The past is gone, and therefore cannot be changed. The present will disappear in a moment but there will always be a tomorrow to be shaped as you wish.

S Rajaratnam, founding Foreign Minister of Singapore
Speech at the Opening of the National Youth Conference
16 July 1982

We stand today at the cusp of dramatic change.

Tomorrow will be exciting, challenging, and perhaps a little daunting.

We are committed to do well, determined to do right and inspired to do good, wherever and whenever we can:

• Investing in companies and solutions for a better, smarter and more connected world
• Empowering our people to deliver and make the world a better place
• Enabling our community to come together for a better life for us all

To shape a better and more sustainable tomorrow for this and future generations.
The Temasek Charter

Do well

Temasek is an active investor and shareholder

We deliver sustainable value over the long term

Do right

Temasek is a forward-looking institution

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

Do good

Temasek is a trusted steward

We strive for the advancement of our communities across generations
Ten-year Performance Overview

We delivered a net portfolio value of S$308 billion\(^1\). (as at 31 March)

**Net portfolio value**

\[ \text{S$308b} \]

**One-year return to shareholder**

\[ 12\% \]

**S$ Total Shareholder Return (%)**

<table>
<thead>
<tr>
<th>Period in years(^2)</th>
<th>Since 1974</th>
<th>15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>40</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>30</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>12</td>
</tr>
</tbody>
</table>

**Invested during the year**

\[ \text{S$29b} \]

**Ten-year return to shareholder**

\[ 5\% \]

**Rolling S$ Total Shareholder Return (%)**

\[ 0-43 \]

Read about our Total Shareholder Return at [temasekreview.com.sg/tsr](http://temasekreview.com.sg/tsr) or scan the QR code

\(^1\) Equivalent to US$235 billion as at 31 March 2018.

\(^2\) As at 31 March 2018.

TSR in US$ terms was 20%, 5%, 8%, 15%, 17% and 17% for 1, 10, 20, 30, 40 and 44-year periods respectively.
We have a 60:40 underlying exposure to mature economies\(^3\) and growth regions\(^4\).

### Geography\(^5\) (%)

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>27</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td>China</td>
<td>26</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Rest of Asia</td>
<td>15</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>North America</td>
<td>13</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Europe</td>
<td>9</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Australia &amp; New Zealand</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Africa, Central Asia &amp; the Middle East</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Latin America</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

### Sector\(^5\) (%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>26</td>
<td>25</td>
<td>23</td>
</tr>
<tr>
<td>Telecommunications, Media &amp; Technology</td>
<td>21</td>
<td>23</td>
<td>25</td>
</tr>
<tr>
<td>Consumer &amp; Real Estate</td>
<td>16</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Transportation &amp; Industrials</td>
<td>16</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>Life Sciences &amp; Agribusiness</td>
<td>6</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Energy &amp; Resources</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Multi-sector Funds</td>
<td>8</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Others (including Credit)</td>
<td>4</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

### Liquidity (%)

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquid &amp; sub-20% listed assets(^7)</td>
<td>36</td>
<td>33</td>
<td>31</td>
</tr>
<tr>
<td>Listed large blocs (≥20% and &lt;50% share)</td>
<td>10</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Listed large blocs (≥50% share)</td>
<td>15</td>
<td>18</td>
<td>20</td>
</tr>
<tr>
<td>Unlisted assets</td>
<td>39</td>
<td>40</td>
<td>39</td>
</tr>
</tbody>
</table>

---

\(^3\) Singapore, Japan & Korea, North America, Europe, Australia & New Zealand.

\(^4\) Asia (excluding Singapore, Japan & Korea), Latin America, Africa, Central Asia & the Middle East.

\(^5\) Distribution based on underlying assets.

\(^6\) Exchange rates as at 31 March 2018.

\(^7\) Mainly cash and cash equivalents, and sub-20% listed assets.
From Our Chairman


We are generally positive on the global economy. Political risks and the late cycle expansion do, however, pose some downside pressure in the short term.

Medium term risks include rising trade and geopolitical tensions, plus monetary and financial stresses in some key economies. These may dampen the potential for global growth.

We are tempering our investment pace in the year ahead, but remain open to intrinsically investable opportunities, including counter-cyclical ones.

We have full flexibility to increase, decrease or hold our investments based on their respective intrinsic values, and the opportunities or challenges that present.

Portfolio Performance

We invested S$29 billion\(^1\) and divested S$16 billion during the year.

As at 31 March 2018, our net portfolio value passed the S$300 billion mark for the first time. It is now almost three times the dotcom peak of just over S$100 billion at the turn of the millennium.

This record net portfolio value of S$308 billion\(^2\) was up S$33 billion from last year, bolstered by good global economic momentum and buoyant equity markets.

We delivered a one-year Total Shareholder Return (TSR) of 12.19%, with three-year TSR at 4.99%. Longer term 10-year and 20-year TSRs were 5% and 7% respectively, coming off the relative highs of 2008 and 1998. TSR since inception in 1974 was 15%.

Our Wealth Added, or total dollar return above the risk-adjusted cost of capital aggregated across our portfolio, was S$14.0 billion.

We received dividends of S$9 billion\(^1\) from our portfolio.

Last year was our 11\(^{th}\) year ending in a net cash position. Our cash and bank balances, together with our short term investments, were a robust four times the S$8.5 billion debt we have due over the next decade.

---

\(^1\) Includes one-off dividends in specie of S$2 billion of equity investments.

\(^2\) US$235 billion as at 31 March 2018.
Building for the Future

As we reinvent ourselves, and reshape our portfolio for tomorrow, Agility, Alignment and Accountability remain our watchwords.

We expect global growth to moderate this year.

Looking ahead, we remain optimistic on China's medium term trajectory, and expect policymakers to transition their economy towards a more sustainable growth path.

We expect the US Federal Reserve to continue its tightening policy amid resilient consumer demand. Beyond this year, expansionary fiscal policy in the late cycle may risk a cyclical recession in the US.

Europe continues to generate above-trend growth. Employment is improving and inflation expectations increasing. We anticipate that the European Central Bank will normalise monetary policy gradually, and remain watchful of political risks to the steady growth.

Singapore continues to benefit from global growth. Given the Government's ongoing efforts to boost productivity, we expect growth to hold firm, and inflation to move slightly higher.

Our investment theses for a better, smarter and more connected world remain relevant. These ride on trends driven by transformational technologies, demographic shifts and changing consumption patterns.

In June this year, our wholly owned subsidiary Azalea Asset Management launched Astrea IV Bonds, totalling some US$500 million. These are backed by cash flows from a well diversified portfolio of private equity funds.

For the first time in Singapore, a retail tranche was offered. This was priced off an equivalent Singapore dollar placement tranche for institutional and other investors outside the US. The Astrea IV retail tranche of S$121 million was more than seven times subscribed by some 25,600 applicants.

In 2017, we established an office in Washington, D.C., to track policy developments that may affect us. This complements our New York and San Francisco offices for investments, bringing our total office locations to 11 around the world.

We share our perspectives of the world with our portfolio companies and partners. Critically, we continue to emphasise integrity and good governance to our portfolio companies.
Do Well, Do Right, Do Good
We aim to do well as an investor, do right as an institution, and do good as a steward.

Doing well provides us the capacity to fuel our new investments; creates opportunities to grow our portfolio for the future; and gives us the means to care for our communities.

Doing right shapes our values and ethos in Temasek. In this age of likely economic disruption, we need to reskill and upskill our people to be future ready, and prepare them with the skills to contribute to the wider community beyond Temasek.

Doing good drives our philanthropic investments in the broader community, based on the twin pillars of sustainability and good governance. We do this primarily through 18 endowments to build people, communities and capabilities, and rebuild lives, particularly in Singapore and Asia.

To succeed as an investor is not an end in itself. Ultimately, that success must be translated into a better and more sustainable world, with more opportunities, and a kinder place for people and communities.

Contributing to an ABC World
The United Nations (UN) Sustainable Development Goals (SDGs) are ambitious. They represent the ideals of an ABC World of Active economies, Beautiful societies and a Clean Earth. Singapore and 192 other UN members have signed up to deliver these laudable goals by 2030 – just 12 years away.

These UN SDGs are in line with our advocacy for prosperity to go hand in hand with a treasured ecology. We coined this aspiration as Ecosperity.

Our fifth Ecosperity conference was held on 5 June 2018, the UN World Environment Day. Following the 2017 conference focus on Active economies, the 2018 theme moved to elements of a Beautiful society. Specific topics included food, education and healthcare for a growing global population.

We also partnered UNLEASH, a global innovation initiative, to gather some 1,000 young talents from around the world to co-create solutions to address the UN SDGs.

Platforms like Ecosperity and UNLEASH help bring global stakeholders a step closer to translating the SDGs into reality.

We are committed to sharing returns we make above our risk-adjusted cost of capital with the community. In 2017, we gifted a new endowment for the Stewardship Asia Centre as part of our commitment to stewardship and good governance across Asia.
In Appreciation
Temasek is 44 years old this year.

I am almost certain that Temasek has grown and transformed beyond the expectations of its founders.

For this, I thank the many generations of Boards, management and staff, past and present. I greatly value their dedication to shape tomorrow as an investor, institution and steward.

I deeply appreciate my colleagues on the Temasek Board for their thoughtful contributions. They have openly shared their wide ranging experiences and invaluable perspectives, over the course of the year. I wish to give special thanks to Michael Lien, who retired from our Board in June 2018, after over eight years of active service. His insights and perspectives have enriched our deliberations.

I am grateful to our international and regional advisors for adding depth to our deliberations in these changing times. In June 2018, we warmly welcomed Indra Nooyi to our Temasek International Panel. We are pleased that Indra, who previously served on our Americas Advisory Panel, will continue to be part of our larger family.

Finally, I thank our shareholder, bondholders, co-investors, partners, regulators, philanthropic organisations, and the public, for their continued trust, support and encouragement.

Our journey as a generational investor is one that we take with a deep sense of purpose and responsibility, to do well, do right, and do good. I am energised by the goodwill for Temasek as we forge ahead to shape a better and more sustainable tomorrow for this and future generations.

LIM BOON HENG
Chairman
July 2018
The DNA of Temasek

We peered into an uncertain future, defended the discipline of the market, debated our rightful role regularly, and charted our own path.

Those were the early years of Temasek; our values set by our pioneers, inside and outside of Temasek.

Girding our journey is the steel of the Singapore DNA.

A Humble Beginning
1959 saw a neophyte self-government in Singapore. Its leaders faced a dismaying budget deficit of S$14 million inherited from their colonial predecessors. By year end, they delivered a S$1 million surplus, through steely determination and collective sacrifice.

Their creed was to live within their means, and not burden their future generations with debt.

This early test shaped the Singapore DNA of integrity and courage, with an eye on reality and a sustainable future.

Fight for Survival
1965 saw an independent Singapore, bereft of a large hinterland overnight. Another shock followed two years later – British military forces, accounting for 20% of GDP, were to be withdrawn by 1971. Singapore strove mightily to attract investments, create jobs, and survive.

The little island state also saw how intense pollution was choking cities in the US, Europe and Japan. It set up an Air Pollution Unit in 1970, reporting directly to the Prime Minister. Even large investments that did not meet strict environmental standards were rejected. An Annual Tree Planting Day was started in 1971 to anchor green growth.

Thus was born Singapore, delivering growth and a clean environment, as home for her people.

An Unplanned Experiment
Nine years into independence, the Government was saddled with a smorgasbord of businesses from its push for growth. Some were large – a bank, a shipping company and an airline. Others included a zoo, a hotel, a detergent maker and a chicken essence producer.

The Government decided its rightful role was to manage its economy, not individual enterprises. Thus, an eclectic collection of 35 companies was spun out to form Temasek in 1974. Some still remain in our portfolio today, including DBS Bank, Singapore Airlines and the Singapore Zoological Gardens.

This move clearly separated authority and responsibility between policymaking and enterprise ownership.

It is a distinction that still serves us well today, 44 years later.

Our Roots, Our Core
The DNA of Temasek is rooted in our nation’s founding experiences. It shapes our ethos – to live within our means and be financially disciplined; to invest in our people and operate with integrity; to seek growth alongside clean air and clear water; to foster sound stewardship and good governance; to always do things with tomorrow in mind.

Temasek was to stand on its own. Our portfolio companies were subject to market discipline, despite the Government’s priority on jobs. Ailing companies were shuttered. Even a young national start-up like Singapore Airlines knew it had to be profitable, or face winding up.

See our initial portfolio at temasekreview.com.sg/portfolioatinception or scan the QR code
The culture of accountability and responsibility was clear: bring value to survive and thrive, or be wound up; keep an eye on the future; and be responsible in all that we do. This discipline remains alive and well today.

Our Heartbeat
Our Temasek DNA guides our people. Integrity, Meritocracy and Excellence are core to our DNA. We own the reputation and future of Temasek, as trusted stewards. We care that our people can grow and contribute as part of our wider community.

Our learning culture has put hundreds of our people into their neighbourhoods, ready to restart a heart with their CPR/AED skills, if called upon to do so.

We take pride in pushing the boundaries of the possible through innovation and persistence, in order to deliver for the long term.

Our ABC World and Home
Singapore is more than an island. It is a trusted member of the world community.

Temasek is more than an investment company. It is a trusted institution.

We draw our success from our larger community, growing with and beyond Singapore. We want to do well and do right, to ultimately do good.

We have gifted 18 endowments over the years, to build people, communities and capabilities, and rebuild lives in our wider community.

This complements the passion of our staff volunteers who champion various worthy causes around the world.

We actively promote an ABC World as our common home and heritage for mankind:

- An Active Economy of jobs, opportunities and hope;
- A Beautiful Society of peace, justice and inclusion; and
- A Clean Earth of fresh air, clean waters and fertile land.

We work to shape a better tomorrow for this and future generations.
Temasek Bonds
We borrow directly from bond investors through our US$15 billion Global Medium Term Note Programme.
As at 31 March 2018, we had 14 Temasek Bonds totalling some S$11.4 billion with a weighted average maturity of over 11 years.
Temasek Bonds are rated AAA/Aaa by S&P Global Ratings and Moody's Investors Service respectively.

Ins & Outs of Temasek
A visual guide to our sources of funds and their use.

Divestments
We receive proceeds from sale of our assets whenever we rebalance our portfolio.
Our annual divestments averaged about S$18 billion over the last five years.

Dividends from Portfolio
We receive dividends from our portfolio companies.
Our annual dividends averaged S$8 billion in the last five years.

Distribution from Funds
Our investments in funds distribute their returns to us when they start maturing.

Temasek Euro-commercial Paper (ECP)
We borrow short term money by issuing ECP, with maturities typically below a year.
As at 31 March 2018, our S$1.4 billion of ECP had a weighted average maturity of about two months.

Bank Borrowings
We may also borrow from banks from time to time, especially for short term funding or bridging needs.

New Capital from Shareholder
Our shareholder, the Minister for Finance¹, may inject fresh capital or assets into Temasek.
This includes the initial S$354 million portfolio of 35 companies to form Temasek in 1974.

Explore the Ins & Outs of Temasek at temasekreview.com.sg/insandouts or scan the QR code

12 Temasek Overview 2018
**Investments and Associated Costs**

We invest in companies with outstanding management, sound governance, and competitive products and services, to deliver a better, smarter and more connected world.

**Dividends to Shareholder**

We pay dividends to our shareholder. This financial discipline is directed by the Temasek Board.

From 2000 to 2015, up to 50% of our dividends could be used by the Singapore Government for budget spending. The remaining dividends were locked up as past reserves of the Singapore Government. This was part of the Government NII³ spending framework, which helped fund long term social needs like the Pioneer Generation Package of 2014.

**Taxes**

Temasek pays local taxes⁴ on its earnings in various countries.

Taxes paid to the Singapore Government help to fund spending for public services like defence, education, healthcare and social services.

**Endowments for Communities**

We have gifted 18 endowments over the years to build people, communities and capabilities, and rebuild lives, mostly in Singapore and Asia.

Their programmes have touched the lives of over 800,000 people over the last 10 years.

**Staff Volunteers**

Our staff volunteers come together via their T-Touch initiative to make a difference in the community.

They volunteer ideas, time and money to support their chosen charities within their communities.

**NII³/NIR⁵ Contributions to Singapore Government Budget**

From 2000 to 2015, up to 50% of Temasek's dividends could be spent by the Government under the NII framework.

**NIR is not an outflow for Temasek**

From 2016 onwards, the Singapore Government may spend⁶ up to 50% of Temasek's expected long term returns, net of inflation. These are projected and unrealised returns based on the current portfolio mix. MAS and GIC have been included in the NIR framework since 2009.

NII/NIR Contributions are now the largest source for Singapore Government budget spending, at 18% of the 2018 Government Budget. Corporate and Personal Income Taxes, and the Goods and Services Tax are the next three largest sources for Government budget spending⁷.

The NIR framework does not require Temasek to pay more dividends, or sell any assets.

---

1. Under the Singapore Minister for Finance (Incorporation) Act (Chapter 183), the Minister for Finance is a body corporate.
2. Associated costs include operating and financing expenses; transaction costs such as due diligence, legal, audit, advisory and other fees; fund management fees for funds; and other business costs.
3. NII is Net Investment Income comprising actual dividends and interest income.
4. Temasek pays taxes, unlike sovereign owned wealth funds which may claim sovereign exemption from taxes.
5. NIR is Net Investment Returns based on expected long term rate of return from net assets, less inflation.
6. From 2016 onwards, Temasek’s dividends to our shareholder are to be locked up fully as past reserves of the Singapore Government and are not available for spending.
7. Corporate Income Tax at 17%; Personal Income Tax at 13%; Goods and Services Tax at 13% share of operating budget revenue and NII/NIR Contribution.
(From left) Yeo Zhi Wei and Tammy Tan at Singapore Polytechnic, exploring the efficiency of automation with robotics.
We build for the future, as an active investor and owner, investing for this and future generations.

We have evolved since our inception – from investing mostly in Singapore, then to Asia, and now in Europe and the Americas as well. The latter two now form almost a quarter of our underlying exposure.

Our investment philosophy has remained unchanged over the last 16 years, disciplined and guided by four investment themes:

- Transforming Economies
- Growing Middle Income Populations
- Deepening Comparative Advantages
- Emerging Champions

We have been investing into several secular trends in recent years. This defines the directional shape of our portfolio. Driven by technological advances, demographic shifts, and changing consumption patterns, these trends may rapidly disrupt old business models, or create new experiences or communities. They underpin hopes and opportunities for a better, smarter and more connected world.

Our investment discipline focuses on intrinsic value and our risk-return framework. We are driven by bottom-up intrinsic value tests for each opportunity, with returns tracked against a risk-adjusted cost of capital.

We have full flexibility as an owner and investor to reshape and rebalance our portfolio, whenever opportunities or challenges arise. We are mostly invested in equities, based on our risk-return appetite, investing or divesting in line with our outlook and value tests. We may take concentrated positions or remain in cash, and do not set limits for asset classes, countries or sectors. We manage our liquidity and balance sheet for resilience.

We are an active shareholder, seeking to add or create value in our portfolio. We share our perspectives on global or strategic trends frequently with partners, and the boards and management of our portfolio companies. We proactively promote good governance, looking to boards to drive strategy and oversee management, who, in turn, run their respective companies.

We invest across all stages of a business life cycle, from startup to listed. In aggregate since 2002, our unlisted assets have delivered better returns than our listed investments. Our unlisted blue chip companies and our portfolio of high quality funds pay steady dividends and distributions.
We grew with Singapore in our early years. In 2002, we stepped out to grow with a transforming Asia. Since 2011, we have been investing worldwide for a better, smarter and more connected world.

Our initial portfolio in 1974 reflected a newly industrialising Singapore. Some of these companies, and others added since, have grown into iconic Singapore brands such as Singapore Airlines and the Singapore Zoo. Others like DBS, Singtel and PSA have spread their wings further afield.

We continue to seed new solutions enabled by science, automation and the sharing economy, to support a growing population that is also living longer.

As at 31 March 2018, our net portfolio value was a record S$308 billion. S$1,000 invested in the trough of the SARS epidemic in 2003 would be worth S$4,665 in March 2018.

See our initial portfolio at temasekreview.com.sg/portfolioatinaception or scan the QR code

---

1 Incorporation of Temasek on 25 June 1974.
3 Financial year-end was changed from 31 December before 1993 to 31 March from 1994 onwards.
4 From the financial year ended 31 March 2006, the accounting standards require sub-20% investments to be marked to market.
We constantly reshape our portfolio in line with our views of long term trends, and an eye on medium term risks.

During the financial year ended 31 March 2018, we invested S$29 billion and divested S$16 billion. Technology, life sciences, agribusiness, non-bank financial services and consumer made up nearly half of our new investments. These sectors now constitute 26% of our portfolio, up from a 5% share of a smaller portfolio in 2011.

Looking ahead for the year, we expect to be more cautious, given the heightening near term market risks against gradually slowing growth. However, we will continue to seek out intrinsically investable opportunities.

Investment Highlights
Technology companies with distinct competitive advantages remain a key focus.

Global Healthcare Exchange provides an electronic trading exchange and cloud-based supply chain software for healthcare providers and suppliers, while Tencent gives us exposure in China to online social networking, entertainment and games. Other investments included BluJay, a provider of supply chain execution software solutions for the logistics sector; Intapp, a growing vertical software provider focusing on business applications for the legal industry; ams AG, a leading analogue semiconductor platform focused on sensor solutions; and Internet Brands, an operator of a portfolio of health websites.

Our focus in financial services was in the non-banking sub-sectors, with a growing exposure in the payments space through the global networks of Visa and Mastercard; Adyen, a technology-enabled global payment services company; and Worldpay, a company enabling businesses to accept online, mobile and point-of-sale payments.

Within the life sciences sector, investments included Tessa Therapeutics, a Singapore-based biotech company developing cell therapy for treatment of cancer; and Pear Therapeutics, a US-based digital therapeutics company that delivers reimbursable, regulated and prescription software to treat behavioural health and other diseases.

Boortmalt, a producer of premium malt ingredients, and Farmer’s Business Network, an agriculture analytics platform for farmers, were some of our agribusiness investments during the year.
The US again accounted for the largest share of our new investments during the year. We invested in DowDuPont, a global diversified chemicals and agriculture company; and Boeing, an aerospace company.

Investments in Europe included Airbus SE, a manufacturer of aircraft, helicopters and defence equipment; Legrand, a global supplier of low voltage electrical equipment; Busy Bees, a provider of childcare and early education services with 500 nurseries; and Sportswear Company, which manufactures casual premium menswear under the brand Stone Island.

In China, we invested in Midea Group, the country’s largest automation-enabled home appliance company; and WuXi NextCODE, which offers tools and services globally for generating, managing and analysing genomic data.

Our key divestments during the year included our positions in Dufry and Gaztransport & Technigaz. We partially divested Celltrion Inc and Celltrion Healthcare, Industrial and Commercial Bank of China, Danamon and Burger King Brazil, while continuing to retain significant exposures in each of them.

Post March 2018, we made a major investment in Bayer, a European life sciences company with global market leadership in crop science. We also partnered Schneider Electric India in the proposed merger of their Low Voltage & Industrial Automation products business with Larson & Toubro’s Electrical and Automation division; and participated in the Series C equity financing of Ant Financial, a China-based fintech company that operates the flagship Alipay payments platform.

**Fostering Innovation**

In 2017, we invested in several innovative early stage companies in agriculture, healthcare, and digital media.

Synthetic biology is an emerging focus, especially for sustainable food production. Our portfolio includes Impossible Foods, which develops meat products from plants; and Perfect Day, which produces animal-free dairy ingredients.

In January 2018, we agreed to form a joint venture with Kuehne + Nagel, a leading global logistics player, to invest in early stage logistics technology companies.
Managing Risk

There are inherent risks whenever we invest, divest, or hold our assets, and wherever we operate.

Temasek adopts a long investment horizon, and has the flexibility to take concentrated positions. We manage our leverage and liquidity prudently for resilience and flexibility, even in times of extreme stress.

Legal & Regulatory

We comply with all obligations under Singapore laws and regulations, including those arising from international treaties and UN sanctions. We comply with the laws and regulations of jurisdictions where we have investments or operations. Our Temasek Code of Ethics and Conduct (T-Code) and its related policies guide our Board directors and staff in their daily dealings and conduct.

Concentration Profile

Our portfolio profile is the result of our investments in aggregate. For the year ended 31 March 2018, our top 10 holdings represented 41% of our total net portfolio value.

Our largest geographic concentration by underlying assets\(^1\) remains in Asia, with 27% and 26% in Singapore and China respectively as at 31 March 2018. The US is third largest at 13%, followed by Europe at 9%. The growth of exposure to US and Europe reflects the growing investment opportunities in the relevant focus areas over the last seven years.

The financial services sector remains our largest sector concentration as at 31 March 2018, at 26% of our total portfolio, up from 25% a year ago.

Singtel remains our largest single name concentration at 9% of our portfolio in March 2018, down from 18% in March 2008, and 46% in 1998, largely due to the growth of our portfolio.

Organisational Risk Management Framework

We track and manage risks proactively, and through economic and market cycles, including specific risks at asset level.

To minimise operational risks, we embed risk management in our systems and processes. These include our approval authority delegation, company policies, standard operating procedures and risk reporting to our Board.

---

\(^1\) We allocate our holdings in companies according to the assets they have in different countries.
12-month Returns Outlook

We run 12-month forward looking Monte Carlo simulations of our portfolio to give us a sense of the returns outlook by 31 March 2019.

Applied to the current Temasek portfolio mix, our simulation shows a five-in-six chance that our one-year portfolio returns may range from -17% to +24%. Actual annual returns range over -30% to +43% during the last decade.

In the chart below, the Monte Carlo simulation curves represent the likelihood of one-year returns for some of the recent financial years. Narrower curves mean less volatility compared to the flatter curves of the 2008/09 Global Financial Crisis years.

(as at 31 March)

Simulation of 12-month Forward Portfolio Returns

-17% to +24%
Probable range of 12-month returns by 31 March 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Low (%)</th>
<th>High (%)</th>
<th>Actual TSR (%) a year later</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006³</td>
<td>-10</td>
<td>16</td>
<td>27</td>
</tr>
<tr>
<td>2008⁵</td>
<td>-30</td>
<td>55</td>
<td>-30</td>
</tr>
<tr>
<td>2009⁵</td>
<td>-30</td>
<td>76</td>
<td>43</td>
</tr>
<tr>
<td>2011⁴</td>
<td>-17</td>
<td>26</td>
<td>1</td>
</tr>
<tr>
<td>2015³</td>
<td>-12</td>
<td>17</td>
<td>-9</td>
</tr>
<tr>
<td>2016⁴</td>
<td>-21</td>
<td>32</td>
<td>13</td>
</tr>
<tr>
<td>2017³</td>
<td>-11</td>
<td>14</td>
<td>12</td>
</tr>
</tbody>
</table>

² Based on Monte Carlo simulation for 12-month forward portfolio returns distribution, assuming no change in market conditions or portfolio mix.
³ Periods of low market volatility.
⁴ Periods of medium market volatility.
⁵ Periods of high market volatility.

Read more on our risk management framework at temasekreview.com.sg/risk or scan the QR code
20-year Returns Outlook

Our T-GEM, or Temasek Geometric Expected Return Model, simulates the range of possible returns for our portfolio over the next 20 years. These simulations are not predictive of actual outcomes.

20-year Expected Returns for Different Portfolio Mix

Under our Central Scenario, the Temasek Portfolio has the highest upside potential (see blue shaded), but also the highest volatility, versus a Global Equity or Global Bond Portfolio. The Global Bond Portfolio has the least long term upside potential and the least year-to-year volatility, as shown in the charts below.

(As at 31 March 2018)

Likelihood of Geometric Returns (Compounded Annualised)
at the End of 20-year Period, by Portfolio Mix

Likelihood of Year-to-year Annual Returns
during 20-year Period, by Portfolio Mix

Narrower curve for Global Bond Portfolio means less volatility in year-to-year annual returns

Wider curve of greater annual volatility for Temasek Portfolio
Temasek’s 20-year Expected Returns for Various Potential Scenarios

The Central Scenario offers the highest expected 20-year returns, compared to those under three alternate scenarios of China Credit, Global Trade War and US Monetary Shock Scenarios. It also has slightly less volatility in the annual returns in any single year during the 20-year period.

(as at 31 March 2018)

Likelihood of Geometric Returns (Compounded Annualised) at the End of 20-year Period, by Potential Scenario

Likelihood of Year-to-year Annual Returns during 20-year Period, by Potential Scenario
Mentors Rodney Edgerton (left), Khoo Yi-Lin (centre right) and Siddharth Pisharody (right), sharing their views with Priscilla Ang (centre left), co-founder of social enterprise, Lemongrass Factory.
A Forward Looking Institution

The reputation and character of Temasek are shaped by our values and conduct as we strive to do right as individuals and as a team.

Integrity and Respect for others form the foundation of our character. Meritocracy and Excellence are our guideposts to bring out the best in our people. Teamwork and Trust enable us to deliver with discipline and agility. These MERITT values shape our forward looking stance.

Investing in our People
We invest in our people to be future ready, beyond the needs of Temasek. Among others, our learning culture has put hundreds of our staff into their neighbourhoods, skilled and ready to restart a heart if the need ever arises.

Investing in Good Governance
We advocate good governance and uphold the Santiago Principles for sovereign investments. We supported the International Monetary Fund initiative to frame these principles in 2008.

Investing in an ABC World
We support the United Nations Sustainable Development Goals, and foster dialogues and spur innovative sustainability solutions as a common good.

We consider environmental, social and governance factors, alongside other issues and risks, when we make decisions as an investor, institution and steward.

Investing in Our Wider Community
Our endowment gifts support programmes ranging from education and healthcare, to community building and research; from public service capabilities, to sustainability initiatives.

Investing in Robust Systems and Processes
Apart from financial resilience, we update our policies, systems and processes in line with technological and regulatory changes.

Our Board and Management
Chaired by Mr Lim Boon Heng, our Temasek Board and management ensure compliance with the rules and regulations wherever we have investments or operations.
We are 730 strong, with 31 diverse nationalities in 11 offices, connected by our Temasek Heartbeat.

We value our people, and enable their development through a learning culture. We balance agility and discipline, encouraging constant experimentation and innovation, with thoughtful pilots and robust implementation.

Our people are active volunteers, contributing through T-Touch to support their communities, with their time, ideas, and donations.
Our staff are active volunteers. They make a difference through many outreach programmes with non-profit groups and self-help organisations in locations where we have a presence.

San Francisco, USA
Encouraging Learning
Assembling StoryBlocks as early visual learning tools for children from needy families in the Bay area

Mexico City, Mexico
Bringing Cheer
Joining Dr Sonrisas, a charity helping children with chronic diseases and life-threatening medical conditions, to organise a Bowling Day for about 30 children and their families

London, UK
Sharing Food
Volunteering with The Felix Project to collect and deliver good quality food to homeless shelters and centres for the needy, and reduce food waste
**Beijing, China**
**Serving the Public**
Becoming librarians for a day at the National Library of China to organise and sort the vast public collection of books.

---

**Singapore**
**Doing Good Together**
Helping to renovate and decorate SILRA, Bethany Methodist Nursing Home, Christalite Methodist Home, and Singapore Cheshire Home, and preparing meals for the needy at the Willing Hearts Soup Kitchen.

**Singapore**
**Showing Appreciation**
Joining Project Chulia Street to distribute food packs to 4,000 migrant workers at Westlite Dormitory in Woodlands, to show appreciation for their hard work away from home.

---

**Hanoi, Vietnam**
**Helping the Needy**
Financially supporting 96 disadvantaged cancer patients so that they can continue their treatment at the Vietnam National Cancer Hospital.
Financial Discipline

We are governed by a set of stringent financial policies and disciplines.

We manage our leverage, liquidity, and balance sheet prudently for resilience and flexibility, even in times of extreme stress. We ensure that our primary sources of cash flows can cover our non-discretionary expenses, such as operating expenses, interest to bondholders, and debt repayments.

Our Board sets our overall debt limit, taking into account our shareholder funds, cash flow and credit profile.

Capital and Liquidity Management

Our primary sources of funds include divestment proceeds, as well as dividends and distributions received from our portfolio. These are supplemented by our Temasek Bonds and Euro-commercial Paper.

We plan proactively for a long dated and well distributed debt maturity profile, and avoid a large debt tower in any one year.

Liability Management

Temasek does not issue any financial guarantees for our portfolio companies’ obligations.

Foreign Exchange Management

Our projected risk-adjusted return for each investment proposal needs to also cover foreign exchange (FX) risk. Where appropriate, we close up our FX exposure using the relevant FX instruments.

(for year ended 31 March)

Key Recurring Income vs Debt Maturity Profile ($b)

[Graph showing Key Recurring Income vs Debt Maturity Profile for years 2014 to 2018]
Public Markers

Our Temasek Review, Credit Profile and Temasek Bonds serve as public markers to anchor our commitment as a robust and disciplined institution through generations.

The Temasek Review presents our annual scorecard to our stakeholders.

Temasek is exempted from disclosing financial information publicly, as a Singapore exempt private company¹. Nonetheless, we have been publishing our Temasek Review annually since 2004, as a public marker of our performance.

Our Credit Profile provides a snapshot of Temasek’s key credit parameters² across three dimensions – interest coverage, debt service coverage and leverage. Our Credit Profile reflects the fundamental strength of our financial position as an investment company. It facilitates a quantitative assessment of Temasek’s credit quality.

We issue Temasek Bonds and Euro-commercial Paper as part of our financial discipline. Their credit spreads in the market act like canaries in coal mines, to publicly signal market changes in Temasek’s credit quality.

We have received the top ratings of AAA/Aaa by S&P Global Ratings and Moody’s Investors Service respectively since our inaugural ratings in 2004. From time to time, rating agencies may modify their rating criteria. Such criteria changes may lead to a revision in the rating assigned to an entity, sometimes even when the entity’s financial position has not changed.

Temasek does not need to borrow or be credit rated in order to invest.

Our public markers instil financial discipline, broaden our stakeholder base, and facilitate our communications with the wider community.

¹ Under the Singapore Companies Act (Chapter 50), an exempt private company has no more than 20 shareholders and no corporate shareholder, and is exempted from filing its audited financials with the public registry.

² 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.
Credit Quality

Our Credit Profile provides a quantitative snapshot of our credit quality and the strength of Temasek’s financial position.

(For year ended 31 March)

<table>
<thead>
<tr>
<th>Dividend Income over Interest Expense (x)</th>
<th>Recurring Income over Interest Expense (x)</th>
</tr>
</thead>
<tbody>
<tr>
<td>24x</td>
<td>68x</td>
</tr>
<tr>
<td><img src="image1" alt="Graph" /></td>
<td><img src="image2" alt="Graph" /></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recurring Income over Total Debt due in One Year (x)</th>
<th>Liquidity Balance over Total Debt due in next 10 Years (x)</th>
</tr>
</thead>
<tbody>
<tr>
<td>18x</td>
<td>4x</td>
</tr>
<tr>
<td><img src="image3" alt="Graph" /></td>
<td><img src="image4" alt="Graph" /></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Portfolio Value over Total Debt (x)</th>
<th>Liquid Assets over Total Debt (x)</th>
</tr>
</thead>
<tbody>
<tr>
<td>24x</td>
<td>9x</td>
</tr>
<tr>
<td><img src="image5" alt="Graph" /></td>
<td><img src="image6" alt="Graph" /></td>
</tr>
</tbody>
</table>

---

1. 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.

2. Divestments, dividend income, income from investments and interest income.

3. Cash and cash equivalents, and short term investments.

4. Mainly cash and cash equivalents, and sub-20% listed assets.
### Key Credit Parameters (in S$ billion)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Divestments</td>
<td>10</td>
<td>19</td>
<td>28</td>
<td>18</td>
<td><strong>16</strong></td>
</tr>
<tr>
<td>Dividend income</td>
<td>7.9</td>
<td>7.9</td>
<td>7.8</td>
<td>7.0</td>
<td><strong>9.0</strong></td>
</tr>
<tr>
<td>Income from investments</td>
<td>0.1</td>
<td>0.1</td>
<td>0.2</td>
<td>0.2</td>
<td><strong>0.3</strong></td>
</tr>
<tr>
<td>Interest income</td>
<td>0.1</td>
<td>0.1</td>
<td>0.2</td>
<td>0.2</td>
<td><strong>0.2</strong></td>
</tr>
<tr>
<td>Interest expense</td>
<td>0.5</td>
<td>0.5</td>
<td>0.4</td>
<td>0.4</td>
<td><strong>0.4</strong></td>
</tr>
<tr>
<td>Net portfolio value</td>
<td>223</td>
<td>266</td>
<td>242</td>
<td>275</td>
<td><strong>308</strong></td>
</tr>
<tr>
<td>Liquid assets</td>
<td>80.3</td>
<td>90.6</td>
<td>74.3</td>
<td>91.1</td>
<td><strong>110.3</strong></td>
</tr>
<tr>
<td>Liquidity balance</td>
<td>29.9</td>
<td>26.7</td>
<td>27.1</td>
<td>37.6</td>
<td><strong>33.2</strong></td>
</tr>
<tr>
<td>Total debt</td>
<td>14.2</td>
<td>13.8</td>
<td>12.9</td>
<td>12.8</td>
<td><strong>12.8</strong></td>
</tr>
</tbody>
</table>

#### Temasek Bonds – Maturity Profile and Coupon

![Temasek Bonds Maturity Profile and Coupon](image_url)

5 As at 31 March 2018, comprised Temasek Bonds totalling S$11.4 (US$8.7) billion, with a weighted average maturity of over 11 years, issued under our US$15 billion Guaranteed Global Medium Term Note (MTN) Programme, and Temasek Euro-commercial Paper (ECP) totalling S$1.4 (US$1.1) billion, with a weighted average maturity of about two months, issued under our US$5 billion ECP Programme. All Temasek Bonds are rated AAA/Aaa by S&P Global Ratings (S&P) and Moody’s Investors Service (Moody’s) respectively. Our ECP Programme has short term ratings of A-1+/P-1 by S&P and Moody’s respectively.

6 Exchange rates as at 31 March 2018.
Long Term Alignment

Our ownership ethos puts the institution above the individual, emphasises long term over short term, and aligns employee and shareholder interests over economic cycles.

Our compensation framework aims to foster a high performing and responsible culture where our employees think and act as owners, sharing gains and pains alongside our shareholder. It balances reward for short term performance and long term value creation.

Our performance incentives may be deferred up to 12 years, and subject to market risks and clawbacks, to account for sustainability of returns over market cycles.

Deferred incentives and clawbacks are integral to our remuneration. In the last decade, we had six clawback pools when Wealth Added (WA) for prior years was negative. Out of these six, there were four instances we had to carry forward clawback balances, because the deferred WA incentives were insufficient to clear the clawback pools from prior years.

We share risks and rewards based on our returns. If our returns are negative, clawbacks will be triggered against bonuses deferred from prior years, and if needed, from future year bonuses too.

Annual Cash Bonuses – Our Short Term Incentives
Annual cash bonuses are driven by company-wide, team and individual performances, and capped within budgeted limits.

WA Bonus Bank – Our Medium Term Incentives
Returns above our risk-adjusted cost of capital will see WA bonuses added to individual notional WA bonus bank accounts, with payouts of one third for senior management and two thirds for junior staff. Retained balances are at risk of clawbacks in the future should returns be negative. For the year ended 31 March 2018, our aggregated risk-adjusted cost of capital was 7%.

Co-ownership Grants – Our Long Term Incentives
Co-investment grants may be awarded. These vest according to performance or time-based conditions, and lapse after 12 years.

Co-ownership Alignment in Practice
The positive WA of S$14.0 billion for the year ended 31 March 2018 will enable us to continue to share our successes with our employees, as well as the wider community.

This demanding framework for sharing gains and the associated risks and pains through market cycles has been tested, thereby reaffirming our ownership ethos.
**Wealth Added (WA) in dollars**

**Total Shareholder Return in dollars (Total Dollar Return or TDR)**

**Paid-out portion of WA Bonus earned for prior year’s performance**

**Deferred portion of WA Bonus earned for prior year’s performance, with future clawback risks**

**Co-investment units which grow or shrink with total returns to shareholder, and are subject to performance and time-based conditions**

**Clawback of deferred WA Bonus from prior years**

**Clawback balances carried forward for future bonus offset**

**Part of earned WA Bonus used to offset the clawback balances brought forward from prior year**

---

**WA Incentives of Key Team**

**Wealth Added & Total Dollar Return**

**Relative WA Incentives**

1. WA incentives awarded in the year were for WA performance in the prior year.
2. Relative WA incentives of key management team which includes CEOs, Presidents, Senior Managing Directors, Managing Directors, as well as management Directors.
3. No new T-Scope pool was generated due to negative WA in the prior year.
4. Excludes two tranches of deferred bonus from Alibaba’s WA, to be allocated in years ending 31 March 2017 and 2018, subject to sustained performance.
5. WA Bonus due to deferred bonus from Alibaba’s WA allocated in the year ended 31 March 2017, post clawback for negative return on the investment.
6. Includes WA Bonus due to deferred bonus from Alibaba’s WA allocated in the year ended 31 March 2018.
Cheng Zaishao (left) and Shakura Bashir (right) helping SILRA resident Ang Ah Ling (centre) with his new mobile phone, capturing photos of his favourite plants at the community garden.
Temasek is a Company with a corporate conscience, and a duty towards future generations.

Our Temasek Charter defines who we are and what we do as an investor, institution and steward.

Temasek is an exempt private company under the Singapore Companies Act. Our Board has a fiduciary duty towards Temasek as a Company, with the full discretion and flexibility to guide the management of our portfolio as a long term investor and owner, and a responsible institution and steward.

Under the Singapore Constitution, Temasek is a Fifth Schedule entity, with a constitutional responsibility to safeguard our Company’s past reserves.

Temasek does not manage Singapore’s Central Provident Fund (CPF) savings; the budget surpluses or foreign exchange reserves of Singapore; or the reserves of any other Fifth Schedule entity. These are independently managed by the relevant Fifth Schedule entities themselves.

Temasek’s past reserves are those accumulated by the Company before the current term of Government.

Neither the President of Singapore nor the Singapore Government is involved in our investment or business decisions, except in relation to the protection of our past reserves.

Relating to the President of Singapore

The Board and CEO of Temasek have the responsibility under the Singapore Constitution to protect our Company’s past reserves.

The Board and CEO of Temasek have a duty to seek the President’s approval before any draw on our past reserves. There is no draw on our past reserves if our total reserves equal or exceed our past reserves. Mark to market declines on existing investments are not a draw on past reserves. We have a duty to ensure every disposal of investment is transacted at fair market value. A realised loss arising from such disposals at fair market value is not a draw on past reserves.

1 Temasek Holdings (Private) Limited.
2 Under the Singapore Companies Act (Chapter 50), an exempt private company has no more than 20 shareholders and no corporate shareholder, and is exempted from filing its audited financials with the public registry.
3 Fifth Schedule entities under the Singapore Constitution include GIC Private Limited, which manages the reserves of the Singapore Government; the CPF Board; the Monetary Authority of Singapore; Housing and Development Board; and Jurong Town Corporation.
Relating to Our Shareholder

Incorporated on 25 June 1974, Temasek Holdings is wholly owned by the Singapore Minister for Finance. As a commercial investment company, we are the owner of our assets – we are not a fund manager on behalf of our shareholder.

Temasek declares dividends annually in accordance with our dividend policy. Our Board ensures that our dividend policy balances the sustainable distribution of profits as dividends to our shareholder with the retention of profits for reinvestment to generate future returns. The policy also takes into account our constitutional responsibility to protect Temasek's past reserves. Our Board recommends the dividends for our shareholder's acceptance at the annual general meeting.

Relating to Our Portfolio Companies

We hold the boards and management accountable for the activities of their companies, and support the formation of high calibre, experienced and diverse boards to guide and complement management leadership.

Companies in our portfolio are guided and managed by their respective boards and management. Temasek does not direct their business decisions or operations. We expect our portfolio companies to comply with all laws and regulations of jurisdictions in which they have investments or operations. We do not guarantee the obligations of our portfolio companies.

Relating to Our Communities

We gift endowments for our communities based on the twin pillars of sustainability and good governance. These are funded by a share of our net positive returns above our risk-adjusted cost of capital.

These philanthropic endowments focus on building people, building communities, building capabilities and rebuilding lives. Their outcome-focused programmes enable individuals, families and communities to achieve sustainable improvements and progress in their lives.

We support improvements in social policies through evidence-based results from pilot programmes, and sustainable long term solutions.

---

4 The Singapore President has an independent custodial role under the Singapore Constitution to safeguard the respective past reserves of the Singapore Government and the Fifth Schedule entities, including those of Temasek.

5 Fair market value is the price agreed between a willing buyer and a willing seller on an arm's length basis.

6 Under the Singapore Minister for Finance (Incorporation) Act (Chapter 183), the Minister for Finance is a body corporate.
Advocating an **abc World**

In September 2015, Singapore and 192 other members of the United Nations signed up to deliver the United Nations Sustainable Development Goals\(^1\), or SDGs, by 2030.

Our collective action – governments, businesses, civil societies and individuals working together – is required to translate the SDG ideals into the reality of a better and more sustainable world – an ABC World of Active economies, Beautiful societies, and a Clean Earth.

**Investing for a Sustainable World**

The DNA of Temasek is a commitment towards Ecosperity, twinning prosperity with ecology.

We take a long view of our investments. We succeed if the broader community succeeds. Thus, we seek to safeguard the intergenerational interests of our communities through innovative solutions and sustainable systems, science and technologies.

Proteins from plants and laboratories, and aqua-farming are some innovative solutions to meet growing global food demand more sustainably.

Calysta is one investment example, which converts methane gas into edible, natural proteins as a sustainable food source for fish, livestock and pets. Another example is our investment in the TPG Rise Fund for impact investing.

**From Ideas to Impact**

Our fifth Ecosperity conference for turning ideas into impact explored new business models and ideas around the topics of food, education and healthcare. It was held on 5 June 2018 in conjunction with the United Nations World Environment Day.

We took the opportunity to partner UNLEASH, a global innovation lab for 1,000 young talents from around the world to co-create solutions for the SDGs. The vibrant exchange at Ecosperity and UNLEASH will bring various stakeholders closer to translating the SDGs into reality.

**Sustainability at Work**

Our staff champion sustainability causes for a Green Office under our GO! project.

This year, we partnered Singtel to raise awareness on electronic waste, and collected 320kg of e-waste for deconstructing and recycling. We also supported EcoBank\(^2\) to collect pre-loved clothing, toys, books, and homeware for charity.

---

An active, robust economy delivers good jobs and creates opportunities. It is the foundation of stable, secure and sustainable societies. Productive workers have a sense of pride and dignity, provide for their loved ones and themselves, and look to the future with confidence.

A beautiful and inclusive society fosters peace and justice, and enables individuals to reach their fullest potential. Shared values that embrace justice and equality, and expand our common spaces, will strengthen our tolerance, mutual respect, and the ties that bind us together.

A clean, cool Earth is our home, a common space and heritage. We must act today to preserve our living space for ourselves and our future generations. Fresh air, clean water and a cool world are Earth’s natural gifts, which we must treasure and protect as our legacy.

Find out more about an ABC World at temasekreview.com.sg/abcworld or scan the QR code
Financial Oversight and Governance

Temasek Trust oversees the financial management of gifts and endowments from Temasek and other donors.

This includes the mandated disbursement to six non-profit philanthropic Foundations, and Stewardship Asia Centre, based on sustainability and good governance.

The Trust also serves as a convener of philanthropic ideas and best practices, an advocate of corporate giving, and a catalyst for enhancing capabilities.

The Board of Trustees comprises Chairman S Dhanabalan, Euleen Goh and Ng Kee Choe.
Our six Temasek Foundations have touched over 800,000 lives over the decade.

Temasek Foundation International partners Singapore and international organisations to fund and build capabilities in Asia, especially for healthcare, education, public administration, urban management and disaster response.

Temasek Foundation Cares focuses on uplifting underprivileged individuals, families and communities in Singapore, through partnerships, pilot programmes and research that range from at-risk mothers with young children, to palliative and special needs care.

Temasek Foundation Connects builds social bridges, by promoting dialogue and mutual understanding across various human boundaries. It manages The Singapore Summit – a signature business and government forum around the F1 race events.

Temasek Foundation Nurtures supports education and professional development, especially for youth – such as the School of the Arts and Singapore Sports School students – to make the leap in music, arts, sports, mathematics and science, engineering and technology.

Temasek Foundation Innovates sponsors solutions-based research and innovation. It manages two endowments for the Singapore Millennium Foundation and the Temasek Life Sciences Laboratory, a biomolecular research institute.

Temasek Foundation Ecosperity champions innovative solutions to improve liveability and build an ABC World. The Foundation promotes best practices and standards for impactful solutions. It calls for research on various aspects of sustainability twice yearly.

Temasek Foundation Management Services develops human resource and corporate services for the Temasek Foundations. It also facilitates the sharing of best practices and collaboration between the Foundations and the wider philanthropy sector to improve support to the community.

Stewardship Asia Centre promotes stewardship and sustainability by building capabilities for content, outreach, standards-setting and education. It strives to inspire and catalyse change, and to create an impact in Asia by marrying research and practice.
An Unusual Friendship

Who would have thought that what started out as a community service opportunity would evolve into a life-changing experience for 21-year-old student, Jared Chew?

By the third session, Jared managed to break through to Wei Lun. Nearing the end of the programme, Wei Lun began to speak with proper words and warmed towards Jared. Jared recognises that this friendship has helped him become a better person – to embrace patience, gratitude and empathy. Their heart-warming friendship is the result of unconditional trust and mutual understanding.

If I stop going, I’m going to stop learning things from him.
– Jared Chew

By the third session, Jared managed to break through to Wei Lun. Nearing the end of the programme, Wei Lun began to speak with proper words and warmed towards Jared. Jared recognises that this friendship has helped him become a better person – to embrace patience, gratitude and empathy. Their heart-warming friendship is the result of unconditional trust and mutual understanding.

“I think there should be more programmes like this because it gives people a chance to help out and for participants to feel loved.”

Jared and Wei Lun share a special connection.

Watch how Play-Ability touches lives at temasekreview.com.sg/playability or scan the QR code

For more information on Temasek Foundation Cares, visit temasekfoundation-cares.org.sg
Painting a Smile

Sim Kah Lim took an interest in art from a young age. He participated in his first art competition at 8 years old and took home the top prize – the first of many that followed.

However, Kah Lim began hallucinating as he grew older. At 15, he was diagnosed with schizophrenia.

Kah Lim completing a portrait in 30 minutes.

Unable to live independently, Kah Lim spent short stints in the Institute of Mental Health (IMH), and moved there permanently when his family was no longer able to care for him. Cindy recalls, “When my brother was admitted, we were very worried, especially my parents. We didn’t know whether he would be able to adjust to life in IMH.”

Kah Lim has been persistent in his passion, spending hours every day painting. All this time, he has kept one dream close to his heart – to host his own art exhibition, just like the ones he used to visit.

In June this year, T-Touch volunteers fulfilled that dream. Unbeknown to him, Temasek staff organised the exhibition of his paintings in the foyer of Temasek’s office in Singapore. They brought him to the venue from his hospital room for an ‘official opening’, complete with a reception, and surprised him with a crowd gathered to view his paintings.

On arrival, Kah Lim's joy was evident. He was full of smiles and warmed up to the guests, shaking their hands and enthusiastically posing with his pieces.

T-Touch is a volunteer initiative by Temasek staff.

Juliet Teo, a T-Touch Sponsor, welcoming Kah Lim to the exhibition, along with Adjunct Prof Chua Hong Choon, IMH Chief Executive Officer.

Watch how we surprise Kah Lim at temasekreview.com.sg/t-touchpainting or scan the QR code
Group Financial Summary

Statement by Auditors 48
Statement by Directors 49
Group Income Statements 50
Group Balance Sheets 51
Group Cash Flow Statements 52
Group Statements of Changes in Equity 53

Temasek Group Financials are a consolidation of financial information of Temasek and its operating subsidiaries, such as Singtel, Singapore Airlines, PSA and ST Engineering.

(From left) Jonathan Morton, Varini Sharma and May Chong evaluating the best way forward for their project.

We are the auditors of Temasek Holdings (Private) Limited (“Temasek”). We have audited the statutory consolidated financial statements of Temasek and its subsidiaries (the “Group”) for the financial years ended 31 March 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017 and 2018 and have issued unmodified audit reports.

Under the Singapore Companies Act, Chapter 50, Temasek is an exempt private company and is not required to publish its audited statutory consolidated financial statements.

Management is responsible for the preparation and presentation of the Group Financial Summary for the financial years ended 31 March 2009 to 2018 set out from pages 50 to 53. The Group Financial Summary consists of the Group Income Statements, Group Balance Sheets and Group Cash Flow Statements as at and for the financial years ended 31 March 2009 to 2018 and Group Statements of Changes in Equity for the financial years ended 31 March 2017 and 2018, which is derived from the audited statutory consolidated financial statements. The Group Financial Summary does not contain all the disclosures required by Financial Reporting Standards in Singapore applied in the preparation of the audited statutory consolidated financial statements of the Group. Reading the Group Financial Summary, therefore, is not a substitute for reading the audited statutory consolidated financial statements of the Group.

Our responsibility is to express an opinion on whether the Group Financial Summary is consistent, in all material respects, with the audited statutory consolidated financial statements based on our procedures, which were conducted in accordance with Singapore Standard on Auditing (SSA) 810 (Revised) – Engagements to Report on Summary Financial Statements.

In our opinion, the accompanying Group Financial Summary is summarised and presented consistently, in all material respects, with the audited statutory consolidated financial statements of the Group for the financial years ended 31 March 2009 to 2018.

KPMG LLP
Public Accountants and Chartered Accountants
Singapore
2 July 2018

---

Our auditors, KPMG LLP, have expressed unmodified opinions on the audited statutory consolidated financial statements of Temasek Holdings (Private) Limited and its subsidiaries (the “Group”) for the financial years ended 31 March 2009 to 2018.

On behalf of the directors

LIM BOON HENG
Chairman
2 July 2018

HO CHING
Executive Director & Chief Executive Officer
2 July 2018
## Group Income Statements

In $ billion

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>79.6</td>
<td>76.7</td>
<td>83.5</td>
<td>83.5</td>
<td>94.3</td>
<td>92.4</td>
<td>101.6</td>
<td>101.5</td>
<td>97.0</td>
<td><strong>107.1</strong></td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(57.5)</td>
<td>(50.7)</td>
<td>(53.0)</td>
<td>(56.3)</td>
<td>(64.5)</td>
<td>(63.7)</td>
<td>(70.4)</td>
<td>(73.3)</td>
<td>(68.6)</td>
<td><strong>(75.0)</strong></td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>22.1</td>
<td>26.0</td>
<td>30.5</td>
<td>27.2</td>
<td>29.8</td>
<td>28.7</td>
<td>31.2</td>
<td>28.2</td>
<td>28.4</td>
<td><strong>32.1</strong></td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td>16.2</td>
<td>4.5</td>
<td>4.9</td>
<td>6.3</td>
<td>5.5</td>
<td>6.0</td>
<td>9.2</td>
<td>11.0</td>
<td>10.0</td>
<td><strong>13.3</strong></td>
</tr>
</tbody>
</table>

**Expenses:**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Selling &amp; Distribution</strong></td>
<td>(5.0)</td>
<td>(5.3)</td>
<td>(5.8)</td>
<td>(5.6)</td>
<td>(5.2)</td>
<td>(4.7)</td>
<td>(5.0)</td>
<td>(4.4)</td>
<td>(3.7)</td>
<td>(3.7)</td>
</tr>
<tr>
<td><strong>Administrative</strong></td>
<td>(8.1)</td>
<td>(8.7)</td>
<td>(7.3)</td>
<td>(8.0)</td>
<td>(8.7)</td>
<td>(8.9)</td>
<td>(9.6)</td>
<td>(8.0)</td>
<td>(8.4)</td>
<td>(8.6)</td>
</tr>
<tr>
<td><strong>Finance</strong></td>
<td>(2.7)</td>
<td>(2.4)</td>
<td>(2.6)</td>
<td>(2.6)</td>
<td>(2.6)</td>
<td>(2.3)</td>
<td>(2.1)</td>
<td>(2.7)</td>
<td>(2.8)</td>
<td>(3.2)</td>
</tr>
<tr>
<td><strong>Other expenses</strong></td>
<td>(15.3)</td>
<td>(10.0)</td>
<td>(6.2)</td>
<td>(7.1)</td>
<td>(6.7)</td>
<td>(7.5)</td>
<td>(8.1)</td>
<td>(16.0)</td>
<td>(8.9)</td>
<td>(9.5)</td>
</tr>
</tbody>
</table>

**Profit before share of results of associates and joint ventures**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit before share of results of associates</strong></td>
<td>7.2</td>
<td>4.1</td>
<td>13.5</td>
<td>10.2</td>
<td>12.1</td>
<td>11.3</td>
<td>15.6</td>
<td>8.1</td>
<td>14.6</td>
<td><strong>20.4</strong></td>
</tr>
<tr>
<td><strong>Share of results of associates</strong></td>
<td>1.3</td>
<td>2.4</td>
<td>2.6</td>
<td>3.0</td>
<td>2.5</td>
<td>4.3</td>
<td>3.5</td>
<td>4.4</td>
<td>3.3</td>
<td><strong>6.8</strong></td>
</tr>
<tr>
<td><strong>Share of results of joint ventures</strong></td>
<td>1.9</td>
<td>2.0</td>
<td>1.7</td>
<td>1.6</td>
<td>1.9</td>
<td>1.9</td>
<td>2.1</td>
<td>2.2</td>
<td>2.4</td>
<td><strong>2.3</strong></td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>10.4</td>
<td>8.5</td>
<td>17.8</td>
<td>14.8</td>
<td>16.5</td>
<td>17.5</td>
<td>21.2</td>
<td>14.7</td>
<td>20.3</td>
<td><strong>29.5</strong></td>
</tr>
<tr>
<td><strong>Tax expense</strong></td>
<td>(1.3)</td>
<td>(1.7)</td>
<td>(2.0)</td>
<td>(1.4)</td>
<td>(2.0)</td>
<td>(2.3)</td>
<td>(2.5)</td>
<td>(2.1)</td>
<td>(2.6)</td>
<td>(2.7)</td>
</tr>
<tr>
<td><strong>Total profit</strong></td>
<td>9.1</td>
<td>6.8</td>
<td>15.8</td>
<td>13.4</td>
<td>14.5</td>
<td>15.2</td>
<td>18.7</td>
<td>12.6</td>
<td>17.7</td>
<td><strong>26.8</strong></td>
</tr>
</tbody>
</table>

Profit attributable to:

<table>
<thead>
<tr>
<th><strong>Equity holder of the Company</strong></th>
<th>6.2</th>
<th>4.6</th>
<th>12.7</th>
<th>10.7</th>
<th>10.7</th>
<th>10.9</th>
<th>14.5</th>
<th>8.4</th>
<th>14.2</th>
<th><strong>21.3</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-controlling interests</strong></td>
<td>2.9</td>
<td>2.2</td>
<td>3.1</td>
<td>2.7</td>
<td>3.8</td>
<td>4.3</td>
<td>4.2</td>
<td>4.2</td>
<td>3.5</td>
<td><strong>5.5</strong></td>
</tr>
<tr>
<td><strong>Total profit</strong></td>
<td>9.1</td>
<td>6.8</td>
<td>15.8</td>
<td>13.4</td>
<td>14.5</td>
<td>15.2</td>
<td>18.7</td>
<td>12.6</td>
<td>17.7</td>
<td><strong>26.8</strong></td>
</tr>
</tbody>
</table>

View more of our group financials at temasekreview.com.sg/groupfinancials or scan the QR code
## Group Balance Sheets

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shareholder equity excluding mark to market movement of sub-20% investments</strong></td>
<td>119.9</td>
<td>127.8</td>
<td>134.6</td>
<td>146.4</td>
<td>156.0</td>
<td>172.5</td>
<td>188.0</td>
<td>198.2</td>
<td>210.7</td>
<td>228.0</td>
</tr>
<tr>
<td><strong>Mark to market gains/(losses) of sub-20% investments</strong></td>
<td>(1.5)</td>
<td>21.9</td>
<td>20.9</td>
<td>11.8</td>
<td>13.2</td>
<td>14.9</td>
<td>30.6</td>
<td>19.9</td>
<td>28.2</td>
<td>44.7</td>
</tr>
<tr>
<td><strong>Shareholder equity</strong></td>
<td>118.4</td>
<td>149.7</td>
<td>155.5</td>
<td>158.2</td>
<td>169.2</td>
<td>187.4</td>
<td>218.6</td>
<td>218.1</td>
<td>238.9</td>
<td>272.7</td>
</tr>
<tr>
<td><strong>Non-controlling interests</strong></td>
<td>22.6</td>
<td>23.5</td>
<td>24.0</td>
<td>23.5</td>
<td>35.2</td>
<td>34.8</td>
<td>37.8</td>
<td>40.6</td>
<td>43.1</td>
<td>47.5</td>
</tr>
<tr>
<td><strong>Property, plant and equipment</strong></td>
<td>68.2</td>
<td>68.0</td>
<td>66.8</td>
<td>67.8</td>
<td>73.8</td>
<td>59.5</td>
<td>67.5</td>
<td>69.9</td>
<td>70.8</td>
<td>75.2</td>
</tr>
<tr>
<td><strong>Intangibles</strong></td>
<td>19.9</td>
<td>19.1</td>
<td>18.9</td>
<td>17.9</td>
<td>18.2</td>
<td>16.4</td>
<td>20.0</td>
<td>20.5</td>
<td>22.6</td>
<td>27.9</td>
</tr>
<tr>
<td><strong>Biological assets</strong></td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1.3</td>
<td>1.4</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Investments in associates and joint ventures</strong></td>
<td>41.1</td>
<td>44.6</td>
<td>42.1</td>
<td>49.5</td>
<td>50.3</td>
<td>56.7</td>
<td>70.2</td>
<td>80.1</td>
<td>83.5</td>
<td>84.8</td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td>40.2</td>
<td>64.2</td>
<td>65.3</td>
<td>60.7</td>
<td>70.3</td>
<td>81.4</td>
<td>101.3</td>
<td>88.4</td>
<td>98.3</td>
<td>132.0</td>
</tr>
<tr>
<td><strong>Investment properties</strong></td>
<td>6.1</td>
<td>6.7</td>
<td>7.3</td>
<td>8.3</td>
<td>19.9</td>
<td>22.4</td>
<td>25.5</td>
<td>36.3</td>
<td>40.0</td>
<td>46.3</td>
</tr>
<tr>
<td><strong>Deferred tax assets</strong></td>
<td>2.0</td>
<td>1.8</td>
<td>1.7</td>
<td>1.5</td>
<td>1.4</td>
<td>1.4</td>
<td>1.4</td>
<td>1.4</td>
<td>1.4</td>
<td>1.4</td>
</tr>
<tr>
<td><strong>Other non-current assets</strong></td>
<td>9.5</td>
<td>10.2</td>
<td>11.3</td>
<td>10.7</td>
<td>12.4</td>
<td>10.9</td>
<td>13.0</td>
<td>13.1</td>
<td>12.8</td>
<td>11.6</td>
</tr>
<tr>
<td><strong>Net current assets/(liabilities)</strong></td>
<td>11.8</td>
<td>22.0</td>
<td>27.6</td>
<td>32.8</td>
<td>34.0</td>
<td>35.9</td>
<td>31.8</td>
<td>31.5</td>
<td>41.3</td>
<td>37.7</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>60.9</td>
<td>70.2</td>
<td>84.5</td>
<td>86.2</td>
<td>95.2</td>
<td>95.3</td>
<td>105.6</td>
<td>104.7</td>
<td>117.7</td>
<td>112.2</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>(49.1)</td>
<td>(48.2)</td>
<td>(56.9)</td>
<td>(53.4)</td>
<td>(61.2)</td>
<td>(59.4)</td>
<td>(73.8)</td>
<td>(73.2)</td>
<td>(76.4)</td>
<td>(74.5)</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>(57.8)</td>
<td>(63.4)</td>
<td>(61.5)</td>
<td>(67.5)</td>
<td>(75.9)</td>
<td>(62.4)</td>
<td>(75.6)</td>
<td>(83.9)</td>
<td>(89.2)</td>
<td>(96.8)</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>22.1</td>
<td>17.8</td>
<td>9.5</td>
<td>16.1</td>
<td>19.6</td>
<td>9.0</td>
<td>32.6</td>
<td>44.4</td>
<td>39.3</td>
<td>49.7</td>
</tr>
</tbody>
</table>

---

1. The accounting standards require sub-20% investments to be marked to market from the financial year ended 31 March 2006. To provide additional information on shareholder equity excluding market volatility on sub-20% investments, mark to market gains/(losses) recognised directly in equity are separately disclosed.

2. Total debt less cash and cash equivalents.
## Group Cash Flow Statements

In S$ billion

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow before working capital changes</td>
<td>14.0</td>
<td>16.4</td>
<td>20.2</td>
<td>16.8</td>
<td>20.1</td>
<td>20.0</td>
<td>20.3</td>
<td>18.4</td>
<td>18.7</td>
<td>20.5</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>1.5</td>
<td>(4.1)</td>
<td>(2.9)</td>
<td>(1.6)</td>
<td>(4.0)</td>
<td>(1.5)</td>
<td>(3.2)</td>
<td>(5.1)</td>
<td>(2.3)</td>
<td>(3.5)</td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>15.5</td>
<td>12.3</td>
<td>17.3</td>
<td>15.2</td>
<td>16.1</td>
<td>18.5</td>
<td>17.1</td>
<td>13.3</td>
<td>16.4</td>
<td>17.0</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(1.8)</td>
<td>(1.3)</td>
<td>(1.3)</td>
<td>(2.0)</td>
<td>(1.8)</td>
<td>(2.3)</td>
<td>(2.0)</td>
<td>(2.1)</td>
<td>(2.4)</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Net cash inflow from operating activities</td>
<td>13.7</td>
<td>11.0</td>
<td>16.0</td>
<td>13.2</td>
<td>14.3</td>
<td>16.2</td>
<td>15.1</td>
<td>11.2</td>
<td>14.0</td>
<td>14.8</td>
</tr>
<tr>
<td>Net cash inflow/ (outflow) from investing activities</td>
<td>0.1</td>
<td>(5.3)</td>
<td>(4.9)</td>
<td>(14.8)</td>
<td>(15.3)</td>
<td>(19.2)</td>
<td>(22.6)</td>
<td>(14.7)</td>
<td>(7.2)</td>
<td>(23.0)</td>
</tr>
<tr>
<td>Net cash inflow/ (outflow) from financing activities</td>
<td>(6.4)</td>
<td>(0.2)</td>
<td>(1.7)</td>
<td>(1.4)</td>
<td>4.0</td>
<td>1.0</td>
<td>1.1</td>
<td>2.4</td>
<td>2.7</td>
<td>2.5</td>
</tr>
<tr>
<td>Net increase/ (decrease) in cash and cash equivalents held</td>
<td>7.4</td>
<td>5.5</td>
<td>9.4</td>
<td>(3.0)</td>
<td>3.0</td>
<td>(2.0)</td>
<td>(6.4)</td>
<td>(1.1)</td>
<td>9.5</td>
<td>(5.7)</td>
</tr>
</tbody>
</table>
## Group Statements of Changes in Equity

### In S$ billion

<table>
<thead>
<tr>
<th></th>
<th>Share Capital and Other Reserves</th>
<th>Revenue Reserve</th>
<th>Currency Translation Reserve</th>
<th>Non-controlling Interests</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Attributable to Equity Holder of the Company</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 April 2016</td>
<td>87.8</td>
<td>134.7</td>
<td>(4.4)</td>
<td>40.6</td>
<td>258.7</td>
</tr>
<tr>
<td>Total profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>17.7</td>
</tr>
<tr>
<td>Others, net(^1)</td>
<td>10.5</td>
<td>(5.1)</td>
<td>1.2</td>
<td>(1.0)</td>
<td>5.6</td>
</tr>
<tr>
<td>Balance at 31 March 2017</td>
<td>98.3</td>
<td>143.8</td>
<td>(3.2)</td>
<td>43.1</td>
<td>282.0</td>
</tr>
<tr>
<td>Total profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>26.8</td>
</tr>
<tr>
<td>Others, net(^1)</td>
<td>20.6</td>
<td>(4.0)</td>
<td>(4.1)</td>
<td>(1.1)</td>
<td>11.4</td>
</tr>
<tr>
<td><strong>Balance at 31 March 2018</strong></td>
<td><strong>118.9</strong></td>
<td><strong>161.1</strong></td>
<td><strong>(7.3)</strong></td>
<td><strong>47.5</strong></td>
<td><strong>320.2</strong></td>
</tr>
</tbody>
</table>

\(^1\) Comprise movements during the financial year including but not limited to:
- Issuance of ordinary shares;
- Change in fair value of financial assets;
- Dividends to shareholder;
- Share of associates and joint ventures’ reserves; and
- Currency translation differences.
Our portfolio companies have added much to the strength, reputation, and potential of Temasek.

### Major Investments at a Glance

<table>
<thead>
<tr>
<th>Financial Services</th>
<th>Shareholding(^2) (%)</th>
<th>Currency</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Capitalisation or Shareholder Equity(^1)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIA Group Limited</td>
<td>3</td>
<td>HKD'()m</td>
<td>801,780</td>
<td>591,049</td>
</tr>
<tr>
<td>China Construction Bank Corporation</td>
<td>4</td>
<td>HKD'()m</td>
<td>2,030,754</td>
<td>1,566,906</td>
</tr>
<tr>
<td>DBS Group Holdings Ltd</td>
<td>29</td>
<td>SGD'()m</td>
<td>70,506</td>
<td>49,328</td>
</tr>
<tr>
<td>Industrial and Commercial Bank of China Limited</td>
<td>2</td>
<td>HKD'()m</td>
<td>2,637,696</td>
<td>1,913,258</td>
</tr>
<tr>
<td>Ping An Insurance (Group) Company of China, Ltd.</td>
<td>2</td>
<td>HKD'()m</td>
<td>1,479,164</td>
<td>776,324</td>
</tr>
<tr>
<td>PT Bank Danamon Indonesia Tbk</td>
<td>54(^*)</td>
<td>IDR'()b</td>
<td>65,894</td>
<td>45,048</td>
</tr>
<tr>
<td>Standard Chartered PLC</td>
<td>16</td>
<td>GBP'()m</td>
<td>23,534</td>
<td>25,101</td>
</tr>
<tr>
<td><strong>Telecommunications, Media &amp; Technology</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CenturyLink, Inc.</td>
<td>10</td>
<td>USD'()m</td>
<td>17,722</td>
<td>12,936</td>
</tr>
<tr>
<td>Singapore Technologies Telemedia Pte Ltd</td>
<td>100</td>
<td>SGD'()m</td>
<td>5,158</td>
<td>4,873</td>
</tr>
<tr>
<td>Alibaba Group Holding Limited</td>
<td>1</td>
<td>USD'()m</td>
<td>471,602</td>
<td>272,810</td>
</tr>
<tr>
<td>Singapore Telecommunications Limited</td>
<td>52</td>
<td>SGD'()m</td>
<td>55,002</td>
<td>63,980(^*)</td>
</tr>
<tr>
<td><strong>Consumer &amp; Real Estate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.S. Watson Holdings Limited</td>
<td>25</td>
<td>HKD'()m</td>
<td>29,453</td>
<td>24,789</td>
</tr>
<tr>
<td>CapitaLand Limited</td>
<td>40</td>
<td>SGD'()m</td>
<td>15,065</td>
<td>15,417</td>
</tr>
<tr>
<td>Olam International Limited</td>
<td>54</td>
<td>SGD'()m</td>
<td>7,424</td>
<td>5,239</td>
</tr>
<tr>
<td>Ascendas-Singbridge Pte Ltd</td>
<td>51(^##)</td>
<td>SGD'()m</td>
<td>1,784</td>
<td>1,481</td>
</tr>
<tr>
<td>Mandai Park Holdings Pte. Ltd.</td>
<td>100</td>
<td>SGD'()m</td>
<td>234</td>
<td>239</td>
</tr>
<tr>
<td>Mapletree Investments Pte Ltd</td>
<td>100</td>
<td>SGD'()m</td>
<td>12,786</td>
<td>11,184</td>
</tr>
<tr>
<td>SATS Ltd.</td>
<td>40</td>
<td>SGD'()m</td>
<td>5,724</td>
<td>5,439</td>
</tr>
</tbody>
</table>

---

1. Market Capitalisation or Shareholder Equity: For listed companies, 2018 refers to positions as at 31 March 2018. For unlisted companies, 2018 refers to positions as at 31 March 2018 or 31 December 2017, in accordance with their respective financial year ends. Similarly for 2017.

2. Percentages rounded to the nearest whole number.

3. Information not available as Celltrion Healthcare Co., Ltd was listed on Korea Exchange in July 2017.
## Market Capitalisation or Shareholder Equity

### Transportation & Industrials

<table>
<thead>
<tr>
<th>Company</th>
<th>Shareholding</th>
<th>Currency</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keppel Corporation Limited</td>
<td>20</td>
<td>SGD'm</td>
<td>14,111</td>
<td>12,614</td>
</tr>
<tr>
<td>PSA International Pte Ltd</td>
<td>100</td>
<td>SGD'm</td>
<td>11,080</td>
<td>10,870</td>
</tr>
<tr>
<td>Sembcorp Industries Ltd</td>
<td>49</td>
<td>SGD'm</td>
<td>5,558</td>
<td>5,684</td>
</tr>
<tr>
<td>Singapore Technologies Engineering Ltd</td>
<td>51</td>
<td>SGD'm</td>
<td>11,202</td>
<td>11,623</td>
</tr>
<tr>
<td>Singapore Airlines Limited</td>
<td>56</td>
<td>SGD'm</td>
<td>12,819</td>
<td>11,897</td>
</tr>
<tr>
<td>Singapore Power Limited</td>
<td>100</td>
<td>SGD'm</td>
<td>10,224</td>
<td>9,793</td>
</tr>
<tr>
<td>SMRT Corporation Ltd</td>
<td>100</td>
<td>SGD'm</td>
<td>828</td>
<td>929</td>
</tr>
</tbody>
</table>

### Life Sciences & Agribusiness

<table>
<thead>
<tr>
<th>Company</th>
<th>Shareholding</th>
<th>Currency</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Celltrion, Inc.</td>
<td>13</td>
<td>KRW'b</td>
<td>38,545</td>
<td>10,991</td>
</tr>
<tr>
<td>Celltrion Healthcare Co., Ltd</td>
<td>11</td>
<td>KRW'b</td>
<td>14,939</td>
<td>NA</td>
</tr>
</tbody>
</table>

### Energy & Resources

<table>
<thead>
<tr>
<th>Company</th>
<th>Shareholding</th>
<th>Currency</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pavilion Energy Pte Ltd</td>
<td>100</td>
<td>USD'm</td>
<td>1,599</td>
<td>1,622</td>
</tr>
</tbody>
</table>

* Restated to exclude treasury shares.
* Held indirectly by Fullerton Financial Holdings Pte. Ltd.
** Comprises 51% of ordinary shares held through a wholly owned subsidiary, Tj Holdings (III) Pte. Ltd.
- For year ended November 2017/2016.
- For year ended December 2017/2016.
Our Contact Points

Contact us via temasek.com.sg/contacts, or across our social media channels.

**Singapore**
Temasek Holdings (Private) Limited
Temasek International Pte. Ltd.
60B Orchard Road
#06-18 Tower 2
The Atrium@Orchard
Singapore 238891
Tel: +65 6828 6828

**People’s Republic of China**
Temasek International Pte. Ltd.
Beijing Representative Office
F732 Winland International Finance Center
No. 7 Financial Street
Xicheng District
Beijing 100033
Tel: +86 10 5930 4901

Temasek Holdings Advisors (Beijing) Co., Ltd.
Unit 06, 55F
Fortune Financial Center
No. 5 Dong San Huan Zhong Road
Chaoyang District
Beijing 100020
Tel: +86 10 5930 4900

Temasek Holdings Consulting (Shanghai) Co., Ltd.
45th Floor, Tower 2
Jing An Kerry Centre
1539 Nan Jing West Road
Shanghai 200040
Tel: +86 21 6133 1900

**United States of America**
Temasek International (USA) LLC
375 Park Avenue
14th Floor
New York, NY 10152
Tel: +1 212 593 8880

Temasek International (USA) LLC
101 California Street
Suite 3700
San Francisco, CA 94111
Tel: +1 628 220 3800

**Brazil**
Temasek Brasil Consultoria E Participações Ltda.
Rua Iguatemi, 151/18º andar
Itaim Bibi, 01451-011
São Paulo, SP
Tel: +55 11 3636 7575

**Vietnam**
Temasek International Pte. Ltd.
Hanoi Representative Office
Unit 406, Level 4
Hanoi Towers,
49 Hai Ba Trung Street
Hanoi
Tel: +84 24 3936 9069

**India**
Temasek Holdings Advisors India Private Limited
12, 3 North Avenue
Maker Maxity
Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Tel: +91 22 6654 5500

**Mexico**
TH Inversiones Mexico, S.A. de C.V.
Ruben Dario 281 – 1303
Bosque de Chapultepec
Mexico City 11580
Tel: +52 55 4335 3050

**United Kingdom**
Temasek International (Europe) Limited
23 King Street
London
SW1Y 6QY
Tel: +44 20 7747 5040

---

Visit us at temasek.com.sg
Follow us on Twitter @Temasek
Like us on Facebook Temasek
Follow us on LinkedIn Temasek
Find us on YouTube Temasek Digital
Follow us on Instagram @temasekseen
Materials printed as part of Temasek’s annual disclosure exercise include the Temasek Overview, Temasek Review Highlights and Temasek in Brief publications and advertisements.

They are a subset of the full Temasek Review, which as of 2018, is entirely online, at temasekreview.com.sg. The Temasek Review contains more details, charts and information, as well as historical data and comparisons, that lead Temasek’s annual disclosure exercise.

The Temasek Overview and Temasek Review Highlights publications use Grandeur Zen White paper, of which 20% of the pulp is sourced from pre-consumer waste and is bleached using an elemental chlorine-free process.

The Temasek in Brief publication uses Exel Satin paper, which contains fibres from sustainable and controlled sources.

Grandeur Zen White and Exel Satin are environmentally friendly and contain wood pulp from well managed forests. Both paper types conform to ISO9706 standards.

Design of master concept and publications: Black Sun Plc, UK

Printing: Dominie Press Pte Ltd, Singapore

Photography:
- Pages 2-3: Bryan van der Beek
- All other photography: Danny Santos II

Cover, Inside Front Cover:
(From left) Shakura Bashir, Yeo Zhi Wei and Varini Sharma discovering the sustainable features at the green sanctuary of Marina One.

Locations:
- Cover, Inside Front Cover: Marina One
- Pages 2-3: Bishan-Ang Mo Kio Park
- Pages 14-15: Advanced Manufacturing Centre, Singapore Polytechnic
- Pages 24-25: The Working Capitol
- Pages 36-37: SILRA
- Pages 46-47: Temasek

We thank those who agreed to the use of their photos and provided assistance at the various locations photographed for our annual disclosure exercise.