

**PRESS RELEASE**

Tenaga Nasional Berhad (TNB) today announced an operating profit of RM1,278.9 million for the first three months of FY2002 ended 30<sup>th</sup> November 2001, compared to RM 1,120.5 million in the corresponding period of the previous year.

Despite modest economic growth, the period under review recorded an encouraging 5.4% growth in revenue over the previous corresponding period, from RM 3,613.7 million to RM 3,809.8 million. The increase in revenue is driven primarily by higher demand for electricity from the domestic and commercial sectors.

Continuous upgrading of processes and enforcement of tighter cost-control instituted at the operational and support levels are testimonies to the Group's overall improvements. For the first three months of FY2002, net profit after taxation attributable to shareholders totaled RM 759.0 million (EPS of 24.4 sen) compared to RM 678.4 million (EPS of 21.8 sen) from the previous corresponding period, representing an increase of 11.9%.

In addition, the depreciation of mainly Yen has contributed towards RM 261.5 million in foreign exchange gain for the first quarter of FY2002 against the foreign exchange gain of RM 211.3 million made in the previous corresponding period.

Even though the prospects of Malaysian economy are expected to be better, there are still uncertainties. In addition, the direction and extent of volatility of the Japanese currency are unpredictable. As such and barring any unforeseen circumstances, the Board of Directors is cautiously optimistic of the performance of the Group in FY 2002.

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