

Temasek Review 2013

Thursday, 4 July



Beyond Investing...



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@Temasekreview13

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***Beyond Investing,
Temasek builds for the future.***

*The trees we plant today
will shade tomorrow's generation...*

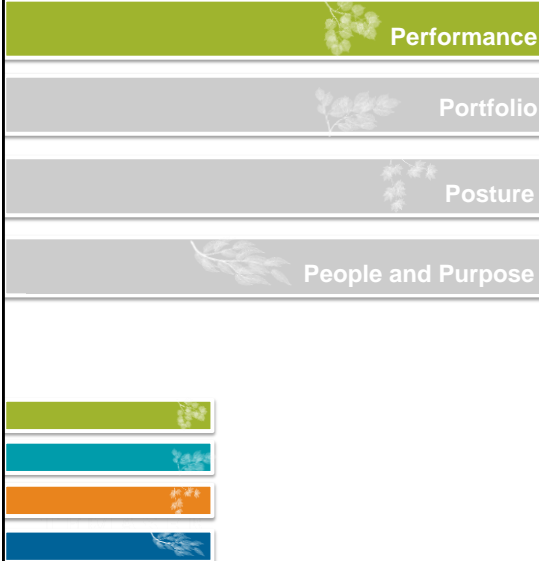
- Chinese Proverb

"前人栽树，后人乘凉"
谚语



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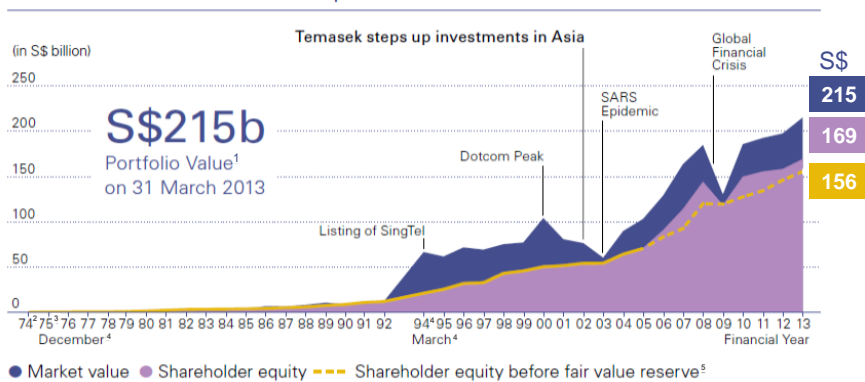
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Portfolio Value since Inception

Performance

Resilient Portfolio



¹ Equivalent to US\$173 billion as at 31 March 2013.

² Incorporation of Temasek on 25 June 1974.

³ Financial year: 75 began on 25 June 1974 and ended 31 December 1975.

⁴ Financial year-end was changed from 31 December before 1993 to 31 March from 1994 onwards.

⁵ FRS39 *Financial Instruments: Recognition and Measurement*, introduced during year ended 31 March 2006, requires available-for-sale financial assets to be measured at fair value.

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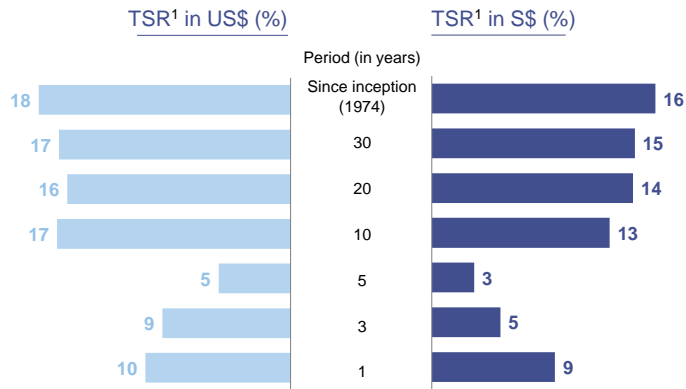
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Long Term Returns to Shareholder



Performance

15% Compounded Annual S\$ Return over 30 years to Shareholder



¹ Total Shareholder Return

(as at 31 March 2013)

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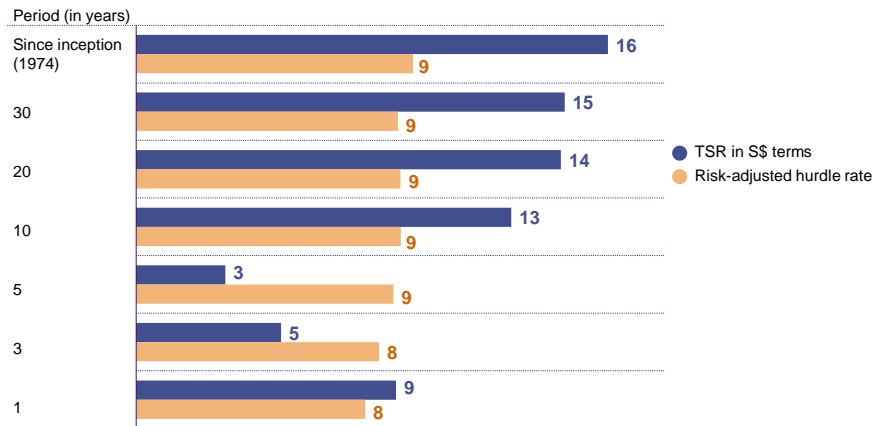
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TSRs vs Risk-Adjusted Cost of Capital



Performance

S\$ Total Shareholder Return (TSR) and Risk-adjusted Hurdle Rate (%)



(as at 31 March 2013)

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One, 10, & 20-Year S\$ Returns to Shareholder

Performance

Stable Long Term Performance

Rolling TSR (%)



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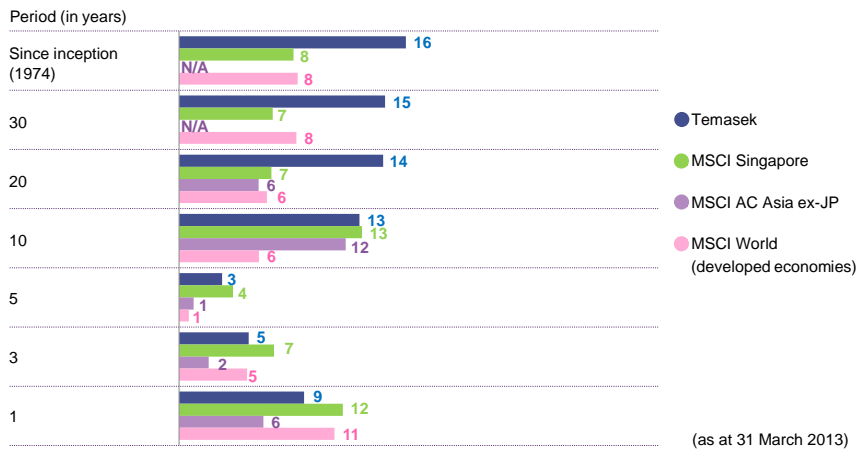
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Long Term Returns (S\$)

Performance

Delivering Consistent Performance

% Returns to Shareholder (compounded annually)



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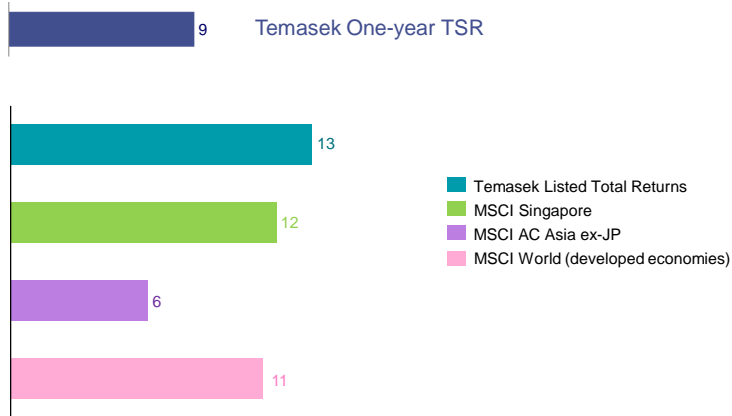
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Performance of Temasek Listed Returns (S\$)



Performance

Temasek One-year returns for listed holdings (%)



(as at 31 March 2013)

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Group Income Statements



Performance

Steady Group Net Profit

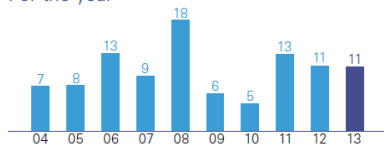
(S\$b)

For year ended 31 Mar	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenue	56.5	67.5	79.8	74.6	83.3	79.6	76.7	83.5	83.5	83.8
Profit before income tax	11.8	12.2	19.0	14.3	25.5	10.4	8.5	17.8	14.8	15.2
Profit attributable to equity holder of the Company	7.4	7.5	12.8	9.1	18.2	6.2	4.6	12.7	10.7	10.6

Group Net Profit (S\$b)

S\$11b

For the year



Group Net Profit: S\$11b

- Higher Temasek contribution
- Offset by lower contributions from portfolio companies

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Group Balance Sheets

Performance

Strong Foundation Built Over Decades

(S\$b)

As at 31 Mar	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total assets	180.8	199.1	213.7	242.4	295.5	247.9	284.8	297.9	302.6	317.4
Shareholder equity before fair value reserve	64.5	70.9	83.6	92.9	120.2	119.9	127.8	134.6	146.4	155.9
Fair value reserve ¹	-	-	7.0	21.1	23.9	(1.5)	21.9	20.9	11.8	13.2
Shareholder equity	64.5	70.9	90.6	114.0	144.1	118.4	149.7	155.5	158.2	169.1
Net debt ²	21.9	26.9	16.7	23.6	33.8	22.1	17.8	9.5	16.1	13.3

Full financial flexibility
Temasek ended the year in a net cash position

Steady growth
Group Shareholder Equity: S\$169b



¹ FRS39 *Financial Instruments: Recognition and Measurement*, introduced during year ended 31 March 2006, requires available-for-sale financial assets to be measured at fair value.

² Total debt less cash and cash equivalents.

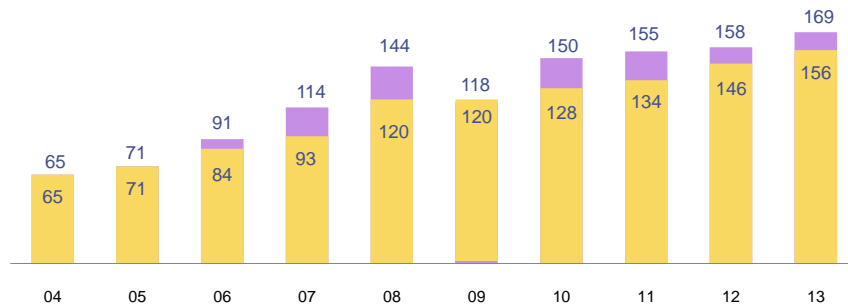
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Group Shareholder Equity (S\$b)

Performance

S\$169b
Group Shareholder Equity
(as at 31 March 2013)



● Fair value reserve
● Shareholder equity before fair value reserve

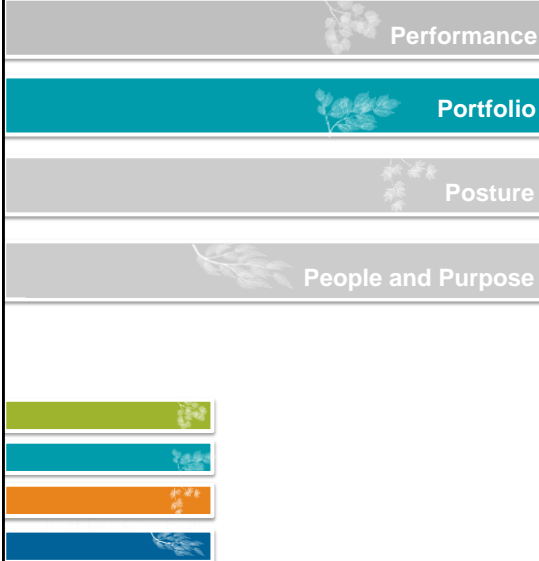
(as at 31 March)

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Portfolio Global Coverage

Portfolio



A Balanced Portfolio
Anchored in Asia

41%
Asia
ex-Singapore

30%
Singapore

25%
North America
& Europe,
Australia &
New Zealand

4%
Latin America,
Africa, Central Asia
& the Middle East

Note: Distribution based on underlying assets.

(as at 31 March 2013)

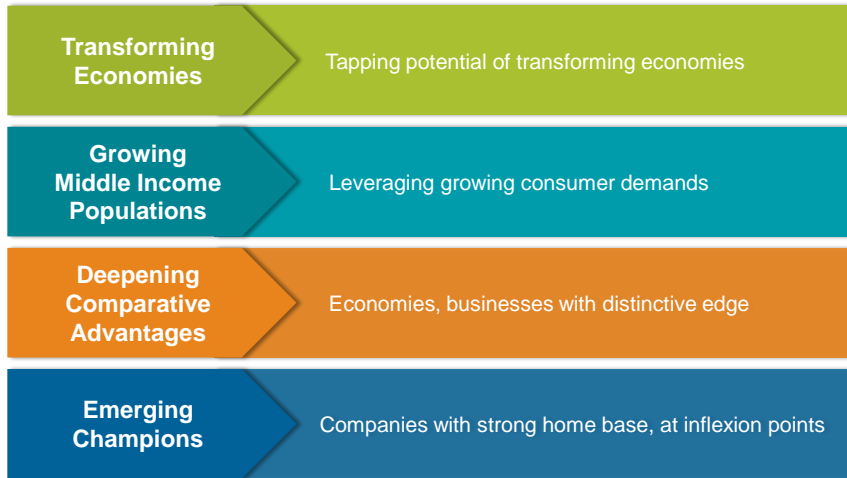
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Investment Themes



Portfolio



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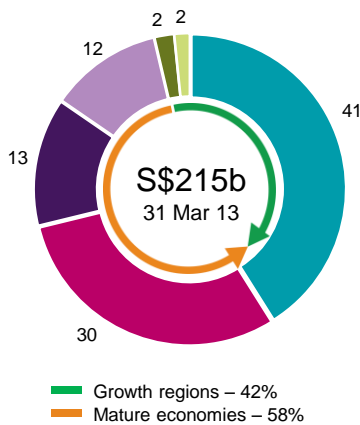
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Geographic Mix



Portfolio

Asia weighted portfolio at 71%



(%)	2013	2012
● Asia ex-Singapore	41	42
● Singapore	30	30
● Australia & New Zealand	13	14
● North America & Europe	12	11
● Latin America	2	1
● Africa, Central Asia & the Middle East	2	2

Note: Distribution based on underlying assets.

(as at 31 March)

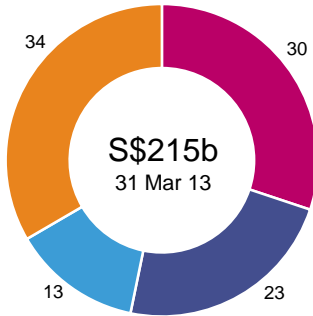
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Country Mix

Portfolio

Over 65% of portfolio from Singapore, China and Australia



(%)	2013	2012
● Singapore	30	30
● China	23	24
● Australia	13	14
● Rest of Portfolio	34	32

Note: By underlying assets.

(as at 31 March)

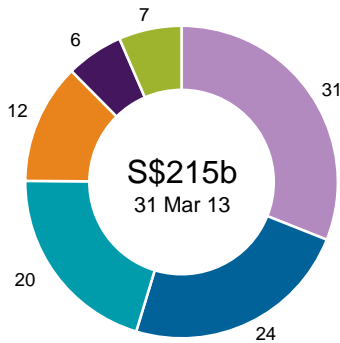
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Sector Mix

Portfolio

Tracking growth opportunities



(%)	2013	2012
● Financial Services	31	31
● Telecommunications, Media & Technology	24	24
● Transportation & Industrials	20	21
● Life Sciences, Consumer & Real Estate	12	12
● Energy & Resources	6	6
● Others	7	6

Note: Distribution based on underlying assets.

(as at 31 March)

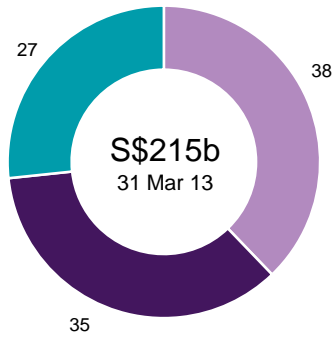
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Liquidity

Portfolio

A liquid portfolio with full flexibility



(%)	2013	2012
Listed large blocs (≥ 20% share)	38	37
Liquid & sub-20% listed assets	35	36
Unlisted assets	27	27

(as at 31 March)

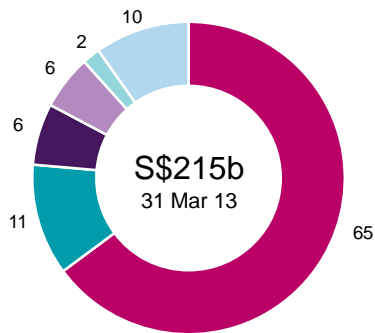
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Currency Mix

Portfolio

Strong base in Singapore



(%)	2013	2012
Singapore dollars	65	65
Hong Kong dollars	11	12
US dollars	6	7
British pounds sterling	6	6
Euros	2	1
Others	10	9

Note: Distribution based on currency of denomination.

(as at 31 March)

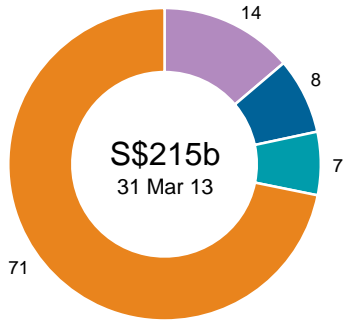
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Single Name Concentration

Portfolio

Three companies comprise 29% of portfolio



(%)	2013	2012
● Singapore Telecommunications Ltd	14	14
● China Construction Bank Corp	8	10
● Standard Chartered PLC	7	7
● Rest of Portfolio	71	69

Note: By market value.

(as at 31 March)

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Active Investor

Portfolio



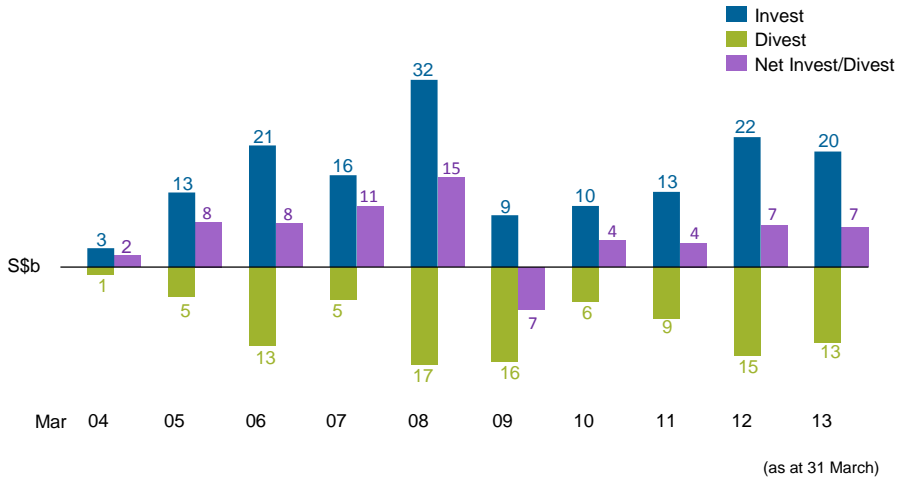
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Investment and Divestments

Portfolio

Over 10 years: Invested S\$159b
Divested S\$100b



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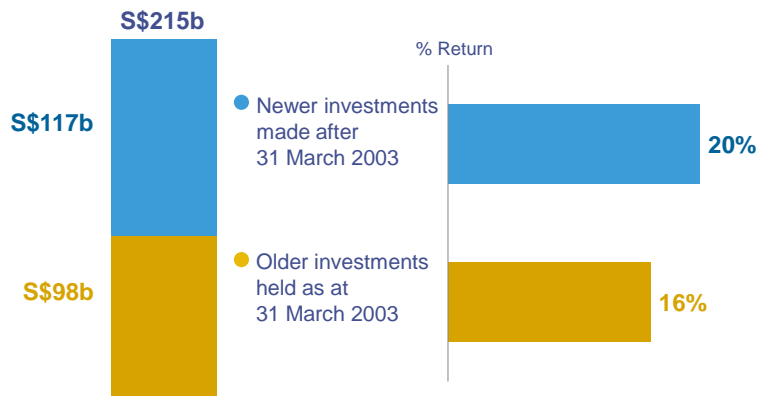
10-Year Returns to Temasek

Portfolio

Returns to Temasek of 20% from newer investments

Portfolio Market Value

10-year S\$ Annualised returns to Temasek



(as at 31 March 2013)


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- Performance
- Portfolio
- Posture
- People and Purpose



Near Term Global Outlook

Posture

USA	Improving economy, but monetary tightening inevitable
China	Moderating growth, with some risks in financial system
Euro zone	Reduced contagion risk, but weak environment to prevail
Global imbalances	Improving, but not completely resolved

Opportunities



Posture



Remain anchored in Asia; proxies of transforming economies and growing middle income populations



See good investment opportunities in North America and Europe



Opportunities in energy, resources, life sciences, consumer & technology sectors

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Performance

Portfolio

Posture

People and Purpose





Temasek is an active investor and shareholder.

We deliver sustainable value over the long term.

Temasek is a forward looking institution.

We act with integrity and are committed to the pursuit of excellence.

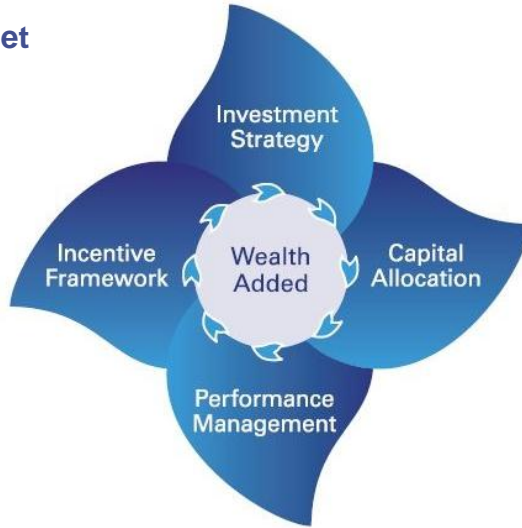
Temasek is a trusted steward.

We strive for the advancement of our communities across generations.

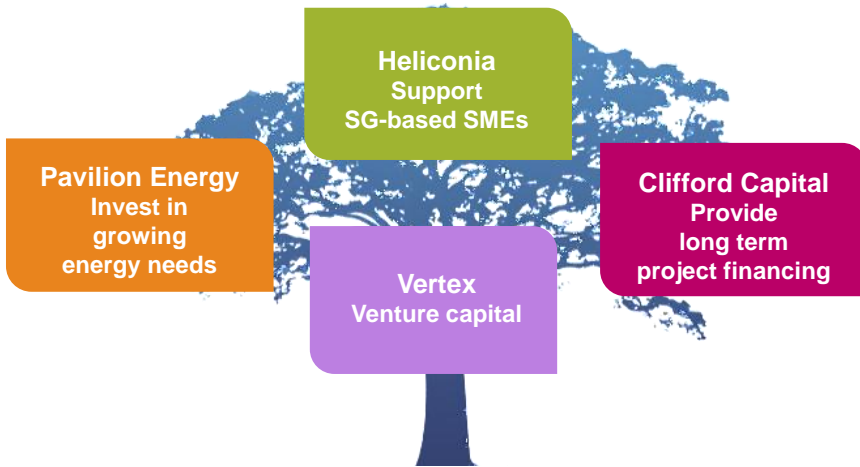


An Ownership Mindset

Delivering Sustainable Returns Over the Long Term



Going beyond investing: A builder of growth



Enterprise Development Group

A Trusted Steward

People and Purpose



Programmes touched over 100,000 people over 10 years

Temasek Cares:
Supported 13,000 needy in Singapore over 4 years

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Making a Difference

People and Purpose



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***Beyond Investing,
Temasek builds for the future.***

*The trees we plant today
will shade tomorrow's generation...*

- Chinese Proverb

"前人栽树，后人乘凉"
谚语



ANNEX

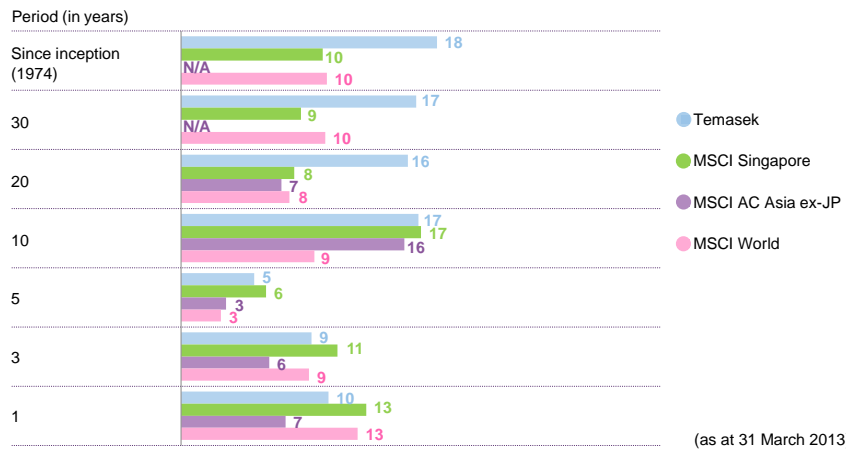


Long Term Returns (US\$)



Performance

% Returns to Shareholder (compounded annually)



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