



PRESENTATION TO ANALYSTS

**Unaudited Consolidated Result for the
1st Quarter Period Ending 31st December 2017,
Ended 30th November 2017**

26th January 2018

KEY HIGHLIGHTS

FINANCIAL DETAILS

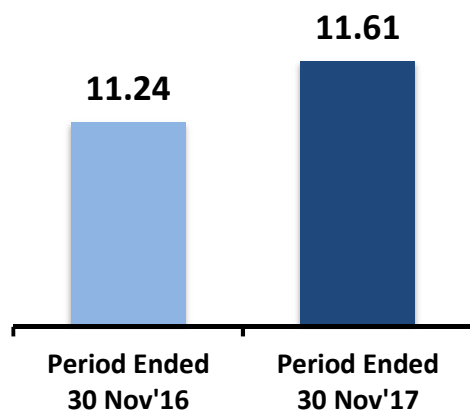
QUESTION & ANSWER

KEY HIGHLIGHTS

Financial Position Remain Intact

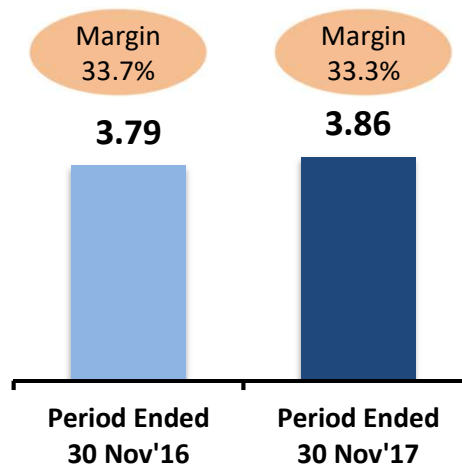
Revenue (RM bn)

+3.3%



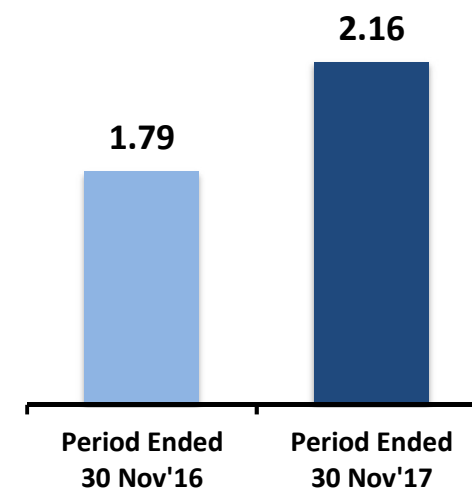
EBITDA (RM bn)

+2.0%



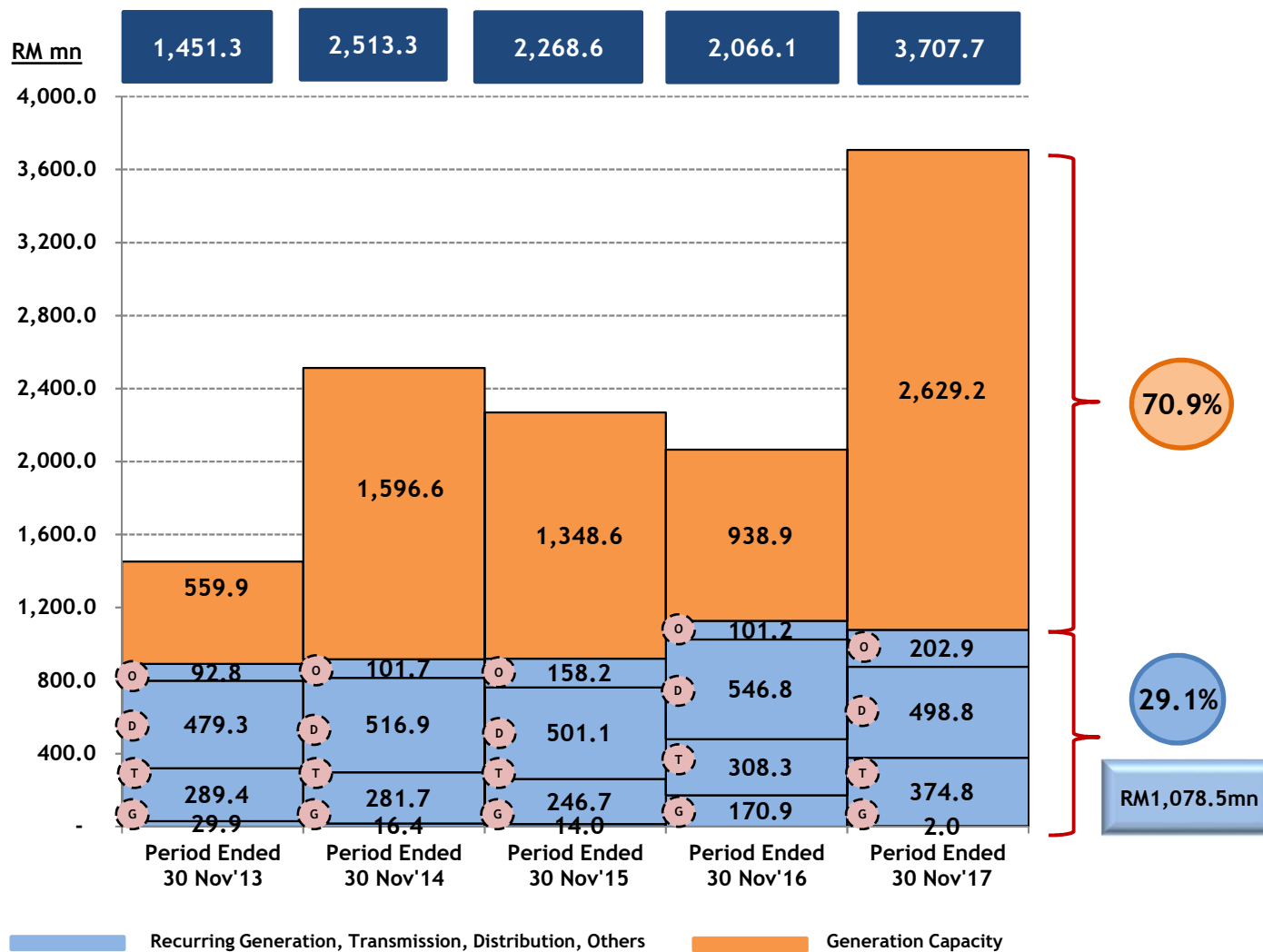
Profit After Tax (RM bn)

+20.6%



KEY HIGHLIGHTS

Major Projects Represent Around 71% of Total CAPEX



KEY HIGHLIGHTS

Steady Stream of Additional Power Generation to Support the Nation Growth



Jimah East Power

77% **2,000MW**

COD:

U1: 15th Jun 2019

U2: 15th Dec 2019



TNB Sepang Solar

44% **50MW**

COD:

1st Nov 2018



Southern Power Generation (SPG)

10% **1,440MW**

COD:

1st July 2020



KEY HIGHLIGHTS

Key Performance Indicators

INITIATIVES

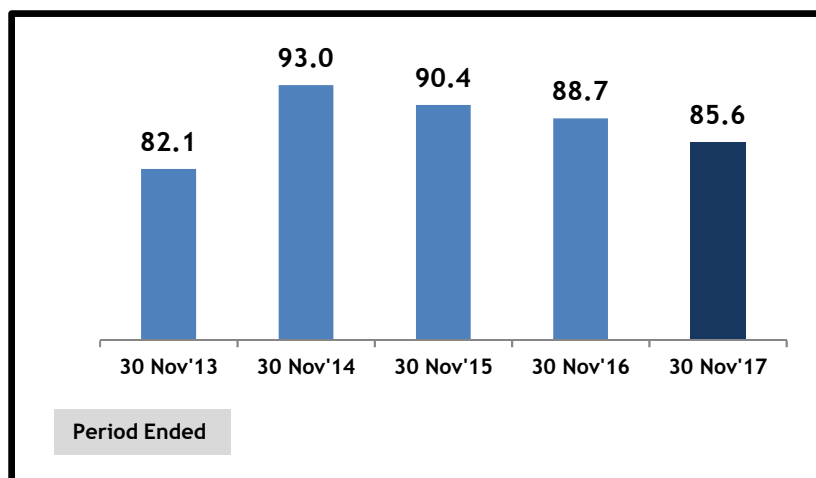
	Period Ended 30 Nov'17	FY'17
• Return on Assets (ROA) (%)	5.6	5.4
• Company CPU (sen/kwh)	36.6	36.6
• Revenue from Non-Regulated Business (RM bn)*	0.6	3.3
• Equivalent Plant Availability Factor (EAF) (%)	85.6	89.5
• Transmission System Minutes (mins)	0.00	0.23
• Distribution SAIDI (mins)	15.8	50.2

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

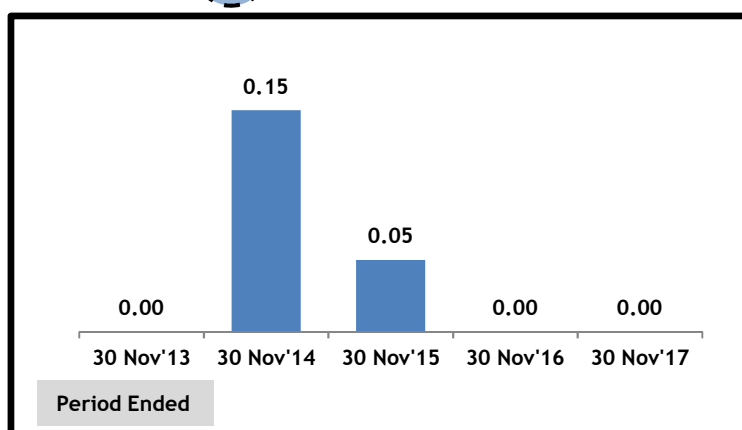
KEY HIGHLIGHTS

5-Year Operational Performance

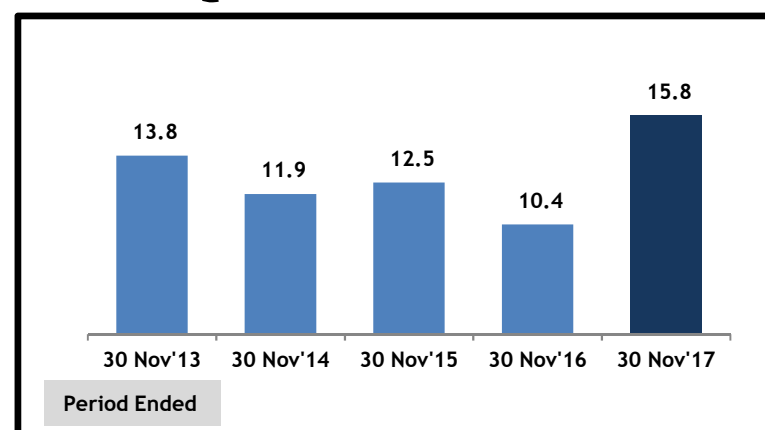
1 EQUIVALENT PLANT AVAILABILITY FACTOR (EAF) (%)



2 SYSTEM MINUTES (mins)



3 SAIDI (mins)



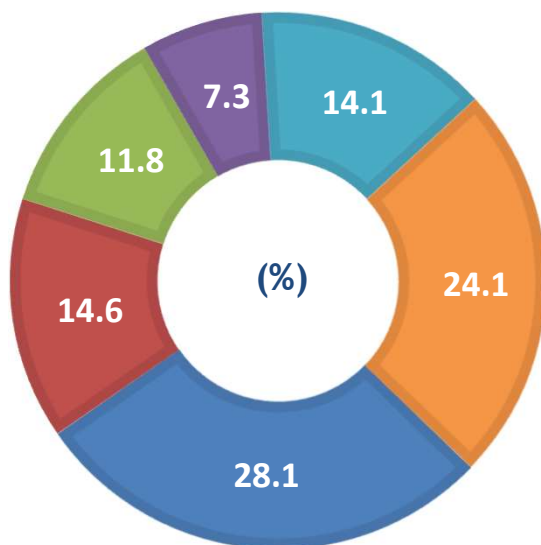
KEY HIGHLIGHTS

Stable Foreign Shareholding At 24%

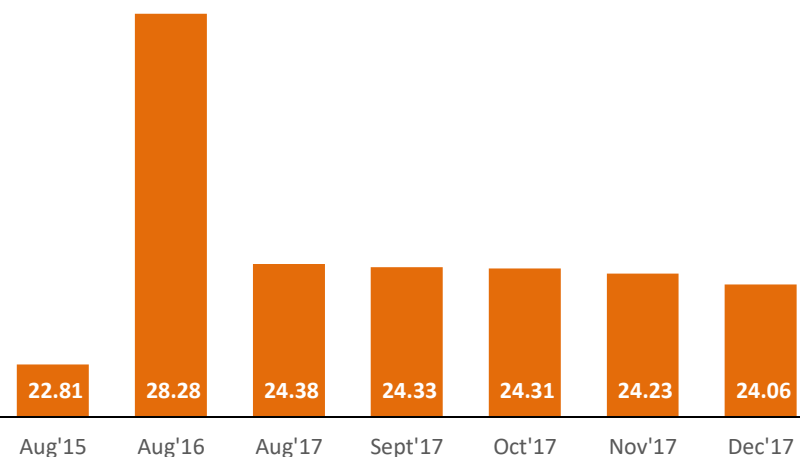


Shareholding as at Dec'17

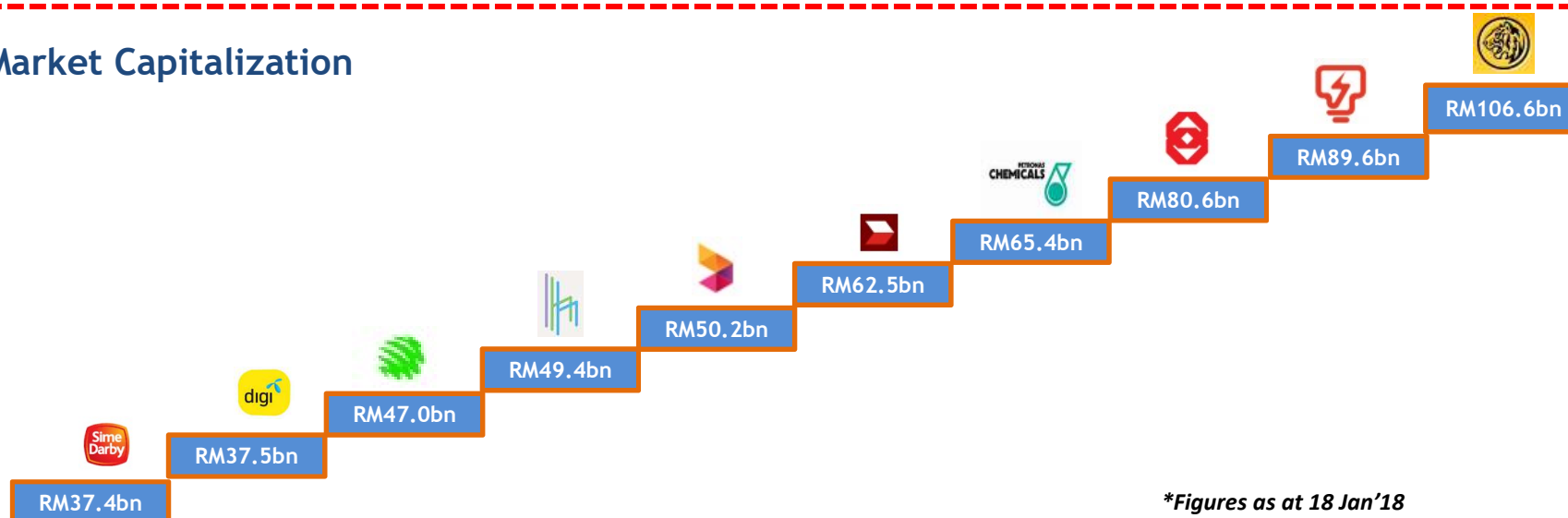
- Khazanah Nasional Berhad
- Permodalan Nasional Bhd
- Employees Provident Fund Board
- Other Government Agencies
- Other Corp. & Malaysian Public
- Foreign



Foreign Shareholding (%)



Market Capitalization



*Figures as at 18 Jan'18

KEY HIGHLIGHTS

FINANCIAL DETAILS

QUESTION & ANSWER

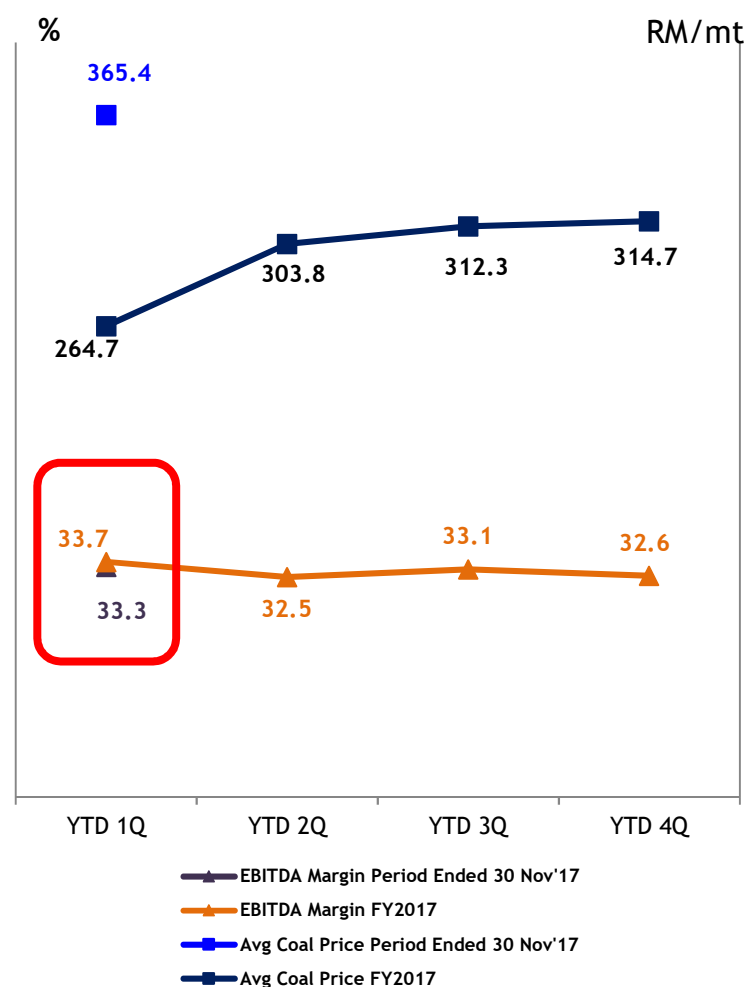
FINANCIAL DETAILS

Stable EBITDA due to Effective Implementation of ICPT Mechanism



RM mn	Period Ended 30 Nov'17	Period Ended 30 Nov'16
Total Units Sold (GWh)	29,849.0	29,548.4
Revenue	11,607.0	11,241.6
Operating Expenses (before depreciation)	8,137.6	7,632.3
Operating Income	392.7	184.1
EBITDA	3,862.1	3,793.4
EBITDA Margin (%)	33.3%	33.7%
Depreciation and Amortisation	1,518.0	1,453.8
EBIT	2,344.1	2,339.6
EBIT Margin (%)	20.2%	20.8%
Finance Cost	439.9	278.3
Profit Before Tax & Forex Translation	1,884.6	2,226.4
Net Profit Before Forex Translation	1,816.2	1,971.7
Translation Gain/(Loss)	335.6	(231.2)
Net Profit attributable to :		
Equity Holders	2,151.8	1,740.5
Non-controlling Interest	4.9	48.0

ANALYSIS OF EBITDA MARGIN & COAL PRICE



FINANCIAL DETAILS

3.3% Increase In Revenue mainly due to Lower
Over-Recovery by RM0.4bn



	Period Ended 30 Nov'17		Period Ended 30 Nov'16		Growth
UNITS SOLD	GWh		GWh		%
- TNB	28,149.7		27,811.3		1.2
- EGAT (Export)	1.9		22.6		(91.6)
- SESB	1,315.8		1,302.5		1.0
- LPL	381.6		412.0		(7.4)
Total Units Sold (GWh)	29,849.0		29,548.4		1.0
REVENUE	RM mn	Sen/KWh	RM mn	Sen/KWh	
Sales of Electricity					
- TNB	11,108.5	39.5	10,952.7	39.4	1.4
- EGAT (Export)	0.7	36.8	13.5	59.7	(94.8)
- SESB	452.7	34.4	448.4	34.4	1.0
- LPL	130.2	34.1	103.9	25.2	25.3
Sales of Electricity	11,692.1	39.2	11,518.5	39.0	1.5
LPL Operating Lease (MFRS117)	10.8		10.8		-
Unbilled Revenue	(174.7)		73.3		>100.0
Imbalance Cost Pass-Through	(196.7)		(604.8)		(67.5)
Total Sales of Electricity	11,331.5		10,997.8		3.0
Goods & Services	193.6		152.6		26.9
Deferred Income	81.9		91.2		(10.2)
Total Revenue	11,607.0		11,241.6		3.3

FINANCIAL DETAILS

12.7% Reduction In Adjusted Profit After Tax

PROFIT AFTER TAX (RM bn)

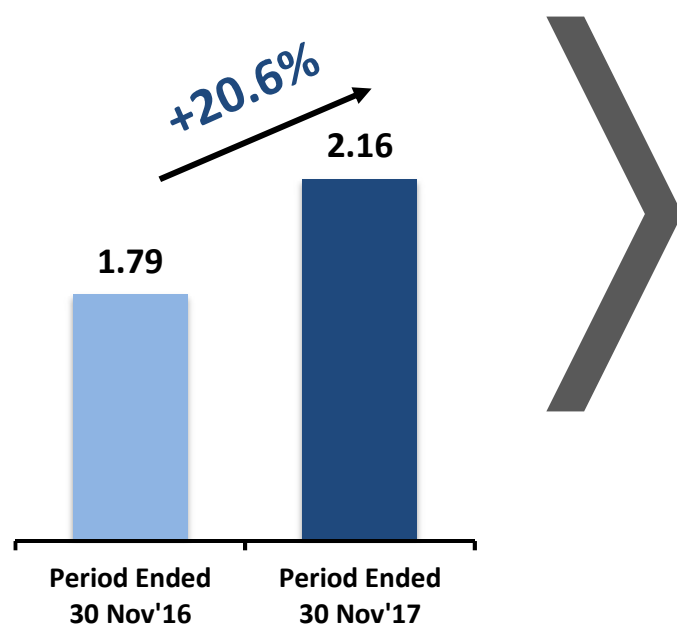


Table 1:

ADJUSTED PROFIT AFTER TAX

(RM mn)	Period Ended 30 Nov'17	Period Ended 30 Nov'16
Profit After Tax	2,156.7	1,788.5
Forex Translation (Gain)/ Loss	(335.6)	231.2
Reinvestment Allowance	(347.2)	(331.5)
Adjusted Profit After Tax	1,473.9	1,688.2

↓ 12.7%

Mainly From

(RM bn)	Period Ended 30 Nov'17
Finance Cost	0.16

FINANCIAL DETAILS

Demand Growth Registered At 1.2%

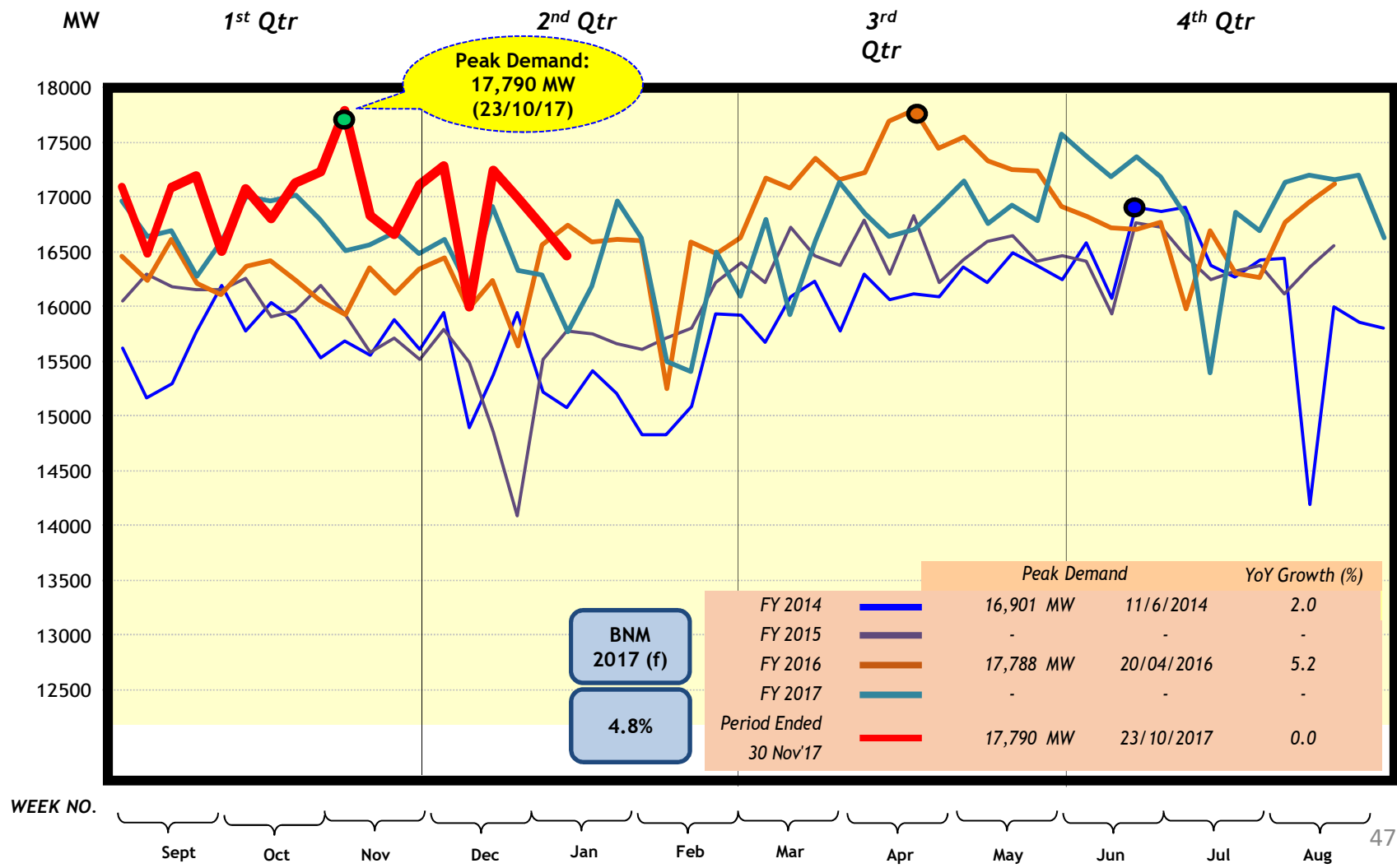
		FY2017					Period Ended 30 Nov'17
<u>UNITS GENERATED</u>		1Q	2Q	3Q	4Q	FY'17	1Q
Total	Gwh	29,865	29,276	30,471	30,901	120,513	30,598
	Growth (%)	2.6	3.1	(5.5)	1.9	0.4	2.5
<u>UNITS SALES</u>		1Q	2Q	3Q	4Q	FY'17	1Q
Industrial	Gwh	10,975	10,966	10,794	11,118	43,853	11,429
	Growth (%)	(1.1)	1.4	1.8	6.9	2.2	4.1
Commercial	Gwh	10,053	9,530	9,649	10,017	39,249	9,852
	Growth (%)	7.3	1.3	(1.6)	(0.5)	1.6	(2.0)
Domestic	Gwh	6,244	5,930	5,980	6,586	24,740	6,283
	Growth (%)	6.1	(0.9)	(10.7)	(2.5)	(2.3)	0.6
Others	Gwh	539	531	530	545	2,145	586
	Growth (%)	9.8	6.6	7.3	11.7	8.8	8.6
Total	Gwh	27,811	26,957	26,953	28,265	109,986	28,150
	Growth (%)	3.6	1.0	(2.3)	2.0	1.0	1.2

FINANCIAL HIGHLIGHTS

Normalised Y-o-Y Demand Growth for FY2018



SYSTEM WEEKLY MAXIMUM DEMAND (PENINSULA)



FINANCIAL DETAILS

6.3% Increase In Operating Expenses

RM mn	Period Ended 30 Nov'17	Period Ended 30 Nov'16	Variance RM mn	Variance %
Capacity Payment	983.3	1,114.8	131.5	11.8
Energy Payment	2,667.1	2,165.5	(501.6)	(23.2)
Total IPPs Purchases/Costs	3,650.4	3,280.3	(370.1)	(11.3)
Fuel Costs	6,027.4 { 2,377.0	5,499.9 { 2,219.6	527.5 { (157.4)	(7.1)
Repair & Maintenance	278.4	455.4	177.0	38.9
Staff Costs	1,063.4	928.1	(135.3)	(14.6)
TNB General Expenses	486.9	612.2	125.3	20.5
Subs. Cost of Sales & Opex	281.5	136.7	(144.8)	(105.9)
Depreciation & Amortisation	1,518.0	1,453.8	(64.2)	(4.4)
Total Operating Expenses	9,655.6	9,086.1	(569.5)	(6.3)

FINANCIAL DETAILS

16.0% Increase in Fuel Costs Mainly due to Higher Coal Price and Coal Consumption



GENERATION MIX PENINSULA

Table 1:

Fuel Costs* (RM mn)				
Fuel Type	Period Ended 30 Nov'17	Period Ended 30 Nov'16	Variance	
			RM mn	%
Gas	1,920.8	1,977.2	(56.4)	(2.9)
LNG	13.4	90.1	(76.7)	(85.1)
Coal	2,655.6	1,856.5	799.1	43.0
Dist.	11.8	12.4	(0.6)	(4.8)
Oil	3.2	33.2	(30.0)	(90.4)
Total	4,604.8	3,969.4	635.4	16.0

Units Generated (Gwh)				
Fuel Type	Period Ended 30 Nov'17	Period Ended 30 Nov'16	Variance	
			Gwh	%
Gas & LNG	11,302.1	12,595.1	(1,293.0)	(10.3)
Coal	17,398.7	16,251.8	1,146.9	7.1
Dist.	5.3	19.7	(14.4)	(73.1)
Oil	5.7	115.3	(109.6)	(95.1)
Hydro	1,886.3	882.8	1,003.5	113.7
Total	30,598.1	29,864.7	733.4	2.5

Table 2:

	Period Ended 30 Nov'17	Period Ended 30 Nov'16	Var (%)
Average Coal Price Consumed (USD/MT) *			
FOB	79.6	56.8	40.1%
Freight	6.7	5.7	17.5%
Others	0.5	0.5	0.0%
CIF	86.8	63.0	37.8%
Average Coal Price Consumed (RM/MT) (CIF)	365.4	264.7	38.0%
Coal Consumption (mn MT)	7.5	7.0	7.1%

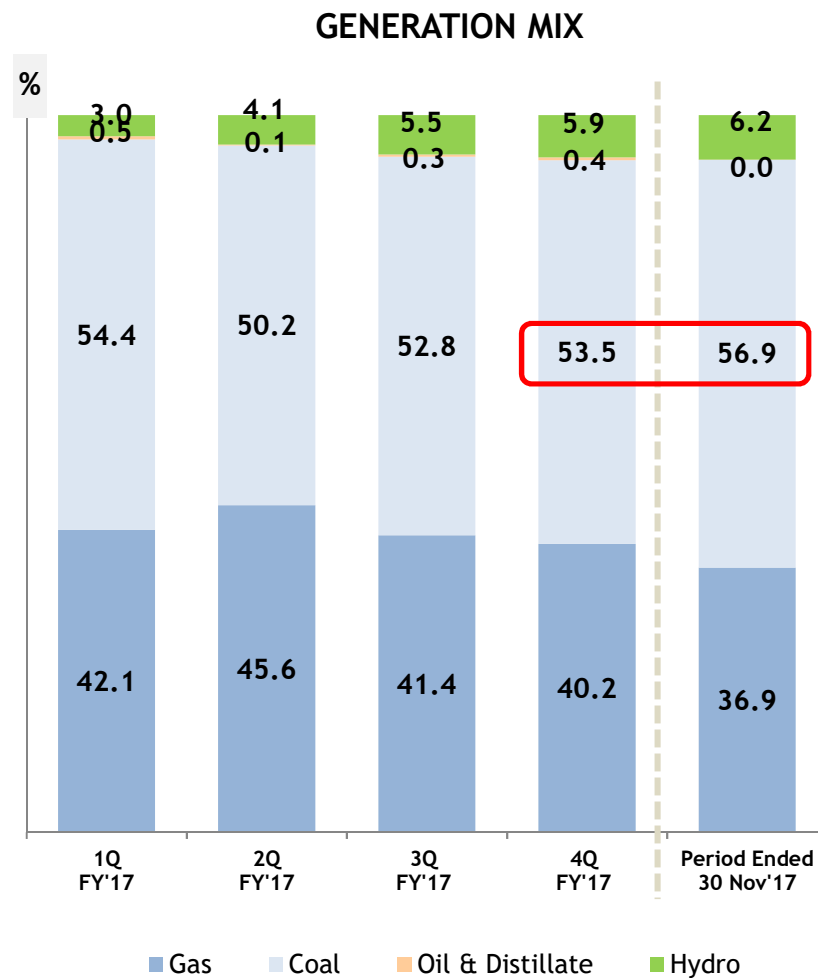
Table 3:

	Period Ended 30 Nov'17	Period Ended 30 Nov'16
Daily Average Gas Volume (mmscfd)	890	1,079
Average LNG Price (RM/mmbtu)	32.04	24.84
Average Piped Gas Price (RM/mmbtu)	22.70	19.70

* Conversion from USD to RM using average MTD, QTD & YTD Forex rate respectively

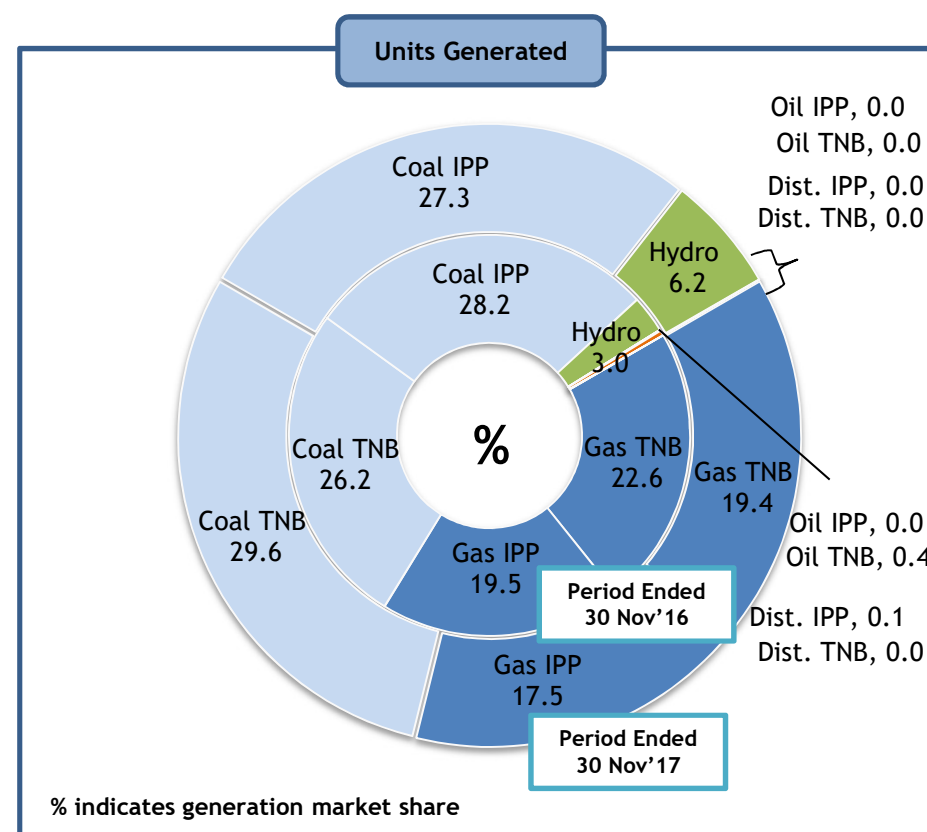
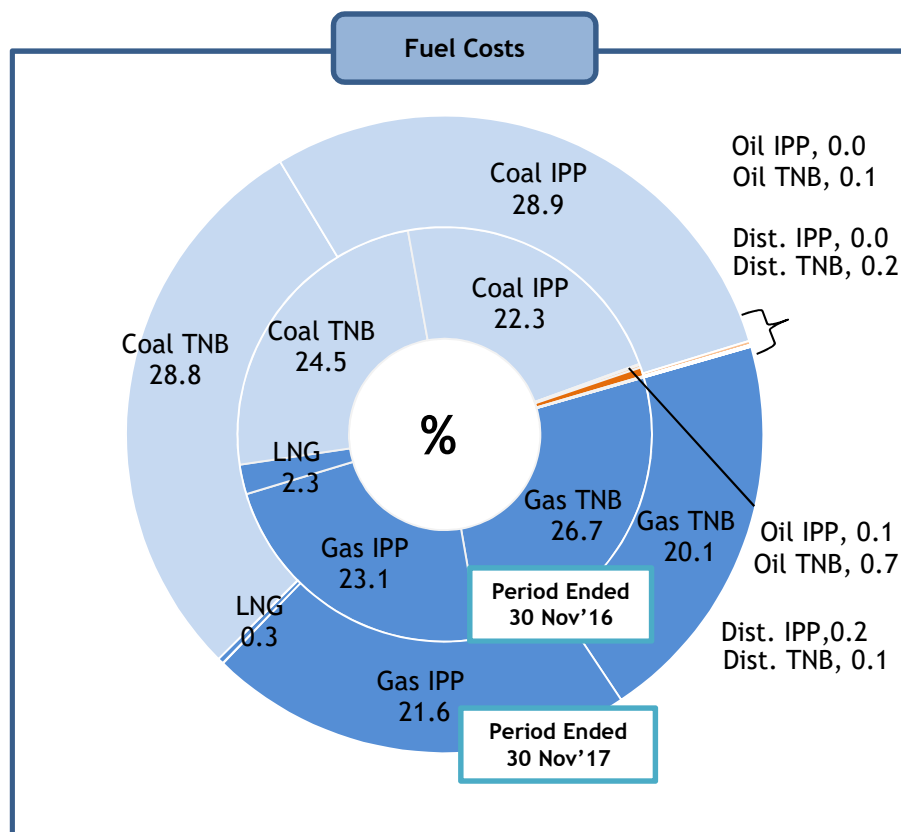
FINANCIAL DETAILS

Higher Coal Generation with the Commissioning of Manjung 5



FINANCIAL DETAILS

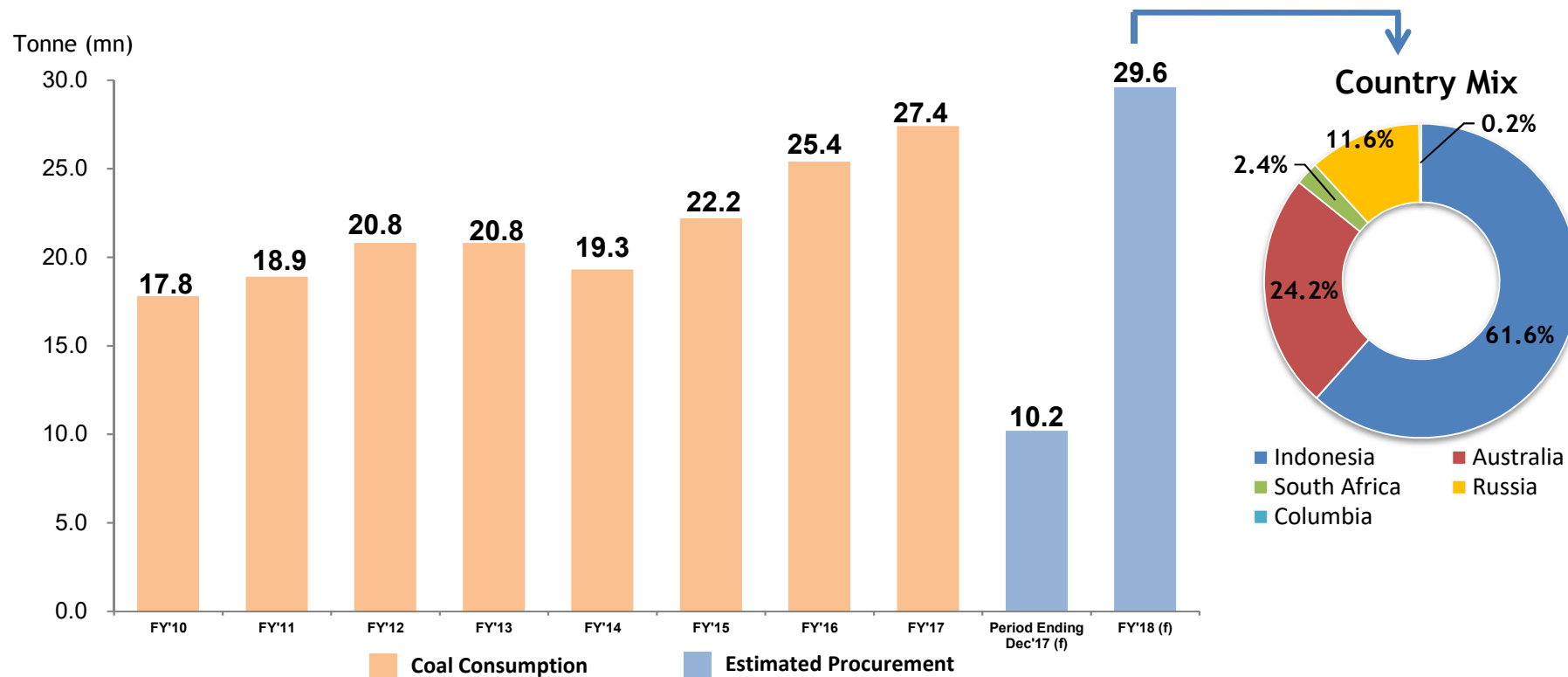
Fuel Costs (TNB & IPPs - Peninsula)



FINANCIAL DETAILS

Coal Requirement

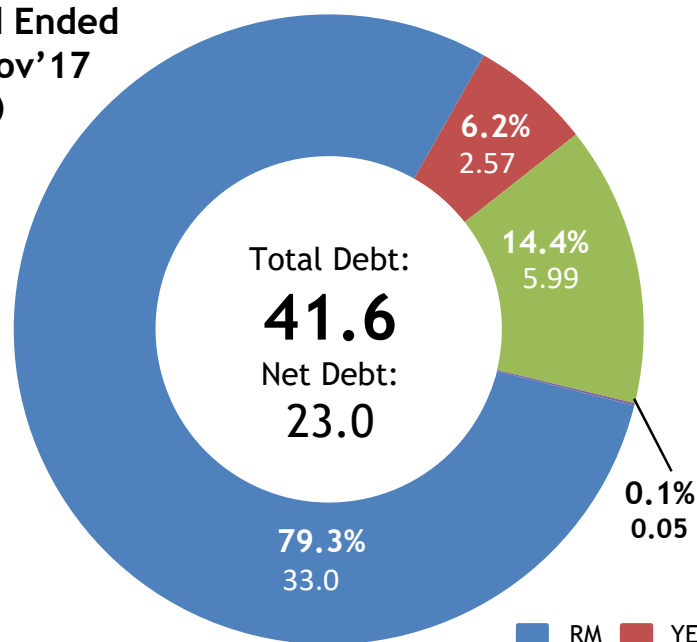
Average Coal Price (CIF)	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16	FY'17	Period Ended 30 Nov'17
USD/metric tonne	88.2	106.9	103.6	83.6	75.4	66.0	55.7	72.7	86.8
RM/metric tonne	293.8	325.9	321.9	259.5	244.6	236.0	231.1	314.7	365.4



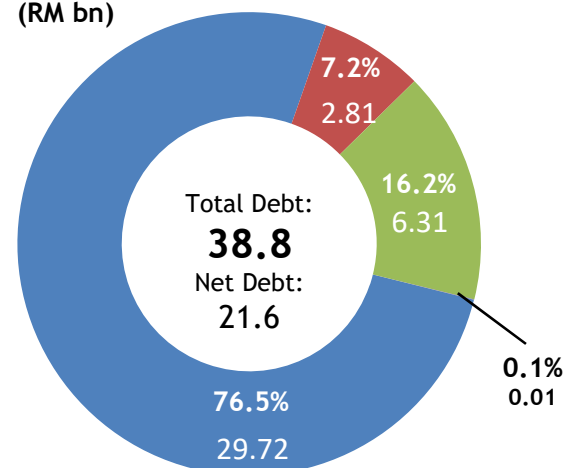
FINANCIAL DETAILS

Gearing Level Increase To Around 41%

Period Ended
30th Nov'17
(RM bn)



31st Aug'17
(RM bn)



■ RM ■ YEN ■ USD ■ Others

Statistics	Period Ended 30 Nov'17	31st Aug'17
Gearing (%)	40.9	40.3
Net Gearing (%)	22.6	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 (%)	4.97	4.90
Final Exposure (%)	4.97	4.90

Closing	Period Ended 30 Nov'17	31 st 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

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THANK YOU