



The Board of Directors is pleased to announce the following:

A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 3rd QUARTER ENDED 31 MAY 2017
(Amounts in RM million unless otherwise stated)

	INDIVIDUAL		CUMULATIVE	
	CURRENT YEAR QUARTER ENDED 31.05.17	PRECEDING YEAR QUARTER ENDED 31.05.16	CURRENT YEAR ENDED 31.05.17	PRECEDING YEAR ENDED 31.05.16
Revenue	12,549.2	12,128.7	34,953.1	33,294.8
Operating expenses	(10,038.5)	(9,569.9)	(28,466.2)	(26,816.4)
Other operating income	202.3	188.3	544.8	508.2
Operating profit	2,713.0	2,747.1	7,031.7	6,986.6
Foreign exchange				
- Translation gain/(loss)	191.1	(39.8)	(11.4)	(275.2)
- Transaction gain	20.5	30.1	33.5	24.6
Share of results of joint ventures	6.1	6.3	19.2	19.8
Share of results of associates	(11.4)	19.1	40.7	48.9
Profit before finance cost	2,919.3	2,762.8	7,113.7	6,804.7
Finance income	4.6	28.7	174.2	148.7
Finance cost	(489.3)	(259.7)	(1,158.5)	(758.9)
Profit before taxation and zakat	2,434.6	2,531.8	6,129.4	6,194.5
Taxation and Zakat				
- Company and subsidiaries	(85.9)	(202.5)	(443.0)	(536.3)
- Deferred taxation	(400.0)	(22.1)	(508.8)	(73.8)
Profit for the period	1,948.7	2,307.2	5,177.6	5,584.4
Attributable to:				
- Owners of the Company	1,962.4	2,308.7	5,184.8	5,605.4
- Non-controlling interests	(13.7)	(1.5)	(7.2)	(21.0)
Profit for the period	1,948.7	2,307.2	5,177.6	5,584.4
Earnings per share attributable to the owners of the Company				
	Sen	Sen	Sen	Sen
Basic	34.68	40.91	91.62	99.32
Diluted	34.68	40.79	91.62	99.03

These unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 31 August 2016.

A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 3rd QUARTER ENDED 31 MAY 2017 (CONTINUATION)
(Amounts in RM million unless otherwise stated)

	INDIVIDUAL		CUMULATIVE	
	CURRENT YEAR QUARTER ENDED 31.05.17	PRECEDING YEAR QUARTER ENDED 31.05.16	CURRENT YEAR ENDED 31.05.17	PRECEDING YEAR ENDED 31.05.16
Profit for the period	1,948.7	2,307.2	5,177.6	5,584.4
Other comprehensive (expense)/income				
Items that will not be reclassified subsequently to profit or loss				
Defined benefit plan actuarial (loss)/gain	(105.7)	(212.9)	14.6	(229.0)
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences	(96.7)	119.3	(225.4)	42.5
Fair value of available-for-sale financial assets	(0.9)	-	32.6	-
Total other comprehensive expense for the period	<u>(203.3)</u>	<u>(93.6)</u>	<u>(178.2)</u>	<u>(186.5)</u>
Total comprehensive income for the period	<u>1,745.4</u>	<u>2,213.6</u>	<u>4,999.4</u>	<u>5,397.9</u>
Attributable to:				
- Owners of the Company	1,759.1	2,215.1	5,006.6	5,418.9
- Non-controlling interests	(13.7)	(1.5)	(7.2)	(21.0)
Total comprehensive income for the period	<u>1,745.4</u>	<u>2,213.6</u>	<u>4,999.4</u>	<u>5,397.9</u>

These unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 31 August 2016.





**B. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 MAY 2017**

(Amounts in RM million unless otherwise stated)

	31.05.2017	31.08.2016
NON-CURRENT ASSETS		
Property, plant and equipment	100,037.5	96,512.7
Joint ventures	158.1	138.9
Associates	2,972.3	1,699.3
Goodwill on consolidation	211.0	211.0
Investment in unquoted debt security	346.6	15.4
Tax recoverable	1,693.2	1,693.2
Deferred tax assets	55.3	31.2
Long term receivables	519.8	620.3
Finance lease receivable	13.1	13.6
Prepaid operating leases	5,290.2	5,172.7
Available-for-sale financial assets	71.2	38.6
	<u>111,368.3</u>	<u>106,146.9</u>
CURRENT ASSETS		
Non-current assets held for sale	-	31.6
Inventories	1,013.2	792.3
Receivables, deposits and prepayments	9,075.9	8,276.8
Tax recoverable	187.1	125.0
Finance lease receivable	0.7	0.7
Prepaid operating leases	142.5	150.1
Amounts due from joint ventures	9.5	6.0
Amounts due from associates	315.0	202.4
Financial assets at fair value through profit or loss	11,064.5	13,182.4
Derivative financial instruments	8.8	16.8
Deposits, bank and cash balances	5,058.9	3,971.2
	<u>26,876.1</u>	<u>26,755.3</u>
CURRENT LIABILITIES		
Payables	(10,227.7)	(11,409.1)
Finance lease payables	(668.5)	(661.6)
Derivative financial instruments	(32.4)	(12.9)
Deferred income	(1,141.1)	(1,139.2)
Amounts due to associates	(652.6)	(559.5)
Current tax liabilities	(0.3)	(50.6)
Employee benefits	(762.3)	(762.3)
Short term borrowings	(1,128.2)	(1,488.8)
	<u>(14,613.1)</u>	<u>(16,084.0)</u>
NET CURRENT ASSETS	12,263.0	10,671.3
NON-CURRENT LIABILITIES		
Borrowings	(35,846.6)	(32,817.9)
Consumer deposits	(4,966.4)	(4,551.1)
Finance lease payables	(4,805.3)	(5,287.2)
Deferred income	(1,398.4)	(1,165.6)
Other liabilities	(1,366.2)	(1,366.8)
Deferred tax liabilities	(7,499.0)	(6,961.9)
Employee benefits	(10,936.7)	(11,048.8)
Government development grants	(996.5)	(1,019.2)
	<u>(67,815.1)</u>	<u>(64,218.5)</u>
TOTAL NET ASSETS	<u>55,816.2</u>	<u>52,599.7</u>
EQUITY		
Share capital	11,124.9	5,643.6
Share premium	-	5,382.2
Other reserves	(6,162.9)	(5,967.2)
Retained profits	50,396.1	47,330.0
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>55,358.1</u>	<u>52,388.6</u>
NON-CONTROLLING INTERESTS	458.1	211.1
TOTAL EQUITY	<u>55,816.2</u>	<u>52,599.7</u>

These unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements for the year ended 31 August 2016.



C. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MAY 2017
(Amounts in RM million unless otherwise stated)

	Attributable to owners of the Company					Total Equity
	Share Capital	Share Premium	Other Reserves	Retained Profits	Non Controlling Interest	
At 1 September 2016	5,643.6	5,382.2	(5,967.2)	47,330.0	211.1	52,599.7
Profit for the financial period	-	-	-	5,184.8	(7.2)	5,177.6
Foreign currency translation reserve	-	-	(225.4)	-	-	(225.4)
Fair value of available-for-sale financial assets	-	-	32.6	-	-	32.6
Employee benefit reserve	-	-	14.6	-	-	14.6
Total comprehensive income	-	-	(178.2)	5,184.8	(7.2)	4,999.4
Transaction with owners						
Issuance of share capital						
- Vesting of Long Term Incentive Plan	99.1	-	(185.9)	86.8	-	-
Long Term Incentive Plan	-	-	168.4	-	-	168.4
Dividend paid:						
- Final for FY2016	-	-	-	(1,243.5)	-	(1,243.5)
- Interim for FY2017	-	-	-	(962.0)	-	(962.0)
Capitalisation of debt owing to NCI	-	-	-	-	254.6	254.6
Dividend paid to NCI	-	-	-	-	(0.4)	(0.4)
	99.1	-	(17.5)	(2,118.7)	254.2	(1,782.9)
Transition to no-par value regime on 31 January 2017¹	5,382.2	(5,382.2)	-	-	-	-
At 31 May 2017	11,124.9	-	(6,162.9)	50,396.1	458.1	55,816.2

1. The new Companies Act 2016 ('Act'), which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account become part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM5,382,186,956.74 for purposes as set out in Section 618(3). There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

	Attributable to owners of the Company					Total Equity
	Share Capital	Share Premium	Other Reserves	Retained Profits	Non Controlling Interest	
At 1 September 2015	5,643.6	5,382.2	(5,416.9)	41,599.1	258.9	47,466.9
Profit for the financial period	-	-	-	5,605.4	(21.0)	5,584.4
Foreign currency translation reserve	-	-	42.5	-	-	42.5
Employee benefit reserve	-	-	(229.0)	-	-	(229.0)
Total comprehensive income	-	-	(186.5)	5,605.4	(21.0)	5,397.9
Transaction with owners						
Long Term Incentive Plan	-	-	159.7	-	-	159.7
Dividend paid:						
- Final for FY2015	-	-	-	(1,072.3)	-	(1,072.3)
- Interim for FY2016	-	-	-	(564.3)	-	(564.3)
Gross obligation under put option	-	-	(70.8)	-	-	(70.8)
Dividend paid to NCI	-	-	-	-	(0.2)	(0.2)
	-	-	88.9	(1,636.6)	(0.2)	(1,547.9)
At 31 May 2016	5,643.6	5,382.2	(5,514.5)	45,567.9	237.7	51,316.9

These unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the year ended 31 August 2016.

**D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD
ENDED 31 MAY 2017**

(Amounts in RM million unless otherwise stated)

	FY2017 ended 31.05.17	FY2016 ended 31.05.16
Operating activities		
Cash generated from operations	7,929.7	9,280.5
Retirement benefits paid	(654.5)	(389.0)
Customer contributions received	790.2	845.8
Consumer deposits received	415.3	292.9
Tax paid	(502.5)	(489.3)
Net cash flows generated from operating activities	<u>7,978.2</u>	<u>9,540.9</u>
Investing activities		
Investment in:		
- associates	(1,387.9)	(991.3)
- unquoted debt security	(338.0)	-
Dividend received	25.9	25.4
Interest received	104.4	61.1
Investment in FVTPL:		
- additions	(50,633.6)	(55,995.4)
- disposals	52,877.6	48,687.4
Property, plant and equipment:		
- purchases	(7,747.1)	(7,751.5)
- disposals	11.0	7.0
Disposal of assets held for sale	-	2.9
Net cash flows used in investing activities	<u>(7,087.7)</u>	<u>(15,954.4)</u>
Financing activities		
Bank borrowings:		
- drawdowns	3,858.4	11,052.2
- repayments	(1,136.1)	(2,012.5)
Interest paid	(372.6)	(318.7)
Dividends paid to non-controlling interest	(0.4)	(0.2)
Dividends paid	(2,205.5)	(1,636.6)
Government development grants received	28.5	63.9
Net decrease in debt reserve account	0.8	0.6
Net cash flows generated from financing activities	<u>173.1</u>	<u>7,148.7</u>
Net increase in cash and cash equivalents	1,063.6	735.2
Currency translation differences	24.9	0.6
Cash and cash equivalents at the beginning of the period	<u>3,716.9</u>	<u>2,233.1</u>
Cash and cash equivalents at the end of the period	<u>4,805.4</u>	<u>2,968.9</u>
Deposit, bank and cash balances at end of the period	5,058.9	3,206.5
Debt reserve account ¹	(253.5)	(237.6)
Cash and cash equivalents at the end of the period	<u>4,805.4</u>	<u>2,968.9</u>

1. Debt reserve account relates to deposits placed with licensed financial institution as part of security obligations for bond financing.

These unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the annual audited financial statements for the year ended 31 August 2016.



E. EXPLANATORY NOTES

(Amounts in RM million unless otherwise stated)

1) BASIS OF PREPARATION

These unaudited condensed interim financial statements of the Group have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ('MFRS') 134 'Interim Financial Reporting', International Financial Reporting Standards ('IFRS') 34 'Interim Financial Reporting' and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's audited financial statements for the year ended 31 August 2016.

Within the context of these financial statements, the Group comprises the Company and its subsidiaries and the Group's interest in associates and joint arrangements as at 31 August 2016. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 August 2016.

2) AUDIT QUALIFICATION

The annual audited financial statements for the financial year ended 31 August 2016 were not subject to any qualification.

3) CHANGES IN ACCOUNTING POLICIES

The accounting policies applied are consistent with those adopted for the annual financial statements for the year ended 31 August 2016 except for the adoption of new standards, amendments to standards and Interpretations Committee ('IC') interpretations that are mandatory for the Group for financial year beginning 1 September 2016.

New standards, amendments to standards and IC interpretations that are applicable to the Group effective 1 September 2016

- Amendment to MFRS 11 'Joint Arrangements' ('MFRS 11')
- Amendments to MFRS 116 and MFRS 138; 'Clarification of Acceptable Methods of Depreciation and Amortisation'
- Amendments to MFRS 127 'Separate Financial Statements' ('MFRS 127')
- Amendments to MFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' ('MFRS 5')
- Amendments to MFRS 7 'Financial Instruments: Disclosures' ('MFRS 7')
- Amendment to MFRS 119 'Employee Benefits' ('MFRS 119')
- Amendment to MFRS 134 'Interim Financial Reporting' ('MFRS 134')
- Amendments to MFRS 10, MFRS 12 and MFRS 128; 'Investment Entities: Applying the Consolidation Exception'
- Amendments to MFRS 101 'Presentation of Financial Statements' ('MFRS 101')

The impact of the new accounting standards, amendments to published standards and improvements to the standards on the financial statements of the Group is not material.

4) SEASONAL OR CYCLICAL FACTORS

The businesses of the Group are not subject to material seasonal or cyclical fluctuations.

5) UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME or CASH FLOWS

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the reporting period.

6) MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED

There were no changes in the estimates of the amounts reported in the previous financial year that have a material effect on the results of the current reporting period.



7) DEBT AND EQUITY SECURITIES

Except for those disclosed in Note 22, there were no other material transactions relating to debts and equity securities during the quarter under review.

8) DIVIDENDS

The Board of Directors has not recommended any dividend for the quarter ended 31 May 2017.

A final dividend for Financial Year 2016 was paid on 31 December 2016 totalling RM1,243.5 million.

An interim dividend for Financial Year 2017 was paid on 31 May 2017 totalling RM962.0 million.

9) SEGMENTAL REPORTING

Segmental reporting is not presented as the Group is principally engaged in the generation, transmission, distribution and sales of electricity and the provision of other related services, which are substantially within a single business segment. The Group operates primarily in Malaysia.

10) VALUATION OF PROPERTY, PLANT & EQUIPMENT

The Group does not adopt a revaluation policy on its property, plant and equipment.

11) MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There were no material events subsequent to the end of the reporting period.

12) CHANGES IN THE COMPOSITION OF THE GROUP

As announced in Bursa Malaysia on 12 May 2017, Tenaga Nasional Berhad through its wholly owned subsidiary, TNB International Sdn. Bhd. completed the Proposed Subscription of 500,000 new ordinary shares and 62,336,070 Preferred Equity Certificates ('PEC') representing a 50.0% equity interest in Vortex Solar Investments S.a.r.l. ('Vortex Solar') on a fully diluted basis, for a total cash consideration of GBP86.0 million.

The Group has assessed and recognised Vortex Solar as an associate of the Group.

13) CONTINGENT LIABILITIES

Contingent liabilities of the Group include the following:-

	As at 31 May 2017	As at 31 Aug 2016
Claims by third parties	379.0	414.7
Trade guarantees and performance bonds	15.0	9.0
	<u>394.0</u>	<u>423.7</u>

Claims by third parties include claims by contractors, consumers and former employees. These claims are being addressed and the Directors are of the opinion that their ultimate resolution will not have a material effect on the financial position of the Group.

On 7 December 2016, TNB and the Inland Revenue Board ('IRB') entered into a consent judgment before the Kuala Lumpur High Court to substitute the judicial review proceedings with regard to the notices of additional assessment dated 23 November 2015 ('Notices') by filing an appeal to the Special Commissioners of Income Tax ('SCIT'). The consent judgment also provides that the IRB will not commence any proceedings against the Notices until this matter is determined by the SCIT and by the High Court, if there is a subsequent appeal by either party. On 15 December 2016, TNB has filed notice of appeal against the Notices to the SCIT according to Section 99(1) of the Income Tax Act 1967. Accordingly, TNB has obtained legal advice from a firm of prominent tax solicitors and on this basis, no provision has been made in the financial statements for the contingent liabilities up to the reporting date.



14) CAPITAL COMMITMENTS

	As at 31 May 2017	As at 31 Aug 2016
Property, plant and equipment committed over a 5-year period		
Authorised but not contracted for	18,541.0	24,352.2
Contracted but not provided for in the financial statements	<u>5,459.9</u>	<u>8,934.0</u>
	<u>24,000.9</u>	<u>33,286.2</u>

F. ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B OF THE BURSA MALAYSIA LISTING REQUIREMENTS

15) REVIEW OF PERFORMANCE

- a) Performance of the current period ended 31 May 2017 against the corresponding period ended 31 May 2016:

Revenue increased by 5.0% or RM1,658.3 million from RM33,294.8 million to RM34,953.1 million as compared to the same period last year. This was mainly attributed to the recoverability of the higher generation costs via the effective implementation of government approved Imbalance Cost Pass-Through ('ICPT') mechanism. The ICPT mechanism, a part of the wider regulatory reform called the Incentive Based Regulation ('IBR') allows for TNB to be financially neutral from any variations in generation costs and fuel prices. The over-recoverability of the ICPT recognised during the current period of RM288.8 million is lower as compared to the last corresponding period of RM1,932.5 million.

Profit attributable to the Owners of the Company for the period under review was RM5,184.8 million as compared to RM5,605.4 million recorded in the last corresponding period, a decrease of RM420.6 million or 7.5%. This was mainly due to the increase in finance cost from the recognition of interest in amounts owing to the government and from new borrowings acquired during the current period.

The return for regulated business under the IBR framework that mainly consists of Transmission and Distribution businesses was recorded at RM3,088.3 million for the current period.

- b) Performance of the current third quarter (three months) FY2017 against the corresponding third quarter (three months) FY2016:

Revenue for the quarter increased by RM420.5 million or 3.5% from RM12,128.7 million to RM12,549.2 million as compared to the same quarter last year. The increase in revenue was mainly due to an under-recoverability of ICPT recognised during the current quarter amounting to RM507.1 million as compared to an over-recoverability of RM537.6 million recognised in the corresponding quarter.

Profit attributable to the Owners of the Company for the current quarter was RM1,962.4 million as compared to RM2,308.7 million recorded in the last corresponding quarter, a decrease of RM346.3 million or 15.0%. This was mainly due to the increase in deferred taxation expense from RM22.1 million to RM400.0 million, resulting from higher capitalisation of asset during FY2016 and FY2017 recognised in the current quarter.

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16) MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE PRECEDING QUARTER

Performance of the current quarter (3rd Quarter FY2017) against the preceding quarter (2nd Quarter FY2017):

The Group reported a higher operating profit of RM2,713.0 million as compared to RM1,979.1 million in the preceding quarter, an increase of RM733.9 million due to higher revenue recognised.

Profit attributable to the Owners of the Company also increased from RM1,481.9 million recorded in the preceding quarter to RM1,962.4 million, an increase of RM480.5 million or 32.4%.

17) PROSPECTS

The Board of Directors took note of the observations made by Bank Negara Malaysia ('BNM') and International Monetary Fund ('IMF') in July 2017 that the Malaysian economy is performing better than expected, with an optimistic outlook moving forward. IMF on 24 July 2017 through its World Economic Outlook upgraded the country's gross domestic product ('GDP') growth projection for 2017 to 4.8% from 4.5%. The Board is expecting that the unit electricity demand will grow in line with the projected GDP growth.

Notwithstanding the above, the Board remains cautious on the Group's outlook for the year ending 31 August 2017, given the prospect of volatility in the global commodity and energy prices.

18) PROFIT FROM OPERATIONS

The following items have been charged in arriving at the profit from operations:

	Individual current year quarter ended 31.05.17	Cumulative current year ended 31.05.17
Property, plant and equipment:		
- Depreciation	1,582.4	4,544.6
Allowance for receivables	59.2	505.3
Allowance for inventories	0.4	13.9
Inventories written off	5.9	16.2

Other than the items highlighted above, there were no disposal of quoted investment, profit on sale of properties and impairment of property, plant and equipment during the financial period ended 31 May 2017.

19) VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

This note is not applicable, as the Group did not publish any profit forecast.

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20) TAXATION

Taxation and Zakat for the reporting period comprised the following:-

	Individual		Cumulative	
	current year quarter ended 31.05.17	preceding year quarter ended 31.05.16	current year ended 31.05.17	preceding year ended 31.05.16
Income Tax:				
Current tax and zakat	(85.9)	(202.5)	(443.0)	(536.3)
Deferred tax (net):				
Relating to origination and reversal of temporary differences	(400.0)	(22.1)	(508.8)	(73.8)
Total taxation and zakat	(485.9)	(224.6)	(951.8)	(610.1)

For the reporting period ended 31 May 2017, the Group recorded a 15.5% effective tax rate, which is much lower than the statutory tax rate of 24.0%. The lower effective tax rate is mainly due to the utilisation of reinvestment allowance incentive during the current period.

21) STATUS OF CORPORATE PROPOSALS

There were no material corporate proposals entered into during the reporting period.

22) GROUP BORROWINGS

a) The analysis of Group borrowings classified under short term and long term categories are as follows:

	As at 31 May 2017	As at 31 Aug 2016
Short term - secured	714.7	745.0
- unsecured	413.5	743.8
Sub-total	1,128.2	1,488.8
Long term - secured	23,794.8	20,464.4
- unsecured	12,051.8	12,353.5
Sub-total	35,846.6	32,817.9
Total	36,974.8	34,306.7

b) Currency denominations:

	As at 31 May 2017	As at 31 Aug 2016
Japanese Yen	2,788.4	2,999.3
US Dollar	6,276.4	2,915.7
Others	50.9	54.9
Total Ringgit equivalent of foreign currency borrowings	9,115.7	5,969.9
Ringgit borrowings	27,859.1	28,336.8
Total	36,974.8	34,306.7

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22) GROUP BORROWINGS (CONTINUATION)

- c) Effective average cost of borrowing based on exposure as at 31 May 2017 was 4.67% (2016: 5.09%).
- d) Repayments of long term debts during the reporting period were as follows:
 (i) Foreign currency denominated term loans of RM139.4 million, and
 (ii) Ringgit denominated term loans of RM399.4 million.
- e) Drawdowns of long term debts during the reporting period were as follows:
 (i) Foreign currency denominated term loans of RM3,137.3 million, and
 (ii) Ringgit denominated term loans of RM122.3 million.

23) DERIVATIVE FINANCIAL INSTRUMENTS

Type of Derivatives	As at 31 May 2017	
	Notional Amount	Fair Value
Forward Currency Contracts		
- Less than 1 year	1,184.6	(23.6)
- 1 year to 3 years	-	-
- More than 3 years	-	-
Total	1,184.6	(23.6)

The notional amount and fair value of all forward contracts are disclosed on a net basis. There is no change to the cash requirements of the derivatives, risks associated with the derivatives and policies to mitigate those risks since the last financial year.

24) REALISED AND UNREALISED PROFITS

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:

	31 May 2017	31 Aug 2016
Total retained profits of the Company and its subsidiaries:		
-Realised	52,964.9	49,188.1
-Unrealised	(5,580.8)	(5,067.8)
Total share of retained profits from joint ventures:		
-Realised	46.0	30.2
-Unrealised	28.8	24.7
Total share of retained profits from associates:		
-Realised	284.1	521.9
-Unrealised	50.0	(55.4)
Consolidation adjustments	2,603.1	2,688.3
Total retained profits of the Group	50,396.1	47,330.0

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive by Bursa Malaysia and should not be applied for any other purposes.



25) MATERIAL LITIGATION

There is no pending material litigation other than those announced to Bursa Malaysia since the date of the last audited financial statements.

26) EARNINGS PER SHARE

	Individual		Cumulative	
	current year quarter ended 31.05.17	preceding year quarter ended 31.05.16	current year ended 31.05.17	preceding year ended 31.05.16
Profit attributable to owners of the Company (RM 'million)	1,962.4	2,308.7	5,184.8	5,605.4
Weighted average number of ordinary shares in issue ('000)	<u>5,659,015</u>	<u>5,643,611</u>	<u>5,659,015</u>	<u>5,643,611</u>
Basic earnings per share (sen)	34.68	40.91	91.62	99.32
Profit attributable to owners of the Company (RM 'million)	1,962.4	2,308.7	5,184.8	5,605.4
Weighted average number of ordinary shares in issue ('000)	5,659,015	5,643,611	5,659,015	5,643,611
Adjustments for Long Term Incentive Plan ('000)	-	16,809	-	16,809
Weighted average number of diluted ordinary shares ('000)	<u>5,659,015</u>	<u>5,660,420</u>	<u>5,659,015</u>	<u>5,660,420</u>
Diluted earnings per share (sen)	34.68	40.79	91.62	99.03

27) EXCEPTIONAL ITEMS

There were no exceptional items incurred during the quarter.

By Order of the Board

NORAZNI BINTI MOHD ISA (LS 0009635)

Company Secretary

Kuala Lumpur
27 July 2017

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