



# Shaping Tomorrow

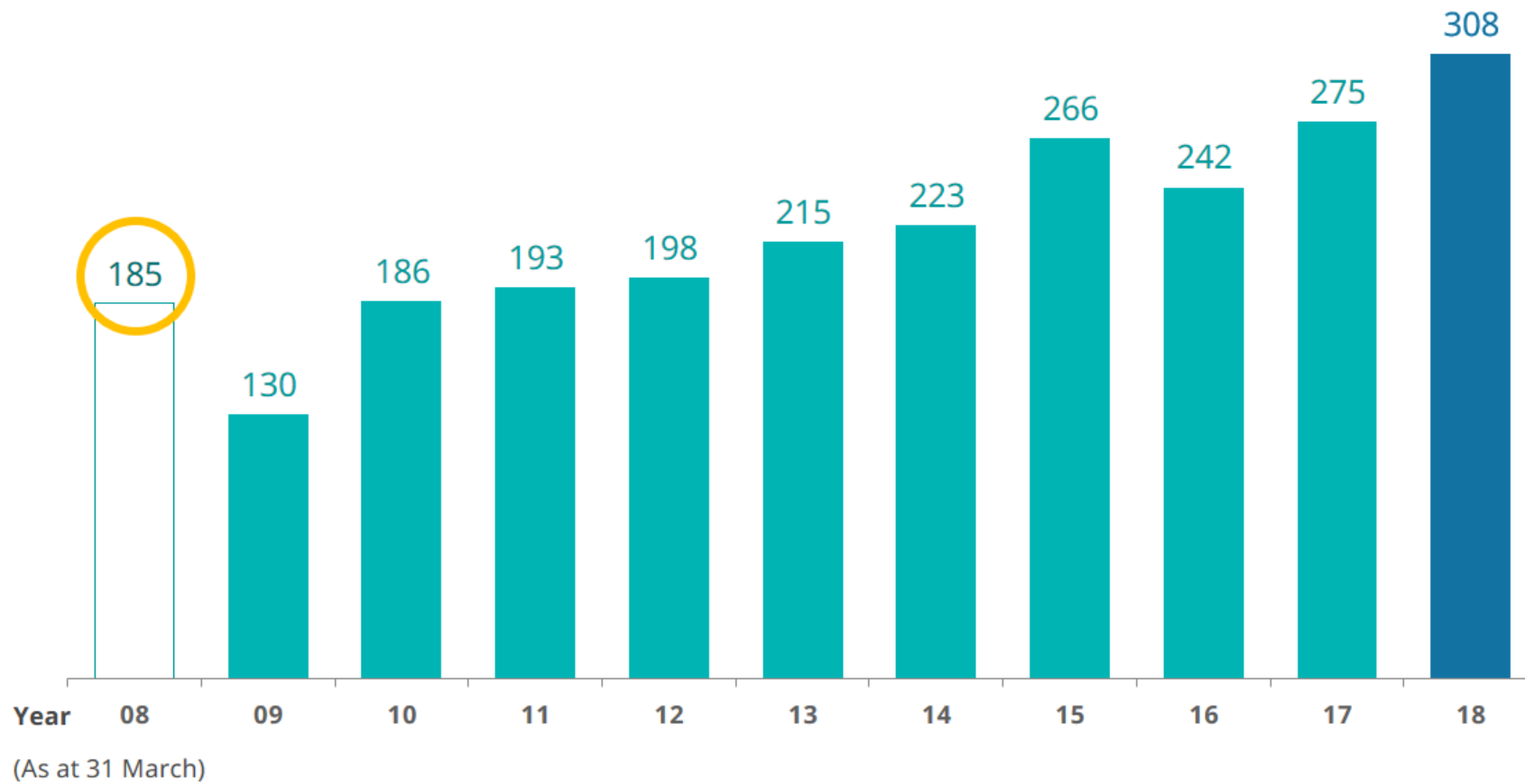
Temasek Review 2018



# Performance

Reshaping our portfolio  
for a better, smarter and  
more connected world

# Net Portfolio Value at Record **S\$308b**

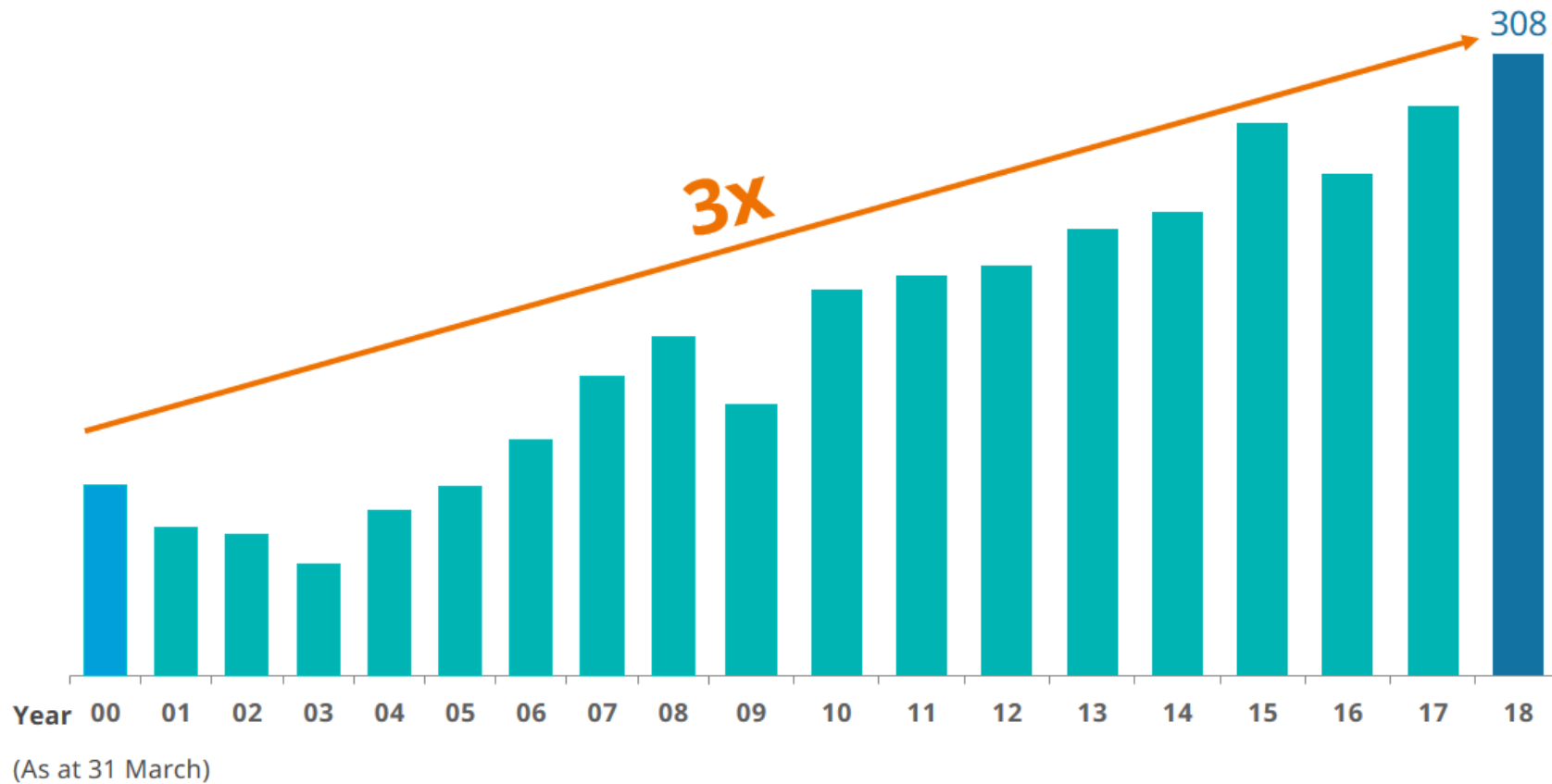


**S\$308 billion**  
Net Portfolio Value<sup>1</sup>

**Up S\$33 billion**  
from last year

<sup>1</sup> Equivalent to US\$235 billion as at 31 March 2018

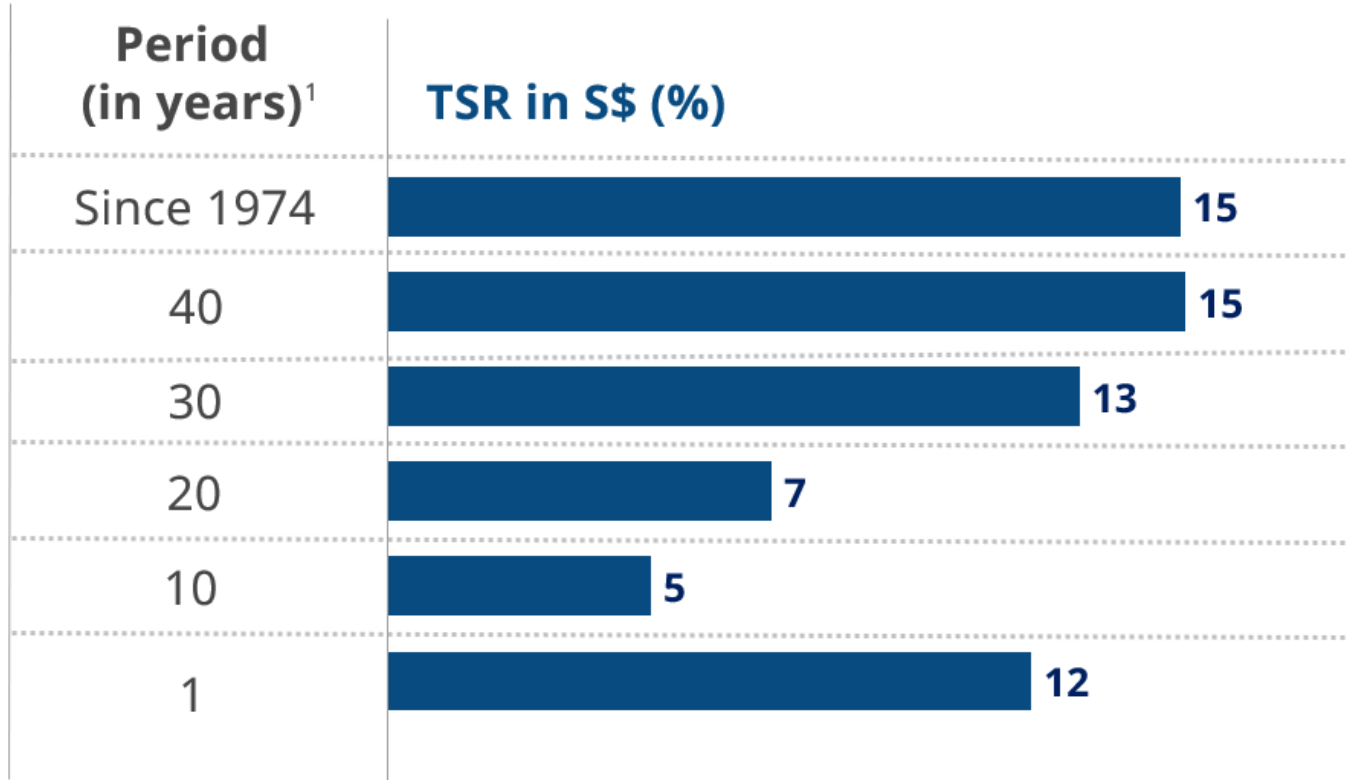
# Net Portfolio Value at Record **S\$308b**



**S\$308 billion**  
Net Portfolio Value<sup>1</sup>

<sup>1</sup> Equivalent to US\$235 billion as at 31 March 2018

# One-year Total Shareholder Return (TSR)



TSR since 1974  
**15%**

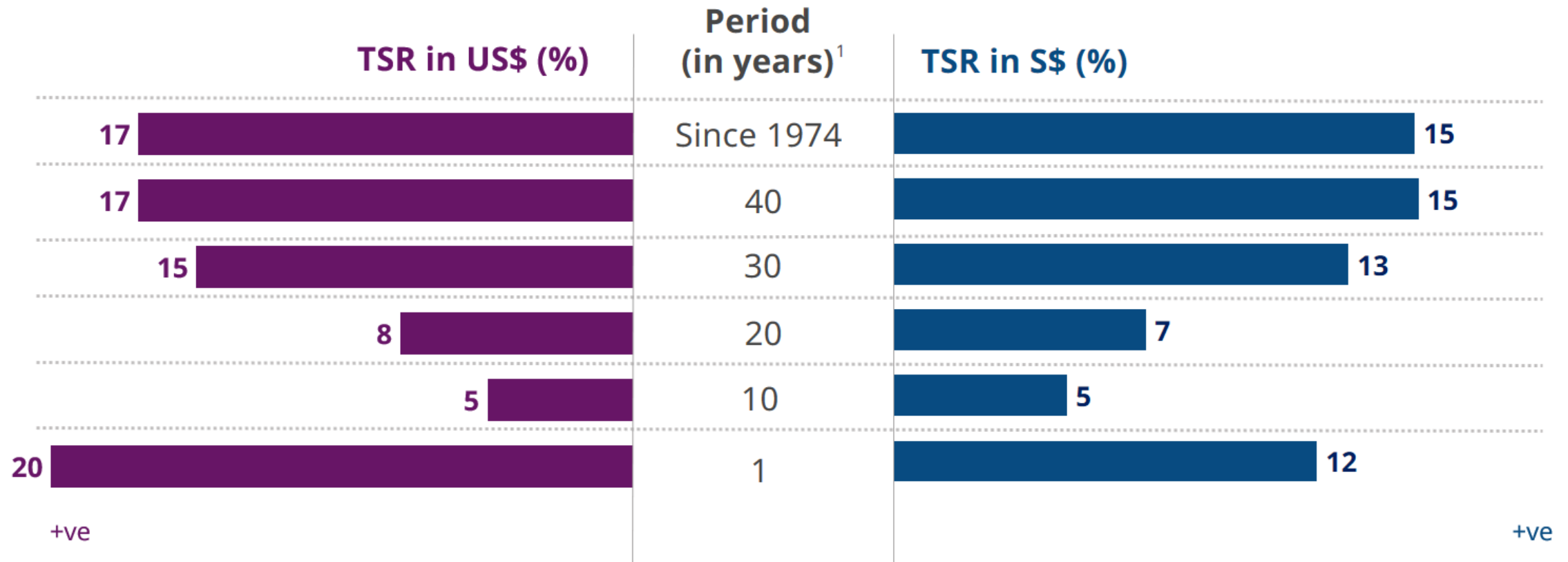
20-year TSR  
**7%**

10-year TSR  
**5%**

One-year TSR  
**12.19%**

<sup>1</sup> As at 31 March 2018

# One-year Total Shareholder Return (TSR) at 12%

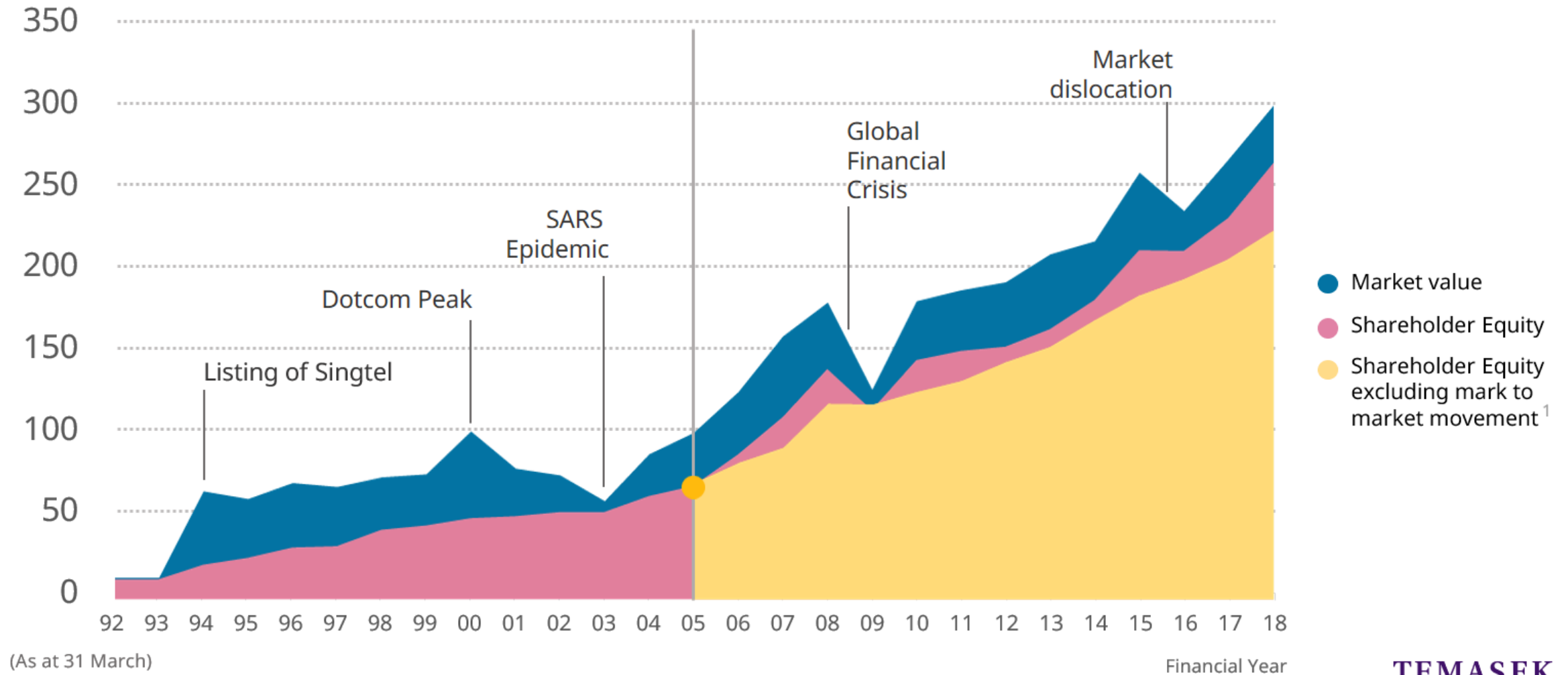


<sup>1</sup>As at 31 March 2018

# Underlying Profitability and Resilience of Our Portfolio

Over 25 years

(in S\$ billion)



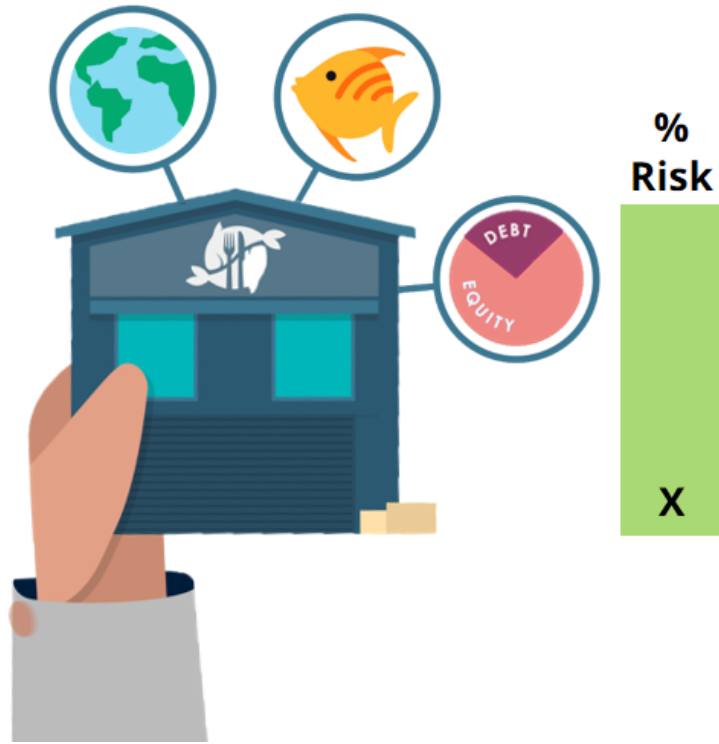
(As at 31 March)

Financial Year

<sup>1</sup>From the financial year ended 31 March 2006, the accounting standards require sub -20% investments to be marked to market.

# Risk-adjusted Cost of Capital is...

- ✓ Built bottom-up,  
investment by investment

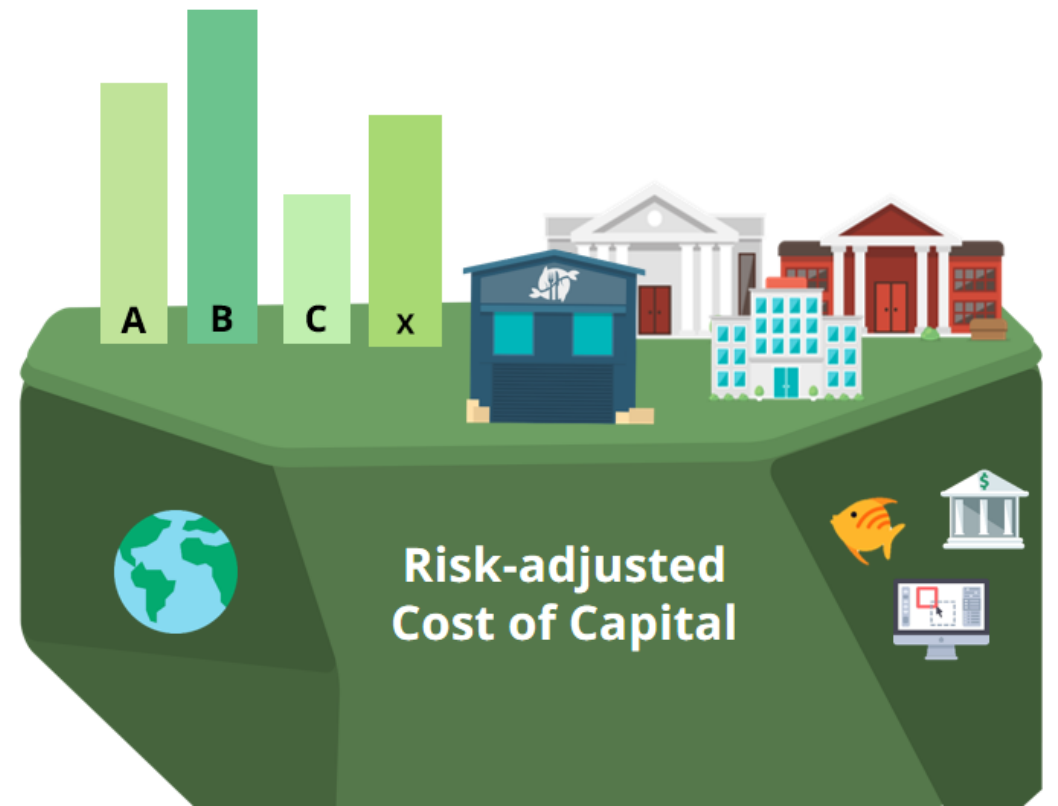




# Risk-adjusted Cost of Capital is...

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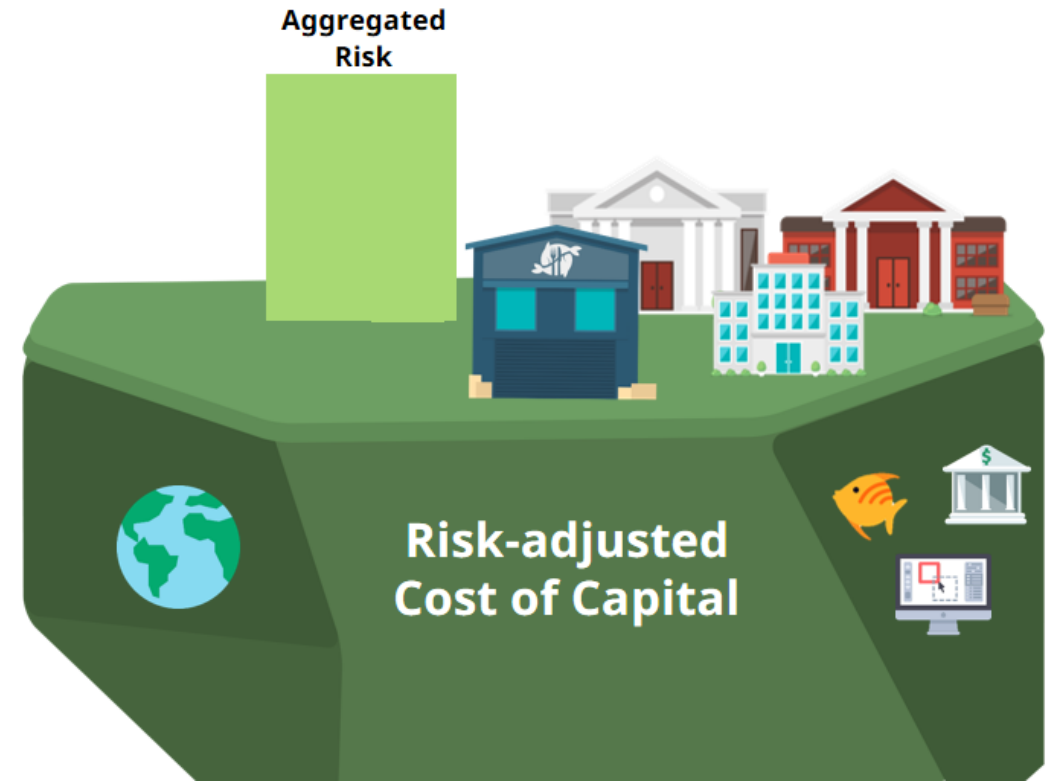
✓ Aggregated over all our  
investments



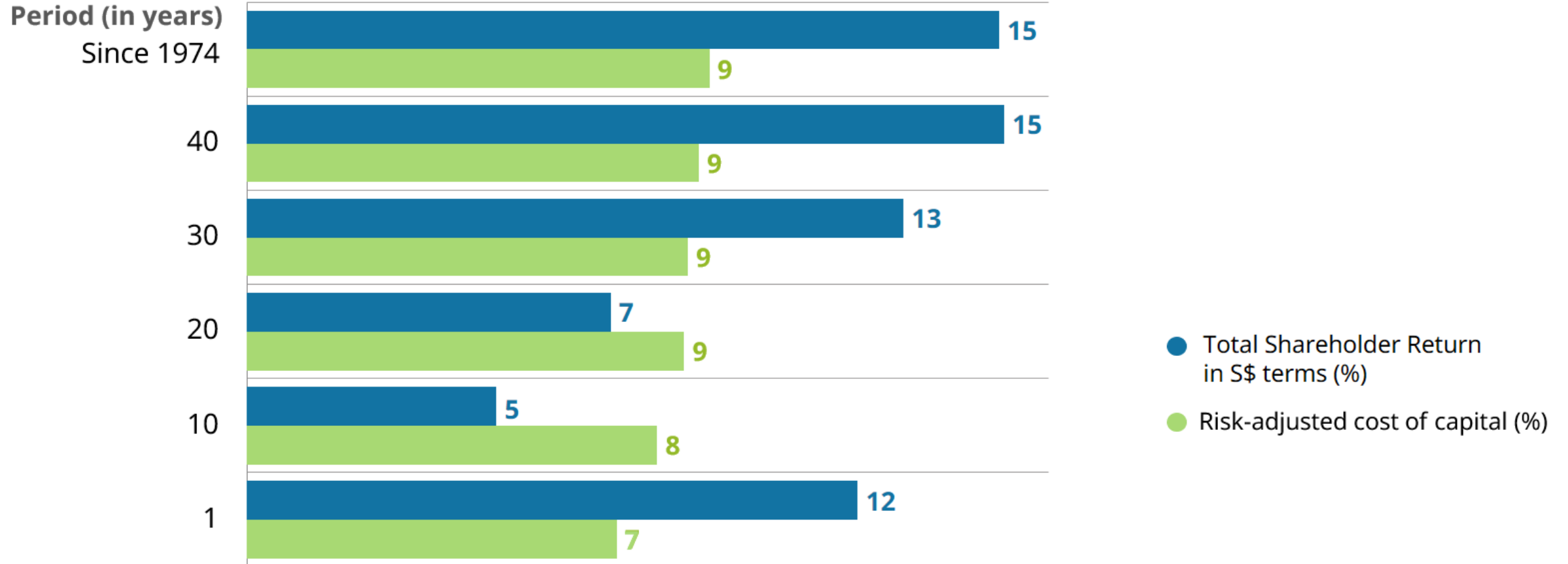
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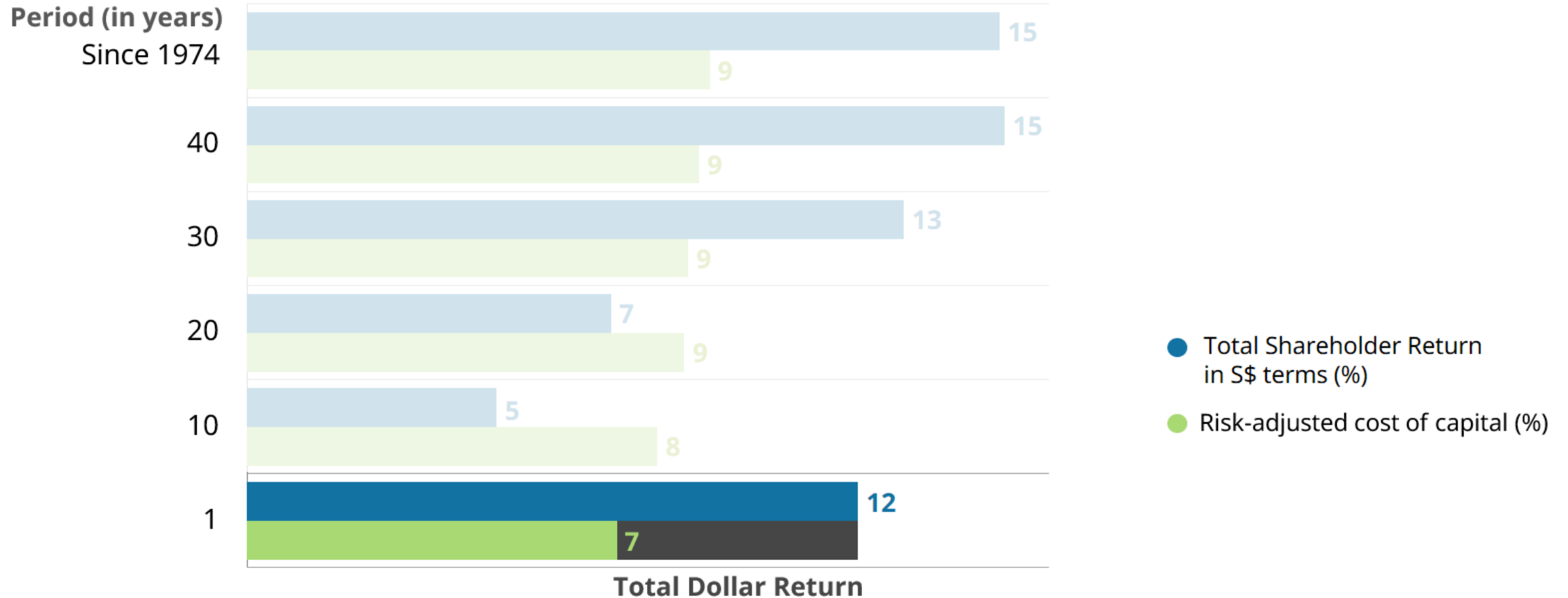


# Long Term Returns Exceeded Risk-adjusted Cost of Capital



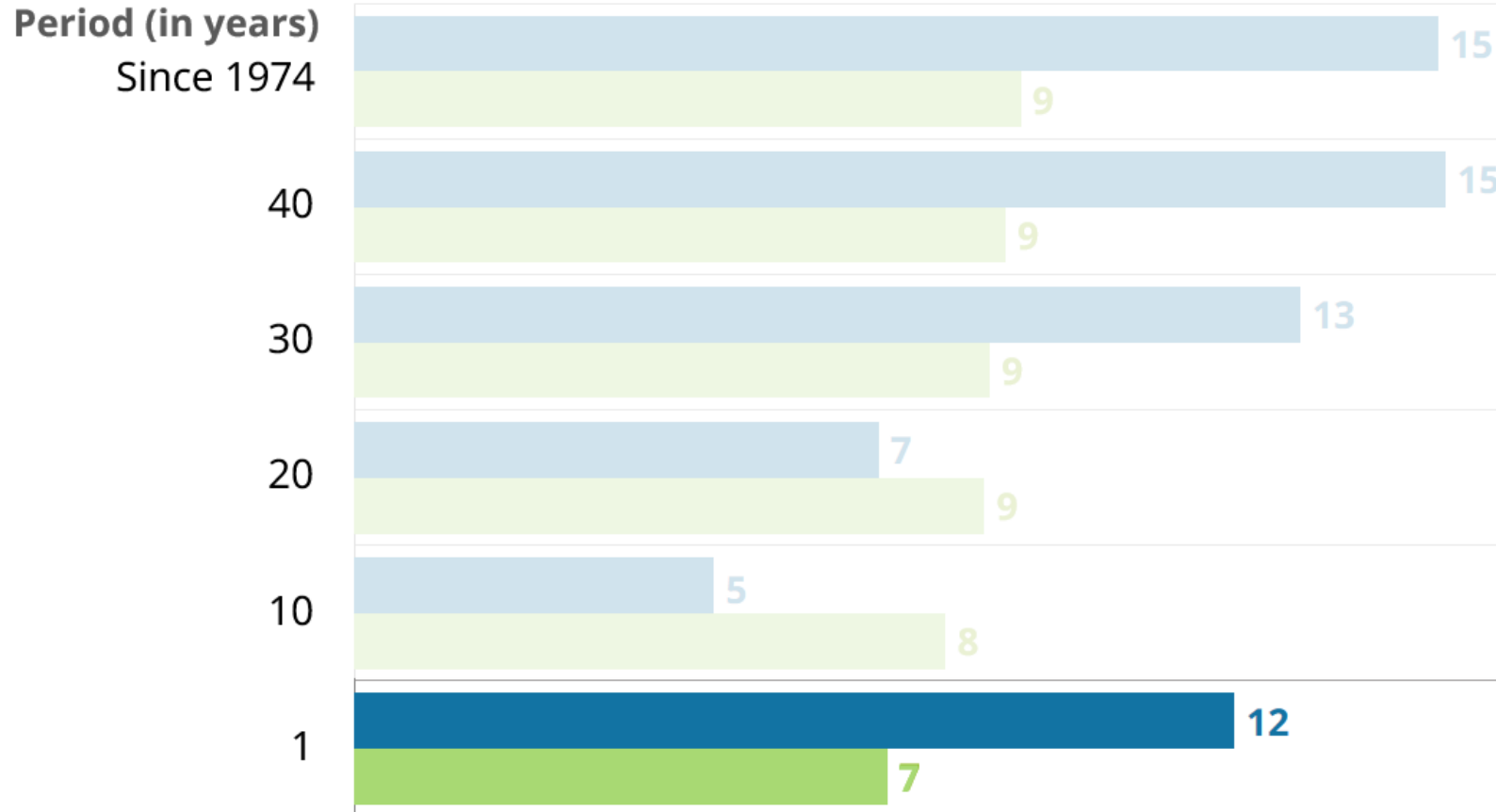
(As at 31 March 2018)

# Long Term Returns Exceeded Risk-adjusted Cost of Capital



(As at 31 March 2018)

# Long Term Returns Exceeded Risk-adjusted Cost of Capital



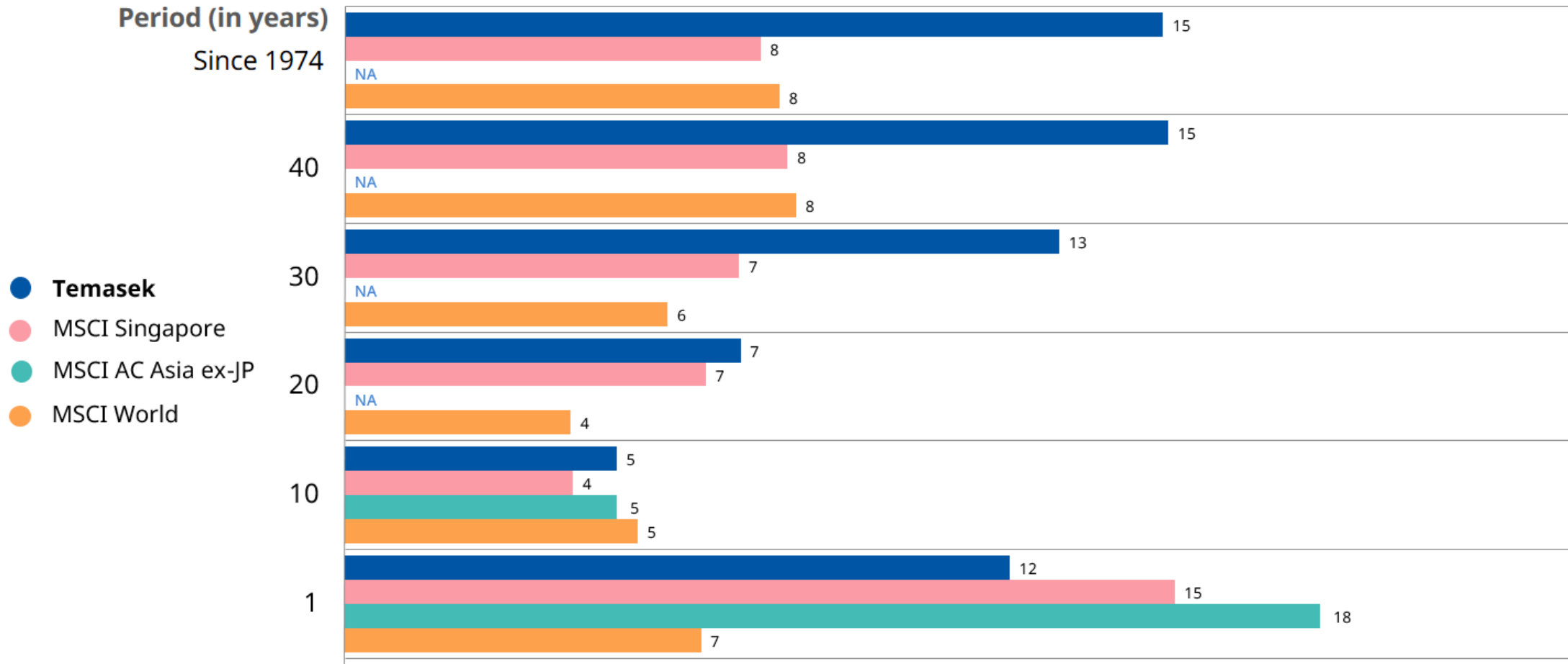
**S\$14.0b**  
Wealth Added  
for the year

- Total Shareholder Return in S\$ terms (%)
- Risk-adjusted cost of capital (%)

(As at 31 March 2018)

**TEMASEK**

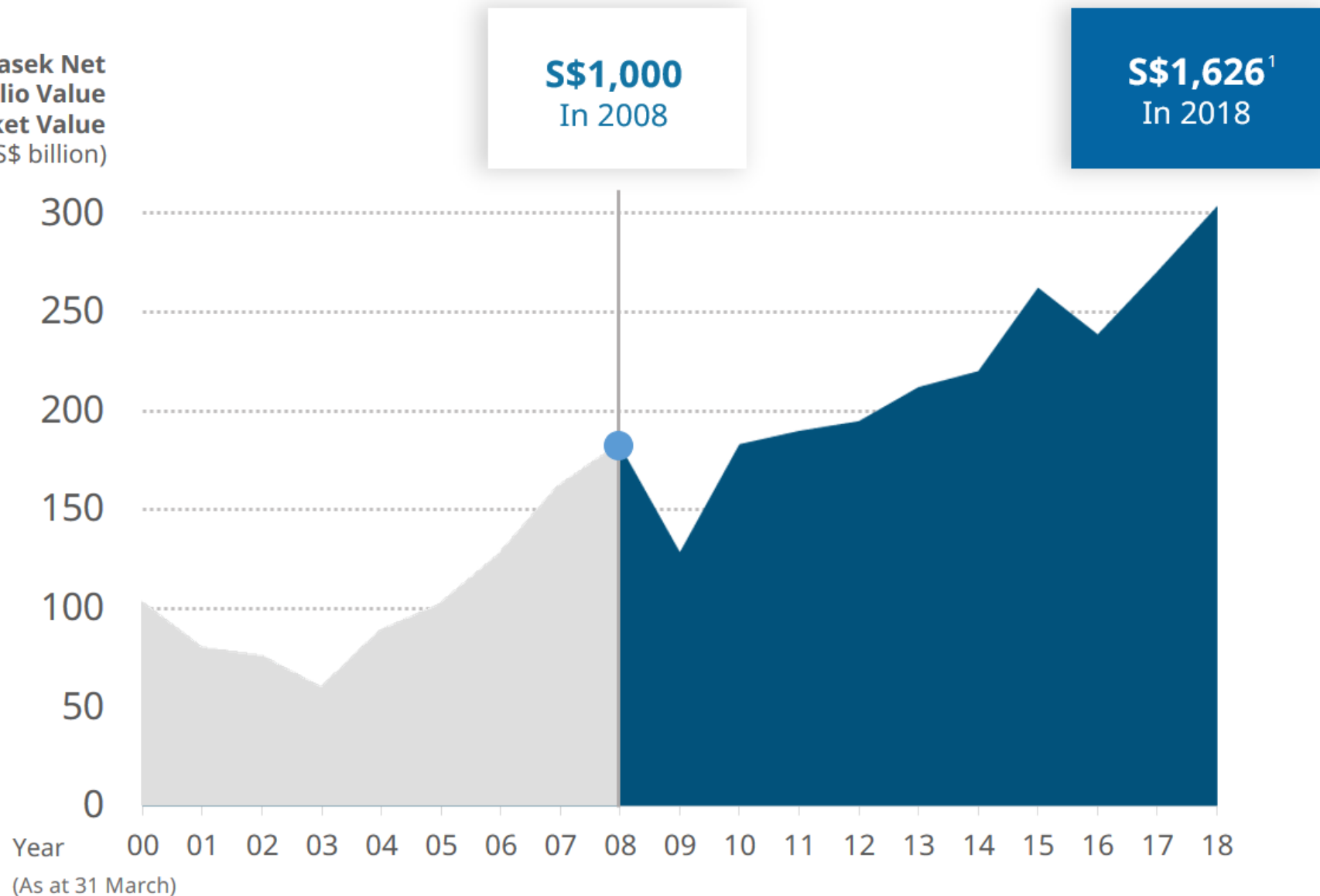
# Our TSR Outperformed Indices over Longer Time Periods



(As at 31 March 2018)

# If S\$1,000 Was Invested Ten Years Ago

Temasek Net  
Portfolio Value  
by Market Value  
(In S\$ billion)



(As at 31 March)

TEMASEK

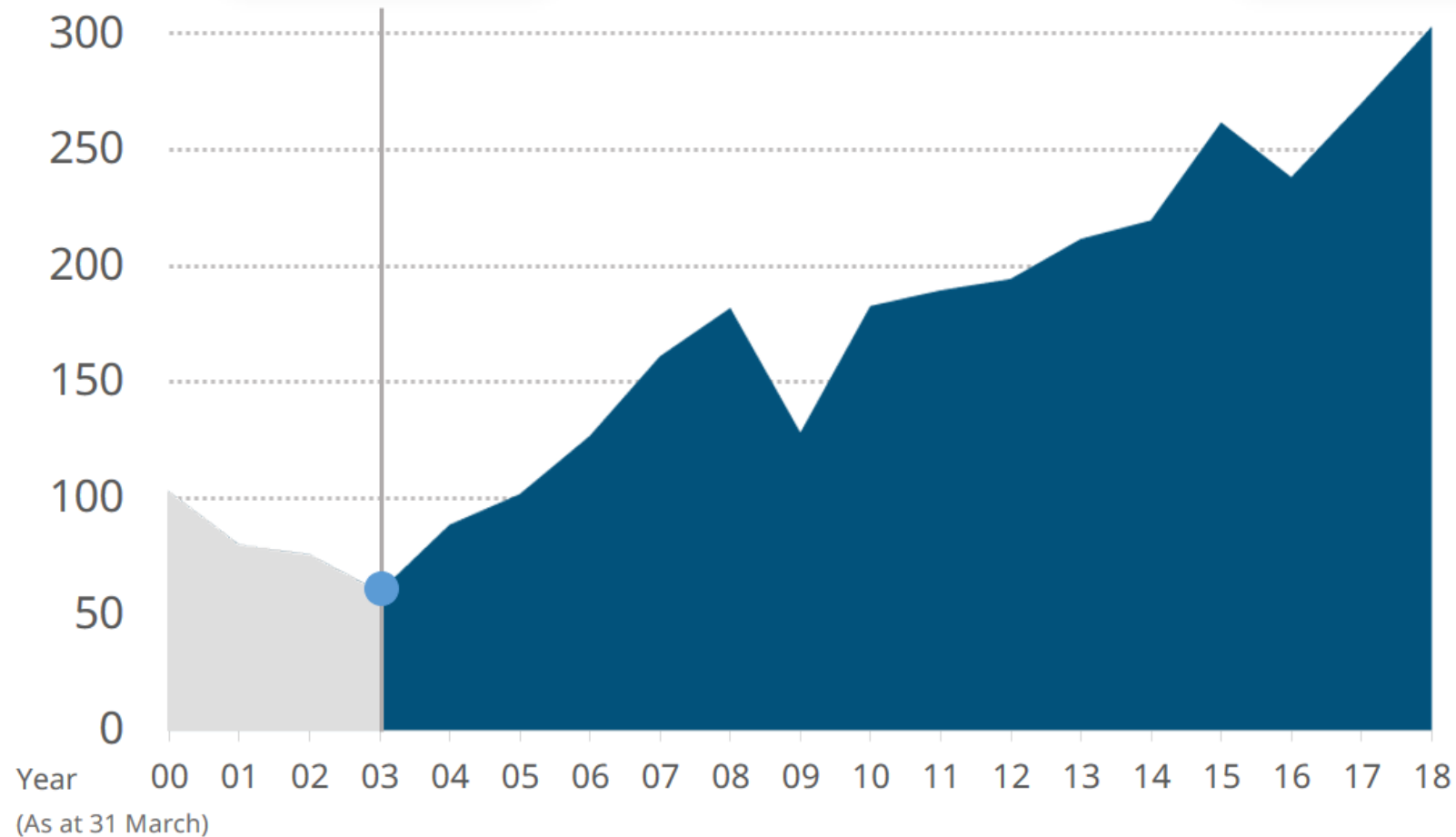
<sup>1</sup> Calculated using our Total Shareholder Return (%), which includes dividends paid to our shareholder and excludes capital injections from our shareholder.

# If S\$1,000 Was Invested Fifteen Years Ago

Temasek Net  
Portfolio Value  
by Market Value  
(In S\$ billion)

**S\$1,000**  
In 2003

**S\$4,665<sup>1</sup>**  
In 2018

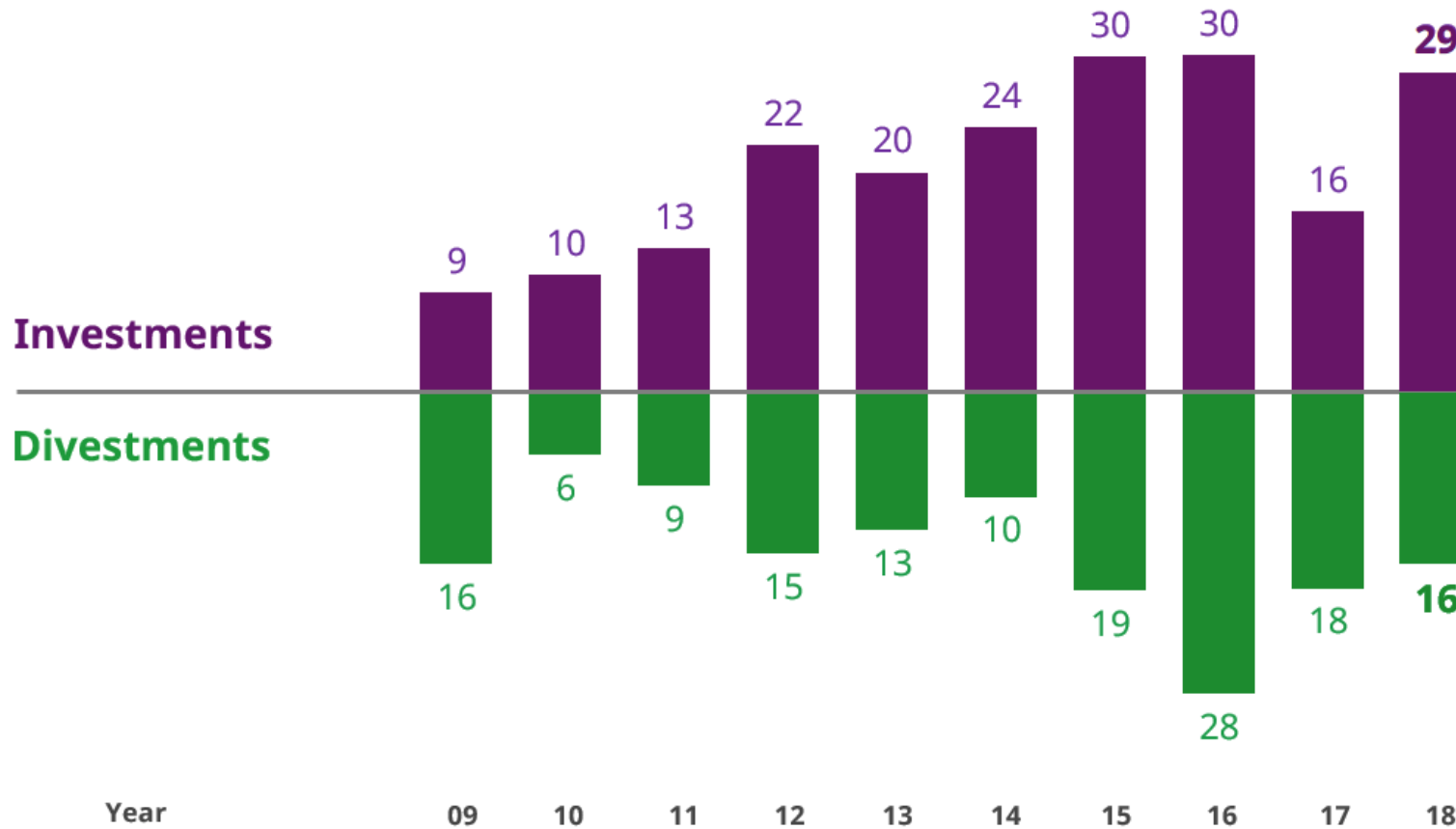


<sup>1</sup> Calculated using our Total Shareholder Return (%), which includes dividends paid to our shareholder and excludes capital injections from our shareholder.



# Invested **S\$29b** and Divested **S\$16b** Over Last Year

(S\$b)



Ended the year in  
**net cash position**

**S\$203 billion**

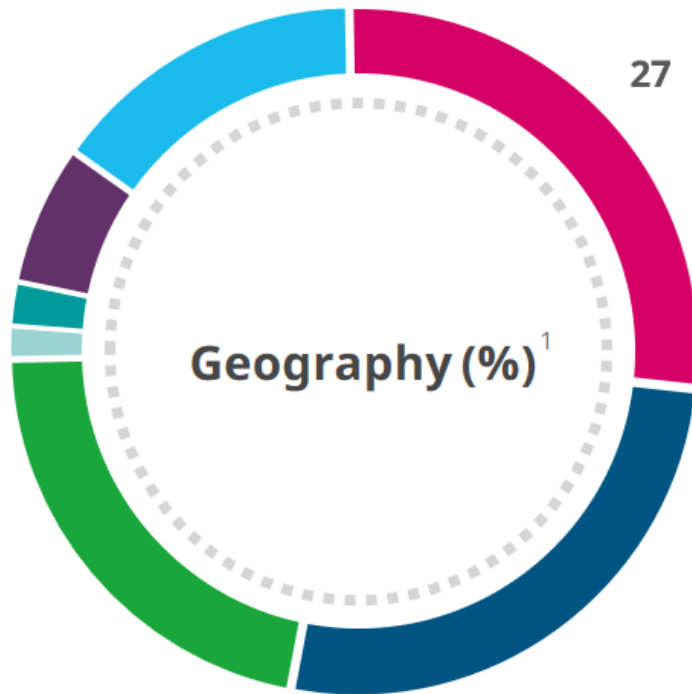
Invested over the decade

**S\$150 billion**

Divested over the decade

(For year ended 31 March)

# Portfolio Anchored in Key Economies

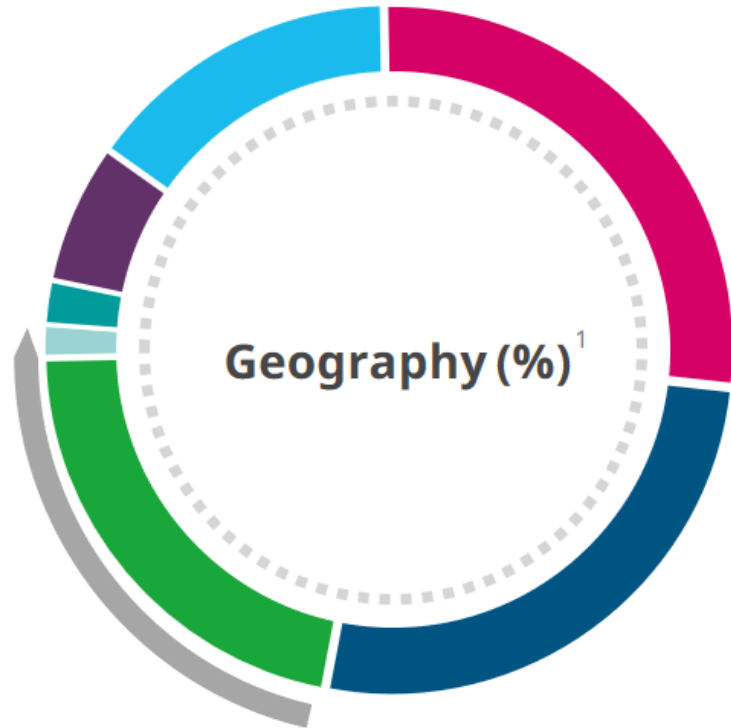


Year	2018	2017	2016
● Singapore	27	29	29
● China	26	25	25
● North America & Europe	22	20	18
● Rest of Asia	15	14	15
● Australia & New Zealand	7	8	9
● Africa, Central Asia & the Middle East	2	2	2
● Latin America	1	2	2

(As at 31 March)

<sup>1</sup> Distribution based on underlying assets.

# Portfolio Anchored in Key Economies



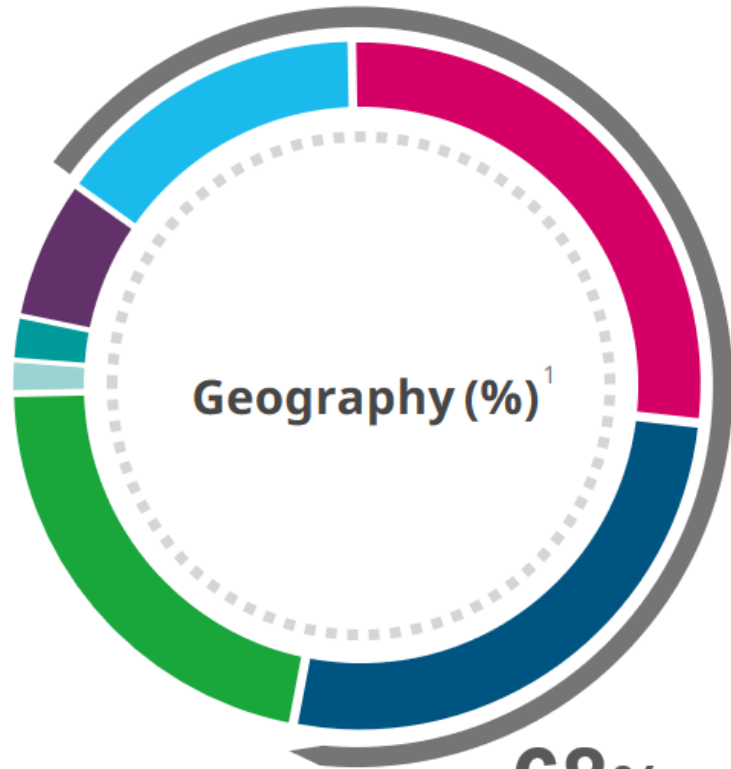
**Almost a quarter  
of the portfolio**

Year	2018	2017	2016
● Singapore	<b>27</b>	29	29
● China	<b>26</b>	25	25
● North America & Europe	<b>22</b>	20	18
● Rest of Asia	<b>15</b>	14	15
● Australia & New Zealand	<b>7</b>	8	9
● Africa, Central Asia & the Middle East	<b>2</b>	2	2
● Latin America	<b>1</b>	2	2

(As at 31 March)

<sup>1</sup> Distribution based on underlying assets.

# Portfolio Anchored in Key Economies

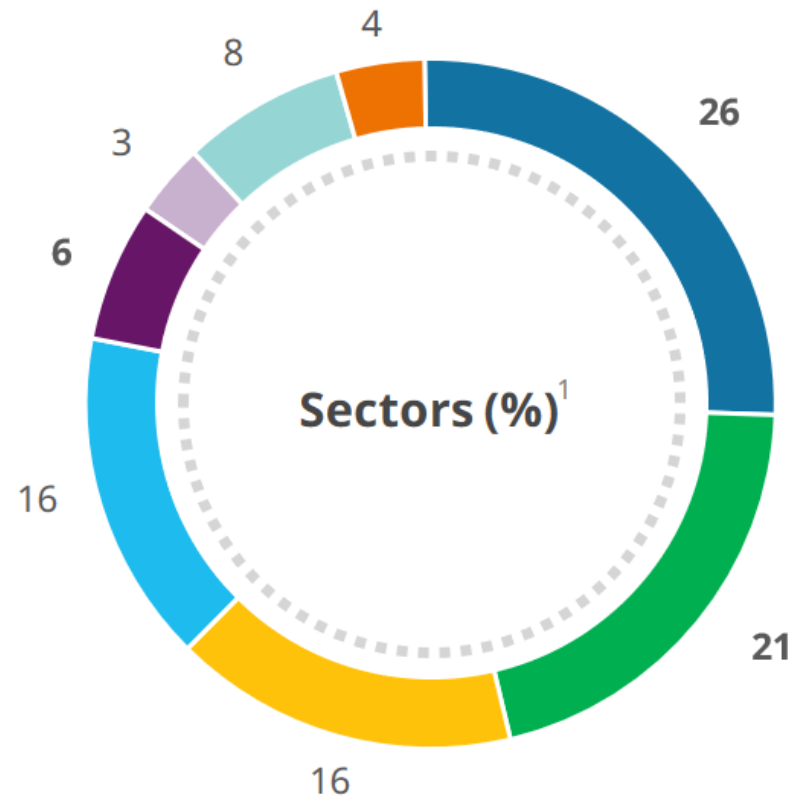


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(As at 31 March)

<sup>1</sup> Distribution based on underlying assets.

# Financial Services, TMT Remain Our Two Biggest Sectors

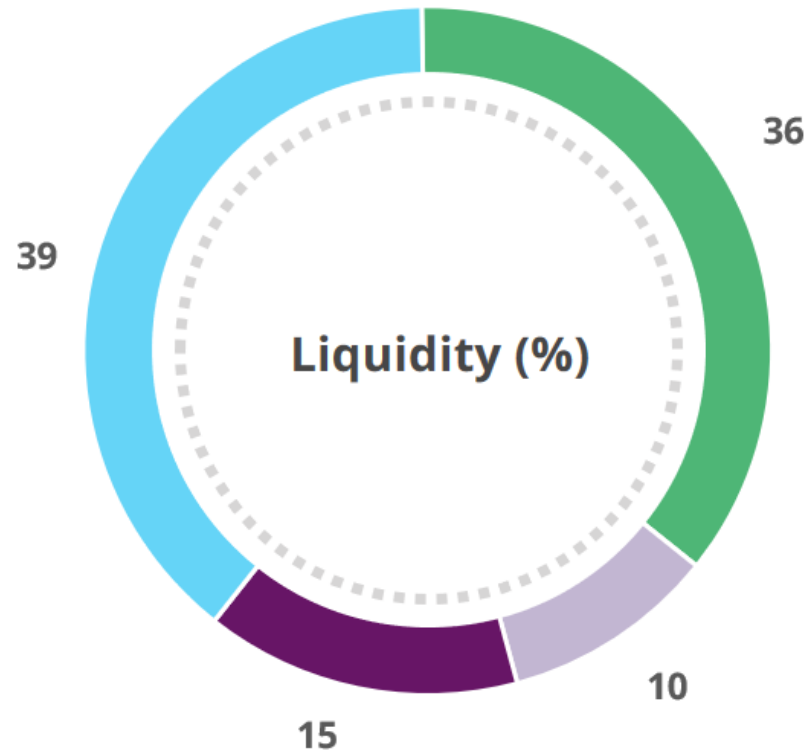


Year	2018	2017	2016
Financial Services	26	25	23
Telecommunications, Media & Technology (TMT)	21	23	25
Consumer & Real Estate	16	17	17
Transportation & Industrials	16	17	18
Life Sciences & Agribusiness	6	4	4
Energy & Resources	3	3	3
Multi-sector Funds	8	8	7
Others (including Credit)	4	3	3

(As at 31 March)

<sup>1</sup> Distribution based on underlying assets.

# Unlisted Assets at 39% of Portfolio



Year	2018	2017	2016
● Liquid & sub-20% listed assets <sup>1</sup>	36	33	31
● Listed large blocs (≥ 20% to <50% share)	10	9	10
● Listed large blocs (≥ 50% share)	15	18	20
● Unlisted assets	39	40	39

(As at 31 March)

<sup>1</sup> Mainly cash and cash equivalents, and sub-20% listed assets.

# Growing Our Focus Sectors

**26%**

Technology  
Life Sciences  
Agribusiness  
Non-Bank Financial Services  
Consumer

Up from **5%** in 2011



Focus Areas

(As at 31 March 2018)

# New Investments Last Year

**S\$13b**

Technology  
Life Sciences  
Agribusiness  
Non-Bank Financial Services  
Consumer

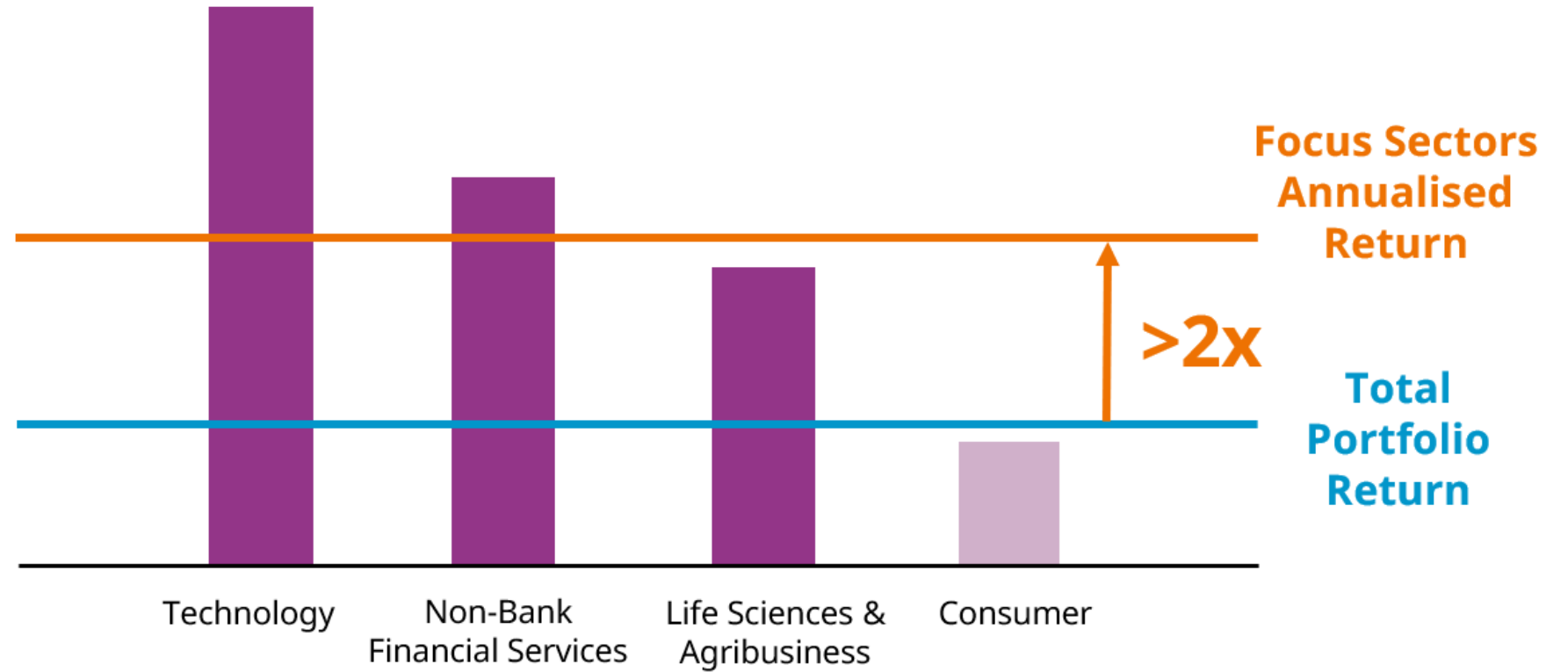


(From 1 April 2017 to 31 March 2018)



# Focus Sectors Outperformed Since 2011

- Outperformed overall portfolio
- In-line with overall portfolio



(As at 31 March 2018)

# Investing for a Better, Smarter, More Connected World



## Longer Lifespans

**GENALI** THERAPEUTICS **AC Immune**



## Rising Affluence

**一起作业** **Ctrip**



## Sustainable Living

**NIO** **IMPOSSIBLE™**



## Smarter Systems

**GHX** **intapp**



## Sharing Economy

**GOJEK** **airbnb**



## More Connected World

**verily** **BLU JAY™**  
SOLUTIONS



# Outlook

# For The Year Ahead

## Global Outlook

Near term growth to moderate

Increasing probability  
of downside risks

Medium term geopolitical tensions  
and financial stresses

Remain open to opportunities

# China

Continuing on path of sustainable growth

Structural reforms will reduce financial risks

Positive on China's potential

# USA

GDP growth to continue above trend

The Fed to continue tightening monetary policy

Overheating risks are increasing



# Europe

Growth has moderated

European Central Bank to normalise monetary policy

Some downside political risk



# Singapore

GDP growth to hold firm

Need for upskilling amidst structural changes

Open economy sensitive to geopolitical tensions



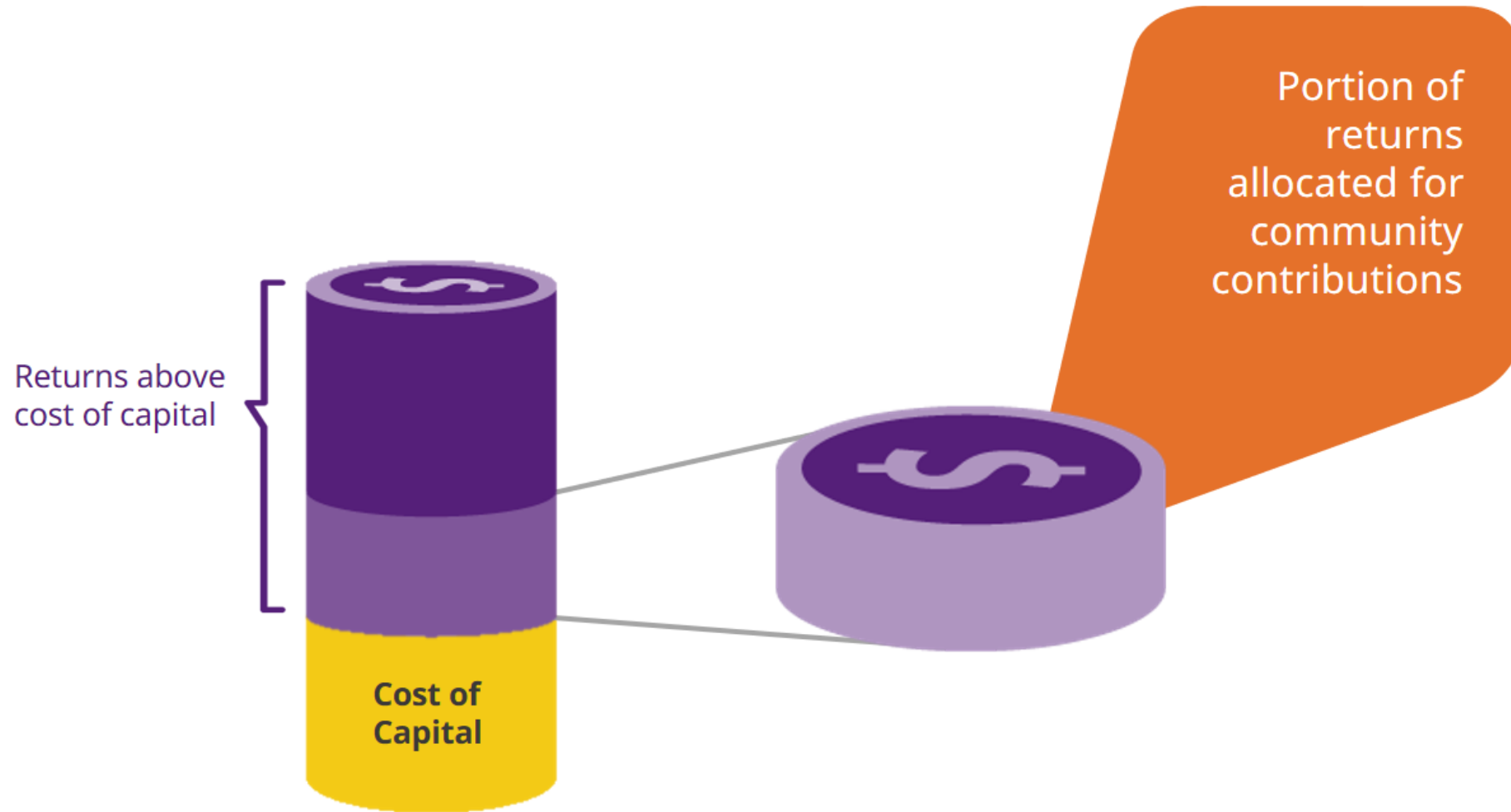


# Community

Inspired to do good  
for our communities

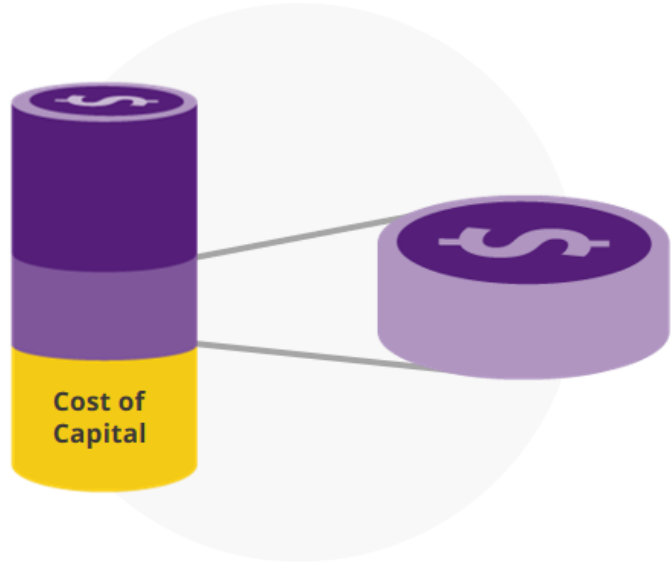
TEMASEK

# Our Approach to Community Giving



# Our Approach to Community Giving

**Setting Aside for  
our Communities**



**Hand-up instead  
of hand-out**



# Investing in Our Community...



# ...For A Better World



# Upskilling Master Builders and Local Trainers

In partnership with Nanyang Technological University



Thailand is the latest to benefit from the **Wall-strengthening for Seismic Resistance Training Programme**



# Learning is Fun and Exciting

## LIFE Programme

In partnership with Julia Gabriel Education, The Alpha Mind, Big Heart Student Care and YMCA of Singapore

500 children learnt character-building values in a fun way

encouragement



LIFE Programme





Committed to  
**Do well**



Determined to  
**Do right**



Inspired to  
**Do good**

**TEMASEK**



# Getting Connected



@Temasek



Temasek



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Temasek  
Digital



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