

PRESS RELEASE

Tenaga Nasional Berhad (TNB) today announced a pre-tax profit of RM 1,476.8 million for its financial year ended 31st August 2002. The continued strong growth in electricity demand in the country, particularly from the commercial and domestic sectors, enabled TNB to post an encouraging 7.0% growth in sales as compared to the previous corresponding period, from RM 14,362.6 million to RM 15,375.1 million.

TNB's net profit after taxation attributable to shareholders for Financial Year 2002 (FY2002) was adversely affected by the overall strengthening of the Japanese Yen during the period under review combined with the increase in fuel costs due to the shortage of gas in the second half of FY2002. TNB posted a foreign exchange loss of RM 92.3 million for FY2002 as compared to foreign exchange gain of RM 785.5 million in the corresponding period of the previous year.

By expediting the completion of TNB's first Janamanjung 700MW coal fired unit, which has come on stream ahead of schedule, TNB's fuel cost burden would be further reduced. At the same time, the government has agreed in principle in the sharing of differential cost when firing alternate fuel.

The Board of Directors has recommended a final gross dividend of 6.0 sen per share (FY 2001: tax exempt dividend of 4.3 sen per share) less income tax of 28.0 %. The total equivalent gross dividend for the year totalled 10.2 sen per share (FY 2001 : equivalent gross dividend of 10 sen per share).

With the Malaysian economy sustaining its growth and based on the measures taken to improve the operating efficiencies of the Group's businesses, the Board of Directors, barring any unforeseen circumstances, expects the results for the next financial year to be satisfactory.

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