

SIARAN AKHBAR

PRESS RELEASE

Tenaga Nasional Berhad today announced a pre-tax profit of RM 1,543.4 million for the first half of FY2001 ended 28th February 2001, compared to RM 1,061.7 million in the corresponding period of the previous year.

The continuing economic growth in the period under review has resulted in 8% sales growth driven by increased electricity demand from domestic, industrial and commercial sectors. The group revenue increased by 6.4% from RM 6,631.9 million in the previous corresponding period to RM 7,055.7million.

Net profit after taxation attributable to shareholders registered an increase of RM1,466.4 million (EPS of 47.2 sen), as compared to RM970.2 million (EPS 31.3 sen) in the corresponding period, representing an increase of 51.1%., despite a reduction of sales in the second quarter, which is cyclical in nature.

The ongoing process improvements and tighter cost control measures instituted at the operational and support levels continue to bring overall improvements. The greater use of Ringgit borrowings from the local capital market and commercial banks has resulted in further reduction in costs, as the overall interest rate decreased by 0.3% from 5.9% to 5.6%. In addition, the depreciation of Yen, has contributed RM702.0 million in translation gain on borrowings for the first half of FY2001, against a loss of RM25.0million in the previous corresponding period.

Tenaga expects continuing positive growth in electricity demand in line with the country's sustained economic growth. Barring any unforeseen circumstances, the Board of Directors anticipates the group's performance for the current financial year ending 31st August 2001 to remain satisfactory.

On this favourable note, the Board has declared an interim dividend of 4 sen gross per share (FY2000: 3sen) less income tax 28% in respect of the financial year ending 31st August 2001.