

Temasek's Drawdown Under Its US\$20 Billion Guaranteed Global Medium-Term Note Program Rated 'AAA'

November 13, 2019

SINGAPORE (S&P Global Ratings) Nov. 13, 2019--S&P Global Ratings today assigned its 'AAA' long-term issue rating to a drawdown by Temasek Financial (I) Limited under its US\$20 billion guaranteed global medium-term note program. Temasek Holdings (Private) Limited (AAA/Stable/A-1+) fully, irrevocably, and unconditionally guarantees the proposed notes.

The proposed 12- and 30-year euro-denominated notes will mature in 2031 and 2049, respectively. Temasek Financial (I) intends to provide the net issuance proceeds from the proposed notes to its parent Temasek and its investment vehicles to fund their ordinary course of business.

The rating on Temasek reflects the investment holding company's large, well-diversified, and high-quality portfolio assets, above-average investment capabilities, minimal leverage, and our view of an extremely high likelihood of extraordinary support from the government of Singapore (unsolicited rating AAA/Stable/A-1+) in case of need. Tempering these strengths is an increasing proportion of unlisted assets, which weigh on the company's net portfolio characteristics. On March 31, 2019, Temasek's net portfolio amounted to Singapore dollar (S\$) 313 billion. The company had cash and cash equivalents, and short-term investments of S\$44.2 billion, and gross debt of S\$15.1 billion.

The stable outlook on Temasek reflects our view that the company's close relationship with, and hence, the likelihood of extraordinary and timely support from, the government will remain intact over the next 24 months.

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- Criteria | Corporates | Industrials: Methodology: Investment Holding Companies, Dec. 1, 2015

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- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Stand-Alone Credit Profiles: One Component Of A Rating, Oct. 1, 2010

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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