

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 nine months ended 31 May 2003 (“FY2003 YTD”).

The Group achieved a pre-tax profit of RM1,255.5 million in FY2003 YTD, an increase of 21.6% compared with RM1,032.6 million in the corresponding period of FY2002. This amount is before taking into consideration foreign exchange translation loss of RM83.6 million.

The Group recorded total revenue of RM12,126.5 million for the period under review compared with RM11,281.8 million recorded in the corresponding period of FY2002, a growth of 7.5%. In terms of unit sales, the increase in growth recorded for the period under review compared with the corresponding period of FY2002 was higher at 7.9%, with the industrial sector recording a growth of 7.2% , the domestic sector with a growth of 8.5% and the commercial sector recording a growth of 8.7%. The performance of TNB’s Liberty Power Plant, Pakistan for the period under review was also commendable with an increase in electricity sales from RM220.8 million in FY2002 YTD to RM244.0 million in FY2003 YTD, an increase of 10.5% (an increase in unit sales of 22.4%) .

With the commissioning of GB3 and Panglima IPP power plants in the 2nd Quarter and Teknologi Tenaga Perlis Consortium (“TTPC”) in the 3rd Quarter, IPP purchase costs increased by 8.1% and this accounted for approximately 40.2% of total operating costs. Operating expenses inclusive of the IPP purchase cost increased by 5.8% from RM9,641.1 million for the nine months of FY2002 compared with RM10,198.6 million

for FY2003 YTD. However, the increase in operating expenses excluding IPP purchase cost was only 4.3%.

The impact of the weakening US Dollar against most major currencies resulted in the GBP and EURO strengthening against the Malaysian Ringgit. Thus the Group recorded a foreign exchange translation loss of RM83.6 million for FY2003 YTD, resulting in the Group profit from ordinary activities before taxation ("PBT") for the nine months of FY2003 amounting to RM1,171.9 million.

The Group's net profit for FY2003 YTD after providing for a deferred tax provision of RM201.7 million and after taking into account minority interest of RM0.5 million was RM911.2 million compared with RM927.1 million recorded in the corresponding period of FY2002.

It should be noted that net profit for FY2003 YTD excluding foreign exchange translation loss and deferred tax provision, was RM1,196.5 million compared with RM958.3 million recorded in the corresponding period of FY2002; an increase of 24.9%.

With the expectation of sustainable growth in electricity demand in Malaysia and based on the continuous 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 2003 to remain satisfactory.