

# TEMASEK BOND

## 5-year T2023-S\$ bond

### Fixed interest rate 2.70% p.a.

## Open to retail investors

### Starting from S\$1,000

## Apply for Public Offer by Tue 23 Oct, 12 noon

To find out more, please visit [temasek.com.sg/bondoffer](https://temasek.com.sg/bondoffer)

### Important Notice: Risks Associated with Investing in Bonds

All investments carry risks. This includes investments in bonds.

When you invest in a bond, you are essentially lending money to a bond issuer. Typically, you will be paid interest twice a year, and will also be repaid the principal amount in full when the bond matures.<sup>1</sup>

Bond investors face key risks<sup>2</sup> such as default, interest rate, liquidity and inflation risks.

A bond issuer may default and fail to pay the interest due, or repay the principal amount at maturity. Such default risks vary with different issuers, as does the interest rate that each pays.<sup>1</sup>

You may sell your bond at any time, but the market price of a bond may rise or fall. You may suffer a partial loss of your principal amount if the market price at the time you sell is below your purchase price.

If you have further questions, please seek financial or other professional advice before you invest.

About Temasek

(as at 31 March 2018)

Incorporated in 1974, Temasek is a global investment company headquartered in Singapore. Temasek’s S\$308 billion portfolio of investments covers a range of countries and sectors.

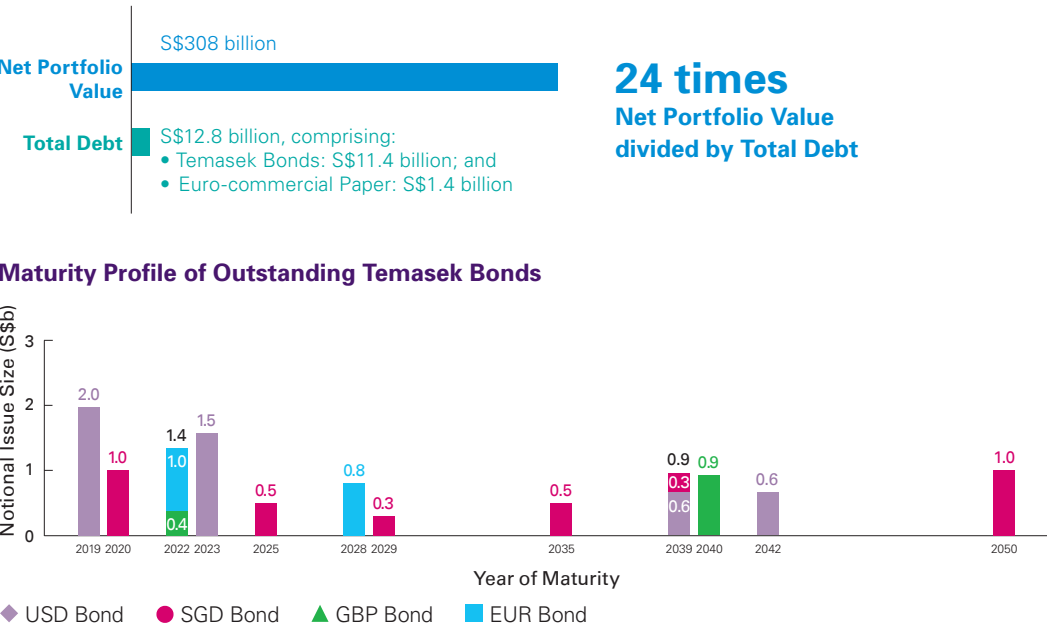
Temasek receives dividends and distributions from its portfolio of companies and funds. It also regularly divests some of its investment holdings as it reshapes its portfolio. These are the primary sources of funds for its new investments.

Temasek’s Borrowings

Temasek may issue new bonds from time to time, based on its requirements and market conditions. For example, it issued US\$1.35 billion worth of bonds on 1 August 2018.

Temasek plans its borrowings such that it has funding flexibility between long and short term debt. As at 31 March 2018, the longer maturity Temasek Bonds had a weighted average maturity of over 11 years, while the shorter maturity Euro-commercial Paper had a weighted average maturity of about two months.

Temasek ended the past 11 financial years with more cash than borrowings.



Credit Profile

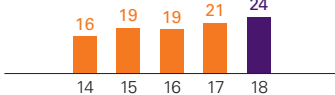
(for year ended 31 March)

Key Credit Ratios<sup>3,4</sup>

The key credit quality indicators shown below are based on the financials of Temasek as an investment company. They reflect the capacity of Temasek to service its interest payments and repay its debt. For these ratios, the higher the multiple, the higher the credit quality.

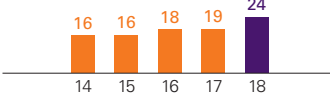
24 times

Net Portfolio Value divided by Total Debt



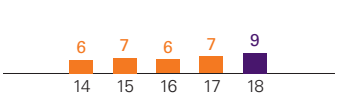
24 times

Dividend Income divided by Interest Expense



9 times

Liquid Assets<sup>5</sup> divided by Total Debt



Credit Ratings<sup>6</sup>

Temasek has overall corporate credit ratings of **AAA/Aaa** by S&P Global Ratings and Moody’s Investors Service respectively. Temasek was first rated in 2004.

Do You Know

Why does Temasek issue bonds?

Temasek has issued bonds to institutional, accredited and other specified investors since 2005 as a form of financial discipline. The rise and fall of its bond prices, relative to other bonds, serve as public signals of its credit quality. Temasek does not depend on bonds to fund its investments. For the first time, retail investors will have access to a Temasek Bond, T2023-S\$.

How was the interest rate determined?

To date, Temasek Bonds have been offered to institutional, accredited and other specified investors via a book building process. Bids in this market-based price discovery would then be used to determine the bond interest rate.

The interest rate for the T2023-S\$ Temasek Bond has similarly been determined based on bids from institutional, accredited and other specified investors in a book building process. The same interest rate is offered to retail investors in the Public Offer.

Is the T2023-S\$ Temasek Bond guaranteed by Temasek?

Temasek fully guarantees all interest payments of the T2023-S\$ Temasek Bond and full repayment of the principal amount at maturity.

How Do I Apply

You need a CDP account to apply via:

ATMs

- DBS or POSB
- OCBC
- UOB

Internet banking websites

- DBS or POSB
- OCBC
- UOB

Mobile banking app

- DBS or POSB

Important Information

**Offer Size** : Up to S\$400 million (subject to upsize, up to S\$500 million)

- **Placement** : S\$200 million. Institutional, accredited and other specified investors can apply from S\$250,000, or higher amounts in multiples of S\$250,000
- **Public Offer** : Up to S\$200 million. Retail investors in Singapore can apply from S\$1,000, or higher amounts in multiples of S\$1,000

The final allocation between the Placement and Public Offer may differ from the above.

**Coupon Rate** : Fixed rate of 2.70% per year, payable every six months

**Tenor** : 5 years

**Maturity Date** : Expected to mature on 25 October 2023, unless previously redeemed and cancelled, or purchased and cancelled, as provided in the terms and conditions of the bond

Important Dates<sup>7</sup>

Tue 23 Oct	Public Offer closes
Wed 24 Oct	Balloting of applications if Public Offer is oversubscribed. Commence return of application moneys to invalid or partially successful applicants.
Wed 24 Oct	Expected announcement on SGXNET of offer results
Thu 25 Oct	Expected issue date
Fri 26 Oct	Expected start of trading on the Main Board of SGX-ST

For more information, please call one of the 24-hour hotlines below, open seven days a week until 23 October 2018, 12 noon.

Bank	Telephone
DBS or POSB	1800 111 1111 (DBS) 1800 339 6666 (POSB)
OCBC	1800 363 3333
UOB	1800 222 2121

This document is to be read together with the Offering Circular and the Pricing Supplement.<sup>2</sup> The information in this document, the Offering Circular and the Pricing Supplement should be read as of their respective dates, unless otherwise specified or the context requires otherwise therein. References to “Temasek” mean Temasek Holdings (Private) Limited (THPL), or THPL and its Investment Holding Companies collectively, as the context requires.

**NOT FOR RELEASE OR DISTRIBUTION IN OR INTO THE UNITED STATES.** The information in this document is qualified in its entirety by, and should be read together with, the full text of the Offering Circular and the Pricing Supplement. This document is not, and does not purport to be, investment advice. You should also consult your own investment, business, legal, tax, financial and other professional advisers to assist you in determining the suitability of the bonds for you as an investment. You should make an investment only after you have considered carefully and determined that such investment is suitable for your financial investment objectives in light of your experience, objectives, financial position and other relevant circumstances. This document is not a prospectus, nor does it constitute an invitation or offer to acquire, purchase or subscribe for the bonds. This document may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. This document is not an offer of securities for sale in the United States or any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such an offer. The bonds may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. No portion of the proposed offering is intended to be registered or conducted in the United States. The bonds are being offered or sold only to non-U.S. persons outside the United States.

1 This does not form part of the Offering Circular or Pricing Supplement and is provided as general information only.

2 See “Risk factors” of the Offering Circular for a description of other key risks, including “There is no assurance that the Issuer and/or the Guarantor will have sufficient cash flow to meet payment obligations under the Notes”.

3 These are simplified graphics based on indicators of credit quality of Temasek as an investment company. See “Business of Temasek - Credit profile” of the Offering Circular for a description of Temasek’s credit profile in respect of the years ended 31 March 2016, 2017 and 2018.

4 Based on the financial information of Temasek as an investment company, namely Temasek Holdings (Private) Limited (THPL) and its Investment Holding Companies (IHCs). IHCs are defined as THPL’s direct and indirect wholly-owned subsidiaries, whose boards of directors or equivalent governing bodies comprise employees or nominees of THPL, wholly-owned Temasek Pte. Ltd. (TPL) and/or TPL’s wholly-owned subsidiaries. The principal activities of THPL and its IHCs are that of investment holding, financing and/or the provision of investment advisory and consultancy services.

5 Mainly cash and cash equivalents, and investments that each represents a sub-20% interest in a listed company.

6 Credit ratings are statements of opinion and not a recommendation to buy, sell or hold the bond, and are not intended for use by retail investors who should not consider credit ratings in making any investment decision. Investors should contact their financial or other professional adviser before making any decisions based on credit ratings.

7 The timetable is indicative only and is subject to change. Temasek will publicly announce any changes to the timetable through an announcement on SGX-ST’s website.