

Frequently Asked Questions

Temasek Review Media Conference 2014 selected Questions & Answers

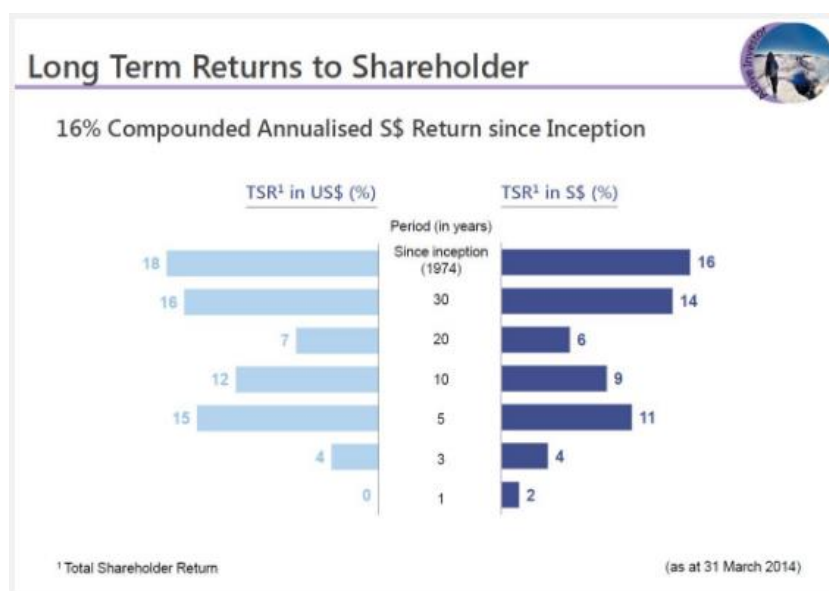
Questions on Total Shareholder Return

QUESTION: The first question is on the one-year TSR of 1.5%. I mean ordinary Singaporeans may read that and say, you know, it doesn't even beat inflation. So what exactly contributed to the lower TSR?

RS: OK, just on your first question. As we've said, you know, we do invest for the long term and on a year-by-year basis you will see volatility. So frankly, you know, we don't think, we don't look at a one-year return. We look at longer term returns. The reasons why the returns were lower this year are partly explained is the fact that about half our portfolio consists of listed companies in Singapore and listed on the Hong Kong stock exchange H-shares and if you're listed you cannot be totally immune to the markets. So these markets actually showed negative returns last year. You know, over the longer term, as I said, we're pretty confident about our investments and our long term themes. As I also mentioned, the same markets just over the last quarter have returned 4 to 5% since 1 April. So, you know, when you look at one year's returns just as of a certain date, you know, we are long term investors, we have to be comfortable with that short term volatility to get superior returns for the longer term.

QUESTION: My question is ... I was looking at your 5-year total shareholder returns and this 5-year period is also basically the period in which central banks have been running the investment world. So this 11% return, total shareholder return that you've had this period, do you ever feel uncomfortable that this may be actually something that you might not be able to replicate when central banks stop running the investment world?

RS: If you look at it, the impact of the central bank liquidity has been felt more in the developed markets of the US and Europe. In fact if you look at it over the last year or so you've seen actually tightening in most of the emerging markets where we have a presence out there. So clearly, you know, we are conscious of our return hurdles of 8 to 9% which is the cost of capital and we are investing with a view to generating returns in excess of that in the long term.

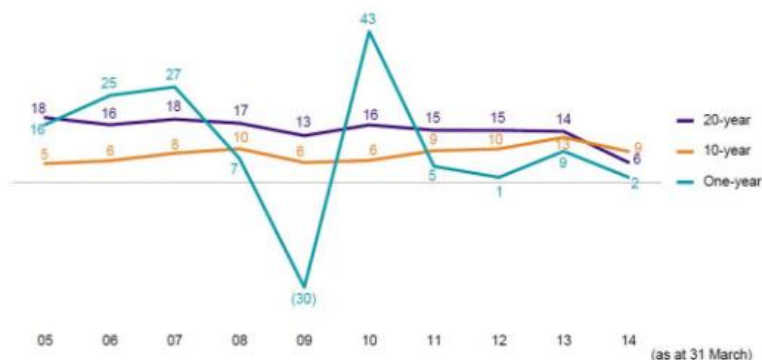


One, 10, & 20-Year S\$ Returns to Shareholder



Stable Long Term Performance

Rolling TSR (%)



QUESTION: Would you say you've underperformed your own internal benchmarks? Has this been disappointing you?

RS: Well if you look at, as we said, in the last one year our returns were lower than our cost of capital. But as we said, we look at things as longer term returns and if you look at that over periods of 5 or 10 years we have met or exceeded our cost of capital.

QUESTION: Your 20-year return is 6%, which is lower, so is that a disappointment? I mean it's even longer term, right?

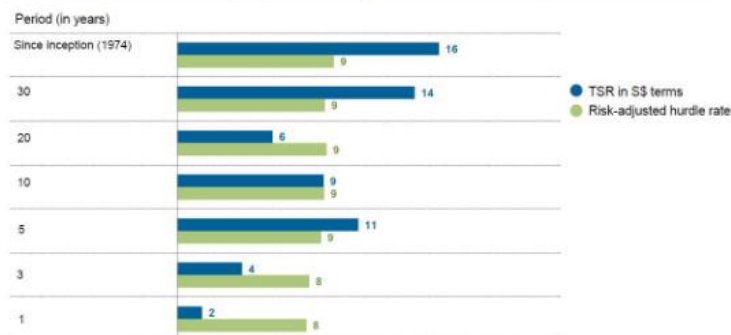
RS: As I mentioned, the 20-year is just off the listing of SingTel that it happened where there was a pop. You may not remember this but SingTel, when it was listed, traded at a valuation of 43 times earnings just after listing. It's now down to a more sustainable level of about 16 times earnings. So that in itself, because of some more inflated valuation of SingTel just after the IPO, the base effect of 1994 was very high and at that time SingTel was more than half our portfolio so that's the reason why when you look at that the returns look 6%. But it's really, you know, as we look at years as we go by, we look at longer term returns, we look at 30 years, obviously we've done really well but more realistically 5, 10 years we're quite – we feel that our performance has been quite respectable and may have exceeded our cost of capital. Year by year things are always very volatile and really that's not how we invest.

WYB: One thing I might add is our cost of capital is a bottom up calculation and baked in country risk or sector risk, etc.

TSR and Risk-Adjusted Cost of Capital



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

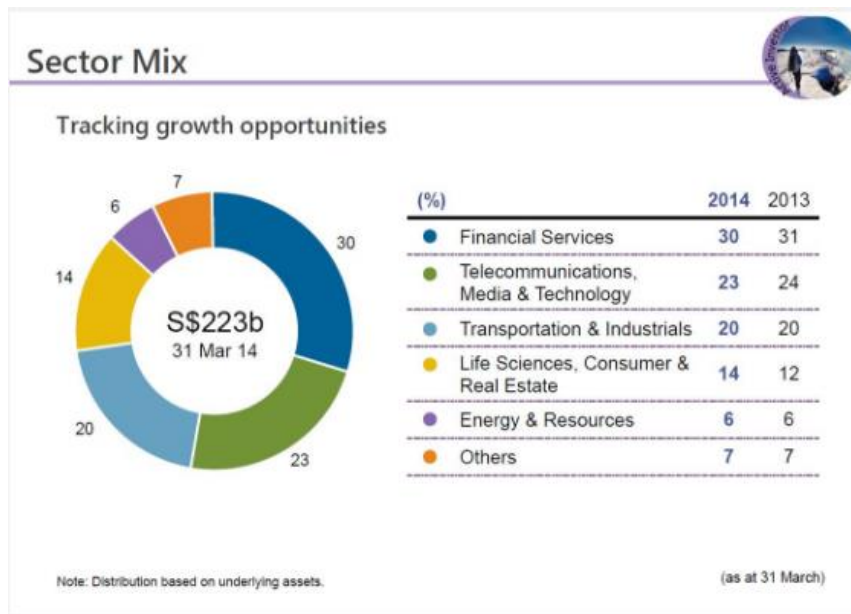


(as at 31 March 2014)

Questions on Sector Exposure: Financial Services

QUESTION: I have a very simple question. The share of financial assets decreased from 31% to 30%. My simple question – is that the first time in the history of Temasek where the share of financial assets decreased? I don't know whether you can say that right now. And my second question would be, I mean, there are some observers who say Temasek is overexposed to financial assets. Is there a long term intention at Temasek to reduce the exposure to financial assets?

RS: I don't off hand have the data about whether the share of financials has fallen in the past but I think it may well have. I think what is more important is that, you know, we invest along our four themes and one of them is transforming economies and we see financial institutions and banks as a key proxy to basically leverage the transformation of economies. So we continue to see banks and financial institutions being a key part of our portfolio going forward.



Post-script: Financial Services represented 35% of the portfolio in 2010; 36% in 2011; and 31% in each of 2012 and 2013.

Questions on Sector Exposure: Energy

QUESTION: My question is about energy sector, which I think no one has touched yet. You made some investments in BG as well as in Pavilion Energy. What sort of other energy sectors or companies are you looking at and what do you expect from Pavilion Energy besides what they have done so far? Are you looking into LNG terminal investments or any other things related to energy, oil and gas? Thank you.

PSL: I'll take the Pavilion Energy one. It's quite I think Pavilion Energy has actually said that they are looking actively at the LNG space including, you know, whatever it is that we have here in Singapore, whether it's the terminal or whether it's the supply or distribution. So I think it's still early days yet and it's really up to Pavilion Energy and their board to work out that strategy. On other energy investments I think we've done – Seven Energy was another investment we made in Nigeria, I think.

RS: And generally speaking in the unconventional space the US we've been quite active and we've made a couple of investments, private investments in that space. So it's clearly an area of focus for us and we would expect to see that portion of our portfolio increase over the years.

Questions on Sector Exposure: Technology and Internet Companies

QUESTION: Will you be able to share with us what your shareholding is of Alibaba? Will you see the upcoming IPO a chance to take some money off the table? Also in your speech in New York you mentioned about the bitcoin experiment made in Temasek. Can you share maybe some of the opportunities you see in maybe the new media and tech space especially being on the ground in the US? Thanks.

WYB: Sorry, we can't disclose specific shareholding for specific companies. We'll just say we're very happy that we have increased our position and we have significant exposure to Alibaba and we do believe as it going through the IPO we should benefit in terms of the return to our portfolio.

RS: We've been invested in Alibaba for a while and have made multiple investments as you will have seen from their press releases but we are bound by non-disclosure obligations right now to be able to disclose the exact position out there. That's exactly one of the key themes that we see globally around, you know, more broadly around the mobile Internet, the cloud, machine-to-machine communication, all these things we think are transforming a number of industries including retail and that's e-commerce in Alibaba but also healthcare, education, utilities, a number of industries have been transformed by these trends and that's what we find so exciting about the opportunities today. So investments like Alibaba we see as long term positions for us to leverage some of the key trends.

WYB: One thing I might add is, I think, in the Internet space, and China is actually one of the leaders in innovation and Alibaba's model, as you can see, is not a simple copy of a mature market model and particularly when the market moves into the mobile Internet you see China has a lot more global leaders emerging and that's probably a trend that was less talked about, you know, generally. We're talking about manufacturing but innovation we also see it comes up in China. So obviously we're very active in that sector.

RS: As we talked about, these emerging technologies around broadly the mobile Internet and the cloud and machine-to-machine communications, the Internet of Things, these three broad trends are transforming a number of industries. Payments in bitcoin is just one of them. I think this was just an experiment just to we regularly try and introduce different technologies to all our people, to all our staff. So that was just an experiment on the side but more broadly it reflects our focus on technology as a key investment theme for us going forward.

Questions on Global Portfolio Exposure

QUESTION: You're still obviously very much in terms of your portfolio's geographic emphasis, Singapore, Asia. You've opened offices in London and New York in the last few months, you have one in Mexico and various other places. Are you happy with the current pace of, if you'd like, the globalisation of your portfolio or would you like to see it speeded up a bit? Particularly bearing in mind if you look at the local Singapore market, you touched on the performance of the STI. There are a lot of structural problems with the Singapore equities markets which you will be aware of. This is not a happy place to be listed for many companies in terms of liquidity on how the market structure has developed and some of your biggest holdings are here.

RS: If you look at our report this year about 40% of our investments this year were made in the US and Europe. So actually we're quite happy with the pace of our investments in those markets. Generally speaking, you know, we have a global footprint so that we can take advantage of opportunities wherever we see them. We don't have specific targets for specific regions. Ultimately our investments are bottom up and as long as they are in line with our themes and we see the right opportunities we look at them and whichever geography. But just to your point, last year was fairly active for us both in the US and Europe. You know, location of listing is less relevant for us. I mean ultimately, you know, the quality of companies and whether they're leveraging the key trends that we see. So, you know, you could have a company in China that's listed in Hong Kong or you could have a company like Alibaba that is listed in the US. The venue of listing is less relevant for us whether it's Singapore, Hong Kong or anywhere else.

Questions on Global Portfolio Exposure: China

QUESTION: Can you confirm if the Chinese banks are the major drag on your relative underperformance last year and then what are your views and plans for them? Thanks.

WYB: The banking stock has been volatile. I would not say the Chinese banks are the major drag on our performance. They do fluctuate from time to time. Chinese economy – we remain very optimistic over the long term. The financial institutions we believe have ample capability to weather the current storm and be able to adjust to the risks they're facing. So, we remain comfortable with our stakes and we will continue to invest in the financial institutions because they are good proxy for the long term growth for Chinese economy.

RS: If I could just add to that, as you would have seen in our presentation, we had mentioned that about half our portfolio consists of listed stocks in Singapore and stocks that are listed on the H-share in Hong Kong and you saw even the Straits Times Index over the last year had negative returns, so it was not any one set of stocks, it's just that some of the areas that we had invested in had weak market performance. And again, you know, these are results as of a particular date, March 31st. You mentioned the Chinese banks. Since March 31st, they rebounded by 10 to 12% or even if you look at the Straits Times Index, that's up about 4%. So, you know, we really look at long term returns and look at investments over the long term horizon and are fairly comfortable with short term market volatility.

QUESTION: Question is about China, in China do you see opportunities... you said that you're comfortable with the bank holding and you could invest more... so on China, do you see any opportunities arising from the restructuring of the state-owned enterprises that's been going on as part of the reform process and do you see any sort of investment opportunity in that segment?

WYB: On China, we do look at the opportunities of the state-owned enterprise reform. And as we all paid a lot of attention in the Third Plenum and we think they are taking very decisive steps and we do see many opportunities arising in terms of the companies seriously in transforming. As you know, Temasek has worked closely with SASAC for many years in sharing our experience in governance. I think we're in a good position to capture those opportunities. So we will be looking at the opportunities seriously.

SF: Can I just add to that, in the course of the year in review we did, of course, increase our stake in ICBC in China. So that occurred in that year as well.

QUESTION: [My question] is about China, the portfolio percentage increased from 23% to 25% despite the drop of the share price of the listed companies. Can you please let us know what are the new investments that you made in China other than the increase of the ICBC shares? If you can't name, can you give us some of the industries or sectors?

WYB: I'll take the question on China. As Rohit mentioned, we are long term investors. We look at the relative market weakness in Hong Kong, for example, and H-shares and in Shanghai Index as opportunity for us to invest. Really as we see the themes of investment that went through is really relevant today and as China is going through the next stage of the transformation we see with both the long term optimistic and also see that opportunity to add, so we're very active in China along the sectors that could benefit from this transformation and you ask examples and some of the sectors would include, for example, technology which is a very vibrant sector today in China and Rohit mentioned, for example, we have invested in Alibaba and then, for example, in terms of the healthcare sector we see the market going through really the next stage of transformation. It's very inadequate today and the Government has made various policies of seriously looking to partially have "mixed ownership". So allow private sectors to participate in the healthcare which is the policy that the market has been waiting for a long time and, for example, we also see in resources, agriculture, these are also you see a lot of globalising needs. With the rise in middle income, China needs food and safe food, you know, across different categories – meat and grain, etc. So really what we see is you continue along our themes. We pick up the sectors that potentially can benefit from both the long term trend of the rise in middle class as well as the transformation which is going through today and we do think of the long term it should present good opportunity for us to invest.

PSL: I think we should also add we've done some investments in the consumer space, right, so the infant food formula company, actually I think it was, and also a juice company, Huiyuan Juice....

RS: Huiyuan Juice. So the insurance companies, 21Vianet we have on the technology side. We've got a list of a number of our China investments in our annual report. We mentioned that about half of investments last year were in Asia and substantial majority of those were in China.

Questions on Global Portfolio Exposure: India

QUESTION: [My question] is on India. Is Temasek taking a closer look at India right now given the improved business sentiment recently because of the change in political leadership and what might those sectors be?

RS: Firstly on India. We've had offices in India since 2004 so clearly India is an important part of the landscape that we look at. We have a large team on the ground in India so we have been looking at India. We've been active even during the last year and expect to continue to be active out there. We look at the number of sectors there. Some traditionally, you know, the banks which we have looked at in the past, we also look at the consumer sector which is fairly robust out there. We look at some of the export orientated sectors like Pharma and IT, you know, and currently in the current environment where we expect a cyclical rebound we would also look at some of the cyclical sectors on the manufacturing side. So overall I think it's an important market for us and we continue to be focused on that.

Questions on Global Portfolio Exposure: Indonesia

QUESTION: On Indonesia... As we all know the presidential election is taking place this week. As an investment destination how would Temasek view Indonesia bearing in mind that the two presidential candidates are viewed very differently by investors worldwide? We know Prabowo is rightly seen as being nationalistic and whereas Jokowi is seen to be more – seen to be better for business. What is your take on this?

RS: Indonesia, you know, it's a country which has a lot of characteristics in line with our investment themes. It's something that we have been looking at. We've invested in a hypermarket opportunity out there, we've done a couple of other recent investments there. So it's a market we will need to look at. You know, we invest for the long term. We're not – and for us what is more important is the market demonstrating the themes that we are focused on, less about, you know, basically which political party's in power. That will obviously change over time.

Questions on Global Portfolio Exposure: Japan

QUESTION: My annual question, how do you look at Japan? Has your view in the market changed after last year's briefing, you know, Abenomics, development and market changes, please?

RS: On Japan. Look, clearly we're all, you know, we're looking closely at Abenomics and the steps that are being taken to recharge the Japanese economy. Traditionally it's not been an area of focus for us because it hasn't really been broadly in line with most of our investment themes which are more aligned with emerging markets. But look, you know, we're tracking the developments in Japan closely and if we, you know, we find opportunities out there, you know, we will definitely look at them.

Questions on Global Portfolio Exposure: Unlisted Assets

QUESTION: [On] unlisted assets, I noticed there was an increase on 27% to 30%. Was that really just a function of your listed assets falling or was that a deliberate strategy to increase your listed assets because, you know, after the financial year you invested \$5.4 billion in Watsons and of course there's money in Alibaba as well. What's your strategy going forward for your unlisted public equity type investments?

WYB: It's not a deliberate strategy per se. We look at investment bottom up, listed and unlisted. As I mentioned, that's, I think, the main advantage of us remaining flexible. Our portfolio continues to be very liquid overall which is comforting to our bond holders. The specific

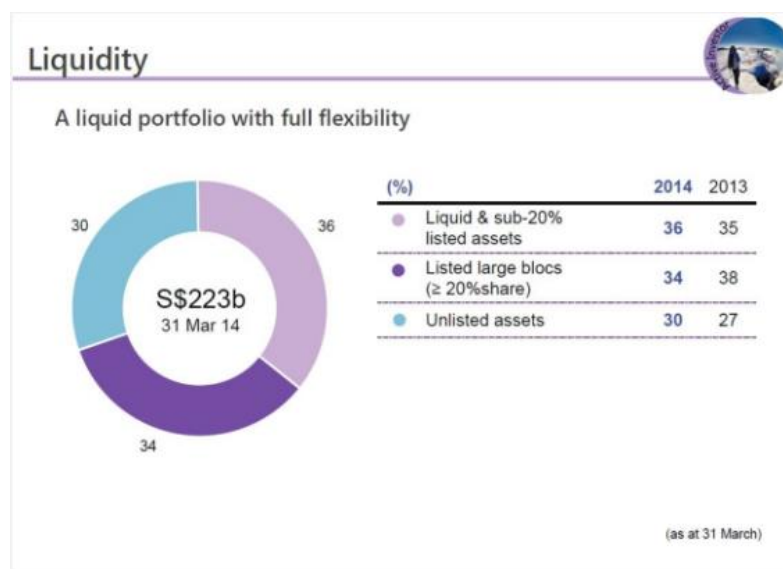
reason for that specific increase, as you asked, is because part of our unlisted portfolio such as PSA, and then they also done very well, so as overall the portfolio the percentage has increased. We also had, as you mentioned, some net investment in unlisted stock but, you know, it's not we cannot predict a trend going forward. So I think what we are doing is really looking at good opportunities and make the investment. As long as they meet our value test, we will make the investment listed or unlisted.

QUESTION (continuation): Does that mean that in terms of opportunities, can you just elaborate on whether you see more opportunities right now in the private space or sort of I mean...

WYB: We really see them in both, right. One of the main advantage really I see as Temasek's long term investors is really you see the public market going up and down, volatile, taking China, Asia as an example. You see many years of the Chinese economy growing 7%, and Asia and Shanghai Index went sideways for many years. So and, you know, that's the example of the short term sentiment sometimes the detached with the long term fundamental and we are flexible in taking those positions as well as in the private sector. So really we don't take listed or unlisted as a criteria to make our investment.

RS: And the reason I wouldn't read too much into that is what's unlisted today can be listed tomorrow. As of March 2014, Alibaba was unlisted. If the IPO goes through in March '15 it will be listed. That number will keep shifting over time.

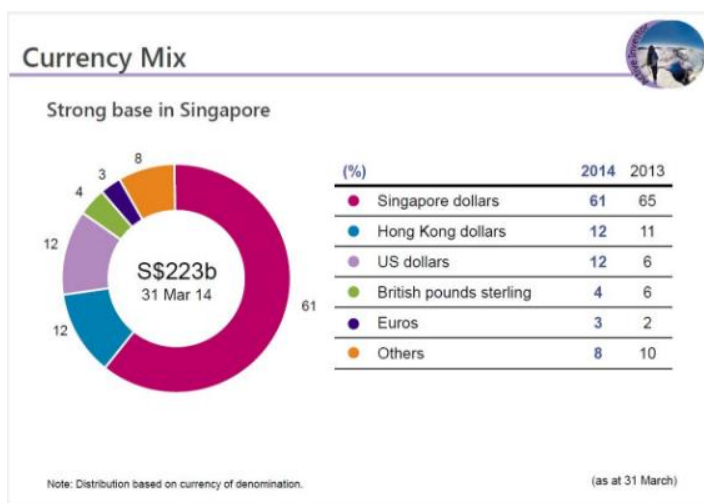
WYB: One thing I probably do notice is we do mark – we do not mark to market of our private investment. They're pretty much kept at a book. So if they're going through IPO obviously the mark to market would change, a significant change.



Questions on Currency

QUESTION: Just looking at your currency breakdown – the US went from 6% last year to 12%. That doesn't mean that the value of your US holdings doubled, does it?

RS: OK, so part of that this year was just because of US dollars that we had bought for the Watson transaction which was settled in US dollars just after March 31. So it's a bit of an aberration on account of that.



Questions on Risk

QUESTION: Looking at a report, your risk portfolio for the last year seems quite low. So are you comfortable with this level of risk or are you open to taking on higher risk?

RS: I don't know, I think maybe you're referring to the VAR [Value-at-Risk] and Monte Carlo simulations out there that are mentioned in our report. You know, I mean that is a reflection of the low volatility that we have in the environment today. What we show in the annual report is the potential risk to our portfolio over the next one year based on market conditions in the six months towards the end of the last financial year. Those market conditions have been very benign of late and therefore that reflects the lower VAR and the lower risks on the count of the Monte Carlo simulation. I mean we personally, it just gives you an indication of how that has changed over time. I don't think it really has changed the characteristics of our portfolio over the last few years from a risk perspective.

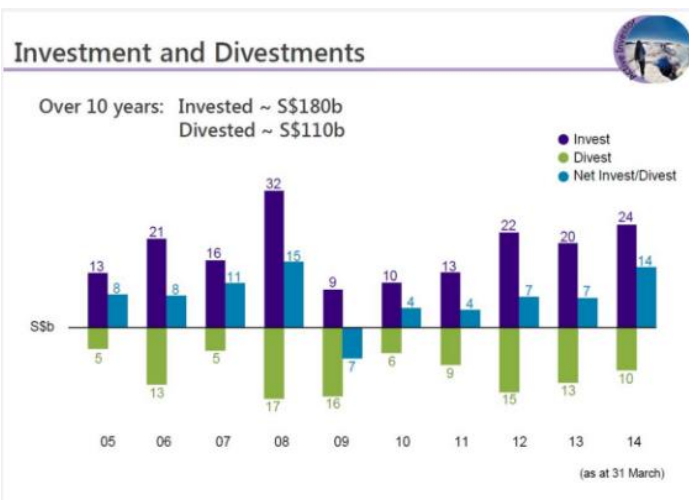
WYB: So overall we are comfortable with our risk exposure.

Questions on Divestments

QUESTION: I noticed it was \$10 billion worth of divestments this year. I'm just keen to know your rationale behind why you divest when you decide to pull out of a company or gain, you know, investments from it. And potentially will Shin Corp be one of them?

WYB: I will answer the general questions and turnover to Rohit for the specifics. We're an active investor so every year we invest and divest. As a matter of fact the divestiture is one of the main sources for us looking at – for us the proceeds for investment in addition to dividends. So, from when we make every divestment or investment opportunity we have our internal intrinsic value test. So we look at essentially the opportunity for us where can we put money? Can we see even better opportunities in the other parts? So every year, as you can see in the charter presented over the last 10 years we actively invest and divest. So it's a regular process for us to really expand our portfolio and capture the new opportunities.

RS: Look, I mean it's obviously we don't comment on specific stocks but Shin Corp has been a long term investment for us and, you know, in terms of the Thailand telco market resonates with a lot of our themes so it's something we're very comfortable with our investment.



Questions on Capital Injection

QUESTION: Could you comment on how much in capital injections have been made since inception and will there be any this year or last year? And also historically the dividend yield enjoyed by the MOF has been about 7%. Could you comment on what the dividend yield is this year?

RS: Just in terms of capital injection since inception it's tough for anyone to know that offhand but over the last decade I think we had about S\$10 billion [net] capital injection in 2008 and I think there was an injection associated with the joint venture with Khazanah for M+S. So the last decade those have been the [net] injections. Prior to that I'm frankly not aware of details of that.

QUESTION: What about this year?

RS: Look, capital injections are not something that we decide on. That's the prerogative of the shareholder as a part of their capital allocation decision. So it's just impossible for us to comment on what the shareholder will do in that respect. This is initiated by them, not by us.

Questions on Investment Strategy & Portfolio companies: A.S. Watsons

QUESTION: Question is about Watson's. When do you see Watson being listed and do you think Singapore will be considered as one of the listing destinations?

RS: On Watson, the listing, that will be something that will be, you know, decided by the board, you know, at the right time, depending on the requirements of the company and, you know, that too, they too will decide the listing location in terms of what's in the best interest of the company. You want to talk about China?

PSL: I suppose I'd say that Singapore is as good a candidate as anywhere else right, Hong Kong or the UK.

Questions on Investment Strategy & Portfolio companies: Olam

QUESTION: Just moving ahead with your investments that you did in Watsons as well as offer that you made for Olam, do you see this trend continuing going forward in the current year that you see investment teams which you talked about, the US, Europe, as well as Asia? Will Asia continue to drive your investment strategy or how would that be?

WYB: Asia will continue to be a significant part of our investment. As you can see, 72% of our portfolio in Asia because we're optimistic for the long term for this economy and they are very squarely in our theme because we believe Asia's coming through a transformation and then they continue to provide long term activities. But in the meantime, as you can see, we're also expanding our footprint with establishing offices in Europe and in North America and while increasing our exposure in those markets as well as we see attractive companies as well as attractive opportunities, particularly those with innovation and drive the technology and other breakthroughs.

QUESTION: Wanted to check with you on Olam. Olam was the first Singapore company in which Temasek acquired a controlling stake since 2007, if I'm correct. Now that Olam is a bigger part of the group and has been divesting assets, what do you see as the future of this company and do you see it remaining independent or being part of a bigger industrial player? Thanks.

RS: So look, our philosophy when we invest in companies is that we don't actively get involved in running the companies. Our philosophy is to let the board, make sure that there's an active board out there that we feel can direct the management and decide on the strategy of the company. That holds true for Olam also. Obviously the fact that we increased our stake in the company signifies that we were very comfortable with the strategic direction and how they were executing on their strategy and so we feel fairly comfortable from that perspective. We leave it to the board of the company to really direct the future strategy for that company.

Questions on Investment Strategy & Portfolio companies: Standard Chartered

QUESTION: Could you give us some comments on how do you see StanChart performing in your portfolio because over the last few years, especially in the last year and a half and looking at the outlook as well, they seem to be finding it quite challenging and there was a profit warning as well. What is your plan for StanChart? Do you think that... is that something that you would like to exit in the long term or you would treat StanChart as another Olam where you could actually try to take over?

RS: So look, it's obviously not fair for us to comment on individual companies but all I would say is that yes, a lot of our stocks go through volatility. Standard Chartered is an emerging markets bank and like all emerging markets banks, the stock over the last year has been quite volatile. We, however, see ourselves as long term investors, short term volatility doesn't concern us. We look at our investments over a longer term and use our value test to decide whether what we do with those stocks and we remain as an active investor always engaged with the companies.

Questions on Investment Strategy & Portfolio companies: Joint Ventures with Khazanah Nasional Berhad

QUESTION: As we have known that Temasek and Khazanah has been in joint venture investment so can you please update us on the investment that you have in Iskandar Malaysia and also in downtown Singapore? And also is there any potential that you're looking forward to invest more in Iskandar Malaysia or perhaps other parts of economy region in Malaysia? Thank you.

PSL: I will comment on the real estate in the city in Singapore near Rochor. I think that's done really well. The dual residences and mixed use development has been launched and launched very successfully. I think it's just a matter of time that it becomes completed and occupied. That's going well. The Iskandar side?

RS: All those in our joint venture projects in Iskandar are progressing really well. Obviously it's not fair of us to comment on prospective transactions that we may do.

QUESTION: Just to follow up on the question earlier about the property market, Temasek and Khazanah a project in the city centre, Marina One. So the core central region hasn't been doing very well for several quarters now. So can I get a sense of your reading for the property market and for the project specifically? Will the approach be the same as Duo, which is to sell at significantly below, like 10, 20% below other properties in the vicinity? Can you take us through some thoughts in the area? Thanks.

RS: It's tough for us to basically share with you specific action points for specific investments that we've made. All we can say is you know, Duo we thought was quite a success in terms of our launch and, you know, as we're ready to basically share something on the other side so we will obviously do that at the appropriate time.

Question on Macro Trends: Effect of Tapering

QUESTION: You mentioned the taper in your opening remarks. Could you just give us a bit more of a view in how you think that is going to pan out, particularly with impact on Asia where there is quite clearly evidence of lack of structural reform in the last few years which could actually come back to bite the region as the taper is unwound and also as China slows down. How do you see that panning out? How concerned would you be about the impact of that?

WYB: I'll take the first one. The tapering, the... I think overall the tapering was managed fairly well. We do have a blip last year in 2013. You see costs, global repercussion, particularly in emerging market and however, we do see the Fed's communication with the market has gone well since then and we don't see a disruptive scenario such as you saw in Asian Financial Crisis. So overall, however, it will, over the long term, probably dampen a little bit of the US growth itself. As you were saying, the slowing down of the Chinese economy, and we do see that's going to, over the medium and long term, be a slower pace compared to the past but however we don't see much risk of hard landing and going below, much below 7% and the Chinese Government actually had a good policy actually having, essentially guiding its economic growth with the band instead of with the target number. We see that very encouraging. So the lower band is measured by essentially a certain number of new jobs added. So if you will, this is very much in line with more of, you know, the global central bank policy now and we would really see the reform would bring long term benefit. So the turmoil potentially that a lot of people are worried about... the shadow banking, etc, and we will leverage the opportunities that are presented to us in transformation in the reform and to continue to invest in China.

Questions on Retail Bonds / Fund

QUESTION: Actually, I just wanted to ask... there's been quite a lot of talk about Temasek offering a retail fund for Singaporeans. How imminent is that work?

PSL: We've been working on it for a while and we've been in dialogue obviously with the regulators but it's something that I think we will have to wait a bit more, you know, we can't put a date on it and it's also largely dependent on what our needs are in terms of funding as well. So there's that bit and there's on the side of the regulators... I think they need to be comfortable with something like that.

Q (continuation): Just to clarify, launching a retail fund would depend on actually Temasek's needs for funding?

RS: Sorry, I think you're talking about retail bond?

Q (continuation): Retail bond, retail fund because that's been talked about, even by... I think, Temasek yourself.

SF: We've actually said retail bond.

PSL: That's actually two separate things.

Q (continuation): OK, so that depends on Temasek's funding needs?

RS: When we issue any bonds, it's obviously us borrowing money so one of the factors which would influence that would be our own funding requirements.

Q (continuation): So, Temasek's not looking at launching a fund for Singaporeans which some members of the public and I think some government people have talked about, you know, to help people's retirement planning? Temasek's not looking at that, right?

PSL: We have done recently Astrea II, which is actually a fund of funds and we've put in some 36 private equity funds which are managed by third party fund managers. So, that's some way away and that's really still more for institutional investors. But I think conceptually the fund concept is something that we could use but I think that's a bit further away. You know, obviously there are risks associated with investing in these funds and there's a reason why they are still confined to sophisticated investors for now.

WYB: Just to add, Astrea is a platform that we put, as Siok Lan mentioned, 36 private equity funds that actually are closing to mature and we put that together as an investment platform and offered that to institutions as the first step and we will foresee in the future, they might be able to open for the retail cluster but that's in the midterm.

Q (continuation): What's the size of the fund, please?

RS: The total portfolio of assets we put together was about \$1 billion.

Question on CEO Succession

QUESTION: My question is on, are there any updates to the CEO's succession?

RS: Actually, we were debating whether it would be question 1, 2, 3 today so I'm surprised it came up so late! Look, I mean CEO succession is something that our Board always looks at and all boards should look at on a regular basis. There is nothing, you know, that we know as management to suggest that Ho Ching's going anywhere.