SIARAN AKHBAR

PRESS RELEASE

TENAGA NASIONAL BERHAD
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NOTE TO EDITOR

Tenaga Nasional Berhad ("TNB") today announced the Group's unaudited financial results for the six months ended 28 February 2003 ("FY2003").

The Group achieved a pre-tax profit level of RM901.8 million in FY2003, an increase of 11.5% as compared to RM809.1 million in the corresponding period of FY2002. This amount is before taking into consideration foreign exchange translation gain/loss.

The Group recorded a total revenue of RM7,993.2 million for the period under review. This represented a 7.2% growth over the corresponding period of FY2002 amounting to RM7,459.3 million. Revenue from sales of electricity contributed to 97% of the Group's total revenue, an increase of 7.5% from RM7,243.1 million in the first six months of FY2002 to RM7,787.2 million in the first half-year of FY2003. Included in the Group's total sales of electricity is sales attributed to TNB's Liberty Power Plant in Pakistan which recorded an increase of 11.0%, surpassing market expectations .

Operating expenses for the first six months of FY2003 amounted to RM6,687.1 million as compared to RM6,159.4 million incurred in the corresponding period in FY2002. The increase of 8.6% in operating expenses for the period under review was mainly due to an increase of 10% in cost of purchase from IPPs. This was attributable to the additional plants commissioned in the second half of FY2002. Currently IPP purchase cost accounts for approximately 39% of total operating costs.

In the first quarter of FY2003 , the Group recorded a foreign exchange translation gain with the weakening of the Yen against the Malaysian Ringgit. However, with relative stability maintained by the Malaysian Ringgit against other currencies over the six month period under review, foreign exchange translation loss for the period was only RM19.2 million, resulting in the Group profit from ordinary activities before taxation ("PBT") for the first six months of FY2003 amounting to RM882.6 million.

With the Malaysian economy continuing to grow and based on the measures taken to improve the operating efficiencies of the Group's business, the Board of Directors, barring any unforeseen circumstances, expects the Group's performance for the financial year to be challenging yet remain satisfactory.

The Board of Directors has recommended a tax-exempt interim dividend of 3 sen per share for the period under review, similar to the dividend approved for the first six months of FY2002.

Issued on 29 April 2003