PRESENTATION TO ANALYSTS

Audited Consolidated Result for the Period Ended 31st December 2017

28th February 2018

KEY HIGHLIGHTS FOR PERIOD ENDED DEC'17

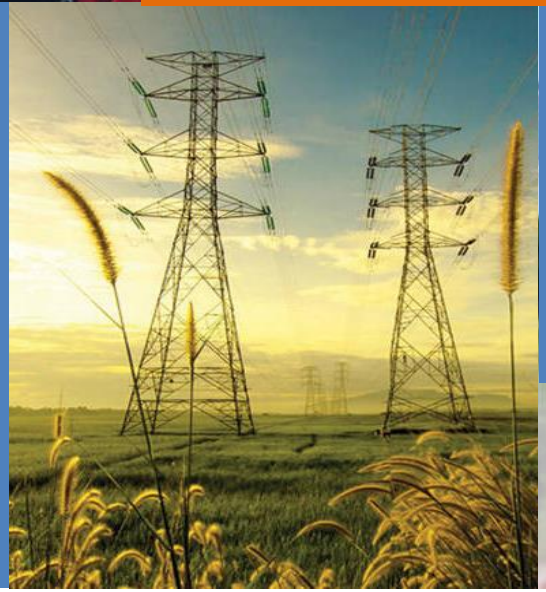
Solid Performance Going Into 2018

REVENUE
RM15.83bn

OPERATING PROFIT
RM3.15bn

EBITDA
RM5.20bn

EBITDA MARGIN
32.8%

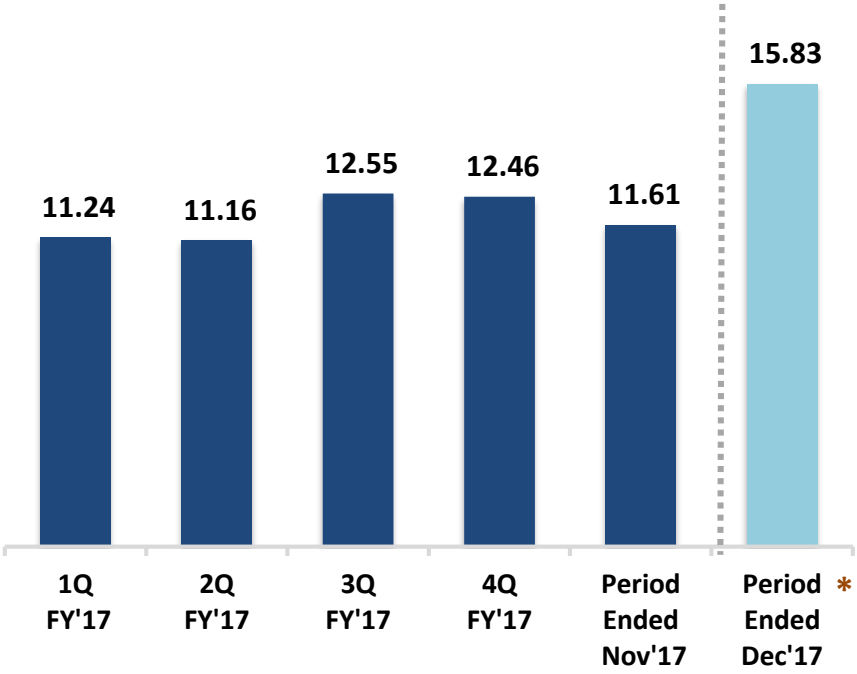


PROFIT AFTER TAX
RM2.74bn

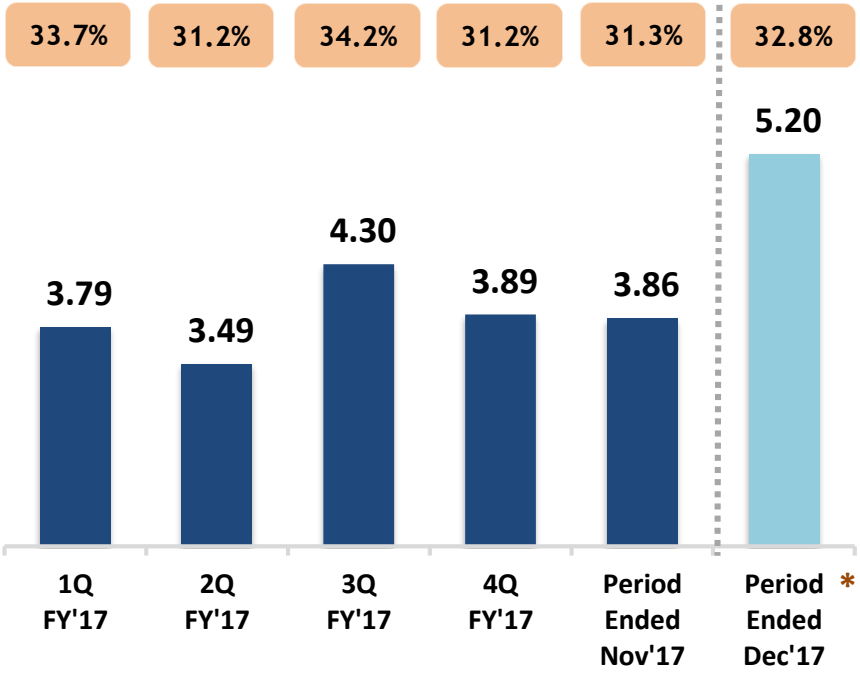
KEY HIGHLIGHTS

Solid Finish for a Short Financial Year

Revenue (RM bn)



EBITDA (RM bn)

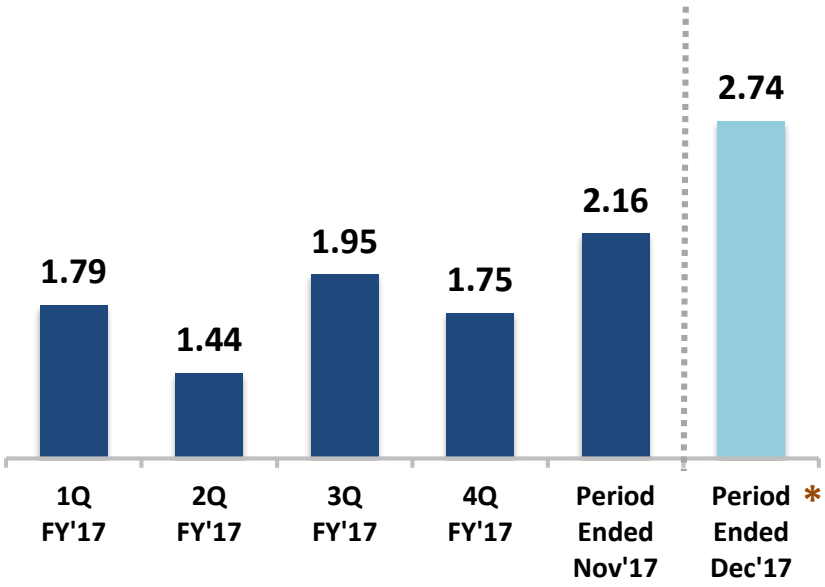


* Period of 4 months (Sep-Dec'17)

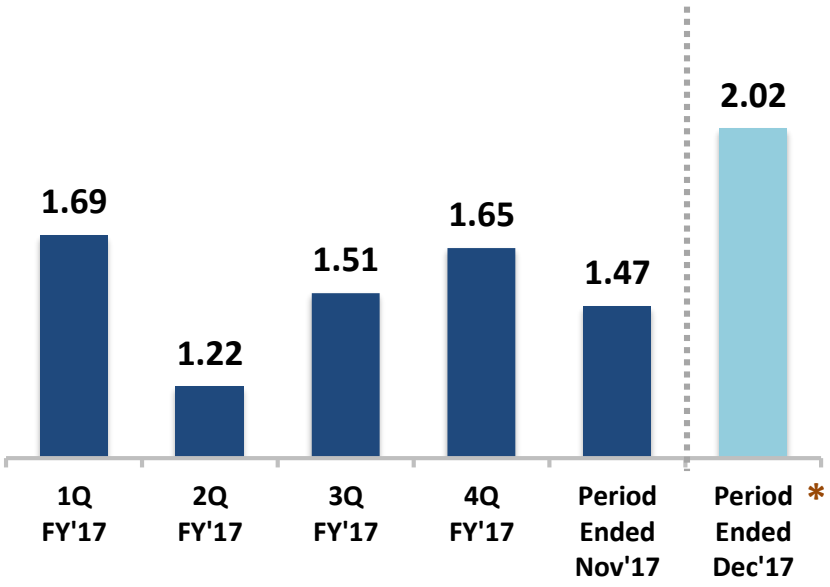
KEY HIGHLIGHTS

Financial Position Remain Intact

PAT (RM bn)



Normalised PAT (RM bn)



* Period of 4 months (Sep-Dec'17)

KEY HIGHLIGHTS

Key Performance Indicators

INITIATIVES	Period Ended 31 Dec'17	Aug'17
• Return on Assets (ROA) (%)	5.6	5.4
• Company CPU (sen/kwh)	37.3	36.6
• Revenue from Non-Regulated Business (RM bn) *	0.9	3.3
• Equivalent Plant Availability Factor (EAF) (%)	85.7	89.5
• Transmission System Minutes (mins)	0.05	0.23
• Distribution SAIDI (mins)	18.1	50.2

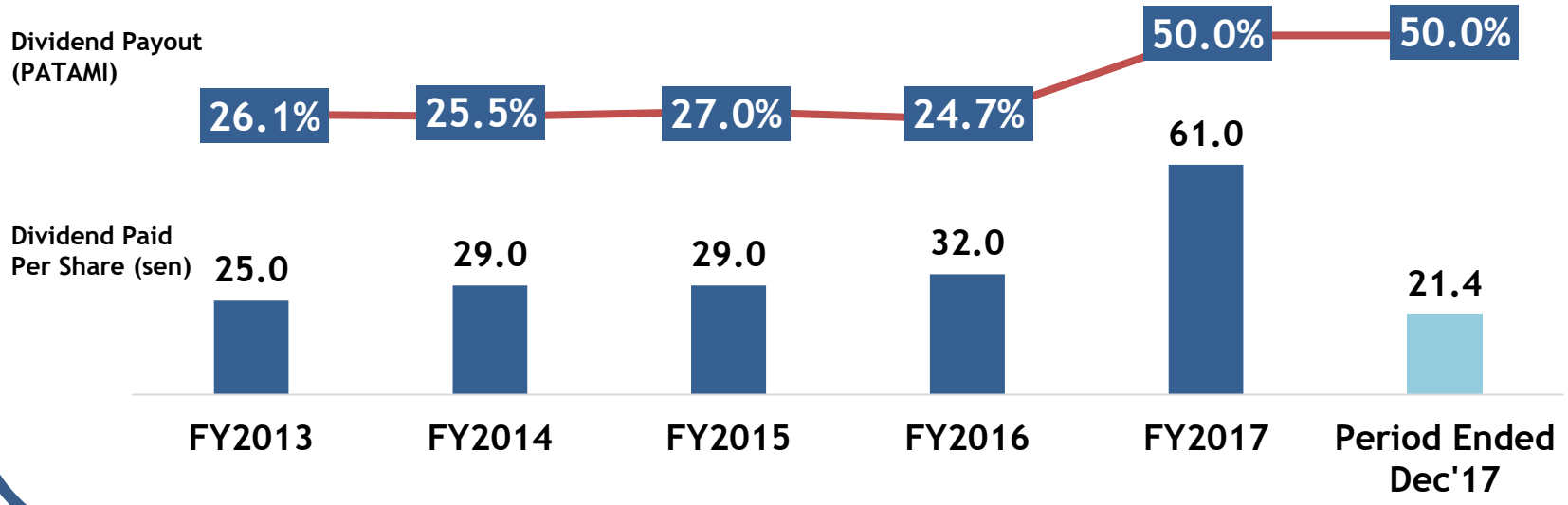
* Gross revenue of all subsidiaries excluding SESB, KEV, TNBJ & TNB Capital

KEY HIGHLIGHTS

Sustainable Dividend Payout Ratio at 50%

Dividend Policy

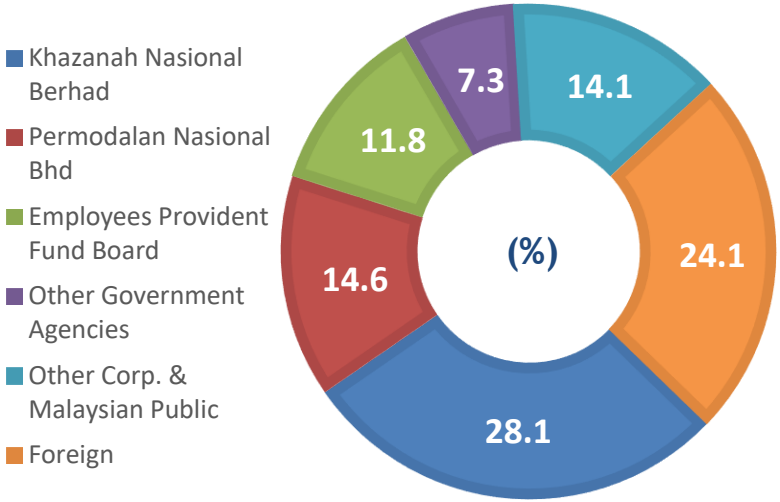
Distribution of dividend is based on 30% to 60% dividend payout ratio, based on the reported Consolidated Net Profit Attributable to Shareholders After Minority Interest, excluding Extraordinary, Non-Recurring items



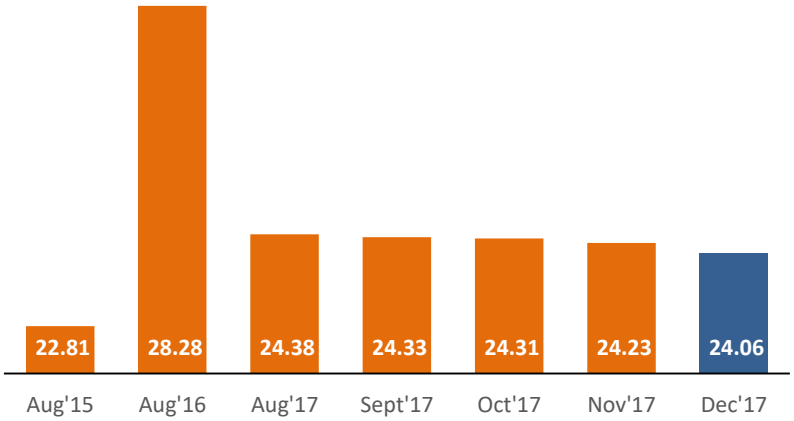
KEY HIGHLIGHTS

Growing Market Capitalization

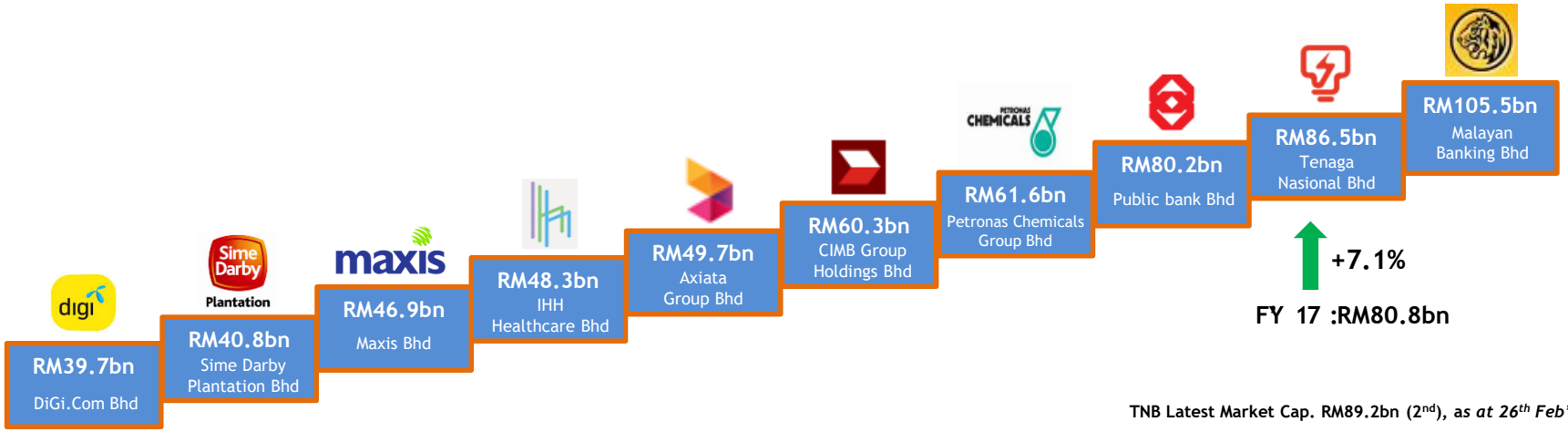
Shareholding as at Dec'17



Foreign Shareholding (%)



Market Capitalization as at Dec'17



TNB Latest Market Cap. RM89.2bn (2nd), *as at 26th Feb'18*

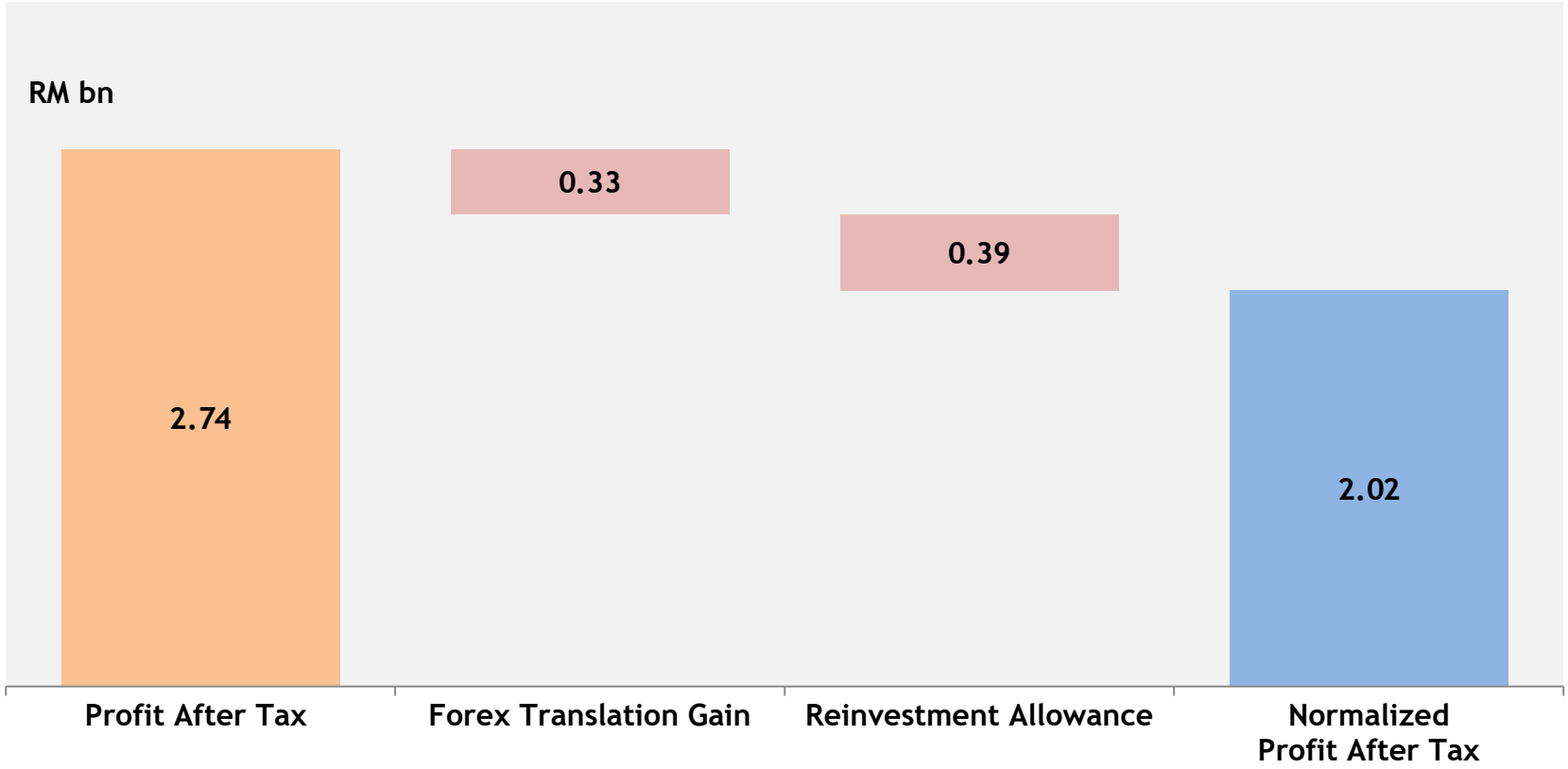
FINANCIAL DETAILS

Stable Operating Profit and EBITDA due to Effective Implementation of ICPT Mechanism

RM mn	Period Ended Dec'17	Aug'17
Revenue	15,827.1	47,416.9
Operating expenses (without depreciation)	(11,141.2)	(32,969.2)
Other operating income	512.6	1,021.3
EBITDA	**5,198.5**	**15,469.0**
EBITDA Margin (%)	32.8%	32.6%
Depreciation	(2,049.9)	(6,105.0)
Operating profit	**3,148.6**	**9,364.0**

FINANCIAL DETAILS

Normalized Profit After Tax



FINANCIAL DETAILS

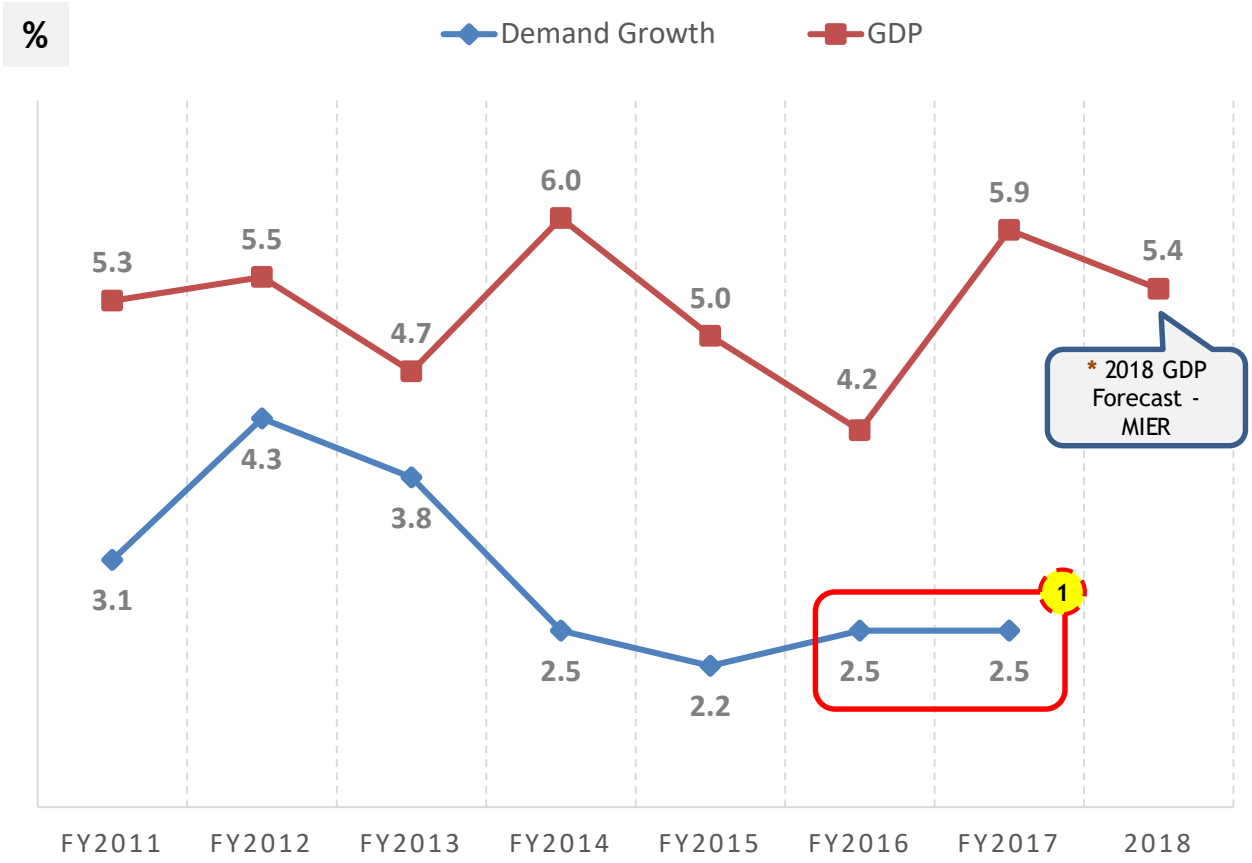
Sustained Revenue with Minimal ICPT Over-Recovery

	Period Ended Dec 17		Aug 17	
TNB	37,399.5		109,986.4	
EGAT (Export)	1.9		23.3	
SESB	1,710.2		5,145.4	
LPL	450.2		1,431.2	
Total Units Sold (GWh)	39,561.8		116,586.3	
		Sen/KWh		Sen/KWh
TNB *	14,760.6	39.5	43,392.0	39.5
EGAT (Export)	0.7	36.8	15.5	66.5
SESB	596.0	34.8	1,769.8	34.4
LPL	153.5	34.1	452.8	31.6
Sales of Electricity (RM)	15,510.8	39.2	45,630.1	39.1
LPL Operating Lease (MFRS117)	14.1		44.5	
Unbilled Revenue	(94.1)		355.5	
Imbalance Cost Pass-Through	(50.4)		(227.0)	
Total Sales of Electricity	15,380.4		45,803.1	
Goods & Services	329.9		1,207.3	
Deferred Income	116.8		406.5	
Total Revenue	15,827.1		47,416.9	

* Without ICPT

FINANCIAL DETAILS

Demand Growth Registered at 1.6%



	Total Unit Sales (Gwh)	Growth (%)
Period Ended Dec 17	37,400	1.6
FY 17	109,986	1.0
FY 16	108,858	4.0
FY 15	104,654	2.2
FY 14	102,383	2.5
FY 13	99,921	3.8
FY 12	96,257	4.3
FY 11	92,291	3.1

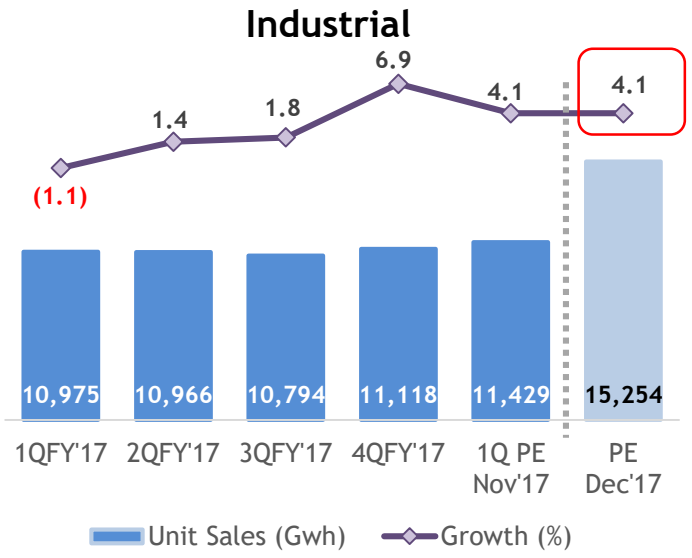
1 Average demand growth for FY2016 & FY2017. This is to eliminate the one-off El-Nino phenomenon during 3QFY'16

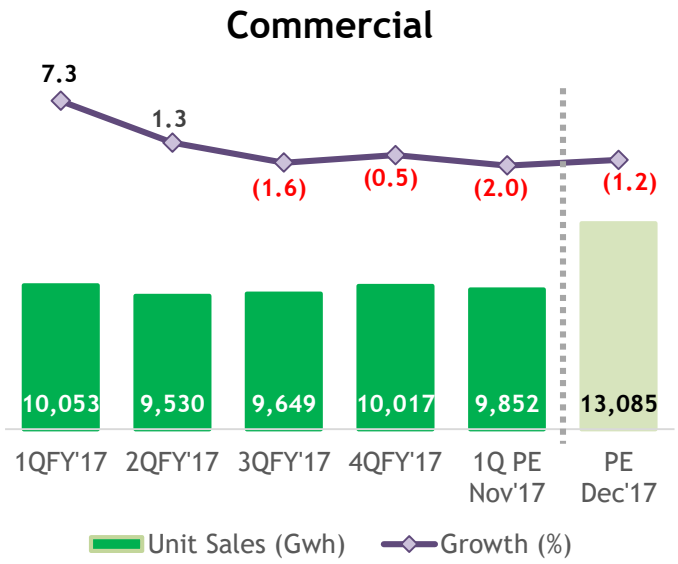
* MIER: Malaysian Institute of Economic Research

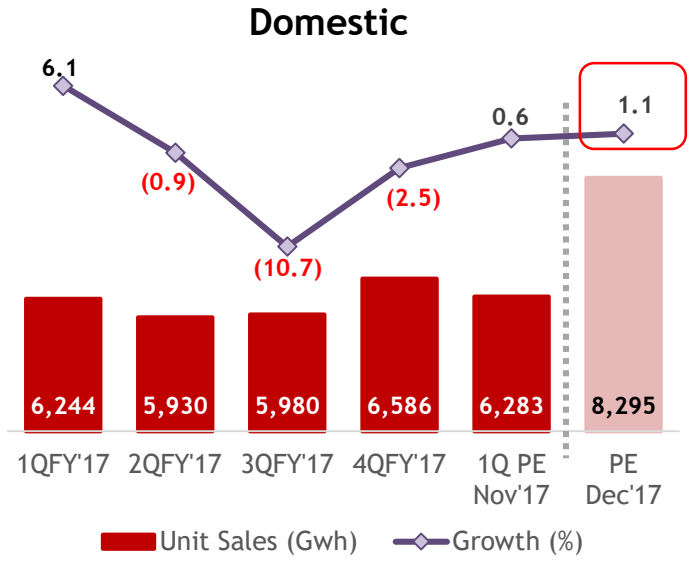
FINANCIAL DETAILS

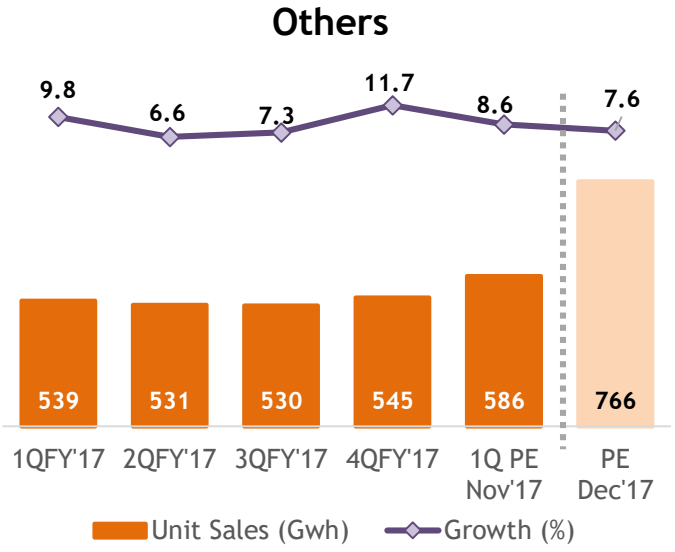
Upward Trend In Industrial & Domestic Sector

Y-o-Y Sectoral Demand Growth



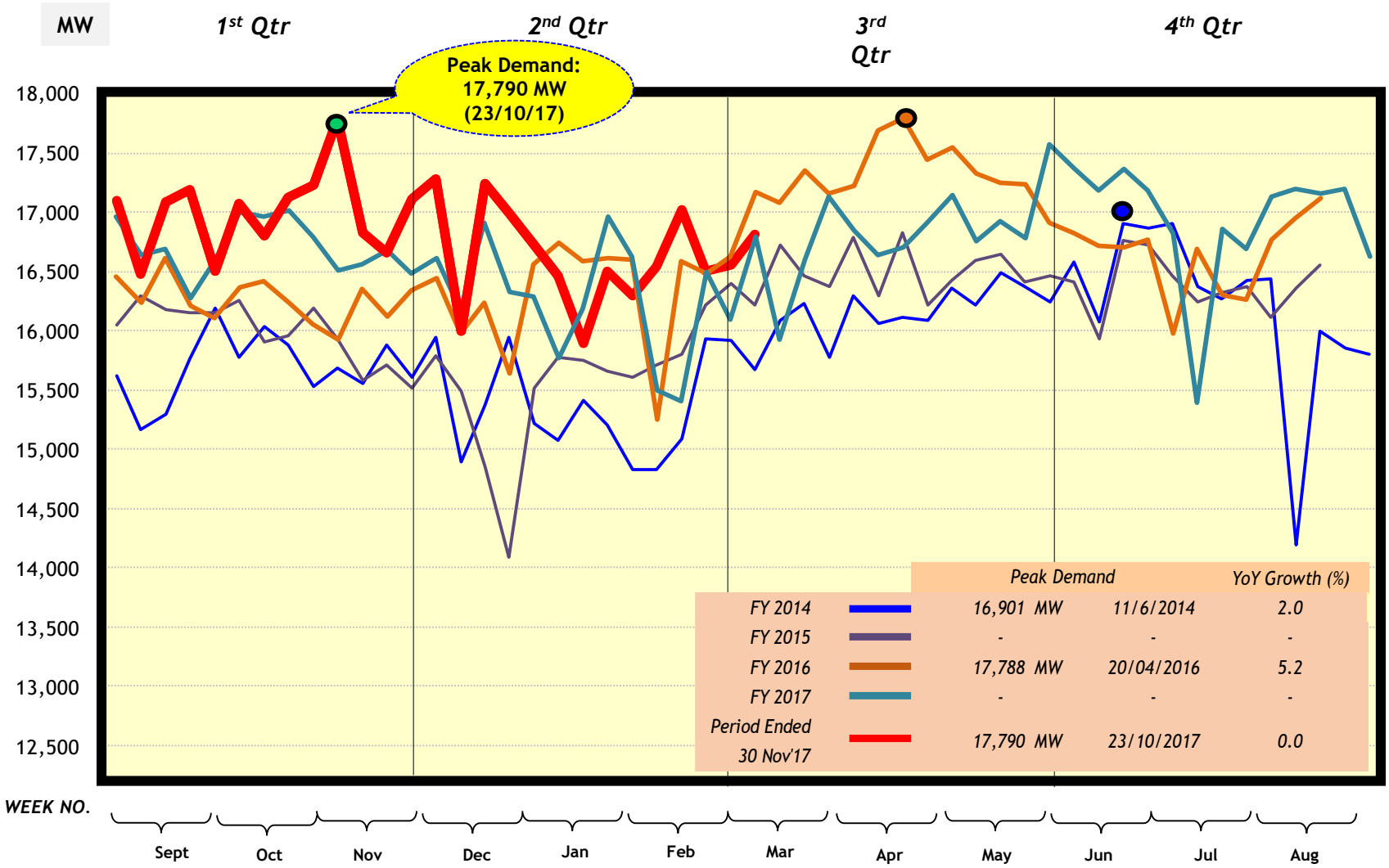






Normalised Y-o-Y Demand Growth for FY2018

SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)



	Peak Demand		YoY Growth (%)
FY 2014	16,901 MW	11/6/2014	2.0
FY 2015	-	-	-
FY 2016	17,788 MW	20/04/2016	5.2
FY 2017	-	-	-
Period Ended 30 Nov'17	17,790 MW	23/10/2017	0.0

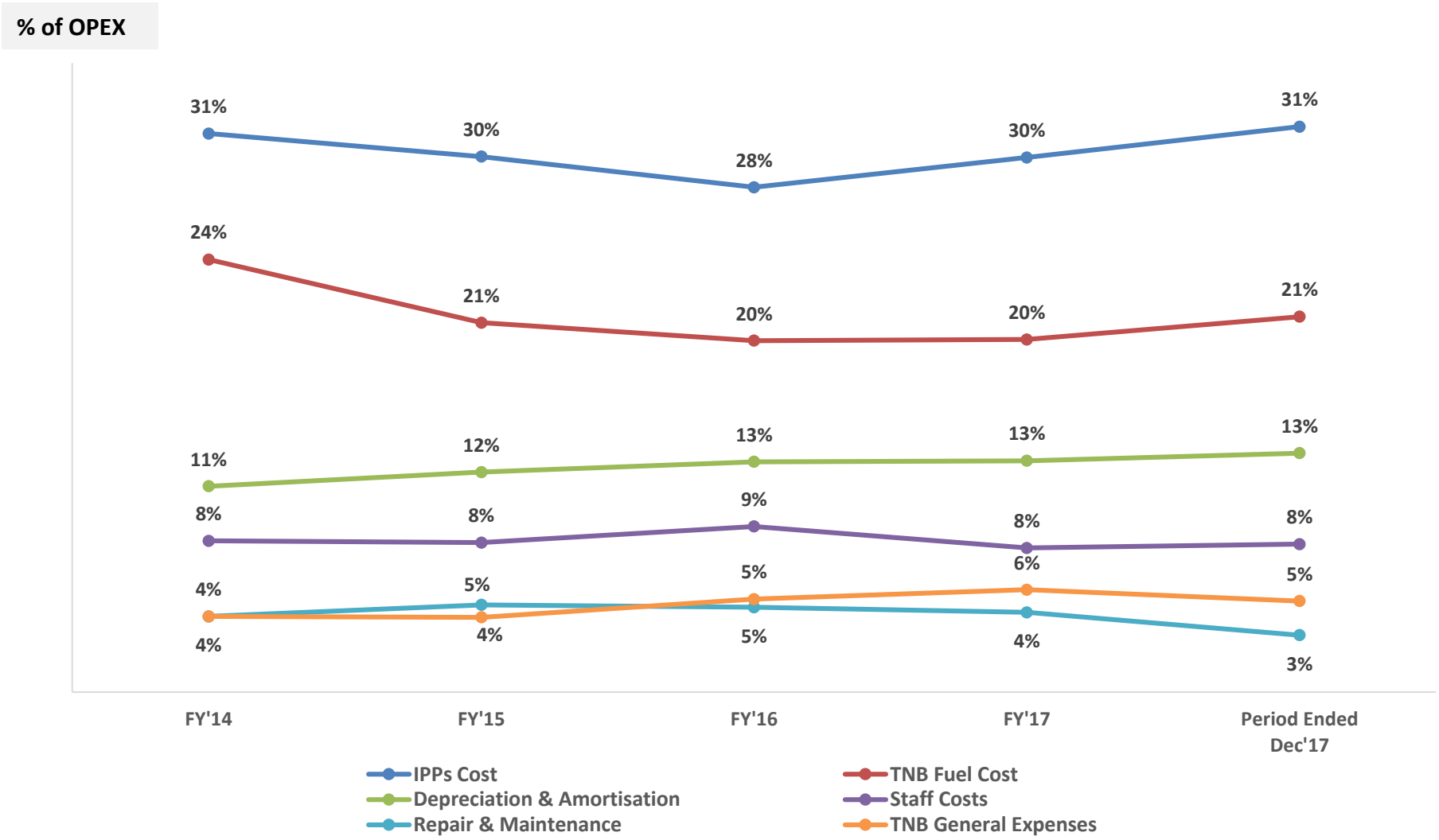
FINANCIAL DETAILS

Generation Cost Constitute 63% of the Group Operating Expenses

RM mn	Period Ended Dec'17	Aug'17
Capacity payment	1,280.7	4,398.0
Energy Payment	3,689.7	9,715.9
Total IPPs Purchases/Costs	4,970.4	14,113.9
Fuel Costs	3,307.7	9,253.6
Total Generation Cost	**8,278.1**	**23,367.5**
Repair & Maintenance	454.8	2,060.4
Staff Costs	1,290.0	3,756.4
TNB General Expenses	791.8	2,696.7
Subs. Cost of sales & Opex	326.5	1,088.2
Depreciation & Amortization	2,049.9	6,105.0
Total Non-Generation Cost	**4,913.0**	**15,706.7**
Total Operating Expenses	**13,191.1**	**39,074.2**

FINANCIAL DETAILS

5-Years Trend of Group Operating Expenses



FINANCIAL DETAILS

Increase in Fuel Costs Mainly due to Higher Coal Price and Coal Consumption

TENAGA NASIONAL

GENERATION MIX PENINSULA

Table 1:

Fuel Costs (RM mn)					
Fuel Type	FY'14	FY'15	FY'16	FY'17	Period Ended Dec'17 *
Gas	8,408.7	7,808.2	7,801.2	8,256.8	7,978.8
LNG	3,408.8	2,593.6	986.6	272.8	64.2
Coal	4,841.9	5,508.4	6,128.6	8,569.6	10,706.7
Dist.	732.1	189.4	62.9	68.2	205.2
Oil	602.6	172.5	155.7	83.5	48.9
Total	**17,994.1**	**16,272.1**	**15,135.0**	**17,250.9**	**19,003.8**

Units Generated (Gwh)					
Fuel Type	FY'14	FY'15	FY'16	FY'17	Period Ended Dec'17 *
Gas & LNG	62,088.2	56,424.3	54,235.3	50,934.7	44,818.5
Coal	45,355.6	52,070.6	61,028.1	63,562.9	67,571.4
Dist.	979.5	228.0	93.5	79.1	330.0
Oil	1,147.3	352.6	446.2	278.8	135.9
Hydro	4,375.4	5,115.9	4,255.7	5,611.1	7,770.3
Total	**113,946.0**	**114,191.4**	**120,058.8**	**120,466.6**	**120,626.1**

Table 2:

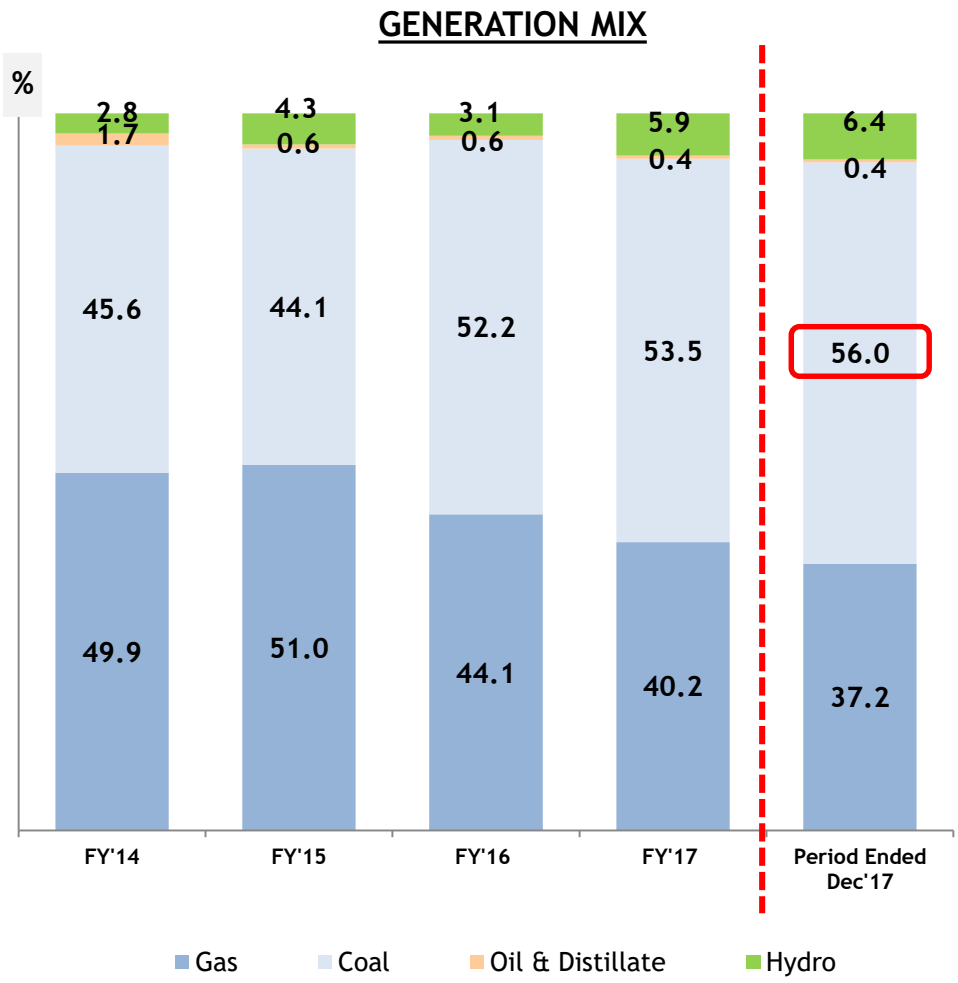
	FY'14	FY'15	FY'16	FY'17	Period Ended Dec 17
Daily Average Gas Volume (mmscfd)	1,331	1,213	1,128	1,042	878
Average Piped Gas Price (RM/mmbtu)	15.20	15.45	17.95	20.95	22.70
Average LNG Price (RM/mmbtu)	46.45	45.21	32.76	28.44	32.03
Average Coal Price (RM/MT)(CIF) **	244.6	236.0	231.1	314.7	363.4
Average Coal Price (USD/MT)(CIF)	75.4	66.0	58.2	70.2	87.1
Coal Consumption (mn MT)	19.3	22.2	26.4	27.4	9.7

* Annualised 4 Months figure

** Conversion from USD to RM using average YTD Forex rate respectively

FINANCIAL DETAILS

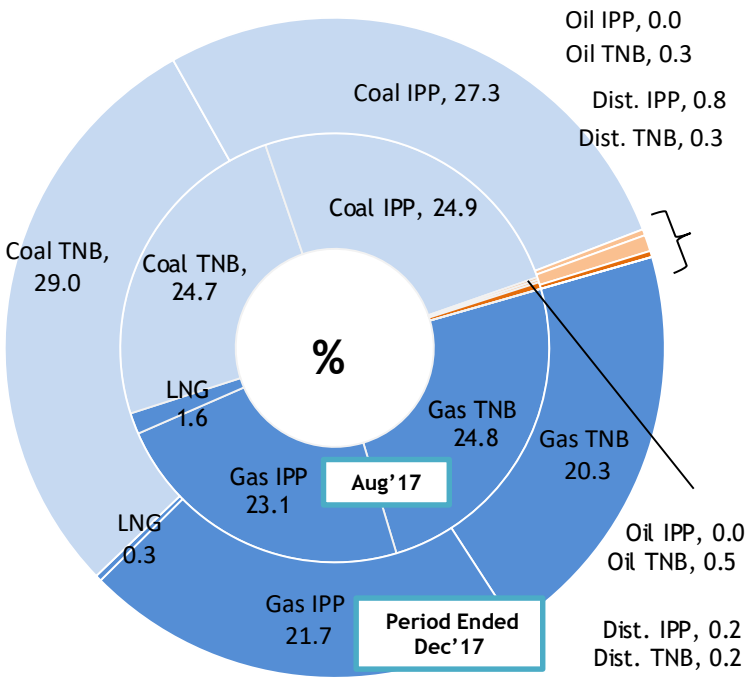
Higher Generation From Coal with the Commissioning of Manjung 5 in September 2017



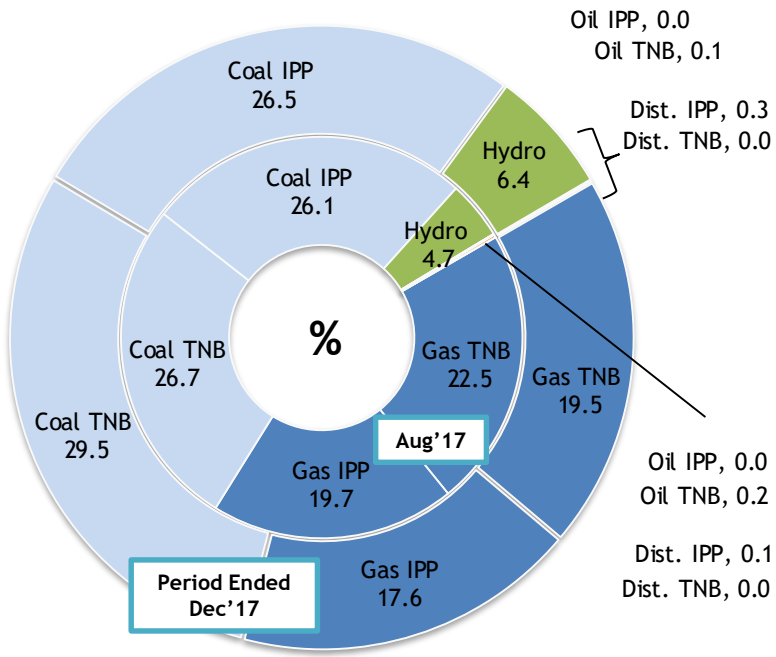
FINANCIAL DETAILS

Fuel Costs (TNB & IPPs - Peninsula)

Fuel Costs



Units Generated

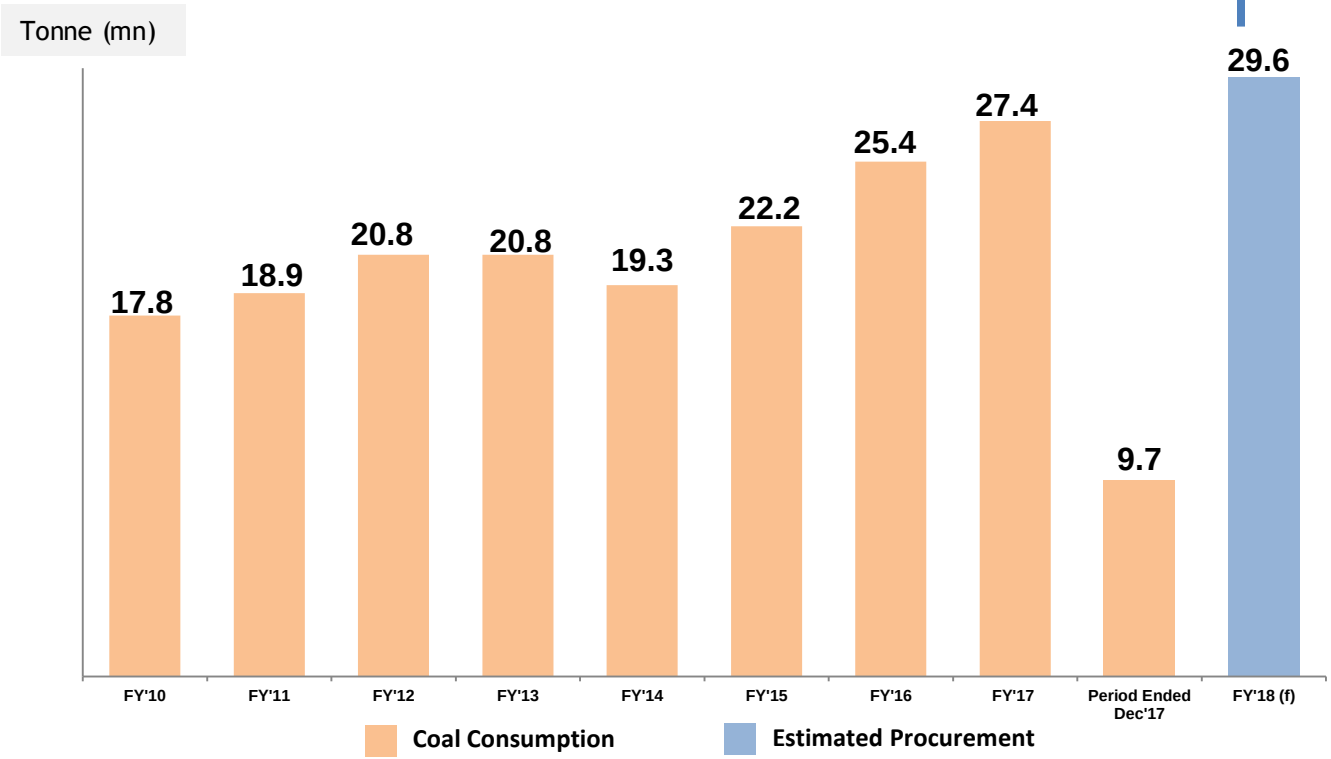


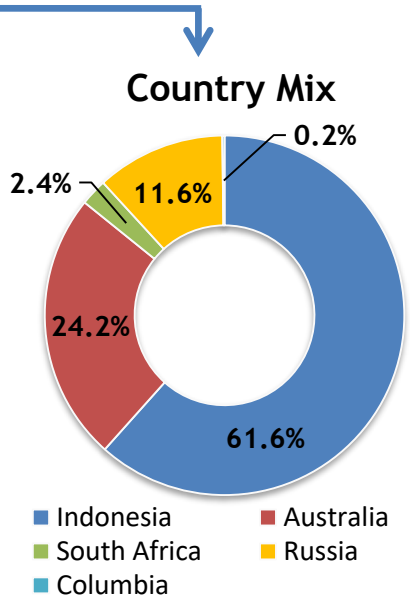
% indicates generation market share

FINANCIAL DETAILS

Coal Requirement

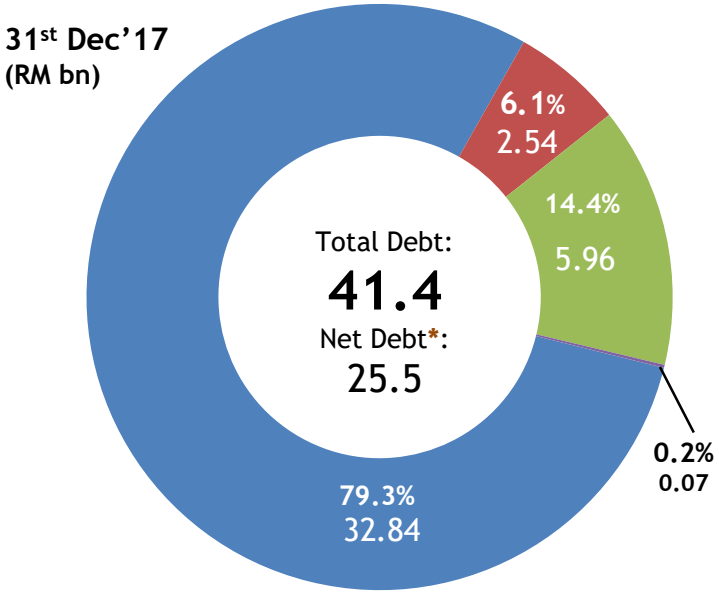
Average Coal Price (CIF)	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16	FY'17	Period Ended Dec'17
USD/metric tonne	88.2	106.9	103.6	83.6	75.4	66.0	55.7	72.7	87.1
RM/metric tonne	293.8	325.9	321.9	259.5	244.6	236.0	231.1	314.7	363.4

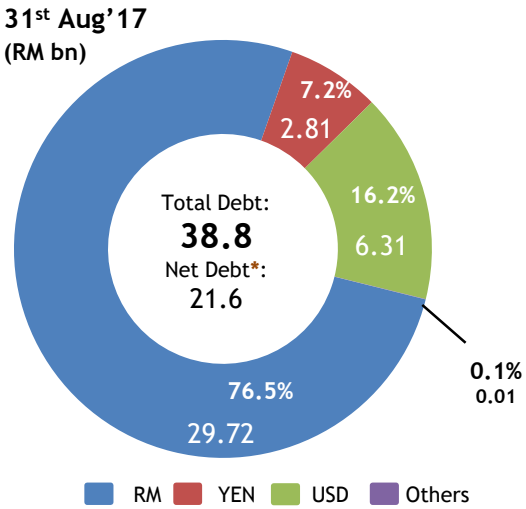




FINANCIAL DETAILS

Gearing Level Increase to Around 42%





Statistics	31st Dec'17	31st Aug'17
Gearing (%)	41.6	40.3
Net Gearing (%)	25.7	22.4
Fixed : Floating (%)	96.9 : 3.1	96.6 : 3.4
Final Exposure (%)	*96.9 : 3.1*	96.6 : 3.4
Weighted Average Cost of Debt (%)	4.98	4.90
Final Exposure (%)	*4.98*	4.90

Closing	31st Dec'17	31st Aug'17
USD/RM	4.05	4.27
100YEN/RM	3.60	3.88
USD/YEN	112.50	110.05

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

Outlook of 2018

Future Generation Sources

Grid of the Future

Winning the Customer

Towards Achieving TNB 2025 Growth Aspiration

Question & Answer

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