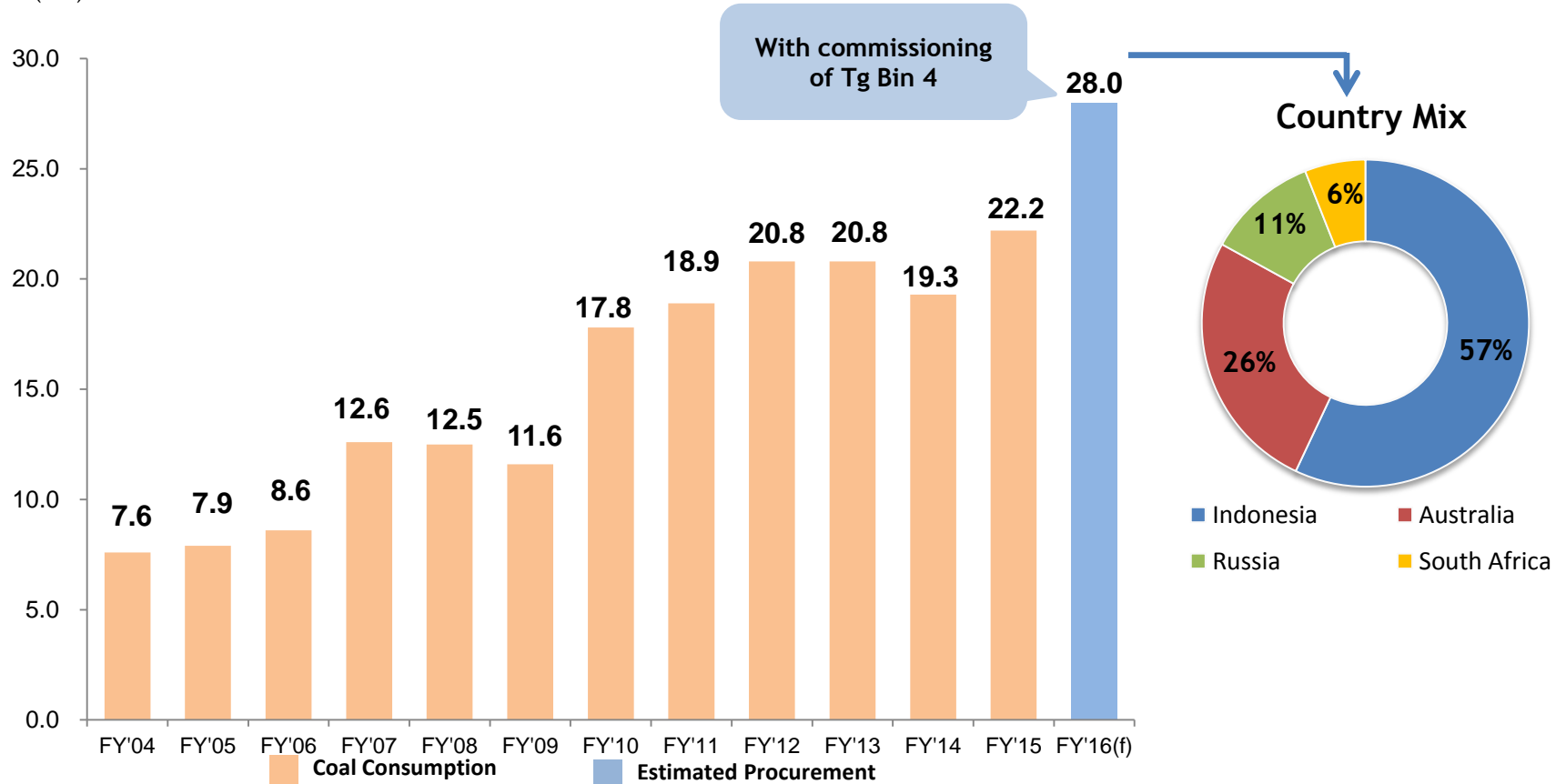
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<b>Total</b>	<b>114,191.4</b>	<b>100.0</b>	<b>113,946.0</b>	<b>100.0</b>	<b>245.4</b>	<b>0.2</b>

# COAL REQUIREMENT

Average Coal Price for FY'15 was at USD66.0/MT

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

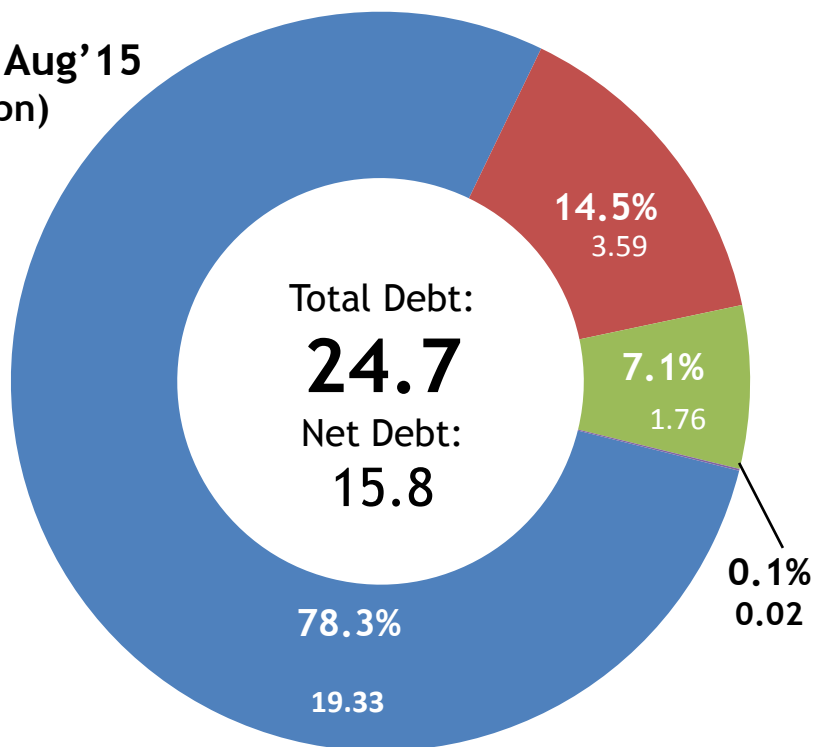
Tonne (mn)



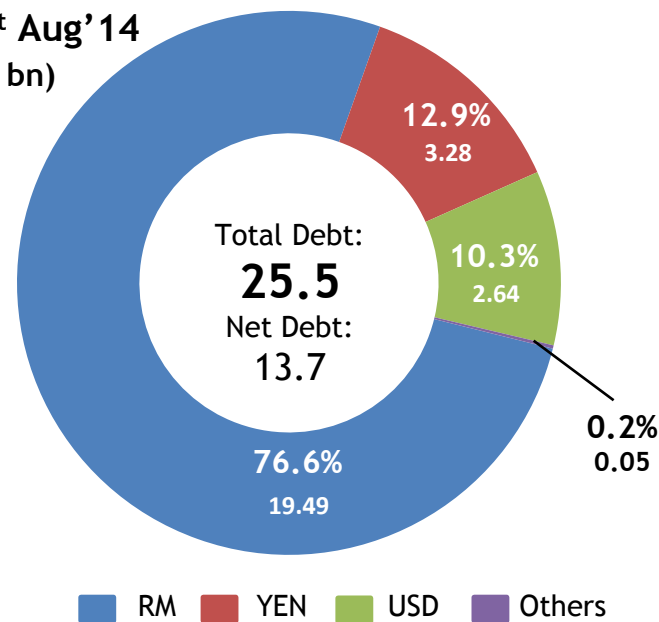
# DEBT EXPOSURE & GEARING

Lower Debt due to Settlement of USD350mn Bond

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



31<sup>st</sup> Aug'14  
(RM bn)



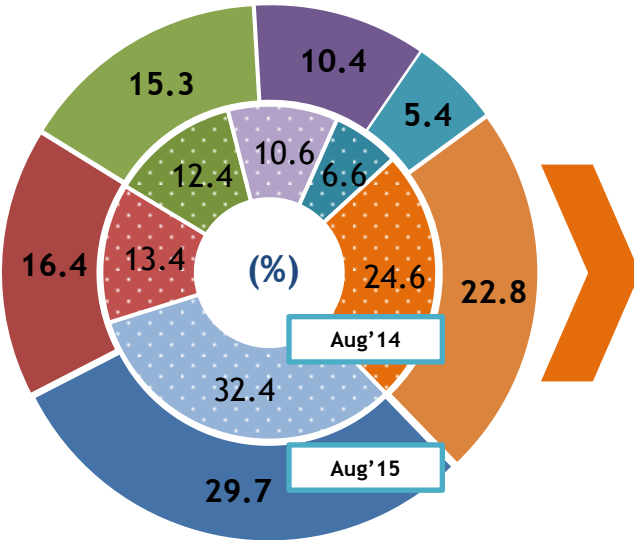
■ RM ■ YEN ■ USD ■ Others

Statistics	31st Aug'15	31st Aug'14
Gearing (%)	34.2	36.9
Net Gearing (%)	21.9	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 (%)	4.80	4.86
Final Exposure (%)	4.80	4.92

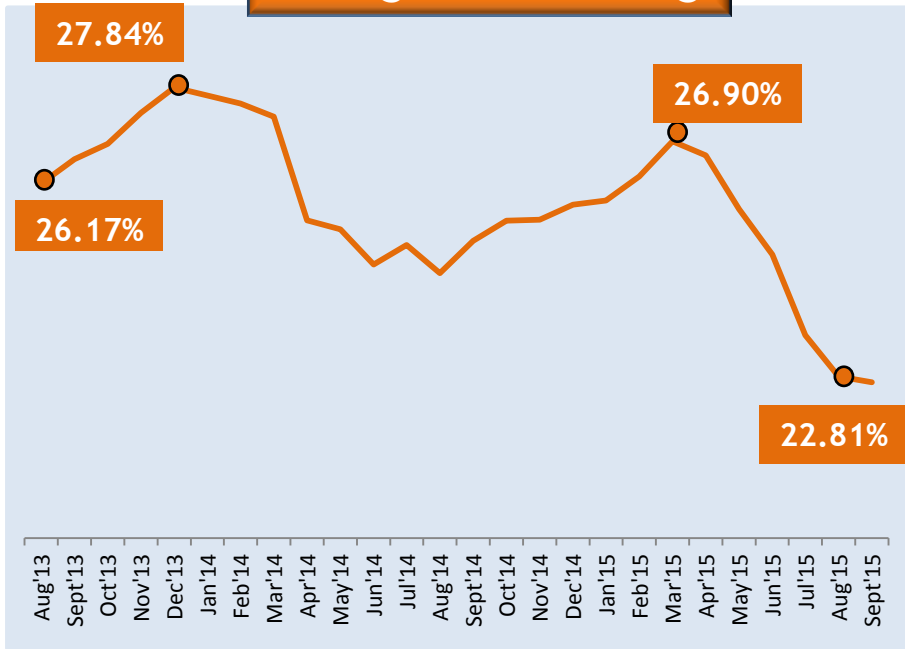
Closing	31 <sup>st</sup> Aug'15	31 <sup>st</sup> Aug'14
USD/RM	4.190	3.155
100YEN/RM	3.472	3.039
USD/YEN	120.75	103.62

## Main Shareholding as at Aug'15

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



## Foreign Shareholding



## Trending FY2015 (%)

Month	Percentage (%)
Sept'14	25.17
Oct'14	25.52
Nov'14	25.54
Dec'14	25.80
Jan'15	25.87
Feb'15	26.29
Mar'15	26.90
Apr'15	26.66
May'15	25.72
Jun'15	24.93
Jul'15	23.53
Aug'15	22.81
Sept'15	22.71

**RESULTS SNAPSHOTS**

**RESULTS HIGHLIGHTS**

**RESULTS DETAILS**

**QUESTION & ANSWER**



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# CONTACT DETAILS

For further enquiries, kindly contact us at:

## INVESTOR RELATIONS & MANAGEMENT REPORTING DEPARTMENT

Tenaga Nasional Berhad

4<sup>th</sup> Floor, TNB Headquarters

No.129, Jalan Bangsar,

59200 Kuala Lumpur, MALAYSIA

Tel : +603 2296 5566

Fax : +603 2284 0095

Email : [tenaga\\_ird@tnb.com.my](mailto:tenaga_ird@tnb.com.my)

Website : [www.tnb.com.my](http://www.tnb.com.my)

### IR OFFICERS:

*Anida*

+603 2296 6077

[anidai@tnb.com.my](mailto:anidai@tnb.com.my)

*Sherleen*

+603 2296 6183

[sherleenaa@tnb.com.my](mailto:sherleenaa@tnb.com.my)

*Nadia*

+603 2296 6787

[nuranadiaah@tnb.com.my](mailto:nuranadiaah@tnb.com.my)



**THANK YOU**

**Audited Consolidated Results for the  
4<sup>th</sup> Quarter FY2015 ended 31<sup>st</sup> August 2015**