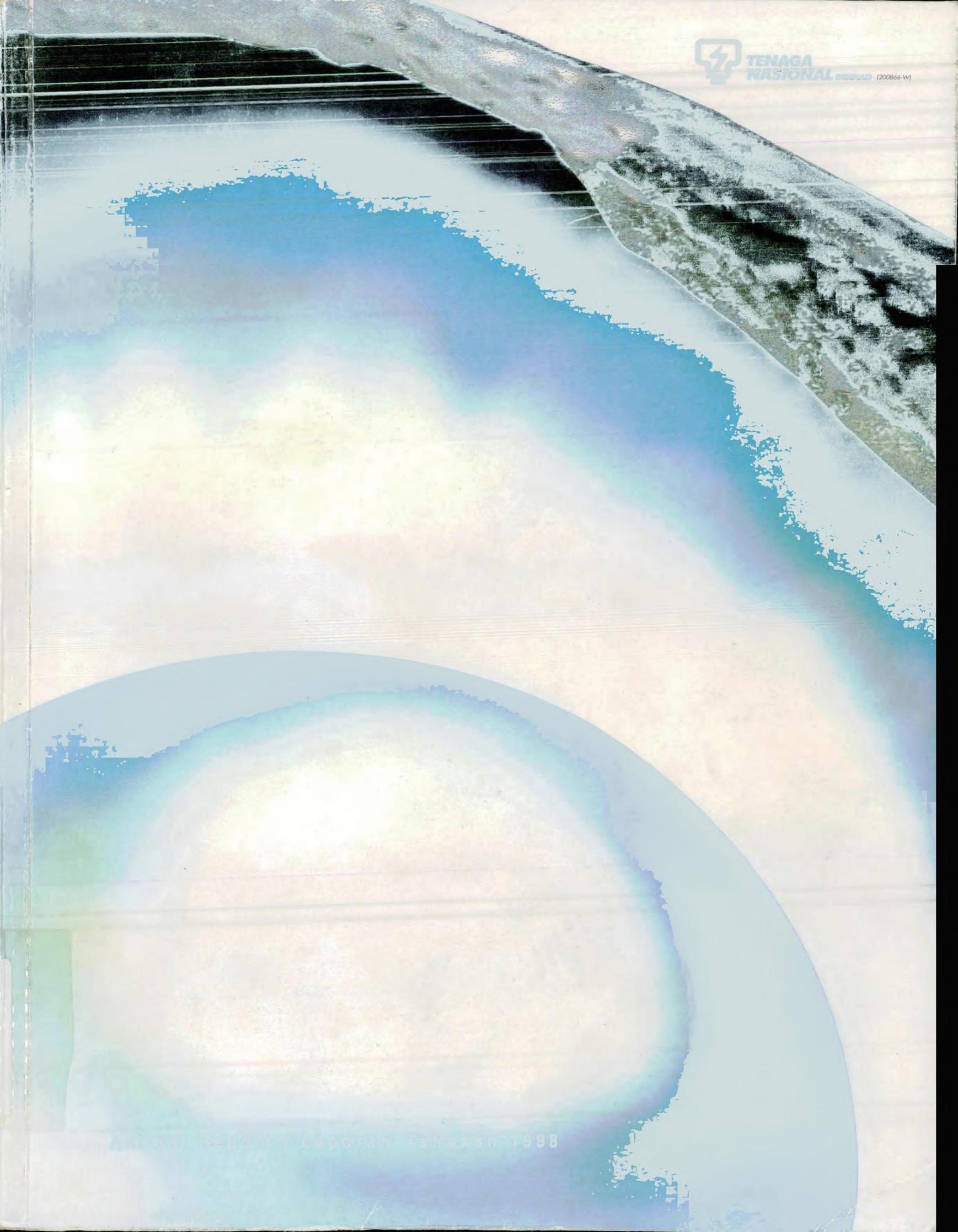




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Annual Report / Laporan Tahunan 1998

**DESIGN RATIONALE
RASIONAL REKABENTUK**

Icon of Excellence

Our annual report cover design features a pearl - a gem with a history more ancient, fascinating, spiritual and regal than any other gem. It speaks of the unique qualities of Tenaga Nasional Berhad, a company whose heritage is what has built Malaysia today.

Indeed, within TNB there is a unique culture which has at its core, a desire to win and an intention to ensure that the service and products we provide are perceived and received by our customers as excellent.

The pearl symbolises this icon of excellence and the precious mission we have while the rock-hard shell speaks of the sturdy belief that in all challenges, we stand firm upon the foundation of the true spirit of 'TNB Boleh' and 'Malaysia Boleh' (Malaysia Can).

It is this precious mission at TNB that will ensure the national, economic and social prosperity of Malaysia today, tomorrow and the new millennium. And the glow that emanates from this pearl reminds us of the pivotal role we play.

Lambang Keunggulan

Rekabentuk kult luar laporan tahunan ini memaparkan sebutir mutiara, batu permata yang mempunyai sejarah paling lama, amat mempesonakan dan lebih tinggi nilainya berbanding dengan permata-permata lain. Ia melahirkan unsur-unsur kualiti yang unik milik Tenaga Nasional Berhad, sebuah syarikat yang warisannya telah membina Malaysia ke mercu kejayaan hari ini.

Sesungguhnya, terdapat suatu budaya yang unik di dalam TNB berteraskan kepada harapan untuk menang dan tekad untuk memastikan supaya perkhidmatan dan produk yang kami sediakan diterima sebagai yang terunggul oleh para pelanggan kami.

Mutiara ini juga melambangkan kecermerlangan dan misi kami yang tidak ternilai manakala tiram berkult keras mencerminkan keyakinan kami yang tatkala menghadapi cabaran, kami mampu berdiri teguh berdasarkan kepada semangat tulen bahawa 'TNB Boleh' dan 'Malaysia Boleh'.

Misi kami yang tidak ternilai inilah yang menjamin kemakmuran ekonomi dan sosial negara Malaysia hari ini, esok dan menjelang aksi baru.

Cahaya yang dipancarkan oleh mutiara ini sentiasa mengingatkan kami mengenai tanggungjawab dan peranan penting kami ini.

Eighth Annual General Meeting

Tuesday 29 December 1998

Dewan Serbaguna

Kompleks Sukan TNB

Jalan Pantai Baru

59200 Kuala Lumpur

9.30 am

Mesyuarat Agung Tahunan Kelapan

Selasa 29 Disember 1998

Dewan Serbaguna

Kompleks Sukan TNB

Jalan Pantai Baru

59200 Kuala Lumpur

9.30 pagi

1998 TNB ANNUAL REPORT ON THE WEB / LAPORAN TAHUNAN TNB 1998 DI LAMAN WEB

This annual report in its entirety has also been published on the worldwide web homepage of Tenaga Nasional Berhad at/

Laporan Tahunan ini dipaparkan secara keseluruhannya pada laman web TNB beraAlamat

<http://www.tnb.com.my>

47993

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PROPERTY OF UNITEN LIBRARY.
 YOU ARE NOT ALLOWED TO REMOVE ANY BOOKS FROM THE
 LIBRARY UNLESS YOU HAVE A LIBRARY CARD.

2 SEP 2000 ✓

47993

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the **EIGHTH ANNUAL GENERAL MEETING** of Tenaga Nasional Berhad will be held at the Dewan Serbaguna, Kompleks Sukan TNB, Jalan Pantai Baru, 59200 Kuala Lumpur on Tuesday, 29 December 1998, at 9.30 am for the following purposes:

1. **RESOLUTION 1** To receive and adopt the Directors' Report and Audited Accounts for the year ended 31 August 1998 and the Auditors' Report thereon.
2. **RESOLUTION 2** To approve the declaration of a first and final dividend of 5 sen per ordinary share (less 28 per cent income tax) for the year ended 31 August 1998.
3. **RESOLUTION 3** To approve the Directors' fees.
4. **RESOLUTION 4** To re-elect as Director, Haji Mokhtar Rudin bin Wan Yusof, who retires in accordance with Article 133 of the Company's Articles of Association and being eligible, offer himself for re-election.
5. **RESOLUTION 5** To re-elect as Director, Haji Mohd Yusof bin Ibrahim, who retires in accordance with Article 133 of the Company's Articles of Association and being eligible, offer himself for re-election.
6. **RESOLUTION 6** To re-elect as Director, Dato' Hari Narayanan a/l Govindasamy, who retires in accordance with Article 135 of the Company's Articles of Association and being eligible, offer himself for re-election.
7. **RESOLUTION 7** To appoint Messrs PricewaterhouseCoopers as Auditors of the Company in place of the retiring Auditors, Messrs Price Waterhouse, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors.
8. **RESOLUTION 8** As Special Business:
To consider and if thought fit, to pass the following resolution:

ORDINARY RESOLUTION

"THAT pursuant to Section 132D of the Companies Act, 1965, full authority is hereby given to the Directors to issue shares in the capital of the Company at any time until the next conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10 per cent of the issued share capital of the Company for the time being, subject to the Companies Act, 1965 and Articles of Association of the Company and approval from the Kuala Lumpur Stock Exchange and other relevant bodies where such approval is necessary."

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

NOTICE OF CLOSURE OF BOOKS

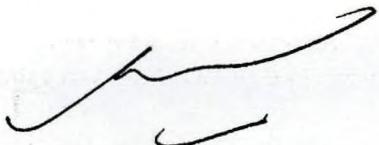
NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed from 31 December 1998 to 3 January 1999 (both dates inclusive) for the purpose of determining shareholders entitlement to the dividend.

Duly completed transfers received by the Company's Share Registrar, Share Registration Section, Tenaga Nasional Berhad, Level 1, Generation Building, 129 Jalan Bangsar, 59200 Kuala Lumpur up to 5.00 pm on 30 December 1998 will be registered before entitlement is determined. If approved by the Members at the Eighth Annual General Meeting, the dividend will be paid on 25 January 1999.

A depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred into the depositor's securities account before 12.30 pm on 30 December 1998 in respect of ordinary transfer;
- (b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

By Order of the Board



Datin Azizah binti Osman

Company Secretary
LS 0014

Kuala Lumpur
9 December 1998

47993

Notes:

(i) Resolution 7

Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is set out on page 128 and marked **Annexure A**, has been received by the Company for the nomination of Messrs PricewaterhouseCoopers, who has given their consent to act as Auditors of the Company.

(ii) Resolution 8

In line with the Company's plans for expansion/diversification, the Company is actively looking into prospective areas so as to broaden the operating base and earnings potential of the Company. As the expansion/diversification may involve the issue of new shares, the Directors, under the present circumstances, would have to convene a general meeting to approve the issue of new shares even though the number involved is less than 10 per cent of the issued share capital of the Company. In order to avoid any delay and cost involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue shares in the Company up to an amount not exceeding in total 10 per cent of the issued share capital of the Company for the time being for such purpose. This authority unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

(iii) Proxy

Any Member entitled to attend and vote at this Meeting is entitled to appoint another person or persons (whether a Member or not) as his proxy, or by a duly authorised representative for the particular case to attend and vote in his stead. A proxy need not be a Member of the Company. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney. The Form of Proxy must be deposited at the Company's Share Registrar, Share Registration Section, Tenaga Nasional Berhad, Level 1, Generation Building, 129 Jalan Bangsar, 59200 Kuala Lumpur, not less than forty eight (48) hours before the time fixed for holding the Meeting or any adjournment thereof.

(iv) Registration of Members/Proxies

Registration of Members/Proxies attending the Meeting will be from 8.00 am to 9.30 am on the day of the Meeting.

NOTIS MESYUARAT AGUNG TAHUNAN

DENGAN INI DIMAKLUMKAN bahawa **MESYUARAT AGUNG TAHUNAN YANG KELAPAN** Tenaga Nasional Berhad akan diadakan di Dewan Serbaguna, Kompleks Sukan TNB, Jalan Pantai Baru, 59200 Kuala Lumpur pada hari Selasa, 29 Disember 1998, jam 9.30 pagi untuk tujuan-tujuan berikut:-

1. **RESOLUSI 1** Menerima dan meluluskan Laporan Pengarah dan Akun Yang Telah Diaudit bagi tahun berakhir 31 Ogos 1998 dan Laporan Juruaudit yang dilampirkan.
2. **RESOLUSI 2** Meluluskan pengisytiharan dividen pertama dan muktamad sebanyak 5 sen sesham biasa (ditolak: 28 peratus culai pendapatan) bagi tahun berakhir 31 Ogos 1998.
3. **RESOLUSI 3** Meluluskan pembayaran elau Pengarah-Pengarah.
4. **RESOLUSI 4** Memilih semula Pengarah, Haji Mokhtar Rudin bin Wan Yusof, yang bersara menurut Artikel 133 Tataurus Syarikat, yang mana layak, menawarkan diri untuk dipilih semula.
5. **RESOLUSI 5** Memilih semula Pengarah, Haji Mohd Yusof bin Ibrahim, yang bersara menurut Artikel 133 Tataurus Syarikat, yang mana layak, menawarkan diri untuk dipilih semula.
6. **RESOLUSI 6** Memilih semula Pengarah, Dato' Hari Narayanan a/l Govindasamy, yang bersara menurut Artikel 135 Tataurus Syarikat, yang mana layak, menawarkan diri untuk dipilih semula.
7. **RESOLUSI 7** Melantik Tetuan PricewaterhouseCoopers sebagai Juruaudit Syarikat bagi menggantikan Juruaudit yang bersara, Tetuan Price Waterhouse untuk memegang jawatan sehingga berakhir Mesyuarat Agung Tahunan yang berikutnya, dengan imbuhan yang akan ditetapkan oleh Pengarah-Pengarah.
8. **RESOLUSI 8** Sebagai Urusan Khas:
Untuk menimbang dan jika difikirkan sesuai, meluluskan resolusi berikut:

RESOLUSI BIASA

"BAHAWA menurut Seksyen 132D Akta Syarikat, 1965, kuasa penuh adalah dengan ini diberi kepada Pengarah-Pengarah untuk menerbitkan saham-saham di dalam modal Syarikat pada bila-bila masa sehingga berakhirnya Mesyuarat Agung Tahunan akan datang dan mengikut terma dan syarat yang ditetapkan dan maksud yang tertentu sebagaimana Pengarah-Pengarah fikirkan mengikut kebijaksanaan mutlak mereka akan diterbitkan menurut Resolusi ini tidak melebihi 10 peratus daripada modal saham terbitan Syarikat untuk sementara waktu ini, tertakluk kepada Akta Syarikat, 1965 dan Tataurus Syarikat dan Kelulusan Bursa Saham Kuala Lumpur dan badan-badan lain yang berkaitan yang mana kelulusan seumpama itu diperlukan".

9. Membincangkan perkara-perkara lain yang mana notis yang sepatutnya telah diberikan menurut Akta Syarikat, 1965.

NOTIS PENUTUPAN BUKU

— DENGAN IHLUWAT bahawa Buku Pindahmilik Saham dan Buku Pendaftaran Ahli-Ahli Syarikat akan ditutup mulai 31 Disember 1998 sehingga 3 Januari 1999 (termasuk kedua-dua tarikh) bagi tujuan menentukan kelayakan ke atas dividen.

Pindahmilik saham yang lengkap dan diterima oleh Pendaftar Saham Syarikat, Seksyen Pendaftaran Saham, Tenaga Nasional Berhad, Aras 1, Bangunan Penjanaan, 129 Jalan Bangsar, 59200 Kuala Lumpur sehingga jam 5.00 petang, 30 Disember 1998 akan didaftarkan sebelum kelayakan dividen ditentukan. Jika diluluskan oleh Ahli-Ahli di dalam Mesyuarat Agung Tahunan Kelapan, dividen akan dibayar pada 25 Januari 1999.

Pendeposit hanya layak untuk menerima dividen bagi:

- (a) Saham yang telah dipindahkan ke akaun sekuriti pendeposit sebelum jam 12.30 tengahari, pada 30 Disember 1998 bagi pindahan biasa;
- (b) Saham yang dibeli di Bursa Saham Kuala Lumpur atas dasar kelayakan menurut Peraturan-Peraturan Bursa Saham Kuala Lumpur.

Dengan Perintah Lembaga Pengarah



Datin Azizah binti Osman

Setiausaha-Syarikat
LS 0014

Kuala Lumpur
9 Disember 1998

Nota:

(i) **Resolusi 7**

Notis Penamaan selaras dengan Seksyen 172(11) Akta Syarikat, 1965, sesalinan yang dilampirkan pada muka surat 123 dan ditandakan sebagai **Lampiran A**, telah diterima oleh Syarikat untuk menamakan Tetuan PricewaterhouseCoopers, yang telah memberi persetujuan mereka untuk dilantik sebagai Juruaudit Syarikat.

(ii) **Resolusi 8**

Selaras dengan rancangan Syarikat bagi mengembangkan/mempelbagaikan perniagaannya, Syarikat pada masa ini sedang giat mengkaji bidang-bidang yang boleh diterokai untuk memperluaskan operasi dan meningkatkan sumber pendapatan Syarikat. Memandangkan pengembangan/mempelbagaian aktiviti-aktiviti mungkin melibatkan penerbitan saham-saham baru, Pengarah-Pengarah dalam keadaan sekarang ini, perlu mengadakan mesyuarat agung untuk meluluskan penerbitan saham-saham baru, walaupun jumlah saham yang terlibat adalah kurang daripada 10 peratus daripada modal terbitan saham Syarikat. Untuk mengelakkan sebarang kelewatan dan kos bagi mengadakan mesyuarat agung bagi meluluskan penerbitan saham-saham baru, adalah wajar sekiranya Pengarah-Pengarah diberi kuasa menerbitkan saham-saham di dalam Syarikat yang tidak melebihi 10 peratus daripada jumlah keseluruhan modal terbitan saham Syarikat. Kuasa yang diberi kepada Pengarah-Pengarah ini, melainkan jika dibatalkan atau diubah di dalam sesuatu mesyuarat agung, akan tamat pada Mesyuarat Agung Tahunan Syarikat yang akan datang.

(iii) **Proksi**

Mana-mana Ahli yang berhak menghadiri dan mengundi di dalam Mesyuarat ini adalah berhak melantik seorang proksi atau proksi-proksi untuk menghadiri dan mengundi bagi pihak dirinya. Seorang proksi tidak semestinya seorang Ahli Syarikat. Barang perlantikan proksi hendaklah dibuat secara bertulis oleh orang yang melantik atau pihak yang berkuasa yang dilantik di bawah surat kuasa wakil atau jika orang yang melantik adalah sebuah perbadanan, sama ada disempurnakan dengan meterai atau dieempurnakan oleh pegawai atau wakil kuasa yang dilantik di bawah surat kuasa wakil. Barang Proksi hendaklah sampai kepada Pendaftar Saham Syarikat, Seksyen Pendaftaran Saham, Tenaga Nasional Berhad, Aras 1, Bangunan Penjanaan, 129 Jalan Bangsar, 59200 Kuala Lumpur tidak lewat dari empat puluh lapan (48) jam sebelum waktu yang ditetapkan untuk mengadakan Mesyuarat atau sebarang penundaan darinya.

(iv) **Pendaftaran Ahli-Ahli/Proksi-Proksi**

Pendaftaran bagi Ahli-Ahli/Proksi-Proksi yang hendak menghadiri Mesyuarat adalah dari jam 8.00 pagi hingga 9.30 pagi, pada hari Mesyuarat diadakan.

To Be The Power Company
Of Choice In Asia Pacific
By The Year 2010.

*Untuk Menjadi Syarikat Tenaga
Elektrik Terpilih Di Asia Pasifik Menjelang Tahun
2010.*

CORPORATE PROFILE

Tenaga Nasional Berhad (TNB) is the largest electricity utility in Malaysia with more than RM39 billion in Group assets and serving over 4.5 million customers throughout the Peninsula.

The company's core activities are in the transmission and distribution of electricity. TNB remains a major player in electricity generation which forms a significant part of the company's diversified range of business activities. To date, through its wholly owned subsidiary, TNB Generation Sdn Bhd, it has the largest generation capacity of over 8,100 MW, accounting for more than 66 per cent of the total power generation in Peninsular Malaysia.

On 26 August 1998, TNB through its wholly-owned subsidiary Sabah Electricity Sdn Bhd (SESB) entered into a privatisation agreement with the government of Malaysia and Sabah Electricity Board to take over the electricity business operations of Sabah Electricity Board in the state of Sabah and the Federal Territory of Labuan.

Currently, TNB has a complete power supply system, including the National Grid, customer service centres, call management centres and administrative offices throughout Peninsular Malaysia as well as a university in Bangi, Selangor.

It is also involved in the manufacture of transformers and high voltage switchgears; the supply of professional consultancy services; repair and maintenance services; freight and insurance coverage; research and development; higher education; property development and project management services; and architectural, civil, electrical and engineering works and services.

MISSION/MISI

We Are Committed To Producing
And Delivering Quality Power
Products And Services Profitably
To Satisfy Our Customers, Employees
And Other Stakeholders.

Kami Berlitzam Untuk Mengeluar Dan
Menyediakan Perkhidmatan Tenaga Elektrik
Yang Berkualiti Secara Menguntungkan
Demi Memenuhi Hasrat Pelanggan,
Anggota Kerja Dan Pihak-Pihak Lain Yang
Berkepentingan.

PROFIL KORPORAT

Tenaga Nasional Berhad (TNB) merupakan sebuah syarikat utiliti elektrik terbesar di Malaysia yang memiliki aset Kumpulan bernilai lebih RM39 ribu juta dan memberi khidmat kepada lebih 4.5 juta pelanggan di seluruh Semenanjung.

Aktiviti teras TNB adalah dalam bidang penghantaran dan pembahagian tenaga elektrik. TNB masih merupakan syarikat utama dalam penjanaan tenaga elektrik di Malaysia menerusi anak syarikat milik penuhnya, TNB Generation Sdn Bhd yang mempunyai keupayaan penjanaan terbesar yang melebihi 8,100 MW, iaitu 66 peratus dari jumlah keupayaan penjanaan bagi seluruh Semenanjung Malaysia.

Pada 26 Ogos 1998, TNB menerusi anak syarikat milik penuhnya Sabah Electricity Sdn Bhd (SESB) telah menandatangani perjanjian penswastaan dengan Kerajaan Malaysia dan Lembaga Letrik Sabah untuk mengambil alih operasi perniagaan pembekalan elektrik di Sabah dan Wilayah Persekutuan Labuan.

Pada masa sekarang, TNB mempunyai sistem pembekalan elektrik yang lengkap termasuk Grid Nasional, pusat-pusat perkhidmatan pelanggan, pusat-pusat pengurusan panggilan, pejabat-pejabat pentadbiran di seluruh Semenanjung Malaysia dan juga mempunyai sebuah universiti di Bangi, Selangor.

Syarikat ini juga turut bergerak dalam pembuatan alatubah dan perkakas suis bervoltan tinggi; menyediakan perkhidmatan perundingan profesional; perkhidmatan pemasakan dan penyenggaraan; perlindungan insurans dan pengangkutan; penyelidikan dan pembangunan; pendidikan tinggi; pembangunan harta tanah dan perkhidmatan pengurusan projek; kerja-kerja dan perkhidmatan senibina, kejuruteraan awam dan elektrik.

FINANCIAL CALENDAR
KALENDAR KEWANGAN

FINANCIAL YEAR 1 SEPTEMBER 1997 TO 31 AUGUST 1998 / TAHUN KEWANGAN 1 SEPTEMBER 1997 HINGGA 31 OGOS 1998

ANNOUNCEMENT OF RESULTS / PENGUMUMAN KEPUTUSAN

Six Months <i>Enam Bulan</i>	Announced On <i>Diumumkan Pada</i>	15 May 1998 <i>15 Mei 1998</i>
Full Year <i>Tahun Sepenuhnya</i>	Announced On <i>Diumumkan Pada</i>	10 November 1998 <i>10 November 1998</i>

DIVIDEND / DIVIDEN

First and Final <i>Pertama dan Muktamad</i>	Announced On <i>Diumumkan Pada</i>	10 November 1998 <i>10 November 1998</i>
	Entitlement Date <i>Tarikh Kelayakan</i>	30 December 1998 <i>30 Disember 1998</i>
First and Final Dividend (Gross) <i>Dividen Pertama dan Muktamad (Kasar)</i>		5 sen <i>5 sen</i>
	Payable On <i>Akaun Dibayar Pada</i>	25 January 1999 <i>25 Januari 1999</i>

**ISSUE OF 1998 ANNUAL REPORT
PENGELUARAN LAPORAN TAHUNAN 1998**

9 December 1998
9 Disember 1998

**EIGHTH ANNUAL GENERAL MEETING
MESYUARAT AGUNG TAHUNAN KELAPAN**

29 December 1998
29 Disember 1998

**CLOSURE OF SHARE REGISTER
PENUTUPAN BUKU DAFTAR SAHAM**

31 December 1998
31 Disember 1998

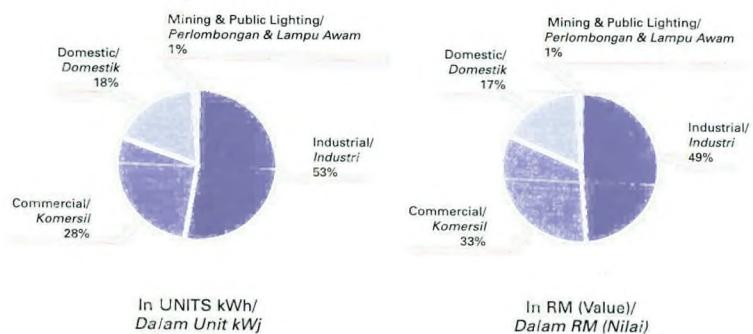
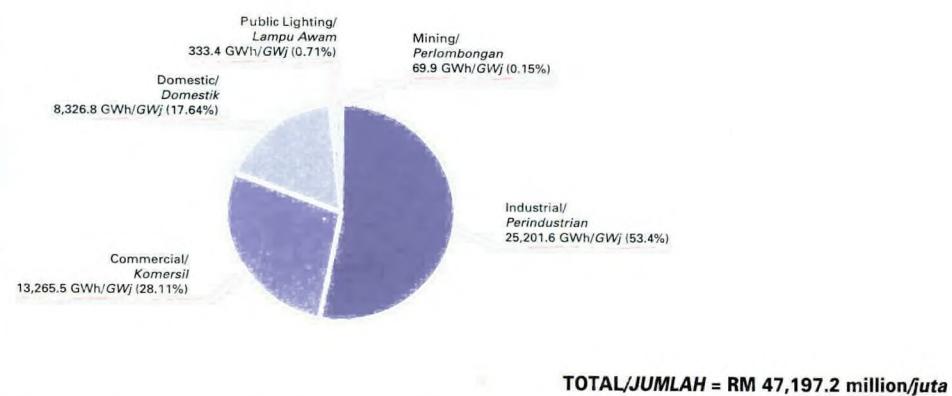
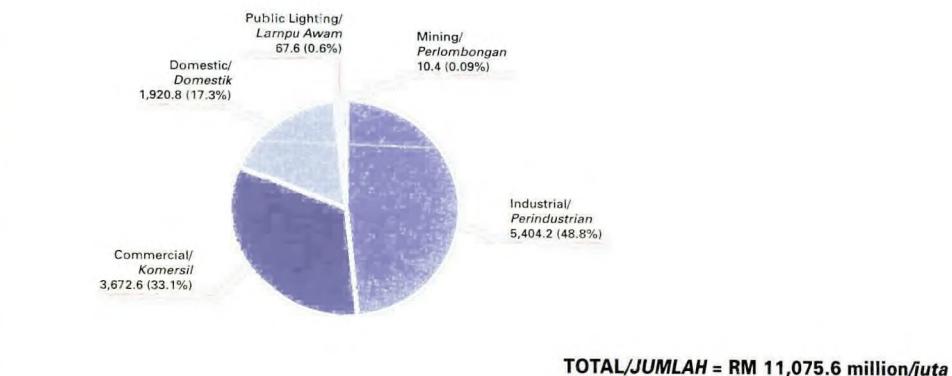
PERFORMANCE HIGHLIGHTS
SOROTAN PRESTASI

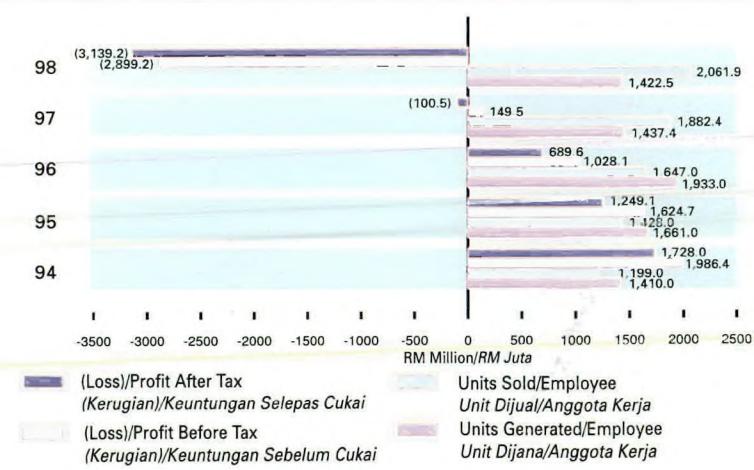
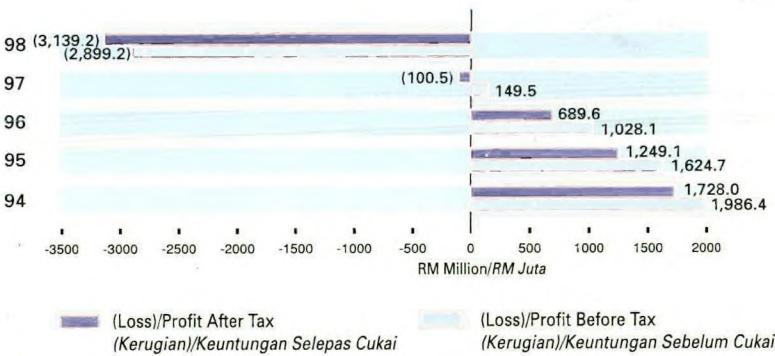
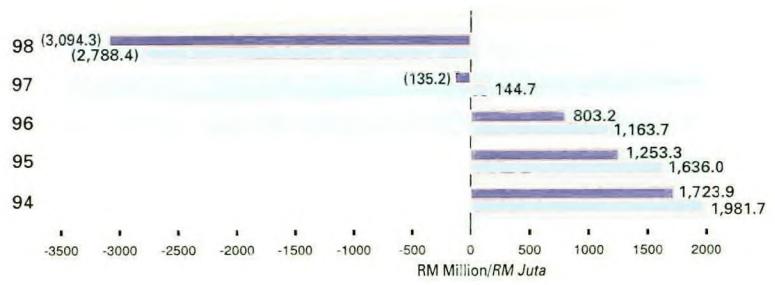
	1998	1997	1996	1995	1994
FINANCE / KEWANGAN (Group / Kumpulan ~ million Ringgit / juta Ringgit)					
Total Turnover <i>Jumlah Perolehan</i>					
11,439.4	10,014.3	8,145.5	6,555.3	5,639.4	
(Loss)/ Profit Before Tax <i>Kerugian)/ Keuntungan Sebelum Cukai</i>	(2,788.4)	144.7	1,162.7	1,636.0	1,981.7
Taxation <i>Cukai</i>	305.9	279.9	360.5	392.7	257.8
Fixed Assets <i>Aset Tetap</i>	39,188.4	24,148.8	23,166.9	23,097.1	20,320.0
GENERATION / PENJANAAN					
TNB Capacity Of Installation (MW)* <i>Keupayaan Terpasang (MW)* TNB</i>	8,128.9	7,573	7,621	7,475	7,319
SALES OF ELECTRICITY / JUALAN ELEKTRIK					
Total Units Sold (GWh) <i>Jumlah Unit Dijual (GW)</i>	47,197.3	43,747.1	38,033.9	28,657.4	29,182.8
Revenue From Sales (million Ringgit) <i>Hasil Jualan (juta Ringgit)</i>	11,075.6	9,699.9	7,885.9	6,622.7	5,403.1
CUSTOMERS / PELANGGAN					
Total Number Of Customers <i>Bilangan Pelanggan</i>	4,583,305	4,337,617	4,196,455	3,995,445	3,748,750
EMPLOYEES (GROUP) / ANGGOTA KERJA (KUMPULAN)					
Total Number Of Employees <i>Bilangan Anggota Kerja</i>	22,890	23,240	23,026	23,565	24,281
SHAREHOLDERS / PEMEGANG SAHAM					
Total Number Of Bumiputera Shareholders <i>Bilangan Pemegang Saham Bumiputera</i>	15,242	12,556	20,129	26,580	27,765
Total Number Of Non-Bumiputera Shareholders <i>Bilangan Pemegang Saham Bukan Bumiputera</i>	39,589	30,165	44,673	51,527	51,243
Total Number Of Institutional Shareholders <i>Bilangan Pemegang Saham Institusi</i>	1,010	857	774	872	884
Total Number Of Foreign Shareholders <i>Bilangan Pemegang Saham Asing</i>	966	929	556	351	274
Total Number Of Government Agency Shareholders <i>Bilangan Pemegang Saham Agensi Kerajaan</i>	47	38	45	45	40
Total Number Of Nominee Company Shareholders <i>Bilangan Pemegang Saham Syarikat Nominée</i>	5,289	6,513	133	179	173

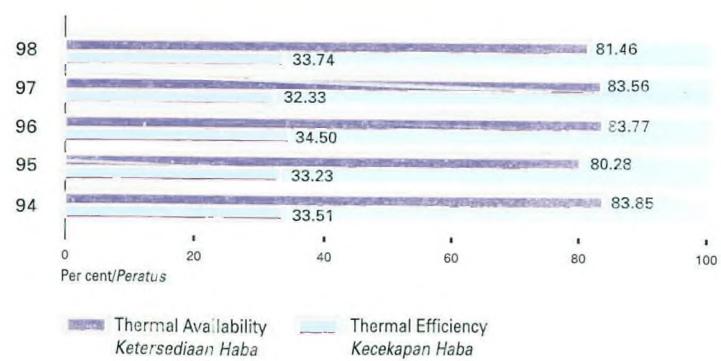
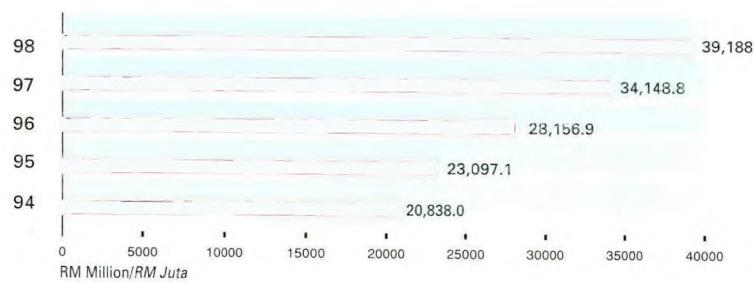
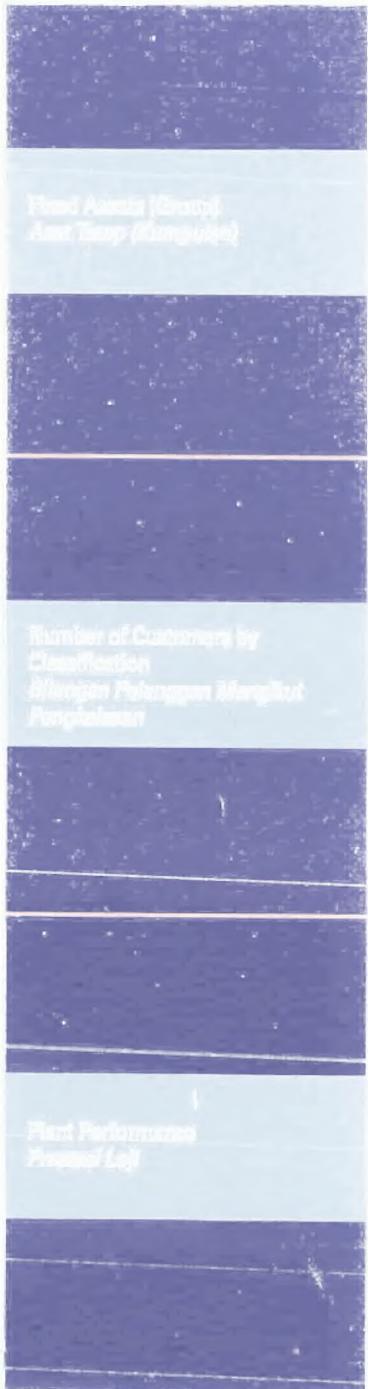
*Note/Nota
National Grid/Grid Nasional

CORPORATE PERFORMANCE CHARTS

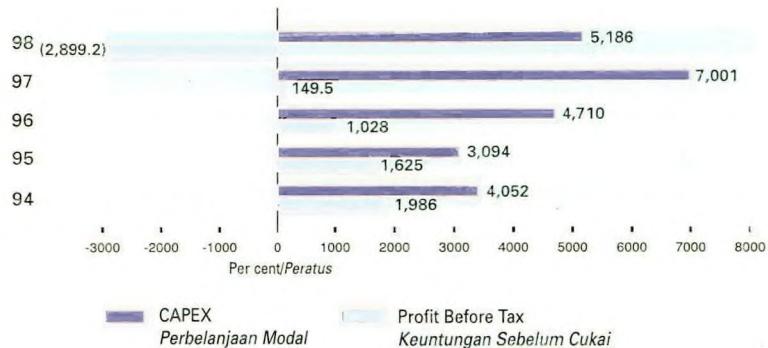
CARTA PRESTASI KORPORAT



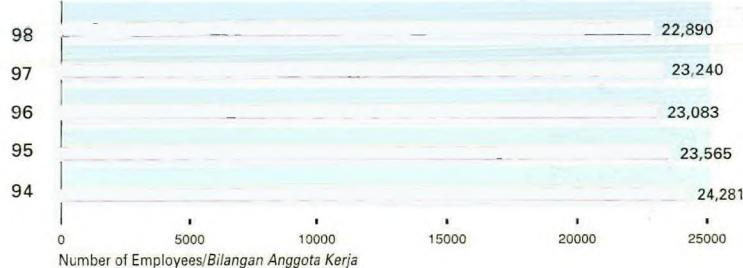




(Loss)/Profit Before Tax Vs Capex
(Company)
Keuntungan/Kerugian Sebelum Cukai
Dibanding Dengan
Perbelanjaan Modal (Sekarang)

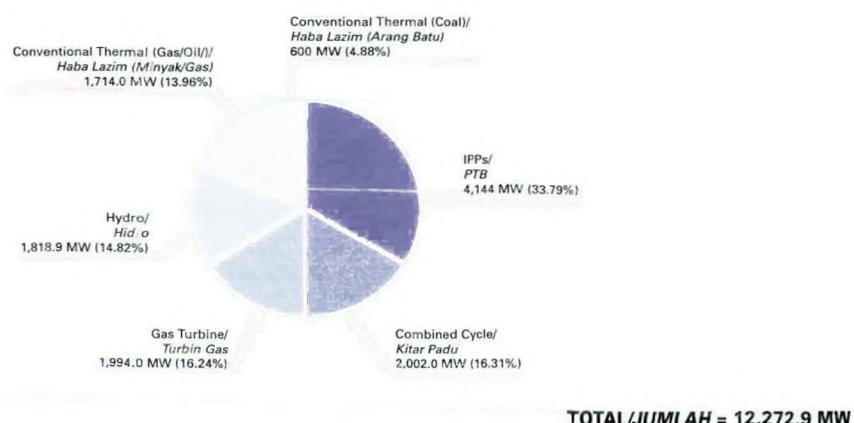
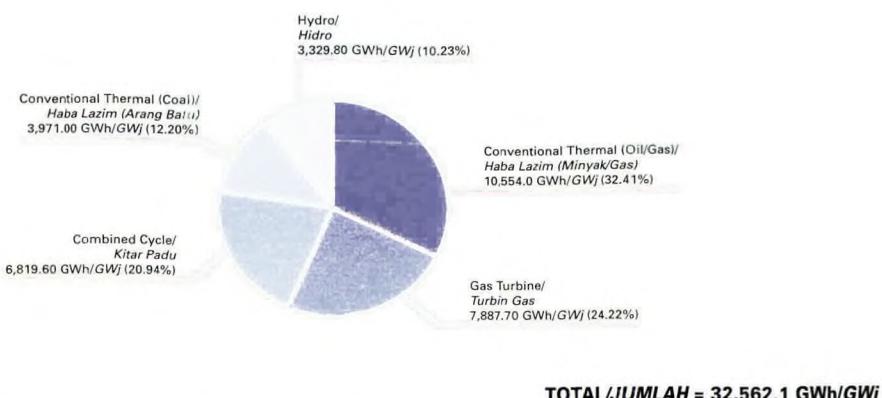
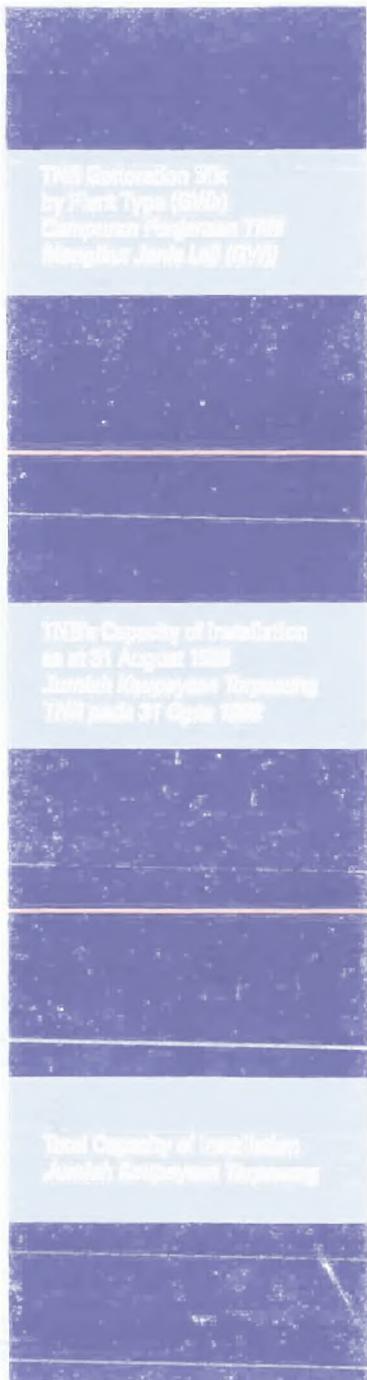


Number of Employees (Group)
Bilangan Anggota Kerja (Kumpulan)



Number of Breakdowns (Yearly)
Bilangan Kerosakan (Tahunan)

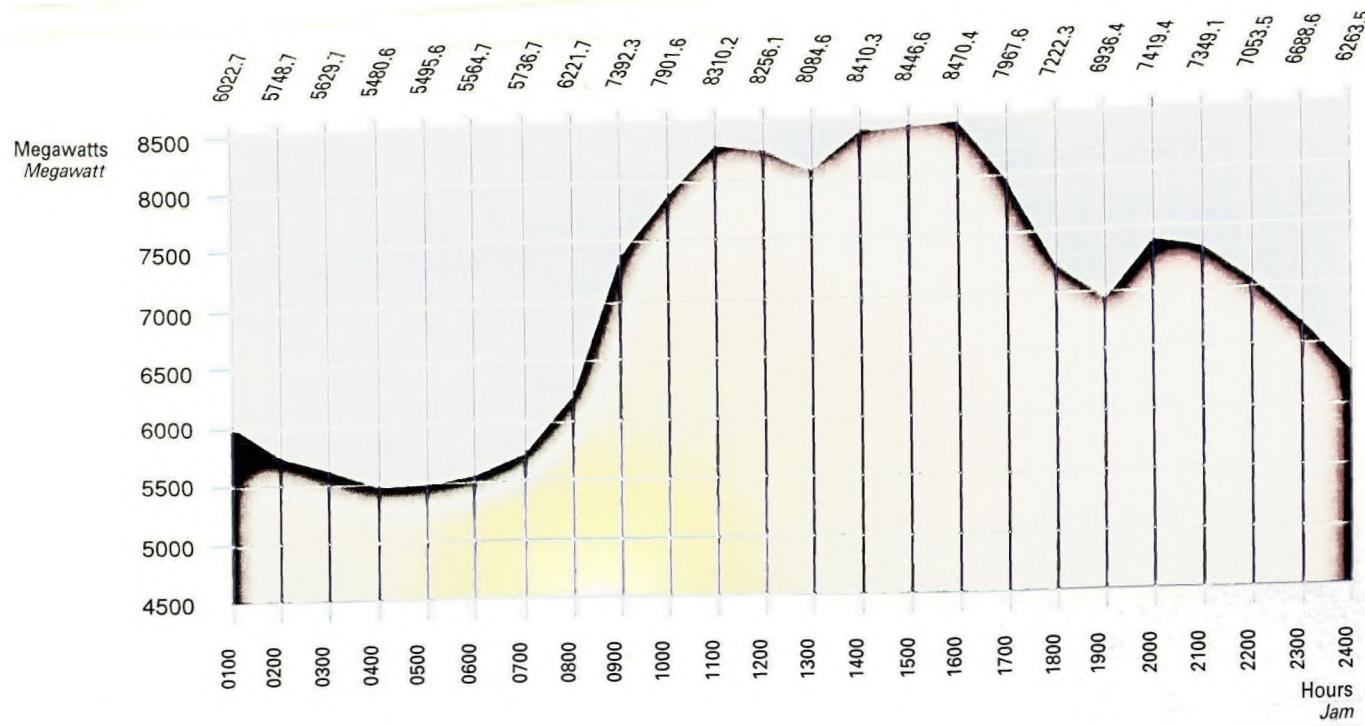




Note/Nota:

National Grid/Grid Nasional

DAILY LOAD CURVE ON 27 MAY 1998
KELUK BEBAN HARIAN PADA 27 MEI 1998



TENAGA NASIONAL BERHAD GENERATION PLANT-UP PROGRAMMES 1998-2000
PROGRAM PEMASANGAN LOJI JANA ELEKTRIK TENAGA NASIONAL BERHAD 1998-2000

STATION / PROJECT <i>STESEN / PROJEK</i>	TYPE <i>JENIS</i>	CAPACITY <i>KEUPAYAAN</i>	COMPLETION DATE <i>TARIKH SIAP</i>
Paka CC Conversion	Combined Cycle/Kitar Padu	1 x 95 MW	April/April 1998
Pergau - Unit 1	Hydro/Hidro	1 x 150 MW	August/Ogos 1997
Pergau - Unit 2	Hydro/Hidro	1 x 150 MW	August/Ogos 1997
Pergau - Unit 3	Hydro/Hidro	1 x 150 MW	August/Ogos 1997
Pergau - Unit 4	Hydro/Hidro	1 x 150 MW	August/Ogos 1997
Melaka CC Conversion	Combined Cycle/Kitar Padu	1 x 110 MW	January/Januari 1998
Sungai Piah Hilir I	Hydro/Hidro	1 x 27.5 MW	December/Disember 1998
Sungai Piah Hilir II	Hydro/Hidro	1 x 27.5 MW	December/Disember 1998
Kapar - Phase/Fasa 3 - Unit 1	Steam Turbine/Turbin Stim	1 x 500 MW	December/Disember 1998
Kapar - Phase/Fasa 3 - Unit 2	Steam Turbine/Turbin Stim	1 x 500 MW	April/April 1999
Chenderoh Rehabilitation	Hydro/Hidro	3 x 10 MW	July/Julai 2000

SELANGOR / FEDERAL TERRITORY SELANGOR / WILAYAH PERSEKUTUAN

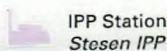


Legend/Petunjuk

Transmission Line / Talian Penghantaran

- 500 kv O/H (Proposed / Cadangan)
- 275 kv O/H
- 132 kv O/H
- 132 kv C/B
- 66 kv O/H

Power Station / Stesen Janaelektrik



IPP Station
Stesen IPP

TNB Generation Sdn. Bhd.
Power Station In Peninsular Malaysia/
TNB Generation Sdn. Bhd.
Stesen Janaelektrik di Semenanjung Malaysia

 Thermal Station
Stesen Haba

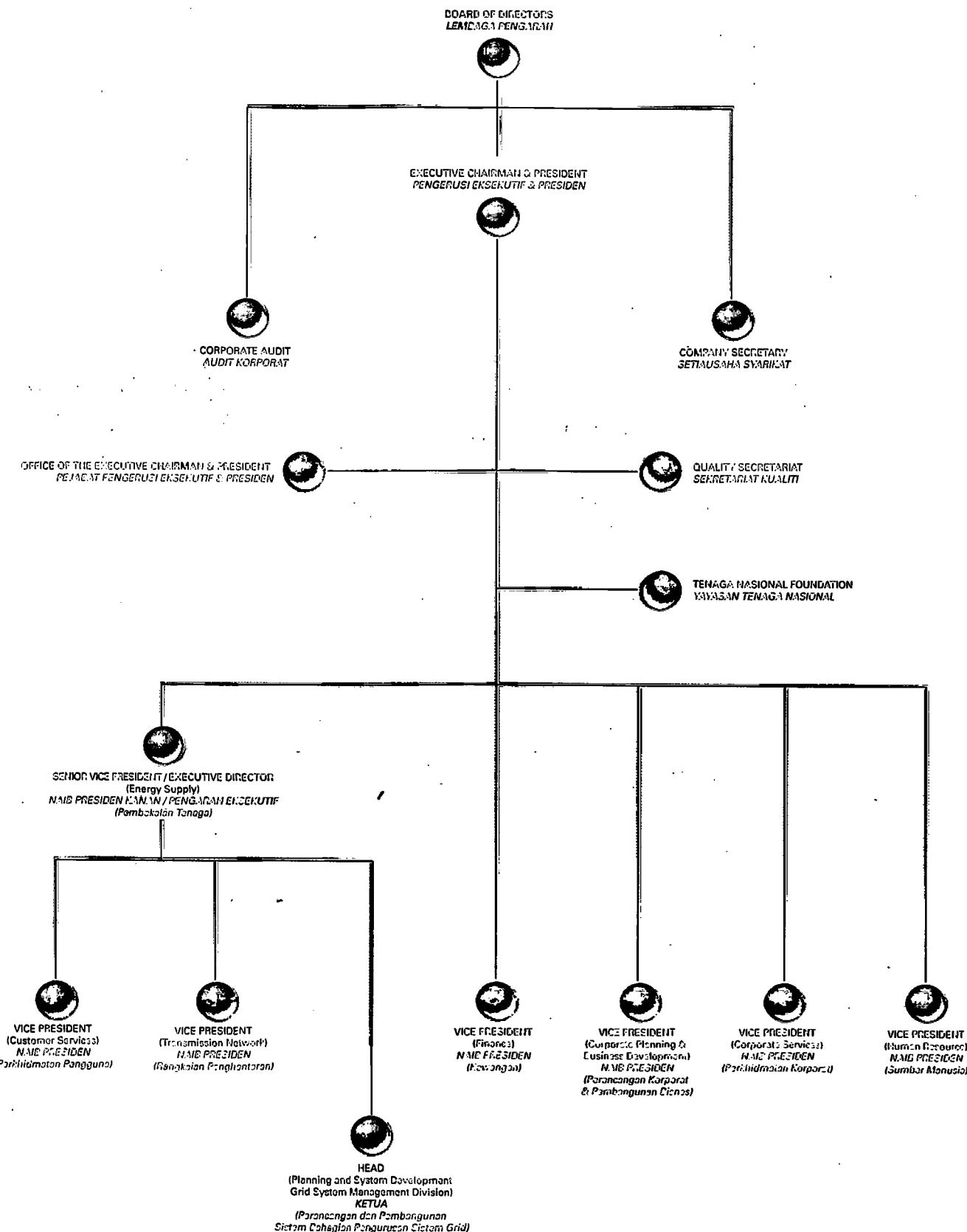
 Hydro Station
Stesen Hidro

Note /Nota:

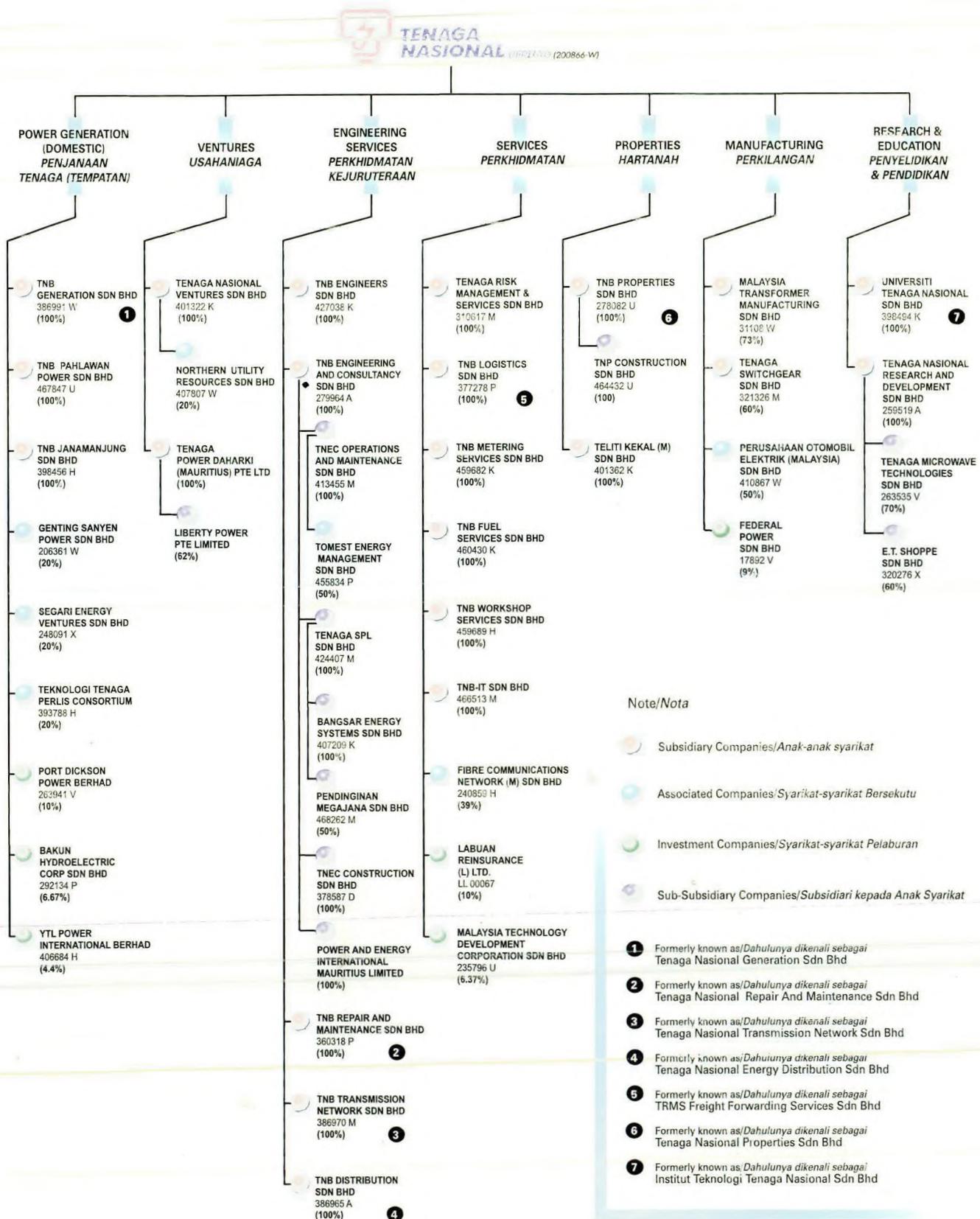
- MW - Megawatt/Megawatt
- GT - Gas Turbine/Turbin Gas
- CC - Combine Cycle/Kitar Padu
- Conv - Conventional Thermal Excluding Rehab /
Haba Lazim Tidak Termasuk Pemulihan Semula

COMPANY ORGANISATIONAL STRUCTURE AS AT 9 NOVEMBER 1998

STRUKTUR ORGANISASI SYARIKAT PADA 9 NOVEMBER 1998



GROUP STRUCTURE AS AT 1 SEPTEMBER 1998
STRUKTUR KUMPULAN PADA 1 SEPTEMBER 1998



CORPORATE INFORMATION
MAKLUMAT KORPORAT

REGISTERED OFFICE / PEJABAT BERDAFTAR

Tenaga Nasional Berhad	Telephone/Telefon	603-2325566
129 Jalan Bangsar	Faximile/Faksimili	603-2333686
59200 Kuala Lumpur, Malaysia	URL Address/Alamat URL	http://www.tnb.com.my
	E mail/E Mail	azizah@tnb.com.my fadilahe@tnb.com.my

SHARE REGISTRAR / PENDAFTAR SAHAM

Share Registration Section	Telephone/Telefon	603-2325566
Tenaga Nasional Berhad	Faximile/Faksimili	603-2335494/2340327
Level 1, Generation Building		
129 Jalan Bangsar		
59200 Kuala Lumpur, Malaysia		

PRINCIPAL BANKERS / BANK-BANK UTAMA

Bank Bumiputra Malaysia Berhad
Menara Bumiputra, Jalan Melaka
50100 Kuala Lumpur

Malayan Banking Berhad
Menara Maybank, 100 Jalan Tun Perak
50050 Kuala Lumpur

AUDITORS / JURUAUDIT

Price Waterhouse
Tingkat 11
Wisma Simé Darby
Jalan Raja Laut
50706 Kuala Lumpur

STOCK EXCHANGE LISTING / PENYENARAIAN DI BURSA SAHAM

Main Board, Kuala Lumpur Stock Exchange/Pasaran Utama, Bursa Saham Kuala Lumpur



TENAGA NASIONAL BERHAD
SWARI SURIA KOMANWEL
PENGERAK KEMAJUAN NEGARA

BOARD OF DIRECTORS
LEMBAGA PENGARAH



seated /duduk :

Datuk Dr Ahmad Tajuddin Ali - Chairman & President /Pengerusi & Presiden

standing from left to right /berdiri dari kiri ke kanan :

Dato' Lau Yin Pin @ Lau Yen Beng

Tan Sri Dato' Chan Choong Tak @ Chan Choong Tack

Dato' Fuad bin Jaafar

Datin Azizah binti Osman - Company Secretary/Setiausaha Syarikat

Dato' Dr Abdul Aziz bin Mohd. Yaacob

Dato' Zainun Aishah binti Ahmad

Husniarti binti Tamin (Alternate Director/Pengarah Pengganti)

Dato' Hari Narayanan a/l Govindasamy

Haji Mohd. Yusof bin Ibrahim

Haji Mokatar Rudin bin Wan Yusof

Dato' Megat Abdul Rahman bin Megat Ahmad

(not in the picture/tiada dalam gambar) :

Dato' Nuraizah binti Abdul Hamid

Hajjah Kamariah binti Hussein (Alternate Director/Pengarah Pengganti)

P R O F I L E O F D I R E C T O R S PROFIL PENGARAH-PENGARAH

The Board of Directors of Tenaga Nasional Berhad (TNB) determine the corporate direction of the Company's business and affairs. There are 11 Directors and two Alternate Directors in the Company. Five members of the Board are appointed by the Minister of Finance Incorporated and six are elected by Shareholders. Of the 11, two are from within the Company, one each from the Ministry of Finance, the Ministry of Energy, Communications and Multimedia, and the Malaysian Industrial Development Authority (MIDA) while the rest are individuals with vast experience in business, finance and corporate affairs, elected from the community.

Lembaga Pengarah Tenaga Nasional Berhad (TNB) bertanggungjawab untuk menentukan haluan pengurusan dan hal ehwal korporat Syarikat. Daripada 11 orang Pengarah dan dua orang Pengarah Pengganti Syarikat, lima orang dilantik oleh Menteri Kewangan Diperbadankan dan enam orang dipilih oleh para Pemegang Saham. Dua orang daripada 11 ahli Lembaga Pengarah mewakili Syarikat, setiap seorang dari Kementerian Kewangan, Kementerian Tenaga, Komunikasi dan Multimedia dan Lembaga Kemajuan Perindustrian Malaysia (MIDA) manakala yang lainnya adalah individu-individu yang berpengalaman luas dalam bidang perniagaan, kewangan dan hal ehwal korporat yang dipilih dari kalangan masyarakat.

Datuk Dr Ahmad Tajuddin Ali

Datuk Dr Ahmad Tajuddin Ali was appointed as Executive Chairman of TNB on 1 September 1996. Prior to his appointment, he was the Director-General of the Standards and Industrial Research Institute of Malaysia (SIRIM). Upon completion of his secondary education at the Malay College Kuala Kangsar, he left to pursue tertiary education at the Brighton Technical College in the United Kingdom under the sponsorship of the National Electricity Board (NEB). In 1973 he graduated with First Class Honours in Mechanical Engineering (B Sc Eng) from King's College, University of London. Datuk Dr Ahmad Tajuddin holds a Ph D in Nuclear Engineering from Queen Mary College, University of London (1977). Datuk Dr Ahmad Tajuddin is a Fellow of the Institute of Engineers, Malaysia, and a Registered Professional Engineer with the Board of Engineers, Malaysia. He is widely involved in local and international research in various areas concerning nuclear and atomic energy, most notably during his involvement with the International Atomic Energy Agency. He has also produced numerous reports and articles on energy supply and nuclear technology.

Datuk Dr Ahmad Tajuddin Ali dilantik sebagai Pengurus Eksekutif TNB pada 1 September 1996. Sebelum ini, beliau menyandang jawatan Ketua Pengarah Institut Piawaian dan Penyelidikan Industri Malaysia (SIRIM). Sebaik sahaja tamat pendidikan menengah di Maktab Melayu Kuala Kangsar, beliau telah berlepas ke United Kingdom untuk melanjutkan pelajaran di Brighton Technical College atas tajaan Lembaga Letrik Negara (LLN). Pada tahun 1973, beliau memperolehi ijazah Sarjana Muda Kepujian Kejuruteraan Mekanikal (B Sc Eng) dari King's College, University of London. Datuk Dr Ahmad Tajuddin Ali juga memiliki ijazah Ph D dalam jurusan Kejuruteraan Nuklear dari Queen Mary College, University of London (1977). Datuk Dr Ahmad Tajuddin adalah Ahli Utama Institut Kejuruteraan Malaysia dan Jurutera Profesional Berdaftar dengan Lembaga Jurutera Malaysia. Beliau juga telah bergiat secara meluas dalam bidang penyelidikan kuasa nuklear dan atom di dalam dan di luar negara khususnya sewaktu bertugas dengan Agensi Tenaga Atom Antarabangsa. Beliau telah menghasilkan pelbagai laporan dan rencana mengenai pembekalan tenaga dan teknologi nuklear.

Dato' Dr Abdul Aziz bin Mohd Yaacob

Dato' Dr Abdul Aziz bin Mohd Yaacob was appointed to the Board of TNB on 1 May 1998 as a representative of the Ministry of Finance Malaysia. Currently, he is the Deputy Secretary General (Policy), Ministry of Finance. He holds a Ph D (Economics) from the University of Maryland, USA, Masters of Science from the University of Wisconsin, USA, and a Bachelor of Applied Economics from Universiti Malaya. He completed his tertiary education at the Malay College, Kuala Kangsar. He has served in numerous governmental departments namely Federal Treasury, Public Services Department, Economic Planning Unit of the Prime Minister's Department, Federal Agricultural Marketing Authority (FAMA) and Ministry of International Trade and Industry (MITI). He is also a director with the Lembaga Hasil Dalam Negeri, Securities Commission and Employee Provident Fund.

Dato' Dr Abdul Aziz bin Mohd Yaacob telah dilantik menganggotai Lembaga Pengarah TNB pada 1 Mei 1998 sebagai wakil Kementerian Kewangan Malaysia. Pada masa ini, beliau menyandang jawatan Timbalan Ketua Setiausaha (Dasar) Kementerian Kewangan. Beliau memiliki ijazah Ph D (Ekonomi) dalam jurusan Ekonomi dan Pembangunan Antarabangsa dari University of Maryland, USA, ijazah sarjana Masters of Science dalam jurusan Ekonomi Pertanian dari University of Wisconsin, USA dan Sarjana Muda dalam jurusan Ekonomi Gunaan dari Universiti Malaya. Beliau menamatkan pendidikan persekolahan menengah di Maktab Melayu Kuala Kangsar. Beliau telah berkhidmat dalam beberapa Jabatan Kerajaan, antaranya Khazanah Persekutuan, Jabatan Perkhidmatan Awam, Unit Perancangan Ekonomi di Jabatan Perdana Menteri, FAMA dan Kementerian Perdagangan dan Perindustrian Antarabangsa. Beliau juga menjadi ahli Lembaga Pengarah Lembaga Hasil Dalam Negeri, Suruhanjaya Sekuriti dan Kumpulan Wang Simpanan Pekerja.

Dato' Nuraizah binti Abdul Hamid

Dato' Nuraizah binti Abdul Hamid, the Secretary-General of the Ministry of Energy, Communications and Multimedia has been on the Board of TNB since 1996. She holds a Bachelor of Arts (Hons) degree from Universiti Malaya, and a Master of Public Administration degree from the American University, Washington DC. She has accumulated vast experience in public service throughout her 32 years service in various key positions in the Ministry of Education, Ministry of Agriculture, the Public Services Department and in the Prime Minister's Department.

Dato' Nuraizah binti Abdul Hamid, Ketua Setiausaha Kementerian Tenaga, Komunikasi dan Multimedia telah menjadi ahli Lembaga Pengarah TNB sejak 1996. Beliau memiliki ijazah Sarjana Muda Sastera (Kepujian) dari Universiti Malaya, dan Sarjana Pentadbiran Awam dari American University, Washington DC. Beliau mempunyai pengalaman yang luas selama 32 tahun dalam perkhidmatan awam dengan menyandang pelbagai jawatan penting di Kementerian Pendidikan, Kementerian Pertanian, Jabatan Perkhidmatan Awam dan Jabatan Perdana Menteri.

Dato' Zainun Aishah bt Ahmad

Dato' Zainun Aishah bt Ahmad, the Director-General of the Malaysian Industrial Development Authority (MIDA), was appointed to the Board of TNB in 1995. She had joined MIDA as an economist upon graduation from Universiti Malaya with an honours degree in Economics in 1969. In her 30 years of service, she has held various key positions in MIDA as well as in some of the country's strategic councils, notably her pivotal role as National Project Director in the formulation of Malaysia's first Industrial Master Plan. Dato' Zainun Aishah is also a member of the Industrial Coordination Act Advisor, Council, SIRIM's Research and Development Council and the Kelantan State Economic Development Corporation.

Dato' Zainun Aishah bt Ahmad, Ketua Pengarah Lembaga Kemajuan Perindustrian Malaysia (MIDA), dilantik sebagai ahli Lembaga Pengarah TNB pada 1995. Beliau menyertai MIDA sebagai pegawai ekonomi setelah memperolehi ijazah kepujian jurusan Ekonomi pada 1969. Dalam tempoh 30 tahun perkhidmatannya, beliau telah menyandang pelbagai jawatan penting di MIDA dan juga dalam majlis-majlis strategik kebangsaan, khususnya peranan utama selaku Pengarah Projek Nasional bagi perumusan Rancangan Induk Perindustrian Malaysia yang pertama. Dato' Zainun Aishah adalah juga ahli Majlis Penasihat Akta Penyelarasan Perindustrian, Majlis Penyelidikan dan Pembangunan SIRIM serta ahli Lembaga Pengarah Perbadanan Kemajuan Ekonomi Negeri Kelantan.

Dato' Megat Abdul Rahman bin Megat Ahmad

Dato' Megat Abdul Rahman bin Megat Ahmad joined the Board of the National Electricity Board (NEB) in 1977 and TNB in 1990. He is a Bachelor of Commerce graduate from the University of Melbourne, as well as a member of the Australian Institute of Chartered Accountants and the Chartered Institute of Management Accountants, United Kingdom. He was a partner of Peat Marwick, Malaysia and the Managing Partner of Desa Megat & Co. He had served with the Institut Teknologi Mara (ITM), Universiti Kebangsaan Malaysia (UKM) and Kumpulan Guthrie Berhad. He was also President of the Malaysian Association of Certified Public Accountants (MACPA) and the Honorary Secretary of the Kuala Lumpur branch of the Malay Chamber of Commerce and Industry. Currently, he holds directorship and advisory/consultancy positions in several corporations.

Dato' Megat Abdul Rahman bin Megat Ahmad menjadi ahli Pengarah Lembaga Elektrik Negara (LLN) pada 1977 dan TNB pada 1990. Beliau memiliki ijazah Sarjana Muda Perdagangan dari University of Melbourne dan adalah ahli Australian Institute of Chartered Accountants dan Chartered Institute of Management Accountants, United Kingdom. Beliau adalah bekas rakan firma Peat Marwick, Malaysia dan Rakan Pengurusan dalam firma Desa Megat & Co. Dato' Megat pernah berkhidmat dengan Institut Teknologi Mara (ITM), Universiti Kebangsaan Malaysia (UKM) dan Kumpulan Guthrie Berhad. Beliau juga pernah menyandang jawatan Presiden Persatuan Aktauntan Awam Bertauliah Malaysia (MACPA) dan Setiausaha Kehormat, Dewan Perniagaan dan Perindustrian Melayu, cawangan Kuala Lumpur. Kini beliau menjadi pengsrah dan penasihat/jururunding di beberapa buah syarikat.

Dato' Lau Yin Pin @ Lau Yen Beng

Dato' Lau Yin Pin @ Lau Yen Beng was appointed to the Board of NEB in 1988 and TNB in 1990. He obtained a Diploma in Commerce with distinction from Tunku Abdul Rahman College in 1972. He was made a fellow member of the Association of Chartered Certified Accountants in 1981 and also graduated from the Institute of Chartered Secretaries and Administrators in 1987. He is a Public Accountant by profession, he has been a member of the Malaysian Institute of Accountants since 1979. He is currently the Chairman of Koperasi Serbaguna Malaysia Berhad (KSM) and also sits on the boards of several companies.

Dato' Lau Yin Pin @ Lau Yen Beng telah dilantik sebagai ahli Lembaga Pengarah LLN pada tahun 1988 dan TNB pada tahun 1990. Beliau memiliki Diploma Perdagangan dengan Kapujian dari Kolej Tunku Abdul Rahman pada tahun 1972. Beliau menjadi Ahli Utama Association of Chartered Certified Accountants pada tahun 1981 dan menamatkan pengajian di Institute of Chartered Secretaries and Administrators pada tahun 1987. Beliau seorang Aktauntan Awam dan telah menjadi ahli Institut Aktauntan Malaysia sejak tahun 1979. Pada masa ini, beliau adalah Pengurus Koperasi Serbaguna Malaysia Berhad (KSM) dan juga menjadi ahli Lembaga Pengarah beberapa syarikat.

Tan Sri Dato' Chan Choong Tak @ Chan Choong Tack

Tan Sri Dato' Chan Choong Tak was appointed to the Board of TNB in 1994. A Barrister-at-Law of Lincoln's Inn, London, he holds an LLB (Hons) degree from the University of London as well as a Corporate Masters in Business Administration (CMBA) degree from the Ohio University, USA. Presently, he is a senior partner at Messrs Azalina, Chan and Chia, Advocates and Solicitors. Tan Sri Dato' Chan was formerly the President of the Malaysian Senate and is the current Secretary-General of Parti Gerakan Rakyat Malaysia.

Tan Sri Dato' Chan Choong Tak telah dilantik sebagai ahli Lembaga Pengarah TNB pada 1994. Beliau berkelulusan Barrister-at-Law Lincoln's Inn, London, dengan memperolehi ijazah LLB (Kepujian) dari University of London dan juga memiliki ijazah Corporate Masters in Business Administration (CMBA) dari Ohio University, USA. Pada masa ini, beliau adalah rakan dalam firma Tetuan Azalina, Chan & Chia, Peguambela dan Pegusmcara. Tan Sri Dato' Chan pernah berkhidmat sebagai Presiden Dewan Negara Malaysia dan kini memegang jawatan Setiausaha Agung Parti Gerakan Rakyat Malaysia.

Dato' Hari Narayanan a/l Govindasamy

Dato' Hari Narayanan a/l Govindasamy was appointed to the Board of TNB in 1995. He holds a Bachelors degree in electrical and electronics engineering from the Polytechnic of Newcastle-upon-Tyne. He is a member of the Institute of Engineers, Malaysia, a Registered Professional Engineer with the Board of Engineers, Malaysia and a Director of the Malaysian Highway Board. He also serves as a director of several public companies.

Dato' Hari Narayanan a/l Govindasamy telah dilantik sebagai ahli Lembaga Pengarah TNB pada 1995. Beliau memiliki ijazah Sarjana Muda dalam jurusan kejuruteraan elektrik dan elektronik dari Polytechnic of Newcastle-upon-Tyne. Beliau adalah Ahli Institut Kejuruteraan Malaysia, Jurutera Profesional Berdaftar dengan Lembaga Kejuruteraan Malaysia dan merupakan Pengarah Lembaga Lebuhraya Malaysia. Beliau juga adalah pengarah bagi beberapa syarikat awam.

Dato' Fuad bin Jaafar

Dato' Fuad bin Jaafar was appointed Executive Director of TNB effective from September 1997. He holds a Diploma in Electrical Engineering from Brighton Technology College, United Kingdom. He is also a member of the Institute of Engineers, Malaysia. He started his career with NEB as an Assistant Engineer, Distribution on 1 September 1966 and was appointed General Manager, Transmission Operations and Maintenance prior to his appointment as Senior General Manager (Energy Supply) on 9 August 1997.

Dato' Fuad bin Jaafar telah dilantik sebagai Pengarah Eksekutif TNB mulai September 1997. Beliau adalah pemegang Diploma dalam bidang Kejuruteraan Elektrik dari Brighton Technology College, United Kingdom. Beliau juga adalah ahli Institut Kejuruteraan Malaysia. Beliau mula berkhidmat di LLN pada 1 September 1966 sebagai Penolong Jurutera, Pembahagian dan telah dilantik sebagai Pengurus Besar, Kendalian dan Senggsaan Penghantaran sebelum dilantik kepada jawatan sekarang sebagai Pengurus Besar Kanan (Pembekalan Tenaga) pada 9 Ogos 1997.

Haji Mohd Yusof bin Ibrahim

Haji Mohd Yusof bin Ibrahim was appointed to the Board of TNB in February 1993. He holds a Diploma in Electrical Engineering from Brighton Technology College, United Kingdom, and started his career with IIEB in 1967 and was subsequently appointed Senior General Manager, Energy Supply, in August 1994. He held the position until his retirement in August 1997.

Haji Mohd Yusof bin Ibrahim dilantik sebagai Pengarah TNB pada Februari 1993. Beliau memiliki Diploma Kejuruteraan dari Brighton Technology College, United Kingdom dan memulakan kerjayanya di LNI pada 1967 dan kemudiannya dilantik sebagai Pengurus Besar Kanan, Pembekalan Tenaga pada Ogos 1994. Beliau menyandang jawatan tersebut sehingga bersara pada Ogos 1997.

Haji Mokatar Rudin bin Wan Yusof

Haji Mokatar Rudin bin Wan Yusof was appointed to the Board of TNB in February 1993. A land surveyor by profession, he obtained a Bachelor of Applied Science in Surveying from Western Australian Institute of Technology, Perth. He was appointed a Fellow of the Institution of Surveyors, Malaysia, in 1990, after becoming a member since 1976. He is a Member of Parliament for Dungun, Terengganu. He also holds several directorships in other public and private companies.

Haji Mokatar Rudin bin Wan Yusof telah dilantik sebagai seorang Pengarah TNB pada Februari 1993. Sebagai seorang jurukur profesional, beliau memiliki Ijazah Sarjana Muda Sains Gunaan jurusan Pengukuran dari Western Australian Institute of Technology, Perth. Beliau dilantik sebagai Ahli Utama Instituti Jurukur Malaysia pada 1990 setelah menjadi ahli sejak 1976. Beliau adalah Ahli Parlimen kawasan Dungun, Terengganu, serta menjadi ahli Lembaga Pengarah dalam beberapa buah syarikat awam dan swasta.

Hajjah Kamariah binti Hussein

Hajjah Kamariah binti Hussein was appointed to the Board of TNB in May 1993 as an alternate director to Dato' Dr Abdul Aziz bin Mohd Yaacob. Currently, she is the Deputy Secretary in the Tax Analysis Division of the Treasury, Malaysia where she had previously served in the Contract Management & Supply as well as the Economics & International Analysis Divisions. Prior to her present post, she was the Deputy Secretary of the Development Division, Ministry of Defence. She holds an Honours Degree in Economics from Universiti Malaya and a Masters in Public Administration from the Pennsylvania State University, USA. Hajjah Kamariah is also a Director of Edaran Otomobil Nasional Berhad (EON), Asian Supply Base Sdn Bhd and Perbadanan Usahawan Nasional Berhad (PUNB).

Hajjah Kamariah binti Hussein dilantik menganggotai Lembaga Pengarah TNB pada Mei 1993 sebagai pengarah pengganti kepada Dato' Dr Abdul Aziz bin Mohd Yaacob. Beliau kini menyandang jawatan Timbalan Setiausaha dalam Bahagian Analisis Cukai di Perbadanan, Malaysia dan beliau pernah berkhidmat dalam Bahagian Pengurusan Kontrak dan Perbekalan dan juga Bahagian Ekonomi dan Analisis Antarabangsa. Sebelum menyandang jawatan sekarang, beliau berkhidmat sebagai Timbalan Setiausaha Bahagian Pembangunan, Kementerian Pertahanan. Beliau memiliki Ijazah Kepujian dalam bidang Ekonomi dari Universiti Malaya dan Sarjana Pentadbiran Awam dari Pennsylvania State University, USA. Hajjah Kamariah juga adalah ahli Lembaga Pengarsh Edaran Otomobil Nasional Berhad (EON), Asian Supply Base Sdn Bhd dan Perbadanan Usahawan Nasional Berhad (PUNB).

Husniarti binti Tamin

Husniarti binti Tamin was appointed to the Board of TNB in November 1996 as an alternate director to Dato' Nurazah binti Abdul Hamid. She holds an Honours Degree in Economics from Universiti Malaya and Masters in Business Administration from University of Oregon, USA. She was formerly the Director of Energy Section in the Economic Planning Unit of the Prime Minister's Department. Currently, she is the Deputy Secretary General II of the Ministry of Energy, Communications and Multimedia, Malaysia.

Husniarti binti Tamin telah dilantik menganggotai Lembaga Pengarah TNB pada November 1996 sebagai pengarah pengganti kepada Dato' Nurazah binti Abdul Hamid. Beliau memiliki Ijazah Kepujian dalam bidang Ekonomi dari Universiti Malaya dan ijazah Sarjana Pendidikan Perniagaan dari University of Oregon, USA. Beliau pernah menjadi Pengarah Seksyen Tenaga di Unit Perancang Ekonomi, Jabatan Perdana Menteri. Beliau kini bertugas sebagai Timbalan Ketua Setiausaha II, Kementerian Tenaga, Komunikasi dan Multimedia, Malaysia.

Datuk Dr Aris bin Osman @ Othman

Resigned on 4 March 1993 / Meletak jawatan pada 4 Mac 1993

Dato' Hanifah bin Noordin

Resigned on 27 November 1997 / Meletak jawatan pada 27 November 1997

Zubir bin Embong

Retired on 29 December 1997 in accordance with Article 135 of the Company's Articles of Association/
Bersara pada 29 Disember 1997 menurut Artikel 135 Tataurusan Syarikat

Ab. Rahman bin Hamzah

Ceased as an Alternate Director on 4 March 1993 / Meletak jawatan sebagai Pengarah Pengganti pada 4 Mac 1993

Datin Azizah binti Osman - Company Secretary / Setiausaha Syarikat

Datin Azizah binti Osman was appointed Company Secretary of TNB with effect from 1 August 1994. She began her career as an Administrative Officer at the then NEB on 1 September 1971 and assumed the position of Deputy Company Secretary prior to her present appointment. She holds an Honours Degree in Economics from Universiti Malaya and an Honours Degree in Law from the Anglia Polytechnic University, United Kingdom. She also holds a Certificate in Legal Practice (CLP).

Datin Azizah binti Osman telah dilantik sebagai Setiausaha Syarikat TNB mulai 1 Ogos 1994. Beliau memulakan kerjayanya sebagai Pegawai Tadbir di LLN mulai 1 September 1971 dan memegang jawatan Timbalan Setiausaha Syarikat sebelum dilantik ke jawatan sekarang. Beliau memiliki Ijazah Kepujian dalam bidang Ekonomi dari Universiti Malaya dan Ijazah Kepujian dalam Undang-Undang dari Anglia Polytechnic University, United Kingdom. Beliau juga memiliki Sijil Amalan Guaman (CLP).

BOARD AUDIT COMMITTEE
JAWATANKUASA AUDIT LEMBAGA PENGARAH



seated /duduk :

Dato' Lau Yin Pin @ Lau Yen Beng

Chairman (Independent Non-Executive Director)/Pengerusi (Pengarah Bebas Bukan Eksekutif)

standing from left to right / berdiri dari kiri ke kanan :

Tan Sri Dato' Chan Choong Tak @ Chan Choong Tack

Dato' Fuad bin Jaafar

Datin Azizah binti Osman - Secretary/Setiausaha

Dato' Hari Narayanan a/l Govindasamy

Haji Mohd Yusof bin Ibrahim

REPORT OF THE BOARD AUDIT COMMITTEE

LAPORAN JAWATANKUASA AUDIT LEMBAGA PENGARAH

The Board Audit Committee (BAC) reviewed the business of the Group and Company throughout the financial year on a regular basis. In line with its Terms of Reference, the BAC focused its attention, among others, on the following important aspects:

- Corporate governance and management accountability;
- Efficiency of business operations, effective utilisation of resources and value for money;
- Adequacy and effectiveness of internal controls to achieve the Group's objectives and manage its risks.

As TNB is an engineering company, the BAC reviewed both technical and non-technical aspects of the business to ensure that the highest standard of services provided to its customers are without compromising sound economic principles. Among the areas reviewed were:

- The quality of electricity to customers by regional distribution offices where attention was paid to the number of supply interruptions and electrical losses in the system;
- The effectiveness of managing the Company's capital projects in terms of quality, schedule and costs;
- The financial and technical performance of power stations and systems;
- The performance of various subsidiaries in achieving their objectives and their financial viability.

During the financial year ended 31 August 1998, the BAC held 13 meetings to review reports submitted by the Internal Audit Department. Recognising the importance of the operational activities in the field, some of these meetings were held in the regional offices. These meetings ensured prompt action by management to improve customer service and the efficiency of their operations. Meetings were also held with the external auditors to obtain independent feed-back on the financial performance of the Group.

Jawatankuasa Audit-Lembaga Pengarah (BAC)-menyemak dari masa ke masa urusan perniagaan Kumpulan dan Syarikat sepanjang tahun kewangan. Selaras dengan Bidang Tugasnya, BAC menumpukan perhatian kepada aspek-aspek penting, seperti berikut:

- Pengawalan korporat dan tanggungjawab pengurusan;
- Keberkesan operasi perniagaan, penggunaan sumber secara optimum dan nilai untuk wang;
- Kewibawaan dan keberkesan kawalan dalam untuk mencapai matlamat Kumpulan serta mengurus risiko-risikonya.

Memandangkan TNB adalah sebuah syarikat kejuruteraan, BAC menyemak kedua-dua aspek perniagaan teknikal dan bukan teknikal untuk memastikan para pelanggan memperolehi taraf perkhidmatan tertinggi tanpa manjeaskan prinsip-prinsip ekonomi teguh. Antara perkara-perkara yang dikaji adalah:-

- Mutu tenaga elektrik yang dibekalkan kepada pelanggan dan pejabat-pejabat pengagihan wilayah dimana perhatian ditumpulkan kepada jumlah gangguan bekalan dan kehilangan elektrik dalam sistem pengagihan;
- Keberkesan dalam mengendalikan projek-projek utama Syarikat dari segi kualiti, penjadualan dan kos;
- Prestasi kewangan dan teknikal stesen-stesen janaelektrik serta sistemnya;
- Prestasi syarikat-syarikat subsidiari dalam mencapai matlamat mereka serta kestabilan kewangan masing-masing.

Sepanjang tahun kewangan yang beralih pada 31 Ogos 1998, BAC mengadakan 13 mesyuarat untuk menyemak laporan-laporan yang dibentangkan oleh Jabatan Audit Dalam. Dengan mengiktiraf kepentingan operasi aktiviti luar, sebahagian daripada mesyuarat ini diadakan di pejabat-pejabat wilayah. Mesyuarat-mesyuarat ini memastikan tindakan segera dijalankan oleh pihak pengurusan untuk meningkatkan perkhidmatan pelanggan dan keberkesan operasi mereka. Mesyuarat-mesyuarat juga diadakan dengan juruaudit-juruaudit luar untuk mendapatkan maklumbalas bebas mengenai prestasi kewangan Kumpulan.

TERMS OF REFERENCE OF THE BOARD AUDIT COMMITTEE

The Board of Directors of Tenaga Nasional Berhad (TNB) had on 9 October 1990 (vide minute No. 39/90) resolved the establishment of the Board Audit Committee (BAC). The function and authority of the BAC shall extend to TNB and all its subsidiaries (collectively referred to as "the Group"). In the reporting year the Committee comprises of the following directors:

Dato' Lau Yin Pin @ Lau Yen Beng
(Independent Non-Executive Chairman)

Tan Sri Dato' Chan Choong Tak @ Chan Choong Tack
(Independent Non-Executive Director)

Dato' Hari Narayanan a/l Govindasamy
(Independent Non-Executive Director)

Haji Mohd Yusof bin Ibrahim
(Independent Non-Executive Director)

Dato' Fuad bin Jaafar
(Executive Director)

The Terms of Reference of the Committee are as follows:

Membership

The committee shall be appointed by the Board of Directors of TNB from amongst their numbers and shall consist of not less than 3 members, a majority of whom shall be independent non-executive directors. The Chairman of the Committee shall be an independent non-executive director appointed by the Board.

Meetings

Meetings of the BAC shall be held not less than six times during the financial year of TNB. The quorum for a meeting of the BAC shall be three members. In the absence of the Chairman, the members present shall elect a chairman for the meeting from amongst the members present. The meetings of the BAC shall be governed by the provisions contained in the Memorandum and Articles of Association of TNB. The BAC shall meet the External Auditors at least twice a year. At least once a year the BAC shall meet the External Auditors without TNB Management or Executive Director present. The Secretary of the BAC shall be the Company Secretary. Minutes of BAC meetings shall be tabled at the meeting of the Board of Directors of TNB.

Authority

The BAC is authorised by the Board of Directors of TNB to investigate any activity within its Terms of Reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The BAC is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

Function and Duties

- (a) Assess the quality and effectiveness of the systems of internal control and the efficiency of the Group's operations;
- (b) Review and recommend acceptance or otherwise of major accounting policies, principles and practices;
- (c) Review the half-year and annual financial statements of the Company and the Group before submission to the Board;
- (d) Approve the Corporate Audit Charter and ensure that the internal audit function is adequately resourced and has appropriate standing in the Group;
- (e) Approve the appointment of the Head of Internal Audit;
- (f) Review the Internal Audit plans and the scope of audits. BAC shall also direct any special investigations to be carried out by Internal Audit. Review Internal Audit reports and Management response and ensure that appropriate action is taken in respect of these and BAC resolutions;
- (g) Nominate the External Auditor together with such other functions as may be agreed to by the BAC and the Board and recommend for approval of the Board the external audit fee;
- (h) Review External Audit plans, scope of work, reports and Management response and ensure that appropriate action is taken in respect of these reports and BAC resolutions;
- (i) Discuss problems and reservations arising out of Internal or External Audits, and any matters the auditors may wish to discuss in the absence of Management or Executive Director where necessary;
- (j) Perform other related duties as directed by the Board of Directors.

BIDANG TUGAS JAWATANKUASA

AUDIT LEMBAGA PENGARAH

Lembaga Pengarah Tenaga Nasional Berhad (TNB) telah membuat resolusi pada 9 Oktober 1990 (melalui minit bil. 39/30) untuk menubuhkan sebuah Jawatankuasa Audit Lembaga Pengarah (BAC). Fungsi dan bidangkuasa BAC adalah meliputi TNB dan anak-anak syarikatnya (secara kolektif dirujuk sebagai "Kumpulan"). Pada tahun laporan, Jawatankuasa ini terdiri daripada pengarah-pengarah berikut:

Dato' Lau Yin Pin @ Lau Yen Beng
(Pengerusi Bebas Bukan Eksekutif)

Tan Sri Dato' Chan Choong Tak @ Chan Choong Tack
(Pengarah Bebas Bukan Eksekutif)

Dato' Hari Narayanan a/l Govindasamy
(Pengarah Bebas Bukan Eksekutif)

Haji Mohd Yusof bin Ibrahim
(Pengarah Bebas Bukan Eksekutif)

Dato' Fuad bin Jaafar
(Pengarah Eksekutif)

Bidang Tugas Jawatankuasa adalah seperti berikut:

Keahlian

Jawatankuasa ini dilantik oleh Lembaga Pengarah TNB dari kalangan mereka dan terdiri tidak kurang daripada tiga orang ahli yang majoriti merupakan pengarah bebas bukan eksekutif. Pengerusi Jawatankuasa ini adalah seorang pengarah bebas bukan eksekutif yang dilantik oleh Lembaga Pengarah.

Mesyuarat

Mesyuarat BAC hendaklah diadakan tidak kurang daripada enam kali dalam tahun kewangan TNB. Forum bagi mesyuarat BAC ialah tiga orang ahli. Semasa ketiadaan Pengerusi, ahli-ahli yang hadir akan memilih seorang ahli daripada kalangan mereka untuk menjadi Pengerusi mesyuarat tersebut. Mesyuarat dan prosiding BAC adalah dikawal oleh peruntukan yang terkandung di dalam Tatacara dan Tataurusan Syarikat TNB. BAC akan bermesyuarat dengan Juruaudit Luar sekurang-kurangnya dua kali setahun. Sekurang-kurangnya se kali setahun, BAC akan bermesyuarat dengan Juruaudit Luar tanpa kehadiran Pengurusan TNB atau Pengarah Eksekutif. Setiausaha BAC adalah Setiausaha Syarikat. Minit-minit Mesyuarat BAC hendaklah dibentangkan di mesyuarat Lembaga Pengarah TNB.

Kuasa

Jawatankuasa Audit ini diberi kuasa oleh Lembaga Pengarah untuk menyiasat sebarang aktiviti dalam lingkungan bidang kuasanya dan tidak dikenakan sebarang sekatan untuk mendapatkan maklumat dari juruaudit dalam dan luar dan dari semua anggota kerja Kumpulan. Jawatankuasa ini juga diberi kuasa oleh Lembaga Pengarah untuk mendapatkan khidmat nasihat perundangan luar atau khidmat nasihat profesional bebas jika perlu.

Fungsi dan Bidang Tugas

- (a) Menilai mutu dan keberkesanannya sistem kawalan dalaman dan kecekapan operasi Kumpulan;
- (b) Mengkaji dan mengeasorkan penerimaan atau pencolahan dasar, prinsip dan amalan perakaunan utama;
- (c) Mengkaji penyata kewangan bagi setengah tahun dan tahunan Syarikat serta Kumpulan sebelum dikemukakan kepada Lembaga Pengarah;
- (d) Meluluskan Piagam Audit Korporat dan memastikan bahawa fungsi audit dalaman diperolehi dengan secukupnya serta mempunyai kedudukan yang sewajarnya di dalam Kumpulan;
- (e) Meluluskan perlantikan Ketua Juruaudit Dalaman;
- (f) Mengkaji rancangan-rancangan Audit Dalaman serta bidang pengauditan. BAC juga boleh mengarahkan sebarang penyiasatan khas yang akan dijalankan oleh Audit Dalaman. Mengkaji laporan-laporan Audit Dalaman dan maklum balas Pengurusan serta memastikan bahawa tindakan yang sewajarnya diambil berhubung dengan laporan-laporan ini berserta dengan resolusi BAC;
- (g) Mencalonkan Juruaudit Luar untuk menjalankan fungsi-fungsi lain sebagaimana dipersetujui oleh BAC dan Lembaga Pengarah serta mengesyorkan kepada Lembaga Pengarah kelulusan bagi bayaran audit luar;
- (h) Mengkaji rancangan-rancangan Audit Luar dan bidang kerja mereka termasuk mengkaji laporan-laporan Audit Luar serta tindak balas Pengurusan dan memastikan supaya tindakan sewajarnya diambil berhubung dengan keputusan dan resolusi-resolusi yang dibuat oleh BAC;
- (i) Membingkangkan masalah dan penemuan yang timbul daripada Audit Dalaman atau Luar yang dijalankan dan sebarang perkara yang ingin dibincangkan oleh juruaudit tanpa kehadiran pihak Pengurusan atau Pengarah Eksekutif apabila diperlukan;
- (j) Melaksanakan tugas-tugas lain yang berkaitan sebagaimana diarahkan oleh Lembaga Pengarah.

GROUP EXECUTIVE COMMITTEE JAWATANKUASA EKSEKUTIF KUMPULAN

The Group Executive Committee (GEC) is led by the Executive Chairman and comprises Divisional Heads of the Company. The GEC is responsible for formulating policies and undertaking decisions pertaining to corporate issues and core business activities of the Company. To complement its on going corporate restructuring exercise, TNB on 9 November 1998 announced changes to the designations of its senior management positions. The position of the Executive Chairman is now officially known as the Executive Chairman & President, the Senior General Manager as Senior Vice President and the General Manager as Vice President. The change, approved by the Board, is aimed at streamlining the management structure of TNB in line with it being a holding company.

Jawatankuasa Eksekutif Kumpulan (GEC) diketuai oleh Pengerusi Eksekutif dan dianggotai oleh Ketua-ketua Bahagian dalam Syarikat yang bertanggungjawab menggubal dasar dan membuat keputusan yang berkaitan dengan isu-isu korporat dan operasi teras TNB. Untuk melengkapkan proses penstruktur semula korporat yang sedang dilaksanakan, TNB pada 9 November 1998 mengumumkan perubahan nama-nama jawatan pengurusan kanannya. Jawatan Pengerusi Eksekutif kini secara rasmi digelar Pengerusi Eksekutif & Presiden; Pengurus Besar Kanan sebagai Naib Presiden Kanan; dan Pengurus Besar sebagai Naib Presiden. Perubahan nama-nama jawatan ini telah diluluskan oleh Lembaga Pengarah dan bertujuan menyelaraskan struktur pengurusan di TNB sejajar dengan kedudukannya sebagai syarikat pemegangan.



1 - Datuk Dr Ahmad Tajuddin Ali - Executive Chairman & President/Pengerusi Eksekutif & Presiden

2 - Dato' Fuad bin Jaafar - Senior Vice President (Energy Supply)/Executive Director/
Naib Presiden Kanan (Pembekalan Tenaga)/Pengarah Eksekutif

3 - Pian bin Sukro - Vice President (Corporate Planning and Business Development)/
Naib Presiden (Perancangan Korporat dan Pembangunan Bisnes)

4 - Dato' Ir Haji Zaghlol bin Hanafiah - Vice President (Corporate Services)/Naib Presiden (Perkhidmatan Korporat)

5 - Dato' Haji Abdul Aziz bin Abdullah - Vice President (Human Resource)/Naib Presiden (Sumber Manusia)

6 - Pua Shien Tick - Vice President (Transmission Network)/Naib Presiden (Rangkaian Penghantaran)

7 - Syed Fahkri Barakbah bin Tun Syed Sheh Barakbah - Vice President (Finance)/Naib Presiden (Kewangan)

8 - Datuk Md Sidek bin Ahmad - Vice President (Customer Services)/Naib Presiden (Perkhidmatan Pengguna)

9 - Datin Azizah binti Osman - Company Secretary/Setiausaha Syarikat

GROUP MANAGEMENT COMMITTEE

JAWATANKUASA PENGURUSAN KUMPULAN

To facilitate the interaction and coordination between the Company and its subsidiaries in the Group, a Group Management Committee (GMC) has been established. The GMC headed by the Executive Chairman & President, comprises both members of the Group Executive Committee and the Chief Executives of the subsidiaries in the Group.

Untuk memudahkan interaksi dan penyelarasan kegiatan antara Syarikat dan anak-anak syarikatnya di dalam Kumpulan, sebuah Jawatankuasa Pengurusan Kumpulan (GMC) telah ditubuhkan. Jawatankuasa ini yang diketuai oleh Pengerusi Eksekutif & Presiden, terdiri daripada para ahli Jawatankuasa Eksekutif Kumpulan dan Ketua-ketua Eksekutif anak-anak syarikat di dalam Kumpulan.

TNB Generation Sdn Bhd	Haji Abd Hadi Md Deros Managing Director/Pengarah Urusan
TNB Repair And Maintenance Sdn Bhd	Khairudin Md Yunus Managing Director/Pengarah Urusan
TNB Janamanjung Sdn Bhd	Lt Cmdr (R) Haji Mohd Ismail Che Mat Din Managing Director/Pengarah Urusan
TNB Engineering And Consultancy Sdn Bhd	Muhayen Tukibah Managing Director/Pengarah Urusan
TNB Properties Sdn Bhd	Mohamed Zawawi Mohd Hashim Managing Director/Pengarah Urusan
Tenaga Nasional Research And Development Sdn Bhd	Dato' Dr Mohd Ariff Araff Managing Director/Pengarah Urusan
Universiti Tenaga Nasional Sdn Bhd	Dr Tajol Arus Noh Managing Director/Pengarah Urusan Rector/Rektor
TNB Engineers Sdn Bhd	Tajudin Mohd Ariff Managing Director/Pengarah Urusan
Tenaga Risk Management & Services Sdn Bhd	Haji Mohammad Nasseri Ali Technical Advisor/Pensyarah Teknikal
TNB Metering Services Sdn Bhd	Lim Teck Guan Managing Director/Pengarah Urusan
TNB Fuel Services Sdn Bhd	Zainal Abidin Husin Managing Director/Pengarah Urusan
TNB Workshop Services Sdn Bhd	Dr Mohd Amin Abd Majid Managing Director/Pengarah Urusan
TNB Logistics Sdn Bhd	Johari Arbain Managing Director/Pengarah Urusan
Tenaga SPL Sdn Bhd	Dr Salim Sairan Managing Director/Pengarah Urusan
Malaysia Transformer Manufacturing Sdn Bhd	Mohd Nasir Ahmad Managing Director/Pengarah Urusan
Tenaga Switchgear Sdn Bhd	Mohd Jamaludin Shamsudin Chief Executive/Ketua Eksekutif

and/dan

Haji Yaacob Shariff
Special Executive (Office of Executive Chairman & President)/
Ekssekutif Ihsas (Pejabat Pengerusi Eksekutif & Presiden)

EXECUTIVE CHAIRMAN & PRESIDENT'S STATEMENT

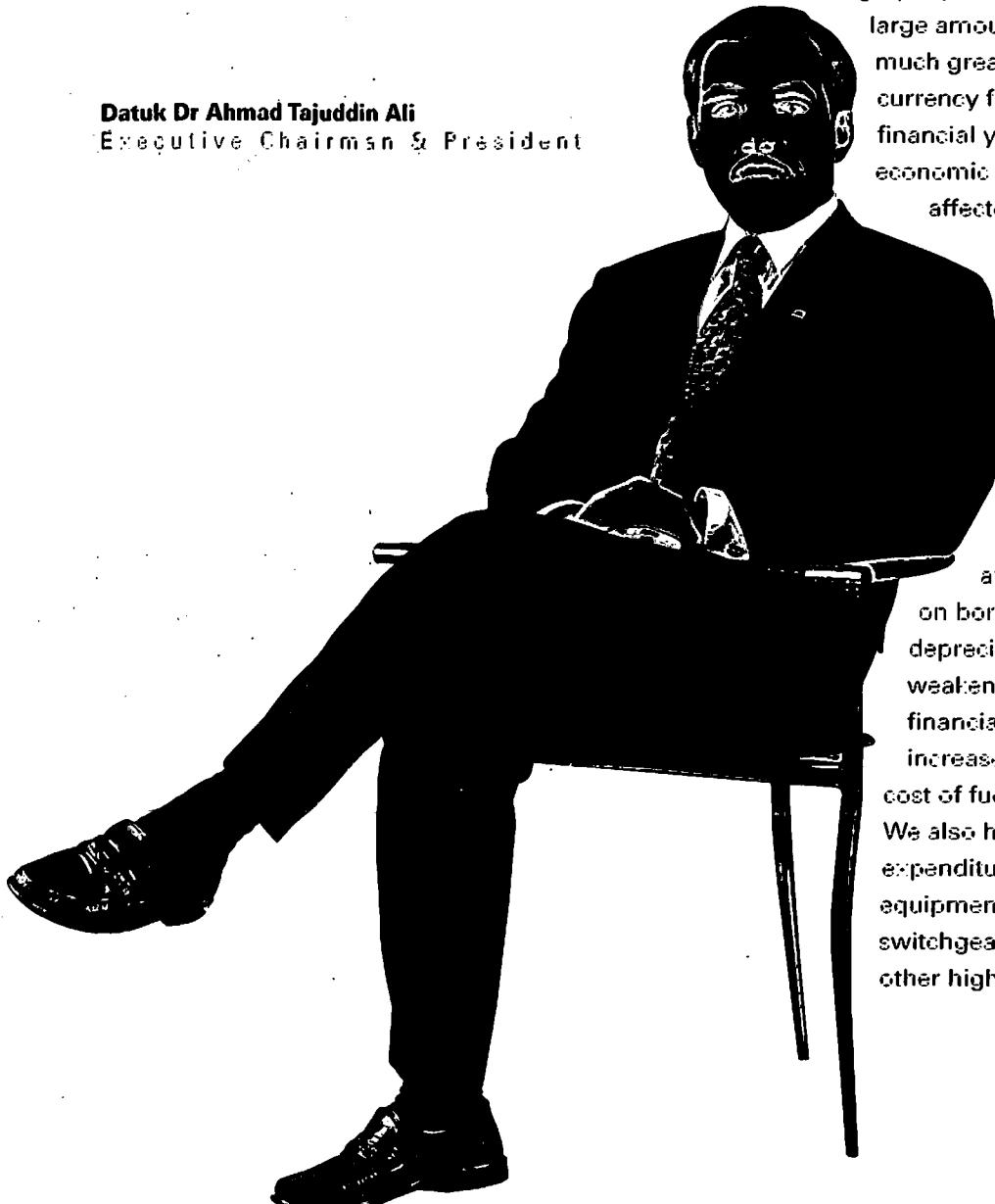
Introduction

Tenaga Nasional Berhad (TNB) has gone through a very difficult 1998. The overall economic contraction affecting most countries of the Far East, and especially ASEAN, has affected industries and business operations. Malaysia, TNB and other Malaysian corporations have not been spared.

During 1998, TNB continued to be adversely affected by the economic and financial turmoil which started in July 1997. As a highly capital intensive business requiring a

large amount of external funding, TNB has a much greater degree of exposure to currency fluctuations. Thus, during the financial year 1998, and as expected, the economic and currency crisis have also affected the financial performance of TNB. The contraction in growth has resulted in a slower growth of electricity consumption and hence has dampened our revenue growth. The drastic depreciation of the Ringgit against most major currencies has resulted in a big increase in operating cost largely attributable to charge for interest on borrowings and charge for depreciation of fixed assets. The weakening of the Ringgit during the financial year not only significantly increased interest expense, but also the cost of fuel purchase, namely oil and coal. We also had to bear higher capital expenditure payments for imported equipment such as high voltage switchgears, high voltage transformers and other high voltage electrical equipment.

Datuk Dr Ahmad Tajuddin Ali
Executive Chairman & President



Within TNB there is a unique culture which lies at its core, a desire to win and an intention to ensure that the service and products we provide are perceived and received by our customers as excellent.

However, despite the market turbulence, we strived even harder by implementing various measures to boost the overall performance of the Group. The ongoing corporate restructuring exercise, aimed at improving efficiency, productivity, accountability and profitability has consolidated our performance in a broad range of activities including operational, marketing, investment, project development, technical and consulting services.

As always, we aggressively explored opportunities to expand and enhance our assets. We continued to focus our business in generation, transmission, distribution and sales of electricity. The Group has also focused greater effort on enhancing the quality of our customer service.

I believe we have been able to overcome the immediate problem and ride out the storm. The difficulties of 1998 have provided us with an extraordinary opportunity to re-examine and prepare ourselves for the challenges of the new millennium with greater confidence and competence.

We have emerged from the turmoil with greater preparedness and determination to continue to provide electricity to power the economic growth and progress of the nation.

Financial Performance

Despite the difficulties, our determination and concerted effort during the year have resulted in a 14 percent increase in the sales of electricity over the previous financial year. The Group turnover was RM11,439.4 million compared with RM10,014.8 million in the previous financial year. However, the increase in Group operating expenditure arising mainly out of the depreciation of the Ringgit, the Group operating profit was reduced to RM633.9 million compared to RM1,369.5 million for the previous financial year. Taking into account a foreign exchange translation loss of RM3,506.4 million, we closed the year with an overall after tax loss of RM3,094.3 million.

Throughout the year the Group's cash flow position remained generally healthy, enabling TNB to fulfill all debt servicing and other financial obligations.

Dividend

The Board of Directors, having carefully considered the interest of the shareholders as well as that of the Group is recommending a first and final gross dividend of 5 sen per share.

Earnings Per Share

The year 1998 registered a 99.8 sen loss per share for the Group compared with the 4.6 sen loss per share for the Group in the previous year.

Capital Expenditure

The Group has to continue to invest in power supply system development and upgrading. Based on the forecast of Malaysia's growing electricity demand pattern prior to the economic slowdown, the Capital Expenditure of the Group for the 1998 financial year amounted to RM6.3 billion.

Loans And Shareholders' Funds

Loans outstanding of the Group increased to RM23,250.7 million at the end of the 1998 financial year, compared with RM15,155.0 million at the end of the previous year, while Shareholders' Funds decreased to RM12,807.6 million. The increase in the total loan is mainly due to the depreciation of the Ringgit against the major currencies.

Forex

During the year, the Group registered a RM3,506.4 million Foreign Exchange loss which was mainly translation loss attributed to the drastic depreciation of the Ringgit against most major currencies.

Fixed Assets

Fixed Assets of the Group expanded to RM39,188.4 million, an increase of 14.8 per cent over the previous year, while Net Assets per share now stands at RM4.18.

Tariff

In our continuous effort to keep down the costs of electricity for our customers, TNB has managed to maintain the average tariff rate at 23.5 sen/kWh which remained unchanged from the interim tariff approved in May 1997.

Taking into account the Consumer Price Index (CPI) increase of 3.4 per cent in January 1998, the public actually enjoyed a reduction in the real price of electricity during the financial year.

Shareholders

As at 31 August 1998, the Company's shareholder base increased to 62,143 compared with 51,860 as at the end of the previous year. The Total Issued and Paid-Up Share Capital remained the same at RM3,099,980,300 when compared to the corresponding period.

Of the Total Shareholdings, the Malaysian Government and its agencies held 66.6 per cent, the Domestic Shareholders held 20.94 per cent and Foreign Shareholders, 12.46 per cent.

Privatisation of Sabah Electricity Board

A wholly-owned subsidiary company, Sabah Electricity Sdn Bhd (SESB) has signed an agreement with the Government on 26 August 1998 for the privatisation of Sabah Electricity Board.

Subject to the terms and conditions of the agreement, the Government has agreed to privatise the business operations and public undertakings of the Sabah Electricity Board by way of transfer of assets and liabilities to SESB effective on 1 September 1998. Under the agreement, the Company is required to offer 20 per cent each of the enlarged share capital of SESB to Petroliam Nasional Berhad and the Sabah State Government no later than 30 November 1998.

Customer Service

Within TNB there is a unique culture which has at its core, a desire to win and an intention to ensure that the service and products we provide are perceived and received by our customers as excellent.

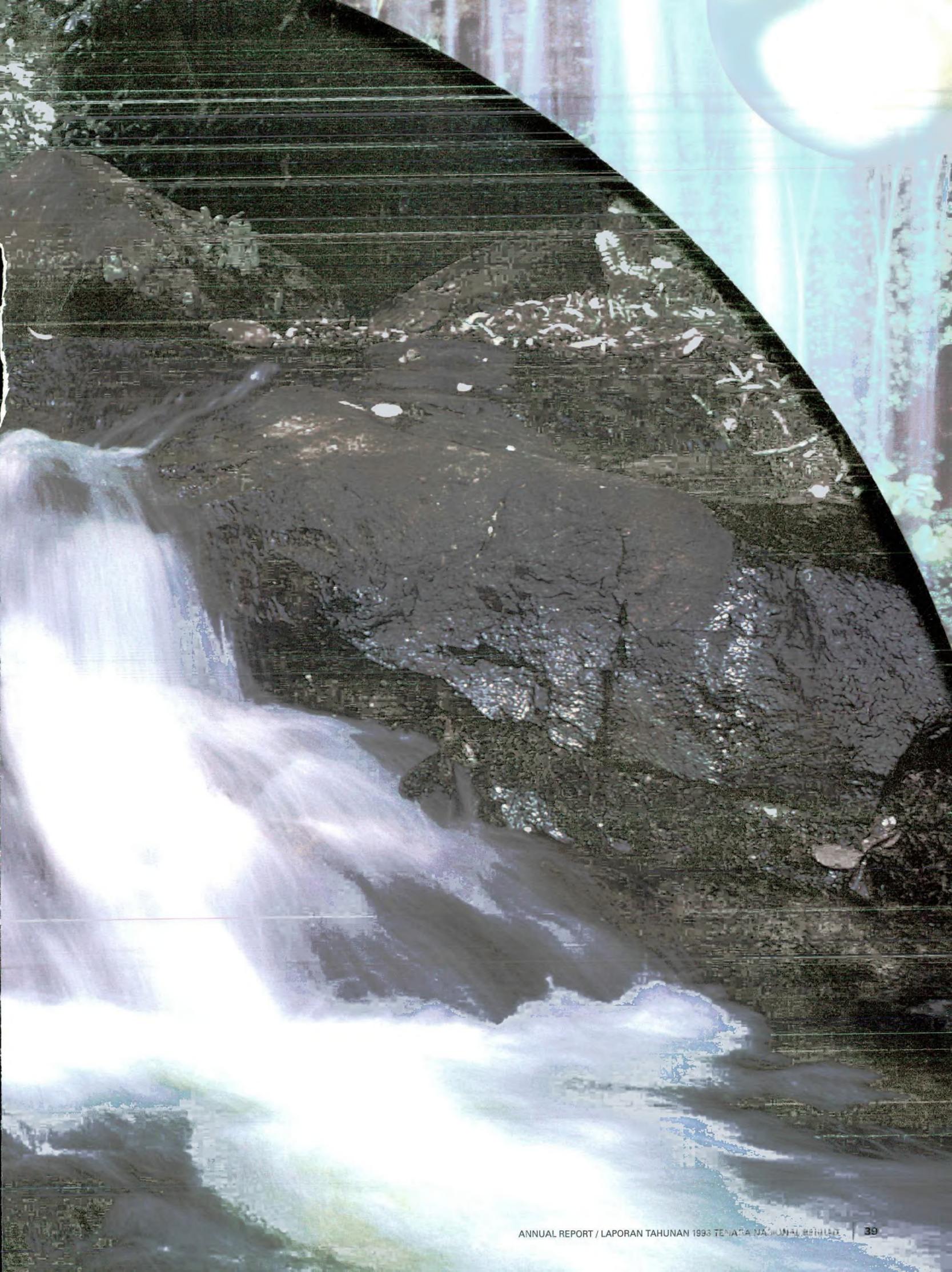
During the year, a new methodology was used to further improve the Customer Satisfaction Index (CSI) survey. A total of 2,500 customers from throughout Peninsular Malaysia were interviewed in the research. The CSI recorded an overall index of 66 per cent among various segments - commercial 68 per cent, residential 67 per cent and industrial 64 per cent.

The CSI will be used to gauge the level of customer satisfaction especially with the introduction of various new initiatives aimed at improving customer satisfaction. Such initiatives include the setting up of Kedai Tenaga, Elektrik Bestari, Call Management Centres, toll-free hotlines, etc.

Human Resource

As at 31 August 1998, the number of employees employed by the Group stood at 22,890 compared with 23,240 in the previous year. A majority of our employees were redeployed to our newly formed subsidiaries TNB Generation Sdn Bhd and TNB Engineers Sdn Bhd. We also allocated sufficient funds for welfare and social amenities including medical services focused on preventive medicine.





Environment

As the leading player in the power industry, Tenaga Nasional Berhad is dedicated to protecting human health, natural resources and the environment. This commitment has much more impact than just compliance with law to incorporate the integration of sound environmental practices within the context of best business practices. Indeed, TNB is concerned with the environmental impact of producing power and seeks to minimise and mitigate effects wherever possible.

An Environmental Management System (EMS) has been established and implemented. The EMS emphasises on compliance with statutory regulations, efficient monitoring of effluents and discharges, effective emergency response planning and good training programmes.

TNB's concern for the environment is best demonstrated by its achievement of an ISO 14001 certification awarded to the Serdang Power Station which became the first power station in Malaysia to receive this award.

Environmental impact assessments were also undertaken for all our plant-up programmes before their construction. The Group maintains a close working relationship with the Department of Environment (DOE) to ensure proper management of the environment surrounding TNB's operations. Regular meetings and monitoring are undertaken.

During the year, safety and industrial health also took prominence. The Group complied with the Factory and Machinery Act, 1967 in matters relating to these aspects. Programmes were undertaken to communicate safety and industrial health to employees throughout our operations. The safety of employees as well as that of the public are indeed of primary importance and our commitment keeps us at the forefront of safety management in the industry.

Year 2000 Compliance

The potential problems that could be caused by the Year 2000 computer problem (Y2K) has been fully recognised by TNB and formal procedures have been put in place throughout the Group to identify the full impact on our operations. A project committee has been established, a dedicated resource put in place, and plans and timetables agreed to ensure that all internal systems are being upgraded and made Y2K ready well before the turn of the century. Progress on these plans and course of action are monitored regularly by a Group-level steering committee that I chair.

All key external business associates have also been communicated with. Your Group is working together to ensure that they too are Y2K ready in their products and services to TNB.

Prospects

The Group has embarked on various measures to improve operational efficiencies and effectiveness. It has also tightened budgetary control in addition to taking specific immediate actions to reduce capital and operating expenditures. Combined with the present moderate recovery of the Malaysian currency to a stable exchange rate environment, and provided the economic growth in Europe and North America is sustained, and the economic recovery of Japan is not further delayed, these actions are expected to bring forth positive results for TNB during financial year 1999.

Closing

I am also very pleased to state that the customers as our major stakeholder have appreciated the difficulties we are in and have given us tremendous support in whatever way they could provide and demonstrate.

Therefore in closing, I would also like to thank our valued customers, shareholders, suppliers and contractors, the Government and other parties involved, for their contribution and support to Tenaga Nasional Berhad.

Appreciation

Our strength is founded on our heritage of greater knowledge and skills leading to greater strength. We have a talented group of people to spearhead our operations. We have the resources and the industry leadership that other companies envy. We also have the largest number of clientele for a corporation in Peninsular Malaysia. In short, we have a unique brand.

I am proud to mention that the management and staff at TNB have very quickly become aware of the various challenges faced during the past two years and have begun to innovate changes and approaches in delivering their duties and responsibilities.

The continued strength of the Group has been due to the commitment of the management and employees. I am indeed grateful to them for their contributions.

On behalf of the Members of the Board, I wish to thank the management and employees for their enthusiasm, commitment and contribution in 1998.

To the Directors who have retired or resigned, I wish to thank them for their valuable contribution and cooperation during their term.

**Datuk Dr Ahmad Tajuddin Ali
Executive Chairman & President**

10 November 1998

KENYATAAN PENGURUSI EKSEKUTIF & PRESIDEN

Pendahuluan

Tenaga Nasional Berhad (TNB) telah mengharungi tahun 1998 yang serba mencabar. Kemerosotan ekonomi secara keseluruhan, yang melibatkan kebanyakan negara-negara di Timur Jauh, terutamanya ASEAN, telah menjegas operasi perniagaan dan industri. Malaysia, TNB dan syarikat-syarikat Malaysia yang lain juga tidak terkecuali.

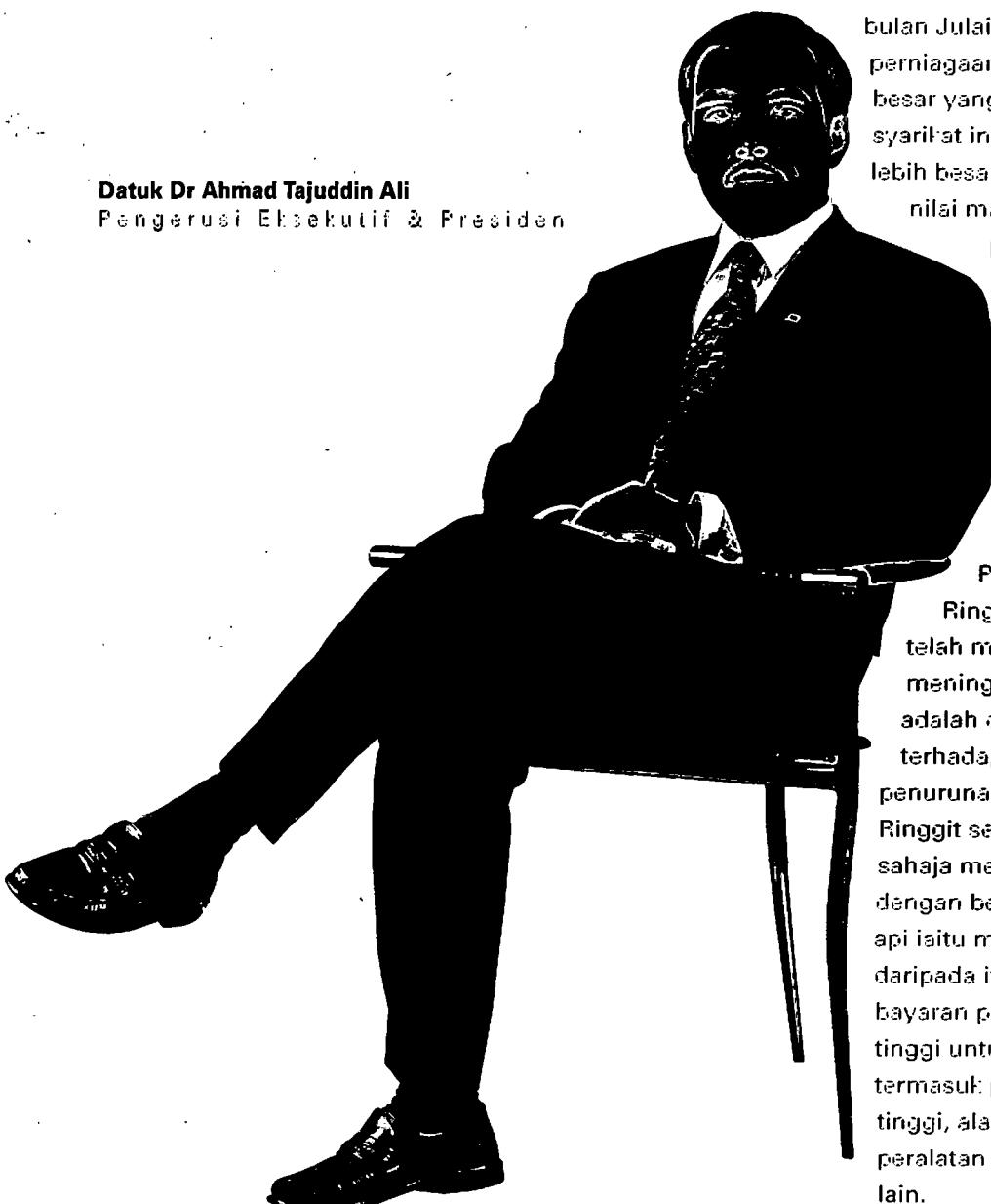
Sepanjang tahun 1998, TNB terus terjejas akibat kegawatan ekonomi dan kewangan yang bermula pada

bulan Julai 1997. Sebagai syarikat perniagaan yang menggunakan modal yang besar yang dibiayai dari luar negara, syarikat ini mempunyai perdedahan yang lebih besar terhadap kedudukan turun naik nilai matawang. Oleh yang demikian, pada tahun kewangan 1998, seperti yang dijangkatakan, krisis ekonomi dan matawang telah menjaskas prestasi kewangan TNB. Dengan kelembapan pertumbuhan, penggunaan elektrik turut terjejas dan mengurangkan pertumbuhan pendapatan.

Penurunan secara mendadak

Ringgit berbanding matawang asing telah mengakibatkan kos operasi meningkat yang sebahagian besarnya adalah disebabkan oleh bayaran faedah terhadap pinjaman dan bayaran terhadap penurunan nilai aset tetap. Kejatuhan nilai Ringgit sepanjang tahun kewangan bukan sahaja meningkatkan perbelanjaan faedah dengan begitu tinggi tetapi juga kos bahan api iaitu minyak dan arang batu. Selain daripada itu, kami juga menanggung bayaran perbelanjaan modal yang lebih tinggi untuk peralatan yang di import termasuk peralatan perkakasuis bervoltan tinggi, alatubah bervoltan tinggi dan juga peralatan elektrik bervoltan tinggi yang lain.

Datuk Dr Ahmad Tajuddin Ali
Pengerusi Eksekutif & Presiden



Di dalam TNB terdapat satu budaya unik berteraskan hasrat hendak memperolehi kejayaan dan tujuan untuk memastikan perkhidmatan dan produk yang ditawarkan diterima dan dianggap sebagai yang terunggul oleh para pelanggan kami.

Walaupun di sebalik pergolakan di dalam pasaran, kami terus berusaha dengan sedaya upaya untuk melaksanakan berbagai langkah bagi meningkatkan lagi prestasi keseluruhan Kumpulan. Langkah penyusunan semula struktur korporat Kumpulan yang bertujuan untuk meningkatkan kecekapan keseluruhan, produktiviti, akauntabiliti dan juga keupayaan memperolehi untung telah membantu prestasi Kumpulan dalam semua aktiviti termasuk operasi, pemasaran, pelaburan, pembangunan projek, perkhidmatan teknikal dan rundingan.

Seperti lazim, kami telah dengan agresif sekali meneroka peluang-peluang untuk mengembang dan meningkatkan nilai aset Kumpulan. Tumpuan perniagaan Kumpulan terus dibuat dalam perniagaan penjanaan elektrik, penghantaran, pembahagian dan jualan elektrik.

Saya percaya bahawa kami telah berjaya menangani masalah semasa dan mengharungi cabaran Tahun 1998 yang serba sukar. Semua kesulitan yang dihadapi tersebut menjadi satu peluang luar biasa kepada TNB untuk mengkaji semula kedudukan Kumpulan sebagai persiapan menghadapi alaf baru dengan penuh keyakinan dan kecekapan yang lebih tinggi.

Kumpulan telah berjaya menghadapi kesukaran ini dengan lebih bersedia dan beriltizam untuk terus membekalkan elektrik bagi menjana pertumbuhan ekonomi dan pembangunan negara.

Prestasi Kewangan

Di sebalik kesukaran yang dihadapi, segala usaha gigih kami sepanjang tahun telah menghasilkan peningkatan jualan elektrik sebanyak 14 peratus berbanding dengan tahun sebelumnya. Perolehan Kumpulan adalah RM11,439.4 juta berbanding dengan RM10,014.8 juta pada tahun kewangan yang lalu. Walaubagaimanapun dengan peningkatan kos operasi Kumpulan disebabkan oleh penurunan nilai Ringgit, keuntungan operasi Kumpulan menurun kepada RM633.9 juta berbanding RM1,369.5 juta bagi tahun kewangan sebelumnya. Disebabkan kerugian dalam pertukaran matawang asing sebanyak RM3,506.4 juta, Kumpulan mencatatkan kerugian keseluruhan selepas cukai sebanyak RM3,094.3 juta bagi tahun kewangan berakhir 31 Ogos 1998.

Sepanjang tahun yang diulangkaji kedudukan alir tunai Kumpulan terus baik dan kukuh, membolehkan TNB memenuhi semua tuntutan bayaran dan tanggungan kewangan yang lain.

Dividen

Lembaga Pengarah, setelah mempertimbangkan dengan teliti kepentingan para pemegang saham dan juga Kumpulan menyarankan pembayaran dividen kasar yang pertama dan muktamad sebanyak 5 sen sesaham.

Pendapatan Sesaham

Bagi tahun 1998, Syarikat telah mencatatkan 99.8 sen kerugian sesaham untuk Kumpulan berbanding dengan 4.6 sen kerugian sesaham untuk Kumpulan pada tahun sebelum ini.

Perbelanjaan Modal

Kumpulan perlu terus melabur di dalam pembangunan dan peningkatan sistem bekalan tenaga. Berdasarkan unjuran pertumbuhan pola permintaan elektrik Malaysia sebelum berlakunya kegawatan ekonomi, Perbelanjaan Modal untuk Kumpulan berjumlah RM6.3 ribu juta bagi tahun kewangan 1998.

Pinjaman dan Dana Pemegang Saham

Pinjaman tertunggak Kumpulan bertambah menjadi RM23,250.7 juta pada akhir tahun kewangan 1998 berbanding RM15,155.0 juta pada akhir tahun sebelumnya, sementara Dana Pemegang Saham menurun sehingga RM12,807.6 juta. Peningkatan dalam pinjaman keseluruhannya adalah disebabkan oleh penurunan nilai Ringgit berbanding dengan matawang asing yang utama.

Pertukaran Asing

Pada tahun laporan, Kumpulan telah mencatat kerugian mata wang asing sebanyak RM3,506.4 juta terutamanya oleh kerugian pertukaran yang disebabkan oleh penurunan nilai Ringgit dan matawang asing utama.

Aset Tetap

Aset Tetap Kumpulan meningkat kepada RM39,188.4 juta, iaitu pertambahan sebanyak 14.8 peratus melebihi tahun sebelumnya. Aset Bersih sesaham pula bernilai RM4.18.

Tarif

Dalam usaha kami untuk terus membekalkan tenaga elektrik kepada para pelanggan dengan harga yang berpatutan, TNB telah berjaya mengekalkannya pada kadar purata 23.5 sen/kWj yang tidak berubah sejak kadar tarif sementara diluluskan pada Mei 1997.

Dengan mengambil kira peningkatan CPI sebanyak 3.4 peratus pada Januari 1998, orangramai sebenarnya menikmati penurunan dalam harga sebenar elektrik pada tahun kewangan ini.

Pemegang-Pemegang Saham

Setakat 31 Ogos 1998, asas pemegangan saham syarikat bertambah kepada 62,143 berbanding dengan 51,860 pada akhir tahun kewangan sebelumnya. Jumlah Modal Saham Diterbitkan dan Dibayar kekal pada paras RM3,099,980,300 seperti tempoh yang sama sebelumnya.

Daripada jumlah pegangan saham tersebut, Kerajaan Malaysia dan agensi-agensinya menguasai 66.6 peratus manakala Pemegang Saham Dalam Negeri memiliki 20.94 peratus dan Pemegang Saham Asing sebanyak 12.46 peratus.

Penswastaan Lembaga Letrik Sabah

Sebuah syarikat milik penuh, iaitu Sabah Electricity Sdn Bhd (SESB), telah menandatangani perjanjian penswastaan dengan Kerajaan pada 26 Ogos 1998.

Tertakluk kepada terma-terma dan syarat-syarat perjanjian itu, Kerajaan telah bersetuju untuk menswastakan operasi perniagaan dan jaminan awam Lembaga Letrik Sabah dengan pemindahan aset dan tanggungannya kepada SESB bermula dari 1 September 1998. Menurut perjanjian itu, Syarikat dikehendaki menawarkan 20 peratus daripada modal saham SESB yang telah diperbesarkan kepada Petroliam Nasional Berhad dan 20 peratus juga kepada Kerajaan Negeri Sabah tidak lewat daripada 30 November 1998.

Perkhidmatan Pelanggan

Di dalam TNB terdapat satu budaya unik berteraskan hasrat hendak memperolehi kejayaan dan tujuan untuk memastikan perkhidmatan dan produk yang ditawarkan diterima dan dianggap sebagai yang terunggul oleh para pelanggan kami.

Pada tahun laporan, suatu kaedah baru digunakan untuk meningkatkan lagi usaha kajiselidik Indeks Kepuasan Pelanggan (CSI). Seramai 2,500 pelanggan dari seluruh Semenanjung Malaysia ditemubual dalam usaha penyelidikan itu. Petunjuk CSI mencatat indeks keseluruhan 66.3 peratus di kalangan pelbagai segmen, iaitu perniagaan 68 peratus, kediaman 67 peratus dan perindustrian 64 peratus.

Petunjuk CSI ini akan digunakan untuk menilai tahap kepuasan pelanggan terutamanya dengan pengenalan inisiatif-inisiatif baru bertujuan untuk memperbaiki keperluan pelanggan. Inisiatif-inisiatif ini termasuklah penubuhan Kedai Tenaga, Elektrik Bestari, Pusat Pengurusan Panggilan (CMC), Talian-talian bebas - tol, dan lain-lain.

Sumber Manusia

Setakat 31 Ogos 1998, bilangan anggota kerja yang berkhidmat dengan Kumpulan berjumlah 22,890 orang berbanding 23,240 orang pada tahun sebelumnya. Majoriti mereka diserapkan ke dalam anak-anak syarikat yang baru dibentuk, iaitu TNB Generation Sdn Bhd dan TNB Engineers Sdn Bhd. Kami juga memperuntukkan dana yang mencukupi bagi kemudahan kebajikan dan sosial termasuk perkhidmatan perubatan yang memberi penekanan terhadap amalan perubatan pencegahan.





Alam Sekitar

Sebagai syarikat utama dalam industri tenaga, Tenaga Nasional Berhad beriltizam melindungi kesihatan manusia, sumber asli dan alam sekitar. Komitmen ini memberi kesan yang lebih besar daripada pematuhan kepada undang-undang untuk meliputi penggabungan amalan-amalan yang baik mengenai alam sekitar ke dalam konteks amalan perniagaan terbaik. TNB sebenarnya sangat mengambil berat tentang kesan terhadap alam sekitar dalam proses penjanaan kuasa dan ia sentiasa mencari jalan untuk mengurang dan meringankan kesan itu di mana mungkin.

Suatu sistem pengurusan alam sekitar (EMS) telah ditubuh dan dilaksanakan. Sistem EMS mengutamakan peraturan berkanun, pengawasan yang efektif ke atas lepasan dan sisa, perancangan tindakan kecemasan yang berkesan dan program latihan yang baik.

Perhatian yang TNB berikan kepada kebersihan alam sekitar paling jelas kelihatan melalui kejayaannya memperolehi sijil ISO 14001 yang dianugerahkan kepada Stesen Janaelektrik Serdang, sekaligus menjadikannya stesen janaelektrik pertama di Malaysia yang menerima anugerah itu.

Sebelum kerja-kerja pembinaan sebuah loji bermula, beberapa penilaian kesan alam sekitar dijalankan. Syarikat mengekalkan perhubungan kerja yang erat dengan Jabatan Alam Sekitar bagi menjamin pengurusan alam sekitar yang baik di kawasan di mana TNB beroperasi. Mesyuarat dan pengawasan juga sentiasa dilaksanakan.

Pada tahun laporan, keselamatan dan kesihatan perindustrian juga diberi keutamaan. Sehubungan itu, Kumpulan mematuhi Akta Kilang dan Jentera, 1967. Ia melaksanakan pelbagai program untuk menyampaikan maklumat tentang keselamatan dan kesihatan perindustrian kepada anggota kerja di seluruh peringkat operasi. Kami sangat mengutamakan keselamatan anggota kerja kami dan juga orang awam, dan iltizam inilah yang mengekalkan kedudukan kami di barisan hadapan pengurusan keselamatan di dalam industri.

Pematuhan Tahun 2000

Permasalahan yang mungkin timbul berpunca daripada masalah pepijat komputer Tahun 2000 (Y2K) telah pun diiktiraf sepenuhnya oleh TNB. Prosedur-prosedur rasmi telahpun dilaksanakan di seluruh Kumpulan dan Syarikat untuk mengenalpasti kesan sepenuhnya ke atas operasi kami. Sebuah jawatankuasa projek telah ditubuhkan, sumber khusus telah disediakan, dan rancangan-rancangan serta jadual yang dipersetujui untuk memastikan semua sistem dalaman dipertingkatkan dan bersedia menghadapi cabaran Y2K menjelang akhir abad ini. Kemajuan dan perkembangan rancangan-rancangan dan tindakan yang diambil sentiasa diawasi oleh sebuah jawatankuasa pandu pusat yang saya penguruskan sendiri.

Kesemua rakan niaga luaran telah dihubungi mengenai perkara ini. Kumpulan anda turut bekerjasama untuk memastikan yang mereka juga bersedia menghadapi masalah pepijat Y2K dalam membekalkan produk-produk dan perkhidmatan mereka kepada TNB.

Prospek

Kumpulan telah mengambil langkah-langkah ke arah meningkatkan kecekapan dan keberkesanannya operasi. Ia juga telah mengetatkan kawalan belanjawan di samping mengambil tindakan tertentu dengan segera untuk mengurangkan modal dan perbelanjaan operasi. Bersama-sama dengan pemulihan sederhana matawang kepada kadar pertukaran asing yang stabil, tindakan-tindakan ini dijangka akan turut membawa kesan positif terhadap TNB pada tahun kewangan 1999 dengan syarat pertumbuhan ekonomi Amerika Syarikat dan Eropah dapat dikelakkan, dan pemulihan ekonomi Jepun tidak tergendala.

Penghargaan

Kekuatan kami adalah berteraskan warisan pengetahuan dan kemahiran luas yang melipat gandakan lagi kekuatan tersebut. Kami mempunyai sumber tenaga manusia berbakat untuk menerajui operasi kami. Kami juga mempunyai sumber dan kepimpinan yang dikagumi syarikat-syarikat lain. Kami mempunyai bilangan pelanggan terbesar di Semenanjung Malaysia. Pendek kata, kami mempunyai satu jenama yang unik.

Saya merasa bangga untuk menyatakan bahawa pengurusan dan anggota kerja di TNB telah dengan cepat sekali menyedari mengenai cabaran-cabaran yang dihadapi sejak dua tahun lalu dan telah pun mula melaksanakan perubahan dan pendekatan dalam menjalankan tugas dan tanggungjawab mereka.

Keteguhan berterusan yang dinikmati oleh Kumpulan adalah hasil semangat dan iltizam pihak pengurusan dan anggota kerja. Saya amat berterima kasih atas sumbangan mereka.

Bagi pihak Lembaga Pengarah, saya ingin merakamkan ucapan terima kasih kepada Pengurusan dan anggota kerja di atas kegigihan, iltizam dan sumbangan mereka sepanjang 1998.

Kepada para Pengarah yang telah bersara atau meletak jawatan, saya ingin mengucapkan terima kasih di atas sumbangan dan kerjasama yang tidak ternilai sepanjang tempoh perkhidmatan mereka.

Penutup

Saya juga merasa gembira kerana para pelanggan yang juga merupakan pemegang saham utama amat memahami kesukaran Kumpulan dan telah memberi sokongan yang tidak berbelah bagi dalam apa juar cara yang dapat diberi dan ditunjukkan.

Akhir kata, saya juga ingin mengucapkan terima kasih kepada semua pelanggan, pemegang saham, pembekal dan kontraktor, Kerajaan dan pihak-pihak lain yang terlibat atas sumbangan dan sokongan mereka terhadap Tenaga Nasional Berhad.



**Datuk Dr Ahmad Tajuddin Ali
Pengerusi Eksekutif & Presiden**

10 November 1998

REVIEW OF OPERATIONS

Introduction

The restructuring exercise to better performance and consolidate activities at Tenaga Nasional Berhad saw the creation of new divisions at company level and a diverse number of subsidiaries at group level. The subsidiaries were established to ensure efficiency as well as optimum utilisation of assets and human resource. The Group and Company is supported by a team of divisions at company level that offer company secretarial services, audit, procurement, contract management, legal advice, financial management, corporate planning and business development, human resource and corporate communications.

While TNB Generation Sdn Bhd (TNBG) was activated for the operation and maintenance of twelve TNB power stations on 1 September 1997, the process of further restructuring in this subsidiary still continues.

The Transmission and Distribution Projects Division and the Engineering and Projects Departments of the Generation Division were also integrated into TNB Engineers Sdn Bhd on 1 September 1997 - a move to right size operations for greater reliability, quality, efficiency, productivity and accountability.

In the new financial year of 1998, Tenaga Nasional Ventures Sdn Bhd, TNB Metering Services Sdn Bhd, TNB Workshop Services Sdn Bhd and TNB Fuel Services Sdn Bhd were operationalised. Another subsidiary namely, TNB-IT Sdn Bhd, is expected to be operationalised on 1 January 1999.

TNB Transmission Network Sdn Bhd has been incorporated with a view to streamlining operations and maintenance of the National Grid. In addition, TNB Distribution Sdn Bhd has also been incorporated for the purpose of undertaking the business of distribution and sales of electricity throughout Peninsular Malaysia.

On 9 November 1998, the Board approved a change in the designation titles for the Company's key management positions as a strategic move to streamline the restructuring process. The Chief Executive Officer's position is now known as that of the Executive Chairman and President; the Senior General Manager is now known as the Senior Vice President; and the General Manager as Vice President.

The Quality Secretariat was restructured into a dedicated unit under the stewardship of the Executive Chairman and President. It coordinates all quality-related activities throughout TNB's operations.

The rewards were evidenced in greater productivity, reliability, efficiency, increase in sales and operating profit while reducing operating expenditure. In recent years, the Benefit and Cost Saving QCS-IT projects have saved TNB a sum of RM30 million.

Supply reliability, dependability and security continue to play an important role in ensuring that we power the nation's progress.



CUSTOMER SERVICES

Distributing and Selling of Electricity

The Customer Services Division plays the primary role of selling electricity and providing services to TNB's customers. During the year, Total Sales amounted to 47,197 GWh representing an increase of 7.9 per cent over the previous year of 43,747.1 GWh. Growth by Domestic Sector consumption was 16.5 per cent, the Commercial Sector 9.58 per cent, the Industrial Sector 3.04 per cent, Public Lighting 26.9 per cent.

A concerted effort to improve total performance by further reducing costs, improve quality of service and product, ensuring growth, improving on productivity and competitiveness and consolidating TNB's positioning in the electricity supply business was undertaken.

TNB also put special attention to the growing needs of a differentiated group of customers with higher sophisticated quality supply requirement. To meet such needs, TNB embarked on offering customised supply to meet the specific needs of the individual.

Sales

Total sales generated an income of RM11,075.6 million with the Industrial Sector contributing the bulk at 53.4 per cent, followed by the Commercial Sector at 28.1 per cent, the Domestic Sector at 17.6 per cent, Public Lighting at 0.7 per cent and Mining at 0.2 per cent.

Customers

As at 31 August 1998, the number of TNB customers rose to 4,583,305 compared with 4,337,617 over the previous corresponding period, representing a growth of 5.66 per cent. The Domestic Sector comprised the largest number at 3,842,672 followed by the Commercial Sector at 700,659, the Public Lighting Sector at 21,363, the Industrial Sector at 18,558 and Mining at 53.

Marketing and Promotions

Several activities were carried out during the year to promote the use of electricity. These activities were aimed at increasing sales. TNB adopted a sales promotion in support of the government's drive 'Love Malaysia, Buy Malaysian Products'. A promotion on air conditioners resulted in 17,038 units of air conditioners sold during the campaign generating an increase in sales of electricity of 38 GWh/year. Total sales for the entire 'Love Malaysia, Buy Malaysia Products' campaign of electrical appliances sold was RM30 million.

A Belian Bestari promotion was also undertaken between TNB/SETHENG/Koperasi TNB in which attractive prices were offered for the purchase of electrical appliance from the participating partners. This promotion generated electrical appliance sales of RM10 million and an additional increase in sales of electricity of 23 GWh/year.

The public were made aware of TNB's effort to offer Domestic Customers with more value added services via radio and television commercials announcing the Company's network of Customer Service Centres. These centres known as Kedai Tenaga offer Elektrik Bestari, TNB's first branded service of "electricity advisory" for the home focusing on the efficient and safe use of electricity, household lighting, repair and maintenance of internal household wiring. Elektrik Bestari also seeks to help promote the positive attributes of electricity which are efficient, clean and convenient.

During the year, TNB also sponsored Selera Microwave Bersama-sama TNB, a 13 episode TV series promoting delicious local cuisine cooked with the use of a microwave oven. This programme is aimed as an educational tool to help Malaysians understand the fundamentals of microwave cooking which is easy, safe, and healthy while at the same time dispelling the fears on the microwave cooking.

During the year, TNB also signed an electricity supply agreement with Titan Petrochemical (M) Sdn Bhd at Tanjung Langsat for top-up and stand-by supplies to Titan with an ultimate maximum demand of 93 MW.

Customer Services

Seven new TNB premises were opened in Kulim, Kuala Lipis, Jitra, Gua Musang, Bachok, Kuala Kangsar and Jerantut to provide better facilities, convenience and more efficient customer service in these areas.

Call Management Centres

Call Management Centres (CMC) have been set up in each state throughout the Peninsula as part of a major improvement exercise in the quality of customer service. In this connection, TNB is proud to be the first utility to introduce one common telephone number for the convenience of customers nationwide at 1-5454 to call in reporting power interruptions and faults at the cost of a local telephone call. Initially, this service will only be available for calls made from Telekom Malaysia Berhad on fixed lines. Plans are underway to extend this service to include mobile telephones.





Distribution Engineering

In the pursuit of continuous improvement in the overall distribution system reliability performance, cross-functional teams comprising of engineering and regional staff were established to investigate, analyse root causes of system failures and initiate improvement actions.

HV live-line works were introduced and selected instructors were given training at the newly established Live-line Training Center in Malim Nawar, Perak. Live-line works will in the long-run contribute to substantial reduction of planned supply interruptions to customers as well as offer cost savings opportunities through higher utilisation of distribution assets.

SCADA and GIS are being planned for implementation as a medium to long-term strategy towards more effective and integrated approach in managing the growing complexity of the distribution network. The first phase of the SCADA/Distribution Automation project scheduled for implementation in the period 2000-2003 was scaled down due to the economic slowdown. The first phase will now cover only the MSC, Selangor and the Federal Territory.

Rural Electrification Programme

One of the Government's strategies to improve and uplift the socio-economic standing of the rural population is managed under a Rural Electrification Programme. Currently, there are three categories of rural electrification projects and these are broadly identified by the method of supply extensions, namely :

- i. 24-hour supply from TNB distribution systems
- ii. 24-hour supply from mini-hydro stations and power stations
- iii. 12-hour supply from small rural stations

During the year, 86 rural supply projects were completed benefiting 2,456 new households with electricity supply.

Multimedia Super Corridor (MSC)

During the year, TNB was actively involved in the development of a world class electricity infrastructure for Putrajaya and Cyberjaya.

A "No Dig Policy" adopted by Putrajaya Corporation provided TNB with the focus of implementing an innovative design for Putrajaya. Works in this area are progressing with 52.7 km of cable ducts installed and 134 manholes have been constructed while 45 km of 33 kV cables have been laid.

Three new Main Distribution substations have been built, one of which has been operationalised to provide a 33 kV supply to the Gas District Cooling (GDC) system on 6 August 1998.

Putrajaya's electricity supply incorporates a full fledged SCADA and Distribution Automation System which would be integrated with the Putrajaya Control Centre. In the implementation of this electrical infrastructure to Putrajaya and Cyberjaya, TNB has identified innovative concepts of giving supply of world-class standards.

TRANSMISSION SYSTEMS OPERATION AND MAINTENANCE

Transporter of Electricity

After electricity has been generated, it is delivered throughout the peninsula via a transmission system known as the National Grid. The National Grid spans 13,869 km, operating mainly at 132 kV and 275 kV, and connects the power stations to load centres. The rapid growth in electricity demand in Malaysia has resulted in TNB installing a 500 kV network as the new backbone for the transmission grid.

The National Grid is connected with the transmission system of the Electricity Generating Authority of Thailand (EGAT) in the North through a 117 MVA, 132 kV Single Circuit Line. In the South, it is connected with the transmission system of Singapore Power Ltd (SP) from the Sultan Iskandar Power Station to SP's Senoko Power Station through two 250 MVA - 230 kV transmission lines and submarine cables.

High Voltage Direct Current Interconnection Project

The High Voltage Direct Current (HVDC) Interconnection Project between TNB and the Electricity Generating Authority of Thailand (EGAT) consists of the construction of a 110 km HVDC line (85 km TNB, 25 km EGAT) with DC converter stations at both ends. The interconnection will be made between the Gurun 500/275 kV substation in Malaysia and the Khlong Ugae 230 kV substation in Thailand. The station utilises the latest state-of-the-art technology in power electronics and control equipment including extensive use of optical devices and fiber optics for measurement, control and communication purposes, active filter technology and a fully decentralised control and protection system.

The engineering and design stage is in progress and the project is expected to be completed in July 1999. It will put into place the economic benefits of power sharing of spinning reserve as well as make up for lost generation, provide for the further enhancement in system integrity, security and emergency power transfer between the two utilities. The interconnection will also form a vital link in developing a fully integrated ASEAN Interconnected Transmission Network.

500 kV Transmission Grid

The 500 kV network was designed to provide a more reliable and secure supply. Its implementation is in two phases - Phase I covers the Northern part of the Peninsula and runs along the West coast from Port Klang to Gurun, while Phase II covers the Southern Peninsula from Pasir Gudang to Yong Peng. The project is presently 98 per cent complete with 503 km of lines energised at 275 kV. Two substations were also commissioned. The project is expected to be fully completed and energised at 500 kV by early 1999.

The 500 kV project has provided an economic benefit through the downstream industries created. New manufacturing facilities have been constructed to provide local materials and equipment for the project. These new sources will also support the local electric system expansion and provide the opportunity for export of materials and equipment.

System Performance and Management Audit

TNB tracks all transmission trippings and undertakes post mortem analysis of significant events under a system performance audit. A cross-functional team involving all departments within Transmission has been established to improve operational weaknesses.

Effective Grid System Operation

In June 1998, the Grid System Management Department was awarded the ISO 9002 for Total Quality Management. The National Load Despatch Center (NLDC) commissioned an emergency back-up control center complete with computers and communications system. This back-up control center is situated at a different location and duplicates the NLDC's facilities as a contingency against the risks of fire in the NLDC.

The performance of the SCADA system in the control center has been further enhanced. Control engineers can now perform remote switchings of transmission equipment in 50 substations located at various areas in Peninsular Malaysia.

To improve system security and reliability, a 275 kV switching station was established in Junjung in the North, and additional 275/132 kV interbus transformers were commissioned in Kuala Lumpur East, Serdang, Malacca, Yong Peng North and Skudai. A 132/33/11 kV main intake was established in Bukit Jalil for the XVI Commonwealth Games 1998 and a 275/132 kV temporary main intake was established in Kuala Lumpur West to enhance system security. To improve the efficiency of generation, the gas turbines at Pasir Gudang, Paka and Malacca were converted to combined-cycle.

During the year, more generators were available for automatic generation control. Training using the Despatcher Training Simulator (DTS) was established. This helped in enhancing the knowledge and skill of system operators in dealing with normal and emergency operating conditions. The DTS training has also been extended to regional system operators as well.

Protection and Telecommunications

TNB and Fibre Communications Network (M) Sdn Bhd have jointly installed more than 4,000 km of optical fibre cables on TNB's transmission lines for the development of a fully digital telecommunications network. Fibre optics communications system is essential for reliable, secure and high speed telecommunications service for enhanced electric power generation, transmission and operation. To complement the fibre optics development, a major digital power line carrier project involving 35 substations is being implemented.

Other major achievements for the year were the commissioning of a telecommunications system for the 500 kV project, the completion of the Southern Region Optical Link from Pasir Gudang to Bangsar and the use of digital switching techniques for the National Load Despatch Centre Back-Up System.

Quality Maintenance Practices

The TNB maintenance policy is categorised into two, namely, time-based maintenance and predictive maintenance. The maintenance procedure for plants has recently been reviewed to ensure optimal plant performance and reduction in maintenance costs in power transformers, instrument transformers, switchgear and gas insulated substations.

Action is being taken to further reduce the number of trippings on transmission lines caused by adverse weather conditions with emphasis on checking tower foot resistance and tower top inspection. Checks are also being undertaken for possible soil erosion that may affect tower foundation stability. The application of a cable diagnostic system to determine dielectric conditions has been successfully implemented in preventing potential cable failure.

Transmission Asset Management

A new unit has been established to manage the transmission assets of the Company as well as the prudent use of resources and optimum utilisation of transmission equipment. In addition, the unit is also responsible for maintenance policies and to ensure that new projects meet the quality standards and set time schedules.

Transmission Maintenance Department

TNB has engaged the services of Renoir Consultants United Kingdom to improve productivity of the Transmission Maintenance department. With this exercise, work processes have been streamlined resulting in the department being able to perform extra services such as the maintenance of circuit breakers for the Distribution division.

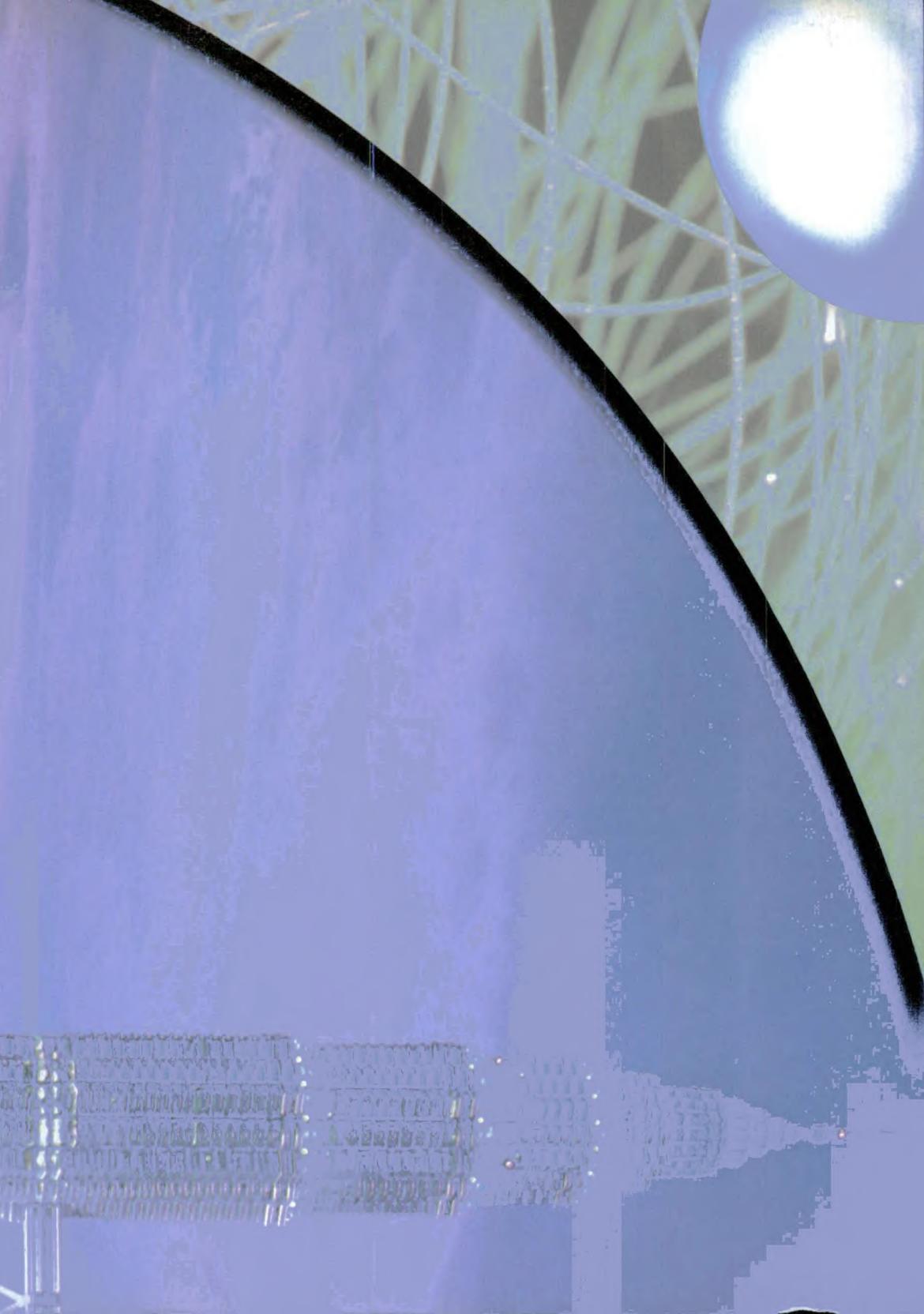
The Transmission Maintenance policy now adopts conditioning monitoring of equipment rather than the traditional time-based maintenance.

NETWORK PLANNING

In a further restructuring exercise in April 1998, the Network Planning department was upgraded into a division. The division now undertakes generation planning, technical system study, transmission grid planning, area network planning, standards and design, and database and demand forecast. With these functions, Network Planning was also moved into the new Grid System Management division on 1 September 1998 as part of a grooming exercise for the bigger move to being an Independent Grid System Operator by the year 2000.

During the year, the division prepared five demand forecast revisions to reflect the government's periodic review of the country's economic growth projection. It was also involved in the revision of generation development plans to reflect the revised demand forecast. The division was actively engaged in several other activities under its jurisdiction including system studies on Sabah Electricity Board and a system study with TEPCO on an 'islanding' scheme to prevent total system collapse in the Multimedia Super Corridor/Kuala Lumpur areas under extreme contingencies.







FINANCE

The adoption of the Financial Management Information System (FMIS) by TNB and most of its main subsidiaries saw cost accounting, management reporting and project cost controls improved significantly. FMIS uses the SAP R/3 enterprise wide software which interfaces with the Customer Information Billing System (CIBS), the payroll system, the vouchers and payments system, and the supply function for its material management.

During the year under review, the SAP R/3 system was upgraded from version 2.2E to version 3.1H. Three additional SAP modules were introduced in the FMIS. These are the Material Management module implemented in TNB Generation Sdn Bhd, the Sales and Distribution module which is being implemented in UNITEN and the Cash Management module that is being implemented in TNB's Finance division to improve the monitoring of cash flows. In the next financial year, the Material Management Information System (MMIS) replacing the supply function, will interface with the FMIS.

TNB is currently developing a Cash Flow, Budgetary and Treasury Management and Control Framework, and Group Financial Management Reporting Framework with an external consultant. The project will focus on cash flow and budgetary management, control processes and practices and its associated operational risks; treasury objectives, policies, processes and practices and its associated operational risks; financial management reporting structures and processes; and a review of TNB Fuel Services Sdn Bhd to assess the strategic direction of the Company in light of the restructuring.

The company has certain financial instruments including assets and liabilities and off-balance sheet financial instruments incurred in the normal course of business. In applying a consistent risk management strategy, the company manages its exposure to market rate movements of its financial liabilities through the use of derivative financial instruments which include currency forward exchange and option contracts and interest rate currency swap agreements designated as hedges. These instruments are executed with creditworthy financial institutions, and virtually all foreign currency contracts are denominated in U.S. dollars, Yen and other currencies of major industrialised countries.

As a means to maximise shareholder value and maintain positive financial community support, TNB's Investor Relations Unit (IRU) carried out a programme of formal presentations and held one-on-one meetings with the local and foreign fund managers, financial analysts and fixed income investor bankers. Over 150 meetings were organised during the year, the main ones being W I CARR Indo Suez in November 1997 in Singapore, the Merrill Lynch in London in May 1998, the Global Emerging Market Conference held in Hong Kong in June 1998, and Paribas Asia Equity in July 1998.

As a result of the proactive measures adopted, TNB's IRU was voted the Best Investor Relations Unit by Asia Money.

CORPORATE PLANNING AND BUSINESS DEVELOPMENT

Services to the Group and Company

Corporate Planning and Business Development had the primary task of assisting the Group and Company in areas that include project financial assessments, groundwork for mergers and acquisitions, ventures monitoring, business environmental scanning and strategy formulation. Generation planning and financial planning previously under Corporate Planning and Business Development are now being undertaken by Network Planning and the Finance divisions respectively.

Activities

During the year, TNB continued with its restructuring exercise following the transformation of the Generation division into a private limited company and the reorganisation of the Distribution division. The restructuring exercise also saw the initiation of the Grid System Management division and the preparation of the transfer of non-core business companies and investments to TNB Ventures Sdn Bhd.

A major event during the year was the spearheading activities on the privatisation of the Sabah Electricity Board through a wholly owned subsidiary Sabah Electricity Sdn Bhd (SESB).

TNB was also involved in international projects and investments such as the 235 MW Liberty Power joint venture project in Pakistan in which TNB had an initial 62 per cent equity. In July 1998, TNB announced it would acquire total control of the project from its joint-venture partners.

Ventures and Corporate Investment

During the year, TNB pursued investment possibilities in IPP projects in Myanmar, Cambodia and Vietnam. It also entered into a strategic alliance with Petroliam Nasional under Petronet in bidding for a 2000 MW LNG-fueled power project in Tamil Nadu, India.

Technical site surveys were also conducted in Iran, Saudi Arabia, Sudan, the Philippines and Australia. Despite the economic pressures facing Asia and the world, TNB will continue to pursue business possibilities in the international arena.

On the local scene, it was involved in the finalisation of the electric car - CAR R & D investment. It also took part in the equity acquisition of 20 per cent in Kulim Hi Tech through Northern Utility Resources.

CORPORATE SERVICES

Corporate Services is a division within TNB that provides services to support the business objectives of the Company. These are rendered through Procurement Services, Risk Management Services, Property Services, Security, Legal Affairs and an Entrepreneur Development Programme that have been strategically placed to lend key and crucial support. In addition, Corporate Communications strived to play a strategic management role in ensuring a positive image for TNB.

During the year, Corporate Services ensured contracts were awarded in full conformance with TNB's procurement policy to ensure the Company received the best value, materials and services.

TNB accorded high priority to risk management and undertook such activities on a company-wide basis. The improved risk performance of TNB has corrected the perception of reinsurers towards TNB's risk management portfolio.

Policies on Occupational Safety and Health, and the Environment were reviewed and revised. These updates in policies were introduced as part of the Company's new corporate goals and committing line managers to new responsibilities in safety and the environment, customer satisfaction, reliability and quality.

Perhaps the most important force affecting all organisations today is the opinion of people. The business community realise this when they talk of 'goodwill'. Business goodwill means not only the attitude of the customer towards the Company's products and services, but also the attitude of stakeholders such as investors, the government, shareholders, the community and employees.

During the year, Corporate Communications had the task of managing positive perceptions of the Group and Company. This key strategic role is in line with the needs of a conglomerate such as TNB, more so during the current corporate restructuring exercise, to improve business performance.

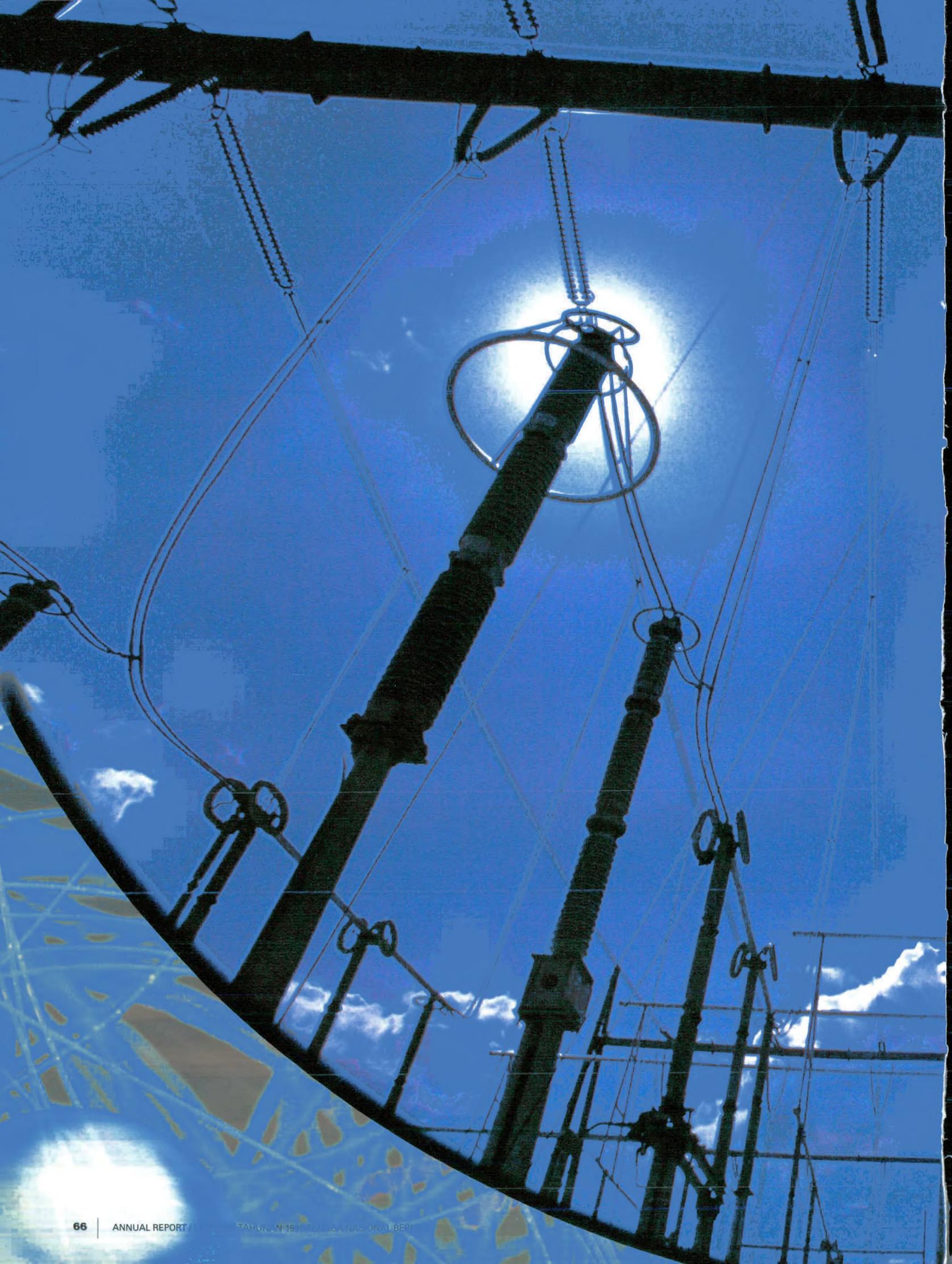
The year under review saw Corporate Services also providing the Group and Company with legal advisory services and was an active manager in negotiations, preparation of agreements and other documentation.

Among the major projects undertaken during the year were the preparation of the Power Purchase Agreements between TNB Janamanjung Sdn Bhd, Perlis Power Technology Sdn Bhd and Automan Power Producers Sdn Bhd; the Sabah Electricity Board privatisation exercise; Y2K governance; the electricity joint venture agreements with Pakistan and Bangladesh; the restructuring exercise of TNB; the preparation of agreements in equity participation in electricity projects such as Bakun, Kulim Hi-Tech Park and others.

The Entrepreneur Development Programme continued to be developed by the Company as part of its contribution to the National Development Policy.

Land procurement, property management and asset maintenance were also key support functions. In addition, Corporate Services managed land applications that included access management for transmission cables, and obtained approvals for the construction and purchase of properties required by TNB for use as offices and quarters.

Corporate Services had also the task of protecting the interests, assets and employees of the Group and Company through the provision of security services.



HUMAN RESOURCE

Effective manpower planning and systematic training to meet corporate objectives continued to be high on the agenda in TNB. In a strategic move to transform the Group and Company into a leading and successful corporation, TNB undertook a restructuring exercise that strengthened management and core competencies as well as enhanced capabilities and expertise. New and effective human resource policies relating to staff deployment, career development, competency enhancement and incentives have helped TNB manage its human resource more effectively and efficiently, resulting in harmonious industrial relations with both the executive and non-executive unions and higher staff productivity.

Although operations expanded significantly with an additional 245,688 new customers connected to the system during the year, TNB had managed to maintain a total staff strength of 22,890 employees (comprising 2,389 executive staff and 20,501 non-executive staff) compared with a total of 23,240 employees in the previous year.

Information Technology is being utilised with the implementation of an integrated Human Resource Information and Payroll System corporate-wide. A computerised Interim Medical System helped manage and control medical costs effectively.

QUALITY SECRETARIAT

During the year, TNB continued to pursue an aggressive policy on quality which began since privatisation. The Quality Secretariat was restructured into a unit directly under the stewardship of the Executive Chairman and President to ensure greater quality awareness company wide, nation wide. A Quality Master Plan involving all levels from the Executive Chairman and President down to grassroot level was drawn up to develop quality roadmaps to develop a strong quality culture in the TNB workforce.

TNB also explored new activities that would further upgrade quality achievements. It further enhanced the Quality Customer Service Programme (QCSP) to create awareness of and change in attitude for a quality work culture. It also continued to facilitate the Quality Customer Service-Improvement Teams (QCS-IT) with the creation of workers' sub-groups to solve day-to-day occupational problems at the workplace.

QCS-IT conventions were held at station, district, regional, division and national levels to present the results of worker-initiated projects.

A National Level QCS-IT Convention and Innovation Exhibition 1997 was organised from 21 - 23 December 1997. Thirty-five QCS-IT teams took part in the Innovation Exhibition with twelve teams promoting their individual projects.

In addition, six teams reached the finals at the National Productivity Corporation Anugerah Q Convention. Four teams scored the highest with one team being the national champion.

CORPORATE AUDIT

Corporate Audit has the independent function within TNB to conduct systematic review and appraisal of the business controls of TNB's group of companies on behalf of its Board of Directors and Management. The main objectives are to add value to the business by helping management improve the controls and to ensure business operations are conducted in an economical, efficient and effective manner to achieve corporate objectives consistent with standards in management practices.

During the year, added value came from two strategies. First, more time was spent on risk assessment, analysis and management actions compared to data gathering and reporting. Second, in addition to hard controls which are implicit in the traditional audit, emphasis was also placed on soft controls such as the attitude of people towards controls, ethics, values, culture, empowerment, competency and professionalism. Together, these formed the recommended option of actions to improve business operations.

As a result, greater accountability and responsibility amongst the Area and District Managers were evident. Audited sites for the year were districts in Wilayah Perlis, Kedah, Pulau Pinang, Perak, Negeri Sembilan, Malacca and Pahang. Corporate Audit focussed on improving breakdown performance, reducing distribution losses, improving financial controls, and effective materials management. In addition, the current year audit review of the performance of equipment installed in power stations and transmission and distribution systems also brought to surface important issues that offered opportunities for improvement, particularly in the areas of procurement and tendering process, quality control, contract management, operations and maintenance.

In meeting future challenges, Corporate Audit is currently conducting subsidiary audits in line with the corporate strategy to subsidiarise its business operations for better management focus, control and accountability. The tasks of Corporate Audit will be to determine and assess the viability of the company in the short and long-term perspectives, the feasibility of its projects, and the synergies between the holding and its subsidiaries, and among the subsidiaries that encourage the creation of win-win situations to enhance shareholders' value.

COMPANY SECRETARY

The establishment of Company Secretary's office is in cognizance with the statutory provision embedded in Section 139A of the Companies Act 1965. The Company Secretary plays a significant role in ensuring that the Company and its Group are governed by proper corporate governance in adherence to the statutory legislations and the Memorandum and Articles of Association of the Company affecting the company's business. The Company Secretary's office is also expected to observe the Kuala Lumpur Stock Exchange Listing Requirements in its entirety.

During the year, the office of the Company Secretary had the primary task of assisting the Board of Directors of the Company and the Group with advisory and consultancy services relating to company legal issues and share transaction issues. The Company Secretary's office also acts as the Share Registrar of the Company.

The office of the Company Secretary facilitates the meeting of the Board of Directors and the Annual General Meeting which include to ensure that the meetings are convened in accordance with the valid meeting procedures and providing essential input in ensuring that businesses of the meeting are transacted in the best interest of the company and shareholders. The Company Secretary is in fact a link between the Board and the Management in effectively conveying the resolutions of the Board to the Management for execution.

The year under review saw 18 meetings of the Board of Directors including an Annual General Meeting convened. In addition, 14 Audit Committee meetings, 14 Finance and Investment Committee meetings, seven Tender Committee meetings, eight Establishment Committee meetings, one Planning and Development Committee meeting and one Disciplinary Committee meeting were also held.

SUBSIDIARIES

POWER GENERATION

TNB Generation Sdn Bhd

TNB Generation Sdn Bhd (TNBG) was established on 1 September 1997 to manage and operate all TNB's twelve major power stations leased to TNBG on a long term basis. With a current capacity of installation of 8,128.9 MW, it is the largest generator of electricity in the country. In line with the four-fuel strategy policy adopted, the plant mix now consists of open cycle and combined cycle gas turbines firing gas, conventional thermal plants firing either gas, oil or coal and hydro machines, thus ensuring operational flexibility, system reliability and cost efficiency.

For the 1998 financial year, plant performance statistics are as follows:-

• Electricity Sales	31,959.59 GWh
• Thermal Plant Availability	81.46 per cent
• Hydro Plant Availability	83.60 per cent
• Total Plant Availability	81.94 per cent
• Thermal Efficiency	33.74 per cent

A peak demand of 8,470.4 MW was recorded on 27 May 1998, representing an increase of 3.3 per cent over the figure of 8,194 MW recorded the year before.

At the close of the financial year ended 31-August-1998, the capacity of installation mix was:-

Plant Type	Capacity of Installation	Percentage
Combined Cycle	2,002 MW	24.63
Conventional Thermal (Oil/Gas)	1,714 MW	21.08
Conventional Thermal (Coal)	600 MW	7.38
Gas Turbine	1,994 MW	24.53
Hydro	1,818.9 MW	22.38
Total	8,123.9 MW	100.00

During the year, TNB's plant up programme saw 4 X 150 MW hydro machines at Pergau, 1 X 95 MW steam turbine (ST4C) at Paka and a 1 X 110 MW steam turbine in Malacca being commissioned and synchronised into the system. The 2 X 500 MW coal-fired units at Kapar power station are undergoing commissioning tests and the first unit is scheduled to be synchronised and be on commercial loading by the end-of-1998. To reinforce and to beef-up the supply of power to Pulau Pinang, TNB has approved the transfer of another 1 X 110 MW frame 9 gas turbine to the Gelugor power station.

In line with TNB's pursuit of Total Quality Management, the Kenyir Power Station earned an ISO 9002 certification in December 1997. Prior to this, the Serdang Power Station became the first power plant to be awarded the ISO 9002 for Total Quality Management in March 1996, the Tuanku Jaafar Power Station - one of the oldest among TNB's in June 1997, followed by the Connaught Bridge Power Station in August 1997.

The Serdang Power Station was again the first power station to be awarded the prestigious ISO 14001 Certification for Environmental Management System.

During the year, the Malaysian Society for Occupational Safety and Health awarded gold medals each to Kenyir and Serdang Power Stations, and silver medals to Chenderoh, Connaught Bridge and Paka power stations for practising the highest Occupational Safety and Health standards.

In short, quality, safety and health were and continue to be of paramount importance to TNB.

Apart from being the biggest Power Producer in the country, TNB has also signed a contract to operate and maintain the 235 MW Liberty Power Complex in Daharki, Pakistan.

For the 1998 financial year, TNB recorded a turnover of RM3,921.3 million.

TNB Janamanjung Sdn Bhd

Much of the reclamation work for TNB Janamanjung Sdn Bhd (TNBJ) at a 291-hectare site in Teluk Pencalang (Teluk Batu) facing the Straits of Malacca has been successfully realised and completed under the first parcel. TNBJ is a wholly-owned subsidiary incorporated on 17 August 1996 for the development of this new 2100 MW coal-fired power plant at Manjung in Perak. This RM7 billion plant set up along the model of an IPP, is to help meet the growing national electricity demand. The first 700 MW is due to be in commercial operation by the year 2003 with another two 700 MW units coming on line in subsequent intervals.

ENGINEERING SERVICES

TNB Engineers Sdn Bhd

During the year, TNB Engineers Sdn Bhd (TNBE) worked on major projects such as the Sultan Salahuddin Abdul Aziz, Kapar (Phase 3) 2 X 500 MW generation project, the Pergau Hydroelectric project (4X 150 MW), transmission and distribution systems development for 33 kV, 132 kV, 275 kV and 500 kV throughout the country. It also undertook the 300/600 MW TNB-EGAT HVDC interconnection project.

TNBE was involved in the development of the 132 kV and 33 kV electrification infrastructure for the XVI Commonwealth Games '98. This subsidiary is also pursuing a mega RM500 million infrastructure project in Putrajaya/Cyberjaya. Beyond the peninsula, TNBE will be involved in the transmission systems development for Sabah.

Negotiations are underway with reliable international coal suppliers and local shipping companies to ensure abundant and uninterrupted fuel supply to the power plant. Adequate water supplies for the power plant facility will be provided by Lembaga Air Perak through a water supply agreement to be negotiated.

Plans are underway to seek better and innovative means to deal with the current economic downturn which has significantly affected the economics of financing the project. A corporate bridging finance strategy to kick-start the project is being considered. At the recommendation of the Malaysian government, TNB is also formulating an action plan to attract Foreign Direct Investments (FDIs).

The 500 kV Transmission and Distributions projects saw the PMU Junjung (Kedah) 500/275 kV and PMU Yong Peng East (Johore) 500/275 kV commissioned on 11 May and 24 August 1998 respectively. Both transmission lines and substations in the 500 kV transmission system development are almost completed. The 500 kV transmission line from Ayer Tawar-Junjong was the first to be energised on 26 June 1998.

The 300/600 MW TNB-EGAT HVDC interconnection project consists of a 110 km HVDC line (85 km TNB and 25 km EGAT) with DC converter stations at both ends. The HVDC lines will be energised at 300 kV DC and will cater for bidirectional exchange of power up to 300 MW initially. Under Phase 2, the project is expected to give a total power transfer capacity of 600 MW.

For the 1998 financial year, TNBE recorded a turnover of RM62.2 million.

TNB Engineering And Consultancy Sdn Bhd

TNB Engineering and Consultancy Sdn Bhd (TNEC) activities are concentrated in project development in the energy sector and project management services for TNB and for the external market. During the year, TNEC secured the Myanmar Gas Turbine Relocation project in which TNEC acted as the main contractor.

As part of its new business development strategy, TNEC is building a niche for itself in the District Cooling System (DCS) business through its subsidiary Tenaga SPL Sdn Bhd (TSPL). During the year, new projects were secured. In a strategic alliance, TSPL secured a DCS project for the University Multimedia Cyberjaya. In another, a joint-venture was undertaken to undertake a DCS for the Cyberjaya Flagship Zone. TSPL also continued with the UNITEN DCS Phase 2 project development which is targeted for completion before the end of 1998.

For the 1998 financial year, TNEC recorded a turnover of RM154.3 million and a profit after tax of RM2.1 million.

TNB Repair and Maintenance Sdn Bhd

TNB Repair and Maintenance Sdn Bhd (REMACO), formerly known as Tenaga Nasional Repair and Maintenance Sdn Bhd and incorporated in September 1995, was formed to provide cost-effective maintenance services in repair, maintenance, testing and improvement works of power plants. These include services in performance, dependable capacity, generator and protection testing.

During the year, REMACO performed several scheduled inspections, overhaul works, repairs and commissioning, conversions, refurbishments and maintenance works for a full range of gas turbines, generators, diesel engines, boilers, transformers and plant equipment.

As at 31 August 1998, REMACO recorded a turnover of RM69.8 million compared with RM46.7 million over the previous year.

SERVICES

Tenaga Risk Management & Services Sdn Bhd

Tenaga Risk Management & Services Sdn Bhd (TRMS), a wholly owned subsidiary continues to take effective measures in protecting TNB's assets and liabilities. With effect from 1 September 1998, TRMS professional ambit includes managing both TNB's operational and project insurance portfolio, thereby enhancing insurance expertise within the TNB Group of companies.

TNB Logistics Sdn Bhd

TNB Logistics Sdn Bhd (TNBL) formerly known as TRMS Freight Forwarding Services Sdn Bhd was reactivated from 1 August 1998 after being dormant for almost a year. This subsidiary is involved in providing logistics support to the TNB group of companies in the freight forwarding business and to later include chartering, warehousing, distribution and terminal operations.

TNB Metering Services Sdn Bhd

TNB Metering Services Sdn Bhd (TMSSB) was incorporated on 23 March 1998 and operationalised on 1 September 1998 in a restructuring exercise of the Customer Service division to operate as an independent entity. The scope of business covers the supply of metering facilities to TNB, its subsidiaries and private power industries as well as services related to it. It also includes the operational aspects of the Metering section of TNRD.





PROPERTIES

TNB Properties Sdn Bhd

TNB Properties Sdn Bhd (TNBP), formerly known as Tenaga Nasional Properties Sdn Bhd, is a wholly-owned subsidiary formed to develop, manage and maintain TNB's landed properties; to provide consultancy services in architectural, civil, electrical and engineering works; and to identify and redevelop TNB's land banks that have economic and commercial potential.

During the year, TNBP had undertaken a business rationalisation with a primary focus in property development and construction. Initially, five parcels of land have been indentified for joint venture developments - three in Johore, one in Malacca and one in Kuala Lumpur involving a total development value of RM3.78 billion and a projected total returns to TNB of RM803 million over the next ten years.

TNBP is currently looking into the redevelopment of more TNB's land banks throughout the country which have immediate development potential.

For the 1998 financial year, TNBP recorded a turnover of RM8.7 million.

MANUFACTURING

Malaysia Transformer Manufacturing Sdn Bhd

Established in 1977, Malaysia Transformer Manufacturing Sdn Bhd (MTM), the country's first local company to manufacture transformers, was formed as a strategic move to cater for the vast needs of the TNB electricity distribution system. This subsidiary began its manufacturing operations in January 1980 and is a joint venture between TNB and the ABB Group.

MTM is a complete manufacturing outfit with capabilities in design, manufacture and test works. Its quality system has been certified to comply with ISO 9001:1994.

Since its inception, MTM has expanded its operations from producing 11 kV transformers to 33 kV transformers with sizes ranging from 25 kVA to 30 MVA. It is now moving into the production of 132 kV transformers covering sizes from 15 MVA to 90 MVA. The production of 275 kV transformers are expected to follow soon. The subsidiary's products are widely used in the country by the utilities of the Peninsula, Sabah and Sarawak with products accepted by large factories, petroleum companies and prestigious projects such as the Kuala Lumpur International Airport, KL Sentral and Cyberjaya.

For the 1998 financial year, the turnover was RM73.6 million.

Tenaga Switchgear Sdn Bhd

Tenaga Switchgear Sdn Bhd (TSG) is involved in the assembly and manufacture of high-voltage 132 kV and 275 kV Gas Insulated Switchgears (GIS), and Gas Circuit Breakers (GCB). This subsidiary also specialises in switchgear maintenance and repair as well as turnkey transmission substation contracting. The annual capacity of its plant is 50 bays of GIS and 250 units of circuit breakers.

During the year, TSG earned an international accreditation from a test laboratory CESI based in Milan, Italy for its 132 kV and 275 kV GCBs, and 132 kV GIS. This subsidiary has, since its move to the premise in Sungai Buloh in June 1996, secured orders for 165 units of GCBs and 53 bays of GIS, and three turnkey substation contracts. To date, eight bays of GIS and 131 GCBs have been delivered to various regions in the country.

As at 31 August 1998, TSG recorded a turnover of RM58.3 million compared to RM18.4 million over the previous year reflecting an increase of 216 per cent.

RESEARCH & EDUCATION

Universiti Tenaga Nasional Sdn Bhd

Universiti Tenaga Nasional is one of the first private universities established in Malaysia. It is operated by Universiti Tenaga Nasional Sdn Bhd (UNITEN) a wholly-owned subsidiary of TNB.

During the year, UNITEN registered a total number of 2,917 students for various degree and diploma courses including students from twinning programmes. The bulk of these students were registered in May 1998 which saw an intake of 1,955 students, a six-fold increase over its first intake of 318 students in June 1997.

The Malaysian government's decision not to send MARA and Public Services Department students to overseas universities due to the economic slowdown was instrumental to the big jump in intake.

Eighty students from the bachelor of Commerce and Management UNITEN/Lincoln University twinning programme received their degrees at a graduation ceremony in UNITEN on 18 June 1998. Earlier on 9 May 1998, a total of 36 students comprising administrative staff of TNB received their Diploma in Business Studies upon completing the two-year programme. This is UNITEN's first convocation for its diploma awards.

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UNITEN continued to provide training programmes through the Institut Sultan Ahmad Shah (ISAS) and Biro Perundingan & Latihan (BP & L) to meet TNB's requirement and the electricity supply industry in general. During the year, ISAS trained 4,700 people in various technical skill training programmes while BP & L conducted various management, quality and administrative training programmes for 2,600 trainees.

To promote Malaysia as a centre for educational excellence on an international scale, UNITEN participated in roadshows organised by the Ministry of Education to ASEAN countries. Exhibitions were held in Bandar Seri Begawan, Brunei Darussalam, and Jakarta and Bandung in Indonesia.

Meanwhile, the construction of additional academic and other facilities in Phase II of UNITEN's infrastructure expansion is expected to be ready for use by early 1999. This phase comprises student apartment blocks, lecture halls, a multi purpose hall, a mosque, an executive education centre, a business centre and various recreational facilities.

Tenaga Nasional Research And Development Sdn Bhd

Tenaga Nasional Research & Development Sdn Bhd (TNRD), a wholly-owned subsidiary of TNB, has begun operations from its new centre situated adjacent to the UNITEN Campus in Bangi with the objective of meeting the needs of the electricity supply industry in research, innovation, quality assurance and testing services.

TNRD has been appointed as TNB's agent for Quality Assurance and providing Testing Services for all power equipment purchased by TNB.

On 5 September 1998, TNRD launched the country's first 3 kW rooftop grid-connected photovoltaic which offers a partnership effort between Malaysians and TNB in our effort to introduce clean and efficient electricity.

TNRD is also working on the design and development of a solar-powered street lighting for highway use.

For the year ended 31 August 1998, TNRD's activities in 60 projects and other technical services recorded a turnover of RM15.3 million.

TENAGA NASIONAL FOUNDATION

Initiated as a major contribution to community relations, the Tenaga Nasional Foundation was established in 1993 with the view of creating new intellectual capital for the country and in bringing about a skilled workforce for an industrialised Malaysia.

During the year, the foundation awarded a total of 315 scholarships for undergraduate studies in local institutions of higher learning. In addition, financial assistance was given under the foundation's convertible loan scheme tenable only at local institutions of higher learning.

Whilst the emphasis is on awarding scholarships at UNITEN and local institutions of higher learning, the foundation does award a limited number of scholarships under its American and British top universities programmes. However, since 1997, students under these programmes have been sent to local colleges for their foundation and A level programmes respectively. This sponsorship for overseas study is conditional upon their admission into selected top universities in the United States of America and the United Kingdom.

During the financial year ended 31 August 1993, the Tenaga Nasional Foundation operated on a budget of approximately RM52 million.

TINJAUAN OPERASI

Pendahuluan

Langkah penyusunan semula untuk meningkatkan prestasi dan menyatukan aktiviti Tenaga Nasional Berhad telah melahirkan bahagian-bahagian baru di peringkat Syarikat dan beberapa anak syarikat yang ditubuhkan di peringkat Kumpulan. Anak-anak syarikat ini ditubuhkan untuk memastikan kecekapan dan juga penggunaan aset dan sumber manusia secara optimum. Kumpulan dan Syarikat ini disokong oleh satu pasukan yang terdiri daripada bahagian-bahagian tertentu yang menawarkan perkhidmatan-perkhidmatan sokongan seperti khidmat kesetiausahaan syarikat, audit, perolehan, pengurusan kontrak, nasihat perundangan, pengurusan kewangan, perancangan korporat dan pembangunan bisnes, sumber manusia dan komunikasi korporat.

Sementara TNB Generation Sdn Bhd (TNBG) digerakkan untuk menjalankan operasi dan senggaraan 12 stesen janaelektrik TNB pada 1 September 1997, proses penyusunan semula struktur masih lagi diteruskan di dalam anak syarikat ini.

Bahagian Projek Penghantaran dan Pembahagian, Jabatan Kejuruteraan dan Jabatan Projek di bawah Bahagian Penjanaan juga telah digabungkan menjadi TNB Engineers Sdn Bhd pada 1 September 1997. Langkah ini bertujuan memantapkan saiz operasi untuk meningkatkan dayaharap, kualiti, kecekapan, produktiviti dan akauntabiliti.

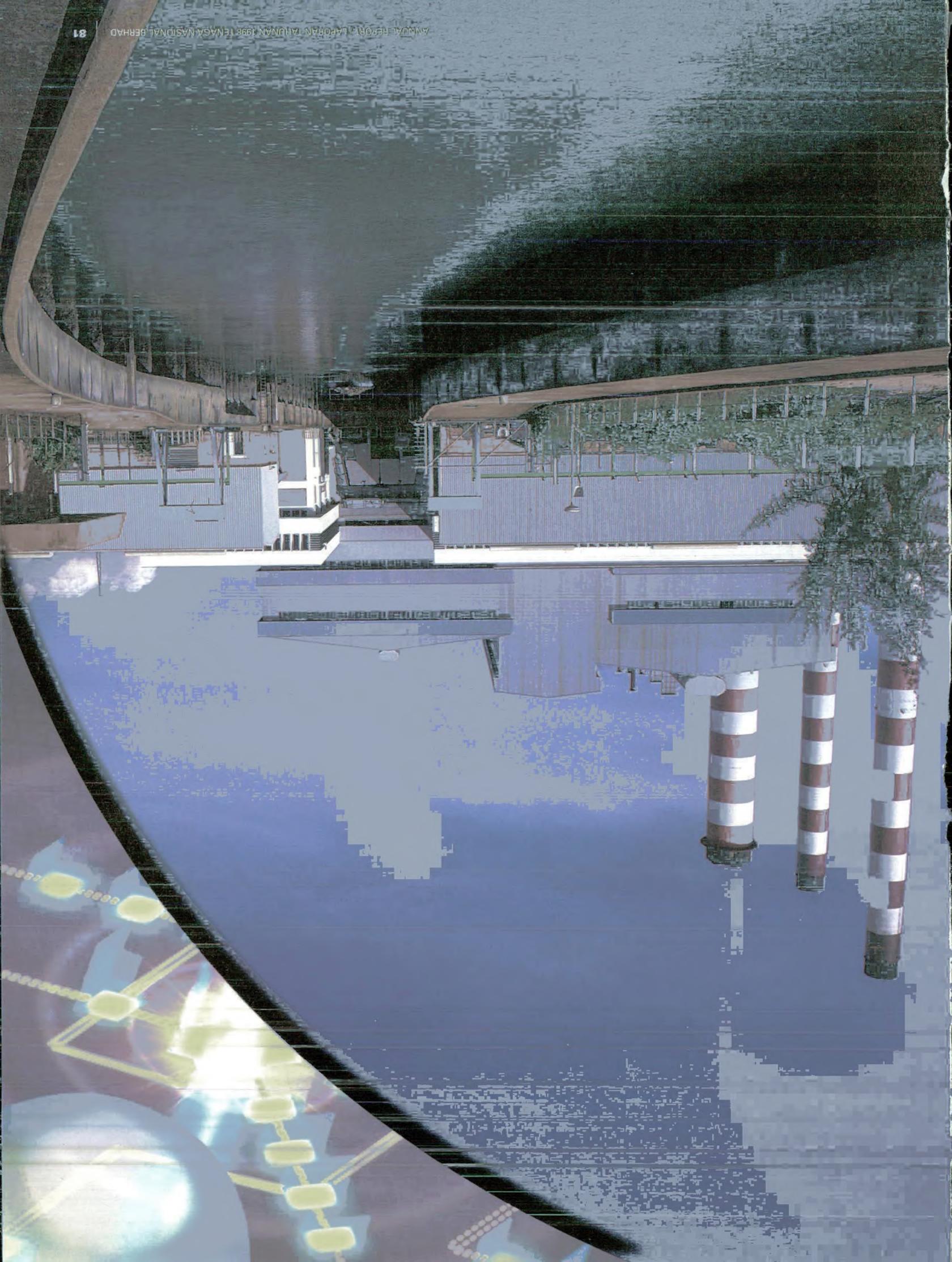
Dalam tahun kewangan 1998, Tenaga Nasional Ventures Sdn Bhd, TNB Metering Services Sdn Bhd, TNB Workshop Services Sdn Bhd dan TNB Fuel Services Sdn Bhd telah mula beroperasi. Sebuah lagi anak syarikat, iaitu TNB-IT Sdn Bhd dijangka akan mula beroperasi pada 1 Januari 1999.

TNB Transmission Network Sdn Bhd telah ditubuhkan dengan tujuan menyelaraskan operasi-operasi dan penyenggaraan Grid Nasional. Selain daripada itu TNB Distribution Sdn Bhd juga telah ditubuhkan bagi tujuan mengendalikan perniagaan pengagihan dan penjualan elektrik di Semenanjung Malaysia.

Pada 9 November 1998, Lembaga Pengarah telah meluluskan perubahan nama jawatan pengurusan utama Syarikat sebagai langkah strategik untuk diselaraskan dengan proses penstrukturran semula syarikat. Jawatan Ketua Pegawai Eksekutif sekarang dikenali sebagai Pengerusi Eksekutif dan Presiden, Pengurus Besar Kanan dikenali sebagai Naib Presiden Kanan dan Pengurus Besar dikenali sebagai Naib Presiden.

Sekretariat Kualiti telah disusun semula menjadi sebuah unit khusus di bawah pimpinan Pengerusi Eksekutif dan Presiden. Ia menyelaraskan aktiviti-aktiviti berkaitan dengan kualiti dalam semua operasi TNB. Hasilnya jelas kelihatan melalui pertambahan produktiviti, dayaharap, kecekapan, peningkatan jualan dan keuntungan operasi serta berkurangnya perbelanjaan untuk operasi. Sejak beberapa tahun kebelakangan, projek-projek Faedah dan Penjimatan Kos QCS-IT telah menyumbang ke arah penjimatan sebanyak RM30 juta kepada TNB.

Bekalan elektrik yang berdayaharap dan terjamin ini akan terus menjadi teras penting dalam memastikan peranan TNB sebagai penggerak kemajuan negara.



Jualan

Jumlah jualan telah menghasilkan pendapatan sebanyak RM11,075.6 juta dengan Sektor Perindustrian menyumbangkan jumlah terbesar sebanyak 53.4 peratus, disusuli Sektor Komersil sebanyak 28.1 peratus, Sektor Domestik sebanyak 17.6 peratus, Lampu Awam sebanyak 0.7 peratus dan Perlombongan sebanyak 0.2 peratus.

PERKHIDMATAN PELANGGAN

Pembahagian dan Penjualan Elektrik

Bahagian Perkhidmatan Pengguna memainkan peranan utama menjual elektrik dan menawarkan perkhidmatan kepada pelanggan-pelanggan TNB. Pada tahun laporan, jumlah jualan adalah sebanyak 47,197 GWj menunjukkan peningkatan sebanyak 7.9 peratus berbanding tahun sebelumnya sebanyak 43,747.1 GWj. Penggunaan sektor domestik adalah sebanyak 16.5 peratus, Sektor Komersil 9.58 peratus, Sektor Perindustrian 3.04 peratus, dari Lampu Awam 26.9 peratus.

Satu usaha bersepada ke arah perubahan telah dilaksanakan untuk mengurangkan lagi kos, meningkatkan kualiti perkhidmatan dan produk, menentukan pertumbuhan, meningkatkan produktiviti serta dayasaing dan memperkuuhkan kedudukan TNB dalam perniagaan pembekalan elektrik.

TNB juga telah memberi perhatian khusus untuk memenuhi kehendak setiap kumpulan pelanggan yang memerlukan bekalan elektrik berkualiti dan semakin canggih. Bagi memenuhi keperluan sedemikian, TNB telah mula menyediakan bekalan yang dicipta khusus untuk memenuhi keperluan tertentu pelanggan.

Pelanggan-pelanggan

Setakat 31 Ogos 1993, bilangan pelanggan TNB bertambah menjadi 4,583,305 berbanding 4,337,617 pada tempoh yang sama tahun sebelumnya, menunjukkan pertumbuhan sebanyak 5.66 peratus. Sektor Domestik mencatatkan bilangan pelanggan terbesar sebanyak 3,842,672 diikuti Sektor Komersil sebanyak 700,659, Sektor Lampu Awam sebanyak 21,363, Sektor Perindustrian sebanyak 18,558 dan Perlombongan sebanyak 53.

Pemasaran dan Penggalakan

Beberapa aktiviti telah dijalankan pada tahun laporan untuk menggalakkan penggunaan elektrik. Aktiviti-aktiviti ini bertujuan meningkatkan penjualan. TNB telah melaksanakan penjualan bagi menyokong kempen kerajaan bertema 'Cintai Malaysia, Beli Barang Malaysia', satu promosi alat penghawa dingin. Sejumlah 17,038 unit alat penghawa dingin dijual sewaktu kempen ini, yang mana menghasilkan pertambahan jualan elektrik sebanyak 38 GWj setahun. Jumlah nilai jualan perkakas elektrik bagi keseluruhan kempen 'Cintai Malaysia, Beli Barang Malaysia' dicatat sebanyak RM30 juta.

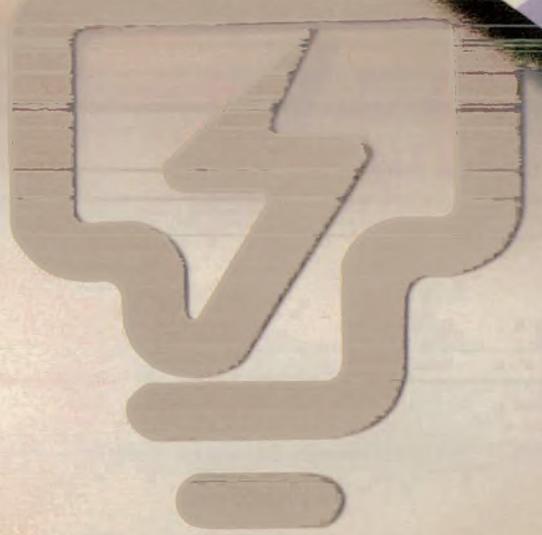
Satu promosi Belian Bestari juga telah dijalankan bersama oleh TNB/SENHENG/Koperasi TNB yang mana harga berpatutan ditawarkan atas perkakas elektrik yang dibeli daripada syarikat-syarikat yang menyertainya. Promosi ini menghasilkan penjualan perkakas elektrik bernilai RM10 juta dan pertambahan penjualan elektrik 23 GWj setahun.

Sebagai sebahagian daripada strategi TNB untuk menawarkan pelanggan-pelanggan domestik TNB dengan perkhidmatan nilai ditambah, iklan-iklan radio dan televisyen telah mengumumkan rangkaian Pusat-pusat Perkhidmatan Pelanggan TNB. Pusat-pusat ini yang dikenali sebagai Kedai Tenaga menawarkan Elektrik Bestari, iaitu perkhidmatan berjenama pertama dalam bidang khidmat nasihat mengenai elektrik untuk kegunaan di rumah yang memberi tumpuan kepada penggunaan elektrik secara cekap dan selamat, lampu rumah, pembaikan dan senggaraan pendawaian di dalam rumah. Elektrik Bestari juga berusaha membantu memaparkan ciri-ciri positif tenaga elektrik, iaitu cekap, bersih dan selesa.

Pada tahun laporan, TNB juga menaja Program Selera Microwave Bersama-sama TNB, iaitu satu siri televisyen dengan 13 episod yang mempromosikan masakan enak tempatan dengan menggunakan ketuhar gelombang mikro. Tujuan program ini ialah untuk mendidik rakyat Malaysia memahami kaedah asas memasak menggunakan gelombang mikro yang mudah, selamat dan sihat. Ia juga bertujuan mendidik mengenai cara-cara yang cekap lagi efisien dalam menggunakan elektrik dan sekaligus menghapuskan keraguan terhadap penggunaan ketuhar gelombang mikro.

Pada tahun laporan, TNB juga menandatangani perjanjian pembekalan elektrik dengan Titan Petrochemical (M) Sdn Bhd di Tanjung Langsat bagi perbekalan tambahan dan tunggu sedia dengan permintaan maksimum sebanyak 93 MW.





TENAGA NASIONAL



Perkhidmatan Pelanggan

Tujuh buah pejabat baru TNB telah dibuka di Kulim, Kuala Lipis, Jitra, Gua Musang, Bachok, Kuala Kangsar dan Jerantut untuk menyediakan kemudahan yang lebih baik serta perkhidmatan pelanggan yang lebih efisien di kawasan-kawasan ini.

Pusat Pengurusan Panggilan (CMC)

Pusat-pusat Pengurusan Panggilan (CMC) telah dibuka di setiap negeri di Semenanjung Malaysia sebagai sebahagian daripada langkah utama ke arah meningkatkan kualiti perkhidmatan pelanggan. Dalam hubungan ini, TNB merasa bangga menjadi syarikat utiliti pertama yang memperkenalkan satu nombor telefon, iaitu 1-5454, untuk memberi kemudahan kepada para pelanggan di seluruh negara. Mereka boleh menghubunginya untuk melaporkan sebarang herosakan dengan hanya membayar kos panggilan tempatan. Di peringkat permulaan, perkhidmatan ini hanya ditawarkan untuk panggilan melalui talian tetap Telekom Malaysia Berhad. Rancangan sedang disusun untuk memperluaskan perkhidmatan ini meliputi telefon-telefon bimbit.

Koridor Raya Multimedia (MSC)

Pada tahun laporan, TNB terlibat secara aktif dalam pembangunan prasarana elektrik bertaraf dunia untuk Putrajaya dan Cyberjaya.

Dasar tidak membenarkan kerja-kerja pengorekan dibuat yang diamalkan oleh Perbadanan Putrajaya memberi kesempatan kepada TNB menumpulkan perhatian kepada pelaksanaan reka bentuk yang inovatif untuk Putrajaya. Kerja-kerja di kawasan ini berjalan lancar dengan pemasangan saluran kabel sepanjang 52.7 km dan pembinaan 134 lorong serta pemasangan kabel 33kV sepanjang 45 km.

Tiga pencawang Pembahagian Utama telah dibina, yang mana satu daripadanya telah beroperasi mulai 6 Ogos 1998 untuk menyalurkan 33 kV bekalan kepada Sistem Pendinginan Lingkungan (SPL).

Bekalan elektrik Putrajaya menggabungkan sistem SCADA dan Sistem Automasi Pembahagian lengkap yang akan diintegrasikan dengan Pusat Kawalan Putrajaya. Dalam pelaksanaan prasarana elektrik di Putrajaya dan Cyberjaya, TNB telah mengenalpasti beberapa konsep inovatif dalam membekalkan elektrik mengikut piawaian antarabangsa.

Kejuruteraan Pembahagian

Untuk memastikan peningkatan yang berterusan dan keadaan prestasi sistem pembahagian keseluruhan yang berdayaharap, pasukan-pasukan pelbagai fungsi terdiri daripada anggota kerja kejuruteraan dan wilayah telah ditubuhkan untuk menyiasat, menganalisis punca kerosakan sistem dan mengambil tindakan pemberaan.

Kerja-kerja talian hidup bervoltan tinggi diperkenalkan dan beberapa jurulatih terpilih menjalani latihan di Pusat Latihan Talian Hidup di Malim Nawar, Perak. Untuk jangka panjang, kerja-kerja talian hidup akan mengurangkan gangguan bekalan terancang kepada pengguna di samping penjimatan kos melalui penggunaan aset pembahagian yang lebih tinggi.

Sebagai satu strategi jangka sederhana dan jangka panjang sistem SCADA dan sistem maklumat geografi (GIS) dilaksanakan sebagai pendekatan yang lebih efektif dan bersepada dalam menguruskan rangkaian pembahagian yang semakin kompleks. Fasa pertama SCADA/Automasi Pembahagian yang dijadual dilaksanakan dalam tempoh 2000-2003 telah diperkecilkan memandangkan kemelesetan ekonomi semasa. Fasa pertama kini akan meliputi Koridor Raya Multimedia (MSC), negeri Selangor dan Wilayah Persekutuan.

Program Pembekalan Elektrik Luar Bandar

Salah satu usaha kerajaan dalam mempertingkatkan taraf sosio-ekonomi penduduk luar bandar ialah melalui Program Pembekalan Elektrik Luar Bandar. Buat masa ini, terdapat tiga kategori projek pembekalan elektrik luar bandar yang dikenalpasti mengikut kaedah penyambungan bekalan, iaitu :

- i. Bekalan 24 jam melalui sistem pembahagian TNB
- ii. Bekalan 24 jam melalui stesen mini hidro dan stesen janaelektrik
- iii. Bekalan 12 jam melalui stesen kecil luar bandar.

Pada tahun laporan, 86 projek melibatkan 2,456 pengguna telah menikmati kemudahan bekalan elektrik.

OPERASI DAN SENGGARAAN SISTEM PENGHANTARAN

Penghantaran Bekalan Elektrik

Setelah elektrik dijana, ia disalur ke seluruh Semenanjung melalui sistem penghantaran Grid Nasional. Grid Nasional merentangi jarak 13,889 km melalui talian penghantaran 132 kV dan 275 kV menghubungkan semua stesen-stesen janaelektrik dengan pusat-pusat beban. Pertumbuhan pesat permintaan tenaga elektrik di Malaysia telah mendorong TNB memasang talian berkeupayaan 500 kV sebagai teras baru grid penghantaran.

Grid Nasional turut disambung dengan sistem penghantaran Electricity Generating Authority of Thailand (EGAT) di utara melalui talian litar tunggal 117 MVA, 132 kV. Di selatan, ia disambungkan dengan sistem penghantaran Singapore Power Ltd (SP) dari Stesen Janaelektrik Sultan Iskandar ke Stesen Janaelektrik Senoko (SP) melalui dua rangkaian talian penghantaran dan kabel dasar laut 250 MVA - 230 kV.

Projek Sambungtara Elektrik Bervoltan Tinggi

Projek Sambungtara Elektrik Bervoltan Tinggi Secara Langsung (HVDC) di antara TNB dan Electricity Generating Authority of Thailand (EGAT)
merangkumi pembinaan rangkaian satu talian HVDC sepanjang 110 km (TNB - 85 km, EGAT - 25 km) dengan stesen penukar DC di kedua-dua pihak. Sambungtara ini akan dilakukan di antara pencawang 500/275 kV Gurun di Malaysia dan pencawang 230 kV Khlong Ngae di Thailand. Stesen ini menggunakan teknologi terkini dalam bidang elektronik: tenaga dan alat kawalan termasuk penggunaan meluas alat-alat optik dan optik: gentian bagi tujuan pengukuran, kawalan dan komunikasi, teknologi penapisan aktif dan sistem kawalan perlindungan yang tidak berpusat.

Kerja-kerja rekabentuk dan kejuruteraan sedang dilaksanakan dan projek ini dijangka siap pada Julai 1999. Apabila siap, projek ini akan memberi manfaat ekonomi perkhongsian tenaga simpanan selain dari menampung kehilangan penjanaan, mengukuhkan kestabilan sistem, memberi jaminan dan membolehkan pertukaran tenaga dalam keadaan terdesak antara kedua-dua syarikat utiliti. Sambungtara ini juga akan menjadi sambungan yang penting dalam mewujudkan Rangkaian Sambungtara penghantaran ASEAN yang bersepadu.

Grid Penghantaran 500 kV

Projek 500 kV ini direkabentuk untuk menawarkan bekalan yang lebih berdayaharap dan selamat, dan dilaksanakan dalam dua fasa. Fasa 1 meliputi bahagian utara Semenanjung dan merentangi pantai barat dari Pelabuhan Telang hingga ke Gurun manakala Fasa 2 meliputi selatan Semenanjung dari Pasir Gudang hingga ke Yong Peng. Projek ini kini 98 peratus siap dengan pemasangan 503 km talian berkuasa 275 kV. Dua pencawang turut dimula tugas. Projek berkuasa 500 kV ini dijangka siap sepenuhnya menjelang awal tahun 1998.

Projek 500 kV ini telah menyediakan manfaat ekonomi dalam pertumbuhan industri-industri hiliran. Kemudahan perkilangan baru telah didirikan untuk membekal bahan-bahan dan peralatan tempatan untuk projek ini. Sumber-sumber baru ini juga menyokong perkembangan sistem elektrik tempatan dan memberi peluang untuk eksport bahan-bahan dan peralatan.

Prestasi Sistem dan Audit Pengurusan

TNB telah mengesan semua gangguan penghantaran dan menjalankan analisis terperinci ke atas peristiwa-peristiwa penting melalui audit prestasi sistem. Satu pasukan pelbagai tugas yang melibatkan kesemua jabatan dalam Bahagian Penghantaran telah ditubuhkan untuk meningkatkan operasi.

Operasi Sistem Grid Yang Berkesan

Pada Jun 1998, Jabatan Pengurusan Sistem Grid dianugerahkan pensijilan ISO 9002 bagi Pengurusan Kualiti Bersepadu. Pusat Kawalan Muatan Kuasa Nasional (NLDC) telah memulatugaskan sebuah pusat kawalan penyokong kecemasan yang lengkap dengan peralatan komputer serta sistem komunikasi. Pusat kawalan penyokong ini bertempat di lokasi tersendiri dan peranannya menyerupai kemudahan NLDC sebagai satu langkah luar jangka seandainya berlaku risiko kebakaran.

Prestasi sistem SCADA di pusat kawalan ini telah dipertingkatkan lagi. Para jurutera kawalan kini boleh melaksanakan kerja pengendalian suis secara jauh bagi peralatan penghantaran di 50 stesen janaelektrik di beberapa wilayah di seluruh Semenanjung.

Untuk meningkatkan sistem keselamatan yang berdayaharap, sebuah stesen suis 275 kV dibina di Junjung di wilayah utara dan alatubah interbus tambahan 275/132 kV telah dimulatugas di Kuala Lumpur Timur, Serdang, Melaka, Yong Peng Utara dan Skudai. Sempena acara Sukan Komanwel XVI Kuala Lumpur 98, sebuah pencawang utama 132/33/11 kV dibina di Bukit Jalil dan sebuah pencawang utama sementara 275/132 kV didirikan di Kuala Lumpur Barat untuk meningkatkan sistem keselamatan. Untuk meningkatkan kecekapan penjanaan, turbin-turbin gas di Pasir Gudang, Paka dan Melaka telah ditukar kepada kitar-padu.

Pada tahun laporan, terdapat lebih banyak stesen janaelektrik untuk kawalan penjanaan automatik. Latihan dengan menggunakan Alat Penyelaku Latihan Kawalan (DTS) telah dimulakan. Ini membantu meningkatkan pengetahuan dan kemahiran para operator sistem dalam mengendalikan keadaan operasi biasa dan kecemasan. Latihan DTS ini telahpun diperluaskan untuk meliputi para operator sistem peringkat wilayah.

Perlindungan dan Telekomunikasi

TNB dan Fibre Communications Network (M) Sdn Bhd telah bersama-sama memasang lebih daripada 4,000 km kabel gentian optik pada talian penghantaran TNB bagi memajukan rangkaian telekomunikasi digital sepenuhnya. Sistem komunikasi gentian optik adalah perlu untuk perkhidmatan telekomunikasi yang berdayaharap, selamat dan pantas bagi peningkatan operasi penjanaan dan penghantaran. Untuk melengkapkan pembangunan optik gentian, sebuah projek pembawa talian tenaga digital yang melibatkan 35 pencawang sedang dilaksanakan.

Pencapaian utama yang lain pada tahun laporan adalah permulaan tugas sistem telekomunikasi projek 500 kV, penyempurnaan Hubungan Optik Wilayah Selatan dari Pasir Gudang ke Rangsar dan penggunaan teknik suis digital bagi sistem penyokong Pusat Kawalan Muatan Kuasa Nasional (NLDC).





Amalan Pengekalan Kualiti

Dasar pengekalan kualiti TNB terbahagi kepada dua kategori, iaitu penyelenggaraan berdasarkan masa dan ramalan. Prosedur penyelenggaraan loji baru-baru ini telah dikaji semula untuk menentukan prestasi loji yang optimum dan mengurangkan kos senggaraan alatubah, instrumen alatubah, perkakasuis dan pencawang bertebat gas.

Tindakan sedang diambil untuk mengurangkan lagi gangguan ke atas talian penghantaran akibat cuaca buruk dengan memberi penekanan terhadap pemeriksaan ketahanan asas menara dan pemeriksaan puncak menara. Pemeriksaan juga sedang dijalankan untuk menemui kemungkinan hakisan tanah yang boleh menjadikan ketabilan asas menara. Penggunaan sistem diagnostik kabel bagi menentukan keadaan 'dielectric' telah dilaksanakan dengan jayanya dalam mencegah kemungkinan berlakunya kerosakan kabel.

Pengurusan Aset Penghantaran

Sebuah unit baru telah ditubuhkan untuk mengurus aset penghantaran TNB, penggunaan sumber yang teratur dan penggunaan peralatan penghantaran secara optimum. Selain itu, unit ini juga bertanggungjawab ke atas polisi-polisi senggaraan serta memastikan bahawa projek-projek baru memenuhi piawaian kualiti dan menepati jadual.

Jabatan Senggaraan Penghantaran

TNB telah mendapatkan khidmat firma Renoir Consultants dari United Kingdom untuk meningkatkan produktiviti Jabatan Penghantaran. Dengan langkah ini, proses-proses kerja telah diselaraskan dan jabatan ini berjaya melakukan perkhidmatan tambahan seperti senggaraan alat pemutus litar untuk Bahagian Pembahagian.

Polisi Senggaraan Penghantaran kini menggunakan kaedah pengawasan keadaan peralatan dan tidak lagi mengamalkan senggaraan corak lama yang berdasarkan waktu.

PERANCANGAN RANGKAIAN

Dengan satu langkah penyusunan semula pada April 1998, Jabatan Perancangan Rangkaian dinaikkan taraf menjadi sebuah bahagian. Bahagian ini menjalankan perancangan penjanaan, kajian sistem teknikal, perancangan grid penghantaran, perancangan rangkaian kawasan, piawai dan rekabentuk serta pangkalan data dan ramalan permintaan. Dengan fungsi-fungsi ini, Perancangan Rangkaian telah dipindahkan ke Bahagian Pengurusan Sistem Grid baru pada 1 September 1998 sebagai langkah memperkemaskan peranan yang lebih besar sebagai Operator Sistem Grid Bebas menjelang tahun 2000.

Pada tahun laporan, Bahagian ini telah menyediakan lima kajian semula ramalan permintaan bagi mencerminkan kajian berterusan kerajaan mengenai ramalan pertumbuhan ekonomi negara. Ia juga terlibat dalam rombakan pelan-pelan pembangunan penjanaan untuk mencerminkan ramalan permintaan tersebut dikaji. Bahagian ini juga terbabit secara aktif dalam beberapa aktiviti lain di bawah bidang kuasanya termasuk kajian-kajian sistem mengenai Lembaga Letrik Sabah, dan satu kajian sistem bersama TEPCO mengenai skim 'pemulauan' untuk mencegah kerosakan sistem di kawasan Koridor Raya Multimedia/Kuala Lumpur dengan langkah-langkah kontingensinya.

KEWANGAN

Pelaksanaan Sistem Maklumat Pengurusan Kewangan (FMIS) oleh TNB dan kebanyakan anak-anak syarikatnya telah memperbaiki kos perakaunan, laporan pengurusan dan kawalan kos projek secara ketara. Sistem FMIS menggunakan perisian seluruh perniagaan jenis SAP R/3 yang mampu disesuaikan dengan Sistem Maklumat Pelanggan dan Sistem Bil (CIBS), sistem pembayaran gaji, sistem baucer dan pembayaran, dan fungsi pembekalan bagi pengurusan bahan.

Pada tahun laporan, sistem SAP R/3 telah dipertingkatkan dari versi 2.2E kepada versi 3.1H. Tiga modul tambahan SAP telah diperkenalkan dalam FMIS. Ini adalah modul Pengurusan Bahan yang telah dilaksanakan di TNB Generation Sdn Bhd; modul Perniagaan dan Pembahagian yang sedang dilaksanakan di UNITEN; dan modul Pengurusan Wang Tunai yang sedang dilaksanakan di Bahagian Kewangan TNB untuk mempertingkatkan pengawasan aliran tunai. Pada tahun kewangan berikutnya, Sistem Maklumat Pengurusan Bahan (MMIS), yang menggantikan fungsi perbekalan, akan diselaraskan dengan sistem FMIS.

TNB bersama-sama dengan perunding luar kini sedang memajukan Aliran Tunai, Belanjawan dan Pengurusan Perbendaharaan dan Rangkakerja Kawalan serta Rangkakerja Laporan Pengurusan Kewangan Kumpulan. Projek ini akan memberi tumpuan kepada pengurusan aliran tunai dan belanjawan, proses-proses dan amalan-amalan kawalan, dan risiko-risiko operasi yang terlibat; matlamat, dasar, proses dan amalan perbendaharaan dan risiko-risiko operasi yang terlibat dengannya; struktur dan proses laporan pengurusan kewangan; dan kajian semula ke atas TNB Fuel Services Sdn Bhd untuk menentukan arah yang harus diambil Syarikat dengan penyusunan semula itu.

Syarikat mempunyai instrumen kewangan tertentu termasuk aset dan tanggungan dan instrumen kewangan yang di luar kunci kira-kira yang dialami dalam perjalanan perniagaan biasa. Dalam mengamalkan strategi pengurusan risiko, syarikat mengumumkan pergerakan pasaran tanggungan kewangannya melalui penggunaan instrumen kewangan derivatif yang termasuk tukaran hadapan matawang dan kontrak opsyen dan perjanjian menukar kadar faedah matawang yang dikenalpasti sebagai kemudahan masa depan. Instrumen-instrumen ini dilaksanakan dengan institusi-institusi kewangan teguh, dan hampir keseluruhan kontrak matawang asing adalah dalam Dolar Amerika, Yen Jepun dan matawang negara-negara perindustrian utama lain.

Salah satu cara untuk memaksimumkan nilai pemegang saham dan mengekalkan sokongan positif daripada komuniti kewangan, Unit Perhubungan Pelabur (IRU) TNB telah menjalankan satu program pengumuman rasmi dan mengadakan perjumpaan bersemuka dengan pengurus dana tempatan dan asing, penganalisis kewangan dan ahli-ahli perbankan yang juga pelabur berpendapatan tetap. Lebih 150 perjumpaan telah dianjurkan pada tahun laporan, terutama antaranya adalah WICARR Indo Suez pada November 1997 di Singapura, Merrill Lynch di London pada Mei 1998, Persidangan Pasaran Baru Sedunia di Global Hong Kong pada Jun 1998, dan Paribas Asia Equity pada Julai 1998.

Hasil daripada langkah-langkah proaktif yang telah diambil, IRU TNB telah dipilih sebagai Unit Perhubungan Pelabur Terbaik oleh majalah 'Asia Money'.

PERANCANGAN KORPORAT DAN PEMBANGUNAN BISNES

Perkhidmatan kepada Kumpulan dan Syarikat

Perancangan Korporat dan Pembangunan Bisnes mempunyai tugas utama untuk membantu Kumpulan dan Syarikat dalam bidang yang meliputi penilaian kewangan projek, kerja-kerja asas untuk penggabungan dan pengambilan alih, pengawasan perniagaan, ketelusan suasana perniagaan dan perumusan strategi. Perancangan penjanaan dan perancangan kewangan yang dahulunya di bawah Perancangan Korporat dan Pembangunan Bisnes kini masing-masing diambil alih oleh Bahagian Perancangan Rangkaian dan Bahagian Kewangan.

Aktiviti

Pada tahun laporan, TNB meneruskan langkah penyusunan semula berikutnya perubahan Bahagian Penjanaan menjadi sebuah syarikat persendirian berhad dan rombakan Bahagian Pembahagian. Langkah penyusunan semula itu menyaksikan kewujudan Bahagian Pengurusan Sistem Grid dan penyediaan untuk memindahkan syarikat-syarikat perniagaan dan pelaburan bukan teras kepada TNB Ventures Sdn Bhd.

Satu peristiwa penting pada tahun laporan adalah kegiatan TNB menerajui penswastaan Lembaga Letrik Sabah melalui anak syarikat milik penuhnya, Sabah Electricity Sdn Bhd (SESB).

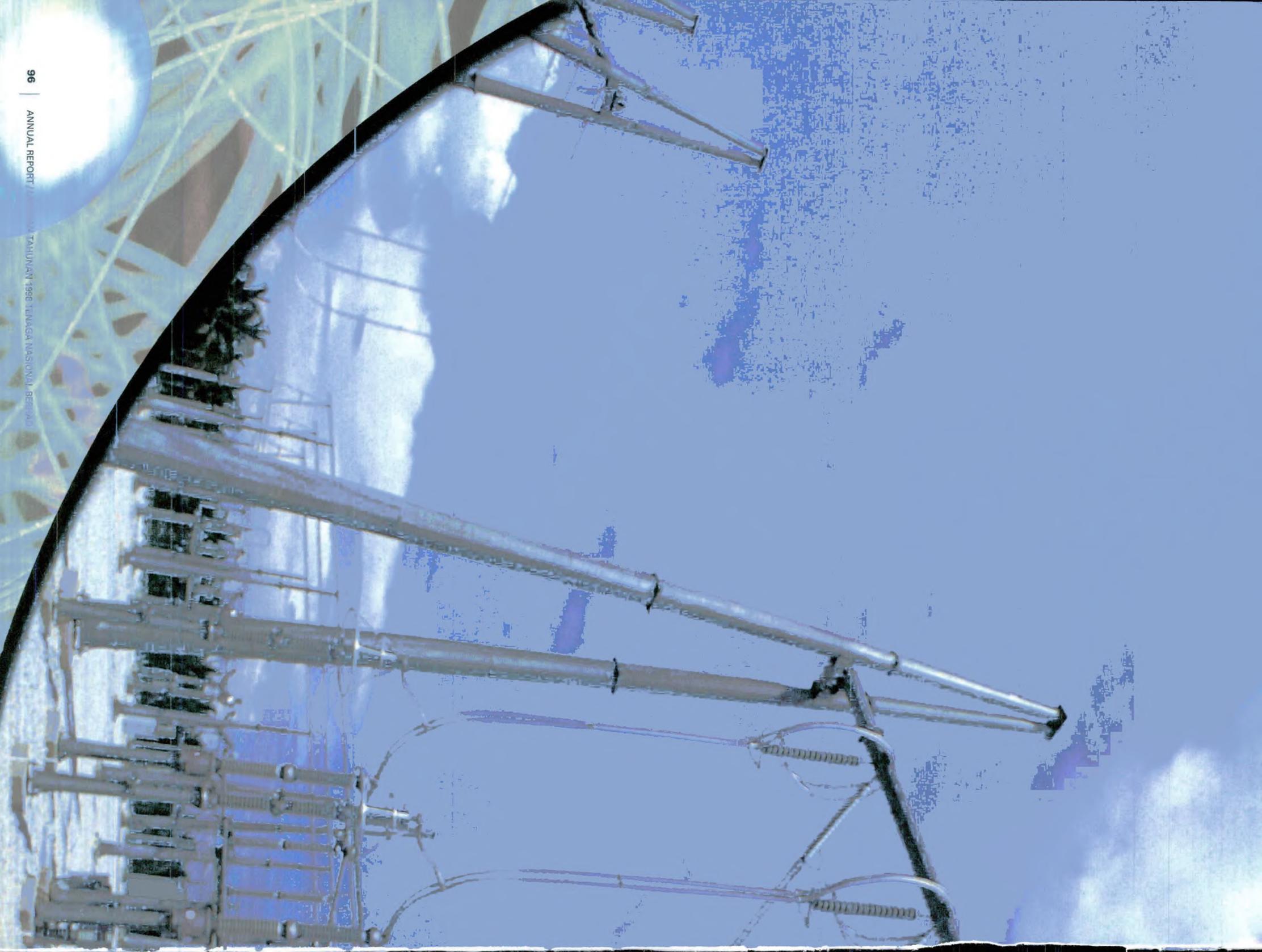
TNB juga terlibat dengan projek-projek dan pelaburan antarabangsa seperti projek usahasama 235 MW dengan Liberty Power, Pakistan di mana TNB mempunyai 62 peratus ekuiti. Pada Julai 1998, TNB mengumumkan pengambilalihan sepenuhnya projek usahasama tersebut dari rakan kongsinya.

Usahasama dan Pelaburan Korporat

Pada tahun laporan, TNB meninjau peluang-peluang pelaburan dalam projek-projek IPP di Myanmar, Cambodia dan Vietnam. Ia juga membuat perikatan strategik dengan Petronas Nasional di bawah Petronet untuk mendapatkan tender bagi projek 2000 MW bahan api LNG di wilayah Tamil Nadu, India.

Kajitapak teknikal juga dijalankan di Iran, Arab Saudi, Sudan, Filipina dan Australia. Walaupun benua Asia dan dunia keseluruhannya menghadapi kegawatan ekonomi, TNB akan terus menjelajahi peluang-peluang perniagaan di arena antarabangsa.

Di dalam negeri, TNB telah terlibat dalam peringkat akhir projek kereta elektrik melalui pelaburannya dalam 'CAR R&D'. Ia juga mengambil ekuiti sebanyak 20 peratus dalam Kulim Hi-Tech Park melalui Northern Utility Resources.





PERKHIDMATAN KORPORAT

Perkhidmatan Korporat merupakan satu bahagian dalam TNB yang menyediakan pelbagai perkhidmatan untuk menyokong pencapaian matlamat perniagaan Syarikat. Perkhidmatan-perkhidmatan ini disalurkan melalui Perkhidmatan Perolehan, Perkhidmatan Pengurusan Risiko, Perkhidmatan Hartanah, Keselamatan, Hal Ehwal Undang-Undang dan Program Pembangunan Usahawan yang telah disusun secara strategik untuk memberi sokongan padu. Di samping itu, Komunikasi Korporat berusaha memantulkan fungsi pengurusan strategik dalam menentukan imej yang positif untuk TNB.

Pada tahun laporan, Perkhidmatan Korporat memastikan bahawa kontrak-kontrak yang diberi mematuhi sepenuhnya dasar perolehan TNB demi menjaminkan bahawa Syarikat mendapat nilai, bahan dan perkhidmatan terbaik.

TNB memberi keutamaan kepada pengurusan risiko dan melaksanakan aktiviti berkaitan di semua peringkat dalam Syarikat. Peningkatan tahap pengurusan risiko TNB telah berjaya membetulkan tanggapan para wakil insurans terhadap portfolio pengurusan risiko TNB.

Dasar-dasar korporat mengenai Keselamatan dan Kesihatan Pekerjaan telah ditaja semula. Langkah mengemas kini dasar-dasar itu diperkenalkan sebagai sebahagian daripada matlamat baru Syarikat dan memberi para pengurus dan penyelia tanggungjawab baru mengenai keselamatan dan alam sekitar, kepuasan pelanggan, dayaharap dan kualiti.

Besar kemungkinan unsur paling kuat yang mempengaruhi semua organisasi pada hari ini adalah tanggapan umum. Komuniti perniagaan sedar mengenai perkara ini tatkala membicarakan tentang muhibbah. Muhibbah perniagaan bukan sahaja bererti sikap pengguna terhadap produk dan perkhidmatan syarikat bahkan juga mengenai sikap pelabur, kerajaan, pemegang saham, komuniti dan seluruh anggota kerja.

Pada tahun laporan, Komunikasi Korporat bertanggungjawab mengawal tanggapan positif terhadap Kumpulan dan Syarikat. Peranan utama yang strategik ini adalah sejajar dengan keperluan sebuah syarikat perniagaan besar seperti TNB, apatah lagi dalam keadaan penyusunan semula korporat semasa untuk meningkatkan prestasi perniagaan.

Pada tahun laporan, Perkhidmatan Korporat juga menyediakan khidmat nasihat undang-undang kepada Kumpulan dan Syarikat, dan menjadi pengurus aktif dalam rundingan dan penyediaan perjanjian serta dokumen-dokumen lain. Antara tugas-tugas utama yang dijalankan pada tahun laporan ialah penyediaan perjanjian pembelian tenaga dengan TNB Janamanjung Sdn Bhd, Perlis Power Technology Sdn Bhd dan Automan Power Producers Sdn Bhd; penswastaan Lembaga Letrik Sabah; pengawasan pepijat alaf Y2K; perjanjian-perjanjian usahasama elektrik dengan Pakistan dan Bangladesh; penyusunan semula organisasi TNB; penyediaan perjanjian mengenai penyertaan ekuiti dalam projek-projek elektrik seperti Bakun, Kulim Hi-Tech Park dan lain-lain.

Program Pembangunan Usahawan terus dimajukan oleh Syarikat sebagai sebahagian daripada sumbangannya kepada dasar pembangunan nasional.

Tugas-tugas perolehan tanah, pengurusan harta tanah dan senggaraan aset adalah fungsi sokongan utama. Selain itu, Perkhidmatan Korporat juga menjalankan urusan permohonan tanah yang termasuk pengurusan laluan bagi talian penghantaran dan mendapatkan kelulusan bagi pembinaan dan pembelian harta tanah yang diperlukan oleh TNB bagi kegunaan sebagai pejabat dan kuarters.

Perkhidmatan Korporat juga bertanggungjawab untuk melindungi kepentingan, harta dan anggota kerja Kumpulan dan Syarikat dengan menyediakan perkhidmatan keselamatan.

SUMBER MANUSIA

Perancangan sumber manusia yang berkesan dan latihan sistematis terus menjadi agenda utama TNB ke arah memenuhi matlamat korporat. Dalam usaha strategik untuk mengubah Kumpulan dan Syarikat menjadi sebuah perbadanan terkemuka dan berjaya, TNB telah melaksanakan penyusunan semula dengan mengukuhkan pengurusan dan kecekapan asas dan meningkatkan lagi keupayaan dan kebakaran. Dasar-dasar sumber manusia yang baru lagi berkesan berhubung penyusunan anggota kerja, pembangunan kerja, serta peningkatan dan dorongan keupayaan membantu TNB menguruskan sumber manusianya secara lebih cekap dan berkesan. Ini menghasilkan keharmonian dalam perhubungan perindustrian di kalangan kesatuan eksekutif dan bukan eksekutif serta produktiviti yang lebih tinggi.

Walaupun operasi telah berkembang secara ketara dengan tambahan 245,688 pelanggan baru pada tahun laporan, TNB masih mengekalkan bilangan anggota kerjanya seramai 22,890 orang (terdiri daripada 2,389 eksekutif dan 20,501 bukan eksekutif) berbanding 23,240 pada tahun sebelumnya.

Teknologi Maklumat digunakan bagi pelaksanaan Sistem Maklumat Sumber Manusia dan Penggajian bersepadu di seluruh peringkat korporat. Sistem Perubatan Sementara membantu mengurus dan mengawal kos perubatan secara berkesan.

SEKRETARIAT KUALITI

Pada tahun laporan, TNB meneruskan amalan dasar kualiti yang agresif bermula sejak penswastaannya. Sekretariat Kualiti disusun semula menjadi sebuah unit yang melapor terus kepada Pengerusi Eksekutif dan Presiden untuk meningkatkan kesedaran tentang kualiti di semua peringkat dalam syarikat di seluruh negara. Rancangan Induk Kualiti yang melibatkan semua peringkat dari Pengerusi Eksekutif dan Presiden ke bawah telah dirumus untuk menghasilkan rancangan-rancangan berkualiti bagi membangunkan satu budaya kerja berkualiti yang kukuh di kalangan anggota kerja TNB.

TNB juga menjelajahi aktiviti baru yang akan meningkatkan lagi pencapaian kualiti. Ia mengukuhkan lagi Program Khidmat Pelanggan Berkualiti (QCSP) untuk mewujudkan kesedaran mengenai budaya kerja berkualiti serta perubahan siap. Ia juga terus memberi kemudahan kepada Kumpulan Peningkatan Khidmat Pelanggan Berkualiti (QCS-IT) dengan mewujudkan kumpulan-kumpulan kecil terdiri dari anggota kerja bagi menyelesaikan masalah-masalah di tempat kerja.

Konvensyen-konvensyen QCS-IT diadakan di peringkat stesen, daerah, wilayah, bahagian dan nasional untuk membentangkan hasil projek-projek inisiatif anggota kerja.

Konvensyen QCS-IT dan pameran inovasi peringkat kebangsaan tahun 1997 telah berlangsung dari 21 hingga 23 Disember. Seramai 35 pasukan QCS-IT mengambil bahagian dalam Pameran Inovasi tersebut di mana 12 pasukan membentangkan projek masing-masing.

Enam daripada mereka berjaya memasuki pusingan akhir Penganugerahan Konvensyen Q anjuran Perbadanan Produktiviti Kebangsaan (PPK). Empat pasukan memperolehi markah tertinggi, salah satu daripadanya muncul sebagai juara nasional.

AUDIT KORPORAT

Audit Korporat mempunyai fungsi bebas di dalam TNB untuk melaksanakan penyemakan dan penilaian secara sistematik ke atas kawalan perniagaan kumpulan syarikat-syarikat di bawah TNB bagi pihak Lembaga Pengarah dan Pengurusan. Objektif utama adalah untuk menambah nilai kepada perniagaan dengan membantu pihak pengurusan meningkatkan kawalan dan memastikan bahawa operasi perniagaan dijalankan secara berhemat, cekap dan berkesan untuk mencapai matlamat korporat sejajar dengan piawaian amalan pengurusan.

Pada tahun laporan, nilai ditambah diperolehi melalui dua strategi. Pertama, lebih banyak waktu ditumpukan kepada penilaian risiko, analisis dan tindakan pengurusan berbanding pengumpulan data dan menyediakan laporan. Kedua, di samping kawalan yang sememangnya praktikal dalam audit tradisional, tumpuan juga diberi kepada sikap anggota kerja terhadap kawalan, etika, nilai, budaya, bidang kuasa, keupayaan dan profesionalisme. Kesemua unsur ini bersama-sama membentukkan saranan tindakan bagi meningkatkan operasi bisnes.

Dengan perubahan ini, Pengurus-pengurus Wilayah dan Daerah memikul tanggungjawab yang lebih besar. Kawasan-kawasan yang telah diaudit pada tahun laporan termasuk daerah-daerah dalam wilayah Perlis, Kedah, Pulau Pinang, Perak, Negeri Sembilan, Melaka dan Pahang. Audit Korporat memberi tumpuan kepada usaha meningkatkan prestasi membaiki kerosakan, mengurangkan kerugian dalam pembahagian, meningkatkan kawalan kewangan, serta mewujudkan pengurusan bahan yang lebih berkesan. Di samping itu, penyemakan audit tahun semasa ke atas prestasi peralatan yang terpasang di stesen-stesen janaelektrik, sistem penghantaran dan pembahagian turut mengengahkan isu-isu penting untuk dipertingkatkan, khususnya dalam bidang perolehan dan proses pengeluaran tender, kawalan kualiti, pengurusan kontrak, operasi dan penyelenggaraan.

Dalam menghadapi cabaran-cabaran masa depan, Audit Korporat kini menjalankan audit ke atas anak-anak syarikat sejarah dengan strategi korporat untuk menubuhkan anak-anak syarikat bagi menjalankan operasi bisnesnya supaya terdapat tumpuan pengurusan, kawalan dan akauntabiliti yang lebih baik. Tugas Audit Korporat adalah menentukan dan menilai potensi syarikat dalam perspektif jangka pendek dan panjang, prospek projek-projeknya, serta hubungkait antara syarikat pemegang dan anak-anak syarikatnya dan juga di kalangan anak-anak syarikat yang mendorong keadaan terbaik bagi mempertingkatkan nilai pemegang saham.

ANAK-ANAK SYARIKAT

SETIAUSAHA SYARIKAT

Pejabat Setiausaha Syarikat diwujudkan selaras dengan peruntukan undang-undang yang tercatat dalam Seksyen 139A Akta Syarikat 1965. Setiausaha Syarikat memainkan peranan penting dalam memastikan Syarikat serta Kumpulannya dikawal oleh pengawalan korporat dengan mematuhi undang-undang berkanan serta Tatacara dan Tataurusan Syarikat berhubung perniagaan syarikat. Pejabat Setiausaha Syarikat juga dikehendaki mematuhi segala peruntukan yang tercatat dalam Peraturan Penyerahan Bursa Saham Kuala Lumpur.

Pada tahun laporan, tugas utama Pejabat Setiausaha Syarikat adalah membantu Lembaga Pengarah Syarikat dan Kumpulan dengan memberi khidmat nasihat mengenai isu-isu perundangan syarikat serta isu-isu yang berkaitan dengan transaksi saham. Ia juga bertindak sebagai Pendaftar Saham bagi Syarikat.

Pejabat Setiausaha Syarikat mengatur mesyuarat Lembaga Pengarah dan Mesyuarat Agung Tahunan termasuk memastikan mesyuarat-mesyuarat diadakan mengikut prosedur mesyuarat yang sah serta memberi maklumat penting memastikan urusan mesyuarat itu dilaksanakan secara terbaik demi kepentingan syarikat dan para pemegang sahamnya. Setiausaha Syarikat merupakan penghubung antara Lembaga Pengarah dan Pengurusan dalam menyalurkan secara berkesan usul-usul yang dicapai oleh Lembaga Pengarah untuk dilaksanakan oleh pihak Pengurusan.

Pada tahun laporan, sebanyak 18 mesyuarat Lembaga Pengarah termasuk satu Mesyuarat Agung Tahunan diadakan. Selain itu, 14 mesyuarat Jawatankuasa Audit, 14 mesyuarat Jawatankuasa Kewangan dan Pelaburan, lapan mesyuarat Jawatankuasa Perjawatan, tujuh mesyuarat Jawatankuasa Tender, satu mesyuarat Jawatankuasa Perancangan dan Pembangunan, dan satu mesyuarat Jawatankuasa Disiplin turut diadakan.

PENJANAAN KUASA

TNB Generation Sdn Bhd

Pada 1 September 1997, TNB Generation Sdn Bhd (TNBG) telah memulakan operasi sebagai operator Pengendalian dan Senggaraan 12 stesen janaelektrik TNB yang dipajakkan kepada TNBG untuk jangka masa panjang. Dengan kapasiti penjanaan terpasang semasa sebanyak 8,128.9 MW, TNBG merupakan penjana elektrik tunggal terbesar tanahair. Gabungan strategik antara campuran pintar kitaran turbin gas, haba lazim (minyak/gas dan arang batu), turbin gas dan penjana kuasa hidro membolehkan pilihan bahan bakar yang menghasilkan peningkatan ketara dalam dayaharap penjanaan serta keberkesanan fos.

Bagi tahun kewangan 1998, statistik-statistik bagi prestasi stesen-stesen adalah seperti berikut:-

• Penjualan Tenaga Elektrik	31,959.59 GWj
• Stesen Haba Tersedia	81.46 peratus
• Stesen Hidro Tersedia	83.60 peratus
• Jumlah Stesen Tersedia	81.94 peratus
• Keberkesanan Haba	83.74 peratus

TNB telah mencatat permintaan puncak sebanyak 8,470.4 MW pada 27 Mei 1998, yang menunjukkan peningkatan 3.37 peratus berbanding permintaan puncak 8,194.2 MW pada tahun lepas.

Menjelang akhir tahun kewangan pada 31 Ogos 1998, campuran kapasiti penjanaan terpasang adalah :-

Jenis Loji	Keupayaan	
	Terpasang	Peratus
Kitar Padu	2,002 MW	24.63
Haba Lazim (Minyak/Gas)	1,714 MW	21.08
Haba Lazim (Arang Batu)	600 MW	7.38
Turbin Gas	1,894 MW	24.53
Hidro	1,813.9 MW	22.38
Jumlah	8,128.9 MW	100.00

Pada tahun laporan, program penjanaan loji TNB menyaksikan 4 X 150 MW jentera hidro di Pergau, 1 X 95 MW turbin stim (ST4C) di Paka dan 1 X 110 MW turbin stim di Melaka dimulatugas dan digerakkan bersama ke dalam sistem. Sementara itu, 2 X 500 MW turbin arang batu di stesen janaelektrik Kapar kini menjalani ujian permulaan tugas manakala Unit 5 dijadual digerakkan bersama serta berada di tahap beban komersil pada akhir 1998. Untuk mengukuh dan meningkatkan lagi bekalan tenaga ke Pulau Pinang, TNB telah meluluskan pemindahan 1 X 110 MW turbin stim kerangka 9 ke stesen janaelektrik Gelugor.

Sejajar dengan usaha TNB mencapai Pengurusan Kualiti Bersepadu, Stesen janaelektrik Kenyir dianugerahkan pensijilan ISO 9002 pada Disember 1997. Stesen janaelektrik Serdang adalah yang pertama dianugerahkan pensijilan ISO 9002 bagi Pengurusan Kualiti Bersepadu pada Mac 1996, diikuti dengan stesen janaelektrik Tuanku Jaafar, antara stesen yang tertua di TNB, pada Jun 1997, dan seterusnya oleh stesen janaelektrik Connaught Bridge pada Ogos 1997.

Stesen janaelektrik Serdang juga adalah yang pertama dianugerahkan pensijilan ISO 14001 bagi Sistem Pengurusan Alam Sekitar.

Pada tahun laporan, Persatuan Keselamatan dan Kesihatan Pekerjaan Malaysia menganugerahkan dua pingat emas kepada stesen janaelektrik Kenyir dan Serdang, dan pingat-pingat perak kepada stesen janaelektrik Chenderoh, stesen janaelektrik Connaught Bridge dan stesen janaelektrik Paka kerana berjaya mengekalkan dan mematuhi piawaian Keselamatan dan Kesihatan Pekerjaan. Pencapaian ini membuktikan bahawa TNB sangat mengutamakan keselamatan dan kesihatan anggota kerjanya.

Selain menjadi Pengeluar Kuasa terbesar di Malaysia, TNBG juga telah menandatangani kontrak untuk mengurus dan mengendalikan 235MW Kompleks Tenaga Liberty di Daharki, Pakistan.

Bagi tahun kewangan 1998, TNBG mencatat perolehan sebanyak RM3,921.3 juta.





PERKHIDMATAN KEJURUTERAAN

TNB Engineers Sdn Bhd

TNB Janamanjung Sdn Bhd

Kebanyakan daripada kerja-kerja penimbusan laut di tapak seluas 291 hektar milik TNB Janamanjung Sdn Bhd (TNBJ) di kawasan Teluk Pencalang (Teluk Batu) berhadapan dengan Selat Melaka telah dilaksanakan dengan jayanya di bawah pakej pertama. TNBJ adalah anak syarikat milik penuh TNB, yang ditubuhkan pada 17 Ogos 1996, untuk membangunkan loji tenaga arang batu 2100 MW di Manjung, Perak. Loji bernilai RM7 ribu juta itu dibina berlandaskan contoh pengeluar tenaga bebas (IPP) untuk memenuhi permintaan tenaga elektrik negara yang semakin meningkat. Sebanyak 700 MW pertama dijadualkan siap bagi operasi komersil menjelang 2003 manakala dua unit lagi berkuasa 700 MW setiap satu akan siap mengikut jadual yang ditetapkan.

Rundingan sedang berjalan dengan para pembekal arang batu antarabangsa yang berdayaharap dan syarikat perkapalan tempatan untuk memastikan jumlah bekalan tanpa gangguan ke loji janaelektrik tersebut. Bekalan air akan disalurkan oleh Lembaga Air Perak berdasarkan perjanjian pembekalan air yang akan dirundingkan.

Pelbagai rancangan sedang dirumuskan untuk mencari jalan yang lebih baik dan inovatif untuk menghadapi kegawatan ekonomi semasa yang telah menjajaskan pembiayaan projek itu. Strategi pinjaman penyambung korporat untuk menggiatkan projek ini sedang dipertimbangkan. Atas saranan kerajaan Malaysia, TNBJ sedang merumuskan satu pelan tindakan untuk menarik minat pelabur asing.

Pada tahun laporan, TNB Engineers Sdn Bhd (TNBE) telah menjalankan beberapa projek utama seperti projek penjanaan 2 X 500 MW di stesen Sultan Salahuddin Abdul Aziz, Kapar (Fasa 3); projek hidroelektrik (4X 150 MW) di Pergau; dan pembangunan sistem penghantaran dan pembahagian 33 KV, 132 KV, 275 KV dan 500 KV di seluruh negara. Ia juga melaksanakan projek penyambungan TNB-EGAT HVDC (300/600 MW).

TNBE juga terlibat dalam pembangunan prasarana pembekalan elektrik 132 KV dan 33 KV sempena Kuala Lumpur 98 Sukan Komanwel ke - XVI. Ia juga berusaha mendapatkan projek prasarana gergasi bernilai RM500 juta di Putrajaya/Cyberjaya. Selain daripada Semenanjung, TNBE turut terlibat di dalam kerja-kerja pembangunan sistem penghantaran negeri Sabah:

Projek-projek Penghantaran dan Pembahagian 500 KV menyaksikan PMU Junjung (Kedah) 500/275 KV dan PMU Yong Peng Timur (Johor) 500/275 KV masing-masing dimulatugaskan pada 11 Mei dan 24 Ogos 1998. Kedua-dua talian penghantaran dan pencawang-pencawang kecil dalam pembangunan sistem penghantaran 500 KV telah hampir siap pembinaannya. Talian penghantaran 500 KV Ayer Tawar ke Junjung merupakan yang pertama dialirkan pada 26 Jun 1998.

Projek penghubung TNB-EGAT HVDC 300/600 MW terdiri daripada talian HVDC sepanjang 110 km (85 km TNB dan 25 km EGAT) dengan stesen pengubah DC di kedua-dua penghujung taliyan. Talian HVDC akan dialirkan pada tahap 300 KV DC dan pada peringkat awal akan membekalkan pertukaran tenaga dua haluan pada 300 MW. Di bawah Fasa 2, projek ini dijangka menyediakan keupayaan pemindahan tenaga berjumlah 600 MW.

Bagi tahun kewangan 1998, TNBE mencatat perolehan sebanyak RM62.2 juta.

TNB Engineering And Consultancy Sdn Bhd

Kegiatan TNB Engineering and Consultancy Sdn Bhd (TNEC) tertumpu kepada pembangunan projek dalam sektor tenaga dan perkhidmatan pengurusan projek untuk TNB dan pasaran luar. Pada tahun laporan, TNEC mendapat projek pemindahan turbin gas di Myanmar, di mana TNEC bertindak sebagai kontraktor utama.

Sebagai sebahagian daripada strategi pembangunan bisnesnya, TNEC berusaha memperkuatkan kedudukannya dalam perniagaan Sistem Pendinginan Lingkungan (SPL) melalui anak syarikatnya, Tenaga SPL Sdn Bhd (TSPL). Pada tahun laporan, TSPL telah berjaya memperolehi beberapa projek baru. Dalam satu persetujuan bersama, TSPL mendapat satu projek SPL untuk Universiti Multimedia Cyberjaya. Ia juga terbabit dalam usahasama untuk melaksanakan satu lagi projek SPL untuk zon utama Cyberjaya. TSPL juga meneruskan pembangunan projek Fasa 2 UNITEN yang dijadualkan siap menjelang akhir tahun 1998.

Pada tahun kewangan 1998, TNEC mencatat perolehan sebanyak RM154.3 juta dan keuntungan selepas cukai sebanyak RM2.1 juta.

TNB Repair and Maintenance Sdn Bhd

Tenaga Nasional Repair and Maintenance Sdn Bhd, yang ditubuhkan pada September 1995, kini dikenali sebagai TNB Repair and Maintenance Sdn Bhd atau REMACO. Ia ditubuhkan untuk memberi perkhidmatan senggaraan kos efektif dalam kerja-kerja pembaikan, senggaraan, pengujian dan peningkatan stesen janaelektrik. Ini termasuk perkhidmatan dalam prestasi, keupayaan berdayaharap, pengujian penjana dan perlindungan.

Pada tahun laporan, REMACO menjalankan beberapa pemeriksaan berjadual, kerja-kerja pembaikan menyeluruh, pembaikan dan permulaan tugas, pengubahan, pengukuhan, pembaikan semula dan penyelenggaraan ke atas semua jenis turbin gas, penjana kuasa, enjin diesel, dandang, alatubah dan kelengkapan loji.

Setakat 31 Ogos 1998, REMACO mencatat perolehan sebanyak RM69.8 juta berbanding RM46.7 juta pada tahun sebelumnya.

PERKHIDMATAN

Tenaga Risk Management and Services Sdn Bhd

Tenaga Risk Management and Services Sdn Bhd (TRMS), sebuah anak syarikat milik penuh TNB, terus mengambil langkah-langkah yang berkesan untuk melindungi aset-aset dan tanggungan TNB. Mulai 1 September 1998, bidangkuasa profesional TRMS merangkumi kedua-dua tugas mengenai pengurusan portfolio insurans operasi dan projek, yang mana akan meningkatkan kemahiran insurans di kalangan syarikat-syarikat dalam Kumpulan TNB.

TNB Logistics Sdn Bhd

TNB Logistics Sdn Bhd (TNBL), sebelum ini dikenali sebagai TRMS Freight Forwarding Services Sdn Bhd, beroperasi semula pada 1 Ogos 1998 setelah tidak aktif hampir setahun. Anak syarikat ini memberi perkhidmatan sokongan dalam bidang logistik kepada TNB dan anak-anak syarikatnya. Perkhidmatan ini merangkumi operasi penyewaan pengangkutan, gudang, pengedaran dan terminal.

TNB Metering Services Sdn Bhd

TNB Metering Services Sdn Bhd (TMSSB) diperbadankan pada 23 Mac 1998. Mula beroperasi pada 1 September 1998 berikutnya langkah penyusunan semula Bahagian Perkhidmatan Pelanggan sebagai badan bebas. Bidang perniagaannya merangkumi pembekalan kemudahan perjangkaan kepada TNB, anak-anak syarikatnya dan industri tenaga swasta serta perkhidmatan-perkhidmatan yang berkaitan dengannya. Ia juga meliputi aspek-aspek Perjangkaan dan Peralatan dalam TNRD.

HARTANAH

TNB Properties Sdn Bhd

TNB Properties Sdn Bhd (TNBPP), dahulunya dikenali sebagai Tenaga Nasional Properties Sdn Bhd, adalah sebuah anak syarikat milik penuh TNB yang ditubuhkan untuk membangun, mengurus dan menyelenggarakan harta tanah TNB; menyediakan khidmat perundingan bagi kerja-kerja senibina, sivil, elektrikal dan kejuruteraan; dan untuk mengenalpasti serta memajukan semula tanah rizab TNB yang berpotensi ekonomik dan komersil.

Pada tahun laporan, TNBPP telah merasionalisasi perniagaan dengan menumpukan terhadap pembangunan harta tanah dari pembinaan. Pada peringkat awal, lima bidang tanah telah dikenalpasti untuk pembangunan usahasama, iaitu tiga di Johor, satu di Melaka dan satu di Kuala Lumpur yang melibatkan nilai keseluruhan berjumlah RM3.78 ribu juta dan jangkaan pulangan kepada TNB sebanyak RM803 juta untuk 10 tahun akan datang.

TNBPP kini sedang mengkaji semula pembangunan tanah-tanah TNB yang berpotensi untuk dimajukan di seluruh negara.

Bagi tahun kewangan 1998, TNBPP mencatat perolehan sebanyak RM8.7 juta.

PERKILANGAN

Malaysia Transformer Manufacturing Sdn Bhd

Malaysia Transformer Manufacturing Sdn Bhd (MTM), yang ditubuhkan pada 1977, adalah syarikat tempatan pertama yang mengilang alatubah. Perubahannya merupakan satu langkah strategik untuk memenuhi keperluan meluas sistem pembahagian elektrik TNB yang semakin berkembang. Anak syarikatnya ini yang memulakan operasi pengeluarannya pada Januari 1980, adalah usahasama antara TNB dan Kumpulan ABB.

MTM merupakan sebuah kilang pembuatan yang lengkap dengan keupayaan untuk merekabentuk, mengilang dan menguji. Sistem kualitinya telah diperakui memenuhi persyaratan ISO 9001:1994.

Sejak penubuhannya, MTM telah memperluaskan operasi daripada pengeluaran alatubah 11 kV kepada alatubah 33 kV yang bersaiz dari 25 kVA hingga ke 30 MVA. MTM kini mencebur usaha pengeluaran alatubah 132 kV yang meliputi dari saiz 15 MVA hingga ke 90 MVA. Alatubah 275 kV dijangka akan dikeluarkan tidak lama lagi. Alatubah keluaran MTM digunakan secara meluas oleh syarikat-syarikat utiliti di Semenanjung, Sabah dan Sarawak; dan digunakan oleh kilang-kilang besar, syarikat petrolium dan projek-projek utama seperti Lapangan Terbang Antarabangsa Kuala Lumpur, KL Sentral dan Cyberjaya.

Pada tahun kewangan 1998, MTM mencatat perolehan sebanyak RM73.6 juta.

Tenaga Switchgear Sdn Bhd

Tenaga Switchgear Sdn Bhd (TSG) bergiat dalam urusan pemasangan dan pengeluaran perkakasuis bervoltan tinggi bertebat gas (GIS) jenis 132 kV dan 275 kV, dan pemutus litar bertebat gas (GCB). Anak syarikat TNB ini juga adalah pakar dalam kerja-kerja penyenggaraan dan pembaikan perkakasuis serta kontrak-kontrak 'turnkey' pencawang penghantaran. Kilang TSG berkeupayaan mengeluarkan 50 perkakasuis GIS dan 250 unit pemutus litar setahun.

Pada tahun laporan, TSG menerima anugerah antarabangsa daripada makmal pengujian CESI di Milan, Italy, bagi pemutus litar GCB 132 kV dan 275 kV, dan perkakasuis GIS 132 kV. Sejak perpindahan kilangnya ke Sungai Buloh pada Jun 1996, TSG telah mendapat tempahan untuk mengeluarkan 165 unit pemutus litar GCB dan 53 perkakasuis GIS, dan tiga kontrak 'turnkey' pencawang penghantaran. Setakat ini, lapan unit GIS dan 131 unit GCB telah dihantar ke beberapa kawasan di seluruh negara.

Setakat 31 Ogos 1998, TSG mencatat perolehan RM58.3 juta berbanding RM18.4 juta pada tahun sebelumnya, iaitu peningkatan sebanyak 216 peratus.

PENYELIDIKAN & PENDIDIKAN

Universiti Tenaga Nasional Sdn Bhd

Universiti Tenaga Nasional merupakan salah satu universiti swasta yang pertama di Malaysia. Ia dikendalikan oleh Universiti Tenaga Nasional Sdn Bhd (UNITEN), iaitu sebuah anak syarikat milik penuh TNB.

Pada tahun laporan, UNITEN telah menerima kemasukan seramai 2,917 pelajar yang mengikuti pelbagai kursus ijazah dan diploma termasuk pelajar yang mengikuti program berkembar. Sekumpulan pelajar baru telah mendaftar pada Mei 1998 yang menyaksikan seramai 1,955 pelajar. Angka ini menunjukkan peningkatan enam kali ganda melebihi pengambilan sesi pertama iaitu 318 pelajar pada Jun 1997.

Keputusan Kerajaan Malaysia untuk tidak menghantar pelajar-pelajar tajaan MARA dan Jabatan Perkhidmatan Awam ke universiti luar negeri akibat kelembapan ekonomi semasa merupakan sebab utama bagi kenaikan jumlah pelajar yang besar ini.

Seramai 90 pelajar yang mengikuti program berkembar Sarjana Muda Perniagaan & Pengurusan UNITEN/Lincoln University menerima ijazah mereka dalam upacara konvokesyen di UNITEN pada 18 Jun 1998. Sebelum itu, pada 9 Mei 1998, seramai 36 pelajar yang terdiri daripada kakitangan pentadbiran TNB menerima Diploma Pengajian Perniagaan setelah selesai menjalani kursus selama dua tahun. Ini merupakan kali pertama UNITEN menganugerahkan diploma dalam jurusan itu.

UNITEN terus mengajurkan kursus-kursus tertentu melalui Institut Sultan Ahmad Shah (ISAS) dan Biro Perundingan & Latihan (BP & L) untuk memenuhi keperluan TNB dan industri perbekalan elektrik umumnya. Pada tahun laporan, ISAS telah melatih seramai 4,700 orang dalam pelbagai program latihan kemahiran teknikal manakala BP & L menjalankan pelbagai program latihan pengurusan, kualiti dan pentadbiran untuk 2,600 pelatih.

Dalam mempromosikan Malaysia sebagai pusat pendidikan terunggul di peringkat antarabangsa, UNITEN menyertai beberapa pameran bergerak ke negara-negara ASEAN anjuran Kementerian Pendidikan. Ia telah menyertai pameran-pameran di Bandar Seri Begawan, Brunei Darussalam, dan juga di Jakarta dan di Bandung, Indonesia.

Sementara itu, pembinaan tambahan kemudahan akademik dan lain-lain di bawah pertambahan prasarana Fasa II, UNITEN dijangka akan siap untuk digunakan menjelang awal 1999. Fasa ini meliputi beberapa blok pangaspuri pelajar, dewan ceramah, dewan serbaguna, masjid, pusat pendidikan eksekutif, pusat perniagaan dan pelbagai kemudahan rekreasi.

YAYASAN TENAGA NASIONAL

Tenaga Nasional Research & Development Sdn Bhd

Tenaga Nasional Research & Development Sdn Bhd (TNRD), sebuah anak syarikat milik penuh TNB, telah mula beroperasi dari pusat barunya berhampiran dengan kampus UNITEN di Bangi dengan tujuan untuk memenuhi keperluan industri perbekalan elektrik dalam bidang penyelidikan, inovasi, jaminan kualiti dan perkhidmatan pengujian.

TNRD telah dilantik sebagai ejen TNB bagi jaminan kualiti dan menyediakan perkhidmatan pengujian untuk semua peralatan kuasa yang dibeli oleh TNB.

Pada 5 September 1998, TNRD melancarkan sistem fotovoltaik grid sel solar bumbung berkuasa 3 kW yang pertama di Malaysia. Langkah ini merupakan usahasama TNB untuk memperkenalkan pembekalan elektrik yang bersih lagi berkesan.

TNRD juga sedang merekacipta dan membangunkan sistem lampu jalan berkuasa solar untuk kemudahan di lebuhraya.

Bagi tahun berakhir 31 Ogos 1998, aktiviti TNRD di dalam 60 projek dan perkhidmatan teknikal lainnya telah mencatat perolehan sebanyak RM15.3 juta.

Bermula sebagai penyumbang utama kepada perhubungan masyarakat, Yayasan Tenaga Nasional ditubuhkan pada 1993 dengan tujuan melahirkan sumber baru intelektual negara dan mewujudkan satu pasukan kerja mahir dalam industrialisasi Malaysia.

Pada tahun laporan, Yayasan TNB telah menganugerah sebanyak 315 biasiswa kepada mahasiswa institusi pengajian tinggi tempatan. Selain itu, bantuan kewangan dihilurkan di bawah skim pinjaman boleh tukar hanya kepada mahasiswa universiti tempatan.

Walaupun penekanan diberi kepada pemberian biasiswa untuk mahasiswa UNITEN dan institusi-institusi pendidikan tinggi tempatan yang lain, Yayasan masih memberi sejumlah biasiswa yang terhad di bawah program pembelajaran di beberapa universiti terkemuka di Amerika Syarikat dan United Kingdom. Bagaimanapun, sejak tahun 1997, mahasiswa yang mengikuti program ini telahpun dimasukkan ke kolej-kolej tempatan untuk mendapatkan pendidikan tinggi asas dan kelulusan "A-level". Penajaan untuk melanjutkan pelajaran ke luar negeri bergantung kepada kejayaan mereka mendapat tempat di universiti-universiti terkemuka di Amerika Syarikat dan United Kingdom.

Dalam tahun kewangan yang berakhir pada 31 Ogos 1998, Yayasan Tenaga Nasional beroperasi atas anggaran belanjawan sebanyak RM52 juta.

INFORMATION SERVICES PERKHIDMATAN MAKLUMAT

At Tenaga Nasional Berhad, the strategic use of Information Technology to spearhead corporate objectives is given top priority. A dedicated Information Services department ensures to the complex needs of the Company.

During the year, major achievements were recorded in the area of information management. A Corporate Planning Datamart Project was successfully implemented in which critical information relating to corporate performance in respect to finance, customer service, generation and human resource were available on-line. The information monitored from this initiative provides an invaluable management tool to the Management Committee for their assessment on the overall performance of the Company.

Another achievement was the support provided for the Utility Payments System which has been identified as a module in the Electronic Government Flagship Application for the Multimedia Super Corridor (MSC). The implementation of the system would enable customers to interact with TNB through information kiosks and using internet tools from home for enquiries on billing information as well as to make payments.

The Information Services department is supporting various divisions in addressing the Year 2000 issues through the various committees. The migration of the Financial and Billing Applications on a standard and integrated SAP/R3 platform enabled the department to migrate its large pool of financial applications to Year 2000 compliant versions.

IT plans for TNB for the coming year would continue to address the Year 2000 issues. A concerted effort would be made to further integrate business applications so as to enable the Company to maximise the value of Information Technology.

Di Tenaga Nasional Berhad, keutamaan diberi kepada penggunaan Teknologi Maklumat secara strategik untuk menggembangkan matlamat korporat. Jabatan Perkhidmatan Maklumat memastikan bahawa segala keperluan Syarikat dalam hal berkaitan dipenuhi.

Pada tahun laporan, beberapa pencapaian utama dicatat dalam bidang teknologi maklumat. Projek Perancangan Korporat Datamart telah dilaksanakan dengan jayanya yang mana maklumat penting berhubung prestasi korporat dari sudut kewangan, perkhidmatan pelanggan, penjanaan dan sumber manusia dapat diperolehi 'on-line'. Maklumat yang diteliti melalui inisiatif ini menyediakan alat pengurusan bernilai tinggi untuk Jawatankuasa Pengurusan bagi penilaian mereka mengenai prestasi Syarikat keseluruhannya.

Satu lagi pencapaian adalah sokongan yang sedang dikaji untuk Sistem Pembayaran Utiliti yang dikenalpasti sebagai modul dalam Aplikasi Utama Kerajaan Elektronik di Koridor Raya Multimedia (MSC). Pelaksanaan sistem ini akan membolehkan para pelanggan berinteraksi dengan TNB melalui kios-kios maklumat dan menggunakan peralatan Internet dari rumah masing-masing untuk bertanya mengenai butir-butir bil dan juga membuat pembayaran.

Jabatan Perkhidmatan Maklumat menyokong usaha pelbagai bahagian dalam menyatakan isu-isu berkaitan Masalah Tahun 2000 melalui beberapa jawatankuasa. Penggunaan Aplikasi Kewangan dan Pembelian berlandaskan perisian jenis SAP/R3 yang setara dan bersepadan membolehkan Bahagian ini memindahkan aplikasi kewangannya kepada versi-versi yang bersesuaian dengan versi Tahun 2000.

Rancangan-rancangan Teknologi Maklumat di TNB bagi tahun depan akan terus memberi tumpuan ke isu-isu Tahun 2000. Satu usaha bersama akan dijalankan untuk mengintegrasikan lagi aplikasi perniagaan supaya membolehkan Syarikat memaksimumkan nilai Teknologi Maklumat.

YEAR 2000 RESOLVE PENYELESAIAN MASALAH TAHUN 2000

Year 2000 Challenge

The Year 2000 problem or more commonly referred to as the Y2K Bug, comes about due to the use of two digits to represent the year field in a programme or database. The year field represented as 98 for 1998 would translate into a '00' for year 2000 if the existing two digit format to represent the date was used. Tenaga Nasional Berhad has developed a Y2K programme to deal with this problem. This programme under the direct stewardship of the Executive Chairman and President is now in full swing.

Apart from the internal task forces, joint task forces with critical service providers such as Petronas Gas and the Independent Power Producers (IPP's) have been set up. As gas represents a crucial commodity in the generation of power, it is important the supply of gas to the power stations is assured so that TNB will continue to supply the most critical commodity which is electrical power.

Tenaga Nasional's Y2K Project is broken into four phases :-

- Phase 1 - Awareness & Training
- Phase 2 - Inventory, Impact Assessment and Implementation Plan
- Phase 3 - Compliance Testing and Acceptance
- Phase 4 - Contingency Plan

TNB hopes to complete resolving the Y2K problem by June 1999, leaving about 6 months to sort out any unresolved issues. The development of contingency plans would be in 1999. Tenaga Nasional has completed the inventory list and identified all critical components which have to be addressed to ensure that they are Y2K compliant. The Y2K Task Forces are in the process of discussing the implementation plans for testing of the various components.

TNB has complied with the Kuala Lumpur Stock Exchange (KLSE) Practice Note 1/98 relating to public disclosure on Year 2000 compliance and this has been lodged with the KLSE. Regular reports are also being sent to the Ministry of Energy, Communications and Multimedia, and statutory bodies. The homepage of TNB (www.tnb.com.my) also announces regular reports on the progress of the Company's Y2K measures.

Penyelesaian Masalah Tahun 2000

Masalah Tahun 2000, yang lebih dikenali sebagai pepijat alaf Y2K, timbul akibat amalan menggunakan dua angka bagi menunjukkan sesuatu tahun dalam program atau pangkalan data komputer. Dengan itu, angka 98 yang digunakan untuk mengenalpasti 1998 akan kelak menjadi '00' untuk mengenalpasti tahun 2000 menurut format dua angka yang digunakan sekarang. Tenaga Nasional Berhad telah merumuskan program Y2K tersendiri untuk mengatasi masalah ini. Program ini, yang terletak di bawah pengawasan Pengerusi Eksekutif, kini giat diterapkan.

Selain daripada pasukan-pasukan petugas dalaman, pasukan-pasukan gabungan dengan pembekal perkhidmatan-perkhidmatan penting seperti Petronas Gas dan para Pengeluar Tenaga Bebas (IPP) turut ditubuhkan. Oleh kerana gas merupakan komoditi mustahak dalam penjanaan kuasa maka adalah sangat perlu untuk menjamin bahawa pembekalan gas kepada stesen-stesen janaelektrik akan berkekalan supaya TNB akan dapat terus membekalkan komoditi terutama, iaitu tenaga elektrik.

Projek Y2K Tenaga Nasional terbahagi kepada empat fasa, iaitu:

- Fasa 1 - Kesedaran dan Latihan
- Fasa 2 - Inventori, Penilaian Impak dan Rancangan Pelaksanaan
- Fasa 3 - Ujian dan Penerimaan Pematuhan
- Fasa 4 - Rancangan Luar Jangka

TNB berharap akan dapat menyempurnakan rancangan mengatasi masalah Y2K menjelang Jun 1999, dengan itu memberinya tempoh enam bulan untuk menyelesaikan sebarang isu yang masih belum dijelaskan. Perumusan rancangan-rancangan luar jangka akan bermula pada 1999. Tenaga Nasional telah melengkapkan senarai inventornya dan mengenalpasti semua komponen-komponen utama yang perlu dikemaskin untuk menjamin bahawa ia mematuhi keperluan mengatasi masalah Y2K. Pasukan-pasukan petugas Y2K kini sedang berbincang mengenai rancangan-rancangan pelaksanaan bagi menguji pelbagai komponen.

TNB telah mematuhi Nota Amalan 1/98 terbitan Bursa Saham Kuala Lumpur (BSKL) berhubung pemberitahuan umum mengenai pematuhan terhadap masalah Y2K, dan telahpun melaporkannya kepada BSKL. Laporan-laporan juga sering dihantar kepada Kementerian Tenaga, Komunikasi dan Multimedia, dan juga kepada badan-badan berkanun yang lain. Laman web TNB (www.tnb.com.my) juga sering mengumumkan laporan-laporan biasa mengenai kemajuan Syarikat dalam langkah-langkah yang diambil bagi mengatasi cabaran Y2K.

C O M M U N I T Y R E L A T I O N S **P E R H U B U N G A N K O M U N I T I**

Today, a company's relationship with its community is extensive and diverse. In fact, Tenaga Nasional Berhad's definition of community has broadened beyond its head office in Kuala Lumpur to include all of its regional sites throughout Peninsular Malaysia. Where there is electricity, there is Tenaga Nasional Berhad.

Our corporate philanthropic role has changed - we have become multi-faceted encompassing corporate giving, employee volunteerism, charitable donations, sports sponsorship, scholarship support, and humane giving. This is an ongoing effort.

Traditional giving practices have evolved to the extent that the interests of stakeholders have become integral to corporate community relations strategies. In this context, there are three principal stakeholders - the corporation, its employees, and the communities - that determine a corporation's community involvement strategy. As a result, TNB plays a much broader community relations role today than in the past. Today we create and manage programmes that help resolve key community issues that are aligned with corporate goals.

During the year, TNB was a notable sponsor to the XVI Commonwealth Games promoting sports at an international level. It also provided its grounds at its head office to host the cricket event.

Corporate giving was seen in a contribution to the Dana Nasional. Members of TNB's associations including Kelab Kilat, Persatuan Kebajikan Pekerja Islam (PKPI) etc. demonstrated Employee volunteerism through social work for the poor and unfortunate.

The Tenaga Nasional Foundation continued to fund scholarships for a number of excellent students who otherwise could ill afford to pursue tertiary education.

On a humane note, TNB provided donations to some very needy as well as social and welfare programmes.

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Pada hari ini, hubungan antara sebuah syarikat dan masyarakat setempat ataupun komunitinya adalah luas dan meliputi pelbagai ciri. Definisi komuniti oleh Tenaga Nasional Berhad telah menjadi begitu luas sampai menjangkau keluar dari persekitaran ibu pejabat di Kuala Lumpur hingga merangkumi kesemua kawasan di Semenanjung Malaysia. Pendek kata di mana sahaja ada bekalan elektrik, di situ juga terdapat Tenaga Nasional Berhad.

Pendirian kami selaku dermawan korporat telah berubah. Kini kami memiliki pelbagai wajah yang meliputi pemberian korporat, semangat sukarelawan di kalangan anggota kerja, sumbangan kebajikan, penajaan acara sukan, bantuan biasiswa, dan sumbangan perikemanusiaan. Ini merupakan suatu usaha kami yang berterusan.

Amalan tradisi pemberian sumbangan yang dilaksanakan selama ini turut mengambil kira kepentingan semua pihak berkenaan yang menjadi sebahagian dari strategi perhubungan komuniti korporat. Dalam konteks ini, terdapat tiga pihak yang mempunyai kepentingan utama, iaitu Syarikat, anggota kerja dan komuniti persekitaran, yang sama-sama meneritukan strategi penglibatan komuniti oleh Syarikat. Walhasil, TNB memainkan peranan yang lebih meluas dalam perhubungan komuniti sekarang berbanding masa lalu. Pada hari ini, kami merumus dan menguruskan pelbagai program yang membantu menyelesaikan isu-isu utama dalam komuniti yang selaras dengan matlamat korporat.

Pada tahun laporan, TNB merupakan antara penaja utama Sukan Komanwel ke-16 (Kuala Lumpur 98) yang mempromosikan acara sukan peringkat antarabangsa itu. Kami juga telah menyediakan padang kami di ibu pejabat digunakan untuk acara pertandingan kriket Sukom 98.

Pemberian korporat adalah ketara melalui sumbangannya kepada Dana Nasional. Semua persatuan-persatuan kebajikan TNB termasuk Kelab Kilat, Persatuan Kebajikan Pekerja Islam (PKPI) dan lain-lain turut mempamerkan semangat sukarelawan anggota kerja melalui kerja-kerja kebajikan untuk golongan miskin dan yang kurang bernasib baik.

Yayasan Tenaga Nasional terus mengeluarkan biasiswa untuk pelajar-pelajar cemerlang yang tidak mampu membayai pendidikan mereka di peringkat tinggi.

Atas dasar perikemanusiaan, TNB telah menghulurkan bantuan kepada pihak yang benar-benar memerlukan dan juga menjayakan program-program kebajikan masyarakat.

CORPORATE CALENDAR OF EVENTS

KALENDAR PERISTIWA KORPORAT

SEPTEMBER 1997

SEPTEMBER 1997

2

Launching of three new fully owned TNB subsidiaries: Tenaga Nasional Generation Sdn Bhd, TNB Engineers Sdn Bhd and Institut Teknologi Tenaga Nasional Sdn Bhd.

Pelancaran tiga anak syarikat milik penuh TNB, iaitu Tenaga Nasional Generation Sdn Bhd, TNB Engineers Sdn Bhd dan Institut Teknologi Tenaga Nasional Sdn Bhd.

9

The Sultan Mahmud power station in Kenyir, Terengganu, wins a gold medal in the Work Safety and Cleanliness competition organised by the Malaysian Society for Occupational Safety and Health (MSOSH).

Stesen Janaelektrik Sultan Mahmud Kenyir, Terengganu, memenangi pingat emas dalam Pertandingan Keselamatan dan Kebersihan Kerja anjuran Persatuan Keselamatan dan Kesihatan Pekerja Malaysia (MSOSH).

18

His Majesty Sultan of Kelah officiates the opening of the new TNB office in Kulim.

DYMM Sultan Kedah merasmikan pejabat baru TNB di Kulim.

22

Opening of main intake station for Johor Bahru City Centre.

Pembukaan rasmi pencawang utama bagi Johor Bahru City Centre.

23

Launching ceremony of the HR Careline, aimed to provide information on human resource facilities and policies to employees, pensioners and their dependants.

Pelancaran rasmi Talian Mesra (HR Careline) yang bertujuan memberi maklumat mengenai kemudahan dan dasar-dasar sumber manusia kepada anggota kerja, pesara dan tanggungan mereka.

Signing ceremony between TNB, Shell (M) Trading Sdn Bhd and MBF Card Services Sdn Bhd allowing house owners to pay their electricity bills at Shell stations throughout Peninsula Malaysia in cash or credit utilising the MBF Mastercard, MBF Finance Vision Maestro Card and the MBF Shell Card.

Upacara menandatangani perjanjian rasmi antara TNB, Shell (M) Trading Sdn Bhd dan MBF Card Services Sdn Bhd yang membolehkan pembayaran bil-bil elektrik kediaman di stesen-stesen minyak di seluruh Semenanjung sama ada secara tunai ataupun kredit dengan menggunakan kad MBF Mastercard, MBF Finance Vision Maestro Card dan MBF Shell Card.

25

Official signing ceremony between TNB and KAF Discount Bhd on the issuance of "Al-Bai Bithaman Ajil" notes worth RM 1 billion.

Upacara menandatangani perjanjian rasmi antara TNB dan KAF Discount Bhd mengenai terbitan nota-nota "Al-Bai Bithaman Ajil" bernilai RM1,000 juta.

26 - 28

Terengganu Menteri Besar Dato Seri Amar DiRaja Tan Sri Haji Wan Mohhtar Ahmad officiates TNB's 1997 National Quranic Recitation Competition.

Manteri Besar Terengganu Dato Seri Amar DiRaja Tan Sri Haji Wan Mohhtar Ahmad merasmikan Tilawah Al-Quran Peringkat Kebangsaan 1997 bagi anggota kerja TNB.

29

TNB signs MoU with Express Rail Link Sdn Bhd as its major power supplier for the express railway project that links Kuala Lumpur Central with the new Kuala Lumpur International Airport in Sepang.

TNB menandatangani Memorandum Persefahaman dengan Express Rail Link Sdn Bhd (ERL) sebagai pembekal tenaga elektrik utama bagi projek perkhidmatan keretapi ekspres ERL dari Kuala Lumpur Sentral ke Lapangan Terbang Antarabangsa Kuala Lumpur di Sepang.

OKTOBER 1997

OCTOBER 1997

3

Launching of the Internet Homepage for TNB Pulau Pinang region by Pulau Pinang State Assemblyman Dato' Dr Hilmie Haji Yahya.

Pelancaran rasmi Laman Web TNB Wilayah Pulau Pinang oleh Dato' Dr Hilmie Haji Yahya, Ahli Majlis Mesyuarat Kerajaan Negeri Pulau Pinang.

22

Official opening of TNB Customer Service Centre in Brickfields, Kuala Lumpur by Dato' Ir Mohd Anuar Yusof, General Manager (Customer Services).

Pembukaan rasmi Pusat Perkhidmatan Pelanggan TNB di Brickfields, Kuala Lumpur oleh Dato' Ir Mohd Anuar Yusof, Pengurus Besar (Perkhidmatan Pengguna).

26

Official opening and welcome dinner for the 13th Meeting of the General Planning Managers of the Southeast & Northeast Asian Power Utilities.

Pembukaan rasmi serta jamuan makan malam mengalu-alukan para wakil mesyuarat ke-13 'General Planning Managers of the Southeast & Northeast Asian Power Utilities'.

NOVEMBER 1997

NOVEMBER 1997

7

TNB announces the Group's financial results for the financial year 1997.

TNB mengumumkan keputusan kewangan Kumpulan bagi tahun kewangan 1997.

8

UNITEN holds Exhibition and Open Day.

UNITEN mengadakan Pameran dan Hari Terbuka.

Official launching of the TNB Multimedia Super Corridor Homepage and the Tiara Project by Executive Chairman Datuk Dr Ahmad Tajuddin Ali.

Pelancaran rasmi Laman Web Koridor Raya Multimedia TNB dan Projek Tiara oleh Pengurus Eksekutif Datuk Dr Ahmad Tajuddin Ali.

18

TNB briefs Putrajaya Corporation, the Multimedia Development Corporation Sdn Bhd and MEC-status companies on TNB high-end electrical services in the Multimedia Super Corridor.

TNB memberi taklimat kepada Perbadanan Putrajaya, Multimedis Development Corporation Sdn Bhd dan syarikat-syarikat berstatus MSC mengenai perkhidmatan elektrik canggih di Koridor Raya Multimedia.

22

Third CMBA Convocation for graduates of the UNITEN/Ohio University twinning programme.

Konvokesyen ke-3 untuk para graduan CMBA melalui program berkambar UNITEN/Ohio University:

30

TNB's Family Day.
Hari Keluarga TNB.

DECEMBER 1997

DISEMBER 1997

1

TNB receives an official delegation from the Academy of Engineering, China.

Rombongan Akademi Kejuruteraan China mewakil TNB.

Prime Minister Dato' Seri Dr Mahathir bin Mohamad launches Eleksuria, the first Made-in-Malaysia electric car manufactured by Perusahaan Otomobil Elektrik Sdn Bhd (POEM), a joint-venture company between TNB and Frazer-Nash Research Ltd of United Kingdom.

Perdana Menteri Dato' Seri Dr Mahathir bin Mohamad melancarkan Eleksuria, kereta elektrik pertama Buatan Malaysia yang dikeluarkan oleh Perusahaan Otomobil Elektrik Sdn Bhd (POEM), sebuah syarikat usahawan bersama antara TNB dan Frazer-Nash Research Ltd, United Kingdom.

3

His Majesty Sultan of Pahang officiates the opening of the Kuala Lipis TNB office.

DYMM Sultan Pahang merasmikan pejabat baru TNB di Kuala Lipis.

13

TNB and P.J. Indah Sdn Bhd sign an agreement for the supply, installation and commissioning of 33KV XLPE underground cables for the development of Putrajaya Phase 1A.

TNB dan P.J. Indah Sdn Bhd menandatangani perjanjian untuk pembekalan, pemasangan dan permulaan tugas kabel bawah tanah 33KV XLPE bagi pembangunan Fasa 1A Putrajaya.

16

Official opening of the TNB Melawati District Business Management Office that caters to some 170,000 consumers in the Ulu Kelsang, Setapak, Keramat and Sentul areas by the Executive Chairman.

Pembukaan rasmi Pejabat Bisnes Daerah Melawati TNB yang menampung kira-kira 170,000 pengguna di sekitar kawasan Ulu Kelsang, Setapak, Keramat dan Sentul oleh Pengurus Ekssekutif.

21 - 23

An Exhibition on Innovation is held in conjunction with TNB's National QCS-IT Convention 1997 at UNITEN, Bangi.

Pameran Inovasi diadakan bersamaan Konvensyen QCS-IT TNB Feringgi Kepong 1997 di UNITEN, Bangi.

23

Presentation of certificates to graduates of the 1997 Skills Training Scheme.

Upacara penyampaian sijil kepada para graduan Skim Latihan Kemahiran 1997.

JANUARI 1998

JANUARY 1998

3

Presentation of Excellence Service Awards and launching of TNB's new homepage.

Majlis penyampaian Anugerah Perkhidmatan Cemerlang dan pelancaran laman web baru TNB.

14

Asiamoney Magazine, in the annual poll conducted in its December '97/January '98 issue, votes TNB as the Best Company in Investor Relations in Malaysia for 1997.

TNB dipilih sebagai Syarikat Terbaik dalam Perhubungan Pelabur di Malaysia bagi tahun 1997 oleh majalah Asiamoney melalui pemilihan tahunan yang dijalankan dalam terbitan bulan Disember '97/Januari '98.

17

Launching of TNB's Quality Day 1998 by the Executive Chairman.

Pelancaran Hsri Kualiti TNB 1998 oleh Pengurus Ekssekutif.

23

Official opening of the new TNB building in Jitra, Kedah, by Prime Minister Dato' Seri Dr Mahathir bin Mohamad.

Pembukaan rasmi bangunan baru TNB di Jitra, Kedah, oleh Perdana Menteri Dato' Seri Dr Mahathir bin Mohamad.

24

Datuk Leo Moggie, the then Minister of Energy, Telecommunications and Posts, launches the 1-5454 telephone number that is linked to 12 Call Management Centres in the country.

Datuk Leo Moggie, yang dahulunya Menteri Tenaga, Telekomunikasi dan Pos, merasmikan nombor telefon 1-5454 yang bersambung kepada 12 Pusat Pengurusan Panggilan di seluruh negara.

FEBRUARY 1998

FEBRUARI 1998

10

TNB signs MoU with Southern Energy Incorporated, a subsidiary of US utility giant Southern Company, to enhance cooperation in management, operations and technical matters pertaining to the power supply industry.

TNB menandatangani Memorandum Persefahaman dengan Southern Energy Incorporated, anak syarikat Southern Company yang merupakan syarikat utiliti gergasi di Amerika Syarikat, untuk meningkatkan kerjasama dalam perkara-perkara pengurusan, operasi dan teknikal berhubung industri pembekalan tenaga.

11

TNB Generation Sdn Bhd (TNBG) and TNB Repair and Maintenance Sdn Bhd (REMACO) sign a long-term maintenance service for all 13 TNBG power stations.

TNB Generation Sdn Bhd (TNBG) dan TNB Repair and Maintenance Sdn Bhd (REMACO) menandatangani perjanjian jangka panjang bagi penyenggaraan kesemua 13 stesen janaelektrik TNBG.

12

Malaysia Transformer Manufacturing Sdn Bhd (MTM), a TNB subsidiary, is awarded the ISO 9001 certification by SIRIM QAS Sdn Bhd for "Best Employee, Dedicated Service and Best Area".
Malaysia Transformer Manufacturing Sdn Bhd (MTM), anak syarikat TNE, dianugerahkan persijilan ISO 9001 oleh SIRIM QAS Sdn Bhd dalam kategori "Anggota Kerja Terbaik, Perkhidmatan Setia dan Kawasan Terbaik".

19

TNB and Siemens AG sign an agreement for the 300/600 MW High Voltage Direct Current (HVDC) Interconnection Project between TNB and the Electricity Generating Authority of Thailand (EGAT).

TNB dan Siemens AG mensandatangani perjanjian bagi projek sambungtaras perbekalan langsung bervoltan tinggi 300/600 MW (HVDC) antara TNE dan Electricity Generating Authority of Thailand (EGAT).

23

Thirteen delegations from the Japan Productivity Centre for Socio-Economic Development (JPC-SED) visit TNB under the auspices of the National Productivity Council. JPC-SED is an umbrella organization for large Japanese corporations, labour unions, academic circles and other institutions.

Tiga belas rombongan dari Pusat Produktiviti Jepun bagi Pembangunan Sosio-Ekonomi (JPC-SED) melawat TNB di bawah naungan Majlis Produktiviti Negara. JPC-SED adalah sebuah pertubuhan payung bagi syarikat-syarikat besar, kesatuan sakerja, golongan akademik dan institusi-institusi lain di Jepun.

24

TNB signs a tripartite MoU with Telekom Malaysia Berhad and SMART Suburbs of Australia on a study concerning the implementation of the Intelligent Home Gateway (IHG) system. The IHG allows for remote reading of power meters via the automated customer voltage indication and also facilitates an energy management system as well as multimedia capabilities.

TNB menandatangani Memorandum Persefahaman tiga pihak dengan Telekom Malaysia Berhad dan SMART Suburbs, Australia, untuk menjalankan kajian mengenai pelaksanaan sistem "Intelligent Home Gateway (IHG)". Sistem IHG membolehkan pembacaan meter elektrik dari jarak jauh dengan petunjuk voltan pelanggan secara automasi dan juga menyediakan sistem pengurusan tenaga serta khidmat multimedia.

28

Official opening of the TNB office in Gua Musang, Kelantan, by the Executive Chairman.

Pembukaan rasmi pejabat TNB di Gua Musang, Kelantan, oleh Pengerusi Eksekutif.

MAC 1998

MARCH 1998

1

Official opening of the TNB office in Bachok, Kelantan, by the Executive Chairman.

Pembukaan rasmi pejabat TNB di Bachok, Kelantan, oleh Pengerusi Eksekutif.

17

A delegation of 20 executives pursuing an MBA course at the Imperial College, London, participated in a study tour to the TNB Head office.

Seramai 20 eksekutif yang mengikuti kursus MBA di Imperial College, London, menyertai rombongan sambil bersiar ke ibu pejabat TNB.

18

TNB signs an agreement with Tanjung Langsat Development, a subsidiary company of Johor Corporation.

TNB menandatangani perjanjian dengan Tanjung Langsat Development, sebuah anak syarikat Perbadanan Johor.

19

TNB's Transmission System Operations and Management Division signs an engineering services agreement with TNB Engineering Sdn Bhd.

Bahagian Operasi dan Pengurusan Sistem Penghantaran TNB menandatangani perjanjian perkhidmatan kejuruteraan dengan TNB Engineering Sdn Bhd.

21

TNB and SIRIM Berhad sign research agreement that covers the development of a RM3 million battery-charging system by POEM.

TNB dan SIRIM Berhad menandatangani perjanjian penyelidikan yang meliputi pembangunan sistem mencias bateri oleh POEM bernilai RM3 juta.

2 6

An 11-member delegation from the Ugandan Ministry of Natural Resources visits TNB to study private sector participation in the power industry.

Serombongan 11 pegawai dari Kementerian Sumber Asli Uganda mewat TNB untuk mengkaji penyertaan sektor swasta dalam industri tenaga.

2 9

Prime Minister Dato' Seri Dr Mahathir bin Mohamed presents TNB's contribution to the Malaysian 1998 North Pole Free Fall Expedition Team.

Perdana Menteri Dato' Seri Dr Mahathir bin Mohamed menyampaikan sumbangan TNB kepada Pasukan Ekspedisi Penerjun Bebas Kutub Utara 1998.

3 1

TNB and EPE Distribution Sdn Bhd sign a power supply agreement that includes cable-laying works by TNB wholly owned subsidiary, TNB Engineers Sdn Bhd.

TNB dan EPE Distribution Sdn Bhd menandatangani perjanjian pembekalan tenaga elektrik termasuk kerja-kerja pemasangan kabel oleh anak syarikat milik penuh TNB, iaitu TNB Engineers Sdn Bhd.

APRIL 1998**APRIL 1998****4**

UNITEN holds Open Day.

UNITEN mengadakan Hari Terbuka.

2 2

TNB Executive Chairman briefs Pulau Pinang Chief Minister Tan Sri Dr Koh Tsu Koon on the Enhancement of Generation Capacity Project for the Gelugor Power Station.

Pengerusi Eksekutif TNB memberi taklimat kepada Ketua Menteri Pulau Pinang Tan Sri Dr Koh Tsu Koon mengenai Projek Peningkatan Keupayaan Penjanaan bagi Stesen Janaelektrik Gelugor.

2 3

A delegation of hydro power development managers from Slovenia visits UNITEN.

Serombongan pengurus pembangunan tenaga hidro dari Slovenia mengunjungi UNITEN.

MAY 1998**MEI 1998****2**

TNB Executive Chairman launches the Y2K Workshop.

Pengerusi Eksekutif TNB melancarkan Bengkel Y2K.

5

Datuk Leo Maggie, the then Minister of Energy, Telecommunications and Posts, officiates opening of Tenaga Switchgear Sdn Bhd's high voltage switching equipment manufacturing plant.

Datuk Leo Maggie, yang dahulunya Menteri Tenaga, Telekomunikasi dan Pos, merasmikan pembukaan kilang pembuatan peralatan suis bervoltan tinggi milik Tenaga Switchgear Sdn Bhd.

6

REMACO hands over to TNB a newly renovated 500 kW mobile diesel power plant.

REMACO menyerahkan kepada TNB set jenakuasa mudahalih diesel 500 kW yang telah dibuktipulih.

7

TNB signs MoU with the Tokyo Electric Power Company (TEPCO) regarding technical cooperation.

TNB menandatangani Memorandum Persefahaman dengan Tokyo Electric Power Company (TEPCO) mengenai kerjasama teknikal.

8

TNB signs agreement with a banking consortium for a US\$90 million term loan facility arranged by CitiBank.

TNB menandatangani perjanjian dengan sebuah konsortium perbankan bagi kemudahan pinjaman berpenggal sebanyak US\$90 juta, yang diuruskan oleh CitiBank.

9

UNITEN holds its first convocation ceremony for graduates of the Diploma in Business Studies.

UNITEN mengadakan majlis konvokasyen pertama untuk para graduan Diploma Pengajian Perniagaan.

14

Launching of the third 132 kV submarine cable from Kuala Perlis to Pulau Langkawi; and the opening of the 132 kV/33 kV/11 kV Main Intake Station at Ulu Melaka, Pulau Langkawi.

Pelancaran kabel bawah laut 132 kV yang ketiga dari Kuala Perlis ke Pulau Langkawi; dan pembukaan pencawang utama 132 kV/33 kV/11 kV di Ulu Melaka, Pulau Langkawi.

2 2

Launching of the Selera Microwave Programme, a joint effort between TNB and TV3 at Sri Petaling, Kuala Lumpur.

Program Selera Microwave, satu usahasama antara TNB dan TV3, dilancarkan di Sri Petaling, Kuala Lumpur.

2 5

TNB Executive Chairman launches the 166th 'Kedai Tenaga' at the Kuala Lumpur City Centre.

Pengerusi Eksekutif TNB merasmikan Kedai Tenaga yang ke-166 di Kuala Lumpur City Centre.

2 5

TNB and Teknologi Tenaga Perlis Consortium sign a sales and purchase agreement for the supply of energy.

TNB dan Teknologi Tenaga Perlis Konsortium menandatangani perjanjian jualbeli elektrik.

2 6 - 2 9

TNB participates in the ASEAN 98 Transmission & Distribution Exhibition (T+D) at the Putra World Trade Centre in Kuala Lumpur.

TNB menyertai ASEAN 98 Transmission & Distribution Exhibition (T+D) di Pusat Dagangan Dunia Putra, Kuala Lumpur.

2 7

A delegation from the Nigerian Bureau of Public Enterprises visits TNB.

Satu rambongan dari 'Bureau of Public Enterprises' Nigeria mengunjungi TNB.

JUNE 1998

JUN 1998

1

Minister of Education Dato' Seri Najib Tun Razak visits UNITEN campus.
Menteri Pendidikan Dato' Seri Najib Tun Razak melawat kampus UNITEN.

16

Prime Minister Dato' Seri Dr Mahathir bin Mohamad witnesses the signing of an agreement between Tenaga SPL Sdn Bhd and Sesem Energy Services at Cyberjaya.
Perdana Menteri Dato' Seri Dr Mahathir bin Mohamad menyaksikan upacara menandatangani perjanjian antara Tengah SPL Sdn Bhd dan Sesem Energy Services di Cyberjaya.

18

The BCM-Lincoln University of New Zealand holds a convocation programme at UNITEN.
BCM-Lincoln University of New Zealand mengadakan majlis konvokasi di UNITEN.

25 - 29

TNB displays products manufactured under its Entrepreneur Development Programme at the exhibition 'SMI - Showcase 98 and APEC Cross Border Linkages'.
TNB memperkenalkan produk-produk yang dikeluarkan di bawah Program Pembangunan Usahawan di pameran 'SMI - Showcase 98 and APEC Cross Border Linkages'.

29

TNB signs a RM200 million syndicated loan agreement with several banks that are based in the International Offshore Financial Centre in Labuan.
TNB menandatangani perjanjian pinjaman bersindiket sebanyak RM200 juta dengan beberapa bank yang berada di Pusat Kewangan Pergeseran Pantai Antarabangsa di Labuan.

JULY 1998

JULAI 1998

2

TNB hosts a Harvard Luncheon Talk at its Head Office.
TNB menganjurkan majlis ceramah jemuan tengah hari untuk ahli Kelab Alumni Harvard Business School Malaysia, di Ibu Pejabatnya.

3 - 4

His Majesty Sultan of Perak officiates new TNB building in Kuala Kangsar.
DYMM Sultan Perak merasmikan bangunan baru TNB di Kuala Kangsar.

27

TNB and Perbadanan Putrajaya sign an agreement on the development of power supply infrastructural facilities for Putrajaya, the new Federal Administrative Centre.
TNB dan Perbadanan Putrajaya menandatangani perjanjian mengenai pembangunan prasarana per bekalan elektrik untuk Putrajaya yang nantinya akan menjadi pusat pentadbiran kerajaan persefutuan yang baru.

30

Tenaga Nasional Research & Development Sdn Bhd (TNRD) and the Malaysian Institute for Nuclear Technology Research (MINT) sign an MoU for Hydraulic and Sedimentological Study on Siltation at the Sultan Salahuddin Abdul Aziz Power Station in Kapar, Selangor.

Tenaga Nasional Research & Development Sdn Bhd (TNRD) dan Institut Penyelidikan Teknologi Nuklear Malaysia (MINT) menandatangani Memorandum Persefahaman mengenai pengajian hidraulik dan sedimentologi di Stesen Janaelektrik Sultan Salahuddin Abdul Aziz di Kapar, Selangor.

OGOS 1998

AUGUST 1998

18

TNB employee Ku Razak bin Ku Ismail, acknowledged as Worker of the Year 1998, receives an award from Prime Minister Dato' Seri Dr Mahathir bin Mohamad at the Workers' Day Solidarity Rally held at the Putra World Trade Centre, Kuala Lumpur.

Ku Razak bin Ku Ismail, anggota kerja TNB yang diiktiraf sebagai Tokoh Pekerja Kebangsaan 1998, menerima anugerah daripada Perdana Menteri Dato' Seri Dr Mahathir bin Mohamad di Perhimpunan Perpaduan Hari Pekerja di Pusat Dagangan Dunia Putra, Kuala Lumpur.

25

Datin Seri Dr Siti Hasmah Mohd Ali, the distinguished wife of the Prime Minister, attends the TNB Women's Day gathering at TNB Sports Complex in Bangsar.

Datin Seri Dr Siti Hasmah Mohd Ali, isteri Perdana Menteri, menghadiri perhimpunan Hari Wanita TNB di Kompleks Sukan TNB di Bangsar.

26

TNB through its wholly-owned subsidiary Sabah Electricity Sdn Bhd (SESB) enters into a privatisation agreement with the Government of Malaysia and Sabah Electricity Board to take over the Board's electricity business operations in the state and the Federal Territory of Labuan.

TNB menerusi anak syarikat milik penuhnya Sabah Electricity Sdn Bhd (SESB) menandatangani perjanjian penswastaan dengan Kerajaan Malaysia dan Lembaga Elektrik Sabah untuk mengambil sifir operasi perniagaan pembekalan elektrik Lembaga itu di Sabah dan Wilayah Persekutuan Labuan.

27

TNB Executive Chairman officiates the synchronization of Unit 5 of the Sultan Salahuddin Abdul Aziz Power Station in Kapar, Klang.

Pengerusi Eksekutif TNB merasmikan penyenggaraan sistem Unit 5 di Stesen Janaelektrik Sultan Salahuddin Abdul Aziz di Kapar, Selangor.

28

Presentation ceremony of the ISO 9002 to the TNB Grid System Management Department.

Majlis penyampaian anugerah pensijilan ISO 9002 kepada Jabatan Pengurusan Sistem Grid TNB.

29

TNB Executive Chairman officiates the opening of TNB's new building in Jerantut, Pahang.

Pengerusi Eksekutif TNB merasmikan bangunan baru TNB di Jerantut, Pahang.

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Share Registration Section

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TNB Engineering and Consultancy Sdn Bhd (TNEC)

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13 Persiaran Barat
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TNB Logistics Sdn Bhd (TNBL)

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Tenaga Switchgear Sdn Bhd (TSG)

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ANALYSIS OF SHAREHOLDINGS

ANALISIS PEGANGAN SAHAM

ANALYSIS OF SHAREHOLDINGS AS AT 9 NOVEMBER 1998

ANALISIS PEGANGAN SAHAM SETAKAT 9 NOVEMBER 1998

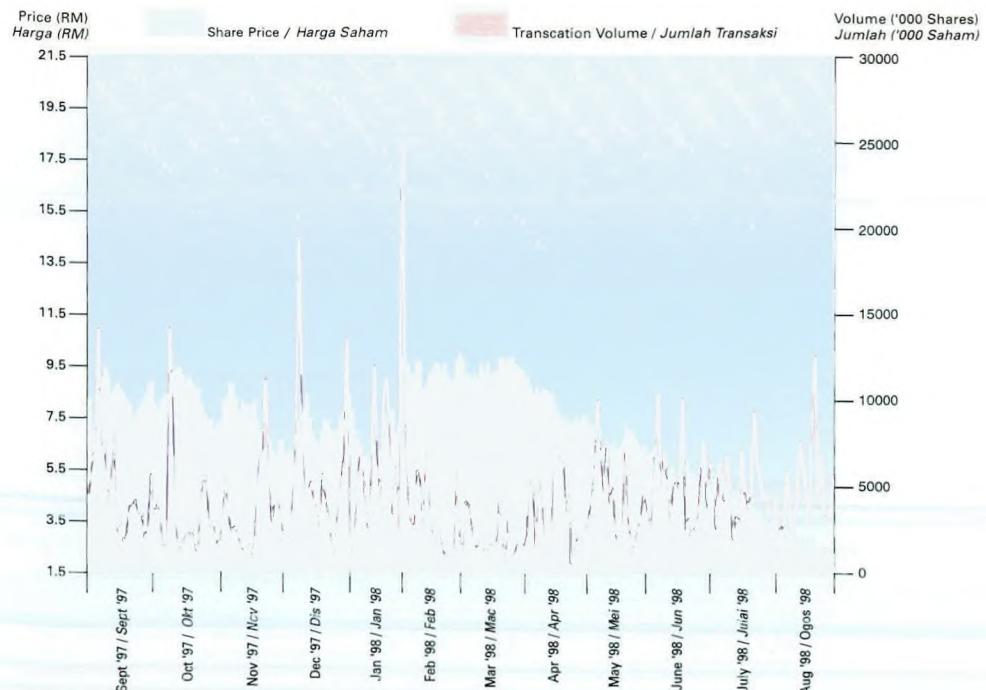
Share Capital **Modal Saham**

Authorised Share Capital	: 3,500,000,000 ordinary shares of RM1.00 per share and 1 (One) Special Rights Redeemable Preference Share of RM1.00 per share.
Modal Saham yang Dibenarkan	: 3,500,000,000 saham biasa bernilai RM1.00 sesaham dan 1 (Satu) Saham Keutamaan Berhak Istimewa Boleh Tebus bernilai RM1.00 sesaham.
Issued and Fully Paid-Up Share Capital	: 3,099,980,300 ordinary shares of RM1.00 per share and 1 (One) Special Rights Redeemable Preference Share of RM1.00 per share.
Modal Diterbitkan dan Dibayar Penuh	: 3,099,980,300 saham biasa bernilai RM1.00 sesaham dan 1 (Satu) Saham Keutamaan Berhak Istimewa Boleh Tebus bernilai RM1.00 sesaham.
Voting Right	: One voting right for one ordinary share.
Hak Mengundi	: Satu hak mengundi untuk satu saham biasa.

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 9 NOVEMBER 1998

ANALISIS PEGANGAN SAHAM MENGIKUT SAIZ SETAKAT 9 NOVEMBER 1998

Size of Shareholdings Saiz Pegangan Saham	Shareholders Pemegang Saham	Percentage Peratus	Shareholdings Pegangan	Percentage Peratus
1 - 499	235	0.3870	29,752	0.0010
500 - 5,000	53,513	88.1192	91,922,412	2.9653
5,001 - 10,000	3,770	6.2080	29,262,350	0.9440
10,001 - 100,000	2,499	4.1150	75,468,255	2.4344
100,001 - 1,000,000	596	0.9814	188,635,177	6.0850
More than 1,000,000 Lebih daripada	115	0.1894	2,714,662,354	87.5703
Grand Total/Jumlah Besar	60,728	100.0000	3,099,980,300	100.0000



LIST OF THE 20 LARGEST SHAREHOLDERS AS AT 9 NOVEMBER 1998
SENARAI 20 PEMEGANG SAHAM TERBESAR SETAKAT 9 NOVEMBER 1998

No Bil	Shareholders' Names Nama Pemegang Saham	Shares Held Saham Dipegang	Percentage Peratus
1.	Khazanah Nasional Berhad	1,208,656,328	38.989
2.	Minister of Finance Incorporated	531,150,243	17.134
3.	Amanah Raya Nominees (Tempatan) Sdn Bhd	262,643,000	8.472
4.	Bank Negara Malaysia	255,000,000	8.226
5.	Cartaban Nominees (Asing) Sdn Bhd	95,948,695	3.095
6.	Employees Provident Fund Board	95,895,000	3.093
7.	HSBC Nominees (Asing) Sdn Bhd	83,087,570	2.680
8.	Chase Malaysia Nominees (Asing) Sdn Bhd	67,688,256	2.184
9.	Malaysia Nominees (Asing) Sendirian Berhad	43,132,000	1.391
10.	Citicorp Nominees (Asing) Sdn Bhd	29,350,636	0.946
11.	Lembaga Urusan Dan Tabung Haji	24,397,000	0.787
12.	Bank Simpanan Nasional	24,210,000	0.781
13.	Lembaga Tabung Angkatan Tentera	14,690,000	0.474
14.	Mayban Nominees (Tempatan) Sdn Bhd	12,819,500	0.414
15.	AM Nominees (Tempatan) Sdn Bhd	12,541,000	0.405
16.	Himpulan Wang Amanah Persekutuan	11,957,000	0.386
17.	UOBM Nominees (Asing) Sdn Bhd	9,759,000	0.315
18.	Amanah Raya Berhad	9,630,000	0.311
19.	RHB Nominees (Tempatan) Sdn Bhd	8,610,000	0.278
20.	Herajaan Negeri Pahang Darul Makmur	8,338,429	0.269
TOTAL/JUMLAH		2,809,503,657	90.630

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS (2 PER CENT AND MORE)
PEGANGAN PEMEGANG SAHAM UTAMA (2 PERATUS DAN LEBIH)

No Bil	Shareholders' Names Nama Pemegang Saham	Shares Held Saham Dipegang	Percentage Peratus
1.	Khazanah Nasional Berhad	1,208,656,328	38.989
2.	Minister of Finance Incorporated	531,150,243	17.134
3.	Amanah Raya Nominees (Tempatan) Sdn Bhd	262,643,000	8.472
4.	Bank Negara Malaysia	255,000,000	8.226
5.	Cartaban Nominees (Asing) Sdn Bhd	95,948,695	3.095
6.	Employees Provident Fund Board	95,895,000	3.093
7.	HSBC Nominees (Asing) Sdn Bhd	83,087,570	2.680
8.	Chase Malaysia Nominees (Asing) Sdn Bhd	67,688,256	2.184
TOTAL/JUMLAH		2,600,069,092	83.873

**Generation
Penjanaan**

Nature of Functional Activity <i>Bentuk Aktiviti Fungsi</i>	LAND TANAH										BUILDINGS BANGUNAN				Description Keterangan	
	Leasehold Pegangan Pajakan				Freehold Milik Bebas				Total No. of Lots Jumlah Bil. Lot	Total Area (Sq M) Jumlah Keluasan (MP)	Total NBV (RM'000) Jumlah NBB (RM'000)	No. Bil.	Built-Up Area (Sq M) Keluasan Binaan (MP)	Total NBV (RM'000) Jumlah NBB (RM'000)		
	No. of Lots Bil. Lot	Area (Sq M) Keluasan (MP)	NBB NBV (RM'000)	No. of Lots Bil. Lot	Area (Sq M) Keluasan (MP)	NBB NBV (RM'000)	Bil. Lot	Jumlah Keluasan (MP)								
	(1)	(2)	(3)	(4)	(5)	(6)	(1-4)	(2-5)	(3-6)	(10)	(11)	(12)	(13)			
Location/ Lokasi																
Perlis	0	0	0	2	1,499	52	2	1,499	52	0	0	0	0	Office Buildings, Stores, Jetties,		
Kedah	2	1,676	37	6	41,052	11,214	3	42,728	11,251	21	2,493	7,380	7,380	Rural Power		
P. Pinang	0	0	1	1	83,952	9,763	2	83,952	9,764	10	10,253	32,736	32,736	Stations, Dams		
Perak	1	232	1,103	10	1,685,176	64,308	11	1,685,408	65,411	25	12,794	558,810	558,810	and Mini Hydros/		
Selangor	4	2,035,355	74,530	4	1,939,575	98,351	3	3,974,930	173,381	20	10,893	733,415	733,415	Bangunan		
W. Persekutuan	0	0	0	0	0	0	0	0	0	0	0	0	0	pejabat, Stor, Jeti, Stesen		
N. Sembilan	4	183,990	6,617	1	372	119	5	184,362	6,736	19	3,257	25,653	25,653			
Melaka	0	0	0	2	575	2	2	575	2	2	135	6	6	Janaelektrik,		
Johor	3	229,763	20,140	2	26,764	3,854	5	256,627	23,994	24	9,850	90,679	90,679	Stesen Luar		
Pahang	48	235,212	735	58	109,069	651	106	344,281	1,336	137	2,607	91,240	91,240	Bandar,		
Terengganu	45	239,386	29,101	43	23,817	5,401	93	268,203	34,502	66	12,216	636,472	636,472	Empangan dan		
Kelantan	75	82,346	996	39	50,691	1,033	114	133,037	2,029	82	4,414	1,301,291	1,301,291	Mini Hidro.		
Total/Jumlah	182	3,007,960	133,260	174	3,967,542	195,248	356	6,975,502	328,508	406	69,012	3,477,682				

Note/Nota :

GENERATION

Electricity is produced through a process of converting other forms of energy into electrical energy. This conversion process is known as generation and is mainly carried out at power stations. In addition, a number of mini hydro stations and numerous diesel generating sets are operated by TNB.

PENJANAAN

Elektrik dihasilkan melalui proses penulakan sumber tenaga lain kepada tenaga elektrik. Proses ini dikenali sebagai penjanaan dan biasanya dijalankan di stesen-stesen janaelektrik. Selain daripada itu, TNB juga mengendalikan sebilangan stesen mini hidro dan seti penjanaan diesel.

Note : NBV - Net Book Value

Nota : NBB - Nilai Buku Bersih

**Transmission
Penghantaran**

Nature of Functional Activity <i>Bentuk Aktiviti Fungsi</i>	LAND TANAH										BUILDINGS BANGUNAN			Description Keterangan
	Leasehold Pegangan Pejakan				Freehold Milik Bebas				Total No. of Lots	Total Area (Sq M)	Total NBV Jumlah NBB (RM'000)	No. Built-Up Area (Sq M)	Total NBV Jumlah NBB (RM'000)	
	No. of Lots Bil. Lot	Area (Sq M) Keluasan (MP)	NBB NBV (RM'000)	No. of Lots Bil. Lot	Area (Sq M) Keluasan (MP)	NBB NBV (RM'000)	Jumlah Bil. Lot	Keluasan (MP)	Bil. Keluasan (MP)	Binaan (MP)	Bil. Keluasan (MP)	Binaan (MP)	Bil. Keluasan (MP)	
(1)	(2)	(3)	(4)	(5)	(6)	(1+4)	(2+5)	(3+6)	(10)	(11)	(12)	(13)		
<i>Location / Lokasi</i>														
Perlis	4	110,024	1,241	2	15,860	474	6	125,884	1,715	8	3,145	2,491		
Kedah	12	125,631	3,325	5	324,913	1,675	17	450,544	5,000	34	7,554	76,650		
P. Pinang	11	29,900	3,431	8	113,189	7,761	19	143,089	11,192	15	2,748	17,380	Main intake substations/ pencawang pencawang alir masuk utama	
Perak	8	53,715	977	4	133,452	2,515	12	187,167	3,492	26	7,255	103,005		
Selangor	15	120,048	15,434	18	135,356	31,589	33	255,404	47,023	55	13,018	199,500		
W. Persekutuan	9	146,069	2,946	10	106,763	21,875	19	252,832	24,821	17	7,565	372,959		
N. Sembilan	13	105,678	3,966	8	621,822	5,082	21	727,500	9,048	28	6,801	18,055		
Melaka	5	34,617	231	13	43,766	10,089	18	78,383	10,320	23	7,092	40,463		
Johor	30	216,640	7,069	28	356,793	21,444	58	573,433	28,513	46	8,582	206,923		
Pahang	8	75,569	1,615	16	165,237	3,756	24	240,806	5,371	20	2,788	59,311		
Terengganu	4	52,069	1,334	2	120,634	2,417	6	172,703	3,751	18	3,419	18,639		
Kelantan	3	34,688	123	4	236,969	3,470	7	271,657	3,593	17	5,476	36,730		
Total/Jumlah	122	1,104,648	41,692	118	2,374,754	112,147	240	3,479,402	153,839	307	75,443	1,152,156		

Note/Nota :

TRANSMISSION

Transmission activity relates to the process of transmitting electricity generated at power stations to the load centres where it is required, eg. townships, industrial growth centres and major Customers. A network of transmission lines, forming the National Grid is required for this purpose. At appropriate sites, transmission substations are constructed to channel electricity from the National Grid to the numerous load centres. The transmission system operates at voltage levels of 275 kV, 132 kV and 66 kV.

PENGHANTARAN

Aktiviti penghantaran melibatkan proses penghantaran tenaga elektrik yang dijana di stesen-stesen janaelektrik ke pusat-pusat beban di mana ia diperlukan, misalnya di bandar, pusat perindustrian dan para Pelanggan utama. Ia memerlukan talian rangkaian penghantaran yang membentuk Grid Nasional. Di beberapa tempat tertentu, pencawang penghantaran dibina bagi menyalurkan tenaga elektrik dari Grid Nasional ke beberapa pusat beban. Sistem penghantaran dikendali pada paras voltan 275 kV, 132 kV dan 66 kV.

**Distribution
Pembahagian**

Nature of Functional Activity <i>Bentuk Aktiviti Fungsi</i>	LAND TANAH												BUILDINGS BANGUNAN			Description Keterangan
	Leasehold Pegangan Pajakan				Freehold Milik Bebas				Total No. of Lots Jumlah Bil. Lot	Total Area (Sq M) Jumlah Keluasan (MP)	Total NBV (RM'000) Jumlah NBB (RM'000)	No. Bil.	Built-Up Area (Sq M) Keluasan Binaan (MP)	Total NBV Jumlah NBB (RM'000)		
	No. of Lots Bil. Lot	Area (Eq M) Keluasan (MP)	NBB NBV (RM'000)	No. of Lots Bil. Lot	Area (Eq M) Keluasan (MP)	NBB NBV (RM'000)										
(1)	(2)	(3)	(4)	(5)	(6)	(1+4)	(2+5)	(3+6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
<i>Location / Lokasi</i>																
Perlis	26	0	404	54	10,666	1,497	80	10,666	1,901	51	1,200	3,109				
Kedah	166	142,131	2,816	294	142,478	5,101	450	284,609	7,917	206	10,348	32,733				
P. Pinang	94	88,532	5,992	269	110,992	23,837	363	196,884	29,229	157	10,169	18,276	Distribution Substations/ Pencawang-Pembahagian	Pencawang-Pembahagian	Pencawang-Pembahagian	Pencawang-Pembahagian
Perak	496	378,917	9,593	215	130,306	5,801	711	509,725	16,094	240	9,320	37,542				
Selangor	309	190,147	44,229	462	468,885	68,178	851	666,012	113,017	662	50,477	83,182				
W. Persekutuan	164	87,626	28,836	117	151,086	95,079	281	248,711	123,415	218	15,634	65,437				
N. Sembilan	232	113,446	3,643	140	37,706	3,629	372	151,154	6,271	118	6,767	5,257				
Melaka	196	53,362	4,369	220	83,723	22,001	416	142,085	26,990	152	6,136	6,307				
Johor	610	463,953	30,704	537	364,377	34,800	1,187	817,720	65,307	443	19,494	39,224				
Pahang	137	49,278	3,270	177	142,005	5,821	364	191,463	9,501	139	7,407	24,094				
Terengganu	169	506,009	5,536	85	30,726	1,121	264	627,335	6,717	116	4,508	16,920				
Kelantan	164	368,246	5,446	168	95,076	4,619	319	366,231	10,265	133	66,982	3,596				
Total/Jumlah	2,893	2,451,805	146,228	2,765	1,756,588	269,496	5,658	4,208,393	415,724	2,640	208,420	346,082				

Note/Nota :

DISTRIBUTION

The distribution process begins at the termination of the transmission line where distribution substations stepdown voltage to enable electricity to be distributed to TNB's Customers. The distribution system consists of distribution substations, overhead lines and underground cables operating at voltage levels of 33 kV and below.

PEMBAHAGIAN

Proses pembahagian bermula di hujung talian penghantaran di mana pencawang pembahagian merendahkan peras voltan bagi membolehkan tenaga elektrik dibekalkan kepada para Pelanggan TNB. Sistem pembahagian ini meliputi pencawang pembahagian, talian stas dan telal bawsh tanah pada peras voltan 33 kV dan ke bawsh.

Note : NRV - Net Book Value

Nota : NBB - Nilai Buku Bersih

Residential and Others
Kediaman dan Lain-lain

Nature of Functional Activity Bentuk Aktiviti Fungsi	LAND TANAH										BUILDINGS BANGUNAN			Description Keterangan	
	Leasehold Pegangan Pajakan				Freehold Milik Bebas			Total No. of Lots Jumlah Bil. Lot	Total Area (Sq M) Jumlah Keluasan (MP)	Total NBV (RM'000) Jumlah NBB (RM'000)	No. Bil.	Built-Up Area (Sq M) Keluasan Binaan (MP)	Total NBV (RM'000) Jumlah NBB (RM'000)		
	No. of Lots Bil. Lot	Area (Sq M) Keluasan (MP)	NBB (RM'000) NBV	No. of Lots Bil. Lot	Area (Sq M) Keluasan (MP)	NBB (RM'000) NBV									
	(1)	(2)	(3)	(4)	(5)	(6)	(1+4)	(2+5)	(3+6)	(10)	(11)	(12)	(13)		
Lokasi / Location														Residential Houses, Apartments, Holiday Bungalows, Office Buildings, Main Store and Warehouse }	
Perlis	1	1,037	395	6	50,816	1,987	7	51,853	2,382	12	6,116	7,594		Rumah Kediaman, Pangapuri, Rumah Peranginan, Bangunan Pejabat Stor Utama dan Gudang	
Kedah	5	43,983	3,062	29	259,202	22,711	34	303,185	25,773	41	38,722	17,702			
P. Pinang	7	26,724	1,483	24	373,588	35,516	31	400,312	36,999	46	13,336	20,122			
Perak	36	78,085	3,355	53	1,074,710	28,544	89	1,152,795	31,899	73	23,965	34,570			
Selangor	27	602,194	92,575	44	338,559	63,963	71	940,753	156,538	95	19,755	610,328			
W. Persekutuan	3	18,757	8,659	13	82,126	136,851	16	100,883	145,510	89	92,462	43,495			
N. Sembilan	10	113,329	2,054	28	359,906	29,514	38	473,235	31,568	66	13,844	25,736			
Melaka	4	99,097	10,295	19	137,417	9,582	23	236,514	19,877	29	28,635	9,245			
Johor	23	384,439	20,441	49	773,737	53,662	72	1,158,176	74,103	88	64,441	44,987			
Pahang	26	542,256	8,378	19	120,237	7,314	45	662,493	15,692	80	76,435	21,790			
Terengganu	25	3,306,420	36,161	2	1,877	851	27	3,308,297	37,012	51	47,304	78,503			
Kelantan	11	229,863	2,263	17	86,747	5,804	28	316,610	8,067	52	16,037	48,592			
United Kingdom*										4	887	2,279			
Total/Jumlah	178	5,446,184	189,121	303	3,658,922	396,299	481	9,105,106	585,420	726	441,939	969,943			

Note/Nota :

RESIDENTIAL AND OTHERS

'Residential Property' includes staff quarters, holiday bungalows and apartments.' Others' includes office buildings and main store/warehouse.

* Comprises 4 units of flats.

KEDIAMAN DAN LAIN-LAIN

'Hartanah Kediaman' meliputi kquarters anggota kerja, pangapuri dan rumah peranginan. 'Lain-lain' meliputi bangunan pejabat stor/gudang utama.

* Terdiri daripada 4 unit rumah flet.

ANNEXURE A

LAMPIRAN A



MENTERI KEWANGAN II MALAYSIA

Tarikh: 11 November 1998

Lembaga Pengarah,
Tenaga Nasional Berhad,
129, Jalan Bangsar,
59200 KUALA LUMPUR

Tuan,

PELANTIKAN TETUAN PRICEWATERHOUSECOOPERS SEBAGAI JURUAUDIT TENAGA NASIONAL BERHAD

Mengikut Seksyen 172(11) Akta Syarikat 1965, Saya, **MENTERI KEWANGAN (DIPERBADANKAN)**, sebagai pemegang saham Syarikat memberi notis mencadangkan supaya Tetuan PricewaterhouseCoopers dilantik sebagai Juruaudit Syarikat bagi menggantikan Juruaudit yang bersara, Tetuan Price Waterhouse dan mencadangkan resolusi berikut untuk dibentangkan pada Mesyuarat Agung Tahunan akan datang:-

“ Melantik Tetuan PricewaterhouseCoopers sebagai Juruaudit Syarikat bagi menggantikan Juruaudit yang bersara, Tetuan Price Waterhouse untuk memegang jawatan sehingga berakhir Mesyuarat Agung Tahunan yang berikutnya dengan imbuhan yang akan ditetapkan oleh Pengarah-pengarah Syarikat ”

Meteri
Menteri Kewangan (Diperbadankan)
diameterikan di hadapan

A handwritten signature in black ink, appearing to read "Mustapa Mohamed".

Mustapa Mohamed

Kementerian Kewangan, Jalan Duta, 50592 Kuala Lumpur
Tel: 03-2582000, 2556464 Fax: 03-2562666

Financial Statements

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DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 AUGUST 1998

The Directors hereby submit their Report with the audited accounts of the Group and of the Company for the financial year ended 31 August 1998.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the transmission, distribution and sale of electricity. The generation activity was transferred to the Company's wholly owned subsidiary, TNB Generation Sdn Bhd on 1 September 1997.

The principal activities of the subsidiary companies are set out in Note 9 to the accounts. There have been no significant changes in these activities during the financial year except as disclosed above.

FINANCIAL RESULTS

	Group RM'million	Company RM'million
Loss after taxation	3,094.3	3,139.2
Minority interests	(0.4)	-
Loss attributable to shareholders	3,093.9	3,139.2
Dividends		
Final - 5 sen gross per share less income tax at 28%, proposed	111.6	111.6
Loss for the year	3,205.5	3,250.8

**DIRECTORS' REPORT FOR THE FINANCIAL
YEAR ENDED 31 AUGUST 1998 (CONTINUED)**

DIVIDENDS

	RM'million
The amount of dividends paid or declared since 31 August 1997 are as follows:	
In respect of the financial year ended 31 August 1997, as shown in the Directors' Report for that year:	
Final dividend of 7 sen gross per ordinary share less income tax at 23%, paid on 20 January 1998	156.2

The Directors recommend the payment of a first and final dividend of 5 sen gross per ordinary share less Malaysian income tax which, subject to the approval of the members at the forthcoming Annual General Meeting of the Company, will be paid on 25 January 1999.

RESERVES AND PROVISIONS

Material transfers to or from reserves and provisions during the financial year are disclosed in the notes to the accounts.

SHARE OPTION SCHEMES

Options under the Employee Share Option Scheme ('ESOS') were granted to eligible Directors, Employees and Retirees of the Group to subscribe for ordinary shares of RM1.00 each. The first ESOS was exercisable on specific days during the period commencing 5 June 1993, but not later than thirty days before 11 May 1997, as determined by the by-laws of the ESOS. At an Extraordinary General Meeting held on 6 June 1996, the shareholders approved the extension of the ESOS for a further five years to expire on 11 May 2002.

4,011,000 options were granted during the financial year to eligible persons. No options were exercised during the financial year. As at 31 August 1998, there were 6,745,000 unissued ordinary shares of RM1.00 each under options granted pursuant to the ESOS.

As at 31 August 1998, options over a total of 2,734,000 ordinary shares of RM1.00 each at an exercise price of RM11.61, options over a total of 3,711,000 ordinary shares of RM1.00 each at an exercise price of RM7.92 and options over a total of 300,000 ordinary shares of RM1.00 each at an exercise price of RM7.06 in the Company have been granted to eligible persons. The exercise price is determined based on the average price for five preceding market days prior to the date of the offer. For the purpose of establishing the average price, the closing buy and sell price quotation of the ordinary shares of the Company as quoted and shown in the daily official list issued by the Kuala Lumpur Stock Exchange is used.

The persons to whom the options have been granted under the ESOS have no right to participate in any share option scheme of any other company by virtue of these options.

**DIRECTORS' REPORT FOR THE FINANCIAL
YEAR ENDED 31 AUGUST 1998 (CONTINUED)**

DIRECTORS

The Directors who have held office during the period since the date of the last report are:

Datuk Dr Ahmad Tajuddin bin Ali
(Executive Chairman & President)

Dato' Dr Abdul Aziz bin Mohd Yaacob
(Appointed on 1 May 1998)

Dato' Nurainah binti Abdul Hamid

Dato' Zainun Aishah binti Ahmad

Dato' Megat Abdul Rahman bin Megat Ahmad

Dato' Lau Yin Pin @ Lau Yen Beng

Tan Sri Dato' Chan Choong Tak @ Chan Choong Tack

Dato' Hari Narayanan a/l Govindasamy

Haji Mohd Yusof bin Ibrahim
(Appointed on 19 February 1998)

Haji Mokhtar Rudin bin Wan Yusof
(Appointed on 19 February 1998)

Dato' Fuad bin Jaafar
(Executive Director/Senior Vice President)

Kamariah binti Hussain
(Appointed on 1 May 1998)
(Alternate Director to Dato' Dr Abdul Aziz bin Mohd Yaacob)

Husniarti binti Tamin
(Alternate Director to Dato' Nurainah binti Abdul Hamid)

Datuk Dr Aris bin Osman @ Othman
(Resigned on 4 March 1993)

Ab. Rahman bin Hamzah
(Ceased as an Alternate Director to Datuk Dr Aris bin Osman @ Othman on 4 March 1993)

Dato' Hanifah bin Noordin
(Resigned on 27 November 1997)

Zubir bin Embong
(Retired on 29 December 1997 in accordance with Article 135 of the Company's Articles of Association)

**DIRECTORS' REPORT FOR THE FINANCIAL
YEAR ENDED 31 AUGUST 1998 (CONTINUED)**

In accordance with Article 133 of the Company's Articles of Association, Haji Mokhtar Rudin bin Wan Yusof and Haji Mohd Yusof bin Ibrahim retire from office at the forthcoming Annual General Meeting and being eligible, offer themselves for election.

In accordance with Article 136 of the Company's Articles of Association, Dato' Hari Narayanan & I Govindasamy retires at the forthcoming Annual General Meeting and being eligible, offers himself for re-election.

Government appointed Directors are not subject to retirement by rotation and are as follows:

1. Datuk Dr Ahmad Tajuddin bin Ali
2. Dato' Dr Abdul Aziz bin Mohd Yaacob
(Appointed on 1 May 1998)
3. Dato' Nursizah binti Abdul Hamid
4. Dato' Zainun Aishah binti Ahmad
5. Dato' Fuad bin Jaafar

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, except for options granted to Directors pursuant to the Employee Share Option Scheme.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits disclosed as Directors' remuneration and benefits in Note 4(i) to the accounts) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' shareholdings, the interests of Directors in office as at the end of the financial year in shares in the Company were as follows:

No. of ordinary shares of RM1.00 each

	As at 1.9.1997			As at 31.8.1998
	Acquired		Disposed	
Tenaga Nasional Berhad				
Dato' Megat Abdul Rahman bin Megat Ahmad	10,000		-	10,000
Dato' Lau Yin Pin @ Lau Yen Beng	10,000	1,000		11,000
Dato' Fuad bin Jaafar	82,000		10,000	72,000
Haji Mohd Yusof bin Ibrahim	84,000		35,000	49,000

No. of options over ordinary shares of RM1.00 each

	Exercise price*	As at 1.9.1997		As at 31.8.1998
	Granted		Exercised	
Tenaga Nasional Berhad				
Datuk Dr Ahmad Tajuddin bin Ali	7.00	-	300,000	300,000

*RM per share

No other Director in office at the end of the financial year held any interest in shares of the Company and its related corporations.

**DIRECTORS' REPORT FOR THE FINANCIAL
YEAR ENDED 31 AUGUST 1998 (CONTINUED)**

STATUTORY INFORMATION ON THE ACCOUNTS

Before the profit and loss accounts and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this Report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the accounts of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the accounts of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations when they fall due.

At the date of this Report, there does not exist:

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

**DIRECTORS' REPORT FOR THE FINANCIAL
YEAR ENDED 31 AUGUST 1998 (CONTINUED)**

OTHER STATUTORY INFORMATION

At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt with in this Report or the accounts which would render any amount stated in the accounts misleading.

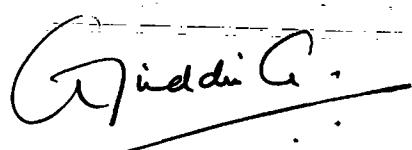
In the opinion of the Directors:

- (a) Except as disclosed in Note 4 (i) and (ii) to the accounts, the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) Except as disclosed in Note 24 to the accounts, there has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this Report is made.

AUDITORS

Our auditors, Price Waterhouse, have merged with Coopers & Lybrand on 1 July 1992 and a resolution to appoint the new firm, PricewaterhouseCoopers, as auditors to the Company will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



DATUK DR AHMAD TAJUDDIN BIN ALI
EXECUTIVE CHAIRMAN & PRESIDENT



DATO' MEGAT ABDUL RAHMAN BIN MEGAT AHMAD
DIRECTOR

Kuala Lumpur
10 November 1998

PORFIT AND LOSS ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 1998

	Note	Group		Company	
		1998 RM'million	1997 RM'million	1998 RM'million	1997 RM'million
Turnover	3	11,439.4	10,014.8	11,316.7	9,928.7
Operating profit	4(i)	633.9	1,369.5	603.4	1,444.3
Foreign exchange loss	4(ii)	(3,506.4)	(1,294.7)	(3,502.6)	(1,294.8)
Share of profits in associated companies		84.1	69.9	-	-
(Loss)/profit before taxation		(2,788.4)	144.7	(2,899.2)	149.5
Taxation	5	(305.9)	(279.9)	(240.0)	(250.0)
Loss after taxation		(3,094.3)	(125.2)	(3,139.2)	(100.5)
Minority interests		0.4	(5.4)	-	-
Loss attributable to shareholders		(3,093.9)	(140.6)	(3,139.2)	(100.5)
Dividends	6	(111.6)	(264.7)	(111.6)	(264.7)
Loss for the year	20	(3,205.5)	(405.3)	(3,250.8)	(365.2)
		Sen	Sen		
Loss per share	7(i)	(99.8)	(4.6)		

The notes set out on pages 12 to 44 form an integral part of these accounts.

BALANCE SHEETS
AS AT 31 AUGUST 1998

	Note	Group 1998 RM'million	1997 1997 RM'million	Company 1998 RM'million	1997 RM'million
FIXED ASSETS	8	39,188.4	34,148.8	37,969.4	34,127.1
SUBSIDIARY COMPANIES	9	-	-	23.4	18.3
ASSOCIATED COMPANIES	10	358.4	324.0	253.1	279.9
INVESTMENTS	11	404.6	406.8	403.6	405.8
CURRENT ASSETS	12	3,784.8	3,336.8	3,460.7	3,752.5
CURRENT LIABILITIES	13	(4,492.3)	(4,695.2)	(3,727.7)	(4,620.0)
NET CURRENT LIABILITIES		(707.5)	(558.4)	(267.0)	(867.5)
TOTAL ASSETS LESS CURRENT LIABILITIES		39,243.9	34,021.2	38,382.5	33,958.6
LONG TERM LIABILITIES					
Term loans	14	(22,300.4)	(14,475.8)	(21,625.6)	(14,466.8)
Customer deposits		(935.0)	(806.0)	(935.0)	(805.9)
Retirement benefits	15	(259.3)	(224.1)	(254.6)	(223.1)
Other liabilities		(94.4)	(98.2)	(94.1)	(98.4)
		(23,589.1)	(15,604.7)	(22,909.3)	(15,593.7)
DEFERRED TAXATION	16	(786.4)	(525.6)	(800.0)	(600.0)
DEFERRED INCOME	17	(1,925.4)	(1,766.3)	(1,925.4)	(1,766.3)
		12,943.0	16,064.6	12,747.8	15,998.6
Financed by:					
SHARE CAPITAL	18	3,100.0	3,100.0	3,100.0	3,100.0
SHARE PREMIUM	19	3,107.1	3,107.1	3,107.1	3,107.1
RESERVES	20	6,600.5	9,332.9	6,540.7	9,791.5
SHAREHOLDERS' FUNDS		12,807.6	16,040.0	12,747.8	15,998.6
MINORITY INTERESTS		135.4	24.6	-	-
		12,943.0	16,064.6	12,747.8	15,998.6
		Sen	Sen		
NET ASSETS PER SHARE	7(ii)	418	518		

The notes set out on pages 12 to 44 form an integral part of these accounts.

**CASH FLOW STATEMENT OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 1998**

	1998 RM'million	1997 RM'million
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(2,788.4)	144.7
Adjustments for:		
Depreciation	1,412.7	1,038.3
Provision for retirement benefits	39.3	67.0
Exchange differences on foreign currency loans	3,098.4	1,037.6
Release of deferred income	(241.1)	(228.8)
Loss on disposal of fixed assets	94.7	6.3
Share of profits in associated companies	(84.1)	(69.9)
Loss/(gain) on investment	19.2	(1.7)
Investment income	(19.0)	(36.5)
Interest income	(89.1)	(57.8)
Interest on borrowings	1,253.8	676.0
Fixed assets written off	0.2	12.0
Gain on disposal of shares in an associated company	-	(157.3)
Provision for diminution in value of investments	6.7	
Operating profit before working capital changes	2,703.3	2,430.4
Decrease/(increase) in stocks	81.3	(230.3)
Decrease/(increase) in debtors	78.3	(2.7)
Increase in creditors	429.8	518.3
Cash generated from operations	3,292.7	2,765.7
Retirement benefits paid	(4.1)	(28.7)
Deferred income received	400.2	336.3
Customer deposits received	129.0	116.5
Taxation paid	(86.6)	(119.3)
Net cash from operating activities	3,731.2	3,070.5
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary company	(33.0)	(26.0)
Additional investment in associated companies	(8.7)	(23.1)
Purchase of investments	(4.5)	
Proceeds from redemption of preference shares in an associated company	26.0	
Proceeds from redemption of unsecured loan notes in an associated company	6.9	
Net proceeds from sale of marketable securities	38.7	47.1
Investment income received	19.0	36.5
Interest income received	89.1	57.8
Purchase of fixed assets	(5,692.7)	(7,054.3)
Proceeds from disposal of fixed assets	7.1	5.2
Net cash outflow from investing activities	(5,552.1)	(6,957.7)

**CASH FLOW STATEMENT OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 1998 (CONTINUED)**

	1998 RM'million	1997 RM'million
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	168.5
Proceeds from long term borrowings	5,023.4	5,907.8
Repayment of long term borrowings	(693.4)	(560.2)
Interest paid	(1,102.0)	(533.9)
Dividends paid	(156.2)	(259.4)
Dividends paid to minority interests	(0.4)	(1.9)
Net cash inflow from financing activities	3,071.4	4,720.9
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,250.5	833.7
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	(595.4)	(1,429.1)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	655.1	(585.4)
Cash and cash equivalents at end of the year comprise:		
Cash in hand and at bank	272.3	249.4
Deposits with licensed banks	747.7	710.2
Deposits with finance companies	92.6	-
Bank overdrafts - unsecured	(394.0)	(408.2)
Short term loans - unsecured	(63.5)	(1,146.8)
	655.1	(595.4)
SUMMARY OF EFFECTS OF ACQUISITION OF SHARES IN A SUBSIDIARY COMPANY		
Net assets acquired:		
Fixed assets	886.3	-
Current assets	170.9	-
Current liabilities	(96.6)	-
Term loans	(659.4)	-
Minority interests	(114.5)	-
Cash paid for shares acquired	186.7	-
Cash balance of subsidiary company acquired	(153.7)	-
Cash flow on acquisition, net of cash acquired	33.0	-

The notes set out on pages 12 to 44 form an integral part of these accounts.

NOTES TO THE ACCOUNTS

31 AUGUST 1998

1. BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention as modified by the revaluation of certain fixed assets and comply with applicable approved Accounting Standards.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies of the Group which are consistent with those adopted in the previous financial year are summarised below:

(a) Basis of consolidation

The consolidated accounts include the accounts of the Company and its subsidiary companies made up to the end of the financial year. The consolidated profit and loss account includes the results of subsidiary companies acquired or disposed during the financial year from the date of their acquisition or up to the date of their disposal, respectively.

Goodwill arising on consolidation represents the excess of the purchase price over the fair value of the net assets of the subsidiary companies at the date of acquisition and is written off to reserves in the year of acquisition.

(b) Associated companies

An associated company is a company, other than subsidiary companies, in which the Group has a long term equity interest of not less than 20% and the Group has representation on the Board and is in a position to exercise significant influence over the financial and operating policies of the Company.

The consolidated accounts include the appropriate share of these associated companies' results and reserves based on management accounts made up to the date of the Company's accounts. Premium paid on acquisition is written off against reserves.

(c) Foreign currency

Foreign currency transactions are converted into Ringgit Malaysia at exchange rates ruling on the transaction dates. Assets and liabilities in foreign currencies are translated at exchange rates ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

Results of foreign subsidiary and associated companies are translated into Ringgit Malaysia at average rates of exchange for the financial year. Assets and liabilities are translated into Ringgit Malaysia, at the rates of exchange ruling at the balance sheet date. Exchange differences arising from the translation of the results for the year at average rates and assets and liabilities at year end rates, and the restatement at year end rates of the opening net investments in foreign subsidiary and associated companies are taken to a foreign currency translation reserve account as a component of shareholders' equity.

(d) Fixed assets and depreciation

Freehold land and capital project-in-progress are not depreciated. Leasehold land is amortised over the period of the lease.

Depreciation is provided on the other categories of fixed assets on a straight line basis which reflects the estimated useful lives of the assets.

The estimated useful lives of fixed assets are as follows:

Buildings and civil works	10 to 60 years
Plant and machinery	10 to 40 years
Lines and distribution mains, distribution services, meters and public lighting	15 to 35 years
Furniture, fittings and office equipment	5 to 10 years
Motor vehicles	5 to 10 years

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Capitalisation of interest

Interest incurred on external borrowings related to capital project-in-progress is capitalised until the assets are ready for their intended use.

(f) Stocks

Stocks are stated at the lower of cost and net realisable value. Costs of work-in-progress and finished goods comprise raw material, direct labour and a proportion of the production overheads. Cost is determined on the weighted average or first-in first-out basis.

(g) Marketable securities

Marketable securities are stated at the lower of cost and market value on an aggregate basis.

(h) Retirement benefits

The Group makes contributions to the Company's Retirement Benefit Scheme, a defined benefit scheme and approved fund independent of the Company's finances. The cost of retirement benefits under this Scheme is determined based on actuarial valuation using the Attained Age Method. Provision is made in the accounts for the balance of the Scheme that is not externally funded. Current service costs, past service costs and experience adjustments in respect of the Company's Retirement Benefit Scheme are dealt with through the profit and loss account systematically over the expected remaining service lives of members.

(i) Deferred taxation

Deferred taxation, based on the timing differences between taxable and reported profits, is provided for using the liability method except where it is thought reasonably probable that the tax effects of such timing differences are not expected to reverse in the foreseeable future.

Deferred tax assets are not recognised unless realised.

(j) Investments

Investments held for long term are stated at cost, less provision for any permanent diminution in their value.

(k) Deferred income

Certain customers are required to contribute towards the cost of revenue earning capital projects. These contributions are credited to the deferred income account and released to the profit and loss account on a straight line basis over 15 years.

(l) Operating leases

Leases where substantially all rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rentals on operating leases are accounted for in the profit and loss account on the accrual basis.

(m) Cash and cash equivalents

Cash and cash equivalents comprise bank balances, deposits with maturity period not exceeding 3 months and cash in hand less short term borrowings repayable on demand.

(n) Financial derivative hedging instruments

Financial derivative hedging instruments are used in the Company's risk management of foreign currency and interest rate risk exposures of its financial liabilities. Hedge accounting principles are applied for the accounting of the underlying exposures and their hedge instruments. The underlying foreign currency liabilities are translated at their respective hedged exchange rate, and differential interest receipts and payments arising from interest rate derivative instruments are accrued, so as to match that net differentials with the related expenses on the hedged liabilities. No amounts are recognised in respect of future periods.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

3. TURNOVER

	Group		Company	
	1998 RM'million	1997 RM'million	1998 RM'million	1997 RM'million
Turnover represents:				
Sales - electricity	11,075.6	9,699.9	11,075.6	9,699.9
- goods and services	122.7	86.1	-	-
Release of deferred income (Note 17)	241.1	223.2	241.1	223.8
	11,439.4	10,014.8	11,316.7	9,928.7

4(i) OPERATING PROFIT BEFORE TAXATION

Operating profit before taxation is arrived at after charging/(crediting):

Directors' remuneration				
- fees	0.4	0.3	0.1	0.1
- other emoluments	0.7	0.7	0.7	0.6
Auditors' remuneration	0.5	0.4	0.2	0.3
Depreciation	1,412.7	1,038.3	1,406.8	1,035.3
Interest payable on borrowings	1,253.8	676.0	1,251.7	675.9
Interest payable on customer deposits	43.2	38.1	43.2	38.1
Retirement benefits	57.6	67.0	53.6	66.6
Rental of land and buildings	39.4	19.6	16.8	17.8
Rental of plant and machinery	9.7	7.5	9.4	7.4
Dividends from subsidiary companies	-	-	(6.3)	(7.7)
Gain on disposal of shares in an associated company	-	(157.3)	-	(231.6)
Research and development expenses	34.9	31.6	34.4	31.6
Loss/(gain) on investment - quoted shares	19.2	(1.7)	19.2	(1.7)
Income on investment - unquoted shares	(19.0)	(36.5)	(19.0)	(36.5)
Interest income	(89.1)	(57.8)	(79.7)	(54.6)
Rental income	(5.9)	(3.4)	(3.3)	(3.4)
Loss on disposal of fixed assets	94.7	6.5	94.7	6.9
Provision for diminution in value of				
- marketable securities	32.6	50.9	32.6	50.9
- unquoted shares	6.7	-	6.7	-
Fixed assets written off	0.2	12.0	-	-
Leasing income from subsidiary company	-	-	(1,156.8)	-

The estimated money value of benefits-in-kind received by the Directors was Nil (1997: RM22,000) for the Group and Nil (1997: RM20,000) for the Company.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

4(ii) FOREIGN EXCHANGE LOSS

	Group		Company	
	1998	1997	1998	1997
	RM'million	RM'million		
Net foreign exchange loss comprises:				
Translation loss - Foreign Loans	(3,109.2)	(1,284.5)	(3,109.2)	(1,284.5)
Translation gain/(loss) - Others	148.8	(28.4)	148.8	(28.4)
Transaction (loss)/gain	(546.0)	18.2	(542.2)	18.1
	(3,506.4)	(1,294.7)	(3,502.6)	(1,294.8)

The translation loss is in respect of foreign loans which are repayable over the following periods:

Within one year	(90.6)	(199.7)	(90.6)	(199.7)
After one and up to two years	(94.7)	(34.0)	(94.7)	(34.0)
After two and up to five years	(317.3)	(103.8)	(317.3)	(103.8)
After five and up to ten years	(1,868.9)	(703.8)	(1,868.9)	(703.8)
After ten and up to twenty years	(80.2)	(20.5)	(80.2)	(20.5)
After twenty and up to thirty years	(460.3)	(144.7)	(460.3)	(144.7)
After thirty and up to ninety years	(197.2)	(62.0)	(197.2)	(62.0)
After ninety years	(3,109.2)	(1,284.5)	(3,109.2)	(1,284.5)

5. TAXATION

Current taxation	79.5	62.2	40.0	50.0
Deferred taxation	200.9	194.3	200.0	200.0
Share of tax in associated companies	25.5	23.4	-	-
	305.9	279.9	240.0	250.0

The tax charge in the current year is principally in respect of deferred taxation. The effective tax rate for the previous year is higher, when compared to the statutory tax rate, primarily due to deferred tax provided in that financial year.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

6. DIVIDENDS

	Company	1998 RM'million	1997 RM'million
Interim dividend of 5 sen gross per share less income tax at 30% for year ended 31 August 1997		-	108.5
Proposed final dividend of 5 sen (1997: 7 sen) gross per share less income tax at 25% (1997: 30%) to be paid on 25 January 1999		111.6	156.2
		111.6	264.7

7(i) LOSS PER SHARE

Loss per share is calculated by dividing the loss attributable to shareholders of RM3,093.9 million (1997: RM140.8 million) by the weighted average number of ordinary shares in issue during the year of 3,100.0 million (1997: 3,053.4 million).

The loss per share is not materially different from the fully diluted loss per share which is calculated on the basis that all options in respect of the Company's Employee Share Option Scheme will be exercised.

(ii) NET ASSETS PER SHARE

The net assets per share is calculated by dividing the Group net assets by the number of ordinary shares in issue at the balance sheet date.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS

	As at 1.9.1997 RM'million	Additions RM'million	Disposals RM'million	Transfer/ reclass RM'million	As at 31.8.1998 RM'million
Group 1998					
Cost/Valuation					
At 1984 and earlier valuations:					
Long leasehold land	8.4	-	-	-	8.4
Buildings	5.6	-	-	-	5.6
At 1994 valuation:					
Freehold land	343.7	-	(0.3)	-	348.4
Long leasehold land	454.9	0.2	(0.4)	-	454.7
Short leasehold land	3.5	-	-	-	3.5
Buildings and civil works	448.7	-	(0.7)	-	448.0
	-4,769.8	0.2	(1.4)	-	1,768.6
At Cost:					
Freehold land	117.7	7.0	-	-	124.7
Long leasehold land	65.4	1.4	-	-	66.8
Short leasehold land	0.7	20.9	-	-	21.6
Buildings and civil works	5,934.9	506.8	-	-	6,741.6
	7,883.4	836.8	(1.4)	-	8,723.3
Plant and machinery	14,210.6	2,858.9	(135.9)	-	16,933.6
Lines and distribution mains	8,487.2	2,680.3	-	-	11,167.5
Distribution services	1,133.6	36.9	-	-	1,170.5
Meters	396.2	8.2	-	-	404.4
Public lighting	137.2	32.1	-	-	169.3
Furniture, fittings and office equipment	298.8	36.8	(0.6)	-	334.5
Motor vehicles	207.1	49.6	(5.8)	-	250.9
	32,759.1	6,538.6	(143.7)	-	39,154.0
Capital project-in-progress	9,666.5	6,236.4	-	(6,342.2)	9,660.7
	42,425.6	12,875.0	(143.7)	(6,342.2)	48,814.7

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

	As at 1.9.1997 RM'million	Charge for the year RM'million	Release on disposals/ transfer RM'million	As at 31.8.1998 RM'million
Group 1998				
Accumulated Depreciation				
At 1994 and earlier valuations:				
Long leasehold land	1.2	0.1	-	1.3
Buildings	2.2	0.2	-	2.4
At 1994 valuation:				
Freehold land	-	-	-	-
Long leasehold land	10.7	10.7	-	21.4
Short leasehold land	0.1	0.1	-	0.2
Buildings and civil works	20.0	20.0	(0.5)	39.5
	34.2	31.1	(0.5)	64.8
At Cost:				
Freehold land	-	-	-	-
Long leasehold land	7.4	1.4	-	8.8
Short leasehold land	0.4	0.2	-	0.6
Buildings and civil works	1,042.6	139.8	-	1,182.4
	1,084.6	172.5	(0.5)	1,256.6
Plant and machinery	4,073.7	729.6	(35.7)	4,767.6
Lines and distribution mains	2,171.8	362.9	-	2,534.7
Distribution services	377.1	59.8	-	436.9
Meters	185.8	21.7	-	207.5
Public lighting	42.3	7.2	-	49.5
Furniture, fittings and office equipment	183.2	37.6	(14.3)	206.0
Motor vehicles	153.3	21.4	(12.2)	167.5
	8,276.8	1,412.7	(63.2)	9,626.3
Capital project-in-progress	-	-	-	9,626.3

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

	As at 1.9.1996 RM'million	Additions RM'million	Disposals RM'million	Transfer/ reclass RM'million	As at 31.8.1997 RM'million
Group 1997					
Cost/Valuation					
At 1984 and earlier valuations:					
Long leasehold land	3.4	-	-	-	8.4
Buildings	5.6	-	-	-	5.6
At 1994 valuation:					
Freehold land	848.7	-	-	-	848.7
Long leasehold land	456.2	-	(1.3)	-	454.9
Short leasehold land	3.5	-	-	-	3.5
Buildings and civil works	448.7	-	-	-	448.7
	1,771.1		(1.3)	-	1,769.8
At Cost:					
Freehold land	49.7	68.0	-	-	117.7
Long leasehold land	41.3	24.1	-	-	65.4
Short leasehold land	0.7	-	-	-	0.7
Buildings and civil works	4,110.0	1,824.8	-	-	5,934.8
	5,972.8	1,916.9	(1.3)	-	7,888.4
Plant and machinery	12,453.5	1,766.2	(9.1)	-	14,210.6
Lines and distribution mains	6,422.5	2,064.7	-	-	8,487.2
Distribution services	896.7	237.9	-	-	1,133.6
Meters	390.2	6.0	-	-	396.2
Public lighting	96.2	41.0	-	-	137.2
Furniture, fittings and office equipment	273.1	26.0	(0.3)	-	293.8
Motor vehicles	204.6	6.1	(3.6)	-	207.1
	26,706.8	6,064.8	(14.3)	-	32,759.1
Capital project-in-progress	3,693.0	7,038.4	(21.5)	(6,043.4)	9,666.5
	35,401.6	13,103.2	(35.8)	(6,043.4)	42,425.6

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

	As at 1.9.1998 RM'million	Charge for the year RM'million	Release on disposals/ transfer RM'million	As at 31.8.1997 RM'million
Group 1997				
Accumulated Depreciation				
At 1994 and earlier valuations:				
Long leasehold land	1.1	0.1	-	1.2
Buildings	2.4	-	(0.2)	2.2
At 1994 valuation:				
Freehold land	-	-	-	-
Long leasehold land	-	10.7	-	10.7
Short leasehold land	-	0.1	-	0.1
Buildings and civil works	-	20.0	-	20.0
	3.5	30.9	(0.2)	34.2
At Cost:				
Freehold land	-	-	-	-
Long leasehold land	6.7	0.7	-	7.4
Short leasehold land	0.2	0.2	-	0.4
Buildings and civil works	922.0	120.6	-	1,042.6
	932.4	152.4	(0.2)	1,084.6
Plant and machinery	3,610.2	465.9	(2.4)	4,073.7
Lines and distribution mains	1,915.9	255.9	-	2,171.8
Distribution services	326.0	51.1	-	377.1
Meters	164.4	21.4	-	185.8
Public lighting	36.8	5.5	-	42.3
Furniture, fittings and office equipment	129.6	42.6	-	172.2
Motor vehicles	119.4	42.5	(3.6)	158.3
	7,244.7	1,038.3	(6.2)	8,276.8
Capital project-in-progress	-	-	-	-
	7,244.7	1,038.3	(6.2)	8,276.9

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

	As at 1.9.1997 RM'million	Additions RM'million	Disposals RM'million	Transfer/ reclass RM'million	As at 31.8.1998 RM'million
Company 1998					
Cost/Valuation					
At 1994 valuation:					
Freehold land	348.7	-	(0.3)	-	848.4
Long leasehold land	454.9	-	(0.4)	-	454.5
Short leasehold land	3.5	-	-	-	3.5
Buildings and civil works	448.7	-	(0.7)	-	448.0
	1,755.8	-	(1.4)	-	1,754.4
At Cost:					
Freehold land	117.7	7.0	-	-	124.7
Long leasehold land	60.2	1.4	-	-	61.6
Short leasehold land	—0.7	20.9	-	-	21.6
Buildings and civil works	5,930.4	735.9	-	-	6,719.3
	7,864.8	818.2	(1.4)	-	8,681.6
Plant and machinery	14,210.9	2,845.3	(135.8)	-	16,920.4
Lines and distribution mains	8,487.2	2,630.2	-	-	11,167.5
Distribution services	1,188.6	36.9	-	-	1,170.5
Meters	396.2	8.2	-	-	404.4
Public lighting	137.2	32.1	-	-	169.3
Furniture, fittings and office equipment	291.2	47.2	(0.2)	(33.1)	305.1
Motor vehicles	208.6	53.3	(5.3)	(13.2)	237.9
	32,724.7	6,521.5	(143.2)	(46.3)	39,056.7
Capital project-in-progress	9,664.9	5,186.0	-	(6,321.9)	8,519.0
	42,389.6	11,707.5	(143.2)	(6,378.2)	47,575.7

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

	As at 1.9.1997 RM'million	Charge for the year RM'million	Release on disposals/ transfer RM'million	As at 31.8.1998 RM'million
Company 1998				
Accumulated Depreciation				
At 1994 valuation:				
Freehold land				
Long leasehold land	10.7	10.7	-	21.4
Short leasehold land	0.1	0.1	-	0.2
Buildings and civil works	20.0	20.0	(0.5)	39.5
	30.8	30.8	(0.5)	61.1
At Cost:				
Freehold land				
Long leasehold land	7.4	1.3	-	8.7
Short leasehold land	0.4	0.2	-	0.6
Buildings and civil works	1,042.3	139.6	-	1,181.9
	1,080.9	171.9	(0.5)	1,252.3
Plant and machinery				
Lines and distribution mains	4,066.7	728.9	(35.6)	4,760.0
Distribution services	2,171.2	362.0	-	2,534.1
Meters	377.1	59.8	-	436.9
Public lighting	185.8	21.7	-	207.5
Furniture, fittings and office equipment	42.6	7.2	-	49.8
Motor vehicles	180.3	34.4	(14.7)	200.0
	157.9	20.0	(12.2)	165.7
Capital project-in-progress	8,262.5	1,406.8	(63.0)	9,606.3
	8,262.5	1,406.8	(63.0)	9,606.3

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

	As at 1.9.1996 RM'million	Additions RM'million	Disposals RM'million	Transfer/ reclass RM'million	As at 31.8.1997 RM'million
Company 1997					
Cost/Valuation					
At 1994 valuation:					
Freehold land	248.7	-	-	-	248.7
Long leasehold land	456.5	-	(1.6)	-	454.9
Short leasehold land	3.5	-	-	-	3.5
Buildings and civil works	448.7	-	-	-	448.7
	<hr/> 1,757.4	<hr/>	<hr/> (1.6)	<hr/> -	<hr/> 1,755.8
At Cost:					
Freehold land	49.7	66.0	-	-	117.7
Long leasehold land	41.3	15.9	-	-	60.2
Short leasehold land	-0.7	-	-	-	0.7
Buildings and civil works	4,105.8	1,824.6	-	-	5,930.4
	<hr/> 5,954.9	<hr/> 1,911.5	<hr/> (1.6)	<hr/> -	<hr/> 7,864.8
Plant and machinery					
Lines and distribution mains	12,451.9	1,763.2	(4.2)	-	14,210.9
Distribution services	6,422.5	2,064.7	-	-	8,487.2
Meters	395.7	337.9	-	-	1,133.6
Public lighting	390.2	6.0	-	-	396.2
Furniture, fittings and office equipment	96.2	41.0	-	-	137.2
Motor vehicles	267.2	24.0	-	-	291.2
	<hr/> 26,621.4	<hr/> 6,052.5	<hr/> (9.2)	<hr/> -	<hr/> 32,724.7
Capital project-in-progress	3,693.0	7,015.3	-	(6,043.4)	8,664.9
	<hr/> 35,374.4	<hr/> 13,067.8	<hr/> (9.2)	<hr/> (6,043.4)	<hr/> 42,339.6

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

	As at 1.9.1996 RM'million	Charge for the year RM'million	Release on disposal/ transfer RM'million	As at 31.8.1997 RM'million
Company 1997				
Accumulated Depreciation				
At 1994 valuation:				
Freehold land	-	-	-	-
Long leasehold land	-	10.7	-	10.7
Short leasehold land	-	0.1	-	0.1
Buildings and civil works	-	20.0	-	20.0
	<hr/>	<hr/>	<hr/>	<hr/>
	30.8	-	-	30.8
At Cost:				
Freehold land	-	-	-	-
Long leasehold land	6.7	0.7	-	7.4
Short leasehold land	0.2	0.2	-	0.4
Buildings and civil works	921.4	120.9	-	1,042.3
	<hr/>	<hr/>	<hr/>	<hr/>
	928.3	152.6	-	1,080.9
Plant and machinery	3,603.9	464.4	(1.6)	4,066.7
Lines and distribution mains	1,915.9	255.3	-	2,171.2
Distribution services	326.0	51.1	-	377.1
Meters	164.4	21.4	-	185.8
Public lighting	36.8	5.8	-	42.6
Furniture, fittings and office equipment	137.6	42.7	-	180.3
Motor vehicles	119.0	42.0	(3.1)	157.9
	<hr/>	<hr/>	<hr/>	<hr/>
Capital project-in-progress	7,231.9	1,035.3	(4.7)	8,262.5
	<hr/>	<hr/>	<hr/>	<hr/>
	7,231.9	1,035.3	(4.7)	8,262.5

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. **FIXED ASSETS (CONTINUED)**

	Group 1998 RM'million	Company 1998 RM'million	1997 RM'million
Net Book Value			
At 1984 and earlier valuations:			
Long leasehold land	7.1	7.2	-
Buildings	3.2	3.4	-
At 1994 valuation:			
Freehold land	848.4	848.7	848.4
Long leasehold land	433.3	444.2	433.1
Short leasehold land	3.3	3.4	3.3
Buildings and civil works	408.5	428.7	408.5
	1,703.8	1,735.6	1,693.3
			1,725.0
At Cost:			
Freehold land	124.7	117.7	124.7
Long leasehold land	58.0	58.0	52.9
Short leasehold land	21.0	0.3	21.0
Buildings and civil works	5,559.2	4,892.2	5,537.4
	7,466.7	6,803.8	7,429.3
			6,783.9
Plant and machinery	12,166.0	10,136.9	12,160.4
Lines and distribution mains	8,632.8	6,315.4	8,633.4
Distribution services	733.6	756.5	733.6
Meters	196.9	210.4	196.9
Public lighting	119.8	94.9	119.5
Furniture, fittings and office equipment	128.5	115.6	105.1
Motor vehicles	83.4	48.8	72.2
	29,527.7	24,482.8	29,450.4
			24,462.2
Capital project-in-progress	9,660.7	9,666.5	8,519.0
	39,188.4	34,148.8	37,969.4
			34,127.1

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

8. FIXED ASSETS (CONTINUED)

Had the revalued fixed assets been included in the accounts at cost less depreciation, the net book value of the revalued fixed assets would have been as follows:

	Group		Company	
	1998 RM'million	1997 RM'million	1998 RM'million	1997 RM'million
Freehold land	45.9	45.9	44.8	44.3
Long/short leasehold land	78.7	80.5	78.7	80.5
Buildings and civil works	184.1	192.1	182.2	190.1
	308.7	318.5	305.7	315.4

Included in the additions are fixed assets of a newly acquired subsidiary company, Liberty Power Limited, amounting to RM86.3 million which is analysed as follows:

	Additions RM'million	Exchange rate	Net Additions RM'million
		adjustments RM'million	
Furniture, fittings and office equipment	8.5	(0.2)	8.3
Capital project-in-progress	877.8	(24.4)	853.4
	886.3	(24.6)	861.7

The valuation of freehold land, leasehold land and buildings and civil works of the Company was based on an independent valuation by a professional firm of valuers on the open market value basis in 1994. The net surplus on revaluation was incorporated into the accounts at 31 August 1996 and transferred to revaluation reserve (Note 20).

The valuations of long leasehold land and buildings of a subsidiary company were carried out in 1982 and 1984 respectively based on independent valuations by professional firms of valuers on the open market value basis. The net surplus on revaluation was transferred to revaluation reserve (Note 20).

The title deeds of certain lands are in the process of being registered in the Company's name.

As described in Note 23, generation power plants of the Company are leased to a wholly owned subsidiary. The net book value of such assets as at 31 August 1998 included in the Company's fixed assets amounted to RM10,177.0 million.

Net book value of plant and machinery in respect of closed power stations held for disposal amounted to RM13.4 million (1997: RM16.9 million).

Interest capitalised during the year in capital project-in-progress amounted to RM300.1 million (1997: RM318.7 million).

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

9. SUBSIDIARY COMPANIES

Name of company	Group's Interest		Principal activities	Country of incorporation
	1998	1997		
Unquoted ordinary shares, at cost			23.4	13.3
Universiti Tenaga Nasional Sdn Bhd (formerly known as Institut Teknologi Tenaga Nasional Sdn Bhd)*	100%	100%	Institute of higher learning	Malaysia
Tenaga Nasional Research and Development Sdn Bhd*	100%	100%	Research and development	Malaysia
TNB Repair and Maintenance Sdn Bhd (formerly known as Tenaga Nasional Repair and Maintenance Sdn Bhd)*	100%	100%	Repair, maintenance and testing of power plants	Malaysia
TNB Janamanjung Sdn Bhd*	100%	100%	Operation of power plant and generation of electricity	Malaysia
TNB Logistics Sdn Bhd (formerly known as TRMS Freight Forwarding Services Sdn Bhd)*	100%	100%	Freight forwarding	Malaysia
TNB Properties Sdn Bhd (formerly known as Tenaga Nasional Properties Sdn Bhd)*	100%	100%	Property management and development	Malaysia
TNB Engineering and Consultancy Sdn Bhd*	100%	100%	Engineering consultancy	Malaysia
TNB Engineers Sdn Bhd*	100%	100%	Project management and engineering services	Malaysia
TNB Generation Sdn Bhd (formerly known as Tenaga Nasional Generation Sdn Bhd)	100%	100%	Operation of power plant and generation of electricity	Malaysia
TNB Transmission Network Sdn Bhd (formerly known as Tenaga Nasional Transmission Network Sdn Bhd)*	100%	100%	Dormant	Malaysia
TNB Distribution Sdn Bhd (formerly known as Tenaga Nasional Energy Distribution Sdn Bhd)*	100%	100%	Dormant	Malaysia

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

9. SUBSIDIARY COMPANIES (CONTINUED)

Name of company	Group's Interest 1998	Group's Interest 1997	Principal activities	Country of incorporation
TNB Ventures Sdn Bhd (formerly known as Tenaga Nasional Ventures Sdn Bhd)	100%	100%	Investment holding for domestic and international ventures	Malaysia
Teliti Kekal (M) Sdn Bhd*	100%	100%	Dormant	Malaysia
Malaysia Transformer Manufacturing Sdn Bhd*	73%	73%	Manufacture and sale of transformers and switchgears	Malaysia
Tenaga Risk Management & Services Sdn Bhd*	100%	60%	Risk management services	Malaysia
Tenaga Switchgear Sdn Bhd*	60%	60%	Manufacture and assembly of high voltage switchgear	Malaysia
TNB Metering Services Sdn Bhd*	100%	-	Dormant	Malaysia
TNB Workshop Services Sdn Bhd*	100%	-	Dormant	Malaysia
Tenaga Power Daharki Limited*	100%	-	Investment holding	Mauritius
TNB - IT Sdn Bhd*	100%	-	Dormant	Malaysia
TNB Fuel Services Sdn Bhd*	100%	-	Dormant	Malaysia
Sabah Electricity Sdn Bhd*	100%	-	Dormant	Malaysia
<u>Subsidiaries of TNB Engineering and Consultancy Sdn Bhd</u>				
TNEC Construction Sdn Bhd*	100%	100%	Construction	Malaysia
TNEC Operations and Maintenance Sdn Bhd*	100%	100%	Dormant	Malaysia
Power and Energy International Mauritius Limited*	100%	-	Dormant	Mauritius
Tenaga SPL Sdn Bhd*	100%	100%	Dormant	Malaysia
<u>Subsidiary of Tenaga SPL Sdn Bhd</u>				
Bangsar Energy Systems Sdn Bhd*	100%	100%	Dormant	Malaysia

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

9. SUBSIDIARY COMPANIES (CONTINUED)

Name of company	Group's Interest		Principal activities	Country of incorporation
	1998	1997		
<u>Subsidiaries of Tenaga Nasional</u>				
<u>Research and Development Sdn Bhd</u>				
ET Shoppe Sdn Bhd*	60%	60%	Retail of household and consumer electrical appliances	Malaysia
Tenaga Microwave Technologies Sdn Bhd*	70%	70%	Dormant	Malaysia
<u>Subsidiary of TNB Properties Sdn Bhd</u>				
TNP Construction Sdn Bhd*	100%	-	Construction	Malaysia
<u>Subsidiary of Tenaga Power Daharki Limited</u>				
Liberty Power Limited*	62%	-	Dormant	Pakistan

* Not audited by Price Waterhouse.

10. ASSOCIATED COMPANIES

	Group	
	1998	1997
	RM'million	
Group's share of net assets	173.2	105.9
Redeemable preference shares	50.0	76.0
Unsecured loan notes	135.2	142.1
	358.4	324.0
 ----- Company		
	1998	1997
	RM'million	
Unquoted ordinary shares, at cost	67.9	61.8
Redeemable preference shares, at cost	50.0	76.0
Unsecured loan notes	135.2	142.1
	253.1	279.9

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

10. ASSOCIATED COMPANIES (CONTINUED)

A fixed charge has been created over the Company's investment in an associated company to secure the liability of that associated company.

Name of company	Group's Interest 1998	Group's Interest 1997	Principal activities	Country of incorporation
Fibre Communications Network (M) Sdn Bhd	39%	39%	Development of fibre optic communication network	Malaysia
Geriting Sanyen Power Sdn Bhd	20%	20%	Operation of power plant and generation of electricity	Malaysia
Segari Energy Ventures Sdn Bhd	20%	20%	Operation of power plant and generation of electricity	Malaysia
Perusahaan Otomobil Elektrik (Malaysia) Sdn Bhd	50%	50%	Manufacture of electric vehicles	Malaysia
Teknologi Tenaga Perlis Consortium Sdn Bhd	20%	-	Operation of power plant and generation of electricity	Malaysia
<u>Associated company of TNEC Operations and Maintenance Sdn Bhd</u>				
Torneet Energy Management Sdn Bhd	50%	-	Dormant	Malaysia
<u>Associated company of TNB Ventures Sdn Bhd (formerly known as Tenaga Nasional Ventures Sdn Bhd)</u>				
Northern Utility Resources Sdn Bhd	20%	-	Dormant	Malaysia

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

11. INVESTMENTS

	Group		Company	
	1998 RM'million	1997 RM'million	1998 RM'million	1997 RM'million
Quoted shares, at cost	335.6	335.6	335.6	335.6
Unquoted shares, at cost	75.7	71.2	74.7	70.2
Provision for diminution in value of unquoted shares	(6.7)	-	(6.7)	-
	404.6	406.8	403.6	405.8
Market value of quoted shares	141.8	190.4	141.8	190.4

12. CURRENT ASSETS

Stocks (Note 12 (a))	967.0	1,043.3	389.7	1,034.9
Debtors (Note 12 (b))	1,673.8	1,744.1	1,530.4	1,704.3
Bank and cash balances (Note 12 (c))	1,112.6	959.6	902.0	863.0
Marketable securities (Note 12 (d))	26.9	84.8	26.9	84.8
Amount due from subsidiary companies	-	-	607.2	65.5
Amount due from associated companies	4.5	-	4.5	-
	3,784.8	3,836.8	3,460.7	3,752.5

(a) STOCKS

Raw materials, fuel and consumables	918.0	1,031.9	389.7	1,034.9
Work-in-progress	26.4	13.1	-	-
Finished goods	22.6	3.3	-	-
	967.0	1,048.3	389.7	1,034.9

(b) DEBTORS

Trade debtors	1,061.9	1,104.9	986.3	1,064.0
Provision for doubtful debts	(61.6)	(61.3)	(61.3)	(61.3)
	1,000.3	1,043.6	925.0	1,002.7
Other debtors and prepayments	673.5	700.5	605.4	701.6
	1,673.8	1,744.1	1,530.4	1,704.3

Included in other debtors and prepayments are employee housing and car loans amounting to RM373.3 million (1997: RM320.8 million) which are not realisable within 12 months.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

12. CURRENT ASSETS (CONTINUED)

	Group		Company	
	1998	1997	1998	1997
	RM'million	RM'million		
(c) BANK AND CASH BALANCES				
Deposits with finance companies	92.6			
Deposits with licensed banks	747.7	710.2	677.8	632.8
Cash in hand and at bank	272.3	249.4	224.2	230.2
	1,112.6	959.6	902.0	863.0
(d) MARKETABLE SECURITIES				
Cost - Quoted in Malaysia:				
Shares	109.7	144.8	109.7	144.8
Other securities	12.1	2.4	12.1	2.4
	121.8	147.2	121.8	147.2
Provision for diminution in value	(94.9)	(62.4)	(94.9)	(62.4)
	26.9	84.8	26.9	84.8
Market value	26.9	84.8	26.9	84.8

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

13. CURRENT LIABILITIES

	Group		Company	
	1998 RM'million	1997 RM'million	1998 RM'million	1997 RM'million
Creditors (Note 13 (a))	2,484.7	1,990.0	1,849.6	1,901.0
Short term borrowings (Note 13 (b))	1,407.8	2,234.2	1,296.3	2,225.9
Current taxation	157.8	164.3	112.1	147.2
Proposed dividend	111.6	156.2	111.6	156.2
Amount owing to subsidiary companies	-	-	27.7	39.7
Amount owing to associated companies	330.4	150.0	330.4	150.0
	4,492.3	4,695.2	3,727.7	4,620.0

The amount owing to subsidiary and associated companies are unsecured, interest free and have no fixed terms of repayment.

(a) CREDITORS

Trade creditors	1,344.9	1,397.5	1,022.3	1,345.6
Accrued interest on borrowings	461.2	309.4	458.6	309.4
Other creditors, accruals and provisions	678.6	288.1	368.7	246.0
	2,484.7	1,990.0	1,849.6	1,901.0

(b) SHORT TERM BORROWINGS

Portion of term loans due within one year (Note 14)	948.6	673.7	852.0	678.7
- unsecured	1.7	0.5	-	-
- secured	-	-	-	-
Short term loans	63.5	1,144.0	63.2	1,144.0
- unsecured	-	2.8	-	-
- secured	-	-	-	-
Bank overdrafts	393.3	407.0	381.1	403.2
- unsecured	0.7	0.9	-	-
- secured	-	-	-	-
	1,407.8	2,234.2	1,296.3	2,225.9

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

14. TERM LOANS

	Group 1998 RM'million	1997 1997 RM'million	Company 1998 RM'million	1997 RM'million
Unsecured				
- Term loans	14,744.3	9,620.2	14,744.3	9,620.2
- Notes	5,624.5	4,063.5	5,624.5	4,063.5
- Debentures	2,108.8	1,451.3	2,108.8	1,451.3
	22,477.6	15,145.0	22,477.6	15,145.0
Secured				
- Term loans	773.1	10.0	-	-
	23,250.7	15,155.0	22,477.6	15,145.0
Payable within one year included under short term borrowings (Note 13 (b))	950.3	679.2	852.0	678.7
Repayable after one year:				
After one and up to two years	1,165.8	626.1	1,165.8	626.1
After two and up to five years	7,976.1	4,295.2	7,568.8	4,294.0
After five and up to ten years	10,362.4	7,732.2	10,098.2	7,722.2
After ten and up to twenty years	687.3	270.3	684.0	362.0
After twenty and up to thirty years	1,476.2	1,016.6	1,476.2	1,016.6
After thirty and up to ninety years	632.6	435.4	632.6	435.4
	22,300.4	14,475.8	21,625.6	14,466.3
	23,250.7	15,155.0	22,477.6	15,145.0

Unsecured term loans include RM26.4 million (1997: RM26.4 million) due to the Government of Malaysia, RM3,462.4 million (1997: RM2,818.2 million) guaranteed by the Government of Malaysia, USD150 million 7.5% Debentures due on 15 January 2006 and USD600 million 7.2% Notes due on 29 April 2007. The details of other loans and their hedging arrangements are illustrated below.

Interest rates applicable to the portfolio of term loans outstanding as at 31 August 1998 range from 0.6% to 11.0% (1997: 0.1% to 10.6%) per annum and the effective weighted average interest rate (after hedging consideration) is 6.9% (1997: 7.0%) per annum.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

14. TERM LOANS (CONTINUED)

(a) 10-YEAR JPY37 BILLION TERM LOAN

During the year, the Company entered into a 10-year JPY37 billion unsecured loan, paying interest at floating rates, to mature on 30 June 2007. The translated RM balance of the loan as at 31 August 1998 as per the Company's accounting policy is RM979.2 million. This loan is an amortizing loan, whose principal amount is payable in equal semi-annual instalments over the life of the loan. The repayments commenced during the year. The notional principals of the hedging contracts illustrated below amortize in the same manner as this loan.

Interest rate swap ('IRS')

On one tranche of the loan, the Company entered into an IRS agreement on 31 December 1997 that entitles it to receive floating interest rates, and obliges it to pay interest at a fixed rate of 1.927%. The initial notional principal of the swap is JPY3.6 billion. The effect of this transaction is to effectively fix the interest rate payable on that tranche of the loan.

Interest rate collar and forward interest rate swap

On the remaining tranches of the loan, the Company has entered into interest rate option contracts, for the period from 30 June 1998 to 30 June 2002, with initial notional principals of JPY25.8 billion. These contracts form an interest rate 'collar' arrangement which effectively hedges the floating interest rate payable on the loan. The effective interest rate payable will be limited to a maximum rate but is subject to a minimum rate. There is also a 'knock-out' arrangement whereby if interest rates were to set above a certain 'knock-out' level (which is above the maximum rate), then the maximum rate is 'knocked-out' and that actual interest rate becomes due.

On the same tranches, for the period from 1 July 2002 to 30 June 2007, the Company has entered into IRS agreements that entitle it to receive interest at floating rates on initial notional principals of JPY14.0 billion and oblige it to pay interest at fixed rates in the range of 2.74% to 3.90% on the same amount.

The effect of these transactions is to effectively hedge the interest rate payable on those tranches of the loan within a range bounded by the maximum and minimum rates, from 30 June 1998 to 30 June 2002, and to effectively fix the interest rate payable on the same tranches of the loan from 1 July 2002 to 30 June 2007.

(b) 10-YEAR USD500 MILLION NOTES

In April 1997, the Company issued USD500 million 10-year 7.625% redeemable unsecured Notes. The translated RM balance of the Notes as at 31 August 1998 as per the Company's accounting policy is RM1,851.4 million. The Notes are redeemable in full on 29 April 2007. For the purposes of hedging the Notes, the Company has adopted two strategies for each USD250 million tranche of the Notes.

Tranche 1: USD250 million

USD-JPY cross-currency swap ('CCS') and JPY interest rate collar

On the first USD250 million tranche, the Company has entered into cross-currency swap ('CCS') agreements during the financial year, that entitle it to receive a fixed rate of 7.625% in USD and oblige it to pay floating interest rates in JPY. The principals of the swaps amount to USD250 million and this would be received by the Company in return for the payment of JPY31.5 billion on maturity. The swaps terminate on 27 April 2007. The Company has also entered into interest rate collar arrangements with notional principals of JPY31.5 billion for the period from 23 April 1998 to 27 April 2002 which effectively hedge the JPY floating interest rate payable on the above swaps.

The effect of these transactions is to effectively convert the USD fixed rate Notes into a JPY floating rate liability, with those floating rates limited to a maximum and minimum rate for the period 23 April 1998 to 27 April 2002.

**NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)**

14. TERM LOANS (CONTINUED)

(b) 10-YEAR USD500 MILLION NOTES (CONTINUED)

Forward Interest Rate Swap

On the same tranche, for the period from 28 April 2002 to 28 April 2007, the Company has entered into IRS agreements that entitle it to receive interest at floating rates and oblige it to pay interest at fixed rates in the range of 3.71% to 4.38% (dependant on the swap counterparty) on notional principals of JPY31.5 billion.

The effect of this transaction is to effectively convert the USD fixed rate bonds into a JPY fixed rate liability, for the period 28 April 2002 to 28 April 2007.

Tranche 2: USD250 million

USD-JPY/CHF Cross-currency swaption and JPY interest rate collar

On the second USD250 million tranche, the Company has entered into CCS agreements during the financial year that entitle it to receive a fixed rate of 7.625% in USD and oblige it to pay floating interest rates in JPY. The principals of the swaps amount to USD250 million and this would be received by the Company in return for the payment of JPY31.4 billion upon maturity. The swaps terminate on 28 April 2007. However, on 28 April 1999 and 25 October 1999, the counterparties of the swaps have the option to convert the JPY cash flows into CHF floating rate cash flows. If the option is exercised, then the principal exchange at the maturity of the swap will be for CHF against USD instead of JPY against USD.

The existence of the option reduces the spread payable by the Company on the floating rate cash flows.

The Company has also entered into interest rate collar arrangements with notional principals of JPY12.8 billion for the period from 28 April 1999 to 27 April 2007 which effectively hedges the JPY floating interest rate payable on the above swap.

The effect of these transactions is to effectively convert the USD fixed rate Notes into a JPY floating rate liability, with those floating rates limited to a maximum and minimum rate, with the added possibility of conversion into a CHF floating rate liability.

(c) 5-YEAR USD90 MILLION TERM LOAN

During the year, the Company entered into a 5-year USD90 million unsecured loan, paying interest at floating rates. The translated RM balance of the loan as at 31 August 1998 as per the Company's accounting policy is RM363.0 million. The loan matures on 12 May 2003. The loan is an amortising loan, whose principal amount is payable in equal semi-annual instalments commencing in May 2000. The principle of the hedging contracts illustrated below amortises in the same manner as this loan.

Cross-currency swaption

The Company has entered into IRS agreements, for the period 28 May 1998 to 12 May 2003, that entitle it to receive floating interest rates at a higher margin than the floating interest rates that it is obliged to pay. The initial notional principals amount to USD90 million. However, in May and August 1999, the counterparties of the swaps have the option to convert the USD floating rate payments into JPY floating rate payments. If the option is exercised, then there would be a series of principal exchanges where the Company pays JPY principal amounts and receives USD principal amounts.

The effect of these transactions is to effectively reduce the margin payable on the Company's USD floating rate liability, with the possibility of the USD floating rate liability converting into a JPY floating rate liability.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

14. TERM LOANS (CONTINUED)

(d) 5-YEAR USD300 MILLION NOTES

During the year, the Company entered into a 5-year USD300 million unsecured loan, paying interest at floating rates, to mature on 29 June 2003. The translated RM balance of the Notes as at 31 August 1998 as per the Company's accounting policy is RM1,042.8 million. The loan is an amortising loan, whose principal amount is payable in equal semi-annual instalments commencing in June 2000. The principals of the hedging contracts illustrated below amortise in the same manner as this loan.

Currency swap and interest rate swap

The Company has entered into several IRS agreements with effective periods ranging from 20 July 1998 to 30 June 2003, with various financial institutions. The contracts entitle it to receive floating interest rates at a higher margin than the floating interest rates that it is obliged to pay. The initial principals amounts to USD300 million. There is also a series of principal exchanges where the Company pays JPY principal amounts and receives USD principal amounts.

On the date of every interest payment period, the counterparties of the swaps have the option to choose the currency of the interest payments made by the Company, to remain in USD or convert it to JPY, at floating rates.

The effect of these transactions is to effectively convert the USD loan exposure into a JPY exposure, and reduce the margin payable on the Company's floating rate liability. Nevertheless, the interest payment of the exposure can either be in USD based on USD floating rates or JPY based on JPY floating rates, albeit both will be at lower margins than hitherto.

(e) 10-YEAR USD600 MILLION NOTES

In 1994, the Company had issued USD600 million 10-year 7.875% redeemable unsecured Notes. The translated RM balance of the Notes as at 31 August 1998 as per the Company's accounting policy is RM2,507.6 million. The Notes are redeemable in full on 15 June 2004. For purposes of hedging the Notes, the Company has adopted two strategies, one for the USD500 million tranche and another for the other USD100 million tranche.

Tranche 1: USD500 million

Interest rate swap and collar with 'knock-out'

On the first USD500 million tranche, the Company entered into IRS agreements during the previous financial year that entitle it to receive fixed interest rate of 7.875% and oblige it to pay floating rate. The notional principals of the swaps amount to USD500 million. The swaps mature on 30 October 1999. The Company had also entered into interest rate collar with 'knock-out' arrangements with notional amounts of USD500 million which effectively hedge the USD floating interest rate payable on the above swaps. These 'knock-out' collars mature on 13 December 1999.

The effect of these transactions is to effectively convert the USD fixed rate Notes into a floating rate liability, with those floating rates limited to a maximum and minimum rate until 13 December 1999.

Tranche 2: USD100 million

Cross-currency zero-coupon swap

On the second USD100 million, the Company entered into CCS arrangements with several financial institutions, for the period 15 June 1998 to 14 June 2004, to convert the USD100 million bond to a 6-year JPY zero coupon bond. The amount repayable on the JPY zero coupon swap is dependant on the USD/JPY exchange rate at the date of maturity but the final amount payable is limited to a minimum amount of JPY13,570 million and a maximum amount of JPY19,200 million. The Company has recognised the interest accrual on the zero coupon bond based on a constant rate of return over the life of the bond with the assumption of the final redemption amount being the maximum amount payable. However, should the final redemption be less than that, there would be a writeback of the over-accrued interest.

**NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)**

14. TERM LOANS (CONTINUED)

(f) 30-YEAR USD350 MILLION DEBENTURES

In 1995, the Company issued USD350 million 30-year 7.5% redeemable unsecured Debentures. The translated RM balance of the Debentures as at 31 August 1998 as per the Company's accounting policy is RM1,476.1 million. The Debentures are redeemable in full on 21 October 2025.

Interest rate swaps and collar with 'knock-out'

The Company had entered into IRS agreements with notional principals amounting to USD350 million during the previous financial year that entitle it to receive a fixed interest rate of 7.5% and oblige it to pay floating rates. The notional principals of the swaps amount to USD350 million. The swaps mature on 30 October 1999. The Company had also entered into interest rate collar with 'knock-out' arrangements with notional amounts of USD350 million which effectively hedge the USD floating interest rate payable on the above swaps. These 'knock-out' collars mature on 30 October 1999.

The effect of these transactions is to effectively convert the USD fixed rate Debentures into a floating rate liability, with those floating rates limited to a maximum and minimum rate until 30 October 1999.

(g) OTHER TERM LOANS

JPY/USD Cross-currency interest rate swap

The Company had also entered into CCS agreements to effectively convert its fixed rate amortising JPY loan exposures to USD fixed rate loan exposures with fixed interest rates payable ranging between 4.87% to 6.74%. The outstanding balance of these underlying JPY exposures is JPY5.8 billion as at 31 August 1998. The translated RM balance of this exposure as at that date, as per the Company's accounting policy is RM173.0 million. The swaps have an effective period from 18 May 1991 to 20 October 2000. The principals of the swaps as at 31 August 1998 amount to JPY5.8 billion and reduce over time to mirror the JPY principal amount of the loan exposures up to the maturity date of the swap.

JPY/RM and USD/RM Cross-currency interest rate swaps

The Company had also entered into CCS agreements to effectively convert its USD floating rate loan exposures and JPY fixed rate loans to RM fixed rate loan exposures with fixed interest rates payable ranging between 4.13% to 5.20%. The outstanding balance of these USD and JPY loan exposures as at 31 August 1998 is USD56.9 million and JPY13.4 billion, respectively. The translated RM balance of this exposure as at that date, as per the Company's accounting policy is RM497.1 million.

The principal of the USD/RM CCS swap as at 31 August 1998 amounts to USD56.9 million and the contract matures on 19 October 2001.

The JPY/RM CCS swaps will mature on 20 January 2000, 20 July 2000, 20 January 2001 and 20 July 2001, and have principal amounts of JPY0.5 billion, JPY0.8 billion, JPY5.8 billion and JPY8.2 billion, respectively.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

15. RETIREMENT BENEFITS

Contributions for retirement benefits in respect of eligible employees are paid into the Company's Retirement Benefit Scheme, a defined benefit scheme and an approved fund independent of the Company's finances. The provision made in the accounts for unfunded amounts as determined by actuarial valuation is as follows:

	Group		Company	
	1998	1997	1998	1997
	RM'million		RM'million	
As at the end of the year	259.3	224.1	254.6	223.1

Contributions are determined by a qualified actuary on the basis of a triennial valuation using the Attained Age Method. The most recent valuation was as at 31 August 1997. The principal assumptions used in the actuarial valuation are:

- (i) salary increase based on a predetermined formula;
- (ii) investment yield of 8% per annum;
- (iii) staff turnover rates based on the experience of similar schemes; and
- (iv) mortality and ill health retirement rates based on the experience of other schemes.

The amount charged for retirement benefits for the financial year is disclosed in Note 4 (i) to the accounts.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

16. DEFERRED TAXATION

	Group		Company	
	1998	1997 RM'million	1998	1997 RM'million
Deferred tax provided for in the accounts:				
- tax effects of excess of capital allowances over depreciation	786.4	602.5	800.0	600.0
- tax effects of other short term timing differences		(16.9)		
	786.4	585.6	800.0	600.0
Deferred tax not provided for in the accounts:				
- tax effects of timing differences which under current legislation are not expected to reverse in the foreseeable future	4,112.9	3,932.4	4,112.9	3,932.4
- tax effects of revaluation of fixed assets which are held for long term use	62.6	62.1	62.0	61.5
	4,175.5	3,994.5	4,174.9	3,993.9

17. DEFERRED INCOME

	Group/Company	
	1998 RM'million	1997 RM'million
Deferred income represents contributions by customers which are analysed as follows:		
As at the beginning of the year	1,766.3	1,658.8
Received during the year	400.2	336.3
Released to the profit and loss account (Note 3)	(241.1)	(223.8)
As at the end of the year	1,925.4	1,766.3

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

18. SHARE CAPITAL

	Company 1998 RM	1997 RM
Authorised:		
Ordinary shares of RM1.00 each	3,500,000,000	3,500,000,000
Special Rights Redeemable Preference Share of RM1.00 each	1	1
Issued and fully paid:		
Ordinary shares of RM1.00 each		
As at the beginning of the year	3,099,980,300	3,020,423,300
Issue of ordinary shares under the Employee Share Option Scheme	-	19,557,000
As at the end of the year	3,099,980,300	3,099,980,300
Special Rights Redeemable Preference Share of RM1.00 each		
As at the beginning and the end of the year	1	1
As at the end of the year	3,099,980,301	3,099,980,301

(a) The Special Rights Redeemable Preference Share ('Special Share') would enable the Government of Malaysia through the Minister of Finance Incorporated to ensure that certain major decisions affecting the operations of the Company are consistent with Government policies. The Special Shareholder, which may only be the Government or any representative or person acting on its behalf, is entitled to receive notices of meetings but not to vote at such meetings of the Company. However, the Special Shareholder is entitled to attend and speak at such meetings.

The Special Shareholder has the right to appoint any person, but not more than six at any time, to be Government Appointed Directors.

(b) Certain matters, in particular the alteration of the Articles of Association of the Company relating to the rights of the Special Shareholder, creation and issue of additional shares which carry different voting rights, the dissolution of the Company, substantial disposal of assets, amalgamations, merger and takeover, require the prior consent of the Special Shareholder.

(c) The Special Shareholder does not have any right to participate in the capital or profits of the Company.

(d) The Special Shareholder has the right to require the Company to redeem the Special Share at par at any time.

As at 31 August 1998, there were 6,745,000 (1997: 2,734,000) unissued ordinary shares under options granted pursuant to the Employee Share Option Scheme.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

19. SHARE PREMIUM

	Company	
	1998 RM'million	1997 RM'million
As at the beginning of the year	3,107.1	2,958.2
Arising in respect of ordinary shares issued under the Employee Share Option Scheme	-	148.9
As at the end of the year	3,107.1	3,107.1

20. RESERVES

	Distributable		Non-distributable		1998 Total RM'million	1997 Total RM'million
	Retained profits RM'million	Revaluation reserve RM'million	Foreign exchange reserve RM'million			
Group						
As at the beginning of the year	8,595.8	1,237.1	-	9,832.9	10,390.2	
Loss for the year	(3,205.5)	-	-	(3,205.5)	(405.3)	
Foreign currency translation reserves	-	-	(26.9)	(26.9)	-	
Capital reserve arising on equity accounting of associated companies written off on disposal	-	-	-	-	(152.0)	
As at the end of the year	5,390.3	1,237.1	(26.9)	6,600.5	9,832.9	
Company						
As at the beginning of the year	8,560.3	1,231.2	-	9,791.5	10,156.7	
Loss for the year	(3,250.8)	-	-	(3,250.8)	(365.2)	
As at the end of the year	5,309.5	1,231.2	-	6,540.7	9,791.5	

Subject to the agreement with the tax authorities, the Company has sufficient tax credits under Section 100(6) of the Income Tax Act, 1967 available to frank approximately RM1,579.3 million (1997: RM1,735.6 million) of its retained profits if paid out as dividends.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

21. CAPITAL AND OTHER COMMITMENTS

	Group 1998 RM'million	1997 RM'million	Company 1998 RM'million	1997 RM'million
Capital commitments				
Authorised capital expenditure not provided for in the accounts:				
Contracted for				
Capital expenditure	4,866.3	5,175.7	4,855.0	5,126.2
Equity participation in associated companies	76.1	14.6	8.8	14.6
Investment in other companies	21.1	13.5	21.1	13.5
Not contracted for				
Capital expenditure	4,534.4	14,237.3	4,287.0	14,237.1
Investment in other companies	-	0.6	-	0.6
	9,497.9	19,446.7	9,171.9	19,397.0

Other commitments

As at 31 August 1998, the outstanding notional principal quantities of derivative financial instruments contracts entered into by the Company is RM14,692.0 million (1997: RM2,501.6 million).

These instruments are executed with creditworthy financial institutions. The Directors of the Company are of the view that the possibility of non-performance by these financial institutions is remote on the basis of their respective financial strength.

One of the Company's subsidiaries, TNB Generation Sdn Bhd had entered into certain fuel derivative instruments for both hedging and discretionary trading purposes with outstanding notional principals as at 31 August 1998 amounting to approximately 3,330,000 barrels and 710,000 tons of Crude Oil and High Sulphur Fuel Oil, respectively. Based on fuel prices as at 31 August 1998, these notional principal quantities amounted to RM344,592,000.

22. CONTINGENT LIABILITIES

Claims by third parties	261.6	116.7	261.6	116.7
Trade guarantees and performance bonds	6.8	6.3	-	-
Housing loans sold to Cagamas Berhad	260.2	269.9	260.2	269.9
Corporate guarantee for long term loan	732.4	477.1	732.4	477.1
	1,261.0	870.5	1,254.2	868.7

Claims by third parties include claims by contractors, consultants, consumers and former employees. The Company is contingently liable in respect of housing loans sold to Cagamas Berhad, under the condition that the Company undertakes to administer the loans on behalf of Cagamas Berhad and to buy back any which is regarded as defective based on prudent criteria.

NOTES TO THE ACCOUNTS
31 AUGUST 1998 (CONTINUED)

23. SIGNIFICANT INTERCOMPANY TRANSACTIONS

In the normal course of business, the Company undertakes on agreed terms a variety of transactions with its subsidiary and associated companies.

The transactions carried out by the Group and Company are as follows:

	Group		Company	
	1998 RM'million	1997 RM'million	1998 RM'million	1997 RM'million
(a) Purchases of electricity from:				
- subsidiary company			3,921.3	-
- associated companies	2,039.8	1,566.0	2,039.8	1,566.0
(b) Interest income received from:			2.6	-
- subsidiary companies	-		13.9	14.0
- associated companies	13.9	14.0	13.9	14.0
(c) Leasing income received from:			1,156.8	-
- subsidiary company	-	-		
(d) Purchases of goods / services from:			379.9	265.8
- subsidiary companies	-	-		
(e) Transfer of fixed assets to:			24.7	-
- subsidiary companies	-	-		

During the year, the Company entered into a leasing arrangement with its wholly owned subsidiary company, TNB Generation Sdn Bhd. Under the arrangement, the Company agrees to lease all its generation power plants to TNB Generation Sdn Bhd. The subsidiary company is now undertaking the generation business and sells the electricity to the Company. The amounts of the lease rental received by the Company and the fixed assets leased are disclosed as above and in Note 8 respectively.

24. SUBSEQUENT EVENTS

- (i) A wholly owned subsidiary company, Sabah Electricity Sdn Bhd ('SESB') has signed a Privatisation Agreement ('agreement') with the Government on 26 August 1998. On 1 September 1998, subject to the terms and conditions of the agreement, the Government has agreed to privatise the business operations and public undertakings of Lembaga Elekrik Sabah by way of transfer of assets and liabilities to SESB.

The Company is required under the agreement to offer 20% each of the enlarged share capital of SESB to Petroliam Nasional Berhad and the Sabah State Government not later than 20 November 1998.

- (ii) Effective 1 September 1998, the Malaysian Ringgit was fixed at the rate of USD1.00 to RM3.80. Had the foreign currency denominated monetary assets and liabilities been translated at the fixed rate of USD1.00 to RM3.80, the translation loss as stated in Note 4(ii) to the accounts would be reduced by RM734.5 million.

**STATEMENT BY DIRECTORS PURSUANT
TO SECTION 169 (15) OF THE COMPANIES ACT, 1965**

We, Datuk Dr Ahmad Tajuddin bin Ali and Dato' Megat Abdul Rahman bin Megat Ahmad, two of the Directors of Tenaga Nasional Berhad, do hereby state that, in the opinion of the Directors, the accounts set out on pages 3 to 44 are drawn up so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 August 1998 and of the results of the Group and the Company and the cash flows of the Group for the financial year ended on that date.

On behalf of the Board



DATUK DR AHMAD TAJUDDIN BIN ALI
EXECUTIVE CHAIRMAN & PRESIDENT



DATO' MEGAT ABDUL RAHMAN BIN MEGAT AHMAD
DIRECTOR

Kuala Lumpur
10 November 1998

STATUTORY DECLARATION

I, Syed Fahkri Barakbah bin Tun Syed Shah Barakbah, the person primarily responsible for the financial management of Tenaga Nasional Berhad, do solemnly and sincerely declare that the accounts set out on pages 8 to 44 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Syed Fahkri
Barakbah bin Tun Syed Shah Barakbah
at Kuala Lumpur, Malaysia on
10 November 1998



SYED FAHKRI BARAKBAH BIN
TUN SYED SHEH BARAKBAH

Before me,



ABAS BIN HASAN
Commissioner For Oaths

Kuala Lumpur
10 November 1998

1st, Floor Putra Flatlet
101, Jalan Putra
50350 Kuala Lumpur

AUDITORS' REPORT TO THE MEMBERS OF TENAGA NASIONAL BERHAD

11th Floor, Wisma Sirme Darby
Jalan Raja Laut
P O Box 10192
50706 Kuala Lumpur, Malaysia

Telephone: 03-293 1077
Cable: 'Pricewater'
Telex: MA 30018
Telecopier: 03-293 0997
Mail Room: 10th Floor

Price Waterhouse



We have audited the accounts set out on pages 8 to 44. These accounts are the responsibility of the Company's directors. Our responsibility is to express an opinion on these accounts based on our audit.

We conducted our audit in accordance with approved Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and significant estimates made by directors, as well as evaluating the overall accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the accounts give a true and fair view of the state of affairs of the Group and the Company as at 31 August 1992 and of the results of the Group and the Company and the cash flows of the Group for the financial year ended on that date in accordance with the applicable approved Accounting Standards and comply with the Companies Act, 1965; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

The names of the subsidiaries of which we have not acted as auditors are indicated in Note 9 to the accounts. We have considered the accounts of these subsidiaries and the auditors' reports thereon.

We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's accounts are in form and content appropriate and proper for the purposes of the preparation of the consolidated accounts and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the accounts of the subsidiaries that have been consolidated were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.

Price Waterhouse

PRICE WATERHOUSE
(No. AF-0052)
Public Accountants

V. Uthaya Kumar

UTHAYA KUMAR S/O H. VIVEKANANDA
(No. 1455/6/00 (J))
Partner of the firm

Kuala Lumpur
10 November 1993

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Penyata Kewangan

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LAPORAN PENGARAH BAGI TAHUN KEWANGAN BERAKHIR PADA 31 OGOS 1998

Pengarah-Pengarah dengan ini mengemukakan Laporan mereka berserta dengan akaun-akaun Kumpulan dan Syarikat yang telah disudit bagi tahun kewangan berakhir 31 Ogos 1998.

AKTIVITI UTAMA

Aktiviti utama Syarikat ialah penghantaran, pembahagian dan penjualan tenaga elektrik. Aktiviti penjanaan telah diambil alih oleh syarikat subsidiari hak milik penuh Syarikat, TNB Generation Sdn Bhd pada 1 September 1997.

Aktiviti utama syarikat-syarikat subsidiari adalah sepetimana tercatat dalam Nota 9 kepada akaun. Dalam tahun kewangan ini, tidak terdapat perubahan penting dalam aktiviti-aktiviti tersebut kecuali seperti dinyatakan diatas.

KEPUTUSAN KEWANGAN

	Kumpulan RM'juta	Syarikat RM'juta
Kerugian selepas cukai	3,094.3	3,139.2
Kepentingan minoriti	(0.4)	-
Kerugian milik pemegang saham	3,093.9	3,139.2
Dividen:		
Akhir - 5 sen kasar sesaham ditolak: 28% cukai pendapatan, dicadangkan	111.6	111.6
Kerugian bagi tahun	3,205.5	3,250.8

**LAPORAN PENGARAH BAGI TAHUN KEWANGAN
BERAKHIR 31 OGOS 1998 (SAMBUNGAN)**

DIVIDEN

RM'juta

Jumlah dividen dibayar ataupun diisyiharkan sejak 31 Ogos 1997 adalah seperti berikut:

Bagi tahun kewangan berakhir 31 Ogos 1997, seperti yang dinyatakan dalam Laporan Pengarah untuk tahun berkenaan:

Dividen akhir 7 sen kasar sesaham ditolak 28%
cukai pendapatan, dibayar pada 20 Januari 1998

156.2

Pengarah-Pengarah mencadangkan pembayaran dividen pertama dan akhir sebanyak 5 sen kasar sesaham ditolak cukai pendapatan yang mana, akan ditentukan menerusi persetujuan ahli-ahli pada Mesyuarat Agung Tahunan Syarikat, akan dibayar pada 25 Januari 1999.

RIBAB DAN PERUNTUKAN

Pindahan penting kepada atau daripada ribab dan peruntukan pada tahun kewangan adalah seperti mana tercatut dalam nota-nota kepada akaun.

SKIM-SKIM OPSYEN SAHAM

Opsiens-opsyen di bawah Skim Opsyen Saham Anggota Kerja ('ESOS') membolehkan Pengarah-Pengarah, Anggota Kerja dan Pesara Kumpulan yang layak untuk melanggan saham biasa bernilai RM1.00 setiap satu. Skim Opsyen Saham Anggota Kerja ini berkuatkuasa pada hari-hari tertentu dalam tempoh mulai 5 Jun 1998, tetapi tidak lewat dari tiga puluh hari sebelum 11 Mei 1997, seperti ditentukan di dalam undang-undang kecil Skim Opsyen Saham Anggota Kerja. Pada Mesyuarat Agung Luarbiasa yang diadakan pada 6 Jun 1996, para pemegang-pemegang saham meluluskan tempoh lanjutan 'ESOS' kepada lima tahun yang akan tamat pada 11 Mei 2002.

4,011,000 opsyen ditawarkan semasa tahun kewangan kepada mereka yang layak. Tidak ada opsyen dilaksanakan sepanjang tahun kewangan. Setakat 31 Ogos 1998, sejumlah 6,745,000 saham biasa RM1.00 setiap satu belum dilaksanakan di bawah Skim Opsyen Saham Anggota Kerja.

Setakat 31 Ogos 1998, opsyen-opsyen yang berjumlah 2,734,000 saham biasa RM1.00 setiap satu pada harga pelaksanaan RM11.61, opsyen-opsyen berjumlah 2,711,000 saham biasa RM1.00 setiap satu pada harga RM7.92 dan opsyen-opsyen berjumlah 300,000 saham biasa RM1.00 setiap satu pada harga pelaksanaan RM7.06 dalam Syarikat telah diberikan kepada mereka yang layak. Harga pelaksanaan ini ditentukan berdasarkan purata harga bagi lima hari pasaran sebelum tarikh tawaran. Bagi penetapan harga purata, harga penutup belian dan jualan saham biasa Syarikat seperti dinyatakan di dalam senarai harian rasmi dikeluarkan oleh Bursa Saham Kuala Lumpur digunakan.

Mereka yang telah diberi opsyen-opsyen di bawah Skim Opsyen Saham Anggota Kerja tidak berhal untuk menyertai dalam sebarang skim opsyen mana-mana syarikat melalui opsyen-opsyen ini.

**LAPORAN PENGARAH BAGI TAHUN KEWANGAN
BERAKHIR 31 OGOS 1998 (SAMBUNGAN)**

LEMBAGA PENGARAH

Pengarah-pengarah yang telah memegang jawatan di dalam tempoh semenjak tarikh laporan lalu adalah:

Datuk Dr Ahmad Tajuddin bin Ali
(Pengerusi Eksekutif & Presiden)

Dato' Dr Abdul Aziz bin Mohd Yaacob
(Dilantik berkuatkuasa 1 Mei 1998)

Dato' Nuraizah binti Abdul Hamid

Dato' Zainun Aishah binti Ahmad

Dato' Megat Abdul Rahman bin Megat Ahmad

Dato' Lau Yin Pin @ Lau Yen Beng

Tan Sri Dato' Chan Choong Tak

Dato' Hari Narayanan a/l Govindasamy

Haji Mohd Yusof bin Ibrahim
(Dilantik berkuatkuasa 19 Februari 1998)

Haji Mokatar Rudin bin Wan Yusof
(Dilantik berkuatkuasa 19 Februari 1998)

Dato' Fuad bin Jaafar
(Pengarah Eksekutif/Najib Presiden Kanan)

Kamariah binti Hussain
(Dilantik berkuatkuasa 1 Mei 1998)
(Pengarah Pengganti kepada Dato' Dr Abdul Aziz bin Mohd Yaacob)

Husniarti binti Tamin
(Pengarah Pengganti kepada Dato' Nuraizah binti Abdul Hamid)

Datuk Dr Aris bin Osman @ Othman
(Meletak jawatan berkuatkuasa 4 Mac 1998)

Ab. Rahman bin Hamzah
(Meletak jawatan Pengarah Pengganti kepada Datuk Dr Aris bin Osman @ Othman pada 4 Mac 1998)

Dato' Hanifah bin Noordin
(Bersara berkuatkuasa 27 November 1997)

Zubir bin Embong
(Bersara berkuatkuasa 29 Disember 1997 menurut Artikel 135 Tataurusan Syarikat)

Haji Mokatar Rudin bin Wan Yusof dan Haji Mohd Yusof bin Ibrahim yang bersara menurut Artikel 133 Tataurusan Syarikat pada Mesyuarat Agung Tahunan yang akan datang, layak dipilih dan menawarkan diri untuk dipilih.

Dato' Hari Narayanan a/l Govindasamy bersara menurut Artikel 135 Tataurusan Syarikat pada Mesyuarat Agung Tahunan yang akan datang, layak dipilih dan menawarkan diri untuk dipilih semula.

Pengarah-Pengarah yang dilantik oleh Kerajaan tidak tertakluk kepada persaraan mengikut giliran dan adalah seperti berikut:

1. Datuk Dr Ahmad Tajuddin bin Ali
2. Dato' Dr Abdul Aziz bin Mohd Yaacob
(Dilantik berkuatkuasa 1 Mei 1998)
3. Dato' Nuraizah binti Abdul Hamid
4. Dato' Zainun Aishah binti Ahmad
5. Dato' Fuad bin Jaafar

Di sepanjang dan pada akhir tahun kewangan, tiada sebarang urusan melibatkan Syarikat, yang bertujuan atau mempunyai tujuan untuk membolehkan Pengarah-Pengarah Syarikat mendapat faedah secara memperolehi saham atau debentur Syarikat atau mana-mana badan korporat selain daripada opsyen saham yang dilaksanakan oleh Pengarah-Pengarah, di bawah Skim Opsyen Saham Anggota Kerja.

Sejak akhir tahun kewangan yang lalu, tiada Pengarah menerima atau menjadi layak untuk menerima faedah (selain daripada faedah yang dilaporkan sebagai ganjaran dan faedah Pengarah-Pengarah di dalam Nota 4(i) kepada akaun) berikutan daripada sebarang kontrak yang dibuat oleh Syarikat atau sebuah syarikat yang berkait dengan Pengarah atau sebuah firma yang Pengarah merupakan seorang ahli, atau sebuah syarikat yang Pengarah mempunyai pegangan kewangan yang penting.

Mengikut Daftar Pemegang Saham Pengarah-Pengarah, kepentingan Pengarah-Pengarah yang menyandang jawatan pada akhir tahun kewangan di dalam saham-saham biasa Syarikat adalah seperti berikut:

Bilangan saham-saham biasa bernilai RM1.00 sesaham

Tenaga Nasional Berhad	Pada 1.9.1997	Dibeli	Dijual	Pada 31.8.1998
Dato' Megat Abdul Rahman bin Megat Ahmad	10,000	-	-	10,000
Dato' Lau Yin Pin @ Lau Yen Beng	10,000	1,000	-	11,000
Dato' Fuad bin Jaafar	82,000	-	10,000	72,000
Haji Mohd Yusof bin Ibrahim	84,000	-	35,000	49,000

Bilangan opsyen-opsyen saham biasa bernilai RM1.00 sesaham

Tenaga Nasional Berhad	Harga pelaksanaan*	Pada 1.9.1997	Diperolehi	Dilaksana/ Dijual	Pada 31.8.1998
Datuk Dr Ahmad Tajuddin bin Ali	7.06	-	300,000	-	300,000

*RM sesaham

Tiada pengarah lain yang menyandang jawatan pada akhir tahun kewangan yang memiliki kepentingan di dalam saham-saham Syarikat serta badan-badan korporat yang mempunyai kaitan dengannya.

**LAPORAN PENGARAH BAGI TAHUN KEWANGAN
BERAKHIR 31 OGOS 1998 (SAMBUNGAN)**

MARLUMAT BERKAITAN KE ATAS AKAUN-AKAUN

Sebelum saksun untung rugi dan kunci kira-kira Kumpulan dan Syarikat disediakan, Pengaruh-Pengaruh telah mengambil langkah-langkah sewajarnya:

- (a) bagi memastikan bahawa tindakan telah diambil berhubung dengan penghapusan hutang lopuk dan penyediaan peruntukan bagi hutang rugu dan adslah berpuas hati bahawa kesemua hutang yang diketahui lopuk telah dihapuskan dan peruntukan yang memadai telahpun dibuat untuk hutang rugu; dan
- (b) bagi menentukan sebarang aset semasa, selain daripada hutang, yang ada kemungkinan nilai set tersebut seperti mana tercalat di dalam rekod akaun Kumpulan dan Syarikat tidak dapat direalisasikan pada nilai tercatat itu telah dikurangkan nilainya kepada suatu jumlah yang lebih berpatutan untuk direalisasikan.

Pada tarikh Laporan ini, Pengaruh-Pengaruh tidak mengetahui sebarang keadaan:

- (a) yang boleh menyebabkan jumlah yang dihapuskan sebagai hutang lopuk ataupun jumlah peruntukan hutang rugu di dalam akaun Kumpulan dan Syarikat menjadi tidak memadai yang akan membawa kesan yang ketara; atau
- (b) yang boleh menimbulkan kekeliruan ke atas nilai yang diletakkan ke atas aset semasa di dalam akaun Kumpulan dan Syarikat; atau
- (c) yang boleh mengakibatkan kaedah penilaian aset atau tanggungan Kumpulan dan Syarikat mengelirukan atau tidak sesuai.

Tiada tanggungan luarjangka atau tanggungan-tanggungan lain telah berkuatkuasa atau berkemungkinan menjadi berkuatkuasa di dalam tempoh dua belas bulan selepas penghujung tahun kewangan, yang pada pendapat Pengaruh-Pengaruh akan ataupun berkemungkinan akan menjaeakkan dengan ketara keupayaan Kumpulan dan Syarikat untuk manunaikan kewajipan tanggungan tersebut apabila tiba masanya.

Pada tarikh Laporan ini, tidak wujud:

- (a) sebarang caj ke atas aset Kumpulan dan Syarikat yang telah timbul selepas penghujung tahun kewangan yang menjamin tanggungan pihak lain; atau
- (b) sebarang tanggungan luar jangka Kumpulan dan Syarikat yang telah timbul sejak penghujung tahun kewangan.

**LAPORAN PENGARAH BAGI TAHUN KEWANGAN
BERAKHIR 31 OGOS 1998 (SAMBUNGAN)**

MAKLUMAT-MAKLUMAT BERKANUN LAIN

Pada tarikh Laporan ini, Pengaruh-Pengaruh tidak mengetahui sebarang keadaan yang belum diambil kira di dalam Laporan atau pun akaun yang jika keadaan ini wujud boleh menjadikan masing-masing jumlah yang tercatat di dalam akaun ini mengelirukan.

Pada pendapat Pengaruh-Pengaruh:

- (a) kecuali yang dinyatakan pada Nota 4(i) dan 4(ii) kepada akaun, keputusan operasi Kumpulan dan Syarikat bagi tahun kewangan yang dilaporkan tidak terjejas dengan ketara akibat sebarang perkara, urusan atau kejadian yang penting dan luar biasa; dan
- (b) kecuali yang dinyatakan pada Nots 24 kepada akaun, tiada timbul di dalam tempoh di antara penghujung tahun kewangan dan tarikh Laporan ini, sebarang perkara, urusan atau kejadian yang penting dan luar biasa yang berlakunya akan menjadikan dengan ketara keputusan operasi Kumpulan atau Syarikat untuk tahun kewangan yang dilaporkan ini.

JURUAUDIT

Juruaudit kami, Price Waterhouse, telah bersatu dengan Coopers & Lybrand pada 1 Julai 1998 dan resolusi untuk melantik firma baru PricewaterhouseCoopers, sebagai juruaudit kepada Syarikat akan dicadangkan pada Mesyuarat Agung Tahunan yang akan datang.

Bagi pihak Lembaga Pengaruh



DATUK DR AHMAD TAJUDDIN BIN ALI
PENGARUH EKSEKUTIF & PRESIDEN



DATO' MEGAT ABDUL RAHMAN BIN MEGAT AHMAD
PENGARAH

Kuala Lumpur
10 November 1998

**AKAUN UNTUNG RUGI BAGI
TAHUN KEWANGAN BERAKHIR 31 OGOS 1998**

	Nota	Kumpulan		Syarikat	
		1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
Perolehan	3	11,439.4	10,014.8	11,316.7	9,928.7
Keuntungan operasi	4(i)	633.9	1,269.5	603.4	1,444.3
Kerugian pertukaran matawang asing	4(ii)	(3,506.4)	(1,294.7)	(3,502.6)	(1,294.3)
Hak keuntungan dalam syarikat bersekutu		84.1	69.9	-	-
(Kerugian) Keuntungan sebelum cukai		(2,788.4)	144.7	(2,899.2)	149.5
Cukai	5	(305.9)	(279.9)	(240.0)	(250.0)
Kerugian selepas cukai		(3,094.3)	(135.2)	(3,139.2)	(100.5)
Kepentingan minoriti		0.4	(5.4)	-	-
Kerugian milik pemegang saham		(3,093.9)	(140.6)	(3,139.2)	(100.5)
Dividen	6	(111.6)	(264.7)	(111.6)	(264.7)
Kerugian bagi tahun	20	(3,205.5)	(405.3)	(3,250.8)	(265.2)
		Sen	Sen		
Kerugian sesaham	7(i)	(99.8)	(4.6)		

Nota-nota di muka surat 12 hingga 44 merupakan sebahagian daripada aksun ini.

**KUNCI KIRA-KIRA
PADA 31 OGOS 1998**

	Nota	Kumpulan		Syarikat	
		1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
ASET TETAP	8	39,188.4	34,148.8	37,969.4	34,127.1
SYARIFAT-SYARIFAT SUBSIDIARI	9	-	-	23.4	13.3
SYARIFAT-SYARIFAT BERSEKUTU	10	358.4	324.0	253.1	279.9
PELABURAN	11	404.6	406.8	403.6	405.8
ASET SEMASA	12	3,784.8	3,836.8	3,460.7	3,752.5
TANGGUNGAN SEMASA	13	(4,492.3)	(4,695.2)	(3,727.7)	(4,620.0)
TANGGUNGAN SEMASA BERSIH		(707.5)	(353.4)	(267.0)	(537.5)
JUMLAH ASET TOLAK TANGGUNGAN SEMASA		39,243.9	34,021.2	38,382.5	33,958.6
 TANGGUNGAN JANGKA PANJANG					
Pinjaman berpenggal	14	(22,300.4)	(14,475.8)	(21,625.6)	(14,466.3)
Wang cagaran pelanggan		(935.0)	(306.0)	(935.0)	(305.9)
Ganjaran persaraan	15	(259.3)	(224.1)	(254.6)	(223.1)
Tanggungan - tanggungan lain		(94.4)	(98.8)	(94.1)	(98.4)
		(23,589.1)	(15,604.7)	(22,909.3)	(15,593.7)
CUKAI TERTUNDÀ	16	(786.4)	(565.6)	(800.0)	(600.0)
PENDAPATAN TERTUNDÀ	17	(1,925.4)	(1,766.3)	(1,925.4)	(1,766.3)
		12,943.0	16,064.6	12,747.8	15,998.6
Dibayai oleh:					
MODAL SAHAM	18	3,100.0	3,100.0	3,100.0	3,100.0
PREMIUM SAHAM	19	3,107.1	3,107.1	3,107.1	3,107.1
RIZAB	20	6,600.5	9,882.9	6,540.7	9,791.5
DANA PEMEGANG SAHAM		12,807.6	16,040.0	12,747.8	15,998.6
KEPENTINGAN MINORITI		135.4	24.6	-	-
		12,943.0	16,064.6	12,747.8	15,998.6
		Sen	Sen		
ASET BERSIH SESAHAM	7(ii)	418	518		

Nota-nota di muka surat 12 hingga 44 merupakan sebahagian daripada skaun ini.

**PENYATA ALIRAN TUNAI KUMPULAN
BAGI TAHUN KEWANGAN BERAKHIR 31 OGOS 1998**

	1998 RM'juta	1997 RM'juta
ALIRAN TUNAI DARIFADA AKTIVITI OPERASI		
(Kerugian)/keuntungan sebelum cukai	(2,788.4)	144.7
Pelarasan untuk:		
Susutnilai	1,412.7	1,038.3
Peruntukan untuk ganjaran persaraan	39.3	67.0
Perbezaan pertukaran atas pinjaman matawang asing	3,098.4	1,087.6
Pelepasan pendapatan tertunda	(241.1)	(229.8)
Kerugian dari jualan aset tetap	94.7	6.8
Keuntungan saham dalam syarikat bersekutu	(84.1)	(69.9)
Kerugian/(keuntungan) atas pelaburan	19.2	(1.7)
Pendapatan dari pelaburan	(19.0)	(36.5)
Pendapatan dari faedah	(89.1)	(57.8)
Faedah atas pinjaman	1,253.8	676.0
Aset tetap dihapuskan	0.2	12.0
Keuntungan dari pelupusan saham dalam syarikat bersekutu	-	(157.3)
Peruntukan pengurangan nilai pelaburan	6.7	-
Keuntungan operasi sebelum perubahan modal kerja	2,703.3	2,480.4
Pengurangan/(pertambahan) stok	81.3	(230.3)
Pengurangan/(pertambahan) siber hutang	78.3	(2.7)
Pertambahan sipiutang	429.8	518.3
Tunai berpunca dari operasi	3,292.7	2,765.7
Ganjaran persaraan dibayar	(4.1)	(23.7)
Pendapatan tertunda diterima	400.2	336.3
Cagaran pelanggan diterima	129.0	116.5
Cukai dibayar	(86.6)	(119.3)
Tunai bersih dari aktiviti operasi	3,731.2	3,070.5
ALIRAN TUNAI DARI AKTIVITI PELABURAN		
Perolehan syarikat subsidiari	(33.0)	-
Pelaburan tambahan dalam syarikat-syarikat bersekutu	(8.7)	(26.9)
Pembelian pelaburan	(4.5)	(23.1)
Hasil daripada penetapan balik saham keutamaan dalam syarikat-syarikat bersekutu	26.0	-
Hasil daripada penetapan balik nota pinjaman tidak bercagar dalam syarikat-syarikat bersekutu	6.9	-
Hasil bersih dari penjualan saham sekuriti	38.7	47.1
Pendapatan pelaburan diterima	19.0	36.5
Pendapatan faedah diterima	89.1	57.8
Pembelian aset tetap	(5,692.7)	(7,054.3)
Hasil daripada jualan aset tetap	7.1	5.2
Tunai bersih digunakan dalam aktiviti pelaburan	(5,552.1)	(6,957.7)

**PENYATA ALIRAN TUNAI KUMPULAN
BAGI TAHUN KEWANGAN BERAKHIR 31 OGOS 1998 (SAMBUNGAN)**

	1998 RM'juta	1997 RM'juta
ALIRAN TUNAI DARI AKTIVITI PEMBIAYAAN		
Hasil dari terbitan saham	168.5	
Hasil daripada pinjaman jangka panjang	5,023.4	5,907.8
Pembayaran balik pinjaman jangka panjang	(693.4)	(560.2)
Faedah dibayar	(1,102.0)	(533.9)
Dividen dibayar	(156.2)	(259.4)
Dividen dibayar kepada kepentingan minoriti	(0.4)	(1.9)
Tunai bersih daripada aktiviti pembiayaan	3,071.4	4,720.9
PERTAMBAHAN BERSIH TUNAI DAN BERSAMAAN TUNAI	1,250.5	888.7
TUNAI DAN BERSAMAAN TUNAI PADA AWAL TAHUN	(595.4)	(1,429.1)
TUNAI DAN BERSAMAAN TUNAI PADA AKHIR TAHUN	655.1	(595.4)
Tunai dan bersamaan tunai pada akhir tahun:		
Wang di bank dan dalam tangan	272.3	249.4
Deposit di bank-bank berlesen	747.7	710.2
Deposit di syarikat-syarikat kewangan	92.6	
Overdraft bank - tidak bercagar	(394.0)	(403.2)
Pinjaman jangka pendek - tidak bercagar	(63.5)	(1,146.3)
	655.1	(595.4)
RINGKASAN HESAN DARI PEROLEHAN SAHAM SYARIKAT SUBSIDIARI:		
Aset bersih dimiliki:		
Aset tetap	886.3	
Aset semasa	170.9	
Tanggungan semasa	(96.6)	
Pinjaman berpenggal	(659.4)	
Kepentingan minoriti	(114.5)	
Tunai dibayar untuk saham diperolehi	186.7	
Baki tunai dari perolehan syarikat subsidiari	(153.7)	
Aliran tunai bersih dari perolehan	33.0	

Nota-nota di muka surat 12 hingga 44 merupakan sebahagian daripada akaun ini.

NOTA-NOTA KEPADA AKAUN

31 OGOS 1998

1. ASAS PERAKAUNAN

Akaun ini disediakan berdasarkan konvensyen kos sejarah yang telah diubahtera dengan penilaian semula aset tetap yang tertentu dan mengikut Standard-Standard Perakaunan diluluskan yang sewajarnya.

2. DASAR-DASAR PERAKAUNAN UTAMA

Dasar-dasar perakaunan utama bagi Kumpulan adalah sejajar dengan dasar-dasar yang diamalkan pada tahun kewangan lepas dan diringkaskan seperti berikut:

(a) Asas penyatuan

Akaun disatukan meliputi akaun Syarikat dan syarikat-syarikat subsidiari yang telah disediakan sehingga penghujung tahun kewangan. Keputusan kewangan syarikat-syarikat subsidiari yang diperolehi dalam tahun kewangan dimasukkan ke dalam akaun untung rugi disatukan dari tarikh perolehan masing-masing.

Muhikah harta yang terbit akoran penyatuan merupakan lebihan harga pembelian daripada nilai saham harta bersih syarikat-syarikat subsidiari pada tarikh perolehan dan dihapuskan kepada rizab dalam tahun perolehan.

(b) Syarikat-syarikat bersekutu

Syarikat bersekutu adalah syarikat, selain daripada syarikat subsidiari, di mana Kumpulan mempunyai kepentingan ekuiti jangka panjang tidak kurang daripada 20% dan Kumpulan diwakili dalam Lembaga Pengaruhnya dan mempunyai pengaruh penting terhadap dasar-dasar kewangan dan operasi Syarikat.

Akaun disatukan termasuk hak Kumpulan yang sewajarnya kepada keuntungan dan rizab syarikat-syarikat bersekutu berdasarkan akaun pengurusan yang diediskan sehingga tarikh akaun Syarikat. Premium yang dibayar ke atas pembelian dihapuskan terhadap rizab.

(c) Matawang asing

Urusniaga matswang asing ditukarkan kepada Ringgit Malaysis pada kadar pertukaran tarikh urusniaga berlaku. Aset dan tanggungan dalam matswang asing telah ditukarkan mengikut kadar yang berkaitkuasa pada tarikh kunci kira-kira. Semua perbezaan pertukaran telah diambilkira di dalam akaun untung rugi.

Keputusan syarikat-syarikat subseidiari dan syarikat-syarikat bersekutu di luar negeri ditukarkan kepada Ringgit Malaysia menurut kadar pertukaran purata tahun kewangan. Aset dan tanggungan ditukar menjadi Ringgit Malaysia menurut kadar pertukaran yang berkaitkuasa pada tarikh kunci kira-kira. Perbezaan pertukaran hasil daripada penukaran keputusan tahun itu menurut kadar purata dan aset serta tanggungan menurut kadar hujung tahun, dan penyataan semula menurut kadar hujung tahun bagi pelaburan pembukaan bersih dalam syarikat-syarikat subsidiari serta syarikat-syarikat bersekutu di luar negeri dimasukkan ke suatu akaun rizab tukaran mata wang asing sebagai komponen ekuiti pemegang saham.

(d) Aset tetap dan susutnilai

Tanah milik bebas dan projek modal dalam pembinaan tidak disusutnilai. Perlunasan bagi tanah pegangan pajak dikira berdasarkan kepada jangka masa pajakan.

Susutnilai disediakan bagi kategori aset-aset tetap lain berdasarkan kaedah garis lurus yang menggambarkan anggaran hayat berguna aset-aset tersebut.

Anggaran hayat berguna aset-aset adalah seperti berikut:-

Bangunan dan kerja awam	10 hingga 60 tahun
Loji dan jentera	10 hingga 40 tahun
Talian dan sesetur pembahagian, perkhidmatan pembahagian, meter dan lampu awam	15 hingga 35 tahun
Persbot, pepasangan, dan kelengkapan pejabat	5 hingga 10 tahun
Kenderaan	5 hingga 10 tahun

(e) Faedah dipermodalkan

Faedah yang dikenakan ke atas pinjaman luar berkaitan dengan projek modal dalam pembinaan adalah dipermodalkan sehingga aset-aset tersebut sedia untuk digunakan.

(f) Stok

Stok dinyatakan pada yang mana lebih rendah antara kos dan nilai realisasi bersih. Kos projek dalam pembinaan dan barang-barang siap meliputi kos bahan mentah, buruh langsung dan sebahagian dari overhead kos pengeluaran. Kos ditentukan mengikut dasar purata berwajaran atau dasar masuk-dulu keluar-dulu.

(g) Sekuriti boleh niaga

Sekuriti boleh niaga dinyatakan pada yang mana lebih rendah antara kos dan nilai pasaran pada dasar berkumpulan.

(h) Ganjaran persaraan

Kumpulan membuat caruman kepada Skim Ganjaran Persaraan Syarikat, iaitu sebuah "skim ganjaran tertentu" dan tabung yang diiktirafkan serta bebas daripada kewangan Syarikat. Kos bagi ganjaran persaraan di bawah Skim ini ditentukan mengikut penilaian aktuari dengan menggunakan Kaedah Pencapaian Umur. Peruntukan telah dibuat dalam akaun bagi baki Skim yang tidak dibiayai dari sumber luar. Kos perkhidmatan semasa, kos perkhidmatan lalu dan pelaras pengalaman mengenai Skim Ganjaran Persaraan Syarikat dihuraikan dengan sistematik dalam akaun untung rugi pada sepanjang baki jangka hayat perkhidmatan ahli-ahli.

(i) Cukai tertunda

Cukai tertunda, berasaskan kepada perbezaan masa di antara keuntungan yang dikenakan cukai dan yang dilapor, diperuntukkan berdasarkan kaedah tanggungan, kecuali, jika ada kemungkinan munasabah, kesan cukai yang timbul daripada perbezaan masa tersebut dijangka tidak akan berubah sebaliknya sepanjang tempoh masa depan yang dapat diramalkan.

Cukai tertunda aset tidak diiktiraf, kecuali direalisasinya.

(j) Pelaburan

Pelaburan yang dipegang untuk jangka panjang dinyatakan mengikut kos dikurangkan dengan peruntukan untuk sebarang penurunan nilai secara kekal.

(k) Pendapatan tertunda

Pelanggan-pelanggan tertentu dikehendaki mencarum terhadap kos projek-projek modal yang mendatangkan hasil. Caruman ini dikreditkan ke akaun pendapatan tertunda dan dilepaskan kepada akaun untung rugi mengikut kaedah garis lurus selama 15 tahun.

(l) Pajakan beroperasi

Pajakan-pajakan yang mana kebanyakannya ganjaran dan risiko pemilikan aset kekal dengan pemegang pajakan adalah diambilkira sebagai pajakan beroperasi. Sewaan ke atas pajakan beroperasi diambilkira dalam akaun untung rugi menurut dasar terakru.

(m) Wang tunai dan bersamaan wang tunai

Wang tunai dan bersamaan wang tunai merangkumi baki bank, deposit dengan tempoh matang tidak melebihi 3 bulan dan wang tunai dalam tangan ditolak pinjaman jangka pendek berbayar atas tuntutan.

(n) Instrumen lindungnilai derivatif kewangan

Instrumen lindungnilai derivatif kewangan digunakan dalam pengurusan risiko Syarikat bagi pendedahan matawang asing dan kadar faedah kepada tanggungan kewangannya. Prinsip-prinsip perakaunan lindungnilai digunakan dalam perakaunan pendedahan terlindung dan instrumen-instrumen lindungnilainya. Tanggungan matawang asing yang terlindung ditukarkan dengan kadar pertukaran terlindungnilai masing-masing, dan perbezaan resit dan bayaran faedah yang timbul daripada instrumen derivatif diakrukan supaya dapat memadankan perbezaan bersih dengan perbelanjaan berkaitan mengenai tanggungan lindungnilai. Tiada sebarang jumlah diiktiraf berhubung tempoh masa depan.

NOTA-NOTA KEPADA AKAUN
31 OGOS 1998 (SAMBUNGAN)

3. PEROLEHAN

	Kumpulan		Syarikat	
	1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
Perolehan terdiri daripada:				
Jualan - elektrik	11,075.6	9,699.9	11,075.6	9,699.9
- barang-barang dan perkhidmatan	122.7	86.1		
Pelepasan pendapatan tertunda (Nota 17)	241.1	228.8	241.1	228.8
	11,439.4	10,014.8	11,316.7	9,928.7
 4(i) KEUNTUNGAN OPERASI SEBELUM CUKAI				
Keuntungan operasi sebelum cukai adalah selepas dicajian/dikreditkan):				
Ganjaran Pengarah-Pengaruh				
- bayaran	0.4	0.3	0.1	0.1
- lain-lain ganjaran	0.7	0.7	0.7	0.6
Ganjaran juruaudit	0.5	0.4	0.2	
Susutnilai	1,412.7	1,038.3	1,406.8	1,035.8
Faedah dibayar untuk pinjaman	1,253.8	676.0	1,251.7	675.9
Faedah dibayar untuk wang cagaran pelanggan	43.2	38.1	43.2	38.1
Ganjaran persaraan	57.6	67.0	53.6	66.6
Sewaan tanah dan bangunan	39.4	19.6	16.8	17.9
Sewaan loji dan jentera	9.7	7.5	9.4	7.4
Dividen dari syarikat subsidiari	-	-	(6.3)	(7.7)
Keuntungan daripada jualan saham dalam syarikat bersekutu	-	(157.3)	-	(231.6)
Perbelanjaan penyelidikan dan pembangunan	34.9	31.6	34.4	31.6
Kerugian/(keuntungan) pelaburan - saham tercatat	19.2	(1.7)	19.2	(1.7)
Pendapatan pelaburan - saham tidak tercatat	(19.0)	(36.5)	(19.0)	(36.5)
Pendapatan faedah	(89.1)	(57.2)	(79.7)	(54.6)
Pendapatan sewaan	(5.9)	(3.4)	(3.3)	(3.4)
Kerugian dari jualan aset tetap	94.7	6.8	94.7	6.9
Peruntukan pengurangan nilai				
- sekuriti boleh niaga	32.6	50.9	32.6	50.9
- saham tidak tercatat	6.7	-	6.7	-
Aset tetap dihapus kira	0.2	12.0	-	-
Pendapatan pajakan dari syarikat subsidiari	-	-	(1,156.8)	-

Anggaran nilai wang bagi manfaat bukan dalam bentuk wang yang diterima oleh Pengarah-Pengaruh adalah Tiada (1997: RM28,000) bagi Kumpulan dan adalah Tiada (1997: RM26,000) bagi Syarikat.

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

4(ii) KERUGIAN PERTUKARAN MATAWANG ASING

	Kumpulan 1998 RM'juta	1997 1998 RM'juta	Syarikat 1997 RM'juta
Kerugian bersih pertukaran matawang asing terdiri daripada:			
Kerugian pertukaran - Pinjaman Asing	(3,109.2)	(1,284.5)	(3,109.2)
Keuntungan/(kerugian) pertukaran - Lain-lain (Kerugian)/Keuntungan urusniaga	148.8 (546.0)	(28.4) 15.2	148.8 (542.2)
	(3,506.4)	(1,294.7)	(3,502.6)
			(1,294.8)
Kerugian pertukaran adalah bagi pinjaman asing yang dibayar balik untuk tempoh-tempoh berikut:			
Dalam tempoh satu tahun	(90.6)	(199.7)	(90.6)
Selepas satu tahun sehingga dua tahun	(94.7)	(34.0)	(94.7)
Selepas dua tahun sehingga lima tahun	(317.3)	(103.3)	(317.3)
Selepas lima tahun sehingga sepuluh tahun	(1,868.9)	(709.8)	(1,868.9)
Selepas sepuluh tahun sehingga dua puluh tahun	(80.2)	(30.5)	(80.2)
Selepas dua puluh tahun sehingga tiga puluh tahun	(460.3)	(144.7)	(460.3)
Selepas tiga puluh tahun sehingga sembilan puluh tahun	(197.2)	(62.0)	(197.2)
Selepas sembilan puluh tahun	(3,109.2)	(1,284.5)	(3,109.2)
			(1,234.5)
5. CUKAI			
Cukai semasa	79.5	62.2	40.0
Cukai tertunda	200.9	194.3	200.0
Perlongsian cukai dalam syarikat-syarikat bersatu	25.5	23.4	-
	305.9	279.9	240.0
			250.0

Cukai yang dikenakan dalam tahun semasa secara prinsipnya adalah berkaitan dengan cukai tertangguh. Kadar cukai efektif pada tahun sebelumnya adalah lebih tinggi berbanding dengan kadar cukai berkanun terutamanya disebabkan oleh cukai tertangguh yang diperuntukkan dalam tahun kewangan berkenaan.

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMDUNGAN)

6. DIVIDEN

	Syarikat	1998 RM'juta	1997 RM'juta
Dividen interim sebanyak 5 sen kasar sesaham ditolak cukai pendapatan pada kadar 30% bagi tahun berakhir 31 Ogos 1997			108.5
Dividen multimed yang dicadangkan sebanyak 5 sen (1997: 7 sen) kasar sesaham ditolak cukai pendapatan 23% (1997: 30%) yang akan dibayar pada 25 Januari 1999	111.6	156.2	
	111.6	264.7	

7(i) KERUGIAN SESAHAM

Kerugian sesaham dikira dengan membahagikan kerugian milik pemegang saham berjumlah RM3,093.9 juta (1997: RM140.6 juta) dengan purata berwajarnya bilangan saham biasa yang diterbitkan sepanjang tahun berjumlah 3,100.0 juta (1997: 3,083.4 juta).

Kerugian sesaham tidak berbeza dengan ketara daripada kerugian sesaham dicairkan sepenuhnya yang dikira berdasarkan perlaksanaan kesemua Skim Opeyen Saham Anggota Kerja.

(ii) ASET BERSIH SESAHAM

Aset bersih sesaham dikira berdasarkan aset bersih Kumpulan dibahagikan dengan bilangan saham biasa yang ditawarkan pada tarikh kunci kira-kira.

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP

	Pada 1.9.1997 RM'juta	Tambahan RM'juta	Penghapusan RM'juta	Pindahan/ dikelas semula RM'juta	Pada 31.8.1998 RM'juta
Kumpulan 1998					
Kos/Penilaian					
Penilaian pada tahun 1994 dan sebelumnya:					
Tanah pajak jangka panjang	3.4	-	-	-	8.4
Bangunari	5.6	-	-	-	5.6
Penilaian pada tahun 1994:					
Tanah milik bebas	848.7	-	(0.3)	-	848.4
Tanah pajak jangka panjang	454.9	0.2	(0.4)	-	454.7
Tanah pajak jangka pendek	3.5	-	-	-	3.5
Bangunan dan kerja awam	448.7	-	(0.7)	-	448.0
	1,769.8	0.2	(1.4)	-	1,768.6
Kos:					
Tanah milik bebas	117.7	7.0	-	-	124.7
Tanah pajak jangka panjang	65.4	1.4	-	-	66.8
Tanah pajak jangka pendek	0.7	20.9	-	-	21.6
Bangunan dan kerja awam	5,334.5	306.8	-	-	6,741.6
	7,888.4	306.8	(1.4)	-	8,723.3
Loji dan jentera	14,210.6	2,855.9	(135.9)	-	16,933.6
Talian dan sessulur pembahagian	8,427.2	2,650.3	-	-	11,167.5
Perkhidmatan pembahagian	1,183.6	36.8	-	-	1,170.5
Meter	896.2	8.2	-	-	404.4
Lampu awam	137.2	32.1	-	-	169.3
Perabot, pemasangan dan kelengkapan pejabat	293.2	--- 36.3 ---	(0.6)	-	334.5
Kenderaan	207.1	— 49.6 —	(5.8)	-	250.9
	32,759.1	6,538.6	(143.7)	-	39,154.0
Projek modal dalam pembinaan	9,666.5	6,336.4	-	(6,342.2)	9,660.7
	42,425.6	12,875.0	(143.7)	(6,342.2)	48,814.7

NOTA-NOTA KEPADA AKAUN
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Pada 1.9.1997 RM'juta	Caj tahunan RM'juta	Pelepasan penghapusan/ pindahan RM'juta	Pada 31.8.1998 RM'juta
Kumpulan 1998				
Susutnilai Terkumpul				
Penilaian pada tahun 1984 dan sebelumnya:				
Tanah pajak jangka panjang	1.2	0.1	-	1.3
Bangunan	2.2	0.2	-	2.4
Penilaian pada tahun 1994:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	10.7	10.7	-	21.4
Tanah pajak jangka pendek	0.1	0.1	-	0.2
Bangunan dan kerja awam	20.0	20.0	(0.5)	39.5
	34.2	31.1	(0.5)	64.8
Kos:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	7.4	1.4	-	8.8
Tanah pajak jangka pendek	0.4	0.2	-	0.6
Bangunan dan kerja awam	1,042.6	180.3	-	1,182.4
	1,084.6	172.5	(0.5)	1,256.6
Loji dan jentera	4,073.7	729.6	(35.7)	4,767.6
Talian dan sesalur pembahagian	2,171.8	362.9	-	2,534.7
Perkhidmatan pembahagian	377.1	59.8	-	436.9
Meter	185.8	21.7	-	207.5
Lampu awam	42.3	7.2	-	49.5
Perabot, pemasangan dan kelengkapan pejabat	188.2	37.6	(14.3)	206.0
Kenderaan	158.8	21.4	(12.2)	167.5
	8,276.8	1,412.7	(63.2)	9,626.3
Projek modal dalam pembinaan				
	8,276.8	1,412.7	(63.2)	9,626.3

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Pada 1.9.1996 RM'juta	Tambah RM'juta	Penghapusan RM'juta	Pindahan/ dikelas semula RM'juta	Pada 31.8.1997 RM'juta
Kumpulan 1997					
Kos/Penilaian					
Penilaian pada tahun 1984 dan sebelumnya:					
Tanah pajak jangka panjang	8.4	-	-	-	8.4
Bangunan	5.6	-	-	-	5.6
Penilaian pada tahun 1994:					
Tanah milik bebas	848.7	-	-	-	848.7
Tanah pajak jangka panjang	456.2	-	(1.3)	-	454.9
Tanah pajak jangka pendek	3.5	-	-	-	3.5
Bangunan dan kerja awam	448.7	-	-	-	448.7
	1,771.1	-	(1.3)	-	1,769.8
Kos:					
Tanah milik bebas	49.7	68.0	-	-	117.7
Tanah pajak jangka panjang	41.3	24.1	-	-	65.4
Tanah pajak jangka pendek	0.7	-	-	-	0.7
Bangunan dan kerja awam	4,110.0	1,824.8	-	-	5,934.8
	5,972.8	1,916.9	(1.3)	-	7,888.4
Loji dan jentera	12,453.5	1,786.2	(9.1)	-	14,210.6
Talian dan sesalur pembahagian	6,422.5	2,064.7	-	-	8,487.2
Perkhidmatan pembahagian	895.7	237.9	-	-	1,133.6
Meter	390.2	6.0	-	-	396.2
Lampu awam	96.2	41.0	-	-	137.2
Perabot, pemasangan dan kelengkapan pejabat	273.1	26.0	(0.3)	-	298.8
Kenderaan	204.6	6.1	(3.6)	-	207.1
	26,705.6	6,064.8	(14.3)	-	32,759.1
Projek modal dalam pembinaan	8,693.0	7,038.4	(21.5)	(6,043.4)	9,688.5
	35,401.6	13,103.2	(35.5)	(6,043.4)	42,425.6

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Pada 1.9.1996 RM'juta	Caj tahunan RM'juta	Pelepasan penghapusan/ pindahan RM'juta	Pada 31.8.1997 RM'juta
Kumpulan 1997				
Susutnilai Terkumpul				
Penilaian pada tahun 1994 dan sebelumnya:				
Tanah pajak jangka panjang	1.1	0.1	-	1.2
Bangunan	2.4	-	(0.2)	2.2
Penilaian pada tahun 1994:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	-	10.7	-	10.7
Tanah pajak jangka pendek	-	0.1	-	0.1
Bangunan dan kerja awam	-	20.0	-	20.0
	3.5	30.9	(0.2)	34.2
Kos:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	6.7	0.7	-	7.4
Tanah pajak jangka pendek	0.2	0.2	-	0.4
Bangunan dan kerja awam	922.0	120.6	-	1,042.6
	932.4	152.4	(0.2)	1,084.6
Loji dan jentera	3,610.2	465.9	(2.4)	4,073.7
Talian dan sesalur pembahagian	1,915.9	265.9	-	2,171.8
Perkhidmatan pembahagian	226.0	51.1	-	377.1
Meter	164.4	21.4	-	185.8
Lampu awam	36.8	5.5	-	42.3
Perabot, pepasangan dan kelengkapan pejabat	139.6	43.6	-	183.2
Kenderaan	119.4	42.5	(2.6)	159.3
	7,244.7	1,038.3	(6.2)	8,276.8
Projek modal dalam pembinaan	-	-	-	-
	7,244.7	1,038.3	(6.2)	8,276.8

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Pada 1.9.1997 RM'juta	Tambahan RM'juta	Penghapusan RM'juta	Pindahan/ dikelas semula RM'juta	Pada 31.8.1998 RM'juta
Syarikat 1998					
Kos/Penilaian					
Penilaian pada 1994:					
Tanah milik bebas	348.7	-	(0.3)	-	348.4
Tanah pajak jangka panjang	454.9	-	(0.4)	-	454.5
Tanah pajak jangka pendek	3.5	-	-	-	3.5
Bangunan dan kerja awam	448.7	-	(0.7)	-	448.0
	1,755.8	-	(1.4)	-	1,754.4
Kos:					
Tanah milik bebas	117.7	7.0	-	-	124.7
Tanah pajak jangka panjang	60.2	1.4	-	-	61.6
Tanah pajak jangka pendek	0.7	20.9	-	-	21.6
Bangunan dan kerja awam	5,930.4	788.9	-	-	6,719.3
	7,864.3	818.2	(1.4)	-	8,681.6
Loji dan jentera	14,210.9	2,645.3	(135.8)	-	16,920.4
Talian dan sesalur pembahagian	8,487.2	2,630.3	-	-	11,167.5
Perkhidmatan pembahagian	1,188.6	36.9	-	-	1,170.5
Meter	396.2	8.2	-	-	404.4
Lampu awam	137.2	32.1	-	-	169.3
Perabot, pepasangan dan kelengkapan pejabat	291.2	47.2	(0.2)	(33.1)	305.1
Kenderaan	208.6	53.3	(5.8)	(13.2)	237.9
	32,724.7	6,521.5	(143.2)	(46.3)	39,056.7
Projek modal dalam pembinaan	9,664.9	5,186.0	-	(6,331.9)	8,519.0
	42,389.6	-41,707.5	(143.2)	(6,379.2)	47,575.7

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Pada 1.9.1997 RM'juta	Caj tahunan RM'juta	Pelepasan penghapusan/ pindahan RM'juta	Pada 31.8.1998 RM'juta
Syarikat 1998				
Susutnilai Terkumpul				
Penilaian pada tahun 1994:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	10.7	10.7	-	21.4
Tanah pajak jangka pendek	0.1	0.1	-	0.2
Bangunan dan kerja awam	20.0	20.0	(0.5)	39.5
	<hr/>	<hr/>	<hr/>	<hr/>
	30.8	30.8	(0.5)	61.1
Kos:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	7.4	1.3	-	8.7
Tanah pajak jangka pendek	0.4	0.2	-	0.6
Bangunan dan kerja awam	1,042.3	139.6	-	1,181.9
	<hr/>	<hr/>	<hr/>	<hr/>
	1,080.9	171.9	(0.5)	1,252.3
Loji dan jentera	4,066.7	728.9	(35.6)	4,760.0
Talian dan sesalur pembahagian	2,171.2	362.8	-	2,534.1
Perkhidmatan pembahagian	377.1	59.8	-	436.9
Meter	185.8	21.7	-	207.5
Lampu awam	42.6	7.2	-	49.8
Perabot, pepasangan dan kelengkapan pejabat	180.3	34.4	(14.7)	200.0
Kenderaan	157.9	20.0	(12.2)	165.7
	<hr/>	<hr/>	<hr/>	<hr/>
Projek modal dalam pembinaan	8,262.5	1,406.8	(63.0)	9,606.3
	<hr/>	<hr/>	<hr/>	<hr/>
	8,262.5	1,406.8	(63.0)	9,606.3

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Pada 1.9.1996 RM'juta	Tambah RM'juta	Penghapusan RM'juta	Pindahan/ dikelas semula RM'juta	Pada 31.8.1997 RM'juta
Syarikat 1997					
Kos/Penilaian					
Penilaian pada 1994:					
Tanah milik bebas	843.7	-	-	-	843.7
Tanah pajak jangka panjang	456.5	-	(1.6)	-	454.9
Tanah pajak jangka pendek	3.5	-	-	-	3.5
Bangunan dan kerja awam	449.7	-	-	-	449.7
	1,757.4	-	(1.6)	-	1,755.8
Kos:					
Tanah milik bebas	49.7	63.0	-	-	117.7
Tanah pajak jangka panjang	41.3	18.9	-	-	60.2
Tanah pajak jangka pendek	0.7	-	-	-	0.7
Bangunan dan kerja awam	4,105.8	1,824.6	-	-	5,930.4
	5,954.9	1,911.5	(1.6)	-	7,864.8
Loji dan jentera	12,451.9	1,763.2	(4.2)	-	14,210.9
Talian dan zesalur pembahagian	6,422.5	2,064.7	-	-	8,487.2
Perkhidmatan pembahagian	395.7	237.9	-	-	1,133.6
Meter	390.2	6.0	-	-	396.2
Lampu awam	96.2	41.0	-	-	137.2
Perabot, pemasangan dan kelengkapan pejabat	267.2	24.0	-	-	291.2
Kenderson	202.8	4.2	(3.4)	-	203.6
	26,681.4	6,052.5	(9.2)	-	32,724.7
Projek modal dalam pembinaan	3,692.0	7,015.3	-	(6,043.4)	9,664.9
	35,374.4	13,067.8	(9.2)	(6,043.4)	42,399.6

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Pada 1.9.1996 RM'juta	Caj tahunan RM'juta	Pelepasan penghapusan/ pindahan RM'juta	Pada 31.8.1997 RM'juta
Syarikat 1997				
Susutnilai Terkumpul				
Penilaian pada tahun 1994:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	-	10.7	-	10.7
Tanah pajak jangka pendek	-	0.1	-	0.1
Bangunan dan kerja awam	-	20.0	-	20.0
	-	30.8	-	30.8
Kos:				
Tanah milik bebas	-	-	-	-
Tanah pajak jangka panjang	6.7	0.7	-	7.4
Tanah pajak jangka pendek	0.2	0.2	-	0.4
Bangunan dan kerja awam	921.4	120.9	-	1,042.3
	928.3	152.6	-	1,080.9
Loji dan jentera	3,603.9	464.4	(1.6)	4,066.7
Talian dan sesalur pembahagian	1,915.9	255.3	-	2,171.2
Perkhidmatan pembahagian	226.0	51.1	-	377.1
Meter	164.4	21.4	-	185.8
Lampu awam	36.8	5.5	-	42.6
Perabot, pemasangan dan kelengkapan pejabat	127.6	42.7	-	170.3
Kenderaan	119.0	42.0	(3.1)	157.9
	7,231.9	1,035.2	(4.7)	8,262.5
Projek modal dalam pembinaan	-	-	-	-
	7,231.9	1,035.2	(4.7)	8,262.5

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

	Kumpulan		Syarikat	
	1998	1997	1998	1997
	RM'juta		RM'juta	
Nilai Buku Bersih				
Pada tahun 1984 dan sebelumnya:				
Tanah pajak jangka panjang	7.1	7.2	-	-
Bangunan	3.2	3.4	-	-
Penilaian pada 1994:				
Tanah milik bebas	848.4	843.7	848.4	843.7
Tanah pajak jangka panjang	433.3	444.2	433.1	444.2
Tanah pajak jangka pendek	3.3	3.4	3.3	3.4
Bangunan dan kerja awam	408.5	428.7	408.5	428.7
	1,703.8	1,735.6	1,693.3	1,725.0
Kos:				
Tanah milik bebas	124.7	117.7	124.7	117.7
Tanah pajak jangka panjang	58.0	58.0	52.9	52.8
Tanah pajak jangka pendek	21.0	0.3	21.0	0.3
Bangunan dan kerja awam	5,559.2	4,890.2	5,537.4	4,589.1
	7,466.7	6,803.8	7,429.3	6,783.9
Loji dan jentera	12,166.0	10,136.9	12,160.4	10,144.2
Talian dan seselur pembahagian	8,632.8	6,315.4	8,633.4	6,316.0
Perkhidmatan pembahagian	733.6	756.5	733.6	756.5
Meter	196.9	210.4	196.9	210.4
Lampu awam	119.8	94.9	119.5	94.6
Perabot, pemasangan dan kelengkapan pejabat	128.5	115.6	105.1	110.9
Kenderaan	83.4	48.8	72.2	45.7
	29,527.7	24,482.8	29,450.4	24,462.2
Projek modal dalam pembinaan	9,660.7	9,666.5	8,519.0	9,664.9
	39,188.4	34,148.8	37,969.4	34,127.1

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

8. ASET TETAP (SAMBUNGAN)

Sekiranya aset tetap yang telah dinilai semula dimasukkan dalam akaun pada kos kurangkan susutnilai, nilai buku bersih pada aset tetap yang dinilai semula adalah seperti berikut:

	Kumpulan		Syarikat	
	1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
Tanah milik bebas	45.9	45.9	44.8	44.8
Tanah pajak jangka panjang/pendek	78.7	80.5	78.7	80.5
Bangunan dan kerja awam	184.1	192.1	182.2	190.1
	308.7	318.5	305.7	315.4

Termasuk dalam tambahan ialah aset tetap dari perolehan syarikat subsidiari baru, Liberty Power Limited berjumlah RM886.3 juta yang mana dianalisa seperti berikut:

	Tambahan RM'juta	Pembetulan kadar pertukaran RM'juta	Tambahan Bersih RM'juta
		(0.2) (24.4)	8.3 853.4
Perabot, papazangan dan kelengkapan pejabat	8.5		
Projek modal dalam pembinaan	877.8	(24.6)	861.7

Penilaian tanah milik bebas, tanah pajak serta bangunan dan kerja awam tertentu Syarikat adalah berasaskan penilaian yang dijalankan oleh sebuah firma penilai ikhtisas berdasarkan nilai pasaran terbuka pada tahun 1994. Lebihan bersih dari penilaian semula telah dimasukkan ke dalam akaun pada 31 Ogos 1998 dan telah dipindahkan ke rizab penilaian semula (Nota 20).

Penilaian tanah pajak jangka panjang dan bangunan syarikat subsidiari telah dibuat pada tahun 1982 dan 1984, masing-masing dilakukan oleh sebuah firma penilai ikhtisas berdasarkan nilai pasaran terbuka. Lebihan bersih atas penilaian semula telah dipindahkan ke rizab penilaian semula (Nota 20).

Hakmilik sesetengah tanah sedang dalam proses pendaftaran kepada nama Syarikat.

Seperti diterangkan dalam Nota 28, loji tenaga penjanaan Syarikat dipajakkan kepada syarikat subsidiari hakmilik penuh. Nilai buku bersih bagi aset tersebut setakat 31 Ogos 1993 termasuk di dalam aset tetap Syarikat berjumlah RM10,117.0 juta.

Nilai buku bersih loji dan jenters bagi stesen-stesen janaelektrik yang ditutup dan disimpan untuk dijual berjumlah RM12.4 juta (1997: RM16.9 juta).

Faedah yang dimodalkan sepanjang tahun untuk projek modal dalam pembinaan berjumlah RM300.1 juta (1997: RM318.7 juta).

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

9. SYARIKAT-SYARIKAT SUBSIDIARI

Nama Syarikat	Kepentingan Kumpulan		Aktiviti-aktiviti utama	Negara diperbadankan	Syarikat	
	1998	1997			1998 RM'juta	1997 RM'juta
Saham biasa tidak tercatat, pada kos			23.4	13.3		
Universiti Tenaga Nasional Sdn Bhd (dahulu dikenali sebagai Institut Teknologi Tenaga Nasional Sdn Bhd)*	100%	100%	Institut pengajian tinggi			Malaysia
Tenaga Nasional Research and Development Sdn Bhd*	100%	100%	Penyelidikan dan pembangunan			Malaysia
TNB Repair and Maintenance Sdn Bhd (dahulu dikenali sebagai Tenaga Nasional Repair and Maintenance Sdn Bhd)*	100%	100%	Pembaikian, penyelenggaraan dan pengujian loji janakuasa elektrik			Malaysia
TNB Janamanjung Sdn Bhd*	100%	100%	Operasi loji janaelektrik dan penjanaan elektrik			Malaysia
TNB Logistics Sdn Bhd (dahulu dikenali sebagai TRMS Freight Forwarding Services Sdn Bhd)*	100%	100%	Pengangkutan Freight			Malaysia
TNB Properties Sdn Bhd (dahulu dikenali sebagai Tenaga Nasional Properties Sdn Bhd)*	100%	100%	Pengurusan dan pembangunan hartanah			Malaysia
TNB Engineering and Consultancy Sdn Bhd*	100%	100%	Perunding kejuruteraan			Malaysia
TNB Engineers Sdn Bhd*	100%	100%	Pengurusan projek dan perkhidmatan kejuruteraan			Malaysia
TNB Generation Sdn Bhd (dahulu dikenali sebagai Tenaga Nasional Generation Sdn Bhd)	100%	100%	Operasi loji janaelektrik dan penjanaan elektrik			Malaysia
TNB Transmission Network Sdn Bhd (dahulu dikenali sebagai Tenaga Nasional Transmission Network Sdn Bhd)*	100%	100%	Tidak beroperasi			Malaysia
TNB Distribution Sdn Bhd (dahulu dikenali sebagai Tenaga Nasional Energy Distribution Sdn Bhd)*	100%	100%	Tidak beroperasi			Malaysia

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9. SYARIKAT-SYARIKAT SUBSIDIARI (SAMBUNGAN)

Nama Syarikat	Kepentingan Kumpulan 1998	Kepentingan Kumpulan 1997	Aktiviti-aktiviti utama	Negara diperbadankan
TNE Ventures Sdn Bhd (dahulu dikenali sebagai Tenaga Nasional Ventures Sdn Bhd)	100%	100%	Pegangan pelaburan bagi perniagaan dalam negeri dan antarabangsa	Malaysia
Teliti Kekal (M) Sdn Bhd*	100%	100%	Tidak beroperasi	Malaysia
Malaysia Transformer Manufacturing Sdn Bhd*	73%	73%	Pembuatan dan penjualan alatubah dan perkakasuis	Malaysia
Tenaga Risk Management & Services Sdn Bhd*	100%	00%	Perkhidmatan pengurusan risiko	Malaysia
Tenaga Switchgear Sdn Bhd*	60%	60%	Pembuatan dan pemasangan perkakasuis voltan tinggi	Malaysia
TNB Metering Services Sdn Bhd*	100%	-	Tidak beroperasi	Malaysia
TNB Workshop Services Sdn Bhd*	100%	-	Tidak beroperasi	Malaysia
Tenaga Power Daharki Limited*	100%	-	Pegangan pelaburan	Mauritius
TNB - IT Sdn Bhd*	100%	-	Tidak beroperasi	Malaysia
TNE Fuel Services Sdn Bhd*	100%	-	Tidak beroperasi	Malaysia
Sabah Electricity Sdn Bhd*	100%	-	Tidak beroperasi	Malaysia
Syarikat-syarikat subdidiari TNB Engineering and Consultancy Sdn Bhd				
TNEC Construction Sdn Bhd*	100%	100%	Pembinaan	Malaysia
TNEC Operations and Maintenance Sdn Bhd*	100%	100%	Tidak beroperasi	Malaysia
Power and Energy International Mauritius Limited*	100%	-	Tidak beroperasi	Mauritius
Tenaga SPL Sdn Bhd*	100%	100%	Tidak beroperasi	Malaysia
Syarikat subsidieri Tenaga SPL Sdn Bhd				
Bangsar Energy Systems Sdn Bhd*	100%	100%	Tidak beroperasi	Malaysia

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9. SYARIKAT-SYARIKAT SUBSIDIARI (SAMBUNGAN)

Nama Syarikat	Kepentingan Kumpulan 1998 1997		Aktiviti-aktiviti utama	Negara diperbadankan
<u>Syarikat-syarikat subsidiari Tenaga Nasional Research and Development Sdn Bhd</u>				
ET Shoppe Sdn Bhd*	60%	60%	Penjualan runcit perkakas elektrik kegunaan domestik	Malaysia
Tenaga Microwave Technologies Sdn Bhd*	70%	70%	Tidak beroperasi	Malaysia
<u>Syarikat subsidiari TNB Properties Sdn Bhd</u>				
TNP Construction Sdn Bhd*	100%	-	Pembinaan	Malaysia
<u>Syarikat subsidiari Tenaga Power Daharki Limited</u>				
Liberty Power Limited*	62%	-	Tidak beroperasi	Pakistan

* Tidak diaudit oleh Price Waterhouse.

10. SYARIKAT-SYARIKAT BERSENUTU

	Kumpulan 1998 1997 RM'juta	
Hak Kumpulan ke atas aset bersih	173.2	105.9
Saham keutamaan boleh tebus	50.0	76.0
Nota pinjaman tidak bercagar	135.2	142.1
	358.4	324.0
 Syarikat 1998 1997 RM'juta		
Saham biasa tidak tercatat, pada los	67.9	61.3
Saham keutamaan boleh tebus, pada los	50.0	76.0
Nota pinjaman tidak bercagar	135.2	142.1
	253.1	279.9

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10. SYARIKAT-SYARIKAT BERSEKUTU (SAMBUNGAN)

Satu caj tetap telah diwujudkan ekoran pelaburan Syarikat dalam sebuah syarikat bersekutu untuk menjamin tanggungan syarikat bersekutu tersebut.

Nama Syarikat	Kepentingan Kumpulan		Aktiviti-aktiviti utama	Negara diperbadankan
	1998	1997		
Fibre Communications Network (M) Sdn Bhd	39%	39%	Pembangunan rangkaian komunikasi gentian optik	Malaysia
Genting Sanyen Power Sdn Bhd	20%	20%	Operasi loji janaelektrik dan penjanaan elektrik	Malaysia
Segari Energy Ventures Sdn Bhd	20%	20%	Operasi loji janaelektrik dan penjanaan elektrik	Malaysia
Perusahaan Otomobil Elektrik (Malaysia) Sdn Bhd	50%	50%	Pembuatan kereta elektrik	Malaysia
Teknologi Tenaga Perlis Consortium Sdn Bhd	20%	-	Operasi loji janaelektrik dan penjanaan elektrik	Malaysia
<u>Syarikat bersekutu TNEC Operations and Maintenance Sdn Bhd</u>				
Tomest Energy Management Sdn Bhd	50%	-	Tidak beroperasi	Malaysia
<u>Syarikat bersekutu TNB Ventures Sdn Bhd (dahulu dikenali sebagai Tenaga Nasional Ventures Sdn Bhd)</u>				
Northern Utility Resources Sdn Bhd	20%	-	Tidak beroperasi	Malaysia

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11. PELABURAN

	Kumpulan		Syarikat	
	1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
Saham tercatat, pada kos	335.6	335.6	335.6	335.6
Saham tidak tercatat, pada kos	75.7	71.2	74.7	70.2
Peruntukan pengurangan nilai saham yang tidak tercatat	(6.7)	-	(6.7)	-
	404.6	406.8	403.6	405.8
Nilai pasaran saham tercatat	141.8	190.4	141.8	190.4

12. ASET SEMASA

Stok: (Nota 12 (a))	967.0	1,048.3	389.7	1,034.9
Siberhutang (Nota 12 (b))	1,673.8	1,744.1	1,530.4	1,704.3
Baki bank dan wang tunai (Nota 12 (c))	1,112.6	959.6	902.0	863.0
Sekuriti boleh niaga (Nota 12 (d))	26.9	34.8	26.9	34.8
Jumlah terhutang oleh syarikat-syarikat subsidiari	-	-	607.2	65.5
Jumlah terhutang oleh syarikat-syarikat bersatu	4.5	-	4.5	-
	3,784.8	3,836.8	3,460.7	3,752.5

(a) STOK

Bahan mentah, bahan api dan bahan gunaan	918.0	1,031.9	389.7	1,034.9
Kerja dalam pembinaan	26.4	13.1	-	-
Barang siap	22.6	3.3	-	-
	967.0	1,048.3	389.7	1,034.9

(b) SIBERHUTANG

Siberhutang perdagangan	1,061.9	1,104.9	986.3	1,064.0
Peruntukan hutang rugu	(61.6)	(61.3)	(61.3)	(61.3)
	1,000.3	1,043.6	925.0	1,002.7
<u>Siberhutang lain dan bayaran pendahuluan</u>	<u>673.5</u>	<u>700.5</u>	<u>605.4</u>	<u>701.0</u>
	1,673.8	1,744.1	1,530.4	1,704.3

Termasuk dalam siberhutang lain dan bayaran pendahuluan ialah pinjaman perumahan dan kereta kepada anggota kerja sebanyak RM373.8 juta (1997: RM330.3 juta) yang tidak akan dibayar balik dalam tempoh 12 bulan.

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12. ASET SEMASA (SAMBUNGAN)

	Kumpulan 1998 RM'juta	1997	Syarikat 1998 RM'juta	1997
(c) BAKI BANK DAN WANG TUNAI				
Deposit dengan syarikat-syarikat kewangan	92.6	-	-	-
Deposit dengan bank-bank berlesen	747.7	710.2	677.8	632.8
Wang tunai dalam tangan dan di bank	272.3	249.4	224.2	230.2
	1,112.6	959.6	902.0	863.0
(d) SEKURITI BOLEH NIAGA				
Kos - tercatat di Malaysia:				
Saham	109.7	144.8	109.7	144.8
Lain-lain sekuriti	12.1	2.4	12.1	2.4
	121.8	147.2	121.8	147.2
Peruntukan untuk pengurangan nilai	(94.9)	(62.4)	(94.9)	(62.4)
	26.9	84.8	26.9	84.8
Nilai pasaran	26.9	84.8	26.9	84.8

NOTA-NOTA KEPADA AKAUN
31 OGOS 1998 (SAMBUNGAN)

13. TANGGUNGJUMAN SEMASA

	Kumpulan		Syarikat	
	1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
Sipiutang (Nota 13 (a))	2,484.7	1,990.0	1,849.6	1,901.0
Pinjaman jangka pendek (Nota 13 (b))	1,407.8	2,224.2	1,296.3	2,225.9
Cukai semasa	157.8	164.8	112.1	147.2
Dividen dicadangkan	111.6	156.2	111.6	156.2
Jumlah ter hutang kepada syarikat-syarikat subsidari	-	-	27.7	39.7
Jumlah ter hutang kepada syarikat-syarikat bersekutu	330.4	150.0	330.4	150.0
	4,492.3	4,695.2	3,727.7	4,620.0

Jumlah ter hutang kepada syarikat-syarikat subsidari dan syarikat-syarikat bersekutu adalah tidak berjamin, tanpa faedah dan tidak ada ketetapan dalam pembayaran balik.

(a) SAPIUTANG

Sipiutang perdagangan	1,344.9	1,397.5	1,022.3	1,345.6
Faedah pinjaman terakru	461.2	309.4	458.6	309.4
Lain-lain sipiutang, akruan-akruan dan peruntukan	678.6	283.1	368.7	246.0
	2,484.7	1,990.0	1,849.6	1,901.0

(b) PINJAMAN JANGKA PENDEK

Bahagian pinjaman berpenggal yang perlu dibayar balik dalam tempoh satu tahun (Nota 14)

- tidak bercagar	948.6	678.7	852.0	678.7
- bercagar	1.7	0.5	-	-
Pinjaman jangka pendek				
- tidak bercagar	63.5	1,144.0	63.2	1,144.0
- bercagar	-	2.8	-	-
Overdraf bank:				
- tidak bercagar	393.3	407.3	381.1	403.2
- bercagar	0.7	0.9	-	-
	1,407.8	2,224.2	1,296.3	2,225.9

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

14. PINJAMAN BERPENGHAL

	Kumpulan 1998 RM'juta	1997 RM'juta	Syarikat 1998 RM'juta	1997 RM'juta
Tidak bercagar				
- Pinjaman berpenggal	14,744.3	9,630.2	14,744.3	9,630.2
- Nota	5,624.5	4,063.5	5,624.5	4,063.5
- Debentur	2,108.8	1,451.3	2,108.8	1,451.3
	22,477.6	15,145.0	22,477.6	15,145.0
Bercagar				
- Pinjaman berpenggal	773.1	10.0	-	-
	23,250.7	15,155.0	22,477.6	15,145.0
Untuk dibayar balik dalam tempoh satu tahun termasuk: di bawah pinjaman jangka pendek (Nota 12 (b))	950.3	679.2	852.0	678.7
Untuk dibayar balik selepas satu tahun:				
Selepas satu dan sehingga dua tahun	1,165.8	626.1	1,165.8	626.1
Selepas dua dan sehingga lima tahun	7,976.1	4,295.2	7,568.8	4,294.0
Selepas lima dan sehingga sepuluh tahun	10,362.4	7,732.2	10,098.2	7,732.2
Selepas sepuluh dan sehingga dua puluh tahun	687.3	370.2	684.0	362.0
Selepas dua puluh dan sehingga tigapuluh tahun	1,476.2	1,016.6	1,476.2	1,016.6
Selepas tigapuluh dan sehingga sembilan puluh tahun	632.6	435.4	632.6	435.4
	22,300.4	14,475.8	21,625.6	14,406.3
	23,250.7	15,155.0	22,477.6	15,145.0

Pinjaman-pinjaman berpenggal tidak bercagar termasuk: RM25.4 juta (1997: RM26.4 juta) yang perlu dibayar kepada Kerajaan Malaysia, RM3,462.4 juta (1997: RM2,818.9 juta) dijamin oleh Kerajaan Malaysia, USD150 juta 7.5% Debentur yang perlu dibayar pada 15 January 2006 dan USD300 juta 7.2% Nota yang perlu dibayar pada 29 April 2007. Butir-butir mengenai pinjaman-pinjaman lain dan urusan lindungnilai mereka diuraikan di bawsh.

Kadar-kadar faedah yang digunakan untuk portfolio pinjaman-pinjaman berpenggal yang masih belum berbayar setakat 31 Ogos 1998 adalah antara 0.6% hingga 11.0% (1997: 0.1% hingga 10.6%) setahun dan kadar faedah purata ditambah beratnya yang berkuahuzaa (selepas diambil kira lindungnilai) adalah 6.9% (1997: 7.0%) setahun.

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(a) PINJAMAN BERPENGAL 10 TAHUN BERNILAI JPY37 BILION

Pada tahun laporan, Syarikat memasuki perjanjian pinjaman berpenggal 10 tahun tidak bercagar bernilai JPY37 bilion yang akan matang pada 30 Jun 2007 berdasarkan kadar faedah terapung. Baki setara pinjaman itu dalam nilai Ringgit Malaysia menurut dasar perakaunan Syarikat setakat 31 Ogos 1998 adalah sebanyak RM979.3 juta. Pinjaman ini merupakan pinjaman pelunasan yang mana jumlah prinsipalnya perlu dibayar dalam ansuran setara dua kali setahun sepanjang tempohnya. Pembayaran balik telah bermula pada tahun laporan. Prinsipal-prinsipal notional bagi kontrak-kontrak lindungnilai yang dihuraikan di bawah berlunas dalam cara yang sama seperti pinjaman ini.

Tukar ganti kadar faedah (IRS)

Untuk satu bahagian pinjaman itu, Syarikat telah memasuki perjanjian IRS pada 31 Disember 1997 yang melayakkannya menerima kadar faedah terapung dan dengan itu dikehendaki membayar faedah pada kadar tetap sebanyak 1.927%. Prinsipal notional awal IRS ini adalah sebanyak JPY8.6 bilion. Kesan transaksi ini adalah untuk menetapkan kadar faedah perlu dibayar ke atas bahagian pinjaman tersebut secara efektif.

Kolar kadar faedah dan tukar ganti kadar faedah hadapan

Untuk bahagian-bahagian baki pinjaman itu, Syarikat telah memasuki perjanjian kontrak-kontrak opsyen kadar faedah bagi tempoh dari 30 Jun 1998 hingga 30 Jun 2002 dengan prinsipal-prinsipal notional awal sebanyak JPY25.8 bilion. Kontrak-kontrak ini membentuk perjanjian kolar kadar faedah yang melindungnilai secara efektif kadar faedah terapung atas pinjaman itu. Kadar faedah yang perlu dibayar akan dihadkan kepada kadar maksimum tetapi tertakluk kepada kadar minimum. Terdapat juga satu perjanjian penghapusan yang menyatakan jika kadar-kadar faedah ditetapkan pada paras tertentu melebihi paras penghapusan (yang melebihi kadar maksimum) maka kadar maksimum itu dihapuskan dan kadar faedah sebenar perlu dibayar.

Untuk bahagian-bahagian yang sama, bagi tempoh dari 1 Julai 2002 hingga 30 Jun 2007, Syarikat telah memasuki perjanjian IRS yang memberi hak kepada menerima faedah pada kadar terapung ke atas prinsipal-prinsipal notional awal sebanyak JPY14.0 bilion dan menghendaknya membayar faedah pada kadar-kadar yang ditetapkan dalam lingkungan 2.74% hingga 2.90% atas jumlah yang sama.

Kesan transaksi-transaksi ini secara efektif melindungnilakan kadar faedah yang perlu dibayar atas bahagian-bahagian pinjaman itu dalam lingkungan batasan kadar maksimum dan minimum dari 30 Jun 1998 hingga 30 Jun 2002, serta menetapkan secara efektif kadar faedah yang perlu dibayar atas bahagian-bahagian yang sama pinjaman itu antara 1 Julai 2002 hingga 30 Jun 2007.

(b) NOTA 10 TAHUN BERNILAI USD500 JUTA

Pada April 1997, Syarikat menerbitkan Nota-nota tidak bercagar boleh tebus bernilai USD500 juta selama 10 tahun dengan kadar faedah 7.625%. Baki setara Nota-nota itu dalam nilai Ringgit Malaysia menurut dasar perakaunan Syarikat setakat 31 Ogos 1998 adalah sebanyak RM1,851.4 juta. Nota-nota itu boleh ditebus sepenuhnya pada 29 April 2007. Bagi tujuan melindungnilai Nota-nota itu, Syarikat telah menerima pakai dua strategi bagi setiap satu bahagian Nota berkenaan yang bernilai USD250 juta setiap satu.

Bahagian 1: USD250 juta

Tukar ganti silang matawang (CCS) USD-JPY dan kolar kaedah faedah JPY

Untuk bahagian pertama bernilai USD250 juta, Syarikat telah memasuki perjanjian tukar ganti silang matawang (CCS) pada tahun kewangan yang memberinya hak untuk menerima kadar tetap 7.625% dalam matawang Dolar Amerika dan menghendaknya membayar kadar faedah terapung dalam matawang Yen Jepun. Prinsipal-prinsipal pertukaran CCS itu berjumlah USD250 juta dan ini akan diterima oleh Syarikat sebagai menggantikan bayaran JPY31.5 bilion apabila matang. CCS itu akan berakhir pada 27 April 2007. Syarikat juga telah memasuki perjanjian kolar kadar faedah dengan prinsipal-prinsipal notional bernilai JPY31.5 bilion bagi tempoh 28 April 1998 hingga 27 April 2002 yang secara efektif melindungnilakan kadar faedah terapung Yen Jepun yang perlu dibayar atas CCS tersebut.

Kesan transaksi-transaksi ini adalah untuk menukar secara efektif Nota-nota kadar tetap Dolar Amerika kepada tanggungan kadar terapung Yen Jepun dengan kadar-kadar tetap itu terhad kepada kadar maksimum dan minimum bagi tempoh 28 April 1998 hingga 27 April 2002.

**NOTA-NOTA KEPADA AKAUN
31 OGOS 1998 (SAMBUNGAN)**

14. PINJAMAN BERPENGGAL (SAMBUNGAN)

(b) NOTA 10 TAHUN BERNILAI USD500 JUTA (SAMBUNGAN)

Tukar ganti kadar faedah hadapan

Untuk bahagian yang sama, bagi tempoh 28 April 2002 hingga 28 April 2007, Syarikat telah memasuki perjanjian tukar ganti kadar faedah (IRS) yang memberinya hak untuk menerima faedah pada kadar-kadar terapung dan dikehendakinya membayar faedah pada kadar tetap dalam lingkungan 3.71% hingga 4.38% (bergantung kepada pihak-pihak menyertai urusan tukar ganti berkenaan) atas prinsipal-prinsipal notional sebanyak JPY31.5 billion.

Kesan transaksi ini adalah untuk menukar secara efektif bon-bon USD berkadar tetap kepada tanggungan JPY berkadar tetap bagi tempoh 28 April 2002 hingga 28 April 2007.

Bahagian 2: USD250 juta

Tukar ganti silang matawang meliputi opsyen USD-JPY/CHF dan kadar faedah JPY

Untuk bahagian kedua sebanyak USD250 juta itu, Syarikat telah memasuki beberapa perjanjian CCS pada tahun kewangan yang memberikannya hak untuk menerima kadar 7.625% dalam matawang Dolar Amerika dan menghendakinya membayar kadar faedah terapung dalam matawang Yen Jepun. Prinsipal-prinsipal saling tukar ganti itu berjumlah USD250 juta dan ini akan diterima oleh Syarikat sebagai mengganti bayaran JPY31.4 billion apabila matang. Tukar ganti silang ini tamat tempohnya pada 28 April 2007. Bagaimanapun, pada 28 April 1999 dan 28 Oktober 1999, pihak-pihak yang menyertai urusan tukar ganti berkenaan mempunyai pilihan untuk menukar aliran tunai Yen Jepun kepada aliran tunai kadar terapung Franc Switzerland (CHF). Seandainya pilihan itu dilaksanakan, pertukaran prinsipal pada tarikh keramatangan tukar ganti itu akan dilaksanakan menggunakan CHF dengan USD dan bukan JPY dengan USD.

Kewujudan pilihan itu mengurangkan jumlah yang perlu dibayar oleh Syarikat ke atas aliran tunai kadar terapung.

Syarikat juga telah memasuki perjanjian kolar kadar faedah dengan prinsipal-prinsipal notional sebanyak JPY18.8 billion bagi tempoh 28 April 1999 hingga 27 April 2007 yang secara efektif melindungi nilai kolar faedah terapung JPY yang perlu dibayar sewaktu urusan CCS itu dijalankan.

Kesan transaksi-transaksi ini secara efektif menukar nota-nota USD berkadar tetap menjadi tanggungan JPY berkadar terapung, yang mana kadar-kadar terapung itu terbatas kepada kadar maksimum dan minimum dengan kemungkinan tambahan petukaran kepada tanggungan CHF berkadar terapung.

(c) PINJAMAN BERPENGGAL 5 TAHUN BERNILAI USD90 JUTA

Pada tahun laporan, Syarikat telah memasuki perjanjian pinjaman tidak bercagar 5 tahun bernilai USD90 juta dengan membayar faedah pada kadar terapung. Bahi setara pinjaman itu dalam nilai Ringgit Malaysia menurut dasar perakaunan Syarikat setakat 31 Ogos 1998 adalah RM363.0 juta. Pinjaman ini akan matang pada 12 Mei 2003. Pinjaman ini adalah pinjaman pelunaan, yang mana jumlah prinsipalnya perlu dibayar dalam ansuran setara dua kali setahun bermula pada Mei 2000. Prinsipal-prinsipal notional kontrak lindungnilai yang digambaran di bawah melunes dalam cara yang sama seperti pinjaman ini.

Silang tukar ganti matawang meliputi opsyen

Syarikat telah memasuki perjanjian tukar ganti kadar faedah (IRS) bagi tempoh 28 Mei 1998 hingga 12 Mei 2003 yang memberinya hak untuk menerima kadar faedah terapung pada margin yang lebih tinggi daripada kadar faedah terapung yang ia dikehendaki membayar. Prinsipal-prinsipal notional awal berjumlah sebanyak USD90 juta. Bagaimanapun, pada Mei dan Ogos 1999, pihak-pihak yang menyertai perjanjian tukar ganti itu mempunyai pilihan untuk menukar bayaran USD berkadar terapung kepada bayaran JPY berkadar terapung. Jika pilihan itu dilaksanakan, maka akan berlaku satu siri pertukaran prinsipal yang mana Syarikat akan membayar jumlah prinsipal JPY dan menerima jumlah prinsipal USD.

Kesan transaksi-transaksi ini adalah untuk mengurangkan secara ketara margin yang perlu dibayar atas tanggungan USD Syarikat berkadar terapung dengan kemungkinan tanggungan USD berkadar terapung itu boleh ditukarkan menjadi tanggungan JPY berkadar terapung.

11. PREMIUM DEFERRED DILAPORAN

(d) NOTA 5 TAHUN BERNILAI USD300 JUTA

Pada tahun laporan, Syarikat telah memasuki perjanjian pinjaman tidak bercagar 5 tahun bernilai USD300 juta dengan bayaran faedah kadar terapung yang akan matang pada 29 Jun 2003. Baki setara Nota dalam nilai Ringgit Malaysia pada 31 Ogos 1998 menurut dasar perakaunan Syarikat adalah sebanyak RM1,042.8 juta. Pinjaman ini adalah pinjaman melunas, yang mana jumlah prinsipalnya perlu dibayar dalam ansuran setara dua kali setahun bermula Jun 2000. Prinsipal-prinsipal kontrak lindungnilai yang dihuraikan di bawah melunas dalam cara yang sama seperti pinjaman ini.

Tukar ganti matawang dan tukar ganti kadar faedah meliputi opsyen

Syarikat telah memasuki beberapa perjanjian tukar ganti kadar faedah (IRS) bagi tempoh yang berkuatkuasa antara 20 Julai 1998 hingga 30 Jun 2003 dengan beberapa institusi kewangan. Kontrak-kontrak itu memberi Syarikat hak untuk menerima kadar faedah terapung pada margin yang lebih tinggi daripada kadar faedah terapung yang perlu dibayar olehnya. Jumlah prinsipal awal adalah sebanyak USD300 juta. Terdapat satu siri pertukaran prinsipal yang mana Syarikat membayar jumlah prinsipal JPY dan menerima jumlah prinsipal USD.

Pada tarikh tempoh setiap pembayaran faedah, pihak-pihak yang menyertai perjanjian tukar ganti itu mempunyai opsyen untuk memilih matawang pembayaran faedah oleh Syarikat, sama ada dikenakan dalam bentuk USD ataupun ditukar menjadi JPY, pada kadar-kadar terapung.

Kesan transaksi-transaksi ini adalah untuk menukar secara efektif pendedahan pinjaman USD menjadi pendedahan JPY, dan mengurangkan margin yang perlu dibayar ke atas tanggungan kadar terapung Syarikat. Bagaimanapun, bayaran faedah pendedahan itu boleh dibuat sama ada dalam matawang USD berdasarkan kadar-kadar terapung USD ataupun JPY berdasarkan kadar-kadar terapung JPY, walaupun kedua-duanya akan berada pada margin yang lebih rendah berbanding sebelum ini.

(e) NOTA 10 TAHUN BERNILAI USD600 JUTA

Pada 1994, Syarikat telah menerbitkan Nota-nota tidak bercagar boleh tebus bernilai USD600 juta selama 10 tahun dengan kadar faedah 7.875%. Baki setara Nota-nota dalam nilai Ringgit Malaysia setakat 31 Ogos 1998 menurut dasar perakaunan adalah RM2,507.8 juta. Nota-nota ini boleh ditebus sepenuhnya pada 15 Jun 2004. Bagi tujuan melindungnilai Nota-nota itu, Syarikat telah menerima pakai dua strategi, satu untuk bahagian bernilai USD500 juta dan satu lagi untuk bahagian bernilai USD100 juta.

Bahagian 1: USD500 juta

Tukar ganti kadar faedah dan kolar dengan penghapusan

Untuk bahagian pertama bernilai USD500 juta, Syarikat memasuki perjanjian tukar ganti kadar faedah (IRS) pada tahun kewangan sebelumnya yang mana memberinya hak untuk menerima kadar faedah tetap sebanyak 7.875% dan menghendaknya membayar kadar terapung. Prinsipal notional bagi urusan tukar ganti itu berjumlah USD500 juta, yang akan matang pada 30 Oktober 1999. Syarikat juga telah memasuki perjanjian kolar kadar faedah dengan penghapusan dengan jumlah notional sebanyak USD500 juta yang secara efektif melindungnilaikan kadar faedah terapung USD yang perlu dibayar ke atas tukar ganti tersebut. Kolar-kolar penghapusan ini akan matang pada 13 Disember 1999.

Kesan transaksi-transaksi ini adalah untuk menukar secara efektif Nota-nota kadar tetap USD kepada tanggungan kadar terapung yang mana kadar-kadar terapung itu terbatas kepada kadar maksimum dan minimum sehingga 13 Disember 1999.

Bahagian 2: USD100 juta

Tukar ganti silang matawang kupon sifar

Untuk bahagian kedua berjumlah USD100 juta, Syarikat telah memasuki beberapa perjanjian tukar ganti silang matawang (CCS) bagi tempoh dari 15 Jun 1998 hingga 14 Jun 2004, untuk menukar bon bernilai USD100 juta kepada bon kupon sifar JPY selama tempoh 6 tahun. Jumlah yang perlu dibayar semula atas urusan tukar ganti kupon sifar JPY bergantung kepada kadar pertukaran USD/JPY pada tarikh matang tetapi jumlah muktamad yang perlu dibayar adalah terhad kepada jumlah minimum sebanyak JPY13,570 juta dan jumlah maksimum sebanyak JPY18,200 juta. Syarikat telah mengiktiraf faedah terakru ke atas bon kupon sifar itu berdasarkan kadar pulangan tetap sepanjang jangka hayat bon itu dengan anggapan bahawa jumlah muktamad boleh tebus adalah jumlah maksimum yang perlu dibayar. Bagaimanapun, sekiranya jumlah boleh tebus muktamad kurang daripada itu, maka akan berlaku penulisan balik faedah yang terlebih akru itu.

N O T A - N O T A K E P A D A A K A U N
31 OGOS 1998 (SAMBUNGAN)

14. PINJAMAN BERPENGGAL (SAMBUNGAN)

(f) DEBENTUR 30 TAHUN BERNILAI USD350 JUTA

Fada 1998, Syarikat telah menerbitkan Debentur-debentur tidak bercagar boleh dibua bernilai USD350 juta selama 30 tahun dengan kadar faedah 7.5%. Baki setara Debentur-debentur itu dalam nilai Ringgit Malaysia setakat 31 Ogos 1998 menurut dasar perakaunan Syarikat adalah RM1,476.1 juta. Debentur-debentur itu boleh ditebus sepenuhnya pada 31 Oktober 2025.

Tukar ganti kadar faedah dan kolar dengan penghapusan

Syarikat telah memasuki perjanjian tukar ganti kadar faedah (IRS) dengan prinsipal-prinsipal notional berjumlah USD350 juta pada tahun kewangan sebelumnya yang mana memberinya hak untuk menerima kadar faedah tetap sebanyak 7.5% dan menghendaknya membayar kadar-kadar terapung. Prinsipal-prinsipal notional bagi urusan tukar ganti itu berjumlah USD350 juta yang akan matang pada 30 Oktober 1999. Syarikat juga telah memasuki perjanjian kolar kadar faedah dengan penghapusan dengan jumlah notional sebanyak USD350 juta yang secara efektif melindungi nilaikan kadar faedah terapung USD yang perlu dibayar ke atas tukar ganti tersebut. Kolar-kolar penghapusan ini akan matang pada 30 Oktober 1999.

Kesan transaksi-transaksi ini adalah untuk menukar secara efektif Debentur-debentur kadar tetap USD kepada tanggungan kadar terapung yang mana kadar-kadar terapung itu terbatas kepada kadar maksimum dan minimum sehingga 30 Oktober 1999.

(g) PINJAMAN-PINJAMAN BERPENGGAL LAIN

Tukar ganti kadar faedah silang matawang JPY/USD

Syarikat juga telah memasuki perjanjian-perjanjian tukar ganti silang matawang (CCS) untuk menukar secara efektif kadar tetapnya bagi melunaskan pendedahan pinjaman JPY dengan kadar faedah tetap yang perlu dibayar dalam lingkungan antara 4.67% hingga 6.74%. Baki tertinggal yang menjadi dasar pendedahan JPY ini adalah sebanyak JPY5.8 billion setakat 31 Ogos 1998. Baki setara pendedahan ini dalam nilai Ringgit Malaysia pada tarikh tersebut menurut dasar perakaunan Syarikat adalah sebanyak RM178.0 juta. Urusan tukar ganti ini berhuatkuasa bagi tempoh 18 Mei 1991 hingga 30 Oktober 2000. Setakat 31 Ogos 1998, prinsipal-prinsipal tukar ganti ini berjumlah JPY5.8 billion dan semakin berkurangan dengan waktu untuk mencerminkan jumlah prinsipal pinjaman JPY berkenaan hingga tarikh matang urusan tukar ganti itu.

Tukar ganti kadar faedah silang matawang JPY/RM dan JPY/USD

Syarikat juga telah memasuki perjanjian tukar ganti silang matawang (CCS) untuk menukar secara efektif pendedahan pinjaman USD dengan kadar terapung dan pinjaman JPY dengan kadar tetap kepada pendedahan pinjaman RM berkadar tetap dengan kadar faedah tetap yang perlu dibayar dalam lingkungan antara 4.12% hingga 8.20%. Baki tertinggal pendedahan pinjaman-pinjaman USD dan JPY ini setakat 31 Ogos 1998 adalah USD56.9 juta dan JPY12.4 billion masing-masing. Baki setara pendedahan ini dalam nilai Ringgit Malaysia pada tarikh tersebut menurut dasar perakaunan Syarikat adalah sebanyak RM497.1 juta.

Jumlah prinsipal urusan tukar ganti silang matawang USD/RM setakat 31 Ogos 1998 adalah sebanyak USD56.9 juta dan kontranya akan matang pada 19 Oktober 2001.

Transaksi-transaksi tukar ganti silang matawang JPY/RM akan matang pada 20 Januari 2000, 20 Julai 2000, 20 Januari 2001 dan 20 Julai 2001, yang mana masing-masing mempunyai jumlah prinsipal sebanyak JPY0.5 billion, JPY0.8 billion, JPY5.8 billion dan JPY6.3 billion.

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15. **GANJARAN PERSARAAN**

Caruman ganjaran persaraan untuk anggota kerja yang layak dibayar kepada Skim Ganjaran Persaraan Syarikat, sebuah skim ganjaran tertentu dan tabung yang diiktirafkan bebas daripada kewangan Syarikat. Peruntukan telah dibuat di dalam akaun untuk jumlah-jumlah yang tidak dibayai seperti yang ditentukan oleh penilaian aktuari adalah seperti berikut:

	Kumpulan		Syarikat	
	1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
Pada penghujung tahun	259.3	224.1	254.6	223.1

Caruman ditentukan oleh aktuari bertaualah berdasarkan penilaian sekali setiap tiga tahun dengan menggunakan Kaedah Pencapaian Umur. Penilaian yang terbaru adalah pada 31 Ogos 1997. Andalan-andalan utama yang digunakan di dalam penilaian aktuari ialah:

- (i) kenaikan gaji adalah berdasarkan formula yang telah ditentukan terdahulu;
- (ii) kadar hasil pelaburan adalah 8% setahun;
- (iii) kadar pertukaran anggota kerja adalah berdasarkan pengalaman di dalam skim-skim seumpama yang lain; dan
- (iv) kadar kematian dan persaraan akibat kezuruan kesihatan adalah berdasarkan pengalaman di dalam skim-skim lain.

Jumlah yang dicajkan kepada akaun untung rugi adalah seperti tercatat di dalam Nota 4(i) kepada akaun.

NOTA-NOTA KEPADA AKAUN
31 OGOS 1998 (SAMBUNGAN)

16. CUKAI TERTUNDA

	Kumpulan		Syarikat	
	1998	1997	1998	1997
	RM'juta		RM'juta	
Cukai tertunda diperuntukan di dalam akaun:				
- kesan cukai daripada lebihan elauan modal ke atas susutnilai	786.4	602.5	800.0	600.0
- kesan cukai daripada perbezaan pemasaan tempoh jangka pendek yang lain		(16.9)		
	786.4	585.6	800.0	600.0

Cukai tertunda tidak diperuntukan di dalam akaun:

- kesan cukai daripada perbezaan pemasaan yang di bawah perundangan semasa tidak akan berubah sebaliknya sepanjang tempoh masa depan yang dapat diramalkan	4,112.9	3,932.4	4,112.9	3,932.4
- kesan cukai daripada penilaian semua aset tetap yang dipegang bagi kegunaan jangka panjang	62.6	62.1	62.0	61.5
	4,175.5	3,994.5	4,174.9	3,993.9

17. PENDAPATAN TERTUNDA

	Kumpulan/Syarikat	
	1998	1997
	RM'juta	RM'juta
Pendapatan tertunda adalah cerumah pelanggan-pelanggan yang dianalisa seperti berikut:		
Pada permulaan tahun	1,766.3	1,653.8
Penerimaan dalam tahun	400.2	336.3
Pelepasan ke akaun untung rugi (Nota 3)	(241.1)	(223.8)
Pada penghujung tahun	1,925.4	1,766.3

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18. MODAL SAHAM

	Syarikat	
	1998 RM	1997 RM
Dibenarkan:		
Saham biasa bernilai RM1.00 setiap satu	3,500,000,000	3,500,000,000
Saham Keutamaan Berhak Istimewa Boleh Tebus bernilai RM1.00 setiap satu	1	1
Diterbitkan dan dibayar penuh:		
Saham biasa bernilai RM1.00 setiap satu		
Pada permulaan tahun	3,099,980,300	3,080,423,300
Terbitan saham biasa bernilai RM1.00 setiap satu di bawah Skim Opsyen Saham Anggota Kerja		19,557,000
Pada penghujung tahun	3,099,980,300	3,080,423,300
Saham Keutamaan Berhak Istimewa Boleh Tebus bernilai RM1.00 setiap satu		
Pada permulaan dan penghujung tahun	1	1
Pada penghujung tahun	3,099,980,301	3,080,423,301

(a) Saham Keutamaan Berhak Istimewa Boleh Tebus ('Saham Istimewa') memberikan hak kepada Kerajaan melalui Menteri Kewangan untuk menjamin keputusan-keputusan penting tertentu yang melibatkan operasi Syarikat adalah selaras dengan dasar-dasar Kerajaan. Pemegang Saham Istimewa yang hanya boleh terdiri daripada pihak Kerajaan atau mans-mans wakil atau sesiapa yang bertindak bagi pihaknya, berhak menerima notis mesyuarat, tetapi tidak berhak mengundi dalam mesyuarat-mesyuarat tersebut. Walau bagaimanapun, Pemegang Saham Istimewa itu berhak untuk menghadiri dan bersuara dalam mesyuarat-mesyuarat tersebut.

Pemegang Saham Istimewa berhak melantik sesiapa, tetapi tidak lebih dari 6 orang setiap masa, sebagai Pengarah yang dilantik oleh Kerajaan.

(b) Beberapa perkara tertentu, terutamanya, pertukaran Tataurusan Pertubuhan Syarikat berkaitan dengan hak-hak Pemegang Saham Istimewa, pengwujudan dan penerbitan saham-saham tambahan yang diberi hak pengundian yang berlainan, pembubaran Syarikat, penjualan harta yang penting, percantuman, penyatuhan dan pengambilalihan memerlukan kelulusan daripada Pemegang Saham Istimewa.

(c) Pemegang Saham Istimewa tidak mempunyai sebarang hak untuk menyertai di dalam modal atau keuntungan Syarikat.

(d) Pemegang Saham Istimewa mempunyai hak untuk meminta Syarikat menebus Saham Istimewa pada harga tara pada bila-bila masa.

Pada 31 Ogos 1998 terdapat 6,745,000 (1997: 2,734,000) saham biasa yang belum diterbitkan lanjutan daripada opsyen-opsyen yang diberi di bawah Skim Opsyen Saham Anggota Kerja.

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31 OGOS 1998 (SAMBUNGAN)

19. PREMIUM SAHAM

	Syarikat	1998 RM'juta	1997 RM'juta
Pada permulaan tahun	3,107.1	2,958.2	
Ekoran terbitan saham biasa di bawah Skim Opayen Saham Anggota Kerja	-	148.9	
Pada penghujung tahun	3,107.1	3,107.1	

20. RIZAB

	Boleh agih		Tidak boleh agih		
	Keuntungan tertahan RM'juta	Rizab penilaian semula RM'juta	Rizab tuleraan matewang asing RM'juta	1998 Jumlah RM'juta	1997 Jumlah RM'juta
Kumpulan					
Pada permulaan tahun	8,595.8	1,237.1	-	9,832.9	10,390.2
Kerugian tahun semasa	(3,205.5)	-	-	(3,205.5)	(405.3)
Rizab pertukaran matewang asing	-	-	(26.9)	(26.9)	-
Rizab modal ekoran dari perakaunan ekuiti syarikat bersekutu dilupuskan semasa penghapusan	-	-	-	-	(152.0)
Pada penghujung tahun	5,390.3	1,237.1	(26.9)	6,600.5	9,932.9
Syarikat					
Pada permulaan tahun	8,560.3	1,231.2	-	9,791.5	10,156.7
Kerugian tahun semasa	(3,250.9)	-	-	(3,250.8)	(365.2)
Pada penghujung tahun	5,309.5	1,231.2	-	6,540.7	9,791.5

Tertakluk kepada perjanjian dengan pihak berkuasa cukai, Syarikat mempunyai kredit cukai yang mencukupi di bawah Seksyen 108(6) Akta Cukai Pendapatan, 1967 untuk menerbitkan lebih kurang RM1,579.5 juta (1997: RM1,735.6 juta) daripada keuntungan tertahan seandainya dibayar sebagai dividen.

NOTA-NOTA KEPADA AKAUN
31 OGOS 1998 (SAMBUNGAN)

21. KOMITMEN MODAL DAN LAIN-LAIN

	Kumpulan		Syarikat					
	1998	1997	1998	1997				
	RM'juta		RM'juta					
Komitmen modal								
Perbelanjaan modal yang dibenarkan tidak diambilkira di dalam akaun:								
Dikontrakkan								
Perbelanjaan modal	4,866.3	5,175.7	4,855.0	5,126.2				
Penyertaan ekuiti dalam syarikat-syarikat bersatu	76.1	14.6	8.8	14.6				
Pelaburan dalam lain-lain syarikat	21.1	13.5	21.1	13.5				
Belum dikontrakkan								
Pelaburan modal	4,534.4	14,237.3	4,287.0	14,237.1				
Pelaburan dalam lain-lain syarikat	-	0.6	-	0.6				
	9,497.9	19,446.7	9,171.9	19,397.0				

Lain-lain komitmen

Setakat 31 Ogos 1998, jumlah prinsipal notional kontrak-kontrak instrumen kewangan derivatif masih belum berbayar yang telah dimasuki oleh Syarikat adalah RM14,692.0 juta (1997: RM3,501.6 juta).

Instrumen-instrumen ini dilaksanakan dengan institusi-institusi kewangan yang berwibawa. Pengarah-Pengarah Syarikat berpendapat bahawa kemungkinan institusi-institusi kewangan ini tidak melaksanakan perjanjian mereka adalah kecil memandangkan keteguhan kedudukan kewangan masing-masing.

Salah sebuah syarikat subsidieri TNB, TNB Generation Sdn Bhd, telah memasuki kontrak instrumen derivatif bahan api tertentu untuk tujuan lindungnilai dan perdagangan yang boleh dirundingkan dengan prinsipal notional belum berbayar setakat 31 Ogos 1998 berjumlah kira-kira 3,330,000 tong dan 710,000 tan Minyak Mentah dan Minyak Bahan Api Bersulfur Tinggi masing-masing. Berdasarkan harga bahan api setakat 31 Ogos 1998, jumlah prinsipal notional ini adalah RM344,892,000.

22. TANGGUNGAN LUAR JANGKA

Tuntutan oleh pihak ketiga	261.6	116.7	261.6	116.7
Jaminan perdagangan dan bon prestasi	6.8	6.3	-	-
Pinjaman perumahan dijual kepada Cagamas Berhad	260.2	269.9	260.2	269.9
Jaminan Korporat untuk pembiayaan kewangan	732.4	477.1	732.4	477.1
	1,261.0	870.5	1,254.2	863.7

Tuntutan oleh pihak ketiga termasuk: tuntutan daripada kontraktor-kontraktor, perunding-perunding, pelanggan-pelanggan dan bekas anggota kerja. Syarikat adalah bertanggungjawab terhadap tanggungan-tanggungan luar jangka berkaitan dengan penjualan pinjaman-pinjaman perumahan kepada Cagamas Berhad, di bawah syarat akujanji bahawa Syarikat akan terus mentadbir pinjaman-pinjaman tersebut bagi pihak Cagamas Berhad dan akan membeli semula mana-mana pinjaman yang dianggap tidak disempurnakan berdasarkan kepada kriteria kehematan.

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31 OGOS 1998 (SAMBUNGAN)

23. URUSNIIAGA PENTING DENGAN SYARIKAT-SYARIKAT SUBSIDIARI DAN SYARIKAT-SYARIKAT BERSEKUTU

Dalam keadaan perniagaan biasa, Syarikat melaksanakan pelbagai transaksi bersyarat dengan syarikat-syarikat subsidiari dan syarikat-syarikat bersekutunya.

Transaksi-transaksi yang telah dijalankan oleh Kumpulan dan Syarikat adalah seperti berikut:

	Kumpulan		Syarikat	
	1998 RM'juta	1997 RM'juta	1998 RM'juta	1997 RM'juta
(a) Pembelian elektrik dari:				
- syarikat subsidiari			3,921.3	
- syarikat-syarikat bersekutu	2,039.8	1,566.0	2,039.8	1,566.0
(b) Pendapatan faedah diterima dari:			2.6	
- syarikat-syarikat subsidiari			13.9	14.0
- syarikat-syarikat bersekutu		14.0	13.9	14.0
(c) Pendapatan pajakan diterima dari:			1,156.8	
- syarikat-syarikat subsidiari				
(d) Pembelian barang/perkhidmatan dari:			379.9	265.8
- syarikat-syarikat subsidiari				
(e) Pindahan aset tetap kepada:			24.7	
- syarikat-syarikat subsidiari				

Syarikat telah memasuki perjanjian pajakan pada tahun semasa dengan syarikat subsidiari hak milik penuh, TNB Generation Sdn Bhd. Di bawah perjanjian tersebut, Syarikat bersetuju memajakkan semua loji tenaga penjanaan kepada TNB Generation Sdn Bhd. Syarikat subsidiari ini sekarang mengambil alih perniagaan penjanaan dan menjual elektrik kepada Syarikat. Jumlah sewa pajakan yang diterima oleh Syarikat dan pajakan aset tetap dinyatakan seperti di atas dan di dalam Nota 3 masing-masing.

24. PERISTIWA MUTAKHIR

- (i) Syarikat subsidiari hak milik penuh, Sabah Electricity Sdn Bhd ('SESB') telah mensyaratkan Perjanjian Penswastaan ('perjanjian') dengan pihak Kerajaan pada 26 Ogos 1993. Pada 1 September 1993, mengikut terma dan syarat perjanjian, Kerajaan telah bersetuju menswastaikan operasi perniagaan dan pengambilalihan swam Lembaga Elektrik Sabah dengan cara pemindahan aset dan tanggungan kepada SESB.
 Syarikat dikehendaki di bawah perjanjian menawarkan 20% setiap satu saham modal yang dibesarkan milik SESB kepada Petroliam Nasional Berhad dan Kerajaan Negeri Sabah tidak lewat dari 30 November 1993.
- (ii) Berkuatkuasa 1 September 1993, Ringgit Malaysia telah ditetapkan pada hadar USD1.00 kepada RM3.80. Seandainya aset dan tanggungan dalam matawang asing telah ditukar pada hadar tetap USD1.00 kepada RM3.80, kerugian pertukaran seperti dinyatakan dalam Nota 4(ii) kepada akaun akan berkurangan sebanyak RM734.5 juta.

**KENYATAAN PENGARAH-PENGARAH
MENURUT SEKSYEN 169 (15) AKTA SYARIKAT 1965**

Kami, Datuk Dr. Ahmad Tajuddin bin Ali dan Dato' Megat Abdul Rahman bin Megat Ahmad, dua daripada Pengarah-Pengarah Tenaga Nasional Berhad, dengan ini menyatakan bahawa, pada pendapat Pengarah-Pengarah, akaun yang dibentangkan di muka surat 3 hingga 44 telah disusun untuk menunjukkan satu kenyataan yang benar dan saksama mengenai kedudukan Kumpulan dan Syarikat pada 31 Ogos 1993 dan keputusan Kumpulan dan Syarikat serta aliran tunai Kumpulan untuk tahun yang berakhir pada tarikh tersebut menurut Standard-Standard Perakaunan diluluskan yang sewajarnya.

Bagi pihak Lembaga Pengarah



DATUK DR AHMAD TAJUDDIN BIN ALI
Pengerusi Eksekutif & Presiden



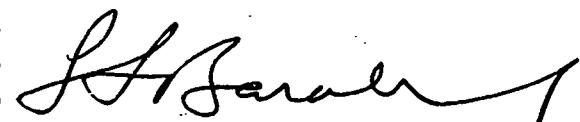
DATO' MEGAT ABDUL RAHMAN BIN MEGAT AHMAD
PENGARAH

Kuala Lumpur
10 November 1998

 KUAN BERKANUN

Saya, Syed Fahkri Barakbah bin Tun Syed Sheh Barakbah, pegawai utama yang bertanggungjawab untuk pengurusan kewangan Tenaga Nasional Berhad, dengan ini mengaku dengan benar dan ikhlas bahawa akaun yang dibentangkan di muka surat 8 hingga 44 adalah pada pendapat saya betul, dan saya membuat pengakuan benar ini sesungguhnya dengan penuh kepercayaan akan kebenarannya, dan menurut peruntukan-peruntukan Akta Pengakuan Berkanun, 1960.

Diturunkan dan diakui benar oleh penama
di atas Syed Fahkri Barakbah bin Tun Syed
Sheh Barakbah pada 10 November 1998
di Kuala Lumpur, Malaysia di hadapan saya



SYED FAHKRI BARAKBAH BIN
TUN SYED SHEH BARAKBAH

Di hadapan saya,



ABAS BIN HASAN
Pesuruhjaya Sumpah

Kuala Lumpur
10 November 1998

1st, Floor Putra Flatlet
101, Jalan Putra
50350 Kuala Lumpur

LAPORAN JURUAUDIT KEPADA AHLY AKAUN
TENAGA NASIONAL BERHAD

11th Floor, Wisma Sime Darby
Jalan Raja Laut
P O Box 10192
50706 Kuala Lumpur, Malaysia

Telephone: 03-293 1077
Cable: 'Pricewater'
Telex: MA 30018
Telecopier: 03-293 0997
Mail Room: 10th Floor

Price Waterhouse



Kami telah mengaudit akaun-akaun yang dibentangkan di muka surat 8 hingga 44. Akaun-akaun ini adalah tanggungjawab Pengarah-Pengarah Syarikat. Tanggungjawab kami adalah untuk menyatakan pendapat mengenai akaun-akaun ini berdasarkan pengauditan kami.

Kami melaksanakan pengauditan kami menurut Standard-Standard Audit yang diluluskan. Standard-Standard tersebut menghendaki kami merancang dan melaksanakan kerja-kerja audit untuk memperolehi keyakinan yang munasabah mengenai sama ada akaun-akaun ini bebas daripada salah nyata fakta yang penting. Sesuatu audit merangkumi pemeriksaan, atas dasar pengujian, keterangan yang menyokong jumlah-jumlah dan pernyataan di dalam akaun. Sesuatu audit juga meliputi penilaian prinsip-prinsip perakaunan yang digunakan dan anggaran-anggaran penting yang dibuat oleh Pengarah-Pengarah dan juga penilaian ke atas pembentangan akaun secara keseluruhannya. Kami percaya bahawa pengauditan kami menyediakan asas yang munasabah bagi pendapat kami.

Pada pendapat kami:

- (a) akaun-akaun tersebut memberikan gambaran yang benar dan saksama tentang kedudukan Kumpulan dan Syarikat pada 31 Ogos 1998 dan keputusan Kumpulan dan Syarikat serta aliran tunai Kumpulan bagi tahun kewangan yang berakhir pada tarikh tersebut menurut Standard-Standard Perakaunan diluluskan yang sewajarnya dan mematuhi Akta Syarikat, 1965; dan
- (b) rekod-rekod perakaunan dan lain-lain rekod serta daftar-daftar yang dikehendaki oleh Akta disimpan oleh Syarikat dan syarikat-syarikat subsidiari yang diaudit oleh kami telah disimpan dengan sempurna menurut peruntukan-peruntukan Akta tersebut.

Nama syarikat-syarikat subsidiari yang tidak diaudit oleh kami adalah dinyatakan di dalam Nota 9 kepada akaun. Kami telah mempertimbangkan akaun syarikat-syarikat subsidiari tersebut dan juga laporan juruaudit mengenainya.

Kami berpuas hati bahawa akaun syarikat-syarikat subsidiari yang telah disatukan dengan akaun Syarikat adalah dalam bentuk dan kandungan yang bersesuaian dan teratur untuk tujuan penyediaan akaun yang disatukan, dan kami telah menerima maklumat yang memuaskan dan keterangan-keterangan yang diperlukan untuk tujuan tersebut.

Laporan juruaudit ke atas akaun syarikat-syarikat subsidiari yang telah disatukan tidak dikenakan sebarang pengecualian dan tidak mengandungi sebarang teguran mengikut seksyen kecil (3) Seksyen 174 di bawah Akta tersebut.

Price Waterhouse

PRICE WATERHOUSE
(No. AF-0052)
Aktauntan Awam

V. Uthaya Kumar

UTHAYA KUMAR S/O K. VIVEKANANDA
(No. 1455/6/00 (J))
Rakan dalam firma

Kuala Lumpur
10 November 1998

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TARIK

(DATE ISSUED)

TNB

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PROXY FORM

Number of Shares held	
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**TENAGA
NASIONAL BERHAD** (2003347)
(Incorporated in Malaysia)

I/We, _____
(BLOCK LETTERS)

of address _____

being a Member/Members of Tenaga Nasional Berhad, hereby appoint

of _____

or failing him/her _____

of _____

or failing him/her, the Chairman of the Meeting, as my/our proxy, to vote for me/us, and on my/our behalf at the Eighth Annual General Meeting of the Company to be held on **Thursday, 29 December 1998 at 9.30 am at the Dewan Serbaguna, Kompleks Sukan TNB, Jalan Pantai Baru, 59200 Kuala Lumpur** and/or at any adjournment thereof in the manner indicated below:

		FOR	AGAINST
1.	Resolution 1 Adoption of Directors' Report and Audited Accounts for the year ended 31 August 1998		
2.	Resolution 2 Declaration of Dividend		
3.	Resolution 3 Payment of Directors' Fees		
4.	Resolution 4 Re-election of Haji Mokhtar Rudin bin Wan Yusof		
5.	Resolution 5 Re-election of Haji Mohd Yusof bin Ibrahim		
6.	Resolution 6 Re-election of Dato' Hari Narayanan s/l Govindasamy		
7.	Resolution 7 Appointment of Messrs PricewaterhouseCoopers as Auditors of the Company in place of the retiring Auditors, Messrs Price Waterhouse.		
8.	Resolution 8 Special Business: Ordinary Resolution Section 132D Companies Act, 1965 on Issue of New Shares		

(Please indicate " X " in the appropriate box against each Resolution as to how you wish your proxy/proxies to vote. If no voting instruction is given, this form will be taken to authorise the proxy/proxies to vote at his/her discretion).

Dated: _____ day of _____ 1998

Signature of Shareholder(s) or Common Seal

Notes :

1. Any member entitled to attend and vote at this Meeting of the Company is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. Where the instrument appointing a proxy/proxies is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly appointed under a power of attorney.
3. Where a Member appoints two proxies, the appointments shall be invalid unless the percentage of the holding to be represented by each proxy is specified.
4. A corporation which is a Member, may authorise by resolution of its Directors or other governing body, such person as it thinks fit to act as its representative at the Meeting, in accordance with Article 107(6) of the Company's Articles of Association.
5. The instrument appointing a proxy/proxies must be deposited at the Company's Share Registrar, Share Registration Section, Tenaga Nasional Berhad, Level 1, Generation Building, 129 Jalan Bangsar, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time set for the Meeting.



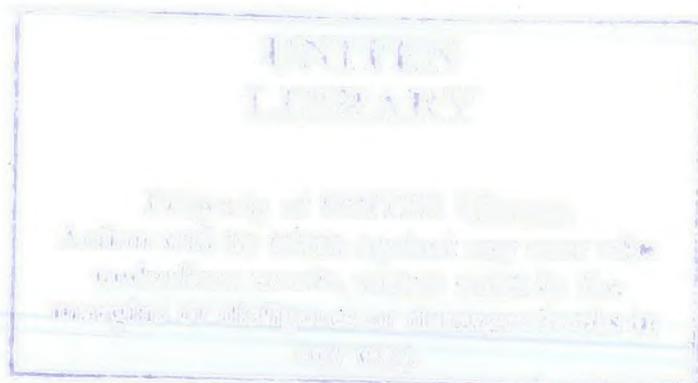
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**Company's Share Registrar
Share Registration Section
Tenaga Nasional Berhad
Level 1, Generation Building
129 Jalan Bangsar
59200 Kuala Lumpur
Malaysia**

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BORANG PROKSI

Jumlah Saham yang dipegang



**TENAGA
NASIONAL BERHAD**
(Diperbadankan di Malaysia)

Saya/Kami,

(HURUF DESAR)

beralamat

adalah Ahli/Ahli-ahli Tenaga Nasional Berhad, dengan ini melantik:

beralamat

ataupun

beralamat

atau jika beliau tidak hadir, Pengurus Mesyuarat sebagai Proksi saya/kami, untuk menghadiri dan mengundi bagi pihak saya/kami di Mesyuarat Agung Tahunan Kelapan Syarikat yang akan diadakan pada hari **Selasa, 29 Disember 1998, jam 9.30 pagi di Dewan Serbaguna, Kompleks Sukan TNB, Jalan Pantai Baru, 59200 Kuala Lumpur** dan/atau di Mesyuarat yang ditangguhkan seperti berikut:-

		MENYOKONG	MENENTANG
1.	Resolusi 1 Menerima Laporan Pengarah dan Aktaun yang telah diaudit bagi tahun berakhir 31 Ogos 1998		
2.	Resolusi 2 Pengisytiharan Dividen		
3.	Resolusi 3 Pembayaran Elaun Pengarah-Pengarah		
4.	Resolusi 4 Pemilihan semula Haji Mokhtar Rudin bin Wan Yusof		
5.	Resolusi 5 Pemilihan semula Haji Mohd Yusof bin Ibrahim		
6.	Resolusi 6 Pemilihan semula Dato' Hari Narayanan a/l Govindasamy		
7.	Resolusi 7 Perlantikan Tetuan PricewaterhouseCoopers sebagai Juruaudit Syarikat bagi menggantikan Juruaudit yang bersara, Tetuan Price Waterhouse.		
8.	Resolusi 8 Urusan Khas: Resolusi Biasa Seksyen 182D, Akta Syarikat, 1965 bagi Terbitan Saham Baru		

(Sila tandakan 'X' dalam ruang yang sesuai di sebelah tiap-tiap Resolusi tentang bagaimana anda hendak proksi anda mengundi. Jika sebarang petunjuk undi tidak diberi, borang ini akan dianggap sebagai memberi kuasa kepada proksi untuk mengundi mengikut budibacaranya).

Bertarikh: _____ haribulan _____ 1998

Tandatangan Pemegang Saham atau Meterai

Note:

1. Mana-mana Ahli yang berhati menghadiri dan mengundi dalam Mesyuarat Syarikat berhati melantik satu atau dua orang proksi untuk menghadiri dan mengundi bagi pihaknya. Proksi ini tidak semestinya seorang Ahli Syarikat.
2. Suratcara melantik proksi atau proksi-proksi hendaklah ditandatangani oleh orang yang melantik atau dimeterai oleh peguamcaranya. Jikalau suratcara perlantikan proksi atau proksi-proksi diuruskan oleh sebuah perbadanan, surat ini hendaklah dimeterai atau ditandatangani oleh seorang pegawai atau peguamcar yang diberi kuasa.
3. Jika seorang Ahli melantik dua orang proksi, perlantikan itu tidak akan mewujudkan peratusan pegangan yang diwakili oleh setiap proksi itu ditetapkan.
4. Sebuah perbadanan yang menjadi Ahli boleh memberi kuasa melalui resolusi Pengaruh-Pengaruhnya atau lain-lain badan berkuraus, kepada seseorang yang difitirkan sesuai untuk bertindak sebagai wakilnya dalam Mesyuarat ini menurut Artikel 107(2) Tataurusan Syarikat.
5. Suratcara melantik Proksi atau Proksi-Proksi hendaklah disampaikan kepada Pendaftar Saham Syarikat, Seksyen Pendaftaran Saham, Tenaga Nasional Berhad, Aras 1, Bangunan Perjanjian, 129 Jalan Bangsar, 59200 Kuala Lumpur tidak kurang dari empat puluh lapan (48) jam sebelum waktu yang ditetapkan untuk Mesyuarat.

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NASIONAL**

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SETEM

**Pendaftar Saham Syarikat
Seksyen Pendaftaran Saham
Tenaga Nasional Berhad**
Aras 1, Bangunan Penjanaan
129 Jalan Bangsar
59200 Kuala Lumpur
Malaysia

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