Offering Circular

TEMASEK

Temasek Financial (I) Limited

(Incorporated with limited liability under the laws of Singapore)
(Company Registration Number: 200408713K)

US$20,000,000,000

Guaranteed Global Medium Term Note Program
unconditionally and irrevocably guaranteed by

Temasek Holdings (Private) Limited

(Incorporated with limited liability under the laws of Singapore)
(Company Registration Number: 197401143C)

On September 14, 2005, Temasek Financial (I) Limited (the "Issuer") and Temasek Holdings (Private) Limited (the "Guarantor") established a Guaranteed Global Medium Term Note Program (as amended and supplemented from time to time, the "Program") and issued an offering circular describing the Program. The maximum aggregate principal amount of Notes (as defined below) outstanding from time to time under the Program (the "Program Limit") was initially set at US$5,000,000,000. The Issuer and the Guarantor increased the Program Limit to US$10,000,000,000 on February 3, 2010, and this was further increased to US$15,000,000,000 on July 12, 2013 and to US$20,000,000,000 on July 16, 2018. This Offering Circular supersedes all previous offering circulars and any supplements thereto. Any Notes issued under the Program on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes already issued.

Under this Program, the Issuer may from time to time issue notes (the "Notes") unconditionally and irrevocably guaranteed (the "Guarantee") by the Guarantor. The aggregate principal amount of Notes outstanding will not at any time exceed US$20,000,000,000 (or the equivalent in other currencies), unless such amount is otherwise increased pursuant to the terms of the Program.

Application has been made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for permission to deal in and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST.

Unlisted series of Notes may also be issued pursuant to the Program. The relevant Pricing Supplement (as defined herein) in respect of any series of Notes will specify whether or not such Notes will be listed on the SGX-ST or any other stock exchange. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. Admission to the Official List of the SGX-ST and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Guarantor, their respective subsidiaries (if any), their respective associates (if any), the Program or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular.

See "Investment considerations" beginning on page 16 for a discussion of certain considerations in connection with an investment in the Notes.

Neither the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority has approved or disapproved of the Notes and the Guarantee or passed upon the accuracy or adequacy of this Offering Circular. Any representation to the contrary is a criminal offense in the United States.

The Guarantor has been assigned an overall corporate credit rating of "Aaa" by Moody's Investors Service, Inc. ("Moody's") and "AAA" by S&P Global Ratings, a division of The McGraw-Hill Companies, Inc. ("S&P"). Each series of Notes issued under the Program may be rated or unrated. Where a series of Notes is rated, such credit rating will not necessarily be the same as credit ratings assigned to the Guarantor. A credit rating is a statement of opinion and is not a recommendation to buy, sell or hold the Notes and may be subject to suspension, revision or withdrawal at any time by the assigning credit rating agency.

The Notes and the Guarantee have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws in the United States or any other jurisdiction, and the Notes may include notes issued in bearer form ("Bearer Notes" comprising a "Bearer Series"), which are subject to certain U.S. tax law requirements. The Notes may be offered and sold (i) in the United States only to "qualified institutional buyers" ("QIBs") as defined in Rule 144A under the Securities Act ("Rule 144A") or to Institutional Accredited Investors (as defined herein), in each case in transactions exempt from registration under the Securities Act and/or (ii) outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S"). Any series of Notes may be subject to additional selling restrictions, including restricting offers or sales in the United States or to U.S. persons, or restricting purchasers of such Notes in the United States or that are U.S. persons (as defined in Regulation S) to QIBs that are also "qualified purchasers" ("QPs") as defined in the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"). The relevant Pricing Supplement in respect of such series of Notes will specify any such restrictions. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States or to, or for the account or benefit of, U.S. persons. See "Notice to purchasers and holders of Registered Notes and transfer restrictions" and the relevant Pricing Supplement.

Arrangers

Deutsche Bank Goldman Sachs (Singapore) Pte. HSBC Morgan Stanley

Dealers

Barclays BNP PARIBAS BofA Merrill Lynch Citigroup
Credit Suisse DBS Bank Ltd. Deutsche Bank Goldman Sachs (Singapore) Pte.
HSBC J.P. Morgan Morgan Stanley Standard Chartered Bank
Standard Chartered Bank (Singapore) Limited

July 16, 2018

Table of Contents

Summary 1

Investment considerations 16

Exchange rates 26

Use of proceeds 27

Capitalization 28

Selected financial and other data 29

Management's discussion and analysis of financial condition and results of operations 33

Business of Temasek 42

Board and management 54

The Issuer 65

Description of the Notes governed by New York law 66

Terms and conditions of the Notes governed by Singapore law 83

Terms and conditions of the Notes governed by English law 114

Form of Notes 148

Certain tax considerations 150

Benefit plan investor considerations 163

Plan of distribution 165

Notice to purchasers and holders of Registered Notes and transfer restrictions 174

Legal matters 185

Credit Ratings 186

Independent public accountants 187

Index to consolidated financial statements 188

Annex A — Global clearance and settlement A-1

Annex B — Form of Pricing Supplement B-1

Annex C — Constitutional safeguards C-1

In making an investment decision, investors must rely on their own examination of the Issuer and Temasek (as defined herein), the terms of the Program and any of the terms and conditions of any series of Notes offered thereunder. Notwithstanding anything herein to the contrary, each investor (and each employee, representative or other agent of each investor) may disclose to any and all persons, without limitation of any kind, the U.S. tax treatment and U.S. tax structure of the transactions contemplated by this Offering Circular, and all materials of any kinds (including opinions or other tax analyses) that are provided to it relating to such U.S. tax treatment and U.S. tax structure. However, this authorization does not extend to information that may be required to be kept confidential in order to comply with applicable securities laws. Each investor further acknowledges and agrees that it does not know or have reason to know that its or its employees', representatives' or other agents' use or disclosure of information relating to the U.S. tax treatment or U.S. tax structure of any transaction contemplated by this Offering Circular is limited in any manner. By receiving this Offering Circular, investors acknowledge that (i) they have been afforded an opportunity to request and to review, and have received, all information that investors consider necessary to verify the accuracy of, or to supplement, the information contained in this Offering Circular, (ii) they have not relied on the Arrangers (as defined in the Program Agreement (as defined in "Plan of distribution")) nor any Dealer (as defined herein) nor any Trustee (as defined herein) nor any Agent (as defined herein) or any person affiliated with any Arranger, any Dealer, any Trustee or any Agent in connection with their investigation of the accuracy of any information in this Offering Circular or their investment decision and (iii) no person has been authorized to give any information or to make any representation concerning the issue or sale of the Notes, the Issuer or Temasek other than as contained in this Offering Circular and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer, Temasek, the Arrangers, the Dealers, the Trustees or the Agents.

Certain information in this Offering Circular with respect to Temasek's portfolio companies (as defined under "Certain definitions and conventions" below) has been extracted from publicly available documents and information, including annual reports, information available on corporate websites and documents filed by such companies with their respective regulators and, if applicable, the relevant stock exchanges on which their securities are listed. Potential investors in the Notes may obtain information regarding these companies from such public sources. None of such documents or publicly available information is incorporated by reference in this Offering Circular. Each of the Issuer and Temasek makes no representation, express or implied, and does not accept any responsibility with respect to the accuracy or completeness of any information made publicly available by Temasek's portfolio companies, whether or not included in this Offering Circular. As the Temasek Group's (as defined herein) results of operations may be materially affected by conditions in the global capital markets and the economy generally, Temasek has taken note of prevailing macro-economic and market conditions in major economies as described in "Management's discussion and analysis of financial condition and results of operations — Significant factors affecting the Temasek Group's financial condition and results of operations — Global market and economic conditions" and "Investment considerations — Considerations related to the Issuer and Temasek — Temasek and its portfolio companies are subject to macroeconomic, strategic, financial, operational and political risks". For the avoidance of doubt, Temasek is an investment company and its portfolio companies are guided and managed by their respective boards and management. Temasek does not direct their business decisions or operations. Accordingly, Temasek does not have the necessary information that would put it in a position to provide disclosure on any current, future or past trends, uncertainties, demands, commitments or events which may have a material effect on the net sales or revenues, profitability, liquidity or capital resources of any such portfolio company or the extent to which such portfolio company's performance may affect the Temasek Group as a whole in this Offering Circular. Consequently, the financial information disclosed in this Offering Circular is not necessarily indicative of the future operating results or financial condition of any such portfolio company or the extent to which such portfolio company's performance may affect the Temasek Group as a whole.

Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, Temasek or the Temasek Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer, Temasek or the Temasek Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Program is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular or any pricing supplement to this Offering Circular (each a "Pricing Supplement") and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, Temasek, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Offering Circular, see "Plan of distribution", "Notice to purchasers and holders of Registered Notes and transfer restrictions" and the relevant Pricing Supplement.

None of the Arrangers, the Dealers, the Trustees or the Agents makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular or for any statement made or purported to be made by an Arranger or a Dealer, a Trustee or an Agent or on its behalf in connection with the Issuer, Temasek or the issue and offering of the Notes. The Arrangers, each Dealer, each Trustee and each Agent accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of this Offering Circular or any other financial statements or information supplied in connection with the Program is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, Temasek, the Temasek Group, the Arrangers, the Dealers, the Trustees or the Agents that any recipient of this Offering Circular or any other person should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular, and its purchase of Notes should be based upon such investigation as it deems necessary.

In connection with the issue of any series of Notes, one or more Dealers named as stabilizing manager (the "Stabilizing Manager(s)") (or persons acting on behalf of any Stabilizing Manager) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period after the relevant date of issue (the "Issue Date"). However, there is no assurance that the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant series of Notes is made and, if begun, may be discontinued at any time, but it must end no later than the earlier of 30 days after the Issue Date of the relevant series of Notes and 60 days after the date of the allotment of the relevant series of Notes. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in accordance with applicable laws and rules.

The Notes and the Guarantee have not been and will not be registered under the Securities Act. Subject to certain exceptions, the Notes may not be offered or sold within the United States or to, or for the account, or benefit of, U.S. persons.

The Notes may be offered or sold (i) in the United States only to QIBs or to "accredited investors" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act ("Institutional Accredited Investors"), in each case in transactions exempt from registration under the Securities Act and/or (ii) outside the United States, to non-U.S. persons in offshore transactions in reliance on Regulation S. Neither the Issuer nor Temasek is or will be registered under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act. Any series of Notes may be subject to additional selling restrictions, including restricting offers or sales in the United States or to U.S. persons, or restricting purchasers of such Notes in the United States or that are U.S. persons to QIBs that are also QPs as defined in the Investment Company Act, in which case each such purchaser must be able to make, and will be deemed to have made, certain acknowledgments, representations, warranties and agreements as set forth in the relevant Pricing Supplement in respect of such series of Notes. Any additional restrictions on the sale or transfer of any series of Notes will be specified in the relevant Pricing Supplement for such Notes.

If Notes of a series are being offered or sold to U.S. persons or in the United States, prospective investors are hereby notified that sellers of such Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Arrangers and Dealers, through their respective selling agents, may arrange for the offer and resale of such Notes to U.S. persons or persons in the United States who are QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the Securities Act. Investors may be required to bear the financial risk of an investment in the Notes for an indefinite period. The Notes are not

transferable except in compliance with the restrictions described in "Notice to purchasers and holders of Registered Notes and transfer restrictions" and the relevant Pricing Supplement.

In connection with the offering of any series of Notes, each Dealer is acting or will act for the Issuer in connection with the offering and no one else and will not be responsible to anyone other than the Issuer for providing the protection afforded to clients of that Dealer nor for providing advice in relation to any such offering.

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS"). Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

For a description of other restrictions, see "Plan of distribution", "Notice to purchasers and holders of Registered Notes and transfer restrictions" and the relevant Pricing Supplement.

Notification under Section 309B(1)(c) of the SFA: Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Program shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealer or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

This Offering Circular has not been submitted to the clearance procedures of the Autorité des marchés financiers.

Notes of each series (as described in "Summary — Summary of the Program") to be issued as a Bearer Series will initially be represented by interests in a temporary global note or a permanent global note, in either case in bearer form (each a "Temporary Global Note" and a "Permanent Global Note", respectively), without interest coupons, which may be deposited on or about the Issue Date with The Central Depository (Pte) Limited ("CDP"), subject to any restrictions or conditions which may be applicable (as specified in the relevant Pricing Supplement), or with a common depositary on behalf of

Euroclear Bank S.A./N.V. ("Euroclear"), and Clearstream Banking S.A. ("Clearstream"), or with any other agreed clearance system compatible with Euroclear and Clearstream. Interests in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a Permanent Global Note (each a "Global Note") from 40 days after the later of the Issue Date and the completion of the distribution of the Notes (the "Exchange Date"), upon certification as to non-U.S. beneficial ownership. Interests in a Permanent Global Note may be exchanged for individual definitive Bearer Notes ("Definitive Bearer Notes") only in the limited circumstances as described therein and summarized in "Form of Notes — Bearer Notes".

Notes of each series to be issued in registered form ("Registered Notes" comprising a "Registered Series") sold in an "offshore transaction" within the meaning of Regulation S will initially be represented by interests in a global unrestricted Registered Note, without interest coupons (each a "Regulation S Global Note"), which may be deposited on the Issue Date with CDP, subject to any restrictions or conditions which may be applicable (as specified in the relevant Pricing Supplement), or with a common depositary for, and registered in the name of a nominee of, Euroclear and Clearstream, or with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC") for the accounts of Euroclear and Clearstream. Beneficial interests in a Regulation S Global Note will be shown on, and transfers thereof will be effected only through, records maintained by CDP, Euroclear, Clearstream or DTC. Notes of each Registered Series sold to a QIB as defined in Rule 144A, as referred to in, and subject to the transfer restrictions described in, "Plan of distribution", "Notice to purchasers and holders of Registered Notes and transfer restrictions" and the relevant Pricing Supplement, will initially be represented by interests in a global restricted Registered Note, without interest coupons (each a "DTC Restricted Global Note" and, together with any Regulation S Global Note, the "Registered Global Notes"), which will be deposited on the Issue Date with a custodian for, and registered in the name of a nominee of, DTC. Beneficial interests in a DTC Restricted Global Note will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. See "Annex A — Global clearance and settlement". Notes of each Registered Series sold to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof ("Definitive IAI Registered Notes"). Individual definitive Registered Notes ("Definitive Registered Notes") will otherwise only be available in certain limited circumstances as described herein.

MiFID II Product Governance/target market — The Pricing Supplement may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "MiFID II") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise, unless so determined, neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor in the EEA means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and (iii) not a qualified investor as defined in the Prospectus Directive (as defined herein). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Documents incorporated by reference

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement, which shall be deemed to be incorporated in, and to form part of, this Offering Circular

and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents.

Available information

With respect to each series of Notes offered or sold in the United States or to U.S. persons in reliance on Rule 144A, Temasek has agreed that, during the period of one year from the date of original issuance of such Notes under the Program and thereafter only if Temasek reasonably determines that any such Notes at the time of the expiration of such one-year period are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, it will, during such period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144(A)(d)(4) under the Securities Act (the "Rule 144A(d)(4) Information"). After one year from the date of original issuance of such Notes, if Temasek reasonably determines that such Notes at the time of the expiration of such one-year period do not constitute "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, Temasek will no longer be obligated to provide to any holder or beneficial owner of such Notes or to any prospective purchaser of such Notes the Rule 144A(d)(4) information.

The Issuer has undertaken, in connection with its application to list the Notes to be issued under the Program on the SGX-ST, to immediately disclose to the SGX-ST any information which may have a material effect on the price or value of such Notes or on an investor's decision whether to trade in such Notes.

Temasek is an exempt private company under the Companies Act, Chapter 50 of Singapore (the "Singapore Companies Act") and therefore it is not required to file its financial statements with the relevant public registry in Singapore. The consolidated financial statements included in this Offering Circular from pages FS1 to FS126 are included only for the purpose of the offering of the Notes under the Program.

Enforcement of civil liabilities

Each of the Issuer and Temasek is a company incorporated in Singapore and all or a significant portion of their assets are located in Singapore and certain other jurisdictions outside the United States and England and Wales. In addition, a majority of the Issuer's and Temasek's directors ("Directors") and executive officers, and certain of the parties named in this Offering Circular reside in Singapore, and all or a significant portion of the assets of such persons may be located in Singapore and certain other jurisdictions outside the United States and England and Wales. As a result, it may not be possible for investors to effect service of process upon the Issuer or Temasek or such persons outside Singapore and outside such other jurisdictions or to enforce against the Issuer or Temasek or such persons outside Singapore and outside such other jurisdictions the federal securities laws of the United States or the securities laws of England and Wales, or to enforce judgments obtained in courts outside Singapore and outside such other jurisdictions, including U.S. courts and English courts, predicated upon the civil liability provisions of (i) the federal securities laws of the United States or (ii) the securities laws of England and Wales. Each of the Issuer and Temasek has, however, appointed CT Corporation System, located at 111 Eighth Avenue, New York, New York 10011, as its authorized agent for service of process in any legal action or proceeding arising out of or relating to the Indenture (as defined herein) or Notes governed by the laws of the State of New York issued thereunder brought in any federal or state court in The City of New York in the Borough of Manhattan or brought under federal or state securities laws or brought by the New York Trustee (as defined herein) (whether in its individual capacity or in its capacity as the New York Trustee) and, in each case, will irrevocably submit to the non-exclusive jurisdiction of such courts in any suit or proceeding. Furthermore, a judgment for money in any action based on such Notes in a federal or state court in the United States ordinarily would be enforced in the United States only in U.S. dollars. The date used by such a court to determine the rate of conversion of the relevant currency into U.S. dollars will depend on various factors, including which court renders the judgment. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on non-U.S. dollar-denominated Notes would be required to render such judgment in the relevant currency, and such judgment would be

converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment. Further, each of the Issuer and Temasek has appointed Hackwood Secretaries Limited, located at One Silk Street, London EC2Y 8HQ, as its authorized agent for service of process in any legal action or proceeding arising out of or relating to the English Law Trust Deed (as defined herein) or Notes governed by the laws of England issued thereunder brought in the courts of England or brought by the English Trustee (as defined herein) (whether in its individual capacity or in its capacity as the English Trustee) and, in each case, will irrevocably submit to the non-exclusive jurisdiction of such courts in any suit or proceeding. Judgments of U.S. courts or English courts based upon the civil liability provisions of (i) the federal securities laws of the United States or (ii) the securities laws of England and Wales may not be enforceable in Singapore courts, and there is doubt as to whether Singapore courts will enter judgments in original actions brought in Singapore courts based solely upon the civil liability provisions of (i) the federal securities laws of the United States or (ii) the securities laws of England and Wales.

Forward-looking statements

Certain statements in this Offering Circular constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Temasek's or the Temasek Group's actual results, performance or achievements, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of Temasek or its portfolio companies and the environment in which they will operate in the future. The important factors that could cause the actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the condition of and changes in the local, regional or global economy, changes in government regulation and licensing of the business activities of Temasek or its portfolio companies and increased competition in the various industries in which Temasek or its portfolio companies operate. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Investment considerations", "Management's discussion and analysis of financial condition and results of operations", "Annex C — Constitutional safeguards", "Business of Temasek" and "Board and management". These forward-looking statements speak only as at the date of this Offering Circular. The Issuer and Temasek expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations of the Issuer and Temasek with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Certain definitions and conventions

Unless otherwise specified or the context otherwise requires, in this Offering Circular: references to "US$" or "U.S. dollars" are to the lawful currency of the United States of America; references to "S$" or "Singapore dollars" are to the lawful currency of the Republic of Singapore; references to "HK$" or "Hong Kong dollars" are to the lawful currency of Hong Kong; references to "Indian rupees" are to the lawful currency of the Republic of India; references to "Rp." are to the lawful currency of Indonesia; references to "€" are to "Euros", the lawful currency of certain nations within the European Union; references to "Sterling" or "£" are to the lawful currency of the United Kingdom; references to "South Korean won" or "KRW" are to the lawful currency of the Republic of Korea; and references to "Renminbi", "RMB" or "CNY" are to the lawful currency of the People's Republic of China ("PRC"). For the convenience of the reader, unless otherwise specified or the context otherwise requires, this Offering Circular contains translations of some Singapore dollar amounts into U.S. dollars based on the exchange rate of S$1.31 per US$1.00, which was the noon buying rate in The City of New York as certified for customs purposes by the Federal Reserve Bank of New York for cable transfers (the "Noon Buying Rate") for Singapore dollars on March 31, 2018. However, such translations should not be construed as representations that Singapore dollar amounts have been, could have been or could be converted into U.S. dollars at that or any other rate. The Noon Buying Rate for Singapore dollars on July 6, 2018 was S$1.36 per US$1.00. See "Exchange rates".

Certain amounts (including percentage amounts) have been rounded for convenience, and as a result, the aggregate of certain figures may not sum to total amounts or equal quotients.

References in this Offering Circular to "Singapore" are to the Republic of Singapore and references to the "Government" are to the Government of Singapore.

In this Offering Circular, references to "Temasek" mean, as the context requires, Temasek Holdings (Private) Limited individually or Temasek Holdings (Private) Limited and its Investment Holding Companies (as defined below) collectively.

References in this Offering Circular to "Investment Holding Companies" are to Temasek Holdings (Private) Limited's direct and indirect wholly-owned subsidiaries, whose boards of directors or equivalent governing bodies comprise employees or nominees of (1) Temasek Holdings (Private) Limited, (2) Temasek Pte. Ltd., a wholly-owned subsidiary of Temasek Holdings (Private) Limited and/or (3) wholly-owned subsidiaries of Temasek Pte. Ltd. The principal activities of Temasek Holdings (Private) Limited and its Investment Holding Companies are that of investment holding, financing and/or the provision of investment advisory and consultancy services.

References in this Offering Circular to "portfolio companies" are to companies in which Temasek holds an interest, directly and/or indirectly, through one or more Investment Holding Companies. References in this Offering Circular to the "Temasek Group" are to Temasek together with its subsidiaries, taken as a whole, and similarly, references to an entity's "Group" are to that entity together with its subsidiaries, taken as a whole.

"Net Portfolio Value" as at a specified date:

(a) refers to the sum of (i) the market value of investments in publicly-listed securities as at such specified date and (ii) the fair value of investments in unlisted securities, in each case held directly by Temasek or indirectly through an Investment Holding Company, whether such holding is for the short term or the long term; and

(b) takes into account the net amount of other assets and liabilities of Temasek and its Investment Holding Companies.

In respect of (a)(ii), the fair value of unlisted available-for-sale investments is based on valuation methods in accordance with Singapore Financial Reporting Standards ("FRS"), and the fair value of investments in unlisted subsidiaries, associates and joint ventures is based on the sum of (1) the proportionate share of the shareholders' equity as set out in the financial statements of the relevant portfolio companies as at their respective financial year ends or latest available financial statements and (2) any premium paid, net of any subsequent impairment. In the case of unlisted subsidiaries, associates and joint ventures that hold substantially investments in publicly-listed securities, the fair value of investments in such unlisted subsidiaries, associates and joint ventures will take into account the market value of the underlying publicly-listed securities which they hold.

In determining the distribution of Temasek's portfolio across sectors and/or geographies, Temasek takes its Net Portfolio Value and attributes such value generally based on the percentage of assets of its portfolio companies in such sectors and/or geographies as derived from the financial statements of such companies or otherwise as provided by such companies. Temasek's short term investments and the net amount of other assets and liabilities are allocated proportionately across sectors and geographies for the purpose of determining Temasek's portfolio distribution. All references to the distribution of Temasek's Net Portfolio Value by sector and geography or discussions of a proportion of Temasek's Net Portfolio Value being attributed to any particular sector or geography in this Offering Circular refer to the distribution by the underlying assets as described above.

For purposes of determining the composition of Temasek's portfolio by currencies,

(a) the currency in which an investment is denominated is determined as follows:

  (i) in the case of a listed equity security, by the currency in which the listed security is traded,

  (ii) in the case of an unlisted equity security, by the functional currency of the unlisted portfolio company,

  (iii) in the case of a debt security, by the currency of the debt instrument,

  (iv) in the case of a fund investment, by the currency in which the fund is denominated, and

  (v) in the case of an equity derivative, by the currency of the derivative instrument; and

(b) the currencies in which net other assets and liabilities are denominated are determined by the currency of each underlying asset or liability.

To the extent there is a currency hedge in respect of any portion of an asset or liability of Temasek, that hedged portion would be considered to be denominated in the currency to which it is hedged.

In this Offering Circular, references to Temasek's interests in its portfolio companies refer to Temasek's effective interest in such portfolio companies. "Effective interest", when used with respect to a portfolio company, refers to the aggregate of (i) the percentage interest in a portfolio company held directly by Temasek, if any, and (ii) Temasek's proportionate percentage interest in such portfolio company held indirectly through one or more of its subsidiaries computed based on Temasek's percentage interest in any such subsidiary multiplied by such subsidiary's percentage interest in such portfolio company. It does not include (a) Temasek's proportionate percentage interest in such portfolio company held indirectly through one or more of its associates or joint ventures and (b) the trading portfolios of Temasek and/or its subsidiaries.

Presentation of financial and other information

The financial statements included in this Offering Circular are presented on a consolidated basis for the Temasek Group comprising the financial statements of Temasek and its subsidiaries and their interests in associates and joint ventures. Financial statements for Temasek on a non-consolidated basis are not presented in this Offering Circular and are not publicly available.

Temasek's consolidated financial statements are prepared in accordance with FRS, which differ in certain respects from International Financial Reporting Standards ("IFRS") and generally accepted accounting principles in the United States ("U.S. GAAP"). As a result, Temasek's consolidated financial statements and reported earnings could be different from those which would be reported under IFRS or U.S. GAAP. Such differences may be material. This Offering Circular does not contain a reconciliation of Temasek's consolidated financial statements to IFRS or U.S. GAAP nor does it include any information in relation to the differences between FRS and IFRS or U.S. GAAP. Had the financial statements and other financial information been prepared in accordance with IFRS or U.S. GAAP, the results of operations and financial position may have been materially different. See "Investment considerations — Considerations related to the Issuer and Temasek — The Temasek Group's accounting and corporate disclosure standards may differ from those in other countries". In making an investment decision, investors must rely upon their own examination of the Issuer, Temasek and the Temasek Group, the terms of the particular series of Notes and the financial information relating to the Temasek Group. Potential investors should consult their own professional advisors for an understanding of these differences between FRS and IFRS or U.S. GAAP and how such differences might affect the financial information contained herein.

Summary

The following summary is qualified in its entirety by, and is subject to, the more detailed information and financial statements contained or referred to elsewhere in this Offering Circular, including the sections regarding "Investment considerations", "Management's discussion and analysis of financial condition and results of operations", "Business of Temasek" and "Board and management". For a discussion of Net Portfolio Value, see "Certain definitions and conventions" on page vii. To understand the terms of the Notes, investors should carefully read the sections of this Offering Circular entitled "Description of the Notes governed by New York law", "Terms and conditions of the Notes governed by Singapore law" or "Terms and conditions of the Notes governed by English law", as applicable, and the risks of investing in the Notes under "Investment considerations" and the relevant Pricing Supplement.

Temasek

Temasek is an investment company with a portfolio of investments covering a wide range of countries and industry sectors. Temasek has been assigned an overall corporate credit rating of "Aaa" by Moody's and "AAA" by S&P.

Temasek was incorporated in 1974 under the Singapore Companies Act and is wholly-owned by the Government through the Minister for Finance, a body corporate constituted under the Minister for Finance (Incorporation) Act, Chapter 183 of Singapore ("MOF"). The Constitution of Singapore (the "Constitution") sets out a framework relating to the safeguarding of past reserves of Temasek as described in "Annex C — Constitutional safeguards".

Temasek's Net Portfolio Value amounted to S$308 billion (US$235 billion) as at March 31, 2018, compared to S$275 billion and S$242 billion as at March 31, 2017 and 2016, respectively. Temasek ended the year with a net cash position.

As at March 31, 2018, approximately 27% of Temasek's Net Portfolio Value was in Singapore, 26% in China, 15% in rest of Asia, 13% in North America, 9% in Europe, 7% in Australia & New Zealand, 2% in Africa, Central Asia & the Middle East and 1% in Latin America.

As at March 31, 2018, Temasek's top three sectors (based on contribution to Temasek's Net Portfolio Value) were financial services, telecommunications, media & technology and consumer & real estate, which comprised 26%, 21% and 16%, respectively.

Temasek has delivered an annualized Total Shareholder Return of 15% in Singapore dollar terms to Temasek's shareholder by market value since its inception to March 31, 2018. See "Business of Temasek — Total Shareholder Return" for details on the manner of computation of Total Shareholder Return.

See "Business of Temasek — Major investments" for a description of the major companies in Temasek's portfolio.

Strategy

Temasek is an investment company that owns and manages its assets based on commercial principles. Temasek is an active investor and shareholder that aims to deliver sustainable value over the long term. Temasek is a forward-looking institution that acts with integrity and is committed to the pursuit of excellence. Temasek is also a trusted steward that strives for the advancement of its communities across generations.

As an active investor, Temasek shapes its portfolio by increasing, holding or decreasing its investment holdings. These actions are driven by a set of commercial principles to create and maximize risk-adjusted returns over the long term.

As an engaged shareholder, Temasek promotes sound corporate governance in its portfolio companies. This includes the formation of high caliber, experienced and diverse boards. Companies in its portfolio are guided and managed by their respective boards and management; Temasek does not direct their business decisions or operations.

Similarly, Temasek's investment, divestment and other business decisions are directed by its Board and management. Neither the President of Singapore nor Temasek's shareholder, the Government, is involved in Temasek's business decisions.

Temasek's decisions as a professionally-managed investment company are guided by business tenets and commercial discipline.

Temasek continues to center its investment strategies on these four investment themes:

- *Transforming Economies* — Tapping the potential of transforming economies like China, India, South East Asia and Latin America, through investments in sectors such as financial services, infrastructure and logistics.
- *Growing Middle Income Populations* — Leveraging growing consumer demands through investments in sectors such as telecommunications, media & technology and consumer & real estate.
- *Deepening Comparative Advantages* — Seeking out economies, businesses and companies with distinctive intellectual property and other competitive advantages.
- *Emerging Champions* — Investing in companies with a strong home base, as well as companies at inflection points, with the potential to be regional or global champions.

These four investment themes are supplemented by trends which Temasek has identified to be disruptors of traditional business models or creators of new opportunities.

These trends, driven by technological advances, demographic shifts, and changing consumption patterns, include:

- *Longer Lifespans* — Markets and industries are developing to meet growing needs as we live longer;
- *Rising Affluence* — The combination of rising affluence and technology is redefining consumption patterns and attitudes in emerging markets;
- *Sustainable Living* — Increasingly eco-conscious solutions will create up to US$12 trillion of business opportunities by 2030, according to the Business & Sustainable Development Commission's January 2017 "*Better Business Better World*" report;
- *Smarter Systems* — Artificial intelligence and robotics are enabling ground-breaking capabilities;
- *More Connected World* — Digital connectivity and solutions are redefining how we communicate and interact around the world; and
- *Sharing Economy* — Peer-to-peer networks are promoting more efficient use of resources and greater convenience for businesses and consumers.

Individual investment and divestment decisions are shaped by Temasek's bottom-up intrinsic value tests. As the owner of its portfolio, Temasek may choose to invest, divest or remain in cash as its investment stance. Temasek has the flexibility to take concentrated positions and invest over varying horizons. Temasek maintains full flexibility to shift the weight of its portfolio in response to major trends and market opportunities.

See "Business of Temasek — Strategy".

The Issuer

The Issuer is indirectly, through an Investment Holding Company, a wholly-owned subsidiary of Temasek, and was incorporated under the Singapore Companies Act on July 12, 2004. It is an Investment Holding Company whose principal activity is financing.

Temasek's principal executive office is located at 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891, telephone number +65 6828 6828. Information on Temasek's website, www.temasek.com.sg, does not constitute a part of this Offering Circular and should not be relied upon. The Issuer's principal executive office is located at 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891.

Summary of the Program

The following general summary does not purport to be complete and is qualified in its entirety by the more detailed information provided elsewhere in this Offering Circular and, in relation to the terms and conditions applicable to a particular series of Notes, by a Pricing Supplement. This summary is derived from and should be read in conjunction with the Program Agreement and the Indenture, the Singapore Law Trust Deed (as defined herein) or the English Law Trust Deed (as defined herein), as the case may be, relating to the Notes. The terms and conditions of the Program Agreement and the Indenture, the Singapore Law Trust Deed or the English Law Trust Deed, as the case may be, prevail to the extent of any inconsistency with the terms set out in this section. Words and expressions used in this summary and not otherwise defined shall have the meanings ascribed to such words and expressions appearing elsewhere in this Offering Circular.

Issuer	Temasek Financial (I) Limited
Guarantor	Temasek Holdings (Private) Limited
Description	Guaranteed Global Medium Term Note Program
Arrangers	Deutsche Bank AG, Singapore Branch, Goldman Sachs (Singapore) Pte., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and Morgan Stanley Asia (Singapore) Pte.
Dealers	Deutsche Bank AG, Singapore Branch, Goldman Sachs (Singapore) Pte., Morgan Stanley Asia (Singapore) Pte., Barclays Bank PLC, Singapore Branch, BNP Paribas, Citigroup Global Markets Limited, Credit Suisse (Singapore) Limited, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, J.P. Morgan (S.E.A.) Limited, Merrill Lynch (Singapore) Pte. Ltd., Standard Chartered Bank and Standard Chartered Bank (Singapore) Limited
Trustee under the Indenture	Deutsche Bank Trust Company Americas (the "New York Trustee")
Paying Agent and Transfer Agent in New York and London under the Indenture	Deutsche Bank Trust Company Americas
Paying Agent in Singapore under the Indenture	Deutsche Bank Trust Company Americas
Registrar under the Indenture	Deutsche Bank Trust Company Americas (the "New York Registrar")
Trustee under the Singapore Law Trust Deed	DBS Trustee Limited (the "Singapore Trustee")
Issuing and Paying Agent, Paying Agent, Calculation Agent and Transfer Agent in relation to Notes governed by Singapore law	DBS Bank Ltd.
Paying Agent in Singapore in relation to Notes governed by Singapore law	DBS Bank Ltd.
Registrar in relation to Notes governed by Singapore law	DBS Bank Ltd. (the "Singapore Registrar")
Trustee under the English Law Trust Deed	DB Trustees (Hong Kong) Limited (the "English Trustee" and, together with the New York Trustee and the Singapore Trustee, the "Trustees")

Issuing and Paying Agent, Paying Agent, Calculation Agent and Transfer Agent in relation to Notes governed by English law . .	Deutsche Bank AG, Hong Kong Branch
Paying Agent in Singapore in relation to Notes governed by English law	Deutsche Bank AG, Singapore Branch
Registrar in relation to Notes governed by English law	Deutsche Bank Luxembourg S.A. (the "English Registrar")
Size	The aggregate principal amount (which in the case of Notes issued at a premium, shall be the aggregate initial offering price, in the case of Notes issued at a discount from their principal amount, shall be their principal amount, in the case of partly paid Notes, shall be the amount of subscription monies paid up at such time, and in the case of Notes denominated in a currency other than U.S. dollars, the equivalent amount in another currency determined in accordance with the Program Agreement) of Notes outstanding at any time shall not exceed US$20,000,000,000 which amount may be increased pursuant to the Program Agreement. As at the date of this Offering Circular, US$1,500,000,000 aggregate principal amount of 4.3% Guaranteed Notes due 2019, US$500,000,000 aggregate principal amount of 5.375% Guaranteed Debentures due 2039, S$300,000,000 aggregate principal amount of 4.0% Guaranteed Notes due 2029, S$300,000,000 aggregate principal amount of 4.2% Guaranteed Notes due 2039, S$1,000,000,000 aggregate principal amount of 3.265% Guaranteed Notes due 2020, S$500,000,000 aggregate principal amount of 3.785% Guaranteed Notes due 2025, S$500,000,000 aggregate principal amount of 4.0475% Guaranteed Notes due 2035, £200,000,000 aggregate principal amount of 4.625% Guaranteed Notes due 2022, £500,000,000 aggregate principal amount of 5.125% Guaranteed Notes due 2040, S$1,000,000,000 aggregate principal amount of 4.2% Guaranteed Notes due 2050, US$1,200,000,000 aggregate principal amount of 2.375% Guaranteed Notes due 2023, US$500,000,000 aggregate principal amount of 3.375% Guaranteed Notes due 2042, €600,000,000 aggregate principal amount of 0.5% Guaranteed Notes due 2022 and €500,000,000 aggregate principal amount of 1.5% Guaranteed Notes due 2028 have been issued under the Program and remain outstanding.
Distributions	The Notes are being offered from time to time by the Issuer through the Dealers. The Issuer may sell Notes to the Dealers acting as principals for resale to investors or other purchasers and may also sell Notes directly on its own behalf. Notes may be distributed on a syndicated or non-syndicated basis. See "Plan of distribution".
Currencies	Euros, Renminbi, Singapore dollars, Sterling, U.S. dollars and, subject to compliance with all relevant laws, regulations and directives, such other currencies as may be agreed between the Issuer and the relevant Dealers and specified in the relevant Pricing Supplement (each a "Specified Currency").

	Each series of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements. See the relevant Pricing Supplement.
Series	Notes will be issued in series, with all Notes in a series having the same maturity date and terms otherwise identical (except in relation to issue dates, interest paid or payable on or prior to the first interest payment date after issuance thereof, issue prices and related matters). The Notes of each series will be interchangeable with all other Notes of that series.
Maturities	The Notes will mature on a date specified in the relevant Pricing Supplement, as selected by the relevant Dealer and agreed to by the Issuer and subject to such other minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the Guarantor or the relevant Specified Currency.
Issue Price	Notes may be issued at an issue price which is at par or at a discount to, or at a premium over, par, and on a fully-paid or partly-paid basis.
Forms of the Notes	Notes may be issued in bearer or in registered form, as specified in the relevant Pricing Supplement. Bearer Notes will not be exchangeable for Registered Notes, and Registered Notes will not be exchangeable for Bearer Notes. Each series of Bearer Notes will initially be represented by a Temporary Global Note or a Permanent Global Note which, in each case, may be deposited on the Issue Date with CDP, subject to any restrictions or conditions which may be applicable (as specified in the relevant Pricing Supplement), or with a common depositary for Euroclear, Clearstream or any other agreed clearance system compatible with Euroclear and Clearstream. Interests in a Temporary Global Note will be exchangeable, in whole or in part, as described therein, for interests in a Permanent Global Note from the Exchange Date. Interests in a Permanent Global Note may be exchanged for Definitive Bearer Notes only in the limited circumstances described therein and summarized in "Form of Notes — Bearer Notes". Any interest in a Temporary Global Note or a Permanent Global Note will be transferable only in accordance with the rules and procedures for the time being of CDP, Euroclear, Clearstream and/or any other agreed clearance system, as appropriate. Each series of Bearer Notes shall comply with United States Treasury Regulations §1.163-5(c)(2)(i)(D) or any successor regulation for purposes of Section 4701 of the United States Internal Revenue Code (the "D Rules") unless otherwise stated in the relevant Pricing Supplement. Each series of Registered Notes, which are sold outside the United States in reliance on Regulation S, will, unless otherwise specified in the relevant Pricing Supplement, be represented by a Regulation S Global Note, which will be deposited on or about its Issue Date with CDP, subject to any restrictions or conditions which may be applicable (as specified in the relevant Pricing Supplement), or with a common depositary for, and registered in the name of a nominee of, Euroclear and

	Clearstream, or with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream. With respect to all offers or sales by a Dealer of an unsold allotment or subscription and in any case prior to the expiry of the Distribution Compliance Period (as defined in "Form of Notes"), beneficial interests in a Regulation S Global Note of such series may be held only through CDP, Euroclear, Clearstream or DTC for the accounts of Euroclear and Clearstream. Regulation S Global Notes will be exchangeable for Definitive Registered Notes only in the limited circumstances more fully described in "Annex A — Global clearance and settlement". Each series of Registered Notes sold to QIBs in compliance with Rule 144A and subject to the transfer restrictions described in "Notice to purchasers and holders of Registered Notes and transfer restrictions" and the relevant Pricing Supplement will, unless otherwise specified in the relevant Pricing Supplement, be represented by a DTC Restricted Global Note, which will be deposited on or about its Issue Date with a custodian for, and registered in the name of a nominee of, DTC. Persons holding beneficial interests in the DTC Restricted Global Notes will be entitled or required, as the case may be, under the circumstances described in the Indenture or the English Law Trust Deed, as the case may be, to receive physical delivery of Definitive Registered Notes. Notes initially offered and sold in the United States to Institutional Accredited Investors pursuant to Section 4(a)(2) of the Securities Act or in a transaction otherwise exempt from registration under the Securities Act and subject to the transfer restrictions described in "Notice to purchasers and holders of Registered Notes and transfer restrictions" and the relevant Pricing Supplement will be issued only as Definitive IAI Registered Notes and will not be represented by a Global Note. Application will be made to have Notes of any series accepted for clearance and settlement through the facilities of DTC, Euroclear and Clearstream, as appropriate. In addition, application may be made to have the Notes of any series accepted for clearance and settlement through CDP. See "Annex A — Global clearance and settlement".
Interest Rates	Interest-bearing Notes may be issued either as Fixed Rate Notes or Floating Rate Notes. Interest on Floating Rate Notes will be determined with reference to one or more of the Commercial Paper Rate, the Prime Rate, the CD Rate, the Federal Funds Rate, the Treasury Rate, the CMT Rate, LIBOR, EURIBOR, SIBOR, SOR or another interest rate basis, each as adjusted by the Spread and/or Spread Multiplier, if any, as set forth in the relevant Pricing Supplement. Any Floating Rate Note may also have a maximum and/or minimum interest rate limitation. See "Description of the Notes governed by New York law", "Terms and conditions of the Notes governed by Singapore law" and "Terms and conditions of the Notes governed by English law". Zero coupon Notes may be issued at their principal amount or at a discount from their principal amount and will not bear interest.
Withholding Tax	All payments in respect of Notes, the Receipts and the Coupons and payments under the Guarantee will be made free

	and clear of, and will be payable by the Issuer and the Guarantor without withholding or deduction for, or on account of, any taxes, duties, assessments, levies, imposts or other governmental charges ("Taxes") imposed by or for the account of Singapore and, where applicable, certain other jurisdictions (as described in "Description of the Notes governed by New York law — Payments of Additional Amounts", "Terms and conditions of the Notes governed by Singapore law — Taxation" and "Terms and conditions of the Notes governed by English law — Taxation"), except as otherwise required by law. If the Issuer or the Guarantor is required by law to deduct or withhold any such Taxes, the Issuer or the Guarantor will, subject to certain exceptions as described in "Description of the Notes governed by New York law — Payments of Additional Amounts", "Terms and conditions of the Notes governed by Singapore law — Taxation" and "Terms and conditions of the Notes governed by English law — Taxation", be required to pay such additional amounts as are necessary to enable holders of Notes ("Noteholders") not denominated in Singapore dollars to receive, after such deductions or withholding, the amounts they would have received in the absence of such withholding or deductions. No such additional amount shall be payable in relation to Notes denominated in Singapore dollars. See "Description of the Notes governed by New York law — Payments of Additional Amounts", "Terms and conditions of the Notes governed by Singapore law — Taxation" and "Terms and conditions of the Notes governed by English law — Taxation". As set out in the section "Certain tax considerations — Singapore taxation", payments of interest and other Qualifying Income (as defined therein) derived from any tranche of the Notes which are QDS (as defined therein) are not subject to withholding of tax by the Issuer, subject to the conditions stated in such section. In making an investment decision, investors are strongly advised to consult their own professional advisors in respect of the tax implications of holding the Notes. See "Certain tax considerations".
Denominations	Notes will be issued in the denominations indicated in the relevant Pricing Supplement (the "Specified Denomination(s)"), except that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. Unless otherwise stated in the relevant Pricing Supplement, Notes in registered form shall be issued in minimum denominations of (i) US$200,000 (or its equivalent in any other currency) for Notes issued pursuant to Rule 144A or Regulation S and higher integral multiples of US$1,000 (or its equivalent as aforesaid) or (ii) US$250,000 (or its equivalent in any other currency) for Notes issued to Institutional Accredited Investors pursuant to Section 4(a)(2) of the Securities Act or in a transaction otherwise exempt from under the Securities Act and higher integral multiples of US$1,000 (or its equivalent as aforesaid). Notes in registered form which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19

	of the Financial Services and Markets Act 2000 ("FSMA") will have a minimum denomination of £100,000 (or its equivalent in other currencies). In the case of Notes governed by Singapore law and Notes governed by English law, the Issuer may, without the consent of the Trustee, the Noteholders or Couponholders (as defined herein), at any time after any issue of such Notes, (i) reduce the denomination of such Notes into smaller divisible amounts and/or (ii) remove or reduce the minimum denomination requirement in respect of such Notes. See Condition 1 in each of "Terms and conditions of the Notes governed by Singapore law — Form, Denomination and Title" and "Terms and conditions of the Notes governed by English law — Form, Denomination and Title". Prospective purchasers should consider the Issuer's rights with respect to the reduction or removal of the minimum denomination of the Notes after issuance in light of their own internal requirements as to the minimum denominations of securities they may purchase and hold, if any, and legal or other obligations applicable to them.
Change in Obligor	Each of the Issuer and the Guarantor is permitted to consolidate with or merge into any Person, in each case, where the Issuer or the Guarantor, as the case may be, is not the surviving or resulting entity, or convey, transfer, sell or lease, in one transaction or a series of transactions, directly or indirectly, all or substantially all of its property and assets to any Person, so long as the conditions set forth in "Description of the Notes governed by New York law — Consolidation, merger and sale of assets", "Terms and conditions of the Notes governed by Singapore law — Consolidation, Merger and Sale of Assets and Substitution", or "Terms and conditions of the Notes governed by English law — Consolidation, Merger and Sale of Assets and Substitution", as the case may be, are satisfied. The approval from Noteholders is not required if the Issuer or the Guarantor, as the case may be, satisfies such conditions.
Negative Pledge	None.
Cross Default	The terms of the Notes will contain a cross default provision in respect of other indebtedness of the Issuer and the Guarantor.
Redemption	Unless previously redeemed or purchased and cancelled or unless such Note is stated in the relevant Pricing Supplement as having no fixed maturity date, the Notes will be redeemed on their maturity date at the redemption amount specified in the relevant Pricing Supplement (the "Redemption Amount"). The Notes may also be redeemed at the option of the Issuer for certain taxation reasons set forth in "Description of the Notes governed by New York law — Optional tax redemption", "Terms and conditions of the Notes governed by Singapore law — Redemption, Purchase and Options — Redemption for Taxation Reasons" and "Terms and conditions of the Notes governed by English law — Redemption, Purchase and Options — Redemption for Taxation Reasons", as the case may be. The Notes governed by New York law may, unless otherwise specified in the relevant Pricing Supplement, be redeemed at the option of the Issuer in whole or in part at an amount equal to the greater of (i) their Redemption Amount and (ii) the Make Whole Amount (which is an amount determined by discounting the

	principal amount of the Notes plus all required remaining scheduled interest payments due on such Notes at a rate equal to (a) the yield of Treasury Notes (as defined in "Description of the Notes governed by New York law — Interest and Interest Rates — CMT Rate Notes") of the same maturity plus (b) a spread specified in the relevant Pricing Supplement) in each case, together with accrued but unpaid interest to (but excluding) the date of redemption. The Notes governed by Singapore law and the Notes governed by English law may, unless otherwise specified in the relevant Pricing Supplement, be redeemed at the option of the Issuer in whole or in part at the Optional Redemption Amount, together with interest accrued to the date fixed for redemption. The relevant Pricing Supplement will indicate whether the Notes can otherwise be redeemed prior to their maturity date at the option of the Issuer and/or the Noteholders and, if so, the terms applicable to such redemption.
Redemption by Installments	The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more installments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
In the case of Notes denominated in Renminbi — Payment of U.S. Dollar Equivalent	If by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined in Condition 6(i) in the "Terms and Conditions of the Notes governed by English law"), or if Renminbi is otherwise not available to the Issuer or the Guarantor as a result of circumstances beyond their control and such unavailability has been independently determined by a Renminbi Dealer (as defined herein), neither the Issuer nor the Guarantor is able or it would be impractical for the Issuer or the Guarantor, as the case may be, to satisfy payments of principal or interest (in whole or in part) in respect of Notes when due in Renminbi in Hong Kong, the Issuer or the Guarantor, as the case may be, may settle any such payment (in whole or in part) in U.S. dollars on the due date at the U.S. Dollar Equivalent (as defined in the aforesaid Condition 6(i)) of any such Renminbi denominated amount.
Credit Ratings	The Guarantor has been assigned an overall corporate credit rating of "Aaa" by Moody's and "AAA" by S&P. Each series of Notes issued under the Program may be rated or unrated. Where a series of Notes is rated, such credit rating will not necessarily be the same as the credit ratings assigned to the Guarantor. A credit rating is a statement of opinion and is not a recommendation to buy, sell or hold the Notes and may be subject to suspension, revision or withdrawal at any time by the assigning credit rating agency.
Status of the Notes	Unless otherwise stated in the relevant Pricing Supplement, the Notes will constitute direct, unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* among themselves and at least *pari passu* with all other existing and future unsecured and unsubordinated obligations of the Issuer, other than with respect to obligations which may be preferred by law or rank senior by operation of law.

Guarantee	The Guarantor will fully, unconditionally and irrevocably guarantee to each Noteholder the due payment of all amounts owing from time to time under the Notes. Unless otherwise stated in the relevant Pricing Supplement, the Guarantee of the Notes will constitute a direct, unconditional, unsecured and unsubordinated obligation of the Guarantor and will rank at least *pari passu* with all existing and future unsecured and unsubordinated obligations of the Guarantor (other than with respect to obligations which may be preferred by law or rank senior by operation of law) and senior to all existing and future subordinated obligations of the Guarantor.
Listing of the Notes	Application has been made to the SGX-ST for permission to deal in and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. If the application to the SGX-ST to list a particular series of Notes is approved, such Notes listed on the SGX-ST will be traded on the SGX-ST in a board lot size of at least S$200,000 (or its equivalent in other currencies). Unlisted series of Notes may also be issued pursuant to the Program. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each series of Notes. The Pricing Supplement relating to each series of Notes will state whether or not the Notes of such series will be listed on any stock exchange(s) and, if so, on which stock exchange(s) the Notes are to be listed.
Governing Law	Notes denominated in Renminbi will be governed by, and construed in accordance with, the laws of England. Notes denominated in Singapore dollars will be governed by, and construed in accordance with, the laws of Singapore. All other Notes will be governed by, and construed in accordance with, the laws of England, the laws of the State of New York, the laws of Singapore or such other law as specified in the relevant Pricing Supplement and in such Notes. Bearer Notes will be governed by laws other than those of the State of New York. Notes governed by the laws of the State of New York shall be issued under an amended and restated indenture dated as at July 12, 2013 (as may be further amended, supplemented or otherwise modified and in effect from time to time, the "Indenture") among the Issuer, the Guarantor and the New York Trustee. Notes governed by the laws of Singapore shall be issued under an amended and restated trust deed governed under Singapore law dated July 12, 2013 (as may be further amended, supplemented or otherwise modified and in effect from time to time, the "Singapore Law Trust Deed") among the Issuer, the Guarantor and the Singapore Trustee. Notes governed by the laws of England shall be issued under an amended and restated trust deed governed under English law dated July 12, 2013 (as may be further amended, supplemented or otherwise modified and in effect from time to time, the "English Law Trust Deed") among the Issuer, the Guarantor and the English Trustee. Notes issued under other laws shall be issued under such instrument(s) as may be appropriate as set out in the relevant Pricing Supplement and in such Notes.

Submission to Jurisdiction	The Issuer has submitted to the non-exclusive jurisdiction of (i) any New York state or U.S. federal court sitting in The City of New York in the Borough of Manhattan for any legal action or proceeding arising out of or relating to the Indenture or Notes governed by the laws of the State of New York and (ii) the courts of England for any legal action or proceeding arising out of or relating to the English Law Trust Deed or Notes governed by the laws of England. The Issuer has also submitted to the jurisdiction of the courts of Singapore for any legal action or proceedings arising out of or in connection with the Singapore Law Trust Deed or Notes governed by the laws of Singapore.
Security Codes	The Common Code and the ISIN number for each Bearer Series of Notes, and the Common Code, ISIN number and the CUSIP numbers for each Registered Series, will be contained in the Pricing Supplement relating thereto. In addition, the Issuer will make an application with respect to any Registered Global Notes to be accepted for deposit by DTC, Euroclear, Clearstream or CDP, as the case may be.
Selling Restrictions	The offer and sale of Notes and the delivery of this Offering Circular is restricted in certain jurisdictions. See "Plan of distribution", "Notice to purchasers and holders of Registered Notes and transfer restrictions" and any additional selling and transfer restrictions set out in the relevant Pricing Supplement. Bearer Notes will be issued in compliance with the D Rules unless (i) the relevant Pricing Supplement states that Bearer Notes are issued in compliance with rules in substantially the same form as U.S. Treasury Regulations §1.163-5(c)(2)(i)(C) for purposes of Section 4701 of the United States Internal Revenue Code (the "C Rules") or (ii) Bearer Notes are issued other than in compliance with the D Rules or the C Rules but only in circumstances in which the Notes will not constitute "registration required obligations" for U.S. federal income tax purposes, which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") rules are not applicable.

Summary financial and other information

The following tables set forth summary financial information for the Temasek Group as at and for the years ended March 31, 2016, 2017 and 2018. The summary financial information as at and for the years ended March 31, 2016, 2017 and 2018 should be read in conjunction with the consolidated financial statements of Temasek and the related notes thereto, which are included elsewhere in this Offering Circular.

The consolidated financial statements of Temasek have been prepared in accordance with FRS. Had the financial statements and other financial information been prepared in accordance with IFRS or U.S. GAAP, the results of operations and financial position may have been materially different. See "Investment considerations — Considerations related to the Issuer and Temasek — The Temasek Group's accounting and corporate disclosure standards may differ from those in other countries".

Solely for the convenience of the reader, the Singapore dollar amounts as at and for the year ended March 31, 2018 have been translated to U.S. dollars using the Noon Buying Rate of S$1.31 per US$1.00 on March 31, 2018, giving effect to rounding where applicable. For additional information regarding convenience translations in this Offering Circular, see "Certain definitions and conventions" on page vii.

Summary income statement information

	Year ended March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Revenue	101,501	97,057	107,131	81,779
Net expenses[1]	(93,443)	(82,452)	(86,695)	(66,179)
Share of profit of associates and joint ventures, net of tax	6,673	5,714	9,100	6,947
Profit before tax	14,731	20,319	29,536	22,547
Tax expense	(2,094)	(2,589)	(2,691)	(2,054)
Profit for the year	12,637	17,730	26,845	20,493
Attributable to:				
Equity holder of Temasek	8,425	14,193	21,338	16,289
Non-controlling interests	4,212	3,537	5,507	4,204
Profit for the year	12,637	17,730	26,845	20,493

Note:

(1) Comprises cost of sales, selling and distribution expenses, administrative expenses, finance expenses and other expenses, net of other income.

Summary statement of comprehensive income information

	Year ended March 31,			
	2016	2017	2018	2018
	(S$ million)			(US$ million)
Profit for the year	12,637	17,730	26,845	20,493
Other comprehensive income				
Net change in fair value of available-for-sale financial assets, net of tax	(15,107)	11,927	20,164	15,392
Others, net[1]	4,133	(1,373)	(7,983)	(6,094)
Total comprehensive income for the year	1,663	28,284	39,026	29,791
Attributable to:				
Equity holder of Temasek	(2,174)	24,224	34,091	26,024
Non-controlling interests	3,837	4,060	4,935	3,767
Total comprehensive income for the year	1,663	28,284	39,026	29,791

Note:

(1) Comprises translation differences; share of associates' and joint ventures' reserves; net change in fair value of available-for-sale financial assets reclassified to income statement, net of tax; cash flow hedges, net of tax; disposal of investments in subsidiaries, with loss of control; disposal or dilution of investments in associates and joint ventures; and others, net.

Summary balance sheet information

	As at March 31,			
	2016	2017	2018	2018
	(S$ million)			(US$ million)
Assets				
Property, plant and equipment	69,856	70,769	75,173	57,384
Investments in associates and joint ventures	80,099	83,494	84,767	64,708
Non-current financial assets and derivative financial instruments	88,429	98,292	131,981	100,749
Other assets[1]	72,735	77,353	87,378	66,701
Current assets	104,708	117,692	112,202	85,650
Total assets	415,827	447,600	491,501	375,192
Equity and Liabilities				
Equity attributable to equity holder of Temasek	218,152	238,876	272,688	208,159
Non-controlling interests	40,561	43,125	47,514	36,270
Non-current liabilities	83,948	89,157	96,757	73,860
Current liabilities	73,166	76,442	74,542	56,903
Total equity and liabilities	415,827	447,600	491,501	375,192

Note:

(1) Comprises intangible assets, biological assets, investment properties, deferred tax assets and other non-current assets.

Summary cash flow statement information

	Year ended March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Profit before tax	14,731	20,319	29,536	22,547
Cash flows from operating activities	11,163	14,016	14,786	11,287
Cash flows used in investing activities	(14,670)	(7,235)	(22,957)	(17,524)
Cash flows from financing activities	2,373	2,683	2,515	1,920
Net (decrease)/increase in cash and cash equivalents	(1,134)	9,464	(5,656)	(4,317)
Cash and cash equivalents at the beginning of the year	43,747	42,613	52,077	39,753
Cash and cash equivalents at the end of the year	42,613	52,077	46,421	35,436

Other financial information

	As at and for the year ended March 31,			
	2016	2017	2018	2018
EBITDA[1] (million)	S$25,093	S$30,947	S$40,320	US$30,779
EBITDA interest coverage[2]	9.2	11.0	12.8	12.8
Net debt[3] (million)	S$44,411	S$39,255	S$49,663	US$37,911
Net debt/EBITDA[4]	1.8	1.3	1.2	1.2
Net debt/capital[5] (%)	14.7	12.2	13.4	13.4

Notes:

(1) EBITDA is not determined in accordance with FRS as FRS does not prescribe the computation methodology of EBITDA. EBITDA of the Temasek Group is defined as profit before tax, finance expenses, depreciation, amortization and impairment loss on property, plant and equipment and intangible assets. EBITDA of the Temasek Group may not be comparable to that of other companies that may determine EBITDA differently. EBITDA of the Temasek Group is presented as an additional measure because management believes that some investors find it to be a useful tool for measuring the Temasek Group's ability to fund capital expenditures or to service debt obligations. It should not be considered in isolation or as an alternative to net profit as an indicator of operating performance or as an alternative to cash flows as a measure of liquidity.

Reconciliation of profit before tax to EBITDA:

	Year ended March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Profit before tax	14,731	20,319	29,536	22,547
Add: Depreciation/impairment loss on property, plant and equipment	6,750	6,893	6,769	5,167
Add: Amortization/impairment loss on intangible assets	887	929	861	657
Add: Finance expenses	2,725	2,806	3,154	2,408
EBITDA	25,093	30,947	40,320	30,779

(2) EBITDA interest coverage is calculated by dividing EBITDA by finance expenses.

(3) Net debt is not determined in accordance with FRS as FRS does not prescribe the computation methodology of net debt. Net debt of the Temasek Group is computed by subtracting cash and cash equivalents (excluding bank overdrafts) from total debt. Net debt of the Temasek Group may not be comparable to that of other companies that may determine net debt differently. Net debt of the Temasek Group is presented as an additional measure because management believes that some investors find it to be a useful tool for assessing the Temasek Group's net debt position. It should not be considered in isolation or as an alternative to total debt as a measure of the Temasek Group's total debt obligations.

Reconciliation of total debt to net debt:

	As at March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Total debt*	87,246	91,555	96,219	73,450
Less: Cash and cash equivalents (excluding bank overdrafts)	(42,835)	(52,300)	(46,556)	(35,539)
Net debt	44,411	39,255	49,663	37,911

* See Note 28 of Temasek's consolidated financial statements which are included elsewhere in this Offering Circular. This figure includes bank overdrafts.

(4) Net debt/EBITDA is calculated by dividing net debt by EBITDA.

(5) Net debt/capital is calculated by dividing net debt by the sum of net debt and total equity expressed as a percentage.

Investment considerations

This Offering Circular contains forward-looking statements that involve risks and uncertainties. The following section does not describe all of the investment considerations relating to an investment in the Notes. Prospective investors in the Notes should carefully read this Offering Circular in its entirety, including the following investment considerations.

Considerations related to the Issuer and Temasek

Temasek and its portfolio companies are subject to macroeconomic, strategic, financial, operational and political risks

Temasek and its portfolio companies are subject to macroeconomic, strategic, financial, operational and political risks. See "Business of Temasek — Risk management". In particular, its investment portfolio is subject to investment and market risks as well as concentration risks. Temasek's investment portfolio may be concentrated in certain sectors and geographic regions or in certain of its individual investments which may or may not be listed. Temasek's investment portfolio profile may change from period to period depending on various factors, including market conditions, investment opportunities and the investments and divestments undertaken by Temasek.

As at March 31, 2018, Temasek's top three sectors (based on contribution to Temasek's Net Portfolio Value) were financial services, telecommunications, media & technology and consumer & real estate, which comprised 26%, 21% and 16%, respectively. In terms of geographic exposure, as at March 31, 2018, approximately 27% of Temasek's Net Portfolio Value was in Singapore, 26% in China, 15% in rest of Asia, 13% in North America, 9% in Europe, 7% in Australia & New Zealand, 2% in Africa, Central Asia & the Middle East and 1% in Latin America. In particular, as at March 31, 2018, the top three countries were Singapore, China and the United States, which accounted for about 27%, 26% and 13% of Temasek's Net Portfolio Value, respectively. As at March 31, 2018, Temasek's top three investments were Singapore Telecommunications Limited ("Singtel"), DBS Group Holdings Ltd ("DBS") and China Construction Bank Corporation ("CCB"), which accounted for about 9%, 7% and 4% of Temasek's Net Portfolio Value, respectively. As at March 31, 2018, Temasek's top 10 companies accounted for about 41% of its Net Portfolio Value, and its liquid and listed assets comprised about 61% of its Net Portfolio Value, consisting of 36% of liquid assets and assets comprising investments that each represent a minority interest of less than 20% in a listed company, 10% of assets comprising investments that each represent a 20% or more but less than 50% interest in a listed company and 15% of assets comprising investments that each represent 50% or more interest in a listed company. Unlisted assets comprised about 39% of Temasek's Net Portfolio Value as at March 31, 2018, consisting of investments in companies and funds.

As described in "Management's discussion and analysis of financial condition and results of operations — Significant factors affecting the Temasek Group's financial condition and results of operations — Global market and economic conditions", the macroeconomic environment remains challenging. The Temasek Group's results of operations are materially affected by conditions in the global capital markets and the economy generally, in addition to regions where Temasek has direct exposure. Macroeconomic and market conditions in major economies, such as the U.S., Europe and China, will likely have significant bearing on global monetary conditions, investors' confidence and risk appetite, as well as underlying growth prospects and global asset prices.

2017 was a strong year for global growth and markets. Looking forward, while Temasek is constructive in its outlook on the global economy in the near term, the pace of global economic expansion is subject to several risks that could negatively impact Temasek's performance. These include trade tensions and geopolitical risks. Market valuations remain high and selected developed economies are closer to the late stage of the current economic expansion cycle. There is less fiscal and monetary policy space for policymakers in developed economies to respond to the next slowdown as compared to the last global shock. This could potentially result in more prolonged recessions, should the global economy experience negative growth shock. In addition to risks to growth in developed markets, volatility in China's growth or downside risks such as a credit crunch could have a considerable knock-on impact on regional economies and commodity prices. The current environment presents significant policy uncertainty, especially in global trade and geopolitical tensions. Trade friction has started to arise between the largest trading partners in the world. Growth and financial performance in emerging markets, Asia and trade-exposed economies such as Singapore are particularly vulnerable to disruptions to global trade flows, capital flows, business investments and global supply chains in the event of escalation in trade tensions.

Geopolitics also continues to be an area of concern, including ongoing threats of terrorism and instability in the Middle East. These developments have had and may continue to have a material adverse effect on global economic conditions across all markets and significantly reduce liquidity and stability of global financial markets.

Downside risks and volatility in the global financial markets have had, and could in the future have, a significant impact on the value of Temasek's portfolio, the value and profitability of Temasek's portfolio companies' businesses and, in turn, the Temasek Group's revenue and profitability. In addition, these conditions have had, and could in the future have, a significant impact on the ability of Temasek's portfolio companies to pay dividends or make other distributions or payments to Temasek, or may result in its investment selections not generating the expected returns.

If Temasek determines that the value of its investment securities is impaired, Temasek would record an impairment loss in its consolidated income statement, which could materially adversely impact Temasek's consolidated results of operations. Temasek's consolidated shareholder's equity would also be adversely impacted due to the decline in the value of its investment securities. Furthermore, because Temasek has investments in different geographic regions that are denominated in different foreign currencies, Temasek's returns on these investments, including any dividends received from these investments, are subject to foreign exchange rate risks. Fluctuations between these currencies and the Singapore dollar, Temasek's reporting currency, also expose Temasek to translation risk when accounting for these investments in its financial statements. While Temasek adopts a portfolio risk management approach and regularly monitors its portfolio in respect of such risks, these risks are inherent in Temasek's business and cannot be entirely eliminated. Any such risks, if they materialize, may adversely affect the Temasek Group's financial condition and results of operations. Furthermore, any political instability, terrorism or military conflict in countries in the regions in which Temasek invests or globally could materially and adversely affect the Temasek Group's results of operations, financial position and cash flows.

Credit ratings assigned to Temasek

Temasek has been assigned an overall corporate credit rating of "Aaa" by Moody's and "AAA" by S&P. A credit rating is a statement of opinion and is not a recommendation to buy, sell or hold the Notes. Each series of Notes issued under the Program may be rated or unrated. Credit ratings are subject to suspension, revision or withdrawal at any time by the assigning credit rating agency. Credit rating agencies may also revise or replace entirely the methodology applied to assign credit ratings. Temasek has been assigned an overall corporate credit rating, and may additionally be issued a stand-alone credit rating. No assurance can be given that if Temasek were issued such a stand-alone credit rating, it would be the same as or would not be lower than its overall corporate credit rating. Moreover, no assurances can be given that a credit rating will remain for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the relevant credit rating agency if in its judgment circumstances in the future so warrant or if a different methodology is applied to assign such credit ratings. Neither the Issuer nor Temasek has any obligation under the Notes to inform Noteholders of any such revision, downgrade or withdrawal. A suspension, revision or withdrawal at any time of the credit rating assigned to Temasek, the Program or the Notes may adversely affect the market price or liquidity of the Notes. Moreover, Temasek's credit ratings do not reflect the potential impact related to market or other considerations discussed above relating to the Notes. See "Credit Ratings".

Temasek, its Investment Holding Companies and its portfolio companies are exposed to various regulatory and litigation risks

Temasek and its Investment Holding Companies hold investments in many countries. This means Temasek and such entities from time to time are confronted with complex legal and regulatory requirements and judicial systems in many jurisdictions. Regulatory matters or litigation actions involving Temasek or its Investment Holding Companies or restrictions on Temasek or such entities in any jurisdiction may have a material adverse effect on the Temasek Group's financial condition and results of operations.

Temasek and its portfolio companies operate around the world and provide worldwide services with facilities in many countries. This means Temasek and such entities from time to time are confronted with complex legal and regulatory requirements and judicial systems in many jurisdictions. These include trade and non-trade barriers and requirements relating to withholding taxes on remittances and other payments, as well as the risk of regulatory or litigation action by regulators or private parties. Any

such regulatory or litigation actions against Temasek or its portfolio companies or restrictions on Temasek or such entities in any jurisdiction may have a material adverse effect on the Temasek Group's financial condition and results of operations.

Company structure of the Issuer and Temasek

The Issuer is indirectly, through an Investment Holding Company, a wholly-owned subsidiary of Temasek. It is an Investment Holding Company whose principal activity is financing. The Issuer will provide the proceeds from any issuance of Notes under the Program to Temasek and its Investment Holding Companies to fund their ordinary course of business, unless otherwise disclosed in the relevant Pricing Supplement.

As Temasek is an investment company incorporated for the purpose of holding and managing its investments both in Singapore and other countries, its operating cash flows and its ability to meet its obligations, including under the Guarantee and funding the Issuer's payments on the Notes, are substantially dependent upon the payment of funds by its portfolio companies to it in the form of dividends, distributions or otherwise, cash receipts from disposals or divestitures of its investments and its ability to borrow. Temasek's portfolio companies are legally distinct from Temasek and have no obligation to pay any amounts due with respect to Temasek's obligations or to make funds available for such payments. The ability of Temasek's portfolio companies to pay dividends or make other distributions or payments to Temasek is subject to, among others, availability of profits or funds, restrictions on the payment of dividends contained in each portfolio company's indebtedness and applicable laws and regulations. The Notes contain no covenants that prevent Temasek's portfolio companies from entering into agreements which may restrict their ability to pay dividends or make distributions to Temasek.

Liabilities relating to investments and divestments

In connection with an investment in, or divestment of, an interest in a company, Temasek may be exposed to certain claims or liabilities relating to the subject company (or its ownership interest therein), including without limitation tax or environmental claims or liabilities. There can be no assurance that any such claim or liability would not have a material adverse effect on Temasek's financial condition and results of operations.

Government ownership of Temasek

Temasek is wholly-owned by the Government through MOF. However, as the Government is not obligated to provide financial support to Temasek, Temasek's obligations under the Guarantee are not guaranteed by the Government and the Government has no obligation to Noteholders. There can be no assurance that the Government will provide financial support to Temasek in the event that Temasek is unable to meet its obligations under the Guarantee. In addition, the Government is not obligated to, and there can be no assurance that it will, maintain its current level of ownership in Temasek.

The Government, through MOF, is the 100% shareholder of Temasek. Under the Singapore Companies Act, Temasek's business is managed by or under the direction of its Directors. Notwithstanding that the Government, through MOF, has the capacity to cause a shareholder resolution for the appointment or removal of the Directors of Temasek to be passed, such appointment or removal is subject to safeguards under the Constitution. See "Annex C — Constitutional safeguards". While the Government, through MOF, has not taken any action to cause any shareholder resolution to be passed by MOF for the removal of any Director of Temasek, subject to applicable laws including the safeguards under the Constitution, there can be no assurance that the Government will not do so in the future in a way that is inconsistent with the interests of Noteholders.

Dependence on the Singapore economy

Any economic recession or other deterioration in Singapore's economy, changes in taxation or any decline in business, industrial, manufacturing or financial activity in Singapore could materially and adversely affect the Temasek Group's results of operations, financial position and cash flows. See "Management's discussion and analysis of financial condition and results of operations — Significant factors affecting the Temasek Group's financial condition and results of operations — The Singapore economy".

Enforceability of civil liabilities under securities laws of jurisdictions outside Singapore, including U.S. federal securities laws

Each of the Issuer and Temasek is incorporated under the laws of Singapore, and all or a significant portion of their assets are located in Singapore and certain other jurisdictions outside the United States and England and Wales. In addition, a majority of their Directors and executive officers, and certain of the parties named in this Offering Circular reside in Singapore, and all or a significant portion of the assets of such persons may be located in Singapore and certain other jurisdictions outside the United States and England and Wales. As a result, it may not be possible for investors to enforce against them or the Issuer or Temasek in courts outside Singapore and outside such other jurisdictions, including U.S. courts and English courts, judgments predicated upon the civil liability provisions of (i) the U.S. federal securities laws or (ii) the securities laws of England and Wales. In particular, investors should be aware that judgments of U.S. courts or English courts based upon the civil liability provisions of (i) the federal securities laws of the United States or (ii) the securities laws of England and Wales may not be enforceable in Singapore courts, and there is doubt as to whether Singapore courts will enter judgments in original actions brought in Singapore courts based solely upon the civil liability provisions of (i) the federal securities laws of the United States or (ii) the securities laws of England and Wales.

The Temasek Group's accounting and corporate disclosure standards may differ from those in other countries

Temasek's consolidated financial statements are prepared in accordance with FRS, which differ in certain respects from IFRS and U.S. GAAP. As a result, Temasek's consolidated financial statements and reported earnings could be different from those which would be reported under IFRS or U.S. GAAP. Such differences may be material. This Offering Circular does not contain a reconciliation of Temasek's consolidated financial statements to IFRS or U.S. GAAP, nor does it include any information in relation to the differences between FRS and IFRS or U.S. GAAP. Had the financial statements and other financial information been prepared in accordance with IFRS or U.S. GAAP, the results of operations and financial position may have been materially different. Because differences exist between FRS and IFRS or U.S. GAAP, the financial information in respect of the Temasek Group contained in this Offering Circular may not be an effective means to compare Temasek with other companies that prepare their financial information in accordance with IFRS or U.S. GAAP.

In making an investment decision, investors must rely upon their own examination of the Issuer, Temasek and the Temasek Group, the terms of the offering and the financial information relating to the Temasek Group. Potential investors should consult their own professional advisors for an understanding of these differences between FRS and IFRS or U.S. GAAP, and how such differences might affect the financial information contained herein.

Temasek is an exempt private company under the Singapore Companies Act, and therefore it is not required to file its financial statements with the relevant public registry in Singapore. The financial statements included in this Offering Circular are presented on a consolidated basis for the Temasek Group comprising the financial statements of Temasek and its subsidiaries and their interests in associates and joint ventures, and are included only for the purpose of the offering of the Notes under the Program. Financial statements for Temasek on a non-consolidated basis are not presented in this Offering Circular and are not publicly available.

Neither Temasek nor the Issuer will be registered under the Investment Company Act

Neither Temasek nor the Issuer will be registered as an investment company under the Investment Company Act and U.S. investors will not be entitled to the benefits of that Act. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, none of which will be applicable to either Temasek or the Issuer or investors in either Temasek or the Issuer.

Considerations related to the Notes

Effects of redemption

If any series of Notes is redeemable at the option of the Issuer or is otherwise subject to mandatory redemption, the Notes may be redeemed at a time when prevailing interest rates are relatively low. If this happens, a Noteholder, generally, will not be able to reinvest the redemption proceeds in a

comparable security at an effective interest rate as high as that of the redeemed Notes. For this reason, an optional or mandatory redemption feature can affect the market value of the Notes. Whether or not any series of Notes may be redeemed at the option of the Issuer will be specified in the relevant Pricing Supplement.

Transfer restrictions relating to the Notes

The Notes have not been and will not be registered under the Securities Act or the securities or "blue sky" laws of any state of the United States. Noteholders may not offer or sell the Notes in the United States or to, or for the account or benefit of, U.S. persons except as permitted by the terms of the Notes and pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws, or pursuant to an effective registration statement. In addition, the Notes have not been registered under the securities laws of any other country. It is the Noteholder's obligation to ensure that its offers and sales of the Notes in the United States and other countries comply with applicable securities laws and the terms of the Notes. See "Notice to purchasers and holders of Registered Notes and transfer restrictions" and any additional transfer restrictions set out in the relevant Pricing Supplement.

Furthermore, if the U.S. investors of any series of Notes are restricted to QIBs that are also QPs, and Notes are acquired by persons that are not qualified to hold the Notes, such Notes may be subject to provisions requiring forfeiture and/or compulsory transfer. Whether or not such restrictions or forfeiture and/or compulsory transfer provisions apply to any series of Notes will be specified in the relevant Pricing Supplement.

No existing trading market for the Notes

Each new series of Notes will constitute a new class of securities with no established market or prior trading history. While certain of the Notes issued under the Program may be listed on the SGX-ST, there can be no assurance that a market for such Notes will be available or, if it is available, that it will provide investors with an avenue for liquidity for their investment, nor is there any assurance as to how long such Notes will be listed on the relevant stock exchange or the prices at which they may trade. In particular, the Notes could trade at prices that may be higher or lower than the initial offering price due to many factors, including prevailing interest rates, the Temasek Group's operating results, the market for similar securities and general macroeconomic and market conditions in Singapore and elsewhere. There is no assurance that Noteholders will be able to sell their Notes at a price which is attractive to them, or be able to sell their Notes at all. Consequently, a prospective Noteholder must be prepared to hold the Notes until the maturity date.

Following an issuance of the Notes, a Dealer may make a market in such Notes. However, such Dealer is not obligated to do so, and any market-making activities by such Dealer with respect to such Notes may be discontinued at any time without notice.

Noteholders seeking to enforce the Guarantee will rank behind creditors of Temasek's Investment Holding Companies and portfolio companies (other than the Issuer)

The Noteholders are not creditors of Temasek's Investment Holding Companies and portfolio companies (other than the Issuer). Generally, claims of creditors, including trade creditors, and claims of preferred shareholders, if any, of such companies will have priority with respect to the assets and earnings of such companies over the claims of Temasek and its creditors, including Noteholders seeking to enforce the Guarantee (that is, the Notes and the Guarantee are structurally subordinated to all and any existing and future liabilities and obligations of such companies). None of the Indenture, the Singapore Law Trust Deed or the English Law Trust Deed, as the case may be, pursuant to which the Notes will be issued contains any restrictions on the ability of Temasek or its Investment Holding Companies and portfolio companies to incur indebtedness.

Risks relating to Singapore taxation

The Notes to be issued from time to time under the Program during the period from the date of this Offering Circular to December 31, 2023 are, pursuant to the Income Tax Act, Chapter 134 of Singapore ("ITA") and the MAS Circular FDD Cir 11/2018 entitled "Extension of Tax Concessions for Promoting the Debt Market" issued by MAS on May 31, 2018, intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfillment of certain conditions more particularly described in the section "Certain tax considerations — Singapore taxation". However, there can be no

assurance that such Notes will continue to enjoy the tax concessions afforded by such designation should the relevant tax laws or MAS circulars be amended or revoked at any time.

Payments on the Notes to certain non-U.S. entities that fail to meet specified requirements may be subject to withholding tax under FATCA

Pursuant to Sections 1471 to 1474 (or any successor provisions or amendments thereof) of the United States Internal Revenue Code of 1986, as amended, or pursuant to any agreements and any official pronouncements with respect thereto or any inter-governmental agreement or legislation or other guidance adopted in connection therewith ("FATCA"), the Issuer, and other non-U.S. financial institutions through which payments on the Notes are made, may be required to withhold tax on all, or a portion of, payments made after December 31, 2018 (or if later, the date of publication of the final U.S. Treasury regulations defining the term "foreign passthru payment") on any Notes issued or materially modified on or after the date that is six months after final U.S. Treasury Regulations defining the term "foreign passthru payment" are filed with the United States Federal Register. The rules governing FATCA have not yet been fully developed in this regard, and the future application of FATCA to the Issuer and the Notes is uncertain. However, such withholding by the Issuer and other non-U.S. financial institutions through which payments on the Notes are made may be required, among others, where (i) the Issuer or such other non-U.S. financial institution is a foreign financial institution (an "FFI") (as defined in FATCA) that agrees to provide certain information on its account holders to the United States Internal Revenue Service (the "IRS") (making the Issuer or such other non-U.S. financial institution a "participating FFI") and (ii)(a) the payee itself is an FFI but is not a participating FFI or does not provide information sufficient for the relevant participating FFI to determine whether the payee is subject to withholding under FATCA or (b) the payee is not a participating FFI and is not otherwise exempt from FATCA withholding. Singapore has an intergovernmental agreement ("IGA") with the United States to implement FATCA. Guidance regarding compliance with FATCA and the IGA may alter the rules described herein, including the treatment of "foreign passthru payments". Notwithstanding anything herein to the contrary, if an amount of, or in respect of, withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, neither the Issuer nor Temasek nor any other person would, pursuant to terms of the Notes, be required to pay any additional amounts as a result of the deduction or withholding of such tax. Investors should consult their tax advisors to determine whether these rules may apply to payments they will receive under the Notes.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks" (including LIBOR and EURIBOR) are the subject of recent guidance and proposals for reform from the European Union (the "EU") national and international regulatory bodies. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a "benchmark". Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "Benchmark Regulation") was published in the Official Journal of the EU on June 29, 2016 and applies from January 1, 2018. The Benchmark Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things: (i) requires benchmark administrators to be authorized or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognized or endorsed); and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorized or registered (or, if non-EU based, not deemed equivalent or recognized or endorsed).

The Benchmark Regulation could have a material impact on any Notes linked to or referencing benchmarks, including LIBOR or EURIBOR, in particular, if the methodology or other terms of the relevant benchmark are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may

have the following effects on certain "benchmarks" (including LIBOR or EURIBOR): (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmark"; or (iii) lead to the disappearance of the "benchmark".

Any of the above changes or any other consequential changes as a result of national or international reforms or other initiatives or investigations could have a material adverse effect on the value of and return on any Notes linked to or referencing the relevant benchmark. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to any Notes linked to or referencing the relevant benchmark.

Future discontinuance of LIBOR may adversely affect the value of floating rate notes which reference LIBOR

On July 27, 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forward. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR were discontinued or otherwise unavailable, the rate of interest on floating rate Notes which reference LIBOR will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the LIBOR rate is to be determined under the terms of the applicable Notes, this may: (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR rate which, depending on market circumstances, may not be available at the relevant time; or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any floating rate Notes which reference LIBOR.

Considerations related to Notes denominated in Renminbi

Notes denominated in Renminbi may be issued under the Program. Notes denominated in Renminbi are subject to additional risks, including those discussed below.

Renminbi is not freely convertible; significant restrictions on remittance of Renminbi into and outside the PRC

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. The pilot scheme was extended in June 2010 to cover 20 provinces and cities in the PRC and to make Renminbi trade and other current account item settlement available in all countries worldwide. It was further extended in August 2011 to cover all provinces and cities in the PRC. PRC regulation on the remittance of Renminbi into the PRC for settlement of capital account items is developing gradually. Commencing from June 1, 2015, remittances of Renminbi by foreign investors into the PRC for the purpose of capital contribution are only subject to prior registration with an authorized foreign exchange bank in the PRC. China's foreign exchange regime on cross-border financing was further liberalized on April 29, 2016 when the People's Bank of China (the "PBOC") promulgated the "*Notice on Nationwide Implementation of the Prudential Macro-management Policy for Overall Cross-border Financing*" (the "PBOC Notice"). Under the PBOC Notice, which took effect on May 3, 2016, a China-incorporated company or financial institution (other than a governmental financing vehicle or real estate enterprise) is allowed to borrow up to an aggregate amount of foreign debts (whether in Renminbi or foreign currency) which is pre-determined on the basis of its capital or net assets (the "Risk-Weighted Borrowing Limit"). Once a non-financial institution borrower has signed a cross-border financing agreement, it is required to make a filing of the details of the relevant financing through the online

Capital Items Information System of the State Administration of Foreign Exchange (the "SAFE") no later than three working days before drawdown. On January 11, 2017, the PBOC promulgated the "*Circular on Matters Concerning the Prudential Macro-Management for Overall Cross-Border Financing*" (the "PBOC Circular") to further refine China's foreign exchange regime. The PBOC Circular extends the foreign exchange regime to PRC branches of foreign banks, refines the formula for determining the Risk-Weighted Borrowing Limit and further eases foreign exchange restrictions in connection with borrowing foreign debts by, among other things, increasing the cross-border financing leverage ratio. The PBOC Circular also established a one-year transitional period for companies and financial institutions that are wholly or partially foreign-owned to comply with either the pre-existing or new foreign exchange regime.

In February 2015, the SAFE promulgated the *Notice on Further Simplifying and Improving Foreign Exchange Administration Policies for Direct Investment* (the "SAFE Circular"), which became effective on June 1, 2015. Under the SAFE Circular, in the event that foreign investors intend to use cross-border Renminbi to make capital contribution to an onshore enterprise or make payment for the transfer of equity of an onshore enterprise by a PRC resident, approval by SAFE for registration or change of registration of the onshore enterprise will no longer be required. Instead, the recipient of the cross-border Renminbi capital contribution can register the remittance of cross-border Renminbi with an authorized foreign exchange bank in the PRC through SAFE's online Capital Items Information System as a foreign direct investment cash capital contribution. The bank will perform its verification, statistics collection and reporting obligations in accordance with the *Operational Guidelines for Direct Investment Foreign Exchange Business* issued by SAFE in conjunction with the SAFE Circular. In the case of a transfer of equity in an onshore enterprise, the onshore enterprise only needs to register a change in its basic information with the relevant foreign exchange bank. The borrowing of cross-border Renminbi, and the issuance of a guarantee involving cross-border Renminbi, by an onshore entity (including a financial institution) shall continue to be regulated under the respective current PRC regulatory regime for foreign debt and cross-border guarantee.

In October 2011, the Ministry of Commerce ("MOFCOM") promulgated the *Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment* (the "MOFCOM RMB FDI Circular"). Pursuant to the MOFCOM RMB FDI Circular, the prior approval of MOFCOM or its local counterpart (depending on the size and the relevant industry of the investment) is required for the use by a foreign investor of Renminbi legally obtained by it offshore to make direct investments in China ("RMB FDI"). The MOFCOM RMB FDI Circular also prohibits the proceeds of RMB FDI from being used, directly or indirectly, for investment in securities, financial derivatives or entrustment loans in the PRC, except that a foreign investor may, with the prior approval of MOFCOM, use Renminbi legally obtained offshore to make investments in PRC domestic listed companies through private placements or share transfers by agreement. In December 2013, MOFCOM issued the *Notice on Issues Concerning Cross-border Renminbi Direct Investment* (the "2013 RMB FDI Notice"), effective January 1, 2014, which superseded the MOFCOM RMB FDI Circular. Under the 2013 RMB FDI Notice, the level of government approval required for RMB FDI is relaxed and the associated application documentation is simplified. However, the prohibition against the use of the proceeds of RMB FDI for non-FDI related purposes under the MOFCOM RMB FDI Circular was repeated in the 2013 RMB FDI Notice and will continue to apply.

In October 2011, the *Measures on Administration of Renminbi Settlement in relation to Foreign Direct Investment* (the "PBOC RMB FDI Measures") issued by the PBOC set out operating procedures for PRC banks to handle Renminbi settlement relating to RMB FDI and borrowing by foreign invested enterprises of offshore Renminbi loans. Prior to the PBOC RMB FDI Measures, cross-border Renminbi settlement for RMB FDI required approvals from the PBOC on a case-by-case basis. The new rules replace the PBOC approval requirement with a less onerous post-event registration and filing requirement. Under the new rules, foreign invested enterprises (whether established or acquired by foreign investors) need to (i) register their corporate information with a local branch of the PBOC after the completion of a RMB FDI transaction, and (ii) make post-event filing with such local branch of the PBOC of any changes in registration information or in the event of an increase or decrease of registered capital, equity transfer or replacement, merger, division or other material changes.

In January 2018, PBOC issued the *Circular on Further Improving the Policies on Cross-Border RMB Business for the Purpose of Facilitating Trade and Investment* (the "2018 Circular"). The 2018 Circular expanded support for cross-border RMB settlement in an effort to further facilitate foreign investment and cross-border trade. Under the 2018 Circular, certain restrictions applicable to foreign investors' opening of accounts, transfers of funds between accounts and use of funds in China have been

removed and enterprises are allowed to use RMB to settle all cross-border transactions qualified for foreign exchange settlement.

There is no assurance that the PRC government will continue to gradually liberalize the control over cross-border Renminbi remittances in the future, that the pilot scheme introduced in July 2009 (as extended) will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or prohibiting the remittance of Renminbi into or outside the PRC. Temasek needs to source Renminbi offshore to finance Temasek's obligations under Notes denominated in Renminbi, and Temasek's ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Limited availability of Renminbi outside the PRC

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited.

As at the date of this Offering Circular, the PBOC has established a Renminbi clearing and settlement mechanism for participating banks in more than 20 countries and regions including Australia, Canada, France, Germany, Hong Kong, the Republic of Korea, Luxembourg, Malaysia, Russia, Singapore, Taiwan, Thailand, the United Arab Emirates, the United Kingdom and the United States. In each of these countries or regions, the local branch or subsidiary of a Chinese state-owned bank (a "Renminbi Clearing Bank") has been designated by the PBOC to provide Renminbi clearing and settlement services in that country or region and has entered into a settlement agreement ("Settlement Agreement") with the PBOC.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. As at March 31, 2018, the total amount of Renminbi deposits held by institutions authorized to engage in Renminbi banking business in Hong Kong amounted to approximately RMB554.3 billion according to data published by the Hong Kong Monetary Authority. Cross-border Renminbi settlement by participating banks is currently confined to current account transactions and direct investment transactions. Furthermore, the participating banks do not have direct Renminbi liquidity support from the PBOC. Each Renminbi Clearing Bank may request for indirect liquidity support by the PBOC through trading in the inter-bank market in the PRC, or accept liquidity support from the local monetary regulating authority (for example, the MAS in the case of Singapore) obtained via currency swaps between such local monetary regulating authority and the PBOC, for the purpose of meeting the Renminbi needs of the participating banks in the same jurisdiction as the Renminbi Clearing Bank for Renminbi-denominated transactions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated in the future or Settlement Agreements will not be terminated or amended in the future which will have the effect of restricting the availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may adversely affect the liquidity of the Notes. To the extent the Issuer or Temasek, as the case may be, is required to source Renminbi in the offshore market to service the Notes, there is no assurance that it will be able to source such Renminbi on satisfactory terms, if at all.

Investment in Notes denominated in Renminbi is subject to exchange rate risks

The value of Renminbi against the U.S. dollar and other currencies is affected by changes in the PRC and international political and economic conditions and by many other factors and may fluctuate. Subject to the option of the Issuer or Temasek, as the case may be, to pay amounts in U.S. dollars by reason of Inconvertibility, Non-transferability or Illiquidity as further described in Condition 6(i) in the "Terms and conditions of the Notes governed by English law", all payments of interest and principal will be made with respect to the Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of investments in U.S. dollars or other applicable currencies will decline.

Payments in respect of Notes denominated in Renminbi will only be made to investors in the manner specified in the Notes

Investors may be required to provide certifications and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

All payments to investors in respect of Notes denominated in Renminbi will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations.

Temasek cannot be required to make payment by any other means (including, subject to Condition 6(i) in the "Terms and conditions of the Notes governed by English Law", in any other currency (unless specified in the relevant Pricing Supplement) or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Exchange rates

The Singapore dollar is Temasek's functional currency. The following table sets forth, for the periods indicated, certain information with respect to the average, high, low and period end Noon Buying Rate for Singapore dollars (expressed in Singapore dollars per U.S. dollar). The Noon Buying Rate as at July 6, 2018 was S$1.36 per US$1.00. No representation is made that the Singapore dollar amounts actually represent such U.S. dollar amounts or could have been or could be converted into U.S. dollars at the rate indicated, at any particular rate or at all.

	Singapore Dollar/U.S. Dollar Noon Buying Rates			
Year Ended March 31,	**Average[1]**	**Period End**	**High**	**Low**
2014	1.26	1.26	1.28	1.23
2015	1.29	1.37	1.39	1.24
2016	1.39	1.35	1.44	1.32
2017	1.38	1.40	1.45	1.34
2018	1.39	1.37	1.41	1.37
2019 (through July 6, 2018)[2]	1.34	1.36	1.37	1.31

Month:	**High**	**Low**
January 2018	1.34	1.30
February 2018	1.33	1.31
March 2018	1.32	1.31
April 2018	1.33	1.31
May 2018	1.35	1.33
June 2018	1.37	1.33

Notes:

(1) The average rate is the average of the daily Noon Buying Rates on the last business day of each month during the applicable period.

(2) The average rate for the year ending March 31, 2019 (through July 6, 2018) was based on the average of the daily Noon Buying Rates during the period from April 1, 2018 to July 6, 2018.

Fluctuations in the exchange rate between the Singapore dollar and the U.S. dollar will affect the price of Singapore dollar denominated Notes on the SGX-ST.

There are currently no exchange control restrictions in Singapore.

Use of proceeds

The net proceeds arising from the issuances of Notes under the Program (after deduction of underwriting fees, discounts and commissions and other expenses incurred by the Issuer associated with the Program) will be provided by the Issuer to Temasek and its Investment Holding Companies to fund their ordinary course of business, unless otherwise disclosed in the relevant Pricing Supplement.

Capitalization

The following table sets forth the Temasek Group's capitalization as at March 31, 2018. The information presented in Singapore dollars has been extracted from the consolidated financial statements of Temasek as at March 31, 2018.

	As at March 31, 2018	
	(S$ million)	(US$ million)[1]
Long term debt		
Total long term debt	80,418	61,388
Total equity		
Equity attributable to equity holder of Temasek	272,688	208,159
Non-controlling interests	47,514	36,270
Total equity	320,202	244,429
Capitalization	400,620	305,817

Note:

(1) Translated using the Noon Buying Rate of S$1.31 per US$1.00 on March 31, 2018, giving effect to rounding where applicable.

Selected financial and other data

The following tables set forth selected financial data for the Temasek Group as at and for the years ended March 31, 2016, 2017 and 2018. The selected financial data as at and for the years ended March 31, 2016, 2017 and 2018 should be read in conjunction with the consolidated financial statements of Temasek and the related notes thereto, which are included elsewhere in this Offering Circular.

The consolidated financial statements of Temasek have been prepared in accordance with FRS. Had the financial statements and other financial information been prepared in accordance with IFRS or U.S. GAAP, the results of operations and financial position may have been materially different. See "Investment considerations — Considerations related to the Issuer and Temasek — The Temasek Group's accounting and corporate disclosure standards may differ from those in other countries".

Solely for the convenience of the reader, the Singapore dollar amounts as at and for the year ended March 31, 2018 have been translated to U.S. dollars using the Noon Buying Rate of S$1.31 per US$1.00 on March 31, 2018, giving effect to rounding where applicable. For additional information regarding convenience translations in this Offering Circular, see "Certain definitions and conventions" on page vii.

Selected income statement data

	Year ended March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Revenue	101,501	97,057	107,131	81,779
Cost of sales	(73,251)	(68,621)	(74,962)	(57,223)
Gross profit	28,250	28,436	32,169	24,556
Other income	10,963	10,010	13,265	10,126
Selling and distribution expenses	(4,411)	(3,721)	(3,745)	(2,859)
Administrative expenses	(8,025)	(8,416)	(8,632)	(6,589)
Finance expenses	(2,725)	(2,806)	(3,154)	(2,408)
Other expenses	(15,994)	(8,898)	(9,467)	(7,226)
Share of profit of associates, net of tax	4,433	3,258	6,779	5,175
Share of profit of joint ventures, net of tax	2,240	2,456	2,321	1,772
Profit before tax	14,731	20,319	29,536	22,547
Tax expense	(2,094)	(2,589)	(2,691)	(2,054)
Profit for the year	12,637	17,730	26,845	20,493
Attributable to:				
Equity holder of Temasek	8,425	14,193	21,338	16,289
Non-controlling interests	4,212	3,537	5,507	4,204
Profit for the year	12,637	17,730	26,845	20,493

Selected statement of comprehensive income data

	Year ended March 31,			
	2016	2017	2018	2018
	(S$ million)			(US$ million)
Profit for the year	12,637	17,730	26,845	20,493
Other comprehensive income				
Net change in fair value of available-for-sale financial assets, net of tax	(15,107)	11,927	20,164	15,392
Others, net[(1)]	4,133	(1,373)	(7,983)	(6,094)
Total comprehensive income for the year	1,663	28,284	39,026	29,791
Attributable to:				
Equity holder of Temasek	(2,174)	24,224	34,091	26,024
Non-controlling interests	3,837	4,060	4,935	3,767
Total comprehensive income for the year	1,663	28,284	39,026	29,791

Note:

(1) Comprises translation differences; share of associates' and joint ventures' reserves; net change in fair value of available-for-sale financial assets reclassified to income statement, net of tax; cash flow hedges, net of tax; disposal of investments in subsidiaries, with loss of control; disposal or dilution of investments in associates and joint ventures; and others, net.

Selected balance sheet data

	As at March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Non-current assets				
Property, plant and equipment	69,856	70,769	75,173	57,384
Intangible assets	20,569	22,636	27,935	21,324
Biological assets	1,387	451	472	360
Associates	60,601	62,084	61,913	47,262
Joint ventures	19,498	21,410	22,854	17,446
Financial assets	87,446	97,337	130,968	99,976
Derivative financial instruments	983	955	1,013	773
Investment properties	36,322	40,027	46,287	35,334
Deferred tax assets	1,382	1,397	1,030	786
Other non-current assets	13,075	12,842	11,654	8,897
	311,119	329,908	379,299	289,542
Current assets	104,708	117,692	112,202	85,650
Total assets	415,827	447,600	491,501	375,192
Equity attributable to equity holder of Temasek				
Share capital	54,369	56,671	59,907	45,731
Other reserves	14,246	13,669	14,093	10,758
Fair value reserve	19,928	28,205	44,673	34,102
Hedging reserve	(731)	(244)	162	124
Currency translation reserve	(4,374)	(3,181)	(7,282)	(5,560)
Accumulated profits	134,714	143,756	161,135	123,004
	218,152	238,876	272,688	208,159
Non-controlling interests	40,561	43,125	47,514	36,270
Total equity	258,713	282,001	320,202	244,429
Non-current liabilities				
Borrowings	68,929	73,385	80,418	61,388
Derivative financial instruments	1,173	1,118	1,206	921
Provisions	1,069	1,053	988	754
Deferred income and liabilities	2,846	2,852	2,070	1,580
Deferred tax liabilities	5,538	6,174	6,760	5,160
Other non-current liabilities	4,393	4,575	5,315	4,057
	83,948	89,157	96,757	73,860
Current liabilities	73,166	76,442	74,542	56,903
Total liabilities	157,114	165,599	171,299	130,763
Total equity and liabilities	415,827	447,600	491,501	375,192

Selected cash flow statement data

	Year ended March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Profit before tax	14,731	20,319	29,536	22,547
Cash flows from operating activities	11,163	14,016	14,786	11,287
Cash flows used in investing activities	(14,670)	(7,235)	(22,957)	(17,524)
Cash flows from financing activities	2,373	2,683	2,515	1,920
Net (decrease)/increase in cash and cash equivalents	(1,134)	9,464	(5,656)	(4,317)
Cash and cash equivalents at the beginning of the year	43,747	42,613	52,077	39,753
Cash and cash equivalents at the end of the year	42,613	52,077	46,421	35,436

Other financial data

	As at and for the year ended March 31,			
	2016	2017	2018	2018
EBITDA[1] (million)	S$25,093	S$30,947	S$40,320	US$30,779
EBITDA interest coverage[2]	9.2	11.0	12.8	12.8
Net debt[3] (million)	S$44,411	S$39,255	S$49,663	US$37,911
Net debt/EBITDA[4]	1.8	1.3	1.2	1.2
Net debt/capital[5] (%)	14.7	12.2	13.4	13.4

Notes:

(1) EBITDA is not determined in accordance with FRS as FRS does not prescribe the computation methodology of EBITDA. EBITDA of the Temasek Group is defined as profit before tax, finance expenses, depreciation, amortization and impairment loss on property, plant and equipment and intangible assets. EBITDA of the Temasek Group may not be comparable to that of other companies that may determine EBITDA differently. EBITDA of the Temasek Group is presented as an additional measure because management believes that some investors find it to be a useful tool for measuring the Temasek Group's ability to fund capital expenditures or to service debt obligations. It should not be considered in isolation or as an alternative to net profit as an indicator of operating performance or as an alternative to cash flows as a measure of liquidity.

Reconciliation of profit before tax to EBITDA:

	Year ended March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Profit before tax	14,731	20,319	29,536	22,547
Add: Depreciation/impairment loss on property, plant and equipment	6,750	6,893	6,769	5,167
Add: Amortization/impairment loss on intangible assets	887	929	861	657
Add: Finance expenses	2,725	2,806	3,154	2,408
EBITDA	25,093	30,947	40,320	30,779

(2) EBITDA interest coverage is calculated by dividing EBITDA by finance expenses.

(3) Net debt is not determined in accordance with FRS as FRS does not prescribe the computation methodology of net debt. Net debt of the Temasek Group is computed by subtracting cash and cash equivalents (excluding bank overdrafts) from total debt. Net debt of the Temasek Group may not be comparable to that of other companies that may determine net debt differently. Net debt of the Temasek Group is presented as an additional measure because management believes that some investors find it to be a useful tool for assessing the Temasek Group's net debt position. It should not be considered in isolation or as an alternative to total debt as a measure of the Temasek Group's total debt obligations.

Reconciliation of total debt to net debt:

	As at March 31,			
	2016	2017	2018	2018
		(S$ million)		(US$ million)
Total debt*	87,246	91,555	96,219	73,450
Less: Cash and cash equivalents (excluding bank overdrafts)	(42,835)	(52,300)	(46,556)	(35,539)
Net debt	44,411	39,255	49,663	37,911

* See Note 28 of Temasek's consolidated financial statements which are included elsewhere in this Offering Circular. This figure includes bank overdrafts.

(4) Net debt/EBITDA is calculated by dividing net debt by EBITDA.

(5) Net debt/capital is calculated by dividing net debt by the sum of net debt and total equity expressed as a percentage.

Management's discussion and analysis of financial condition and results of operations

The following discussion and analysis should be read in conjunction with the consolidated financial statements of Temasek and the related notes thereto for the years ended March 31, 2016, 2017 and 2018 which are included elsewhere in this Offering Circular.

The consolidated financial statements of Temasek have been prepared in accordance with FRS, which differ in certain respects from IFRS and U.S. GAAP. Such differences may be material. See "Investment considerations — Considerations related to the Issuer and Temasek — The Temasek Group's accounting and corporate disclosure standards may differ from those in other countries". Temasek is an exempt private company under the Singapore Companies Act and therefore it is not required to file its financial statements with the relevant public registry in Singapore. Temasek's consolidated financial statements are presented only for the purpose of the issue of the Notes.

As the Temasek Group's results of operations may be materially affected by conditions in the global capital markets and the economy generally, Temasek has taken note of prevailing macro-economic and market conditions in major economies as described in "— Significant factors affecting the Temasek Group's financial condition and results of operations — Global market and economic conditions" and "Investment considerations — Considerations related to the Issuer and Temasek — Temasek and its portfolio companies are subject to macroeconomic, strategic, financial, operational and political risks". For the avoidance of doubt, Temasek is an investment company and its portfolio companies are guided and managed by their respective boards and management. Temasek does not direct their business decisions or operations. Accordingly, Temasek does not have the necessary information that would put it in a position to provide disclosure on any current, future or past trends, uncertainties, demands, commitments or events which may have a material effect on the net sales or revenues, profitability, liquidity or capital resources of any such portfolio company or the extent to which such portfolio company's performance may affect the Temasek Group as a whole in this Offering Circular. Consequently, the financial information disclosed in this Offering Circular is not necessarily indicative of the future operating results or financial condition of any such portfolio company or the extent to which such portfolio company's performance may affect the Temasek Group as a whole.

Overview

The Temasek Group had total assets of S$492 billion (US$375 billion) as at March 31, 2018. The Temasek Group generated revenue of S$107 billion (US$82 billion) and profit attributable to equity holder of Temasek of S$21 billion (US$16 billion) for the year ended March 31, 2018.

Significant factors affecting the Temasek Group's financial condition and results of operations

Global market and economic conditions

The Temasek Group's results of operations are materially affected by conditions in the global capital markets and the economy generally, in addition to regions where Temasek has direct exposure. Macroeconomic and market conditions in major economies, such as the U.S., Europe and China, will likely have significant bearing on global monetary conditions, investors' confidence and risk appetite, as well as underlying growth prospects and global asset prices.

2017 was a strong year for global growth and markets. Looking forward, while Temasek is constructive in its outlook on the global economy in the near term, the pace of global economic expansion is subject to several risks that could negatively impact Temasek's performance. These include trade tensions and geopolitical risks. Market valuations remain high and selected developed economies are closer to the late stage of the current economic expansion cycle. There is less fiscal and monetary policy space for policymakers in developed economies to respond to the next slowdown as compared to the last global shock. This could potentially result in more prolonged recessions, should the global economy experience negative growth shock. In addition to risks to growth in developed markets, volatility in China's growth or downside risks such as a credit crunch could have a considerable knock-on impact on regional economies and commodity prices. The current environment presents significant policy uncertainty, especially in global trade and geopolitical tensions. Trade friction has started to arise between the largest trading partners in the world. Growth and financial performance in emerging markets, Asia and trade-exposed economies such as Singapore are particularly vulnerable to

disruptions to global trade flows, capital flows, business investments and global supply chains in the event of escalation in trade tensions. Geopolitics also continues to be an area of concern, including ongoing threats of terrorism and instability in the Middle East. These developments have had and may continue to have a material adverse effect on global economic conditions across all markets and significantly reduce liquidity and stability of global financial markets.

Downside risks and volatility in the global financial markets have had, and could in the future have, a significant impact on the value of Temasek's portfolio, the value and profitability of Temasek's portfolio companies' businesses and, in turn, the Temasek Group's revenue and profitability. In addition, these conditions have had, and could in the future have, a significant impact on the ability of Temasek's portfolio companies to pay dividends or make other distributions or payments to Temasek, or may result in its investment selections not generating the expected returns.

There can be no assurance of how long these current economic conditions will continue, whether they will deteriorate further, and which of Temasek's portfolio companies' businesses may be adversely affected. Temasek's investment portfolio has some concentrated exposure to a few industry sectors and geographic regions. See "Business of Temasek — Risk management — Strategic and Performance Risk".

Temasek's investments are typically denominated in the local currency of the countries in which the investments are made. Accordingly, Temasek's returns on these investments, including any dividends received from these investments, are subject to foreign exchange rate risks. Furthermore, fluctuations between these currencies and the Singapore dollar, Temasek's reporting currency, expose Temasek to translation risk when accounting for these investments in its financial statements.

Temasek annually reviews its investment portfolio to determine if any impairment in the value of its investment securities is required. If Temasek determines that the value of the investment securities is impaired, Temasek would record an impairment loss in its consolidated income statement, which could materially adversely impact Temasek's consolidated results of operations. Temasek's consolidated shareholder's equity would also be adversely impacted due to the decline in the value of its investment securities.

Factors such as consumer spending, business investment, government spending, the volatility and strength of the capital markets and inflation all affect the business and economic environment and, ultimately, the value and profitability of Temasek's portfolio companies' businesses. Negative trends in these factors could lead to declines in the Temasek Group's revenue and profit. In the event of extreme prolonged market events, such as the global financial crisis, the Temasek Group could incur significant losses.

The Singapore economy

Singapore has an export-oriented economy and is a regional business and financial center with gross domestic product ("GDP") of S$447.3 billion at current market prices for the 12 months ended December 31, 2017, which is equivalent to GDP per capita of S$84,336 at current market prices. The following table shows the annual rates of growth in Singapore's GDP from 2008 to 2017 based on 2010 market prices.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Singapore GDP growth (%)	1.8	(0.6)	15.2	6.4	4.1	5.1	3.9	2.2	2.4	3.6

Source: Singapore Department of Statistics

Singapore's economic growth in 2017 expanded strongly by 3.6%. All sectors of the economy expanded with the exception of construction, with manufacturing and financial services contributing most to overall GDP.

According to the Ministry of Trade and Industry ("MTI") Singapore's release of its Economic Survey of Singapore for the First Quarter 2018, the manufacturing sector expanded across all clusters, with electronics and precision engineering contributing most. The construction sector contracted in the first quarter 2018 compared to the first quarter 2017, but rebounded in the first quarter 2018 compared to the fourth quarter 2017. Services improved in the first quarter 2018 compared to the first quarter 2017 across all sectors, but contracted compared to the fourth quarter 2017. Driven primarily by the continued improvement in the global economy that is expected to support Singapore's trade-related sectors, the economy is expected to expand by 1.5% to 3.5% in 2018.

Investments and divestments by Temasek

Temasek and/or its subsidiaries may invest and/or divest their interests in a range of companies from time to time. Temasek may invest directly or co-invest with partners. These investments may take the form of majority or minority stakes or joint ventures. Investments and divestments by Temasek and/or its subsidiaries may affect the comparability of the Temasek Group's historical results of operations between periods, and future investments or divestments by Temasek and/or its subsidiaries may affect the Temasek Group's financial condition and results of operations and the comparability of historical results of operations with future periods.

Basis of preparation of Temasek's consolidated financial statements

Basis of preparation

Temasek's consolidated financial statements for the years ended March 31, 2016, 2017 and 2018 have been prepared in accordance with FRS.

Temasek's consolidated financial statements include the financial data of Temasek and its subsidiaries as at and for the years ended March 31, 2016, 2017 and 2018, except for companies that have different financial year ends, which have been consolidated on the basis of their audited financial statements for the years ended December 31, 2015, 2016 and 2017, respectively. The approximate effect of consolidating such companies on the basis of their unaudited financial statements as at and for the financial years ended March 31 in each of 2016, 2017 and 2018 has been included in Note 2.4 of the consolidated financial statements of Temasek, which are included elsewhere in this Offering Circular.

For a further discussion of the individual accounting policies of Temasek and its subsidiaries, see Note 3 "Significant accounting policies" of the consolidated financial statements of Temasek, which are included elsewhere in this Offering Circular.

In the consolidated financial statements of Temasek for the years ended March 31, 2016, 2017 and 2018, the Temasek Group adopted the new and amended FRS and Interpretations of FRS ("INT FRS") that were mandatory for application by the Temasek Group from April 1, 2017. Consequently, the consolidated financial statements for the years ended March 31, 2016, 2017 and 2018 have been prepared in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

Critical estimates and judgements

Preparation of financial statements requires the Temasek Group to make estimates and judgements. These estimates and judgements are more fully described in Note 4 "Critical accounting estimates, assumptions and judgements" of the consolidated financial statements of Temasek, which are included elsewhere in this Offering Circular.

Overview of results of operations

Both for internal management review and for the purposes of this discussion, the Temasek Group aggregates certain income statement line items under net expenses and share of profit of associates and joint ventures, net of tax, as described below. Management believes this classification enables a more meaningful analysis of the Temasek Group's expenses, equity-accounted interests and overall results of operations.

The following table sets forth selected income statement data for the Temasek Group for the years indicated:

	Year ended March 31,		
	2016	2017	2018
	(S$ million)		
Revenue	101,501	97,057	107,131
Net expenses	(93,443)	(82,452)	(86,695)
Share of profit of associates and joint ventures, net of tax	6,673	5,714	9,100
Profit before tax	14,731	20,319	29,536
Tax expense	(2,094)	(2,589)	(2,691)
Profit for the year	12,637	17,730	26,845
Attributable to:			
Equity holder of Temasek	8,425	14,193	21,338
Non-controlling interests	4,212	3,537	5,507
Profit for the year	12,637	17,730	26,845

Certain information in the following sections with respect to Temasek's key portfolio companies is based on such companies' audited financial statements. At the Temasek Group level, in connection with the preparation of Temasek's consolidated financial statements, Temasek may make certain consolidation adjustments, including but not limited to elimination of inter-company transactions and to reflect consistent application of accounting policies. As a result, some of the figures presented below may differ from the amounts accounted for in the consolidated financial statements of Temasek.

Revenue

Revenue consists of revenue of Temasek and its subsidiaries. The following table sets forth the key subsidiary contributors to the Temasek Group's revenue as set forth in their respective financial statements for one or more of the years indicated:

	Year ended March 31,		
	2016	2017	2018
	(S$ million)		
Olam International Limited	19,053	20,587	26,273
Singapore Telecommunications Limited	16,961	16,711	17,532
Singapore Airlines Limited	15,239	14,869[(1)]	15,802[(1)]
Sembcorp Industries Ltd	9,545	7,907	8,346
Singapore Technologies Engineering Ltd	6,335	6,684	6,619
Singapore Power Limited	3,964	3,722	4,068
PSA International Pte Ltd	3,573	3,680[(2)]	3,968[(2)]
Singapore Technologies Telemedia Pte Ltd	3,310	3,347	3,800

Notes:

(1) On October 1, 2016, Singapore Airlines Limited ("SIA") early adopted FRS 109 *Financial Instruments*, which is effective for annual periods beginning on or after January 1, 2018. As Temasek has not early adopted FRS 109 *Financial Instruments*, which replaces FRS 39 *Financial Instruments: Recognition and Measurement*, SIA's revenue is presented in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*.

(2) Revenue excludes service concession revenue.

Net expenses

Net expenses comprise cost of sales, selling and distribution expenses, administrative expenses, finance expenses and other expenses, net of other income of Temasek and its subsidiaries.

Profit before tax

Profit before tax is derived primarily from gains and losses from divestments and contributions from subsidiaries, associates and joint ventures.

The following table sets forth the key subsidiary contributors to the Temasek Group's profit before tax as set forth in their respective financial statements for one or more of the years indicated. In cases where classification of expenses differs from the Temasek Group, adjustments have been made to conform to the Temasek Group's classification.

	Year ended March 31,		
	2016	2017	2018
	(S$ million)		
Singapore Telecommunications Limited	4,581	4,515	6,132
Mapletree Investments Pte Ltd	1,896	2,367	3,489
PSA International Pte Ltd	1,535	1,443	1,528
Singapore Technologies Telemedia Pte Ltd	1,008	300	1,429
Singapore Power Limited	1,092	1,132	1,219
Singapore Airlines Limited	972	376[1]	1,193[1]
Olam International Ltd	40[2]	252[3]	631[3]
Singapore Technologies Engineering Ltd	630	591	623
PT Bank Danamon Indonesia Tbk	335[4]	456[4]	550[4]
Ascendas-Singbridge Pte Ltd	510[5]	391	518

Notes:

(1) On October 1, 2016, SIA early adopted FRS 109 *Financial Instruments*, which is effective for annual periods beginning on or after January 1, 2018. As Temasek has not early adopted FRS 109 *Financial Instruments*, which replaces FRS 39 *Financial Instruments: Recognition and Measurement*, SIA's profit before tax is presented in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*.

(2) Olam International Ltd ("Olam") adopted the Amendments to FRS 16 *Property, Plant and Equipment* and FRS 41 *Agriculture* in the year ended March 31, 2017, which require Olam to restate their profit before income tax for prior comparative periods. Temasek has not reflected the restated amounts in its consolidated financial statements as the restated amounts did not have significant impact to Temasek's consolidated financial statements. The previously reported amount for the year ended March 31, 2016 is presented above.

(3) On January 1, 2016, Olam early adopted FRS 109 *Financial Instruments*, which is effective for annual periods beginning on or after January 1, 2018. As Temasek has not early adopted FRS 109 *Financial Instruments*, which replaces FRS 39 *Financial Instruments: Recognition and Measurement*, Olam's profit before tax is presented in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*.

(4) For PT Bank Danamon Indonesia Tbk ("Danamon"), the amounts presented are based on Danamon's audited financial statements which are prepared in accordance with Indonesia Financial Accounting Standards and have been converted into Singapore dollars using average rates of Rp. 9,796.1, Rp. 9,637.18 and Rp. 9,754.75 per S$1.00, respectively.

(5) Ascendas-Singbridge Pte Ltd ("ASB") has been consolidated by Temasek in its consolidated financial statements as a subsidiary since the merger of Ascendas Pte Ltd and Singbridge Pte Ltd on June 10, 2015.

Profit before tax includes Temasek's and its subsidiaries' share of profit of associates and joint ventures, net of tax, including A.S. Watson Holdings Limited ("A.S. Watson"), CapitaLand Limited ("CapitaLand") and DBS.

Tax expense

Tax expense comprises current taxation, deferred taxation and adjustments for prior periods. The Singapore corporate tax rate was 17% for each of the years ended March 31, 2016, 2017 and 2018.

Profit attributable to non-controlling interests

Profit attributable to non-controlling interests consist of third party non-controlling interests' proportionate share of the results of operations of Temasek's subsidiaries that are not wholly-owned.

Comparison of results of operations for the year ended March 31, 2018 with the year ended March 31, 2017

Revenue

Revenue increased by S$10,074 million, or 10.4%, from S$97,057 million for the year ended March 31, 2017 to S$107,131 million for the year ended March 31, 2018. The increase in revenue was principally due to:

- an increase in revenue from Olam mainly due to an increase in overall volumes led by enhanced trading volumes in grains and edible oils and a change in product mix, which were partly offset by lower commodity prices;
- an increase in revenue from SIA mainly due to an improvement in passenger traffic growth and higher freight carriage and yield;
- an increase in revenue from Mapletree Investments Pte. Ltd. ("Mapletree") mainly due to higher leasing revenue and contributions from newly acquired properties; and
- an increase in revenue from Singtel mainly due to higher mobile and fixed broadband customers in Australia and contribution from its digital businesses.

The increase in revenue was partially offset by a decrease in revenue from Neptune Orient Lines Limited ("NOL") as it ceased to be consolidated as a subsidiary following its divestment in June 2016.

Profit before tax

Profit before tax increased by S$9,217 million, or 45.4%, from S$20,319 million for the year ended March 31, 2017 to S$29,536 million for the year ended March 31, 2018. The increase in profit before tax was principally due to:

- an increase in profit from Singtel mainly due to a one-time gain on disposal of NetLink Trust and strong performance from its core business;
- share of profits from Broadpeak Fund II L.P. and Indigo Pacific Partners L.P. mainly due to higher valuation of certain of their underlying investments;
- an increase in profit from Singapore Technologies Telemedia Pte Ltd ("ST Telemedia") mainly due to a one-time gain on disposal of Level 3 Communications, Inc.; and
- an increase in profit from Mapletree mainly due to higher leasing revenue, revaluation gains on properties and contributions from newly acquired properties.

Profit from Temasek also increased for the year ended March 31, 2018 mainly due to higher dividend income and lower provision for impairment on investments. In connection with the preparation of Temasek's consolidated financial statements, Temasek makes certain consolidation adjustments, including but not limited to elimination of inter-company transactions such as dividend income from subsidiaries, associates and joint ventures. Post consolidation adjustments, profit contribution from Temasek was lower for the year ended March 31, 2018 as compared to the previous year.

Tax expense

Tax expense increased by S$102 million, or 3.9%, from S$2,589 million for the year ended March 31, 2017 to S$2,691 million for the year ended March 31, 2018, primarily reflecting the increase in profit before tax for the year ended March 31, 2018.

Profit attributable to non-controlling interests

Profit attributable to non-controlling interests increased by S$1,970 million, or 55.7%, from S$3,537 million for the year ended March 31, 2017 to S$5,507 million for the year ended March 31, 2018.

Profit attributable to the equity holder of Temasek

As a result of the foregoing factors, profit attributable to the equity holder of Temasek increased by S$7,145 million, or 50.3%, from S$14,193 million for the year ended March 31, 2017 to S$21,338 million for the year ended March 31, 2018.

Comparison of results of operations for the year ended March 31, 2017 with the year ended March 31, 2016

Revenue

Revenue decreased by S$4,444 million, or 4.4%, from S$101,501 million for the year ended March 31, 2016 to S$97,057 million for the year ended March 31, 2017. The decrease in revenue was principally due to:

- a decrease in revenue from NOL as it ceased to be consolidated as a subsidiary following its divestment in June 2016; and
- a decrease in revenue from Sembcorp Industries Ltd ("Sembcorp") mainly due to lower revenue from its marine business due to lower revenue from rig building projects, and from its utilities business due to lower oil-indexed gas prices, which was partially offset by higher turnover from India.

The decrease in revenue was partially offset by a net increase in revenue from Olam.

Profit before tax

Profit before tax increased by S$5,588 million, or 37.9%, from S$14,731 million for the year ended March 31, 2016 to S$20,319 million for the year ended March 31, 2017. The increase in profit before tax was principally due to:

- an increase in profit from Temasek mainly due to lower provision for impairment on investments and unrealized gains on short-term investments. In connection with the preparation of Temasek's consolidated financial statements, Temasek makes certain consolidation adjustments, including but not limited to elimination of inter-company transactions such as dividend income from subsidiaries, associates and joint ventures. Post consolidation adjustments, profit contribution from Temasek was higher for the year ended March 31, 2017 as compared to the previous year; and
- an increase in profit from Lan Ting Holdings Pte. Ltd. mainly due to a reversal of impairment loss on its assets for the year ended March 31, 2017 as compared to impairment loss recognized on its assets in the year ended March 31, 2016.

The increase in profit before tax was partially offset by:

- a decrease in profit from NOL mainly due to a one-time gain from divestment of its logistics business unit in the year ended March 31, 2016 and no such gain occurring in the year ended March 31, 2017; and
- a share of losses from Indigo Pacific Partners L.P. mainly due to lower valuation of certain of its underlying investments.

Tax expense

Tax expense increased by S$495 million, or 23.6%, from S$2,094 million for the year ended March 31, 2016 to S$2,589 million for the year ended March 31, 2017, primarily reflecting the increase in profit before tax for the year ended March 31, 2017.

Profit attributable to non-controlling interests

Profit attributable to non-controlling interests decreased by S$675 million, or 16.0%, from S$4,212 million for the year ended March 31, 2016 to S$3,537 million for the year ended March 31, 2017.

Profit attributable to the equity holder of Temasek

As a result of the foregoing factors, profit attributable to the equity holder of Temasek increased by S$5,768 million, or 68.5%, from S$8,425 million for the year ended March 31, 2016 to S$14,193 million for the year ended March 31, 2017.

Liquidity and capital resources

Overview

The Temasek Group's primary sources of liquidity and capital resources have been cash from operations, supplemented by proceeds from borrowings and capital market issuances (including debt and equity issuances) by Temasek and its subsidiaries. Temasek has occasionally received capital

injections from its shareholder. The ability of Temasek's portfolio companies to pay dividends and other distributions and, to the extent that Temasek relies on dividends and distributions to meet its obligations, the ability of Temasek to make payments on such obligations, are subject to applicable laws and regulations in various countries and to restrictions (contractual or otherwise) on the payment of dividends and distributions contained in relevant financing or other agreements of such companies. See "Investment considerations — Considerations related to the Issuer and Temasek — Company structure of the Issuer and Temasek" and "— Temasek and its portfolio companies are subject to macroeconomic, strategic, financial, operational and political risks". Temasek has declared dividends annually to its shareholder for each of its financial years ended March 31, 2016, 2017 and 2018.

See also "Business of Temasek — Liquidity".

Liquidity

The following table sets forth certain information about the Temasek Group's cash flows for the years indicated:

Consolidated cash flow statement data

	Year ended March 31,		
	2016	**2017**	**2018**
		(S$ million)	
Profit before tax	14,731	20,319	29,536
Cash flows from operating activities	11,163	14,016	14,786
Cash flows used in investing activities	(14,670)	(7,235)	(22,957)
Cash flows from financing activities	2,373	2,683	2,515
Net (decrease)/increase in cash and cash equivalents	(1,134)	9,464	(5,656)
Cash and cash equivalents at the beginning of the year	43,747	42,613	52,077
Cash and cash equivalents at the end of the year	42,613	52,077	46,421

Year ended March 31, 2018

Cash flows from operating activities for the year ended March 31, 2018 totaled S$14,786 million. Tax paid for the year ended March 31, 2018 reduced cash flows generated from operating activities by S$2,225 million.

Cash flows used in investing activities for the year ended March 31, 2018 totaled S$22,957 million, of which the principal outflows were payments for purchases of property, plant and equipment of S$12,606 million, primarily by SIA, Singtel, Singapore Power Limited ("Singapore Power"), Olam, Sembcorp and PSA International Pte Ltd ("PSA"), payments for purchases of financial assets and derivative financial instruments (net) of S$8,477 million and payments for purchases of investment properties and properties under development (net) of S$4,809 million. These cash outflows were partially offset by dividends received from associates and joint ventures of S$3,809 million.

Cash flows from financing activities for the year ended March 31, 2018 totaled S$2,515 million, of which the principal inflows resulted from net proceeds from borrowings of S$6,304 million and proceeds from the issuance of new shares of S$3,236 million. These cash inflows were partially offset by interest payments totaling S$3,060 million and payments of dividends to the equity holder of Temasek and non-controlling interests of subsidiaries of S$6,378 million.

Cash and cash equivalents decreased by S$5,656 million from S$52,077 million as at March 31, 2017 to S$46,421 million as at March 31, 2018.

Year ended March 31, 2017

Cash flows from operating activities for the year ended March 31, 2017 totaled S$14,016 million. Tax paid for the year ended March 31, 2017 reduced cash flows generated from operating activities by S$2,448 million.

Cash flows used in investing activities for the year ended March 31, 2017 totaled S$7,235 million, of which the principal outflows were payments for purchases of property, plant and equipment of S$12,156 million, primarily by SIA, Singtel, Singapore Power, PSA and Sembcorp, payments for acquisitions of subsidiaries and businesses (net of cash acquired) of S$2,575 million and payments for purchases of investment properties and properties under development (net) of S$2,211 million. These

cash outflows were partially offset by dividends received from associates and joint ventures of S$4,067 million.

Cash flows from financing activities for the year ended March 31, 2017 totaled S$2,683 million, of which the principal inflows resulted from net proceeds from borrowings of S$6,889 million and proceeds from the issuance of new shares of S$2,302 million. These cash inflows were partially offset by interest payments totaling S$2,606 million and payments of dividends to the equity holder of Temasek and non-controlling interests of subsidiaries of S$5,290 million.

Cash and cash equivalents increased by S$9,464 million from S$42,613 million as at March 31, 2016 to S$52,077 million as at March 31, 2017.

Year ended March 31, 2016

Cash flows from operating activities for the year ended March 31, 2016 totaled S$11,163 million. Tax paid for the year ended March 31, 2016 reduced cash flows generated from operating activities by S$2,080 million.

Cash flows used in investing activities for the year ended March 31, 2016 totaled S$14,670 million, of which the principal outflows were payments for purchases of property, plant and equipment of S$10,874 million, primarily by SIA, Singtel, Sembcorp, PSA and Singapore Power, payments for purchases of interests in associates and joint ventures (net) of S$5,867 million and payments for purchases of investment properties and properties under development (net) of S$5,037 million. These cash outflows were partially offset by dividends received from associates and joint ventures of S$3,752 million.

Cash flows from financing activities for the year ended March 31, 2016 totaled S$2,373 million, of which the principal inflows resulted from net proceeds from borrowings of S$6,678 million and proceeds from the issuance of new shares of S$2,675 million. These cash inflows were partially offset by interest payments totaling S$2,441 million and payments of dividends to the equity holder of Temasek and non-controlling interests of subsidiaries of S$5,697 million.

Cash and cash equivalents decreased by S$1,134 million from S$43,747 million as at March 31, 2015 to S$42,613 million as at March 31, 2016.

Temasek Group's indebtedness

The following table sets forth the Temasek Group's indebtedness by category and maturity profile as at March 31, 2018:

	Payment due by period[1]			
	Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
		(S$ million)		
Bank loans and bank overdrafts	45,352	11,084	30,203	4,065
Fixed rate notes	47,262	2,530	24,346	20,386
Floating rate notes	740	525	215	—
Finance lease and hire purchase obligations	504	57	105	342
Others[2]	2,361	1,605	449	307
Total debt	96,219	15,801	55,318	25,100

Notes:

(1) Amounts shown in this table are the amortized cost of the Temasek Group's indebtedness. For a more detailed description of Temasek's accounting policy on borrowings, see Note 3.8(f) of the consolidated financial statements of Temasek included elsewhere in this Offering Circular.

(2) Others include commercial bills and other loans.

See "Business of Temasek — Credit profile" for a discussion of Temasek's debt included in the Temasek Group's indebtedness.

Temasek Group's capital and other commitments and contingent liabilities

The Temasek Group has certain capital and other commitments and contingent liabilities as described in Notes 37 and 38 of the consolidated financial statements of Temasek, which are included elsewhere in this Offering Circular.

Business of Temasek

All discussions of Net Portfolio Value, investment portfolio, portfolio performance, investments, divestments and credit profile in this section refer to information relating to Temasek Holdings (Private) Limited and its Investment Holding Companies.

Overview

Temasek is an investment company with a portfolio of investments covering a wide range of countries and industry sectors. Temasek has been assigned an overall corporate credit rating of "Aaa" by Moody's and "AAA" by S&P.

Temasek was incorporated in 1974 under the Singapore Companies Act and is wholly-owned by the Government through MOF. The Constitution sets out a framework relating to the safeguarding of past reserves of Temasek as described in "Annex C — Constitutional safeguards".

History

Temasek was incorporated in 1974 to commercially manage an initial portfolio valued at S$354 million that it acquired from MOF. This move enabled the Government to focus on its core role of policymaking and regulations.

As an independent investment company, Temasek was given the mandate to own and manage its assets based on commercial principles to deliver sustainable value over the long term.

In its earlier years, Temasek grew with its portfolio companies as Singapore developed and transformed. Since 2002, Temasek has actively invested in the transformation of Asia and beyond.

Temasek today has a portfolio of companies covering the following major sectors: financial services; telecommunications, media & technology; consumer & real estate; transportation & industrials; life sciences & agribusiness; and energy & resources. These investments span across countries and regions, including Singapore; China; rest of Asia; North America; Europe; Australia & New Zealand; Africa, Central Asia & the Middle East; and Latin America.

Strategy

Temasek is an investment company that owns and manages its assets based on commercial principles. Temasek is an active investor and shareholder that aims to deliver sustainable value over the long term. Temasek is a forward-looking institution that acts with integrity and is committed to the pursuit of excellence. Temasek is also a trusted steward that strives for the advancement of its communities across generations.

As an active investor, Temasek shapes its portfolio by increasing, holding or decreasing its investment holdings. These actions are driven by a set of commercial principles to create and maximize risk-adjusted returns over the long term.

As an engaged shareholder, Temasek promotes sound corporate governance in its portfolio companies. This includes the formation of high caliber, experienced and diverse boards. Companies in its portfolio are guided and managed by their respective boards and management; Temasek does not direct their business decisions or operations.

Similarly, Temasek's investment, divestment and other business decisions are directed by its Board and management. Neither the President of Singapore nor Temasek's shareholder, the Government, is involved in Temasek's business decisions.

Temasek's decisions as a professionally-managed investment company are guided by business tenets and commercial discipline.

Temasek continues to center its investment strategies on these four investment themes:

- *Transforming Economies* — Tapping the potential of transforming economies like China, India, South East Asia and Latin America, through investments in sectors such as financial services, infrastructure and logistics.

- *Growing Middle Income Populations* — Leveraging growing consumer demands through investments in sectors such as telecommunications, media & technology and consumer & real estate.
- *Deepening Comparative Advantages* — Seeking out economies, businesses and companies with distinctive intellectual property and other competitive advantages.
- *Emerging Champions* — Investing in companies with a strong home base, as well as companies at inflection points, with the potential to be regional or global champions.

These four investment themes are supplemented by trends which Temasek has identified to be disruptors of traditional business models or creators of new opportunities.

These trends, driven by technological advances, demographic shifts, and changing consumption patterns, include:

- *Longer Lifespans* — Markets and industries are developing to meet growing needs as we live longer;
- *Rising Affluence* — The combination of rising affluence and technology is redefining consumption patterns and attitudes in emerging markets;
- *Sustainable Living* — Increasingly eco-conscious solutions will create up to US$12 trillion of business opportunities by 2030, according to the Business & Sustainable Development Commission's January 2017 "*Better Business Better World*" report;
- *Smarter Systems* — Artificial intelligence and robotics are enabling ground-breaking capabilities;
- *More Connected World* — Digital connectivity and solutions are redefining how we communicate and interact around the world; and
- *Sharing Economy* — Peer-to-peer networks are promoting more efficient use of resources and greater convenience for businesses and consumers.

Individual investment and divestment decisions are shaped by Temasek's bottom-up intrinsic value tests. As the owner of its portfolio, Temasek may choose to invest, divest or remain in cash as its investment stance. Temasek has the flexibility to take concentrated positions and invest over varying horizons. Temasek maintains full flexibility to shift the weight of its portfolio in response to major trends and market opportunities.

Portfolio highlights

Temasek's Net Portfolio Value amounted to S$308 billion (US$235 billion) as at March 31, 2018, compared to S$275 billion and S$242 billion as at March 31, 2017 and 2016, respectively. Temasek ended the year with a net cash position.

As at March 31, 2018, approximately 27% of Temasek's Net Portfolio Value was in Singapore, 26% in China, 15% in rest of Asia, 13% in North America, 9% in Europe, 7% in Australia & New Zealand, 2% in Africa, Central Asia & the Middle East and 1% in Latin America.

As at March 31, 2018, Temasek's Net Portfolio Value comprised an approximately 61% exposure to the mature economies of Singapore, Japan & Korea, North America, Europe and Australia & New Zealand, and an approximately 39% exposure to growth regions.

As at March 31, 2018, Temasek's top three sectors (based on contribution to Temasek's Net Portfolio Value) were financial services, telecommunications, media & technology and consumer & real estate, which comprised 26%, 21% and 16%, respectively.

As at March 31, 2018, approximately 53% of Temasek's Net Portfolio Value was denominated in Singapore dollars, 24% in U.S. dollars, 12% in Hong Kong dollars, 2% in South Korean won, 2% in Indian rupees and 7% in other currencies.

As at March 31, 2018, about 61% of Temasek's Net Portfolio Value comprised listed and liquid assets.

Total Shareholder Return

Temasek currently measures its portfolio performance by Total Shareholder Return.

"Total Shareholder Return" is a compounded and annualized measure of returns, taking into account changes in the Net Portfolio Value, dividends paid to Temasek's shareholder, and excludes capital injections from its shareholder.

One-year Total Shareholder Return in Singapore dollar terms for the year ended March 31, 2018 was 12.19%.

Over the long term, annualized 10-year and 20-year Total Shareholder Return in Singapore dollar terms for the year ended March 31, 2018 were 5% and 7%, respectively. Since inception, annualized 44-year Total Shareholder Return in Singapore dollar terms for the year ended March 31, 2018 was 15%.

Credit profile

Temasek's credit profile provides a quantitative snapshot of its credit quality and the strength of its financial position. Temasek considers its credit profile to include key indicators of its credit quality based on the financials of Temasek as an investment company. These key indicators of credit quality cover three main dimensions, namely, interest coverage, debt service coverage and leverage.

Indicators of credit quality

Indicators of interest coverage include dividend cover (which refers to the ratio of Temasek's dividend income to its interest expense) and recurring income cover (which refers to the ratio of Temasek's recurring income to its interest expense). Temasek's dividend income refers to dividends declared by Temasek's portfolio companies to Temasek. Temasek's recurring income consists of dividend income, income from investments, interest income and divestments.

For the years ended March 31, 2016, 2017 and 2018, Temasek's dividend income was more than 18, 18 and 23 times its interest expense, respectively. Temasek's dividend income was more than S$7.8 billion, S$7.0 billion and S$8.9 billion for each of the years ended March 31, 2016, 2017 and 2018, respectively. For the years ended March 31, 2016, 2017 and 2018, Temasek's recurring income was more than 86, 68 and 67 times its interest expense, respectively.

Indicators of debt service coverage include recurring income cover of debt due in one year or less (which refers to the ratio of Temasek's recurring income to its debt due in one year or less), and liquidity balance cover of debt due in the next ten years (which refers to the ratio of Temasek's liquidity balance to its debt due in the next ten years). Temasek's liquidity balance consists of cash and cash equivalents and short term investments. Short term investments refer to investments in securities expected to be realized in one year or less.

For the years ended March 31, 2016, 2017 and 2018, Temasek's recurring income was more than 27, 20 and 18 times its debt due in one year or less, respectively. As at March 31, 2016, 2017 and 2018, Temasek's liquidity balance was more than three, four and three times its debt due in the next ten years, respectively.

Indicators of leverage include Net Portfolio Value cover (which refers to the ratio of Temasek's Net Portfolio Value to its total debt) and liquid assets cover (which refers to the ratio of Temasek's liquid assets to its total debt). Temasek's liquid assets consist of mainly cash and cash equivalents and investments that each represents a minority interest of less than 20% in a listed company.

As at March 31, 2016, 2017 and 2018, Temasek's Net Portfolio Value was more than 18, 21 and 24 times its total debt, respectively, and its liquid assets were more than five, seven and eight times its total debt, respectively.

Debt maturity profile

As at March 31, 2016, 2017 and 2018, Temasek's debt comprised (1) Notes issued under the Program by the Issuer and fully and unconditionally guaranteed by the Guarantor in the aggregate amount of S$11.6 billion, S$11.6 billion and S$11.4 billion (US$8.7 billion) (each based on the amortized cost of the Notes recorded in Temasek's consolidated financial statements), respectively, and (2) S$1.3 billion, S$1.2 billion and S$1.4 billion (US$1.1 billion), respectively, of commercial paper issued by Temasek

Financial (II) Private Limited and fully and unconditionally guaranteed by the Guarantor under Temasek's US$5 billion Euro-commercial Paper Program. The weighted average maturities of the Notes and commercial paper issued were over 11 years and approximately two months, respectively, as at March 31, 2018.

The following table sets forth the debt maturity profile of the aforesaid Notes and commercial paper as at the dates indicated:

	As at March 31,		
	2016	2017	2018
	(S$ billion)		
Due in one year or less	1.3	1.2	1.4
Due between one to three years	2.0	3.1	2.9
Due between three to 10 years	4.4	3.4	4.2
Due in more than 10 years	5.2	5.1	4.3

Liquidity

Temasek believes that it currently maintains sufficient liquidity to meet its existing requirements. Temasek regularly evaluates its capital structure to ensure that it is optimal for its objectives. Temasek remains open and flexible to various financing options as long as they meet its objectives. Depending on market conditions, Temasek may access the capital markets to raise additional liquidity or redeem or repurchase its outstanding notes to manage its debt maturity profile and enhance its capital efficiency. Temasek may also from time to time establish new medium term note programs pursuant to which notes issued thereunder may be offered to institutional and/or retail investors.

Investment portfolio by sectors

Temasek invests across sectors including financial services; telecommunications, media & technology; consumer & real estate; transportation & industrials; life sciences & agribusiness; and energy & resources. The discussion below sets forth Temasek's key investments in terms of market value (in the case of listed securities) or book value (in the case of unlisted securities) in these sectors, as well as their contribution to Temasek's Net Portfolio Value, in each case as at March 31, 2018 (unless otherwise indicated).

Financial Services

Temasek's key investments in the financial services sector were its minority interests in each of DBS, CCB and Industrial and Commercial Bank of China Limited ("ICBC"). Approximately 26% of Temasek's Net Portfolio Value was in the financial services sector.

Telecommunications, Media & Technology ("TMT")

Temasek's key investments in the TMT sector were its majority interests in each of Singtel and ST Telemedia and its minority interest in Alibaba Group Holding Limited ("Alibaba"). Approximately 21% of Temasek's Net Portfolio Value was in the TMT sector.

Consumer & Real Estate

Temasek's key investments in the consumer & real estate sector were its majority interest in Mapletree and its minority interests in each of A.S. Watson and CapitaLand. Approximately 16% of Temasek's Net Portfolio Value was in the consumer & real estate sector.

Transportation & Industrials

Temasek's key investments in the transportation & industrials sector were its majority interests in each of PSA, Singapore Power and SIA. Approximately 16% of Temasek's Net Portfolio Value was in the transportation & industrials sector.

Life Sciences & Agribusiness

Temasek's key investments in the life sciences & agribusiness sector were its minority interests in each of Celltrion, Inc. ("Celltrion"), Celltrion Healthcare Co., Ltd. and Gilead Sciences Inc. Approximately 6% of Temasek's Net Portfolio Value was in the life sciences & agribusiness sector.

Energy & Resources

Temasek's key investments in the energy & resources sector were its majority interest in Pavilion Energy Pte Ltd. and its minority interests in each of Repsol S.A. and FTS International Inc. Approximately 3% of Temasek's Net Portfolio Value was in the energy & resources sector.

Major investments

Certain information under this section with respect to Temasek's portfolio companies has been extracted from publicly available documents and information, including annual reports, information available on corporate websites and documents filed by such companies with their respective regulators and, if applicable, the relevant stock exchanges on which their securities are listed. Potential investors in the Notes may obtain information regarding these companies from such public sources. None of those documents or publicly available information is incorporated by reference in this Offering Circular. Each of the Issuer and Temasek makes no representation, express or implied, and does not accept any responsibility with respect to the accuracy or completeness of any information made publicly available by its portfolio companies, whether or not included in this Offering Circular.

The following table sets forth the total market value (in the case of listed securities) or total book value (in the case of unlisted securities) of Temasek's major portfolio companies, as well as the Temasek Group's effective interest in those portfolio companies, as at March 31, 2018. These companies, together with other major funds investments, as described below, accounted for approximately 59% of Temasek's Net Portfolio Value[(1)] as at March 31, 2018.

	As at March 31, 2018		
	Major Portfolio Companies Total Market or Book Value[(2)]		Effective Interest of the Temasek Group[(3)]
	(S$ million)	(US$ million)	%
Listed subsidiaries			
Singapore Telecommunications Limited	55,002	41,986	52
Singapore Airlines Limited	12,819	9,785	56
Singapore Technologies Engineering Ltd	11,202	8,551	51
Olam International Limited	7,424	5,667	54
Unlisted subsidiaries			
Mapletree Investments Pte Ltd	12,786	9,760	100
PSA International Pte Ltd	11,080[(4)]	8,458[(4)]	100
Singapore Power Limited	10,224	7,805	100
Singapore Technologies Telemedia Pte Ltd	5,158[(4)]	3,937[(4)]	100
Listed associates			
DBS Group Holdings Ltd	70,506	53,821	29
CapitaLand Limited	15,065	11,500	40
Unlisted associate			
A.S. Watson Holdings Limited	4,915[(4)]	3,752[(4)(5)]	25
Listed other investments			
Alibaba Group Holding Limited	617,799	471,602	1
Industrial and Commercial Bank of China Limited	440,176	336,012[(5)]	2
China Construction Bank Corporation	338,890	258,695[(5)]	4
Ping An Insurance (Group) Company of China, Ltd.	246,842	188,429[(5)]	2
AIA Group Limited	133,801	102,138[(5)]	3
Celltrion, Inc.	47,591	36,329[(6)]	13
Standard Chartered PLC	43,162	32,948[(7)]	16

Notes:

(1) "Net Portfolio Value" as at a specified date: (a) refers to the sum of (i) the market value of investments in publicly-listed securities as at such specified date and (ii) the fair value of investments in unlisted securities, in each case held directly by Temasek or indirectly through an Investment Holding Company, whether such holding is for the short term or the long term; and (b) takes into account the net amount of other assets and liabilities of Temasek and its Investment Holding Companies. In respect of (a)(ii), the fair value of unlisted available-for-sale investments is based on valuation methods in accordance with FRS, and the fair value of investments in unlisted subsidiaries, associates and joint ventures is based on the sum of (1) the proportionate share of the shareholders' equity as set out in the financial statements of the relevant portfolio companies as at their respective financial year ends or latest available financial statements and (2) any premium paid, net of any subsequent impairment. In the case of unlisted subsidiaries, associates and joint ventures that hold substantially investments in publicly-listed securities, the fair value of investments in such unlisted subsidiaries, associates and joint ventures will take into account the market value of the underlying publicly-listed securities which they hold.

(2) Total market value is presented in the case of publicly-listed companies and total book value is presented in the case of private companies. For the publicly-listed companies, other than ICBC, CCB and Ping An Insurance (Group) Company of China, Ltd. ("Ping An"), which are listed on both the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Alibaba, which is listed on the New York Stock Exchange, AIA Group Limited ("AIA"), which is

listed on the Hong Kong Stock Exchange, Celltrion, which is listed on the Korea Exchange, and Standard Chartered PLC ("Standard Chartered"), which is listed on the London Stock Exchange, the Hong Kong Stock Exchange, the National Stock Exchange of India and the Bombay Stock Exchange, such companies are listed on the SGX-ST. For private companies, total book value represents the shareholders' equity as set out in the financial statements of the relevant companies.

(3) "Effective interest", when used with respect to a portfolio company, refers to the aggregate of (i) the percentage interest in a portfolio company held directly by Temasek, if any, and (ii) Temasek's proportionate percentage interest in such portfolio company held indirectly through one or more of its subsidiaries computed based on Temasek's percentage interest in any such subsidiary multiplied by such subsidiary's percentage interest in such portfolio company. It does not include (a) Temasek's proportionate percentage interest in such portfolio company held indirectly through one or more of its associates or joint ventures and (b) the trading portfolios of Temasek and/or its subsidiaries. The effective interest of the Temasek Group presented in the table above is consistent with the effective interest presented in Notes 14 and 16 of Temasek's consolidated financial statements, where applicable, and for Olam, Mapletree and listed other investments is consistent with the method of computation of effective interest adopted in Temasek's consolidated financial statements. Temasek and its Investment Holding Companies' interest in its portfolio companies used for the purposes of computing Temasek's Net Portfolio Value as described in note (1) above, is derived on a different basis from the Temasek Group's effective interest in its portfolio companies.

(4) Total book value presented for PSA, ST Telemedia and A.S. Watson as at December 31, 2017.

(5) The amounts presented have been converted from Hong Kong dollars to U.S. dollars using HK$7.85 per US$1.00, which was the Noon Buying Rate for Hong Kong dollars on March 31, 2018.

(6) The amounts presented have been converted from South Korean won to U.S. dollars using KRW1,060.99 per US$1.00, which was the Noon Buying Rate for South Korean won on March 31, 2018.

(7) The amounts presented have been converted from Sterling to U.S. dollars using £1.00 per US$1.40, which was the Noon Buying Rate for Sterling on March 31, 2018.

The following is a brief description of each of the companies listed in the table above.

Singtel

Singtel is an Asian communications group. With significant operations in Singapore and Australia (through wholly-owned subsidiary Singtel Optus), the Singtel Group provides a portfolio of services that includes voice, data and video services over fixed and wireless platforms.

The Singtel Group has major investments in five leading mobile operators in the region. As at December 31, 2017, the Singtel Group, together with Singtel Optus and the regional mobile associates, served more than 670 million mobile customers around the world.

SIA

When SIA was formed in 1972, it operated a modest fleet of 10 aircraft to just 22 cities in 18 countries. With a commitment to fleet modernization, product and service innovation and market leadership, SIA quickly distinguished itself as a world-class carrier.

Today, SIA Group operates a modern fleet of 190 aircraft and its network, including SIA Cargo, SilkAir and Scoot, currently covers 137 destinations across 37 countries. SIA also provides engineering services to more than 80 airlines through its subsidiary, SIA Engineering Company.

Singapore Technologies Engineering Ltd

Singapore Technologies Engineering Ltd ("ST Engineering") is an integrated engineering group that provides innovative solutions and services in the aerospace, electronics, land systems and marine sectors.

It leverages its multi-sector capabilities to develop advanced solutions for customers across industries. ST Engineering serves both commercial and defense customers in over 100 countries, through a global network of over 100 subsidiaries and associates in 22 countries and 44 cities.

Olam

Olam, which is listed and headquartered in Singapore, is a global supply chain manager and processor of agricultural products and food ingredients. The business is segregated into five units: (i) edible nuts, spices and vegetable ingredients, (ii) confectionery and beverage ingredients, (iii) industrial raw materials, (iv) food staples and packaged foods and (v) commodity financial services.

Olam has a global presence in 66 countries, with a direct sourcing and processing presence in most major agricultural producing countries and over 22,000 customers worldwide. Olam also has a footprint across 18 platforms and has built leadership positions in several of its businesses, including cocoa, coffee, edible nuts, spices, rice and cotton.

Mapletree

Mapletree is a real estate development, investment and capital management company headquartered in Singapore. The company employs a business model intended to maximize capital efficiency and aims to invest in real estate sectors and geographical markets with good growth potential. Mapletree's diverse portfolio spans seven real estate sectors comprising office, retail, industrial, logistics, residential, corporate lodging/serviced apartment and student accommodation and 12 countries across the Asia Pacific region, the United States, the United Kingdom and Europe. Mapletree currently manages four Singapore-listed real estate investment trusts ("REITs") and six private real estate funds.

PSA

PSA is a global port group, with its principal business in the provision of integrated container terminal services. PSA also provides pilotage and towage services through its wholly-owned subsidiary PSA Marine (Pte) Ltd. PSA participates in port projects across Asia, Europe and the Americas with flagship operations in PSA Singapore Terminals and PSA Antwerp in Belgium. In 2017, PSA handled 74 million twenty-foot equivalent units worldwide. PSA Singapore Terminals operates one of the world's busiest transshipment hubs, handling about one-seventh of the world's total container transshipment throughput, and more than 4% of global container throughput.

Singapore Power

Singapore Power is an energy utility company in Asia Pacific.

With assets of S$19.2 billion as at March 31, 2018, it is one of the largest corporations in Singapore. Singapore Power owns and operates electricity and gas transmission and distribution businesses and provides energy market support services primarily in Singapore. Singapore Power also owns and operates a large underground cooling network in Singapore.

ST Telemedia

ST Telemedia is a strategic investor in communications, media and technology businesses around the globe. Its core competencies are in mobile communications, global Internet Protocol/data services, data centers, converged quadruple-play services, satellite services and cable TV.

ST Telemedia has major investments in StarHub Ltd, one of the largest integrated telecommunications service providers in Singapore; U Mobile Sdn Bhd, a 3G cellular operator in Malaysia; and operates its data center portfolio through ST Telemedia Global Data Centres, a carrier-neutral data center service provider with data centers across China, the United Kingdom, India and Singapore.

DBS

DBS is a financial services group in Asia, with over 280 branches across 18 markets. Headquartered and listed in Singapore, DBS has a growing presence in the three key Asian axes of growth: Greater China, Southeast Asia and South Asia. DBS is assigned "AA-" and "Aa2" and DBS Bank is assigned "AA-" and "Aa1" credit ratings that are among the highest in the Asia-Pacific region. As a bank that focuses on Asia, DBS leverages its deep understanding of the region, local culture and insights to serve and build long term relationships with its clients. DBS provides a full range of services in corporate, small and medium enterprises, consumer and wholesale banking activities across Asia and the Middle East.

CapitaLand

CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, CapitaLand is an owner and manager of a global portfolio worth more than S$88 billion as at December 31, 2017, comprising integrated developments, shopping malls, serviced residences, offices, homes, REITs and funds. Present across more than 150 cities in over 30 countries, CapitaLand focuses on Singapore and China as core markets, while it continues to expand in markets such as Vietnam and Indonesia.

CapitaLand's competitive advantage is its significant asset base and extensive market network. Coupled with extensive design, development and operational capabilities, CapitaLand develops and manages high-quality real estate products and services. It also has one of the largest investment management businesses in Asia and a stable of five REITs listed in Singapore and Malaysia — CapitaLand Mall Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust.

A.S. Watson

A.S. Watson is an international health and beauty retailer with over 13,700 stores operating 13 retail brands in 25 markets worldwide. The company is headquartered in Hong Kong and is the retail division of CK Hutchison Holdings Limited.

Its flagship Watson brand operates over 6,200 stores in nine Asian markets and over 7,500 stores in Europe. Watson also operates other retail formats of more than 450 stores including supermarkets and consumer electronics and appliances.

Alibaba

Alibaba is an online and mobile commerce company based in China and listed in the United States. It operates third-party retail and wholesale marketplaces in China and globally through its Taobao, TMall, Juhuasuan, Alibaba.com, 1688.com and AliExpress platforms. In addition, the company provides cloud computing services using its technology infrastructure under the AliCloud brand and offers performance and brand marketing services through its marketing technology platform Alimama.

ICBC

ICBC is a commercial bank in China. Its principal business, which includes corporate banking, personal banking and treasury operations, serves approximately 6.3 million corporate clients and 567 million personal customers through 16,469 outlets in China, 419 overseas institutions and over 1,545 correspondent banks worldwide. The bank has a presence in six continents and 45 countries and regions and was listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange in 2006.

CCB

CCB is a commercial bank in China. CCB's business consists of three principal business segments: corporate banking, personal banking and treasury operations. CCB is among the market leaders in China in a number of products and services including infrastructure loans, residential mortgage and bank cards. The bank has branches and subsidiaries in 29 countries and regions, including CCB Asia, CCB London, CCB Russia, CCB Europe, CCB New Zealand, CCB Malaysia and CCB Brazil. It also holds 60% of the total share capital of CCB Indonesia. CCB was listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange in 2005 and 2007, respectively.

Ping An

Ping An is a leading financial services group in China. With core business in insurance, banking and investment and focus on financial technology and healthcare, the Ping An Group applies technologies to traditional financial businesses and provides 436 million internet users and 166 million retail customers with financial products and services.

AIA

AIA is an independent pan-Asian life insurance group that is listed on the Stock Exchange of Hong Kong. It has a presence in 18 markets in the Asia Pacific region, including wholly-owned branches and subsidiaries in Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau, Brunei, Cambodia, a 97% subsidiary in Sri Lanka, a 49% joint venture in India and a representative office in Myanmar.

AIA offers a range of insurance products including life insurance, accident and health insurance and savings plans, employee benefits, credit life and pension services. AIA has more than 30 million individual policies and over 16 million participating members of group insurance schemes.

Celltrion

Celltrion is a Korean biopharmaceutical company listed on the KOSPI main board that develops and manufactures biosimilars. Celltrion's first product, Remsima (Remicade biosimilar), was the world's first monoclonal antibody biosimilar to receive approval from both the U.S. Food and Drug Administration and the European Medicines Agency (the "EMA") and is currently approved in 79 countries across the globe. As of March 31, 2018, Celltrion had three biosimilars approved by the EMA.

Standard Chartered

Standard Chartered is a leading international bank listed on the London Stock Exchange, the Hong Kong Stock Exchange, the National Stock Exchange of India and the Bombay Stock Exchange. Standard Chartered is headquartered in London and has operated for over 150 years in some of the world's most dynamic markets. Standard Chartered derives more than 80% of its income and profits from Asia, Africa and the Middle East.

As at December 31, 2017, the Standard Chartered Group operated 1,026 branches and outlets in 63 countries.

Other Major Investments — Funds

Temasek's top three funds investments, as at March 31, 2018, are Avanda Global Multi Asset Fund ("Avanda Global"), Broad Peak Fund II L.P. ("Broad Peak") and SeaTown Singapore Feeder Fund LP ("SeaTown"). Avanda Global is managed by Avanda Investment Management Pte Ltd, and invests in multiple asset classes globally to achieve an attractive moderate long term rate of return and maintain an appropriate level of volatility. Broad Peak, managed by Broad Peak Investment Advisers Pte. Ltd., is a fundamental, multi-asset investment fund which invests principally across equities and credit with an absolute return orientation. Broad Peak has a pan-Asian investment focus with the ability to invest globally. Broad Peak's strategies include fundamentally driven long/short, event oriented, credit/ distressed debt, capital structure arbitrage, convertible/volatility driven investments, structured and quasi-private transactions. SeaTown seeks to achieve absolute risk-adjusted returns by investing across the capital structure of companies globally. SeaTown Holdings International Pte. Ltd. is the investment manager of SeaTown. These funds investments amounted to S$12.9 billion (US$9.8 billion) as at March 31, 2018.

Investments and divestments by Temasek

In the years ended March 31, 2016, 2017 and 2018, Temasek made approximately S$30 billion, S$16 billion and S$29 billion (US$22 billion) of investments, respectively, and approximately S$28 billion, S$18 billion and S$16 billion (US$12 billion) of divestments, respectively.

Subsequent to March 31, 2018, Temasek made the following significant investment:

In April 2018, Temasek, through a wholly-owned subsidiary, subscribed for 31 million new shares of Bayer AG ("Bayer"), representing approximately 3.6% of the issued capital stock of Bayer, for a purchase price of €3 billion. The new shares were issued to a wholly-owned subsidiary of Temasek at a price near the market price. Following the issuance and together with its previous shareholdings in Bayer, Temasek held approximately 4% of the issued capital stock of Bayer. Bayer is a life science company with a more than 150-year history and core competencies in the areas of health care and agriculture.

Risk management

There are inherent risks whenever Temasek invests, divests, or holds its assets, and wherever it operates.

As an owner, Temasek adopts a long investment horizon, with the flexibility to take concentrated positions. It invests across all stages of a business life cycle, from early stage and unlisted, to large or listed assets. Temasek does not have predefined concentration limits or targets for investing by asset class, country, sector, theme or single name.

The long investment horizon allows Temasek to have a portfolio of mostly equities, including unlisted assets such as private equity funds, to deliver higher expected risk adjusted returns for the long term. Consequently, its portfolio is expected to have higher year-to-year volatility of annual returns, with higher risks of negative returns in any one year.

Temasek's investment posture is to ride out such short term market volatility and focus on generating sustainable long term returns. It does not manage its portfolio to short term mark to market losses. Given the expected year-to-year volatility, Temasek manages its leverage and liquidity prudently for resilience and investment flexibility, even in times of extreme stress.

Temasek's investment posture is coupled with a culture of risk awareness and balanced risk taking. This applies to both its investment activities and institutional capabilities. Its risk sharing compensation philosophy puts the institution above the individual, emphasizes long term over short term, and aligns the interests of its staff with those of shareholder.

Temasek's Organizational Risk Management Framework includes the following risk return appetite statements which set out various levels of risks tolerance, from reputational risk, to liquidity risk and sustained loss of overall portfolio value over prolonged periods:

- We have no tolerance for risks that could damage Temasek's reputation and credibility.
- We focus on performance over the long term.
- We have flexibility to take concentrated positions.
- We maintain a resilient balance sheet.
- We evaluate the potential for sustained loss of overall portfolio value over prolonged periods and use different scenarios to test our resilience.

Temasek tracks and manages risks proactively, and through economic and market cycles including specific risks at the asset level. Formalized processes instill the discipline to consider various perspectives. Investment proposals are submitted to its investment committee under a two-key system, for instance by both Temasek's market and sector teams. Depending on the size or risk significance, these proposals may be escalated to Temasek's Executive Committee or Board for final decision. Functional teams provide additional specialist perspectives and independent reviews.

Strategic and performance risk

Temasek's portfolio is exposed to concentration risks.

As at March 31, 2018, the top three countries were Singapore, China and the United States, which accounted for about 27%, 26% and 13% of Temasek's Net Portfolio Value, respectively.

As at March 31, 2018, the top three sectors were financial services, telecommunications, media & technology and consumer & real estate, which accounted for about 26%, 21% and 16% of Temasek's Net Portfolio Value, respectively.

As at March 31, 2018, the top three investments were Singtel, DBS and CCB, which accounted for about 9%, 7% and 4% of Temasek's Net Portfolio Value, respectively.

As at March 31, 2018, the top 10 companies accounted for about 41% of Temasek's Net Portfolio Value. The top 10 companies are Singtel, DBS, CCB, Mapletree, PSA, Singapore Power, Alibaba, A.S. Watson, ICBC and SIA.

Liquid and listed assets comprised about 61% of Temasek's Net Portfolio Value as at March 31, 2018, consisting of 36% of liquid assets and assets comprising investments that each represent a minority interest of less than 20% in a listed company, 10% of assets comprising investments that each represent a 20% or more but less than 50% interest in a listed company and 15% of assets comprising

investments that each represent 50% or more interest in a listed company. Unlisted assets comprised about 39% of Temasek's Net Portfolio Value as at March 31, 2018, consisting of investments in companies and funds.

For computation of Net Portfolio Value and returns, Temasek marks its listed equity portfolio to market, which is expected to fluctuate due to market sentiments or underlying performance. Over the last 20 years, Temasek's worst annual return was a Total Shareholder Return of approximately negative 30% reported for the year ended March 31, 2009 during the global financial crisis. This was followed by a rebound of approximately 43% the following year.

Investment and operational risk

Temasek embeds risk management in its systems and processes to minimize operational risks. This includes approval authority delegation, company policies, standard operating procedures, and risk reporting to its management and Board.

Temasek considers environmental, social and governance factors, alongside other issues and risks, when making decisions as an investor, institution and steward. Country and sector risks are factored into the risk-adjusted cost of capital for each investment.

In terms of credit risk management, Temasek conducts periodic reviews of its exposures relating to counterparties, custodians and issuers.

To mitigate compliance and control risks, Temasek's Internal Audit unit conducts periodic reviews of its key control processes for all offices and undertakes special reviews requested by the Board, the Audit Committee or senior management.

At the operating level, Temasek's contingency management framework ensures business continuity and helps manage potential risk incidents such as security and other threats.

Board and management

Board of Directors of Temasek

The following table sets forth the name, age and position of each member of the Board of Directors of Temasek Holdings (Private) Limited as at the date of this Offering Circular:

Name	Age	Position
Lim Boon Heng	70	Chairman
Cheng Wai Keung	67	Deputy Chairman
Kua Hong Pak	74	Director and Chairman, Audit Committee
Chin Yoke Choong Bobby	66	Director
Goh Yew Lin	58	Director
Ho Ching	65	Executive Director and Chief Executive Officer
Lee Ching Yen Stephen	71	Director
Lee Theng Kiat	65	Director
Ng Chee Siong Robert	65	Director
Teo Ming Kian	66	Director
Peter Robert Voser	59	Director
Marcus Wallenberg	61	Director
Robert Bruce Zoellick	64	Director

The address of each of the Directors of Temasek, in their capacity as Directors of Temasek, is 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891.

Directors are appointed for terms not exceeding three years and are eligible for re-appointment on the expiry of their term. See "Annex C — Constitutional safeguards — Appointment of Directors and Chief Executive Officer".

Mr. Lim Boon Heng joined Temasek as a Director on June 1, 2012 and was appointed Chairman of the Board on August 1, 2013. Mr. Lim is currently Chairman of NTUC Enterprise Co-operative Limited and Deputy Chairman of the Singapore Labour Foundation. He was previously a Cabinet Minister within the Prime Minister's Office. Mr. Lim's career spans the private and public sectors, having led Singapore's National Trade Union Congress, and having served as a Member of Parliament and Cabinet Minister for Trade and Industry. Before entering the public sector, Mr. Lim spent a decade at NOL. He holds a Bachelor of Science (Honours) degree in Naval Architecture from the University of Newcastle-upon-Tyne, UK.

Mr. Cheng Wai Keung joined Temasek as a Director on September 15, 2011 and was appointed Deputy Chairman of the Board on November 4, 2013. Mr. Cheng is Chairman and Managing Director of Wing Tai Holdings Limited, which holds interests in the property, hospitality and retail sectors in the region. Mr. Cheng also holds directorships on a number of companies. He is Vice Chairman of Singapore-Suzhou Township Development Pte Ltd and is a Director with Singapore Health Services Pte Ltd. Mr. Cheng also sits on the Board of Supervisors of China-Singapore Suzhou Industrial Park Development Group Co., Ltd (People's Republic of China). Mr. Cheng served as a director in various industries both locally and overseas. He chaired the boards of power and utilities, media and broadcasting companies, as well as multinational corporations engaged in global shipping and logistics and international hospitality businesses. Mr. Cheng was awarded the Distinguished Service Order (DUBC) by the Government in August 2007 and received the Public Service Star (Bar) in 1997 and the Public Service Star in 1987. He has been appointed Justice of the Peace by the President of the Republic of Singapore since the year 2000. He graduated with a Master of Business Administration degree from the University of Chicago, after obtaining his Bachelor of Science degree from Indiana University.

Mr. Kua Hong Pak has been a Director of Temasek since November 1996. He is Senior Advisor of ComfortDelGro Corporation Ltd. and was its Managing Director and Group Chief Executive Officer from January 4, 2003 to April 30, 2017. He also sits on the boards of PSA and PSA Corporation Ltd. He was previously the President and Chief Executive Officer of Times Publishing Limited. Mr. Kua was conferred the Public Service Star (Bar) in 2016. He was re-appointed a Justice of the Peace by the President of Singapore in 2015. He was also conferred Honorary Citizenship by the Shenyang City People's Government in 1997. He holds a Bachelor of Accountancy degree from the then University of Singapore and participated in the Advanced Management Program of Harvard Business School.

Mr. Chin Yoke Choong Bobby joined Temasek as a Director on June 10, 2014. Mr. Chin is Chairman of the Housing Development Board, NTUC Fairprice Co-operative Ltd and NTUC Fairprice Foundation Ltd, Deputy Chairman of NTUC Enterprise Co-Operative Limited and a board member of the Singapore Labour Foundation. Mr. Chin also serves as a member of the Council of Presidential

Advisers. He sits on the boards of several listed companies including Yeo Hiap Seng Ltd, Ho Bee Land Limited, AV Jennings Limited and Singapore Telecommunications Limited. Mr. Chin was the Managing Partner of KPMG Singapore for 13 years, from 1992 until his retirement in 2005. Mr. Chin served as a board member of Urban Redevelopment Authority from 1997 to 2006 and was its Chairman from 2001 to 2006. He also served as the Chairman of Singapore Totalisator Board from 2006 to 2012. Mr. Chin holds a Bachelor of Accountancy degree from the University of Singapore and is an Associate member of the Institute of Chartered Accountants in England and Wales. Mr. Chin was awarded the Public Service Medal in 2003, the Public Service Star in 2011 and the Friend of Labour Award in 2013. In 2017, he was also awarded the Meritorious Service Award at NTUC's May Day Awards and the Meritorious Service Medal on the National Day of Singapore.

Mr. Goh Yew Lin has been a Director of Temasek since August 2005. He is the Managing Director of GK Goh Holdings Ltd ("GK Goh"), an investment holding company listed on the SGX-ST. He was actively involved in the securities industry in Southeast Asia for 25 years until the sale of GK Goh's stockbroking business in 2005. Mr. Goh is the Chairman of SeaTown Holdings Pte Ltd and an independent Director of Trailblazer Foundation Ltd. Among his public sector appointments, he is the Chairman of the Yong Siew Toh Conservatory of Music, the Chairman of the Singapore Symphonia Company Limited, the Deputy Chairman of the National Arts Council, a trustee of the National University of Singapore and the Chairman of the National University of Singapore Investment Committee. Mr. Goh was conferred the Singapore Public Service Star in 2013. Mr. Goh holds a Bachelor of Science (Economics) degree from the University of Pennsylvania.

Ms. Ho Ching joined Temasek as a Director in January 2002 and became its Executive Director in May 2002. She was appointed Executive Director and Chief Executive Officer in January 2004. She is concurrently Chairman of Temasek International. Ms. Ho started her career in 1976 with the Ministry of Defence where she held various positions including Director, Defence Materiel Organization and concurrently Deputy Director, Defence Science Organization. She joined the Singapore Technologies Group in 1987 as Director Engineering and was its President and CEO from April 1997 to December 2001. Conferred the Public Administration Medal (Silver, 1985) and the Public Service Star (1996), Ms. Ho is a Distinguished Engineering Alumnus of the National University of Singapore and a Fellow of the Academy of Engineering, Singapore. She holds a Bachelor of Engineering (Honours) degree from the then University of Singapore and a Master of Science degree in Electrical Engineering from Stanford University, USA.

Mr. Lee Ching Yen Stephen joined Temasek as a Director on July 1, 2017. Mr. Lee is Chairman of SIA Engineering Company Ltd, NTUC Income Insurance Cooperative Limited, Shanghai Commercial Bank (Hong Kong) and Tripartite Alliance Limited. Mr. Lee is also Deputy Chairman of M+S Pte. Ltd. He is Managing Director of Shanghai Commercial & Savings Bank Ltd (Taipei) and GMT Investments Pte Ltd and a Director of CapitaLand Limited, Singapore Labour Foundation and Kidney Dialysis Foundation. He is also a Member of the Council of Presidential Advisers and a Member of NTUC-ARU Board of Trustee. Mr. Lee was most recently Chairman of Singapore Airlines Limited, where he led the board from 2006 to 2016. He served as a Nominated Member of the Parliament of Singapore from 1994 to 1997. Mr. Lee was awarded the Beijing's Friendship Awards to Foreign Experts in 2007, the Singapore Distinguished Service Order in 2006, the Singapore Public Service Star in 1998 and the Distinguished Comrade of Labour in 2015. He was also conferred one of Singapore's highest state awards, Order of Nila Utama (First Class) in 2015. Mr. Lee holds a Master of Business Administration degree from Northwestern University, USA.

Mr. Lee Theng Kiat joined Temasek in April 2012 and was appointed as a Director in April 2016. He is currently Deputy Chairman and Chief Executive Officer of Temasek International Pte. Ltd. ("Temasek International"). Prior to joining Temasek, Mr. Lee was the President and Chief Executive Officer of ST Telemedia, a post he had held since its formation. Mr. Lee successfully led ST Telemedia as a significant mobile communications and global data services group. Under his leadership, ST Telemedia expanded its global footprint in the Asia-Pacific region, the Americas and Europe. Today, portfolio companies in the group include Asia Mobile Holdings Pte Ltd (which holds interests in Starhub Ltd, Mfone Co., Ltd and Lao Telecommunications Company Limited), Level 3 Communications, Inc., TeleChoice International Limited, U Mobile Sdn Bhd, Sky Cable Corporation and VNPT Global Joint Stock Company. Prior to joining ST Telemedia, Mr. Lee held various senior level positions in the Singapore Technologies Pte Ltd ("Singapore Technologies") Group, overseeing its legal and strategic business development functions. Mr. Lee served in the Singapore Legal Service for over eight years before joining the Singapore Technologies Group. Mr. Lee holds a Bachelor of Laws (Honours) degree from the National University of Singapore.

Mr. Ng Chee Siong Robert joined Temasek as a Director on June 10, 2014. Mr. Ng is currently the Chairman of Sino Land in Hong Kong, a leading property group in Asia, as well as Chairman of Tsim Sha Tsui Properties Limited and Sino Hotels (Holdings) Limited. Mr. Ng was previously the Vice Chairman of M+S Pte Ltd where he played a key role in spearheading a real estate joint-venture initiative between Khazanah Nasional Berhad and Temasek. In addition, he is a Member of the 11th, 12th and 13th National Committee of the Chinese People's Political Consultative Conference ("CPPCC") and Deputy Director of the Committee for Economic Affairs of the 13th National Committee of the CPPCC. Mr. Ng is currently a Director of the Real Estate Developers Association of Hong Kong and Chairman of the Board of Governors of the Singapore International School in Hong Kong as well as Chairman of the Singapore International School Foundation. He also serves as Chairman of the Singapore Chamber of Commerce in Hong Kong. Mr. Ng was awarded the Public Service Star in 2001 and the Meritorious Service Medal in 2008. Mr. Ng was called as Barrister-at-Law in England in July 1975 and as Advocate and Solicitor in Singapore in August 1976.

Mr. Teo Ming Kian has been a Director of Temasek since October 1, 2006. Mr. Teo is concurrently the Chairman of Vertex Venture Holdings Ltd, Tessa Therapeutics Pte Ltd, Tychan Pte Ltd, Temasek Foundation Ecosperity CLG Ltd and Temasek Life Sciences Laboratory Ltd, its subsidiary and joint venture. He is also a Fellow of the Singapore Academy of Engineering. Before he retired from the Singapore Civil Service, he was the Permanent Secretary and Executive Chairman for several Singapore government ministries and agencies. Mr. Teo was conferred the Singapore Public Administration Medal (Gold) in 1993, the Commander First Class — Royal Order of the Polar Star (Sweden) in 1994, the Distinguished Alumni Award, Monash University, Australia in 1999, the Meritorious Service Medal in 2008 and the Defence Technology Medal (Distinguished Leadership) in 2015. Mr. Teo holds a Bachelor of Engineering (First Class Honours) degree in Mechanical Engineering from Monash University in Australia and Master of Science degree in Management Studies from the Massachusetts Institute of Technology.

Mr. Peter Robert Voser joined Temasek as a Director on January 1, 2015. Mr. Voser was formerly Chief Executive Officer of Royal Dutch Shell plc from 2009 to 2013. Since April 2015, Mr. Voser has served as the Chairman of ABB Ltd, a company which manufacturers electrification products, robotic and motion, industrial automation and power grid products. He is also the Chairman of the Board of Trustees of St. Gallen Foundation for International Studies and a member of the Executive Committee of the Catalyst Board of Directors, a non-profit organization that works to expand opportunities for women in business. He is active in a number of international and bilateral organizations. In addition, Mr. Voser is Deputy Chairman of PSA International Pte Ltd, and also a Director of Roche Holdings Limited and International Business Machines Corporation ("IBM"). Mr. Voser was formerly a member of the Supervisory Board of Aegon N.V. from 2004 to 2006, a member of the Supervisory Board of UBS AG from 2005 to 2010 and a member of the Swiss Federal Auditor Oversight Authority from 2006 to 2010. In July 2011, His Majesty the Sultan of Brunei awarded Mr. Voser the title of *Dato Seri Laila Jasa* in recognition of his services to Brunei. He holds a degree in Business Administration from the University of Applied Sciences, Zürich.

Mr. Marcus Wallenberg joined Temasek as a Director on July 8, 2008. Mr. Wallenberg is the Chairman of several major companies in Sweden, such as Skandinaviska Enskilda Banken, Saab AB and FAM AB. In addition, Mr. Wallenberg served as Chairman of the International Chamber of Commerce, a world business organization with representation from global businesses, aimed at promoting cross border trade and investments. Mr. Wallenberg is also a Board member of AstraZeneca Plc, Investor AB and the Knut and Alice Wallenberg Foundation. He holds a Bachelor of Science degree in Foreign Service from Georgetown University, Washington D.C.

Mr. Robert Bruce Zoellick joined Temasek as a Director on August 15, 2013. Mr. Zoellick is currently the Chairman of AllianceBernstein L.P. and AllianceBernstein Holding L.P.. He is also a Senior Counselor at the Brunswick Group and a Senior Fellow at the Belfer Center for Science and International Affairs at Harvard University's Kennedy School of Government. He was the President of the World Bank from July 2007 to 2012 and served the U.S. Government in various roles including as the U.S. Trade Representative (2001 to 2005) and Deputy Secretary of State (2005 to 2006) during the Administration of President George W Bush. During his tenure as U.S. Trade Representative, the U.S. signed its Free Trade Agreement with Singapore, as well as with 11 other countries. From 1985 to 1993, Mr. Zoellick served in various posts in the Reagan and George H.W. Bush Administrations, including Counselor to the Secretary of the Treasury, Under Secretary of State, and Deputy Chief of Staff of the White House. He holds a J.D. magna cum laude degree from Harvard Law School and a Master of Public Policy degree from Harvard University's John F Kennedy School of Government. He has received numerous awards and honors for his work in public service in the United States, Australia, Chile, Germany and Mexico.

Committees of the Board of Directors of Temasek

Executive Committee

The members of the Executive Committee are Mr. Lim Boon Heng (Committee Chairman), Mr. Cheng Wai Keung, Mr. Goh Yew Lin, Ms. Ho Ching, Mr. Lee Ching Yen Stephen, Mr. Lee Theng Kiat and Mr. Ng Chee Siong Robert. The Executive Committee reviews, considers and approves matters relating to:

- supervision and control;
- financing and funding proposals;
- mergers and acquisitions;
- changes in shareholding structure;
- dividend policy; and
- any other major operating decisions as may be delegated by the Board of Directors from time to time.

Audit Committee

The members of the Audit Committee are Mr. Kua Hong Pak (Committee Chairman), Mr. Chin Yoke Choong Bobby and Mr. Teo Ming Kian. The Audit Committee is responsible for reviewing Temasek's:

- financial reporting;
- internal and external audit;
- internal controls;
- compliance with applicable laws and regulations;
- code of ethics and standards of practice; and
- valuation policy and procedures.

The Audit Committee has full access to all Temasek employees and has authority to engage external legal and professional advisors, where appropriate.

Leadership Development and Compensation Committee

The members of the Leadership Development and Compensation Committee are Mr. Lim Boon Heng (Committee Chairman), Ms. Ho Ching, Mr. Lee Ching Yen Stephen, Mr. Teo Ming Kian and Mr. Peter Robert Voser. The Leadership Development and Compensation Committee's objective is to establish policies on the following:

- leadership identification, development, renewal and succession plans for key positions at Temasek and its portfolio companies;
- appointment of board members of Temasek's portfolio companies, renewals of board appointments and directors' compensation for Temasek's portfolio companies;
- management compensation and performance;
- approval of remuneration and other payments to any members of the Board of Directors; and
- establishment and administration of any incentive plans.

Senior management of Temasek

The following table sets forth the name, age and position of each member of Temasek's senior management as at the date of this Offering Circular:

Name	Age	Position
Ho Ching	65	Executive Director & Chief Executive Officer of Temasek Holdings (Private) Limited
Lee Theng Kiat	65	Deputy Chairman & Chief Executive Officer of Temasek International
Dilhan Pillay Sandrasegara	55	Deputy Chief Executive Officer Joint Head, Enterprise Development Group Joint Head, Investment Group Joint Head, Singapore Head, Americas
Chia Song Hwee	55	President & Chief Operating Officer Joint Head, Investment Group Joint Head, Portfolio Management Group Joint Head, Singapore
Jonathon Revill Christopher Allaway	53	Chief Technology Officer
Syed Fidah Bin Ismail Alsagoff	53	Head, Life Sciences
Michael John Buchanan	51	Head, Strategy Senior Managing Director, Portfolio Strategy & Risk Group Head, Australia & New Zealand
Chan Wai Ching	55	Joint Head, Corporate Development Group Head, Organization & People
Gregory Lynn Curl	69	President
Luigi Feola	50	Senior Managing Director, Europe Joint Head, Consumer
Nagi Adel Hamiyeh	49	Joint Head, Enterprise Development Group Joint Head, Consumer Joint Head, Industrials Head, Real Estate Head, Africa & Middle East
Hu Yee Cheng Robin	60	Head, Sustainability & Stewardship Group
Uwe Krueger	53	Head, Business Services Senior Managing Director, Portfolio Management
Ravi Lambah	50	Head, Telecommunications, Media & Technology Joint Head, India
Leong Wai Leng	62	Chief Financial Officer Joint Head, Corporate Development Group
John William Marren	55	Senior Managing Director, North America
Pek Siok Lan	53	General Counsel
Png Chin Yee	42	Head, Financial Services Senior Managing Director, China
Rohit Sipahimalani	51	Joint Head, Portfolio Strategy & Risk Group Joint Head, India
Tan Chong Lee	56	President Joint Head, Portfolio Management Group Head, Europe Head, South East Asia
Teo Juet Sim Juliet	48	Head, Transportation & Logistics Senior Managing Director, Portfolio Management
Alan Raymond Thompson	58	Head, Private Equity Fund Investments Senior Managing Director, Enterprise Development Group
Benoit Louis Marie Francois Valentin	49	Senior Managing Director, Europe Joint Head, Industrials
John Joseph Vaske	52	Joint Head, North America
Wu Yibing	51	Joint Head, Portfolio Strategy & Risk Group Head, China

As Executive Director & Chief Executive Officer of Temasek Holdings (Private) Limited, Ms. Ho Ching continues to oversee Temasek's stewardship role, including its constitutional responsibility to protect Temasek's past reserves.

Temasek International is a wholly-owned subsidiary of Temasek Holdings (Private) Limited that provides management services to Temasek Holdings (Private) Limited.

As Deputy Chairman & Chief Executive Officer of Temasek International, Mr. Lee Theng Kiat is responsible for Temasek's role as an active investor and shareholder. He oversees Temasek's commercial strategies and portfolio.

Ms. Ho and Mr. Lee work closely to oversee and strengthen Temasek's foundation as a forward-looking institution.

Ms. Ho Ching. See "— Board of Directors of Temasek".

Mr. Lee Theng Kiat. See "— Board of Directors of Temasek".

Mr. Dilhan Pillay Sandrasegara joined Temasek in September 2010 and is currently Deputy Chief Executive Officer; Joint Head, Enterprise Development Group; Joint Head, Investment Group; Joint Head, Singapore and Head, Americas. Prior to joining Temasek, Mr. Sandrasegara was the Managing Partner of WongPartnership LLP and had practiced law for over 20 years in the areas of mergers and acquisitions, corporate governance and general corporate law. Mr. Sandrasegara graduated from the National University of Singapore with a Bachelor of Laws degree and obtained a Master of Law degree from the University of Cambridge.

Mr. Chia Song Hwee joined Temasek in October 2011 and is currently President & Chief Operating Officer; Joint Head, Investment Group; Joint Head, Portfolio Management Group and Joint Head, Singapore. Prior to joining Temasek, Mr. Chia was the Chief Operating Officer at GLOBALFOUNDRIES. Prior to the integration of GLOBALFOUNDRIES and Chartered Semiconductor Manufacturing Ltd ("Chartered"), Mr. Chia served as a Director of the Board, and President and Chief Executive Officer of Chartered from June 2002 to December 2009. Mr. Chia joined Chartered in 1996, where he held a number of management positions, including Senior Vice President, Chief Financial Officer and Chief Administrative Officer. Prior to Chartered, Mr. Chia was from the Schlumberger Group, a global oilfield services group, where the last position he held was Regional Controller for Asia, Australia and the Middle East of the drilling group. Mr. Chia received his Bachelor of Business (Accountancy), with distinction, from Edith Cowan University, Australia and is a member of CPA Australia. Mr. Chia was honored with the EE Times Annual Creativity in Electronics (ACE) Award for Executive of the Year in 2007.

Mr. Jonathon Revill Christopher Allaway joined Temasek in January 2018 and is currently Chief Technology Officer. Mr. Allaway was most recently Accenture's Group Technology Officer for Financial Services globally and the Senior Managing Director for Accenture's Financial Services business in Asia. Mr. Allaway was responsible for developing industry-specific technology strategies and shaping technology-enabled change programs for banking, insurance and capital markets clients. Mr. Allaway has three decades in large-scale business change and technology implementation experience in the region. He re-joined Accenture in 2012 as Senior Managing Director of Sales for Financial Services in Asia Pacific. He also held a number of leadership roles in the financial services industry. Prior to Accenture, Mr. Allaway worked for ANZ Bank as Group Managing Director of IT Strategy, Change & Project Management. In 2005, he founded Allaway Management Consulting, providing a range of consulting services to chief executive officers and chief information officers in the banking, funds management and private equity sectors. Mr. Allaway was also the co-founder of Saltbush Capital Markets, a private equity firm with investments in agriculture, aged care, parking solutions for cities and telecommunications. Mr. Allaway started his career with Accenture in 1984 and was with them for 20 years where he managed and successfully delivered a number of large complex technology investments for clients. In 1997, he was promoted to Managing Director and led Accenture's Financial Services business in Singapore. Mr. Allaway has a Bachelor's degree in Economics from University of Sydney with majors in Money & Finance and Computer Science.

Mr. Syed Fidah Bin Ismail Alsagoff joined Temasek in August 2008 and is currently Head, Life Sciences. Prior to joining Temasek, Mr. Alsagoff was a Partner at Innosight Ventures Pte Ltd, a venture capital fund investing in disruptive innovation. Before that, Mr. Alsagoff was Director, Strategy, Policy & Communications at Singapore Health Services Pte Ltd and thereafter, was appointed Chief Executive Officer of Ministry of Health Holdings Pte Ltd, the parent company of Singapore's public

hospitals and clinics. Mr. Alsagoff's career also included nearly a decade in social entrepreneurship where he started several programs and enterprises catering to unmet healthcare needs of patients, with the latest enterprise being the establishment of the Singapore Cord Blood Bank. Mr. Alsagoff graduated from the National University of Singapore with a Bachelors of Medicine and Surgery and later with a Masters of Medicine in Public Health. Mr. Alsagoff attended INSEAD on a Lee Kuan Yew Scholarship for post-graduate studies and graduated with an Executive MBA (with distinction). As valedictorian of his EMBA class, Mr. Alsagoff was awarded the Claude Janssen Prize.

Mr. Michael John Buchanan joined Temasek in December 2012 and is currently Head, Strategy; Senior Managing Director, Portfolio Strategy & Risk Group; and Head, Australia & New Zealand. Mr. Buchanan was most recently the Chief Asia-Pacific Economist at Goldman Sachs, Hong Kong where he was responsible for the firm's economic, foreign exchange and rates views on the region. Prior to this role, Mr. Buchanan was the Co-Director of the Global Macro & Markets Research Group, responsible for broad macro-trading strategy as well as long term thematic research on the future of the global economy and shorter-term cyclical work on the major economies. Mr. Buchanan was also previously the Senior Emerging Markets Economist of Goldman Sachs, based out of London office. Mr. Buchanan began his career as a lecturer at Jesus College, Oxford University and at the Institute of Economics and Statistics, Oxford University. Thereafter, Mr. Buchanan joined the International Monetary Fund as an economist working on Russia and capital market issues. Mr. Buchanan holds a Masters of Philosophy from Oxford University (under Rhodes scholarship). Mr. Buchanan graduated from University of Tasmania, Australia with Honours in Economics (and a partial major in Law).

Ms. Chan Wai Ching joined Temasek in June 2006 and is currently Joint Head, Corporate Development Group and Head, Organization & People. As part of Temasek's senior leadership team, Ms. Chan oversees all of Temasek's organizational, human capital and leadership matters. In addition, she also works with and supports the boards of Temasek's portfolio companies in putting together high caliber boards, appropriate board remuneration framework, and management incentive plans. In this regard, she also sits on the Remuneration Committees of select portfolio companies. Prior to Temasek, Ms. Chan's career in human resources spans 27 years, including senior appointments at Fullerton Financial Holdings, Citibank N.A., Singapore Technologies Pte Ltd, United Overseas Bank and Overseas Union Bank. Ms. Chan holds a Bachelor of Business Administration degree from the National University of Singapore, a graduate diploma in HR management and completed the Advanced Management Programme at Harvard Business School in 2012.

Mr. Gregory Lynn Curl joined in September 2010 and is currently President of Temasek International. Before his current appointment, Mr. Curl was previously Head, Americas; Head, Latin America in Temasek International, as well as President of Temasek Holdings (Private) Limited. Mr. Curl retired from Bank of America ("BoA") in March 2010 after a banking career of over 35 years. During his tenure in BoA, Mr. Curl held several senior executive positions, including Chief Risk Officer, Vice Chairman of Corporate Development and Global Corporate Strategic Development & Planning executive. Apart from his career in banking, Mr. Curl has also served as a special assistant from 1976 to 1978 to US Senator John Danforth. Mr. Curl received a Master of Arts in Government degree from the University of Virginia.

Mr. Luigi Feola joined Temasek in March 2016 and is currently Senior Managing Director, Europe and Joint Head, Consumer. Mr. Feola was most recently President of Value Retail Management Limited, a leading luxury retailing business that develops and manages luxury shopping villages across Europe and China. Prior to Value Retail Management Limited, Mr. Feola spent more than 20 years at Proctor & Gamble Co. ("P&G") where he started as Financial Analyst and progressively held positions of increasing responsibility. Mr. Feola was appointed Chief Financial Officer, Global Prestige Products in 2009 and his last role at P&G in 2014 was Vice President and General Manager of Global Luxury Brands, comprising a portfolio of five brands in the luxury beauty segment: Dolce & Gabbana, Gucci, Escada, Stella McCartney and Alexander McQueen. Mr. Feola started out as Lieutenant in the Italian Navy in 1988 to 1990 and subsequently moved to take on finance-related roles in Italy, Belgium and Ukraine, before moving to the United States as Head of Mergers & Acquisition in Global Beauty Care and Chief Financial Officer in Global Prestige Products in Switzerland. Mr. Feola graduated with Business and Economics (Honours) degree from Messina University and obtained a Master of Business Administration degree from Luigi Bocconi University and attended the International Exchange Program at the University of California Berkeley. Mr. Feola is a certified Chartered Public Accountant.

Mr. Nagi Adel Hamiyeh joined Temasek in September 2005 and is currently Joint Head, Enterprise Development Group; Joint Head, Consumer; Joint Head, Industrials; Head, Real Estate and Head,

Africa & Middle East. Prior to joining Temasek, Mr. Hamiyeh held senior management positions in various companies including Credit Suisse and Bain & Company. Mr. Hamiyeh holds a Bachelor of Science degree in Civil Engineering from the University of Texas and Master of Science degree in Civil Engineering and Environmental Engineering from the Massachusetts Institute of Technology.

Mr. Hu Yee Cheng Robin joined Temasek in December 2016 and is currently Head, Sustainability & Stewardship Group. Mr. Hu was previously the Chief Executive Officer of the South China Morning Post ("SCMP") Group in Hong Kong since June 2012. Prior to his appointment at SCMP, Mr. Hu was Senior Executive Vice President, Chinese Newspapers Division and Newspaper Services Division of Singapore Press Holdings ("SPH") for eight years, where he was responsible for managing the group's three Chinese dailies, a bilingual free-sheet, events and exhibitions, retail and printing operations and China business relations and development. Mr. Hu also served as Managing Director (Global Business) of Singtel NCS Ltd from August 2001 to June 2004. Mr. Hu gained earlier experience in China as the Regional Director (China) for the Singapore Economic Development Board based in Shanghai and Suzhou between 1995 and 1997 and in Beijing in 1998. During that time, Mr. Hu was a Counselor with the Embassy of the Republic of Singapore (Beijing) between March 1998 and December 1999. Mr. Hu also served as Senior Vice President and Country General Manager of Asiacontent.com Ltd from January 2000 to June 2001. Mr. Hu holds a Bachelor of Science (Honours) in Mathematics from the University of Kent and a Master of Science in Computer Science from the University of Wales.

Mr. Uwe Krueger joined Temasek in January 2018 and is currently Head, Business Services and Senior Managing Director, Portfolio Management. Mr. Krueger was most recently the Chief Executive Officer of WS Atkins plc and was responsible for one of the world's largest engineering firms providing professional, technology-based consultancy and support services for clients in both the private and public sectors globally. Prior to Atkins, Mr. Krueger was the President of Cleantech Switzerland. He was also an Operations Director and Senior Advisor with TPG Capital based in London and San Francisco. Before TPG Capital, Mr. Krueger was the Chief Executive Officer of OC Oerlikon Management AG and had assumed multiple roles with Hochtief AG, among them Chief Executive Officer Central/Eastern Europe (Warsaw, Moscow) and Chairman Turner International (Dallas/US). He started his career as a Project Manager with A.T. Kearney. In addition, Mr. Krueger serves on the Boards of Aggreko plc, SUSI AG, Ontex S.A. and is a Member of the Swiss Federal Nuclear Commission. Mr. Krueger holds a Doctorate of Philosophy from University of Frankfurt and was conferred a Honorary Doctorate from Heriot-Watt University, Edinburgh. He also holds an Honorary Professorship of Physics at Johann Wolfgang Goethe University, Frankfurt. He received the European CEO of the Year Award in 2016.

Mr. Ravi Lambah joined Temasek in April 2012 and is currently Head, Telecommunications, Media & Technology and Joint Head, India. Prior to this role, Mr. Lambah was the Chief Operating Officer of ST Telemedia, an investor-operator with a significant global portfolio of telecom and media assets. His role comprised overseeing the investments and operations of the company, which is also a 100% owned subsidiary of Temasek. Mr. Lambah has over 25 years in the financial and investment banking industry in the Asia-Pacific region, 15 of which were with Citigroup, Credit Suisse and Jardine Fleming. Mr. Lambah is a Chartered Accountant and a Cost and Management Accountant. Mr. Lambah holds a Bachelor's degree in Commerce and Economics, from India's University of Bombay.

Ms. Leong Wai Leng joined Temasek in March 2006 and is currently the Chief Financial Officer and Joint Head, Corporate Development Group. Ms. Leong has more than 35 years of working experience holding senior management positions in three publicly listed companies and the public sector. Prior to joining Temasek, she was the Deputy Chief Executive Officer of Raffles Holdings Ltd and concurrently, the Chief Executive Officer of Raffles International Ltd, its hotel operating and management subsidiary. Ms. Leong has a Bachelor of Arts (Honours) in Engineering Tripos and a Master of Arts from Cambridge University, United Kingdom. She also holds a Master of Applied Finance from Macquarie University, Australia.

Mr. John William Marren joined Temasek in November 2017 and is currently Senior Managing Director, North America. Prior to joining Temasek, Mr. Marren was a Partner of TPG Capital ("TPG") and led the firm's Technology Buyout Team for 17 years. Prior to TPG, Mr. Marren was a Managing Director and Co-Head, Technology Investment Banking Group at Morgan Stanley. He was also a Managing Director and Senior Semiconductor Analyst at Alex Brown & Sons. Prior to his career on Wall Street, Mr. Marren spent seven years in the semiconductor industry working for VLSI Technology and Vitesse Semiconductor. In addition, Mr. Marren serves on the Boards of a number of companies

including Advanced Micro Devices. Mr. Marren received a Bachelor of Science from University of California, where he studied Electrical Engineering.

Ms. Pek Siok Lan joined Temasek in April 2012 and is currently General Counsel. Prior to joining Temasek, Ms. Pek was Executive Vice President and General Counsel at ST Telemedia where she was responsible for the company's legal, regulatory and corporate secretarial affairs. Ms. Pek has over 25 years of experience in the legal services sector and has executed various complex merger and acquisition transactions. Ms. Pek holds a Bachelor of Laws (Honours) degree from the National University of Singapore.

Ms. Png Chin Yee joined Temasek in July 2011 and is currently Head, Financial Services and Senior Managing Director, China. Prior to joining Temasek, Ms. Png was Managing Director with UBS AG where she was the Joint Head of FIG for Asia Investment Banking. Ms. Png was responsible for FIG clients in Asia, including multinationals, across all FIG subsectors which included banking, life and general insurance, asset management and brokerage. Ms. Png holds a Bachelor of Accountancy (First Class Honours) degree from the Nanyang Technological University.

Mr. Rohit Sipahimalani joined Temasek in November 2008 and is currently Joint Head, Portfolio Strategy & Risk Group and Joint Head, India. Before his current role, he was Co-Head of the Investment Group from 2012 to 2016. Prior to joining Temasek, Mr. Sipahimalani spent 11 years with Morgan Stanley where he most recently served as Managing Director & Head of South East Asia Investment Banking in Singapore since 2007. During his time at Morgan Stanley, he has also held the positions of Managing Director & Co-Head of Asia Pacific Merger & Acquisition in Hong Kong and Vice President in Mumbai, where he started with Morgan Stanley in 1997. Mr. Sipahimalani began his career with Citibank, Mumbai and also spent a portion of his career with McKinsey & Co. Mr. Sipahimalani graduated from St. Stephens College, Delhi University with a Bachelor of Arts (Economics) degree and holds a Post Graduate Diploma in Business Management from the Indian Institute of Management, Ahmedabad.

Mr. Tan Chong Lee joined Temasek in October 2011 and is currently President; Joint Head, Portfolio Management Group; Head, Europe and Head, South East Asia. Prior to assuming his present role in February 2013, Mr. Tan was the Chief Investment Officer. Before joining Temasek, Mr. Tan was the Country Executive of South East Asia as well as the Head of Corporate & Investment Banking, South East Asia at Bank of America Merrill Lynch. He was also a member of Bank of America Merrill Lynch's Asia Pacific Executive Committee. Before joining Bank of America Merrill Lynch, Mr. Tan was the Co-Head of Investment Banking, South East Asia with Goldman Sachs and before that he worked for several European banks including BNP Paribas and Barings Brothers & Co. Mr. Tan received his Bachelor of Commerce and Administration (Accounting) degree and Bachelor of Arts (Economics) degree from the Victoria University of Wellington, New Zealand and is a provisional member of the New Zealand Institute of Chartered Accountants.

Ms. Teo Juet Sim Juliet joined Temasek in April 1996 and is currently Head, Transportation & Logistics and Senior Managing Director, Portfolio Management. During her tenure at Temasek, Ms. Teo has been involved in originating, evaluating and managing investment opportunities across a broad range of sectors, including financial services, telecommunications, media & technology and transportation and logistics. She has also been involved in shaping various institutional initiatives within Temasek including organizational structures, talent development and governance framework. Prior to joining Temasek, Ms. Teo was with Singapore Press Holdings. Ms. Teo has been a Director of Changi Airports International Pte. Ltd and Belford Investments Pte. Ltd. since July 2016. Ms. Teo holds a Bachelor of Business Administration (Second Upper Honours) degree from the National University of Singapore and is a CFA charter holder.

Mr. Alan Raymond Thompson joined Temasek in January 2004 and is currently Head, Private Equity Fund Investments and Senior Managing Director, Enterprise Development Group. Mr. Thompson was previously Managing Director, Portfolio Management, and Managing Director, Telecommunications and Media. He was also based in Sao Paulo for several years as Managing Director, Latin America while he established Temasek's offices in Latin America. Prior to joining Temasek in 2004, he was a Partner at Stern Stewart & Co. where he led numerous client engagements on managing for shareholder value across a wide range of industries in Southeast Asia, Australia and South Africa. Mr. Thompson previously worked in the private equity fund of a large banking group in South Africa, and had 10 years of operational experience in the high-tech sector in South Africa, spanning software engineering, systems engineering and executive management roles. Mr. Thompson holds a Master of

Business Administration degree, a Graduate Diploma in Engineering and a Bachelor of Science degree in Electrical Engineering, from the University of the Witwatersrand in Johannesburg, South Africa.

Mr. Benoit Louis Marie Francois Valentin joined Temasek in September 2014 and is currently Senior Managing Director, Europe and Joint Head, Industrials based in London. Before joining Temasek, Mr. Valentin was Partner and Head of the Paris office, as well as Co-Head of Industrials sector at Cinven, the European private equity firm (from 2006 to 2014). At Cinven, he was involved in several transactions including Eutelsat, Camaïeu and Amadeus. Prior to Cinven, Mr. Valentin worked for 12 years with Goldman Sachs, initially within the investment bank in London and Singapore and, since 2000, as Managing Director with PIA, Goldman Sachs' private equity unit in London. While in that capacity, he completed several major investments, including Eutelsat, Legrand and Messer Griesheim. Prior to Goldman Sachs, Mr. Valentin worked with Credit Lyonnais in Paris. Mr. Valentin graduated from the HEC School of Management in Paris with a Master of Science degree in Business Administration.

Mr. John Joseph Vaske joined Temasek in January 2017 and is currently Joint Head, North America. Previously, Mr. Vaske was Co-Chairman of Global M&A in the Investment Banking Division at Goldman Sachs where he spent his entire career prior to Temasek. Mr. Vaske joined Goldman Sachs in 1988 as an Analyst with the M&A team in New York. He relocated to Tokyo from 1989 to 1991 to help start the M&A practice before returning to New York. In 1997, Mr. Vaske became head of the Chemicals Group, which later merged into Energy & Power to form the Natural Resources Group in IBD. He relocated to London in 2005 to lead the European Natural Resources Group. In March 2010, Mr. Vaske returned to New York as Co-Head of the Natural Resources Group ultimately becoming Co-Chairman. Mr. Vaske moved into his latest role as Co-Chairman of Global M&A in 2015. Mr. Vaske graduated from Columbia University with a Bachelor of Arts (Economics).

Mr. Wu Yibing joined Temasek in October 2013 and is currently Joint Head, Portfolio Strategy & Risk Group and Head, China. Mr. Wu was previously President of CITIC Private Equity Funds Management Co. Ltd., a position he held since December 2009. He concurrently served as Chairman and Chief Executive Officer of Goldstone Investment Co. Ltd., the direct investment arm of CITIC Securities Company Limited. Mr. Wu began his career with McKinsey & Co., rising to the positions of Senior Partner and Head of Asia Pacific M&A Practice. He was also General Manager of McKinsey Beijing, where he was responsible for providing M&A, corporate restructuring and IPO advisory for large Chinese enterprises. He has advised a number of leading Asian companies in their international expansion effort. He subsequently joined Lenovo Group Ltd. ("Lenovo") and led its acquisition and integration of IBM's PC ("personal computer") business, serving as Chief Strategy Officer, Chief Integration Officer, Chief Transformation Officer and Chief Information Officer of Lenovo. Mr. Wu was later appointed to Lenovo parent Legend Holdings Corporation as Executive Vice President responsible for the overall business operations and overseeing its direct investment business. He serves on the board of the China Social Entrepreneur Foundation. Mr. Wu holds a Doctor of Philosophy degree in Biochemistry from Harvard University and a Bachelor of Science degree in Molecular Biology from University of Science and Technology of China.

Management Committees of Temasek

Temasek Holdings (Private) Limited's CEO is assisted in Temasek's day to day policy implementation and operational decisions by the following management committees:

- The Senior Divestment and Investment Committee
- The Senior Management Committee
- The Strategy, Portfolio and Risk Committee

The Senior Divestment and Investment Committee reviews, monitors and manages the overall investment portfolio on an ongoing basis. It has the flexibility of maintaining, increasing, reducing or divesting Temasek's holdings in companies or making new investments up to the authority level delegated by the Board of Directors.

The Senior Management Committee reviews and sets overall management and organizational policies. These include internal controls and the implementation of Temasek's valuation policy approved by the Audit Committee, as well as Temasek's derivatives framework.

The Strategy, Portfolio and Risk Committee reviews macro-economic and global political, technology and social trends that provide the context in which new opportunities and risks in existing and new markets may arise. It reviews the risk tolerance framework to keep it relevant, as well as value creation opportunities.

The Issuer

The Issuer is indirectly, through an Investment Holding Company, a wholly-owned subsidiary of Temasek and was incorporated under the laws of Singapore on July 12, 2004. It is an Investment Holding Company whose principal activity is financing. The Issuer intends to provide the net proceeds arising from notes issued under the Program to Temasek and its Investment Holding Companies to fund their ordinary course of business, unless otherwise disclosed in the relevant Pricing Supplement. The Issuer's principal executive office is located at 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891. The issued share capital of the Issuer is S$2.00 comprising two ordinary shares issued, which are indirectly, through an Investment Holding Company, held by Temasek. As at the date of this Offering Circular, the Issuer has outstanding debt consisting of US$1.5 billion 4.3% Guaranteed Notes due 2019, US$500 million 5.375% Guaranteed Debentures due 2039, S$300 million 4.0% Guaranteed Notes due 2029, S$300 million 4.2% Guaranteed Notes due 2039, S$1.0 billion 3.265% Guaranteed Notes due 2020, S$500 million 3.785% Guaranteed Notes due 2025, S$500 million 4.0475% Guaranteed Notes due 2035, £200 million 4.625% Guaranteed Notes due 2022, £500 million 5.125% Guaranteed Notes due 2040, S$1.0 billion 4.2% Guaranteed Notes due 2050, US$1.2 billion 2.375% Guaranteed Notes due 2023, US$500 million 3.375% Guaranteed Notes due 2042, €600 million 0.5% Guaranteed Notes due 2022 and €500 million 1.5% Guaranteed Notes due 2028, all of which were issued as part of the Program. These Notes are guaranteed by Temasek.

No financial statements for the Issuer are included in this Offering Circular, and the Issuer will not publish financial statements on an interim basis or otherwise (except for such statements, if any, which the Issuer is required by Singapore law to publish). The Issuer intends to furnish to the New York Trustee, the Singapore Trustee and the English Trustee within 180 days after the end of each fiscal year an annual report (in English), including a balance sheet and statements of income, shareholders' equity and cash flows of the Issuer and its subsidiaries (if any) certified by independent public accountants and prepared on a consistent basis with past accounting practices and policies (save to the extent otherwise disclosed in its audited accounts) in conformity with FRS and copies of periodic financial reports (if any) that it files with SGX-ST within 15 days after such filing is required or occurs. Any such information or reports, if published, will be made available for inspection during normal business hours at the specified office of the relevant Paying Agent.

The following table sets forth the name, age and position of each member of the Board of Directors of the Issuer as at the date of this Offering Circular:

Name	Age	Position
Chia Song Hwee	55	Director
Goh Bee Kheng	51	Director
Leong Wai Leng	62	Director
Pek Siok Lan	53	Director
Rohit Sipahimalani	51	Director

The address of each of the Directors of the Issuer, in their capacity as Directors of the Issuer, is 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891.

The establishment of the Program was approved by the Board of Directors of the Issuer on September 12, 2005.

Description of the Notes governed by New York law

The particular terms of any Notes issued under the Program will be described in an accompanying supplement to this Offering Circular (a "Pricing Supplement"). The terms and conditions set forth below in this "Description of the Notes governed by New York law" will apply to each Note governed by the laws of the State of New York, unless otherwise specified in the applicable Pricing Supplement and in such Notes.

Notes denominated in Renminbi will be governed by, and construed in accordance with, the laws of England. Notes denominated in Singapore dollars will be governed by, and construed in accordance with, the laws of the Republic of Singapore. All other Notes will be governed by, and construed in accordance with, the laws of the State of New York, the laws of England, the laws of the Republic of Singapore or such other law as specified in the applicable Pricing Supplement and in such Notes.

Notes governed by the laws of the State of New York shall be issued under an amended and restated indenture dated as of July 12, 2013 (as may be further amended, supplemented or otherwise modified and in effect from time to time, the "Indenture") among the Issuer, the Guarantor and Deutsche Bank Trust Company Americas as New York Trustee. Notes governed by the laws of Singapore shall be issued under an amended and restated trust deed governed under Singapore law dated July 12, 2013 (as may be further amended, supplemented or otherwise modified and in effect from time to time, the "Singapore Law Trust Deed") among the Issuer, the Guarantor and DBS Trustee Limited as Singapore Trustee. See "Terms and conditions of the Notes governed by Singapore law". Notes governed by the laws of England shall be issued under an amended and restated trust deed governed under English law dated July 12, 2013 (as may be further amended, supplemented or otherwise modified and in effect from time to time, the "English Law Trust Deed") among the Issuer, the Guarantor and the English Trustee. See "Terms and conditions of the Notes governed by English law". Notes issued under other laws shall be issued under such instrument(s) as may be appropriate as set out in the applicable Pricing Supplement and in such Note.

The establishment of the Program was authorized by a resolution passed by the Board of Directors of the Issuer on September 12, 2005 and of Temasek on September 7, 2005. All Notes offered under the Program are limited to an aggregate principal amount (which in the case of Notes issued at a premium, shall be the aggregate initial offering price, in the case of Notes issued at a discount from their principal amount, shall be their principal amount, in the case of partly paid Notes, shall be the amount of subscription monies paid up at such time, or, in the case of Notes denominated in a currency other than U.S. dollars, the approximate equivalent thereof determined on the basis of the spot rate for the sale of the U.S. dollar against the purchase of the relevant currency in the London foreign exchange market quoted by any leading bank selected by the Issuer at any time selected by the Issuer during the five-day period before the date the Issuer agreed to issue such Notes), at any time outstanding of up to US$20,000,000,000. The Program Limit was initially set at US$5,000,000,000. The Issuer and the Guarantor increased the Program Limit to US$10,000,000,000 on February 3, 2010, and this was further increased to US$15,000,000,000 on July 12, 2013 and to US$20,000,000,000 on July 16, 2018. The maximum amount that may be issued under the Program may be increased pursuant to the terms of the Program.

The following summary of certain provisions of the Indenture does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the Indenture, including the definitions therein of certain terms. Wherever particular sections or defined terms of the Indenture are referred to, such sections or defined terms shall be deemed to be incorporated herein by reference. Capitalized terms used in this "Description of the Notes governed by New York law" that are not otherwise defined shall have the same meaning given to such terms as in the Indenture, and references in this "Description of the Notes governed by New York law" to "Notes" are only to Notes governed by the laws of the State of New York and issued under the Indenture.

General

Unless otherwise stated in the applicable Pricing Supplement, the Notes will constitute direct, unsecured and unsubordinated obligations of the Issuer. The Notes of each series will rank *pari passu* among themselves and, unless otherwise stated in the applicable Pricing Supplement, at least *pari passu* with all other existing and future unsecured and unsubordinated obligations of the Issuer, other than with respect to obligations which may be preferred by law or rank senior by operation of law.

The Indenture provides that the Notes may be issued from time to time in one or more series thereunder (Indenture § 301). All Notes of one series need not be issued at the same time and, unless otherwise provided in the applicable Pricing Supplement, a series may be reopened under the Indenture, without the consent of any Noteholder, for issuances of additional Notes which will be consolidated and form one series with the previously issued Notes (Indenture § 301). Any such further issuances could have adverse tax consequences to U.S. Noteholders as discussed below under "Certain tax considerations — United States federal income taxation — Original issue discount — Fungible issue". All Notes within a series will have the same maturity date and terms otherwise identical (except in relation to issue dates, interest paid or payable on or prior to the first interest payment date after issuance thereof, issue prices and related matters). The Notes of each series will be interchangeable with all other Notes of that series. Each series of Notes shall mature on such dates, bear interest at such rates and have such other terms and provisions not inconsistent with the Indenture as the Issuer may determine.

The Notes will be issued only in fully registered form and in minimum denominations and integral multiples as specified in the applicable Pricing Supplement. Notes in bearer form may be issued pursuant to a supplemental indenture that provides for the issuance of Bearer Notes. Such supplemental indenture shall be in a form agreed between the Issuer, the Guarantor and the New York Trustee and in compliance with U.S. tax and other laws. Notes will be issued in minimum denominations of US$200,000 and integral multiples of US$1,000 in excess thereof and Definitive IAI Registered Notes sold in the United States to Institutional Accredited Investors pursuant to Section 4(a)(2) of the Securities Act or in a transaction otherwise exempt from registration under the Securities Act will be in denominations of US$250,000 and integral multiples of US$1,000 in excess thereof.

The Notes may be issued as Original Issue Discount Notes. An Original Issue Discount Note is a Note, including any Note that does not provide for the payment of interest prior to Maturity, which is issued at a price lower than the principal amount thereof and which provides that upon redemption or acceleration of the Stated Maturity thereof an amount less than the principal amount thereof shall become due and payable. In the event of redemption or acceleration of the Stated Maturity of an Original Issue Discount Note, the amount payable to the holder of such Note upon such redemption or acceleration will be determined in accordance with the terms of the Note, but will be an amount less than the amount payable at the Stated Maturity of such Note. Original Issue Discount Notes (and certain other Notes) may be treated as issued with original issue discount ("OID") for U.S. federal income tax purposes.

The Notes will be redeemable, at the option of the Issuer, prior to their Stated Maturity in the event that the Issuer is obligated to pay any Additional Amounts described in "— Payments of Additional Amounts". See "— Optional tax redemption". Unless otherwise specified in the applicable Pricing Supplement, the Issuer may at its option at any time redeem the Notes as described in "— Optional redemption". In addition, the applicable Pricing Supplement will indicate whether a Note will be otherwise redeemable at the option of the Issuer on or after a specified date prior to its Stated Maturity at a specified Redemption Amount. The applicable Pricing Supplement will also indicate whether the Issuer will be obligated to redeem a Note at the option of the holder thereof. If the Issuer will be so obligated, the applicable Pricing Supplement will indicate the period or periods within which (or, if applicable, the event or events upon the occurrence of which) and the price or prices at which the applicable Notes will be redeemed, in whole or in part, pursuant to such obligation and the other detailed terms and provisions of such obligation.

Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Guarantor, the New York Trustee and any agent of the Issuer, the Guarantor or the New York Trustee may (a) for the purpose of making payment thereon or on account thereof deem and treat the registered holder of any Global Note or Definitive Note as the absolute owner thereof and of all rights thereunder free from all encumbrances, and shall not be required to obtain proof of such ownership or as to the identity of the registered holder of any Global Note or Definitive Note, and (b) for all other purposes deem and treat:

(i) the registered holder of any Definitive Note; and

(ii) each person for the time being shown in the records of any of the Clearing Systems, or such other additional or alternative clearing system approved by the Issuer or the Guarantor (as applicable) and the New York Trustee, as having a particular principal amount of Notes credited to his or her securities account,

as the absolute owner thereof free from all encumbrances and shall not be required to obtain proof of such ownership (other than, in the case of any Person for the time being so shown in such records, a certificate or letter of confirmation signed on behalf of the relevant Clearing System or any other form of record made by any of them) or as to the identity of the registered holder of any Global Note or Definitive Note (Indenture § 308).

Unless otherwise specified in the applicable Pricing Supplement, the Notes will not be subject to any sinking fund or analogous provisions.

Guarantee

The Guarantor will fully, unconditionally and irrevocably guarantee to each Noteholder the due payment of all amounts owing from time to time under the Notes, including, without limitation, the Redemption Amount, interest and Additional Amounts.

Unless otherwise stated in the applicable Pricing Supplement, the Guarantee of the Notes will constitute a direct, unconditional, unsecured and unsubordinated obligation of the Guarantor and will rank at least *pari passu* with all existing and future unsecured and unsubordinated obligations of the Guarantor (other than with respect to obligations which may be preferred by law or rank senior by operation of law) and senior to all existing and future subordinated obligations of the Guarantor.

The Guarantor has (i) agreed that its obligations under the Guarantee will be as if it were principal obligor and not merely surety and will be enforceable irrespective of any invalidity, irregularity or unenforceability of the Notes or the Indenture and (ii) waived its right to require the New York Trustee to pursue or exhaust its legal or equitable remedies against the Issuer prior to exercising its rights under the Guarantee.

The Guarantor is an investment company, and its obligations under the Guarantee will be structurally subordinated to all liabilities of its portfolio companies.

Procedures for payment

Payment of the principal of or premium or interest on Notes will be made to the registered holders thereof at the specified office of the relevant Paying Agents in U.S. dollars; *provided*, *however*, that if the Note is a Global Note, payments shall be made to the account designated by the depositary. Notwithstanding the foregoing, a registered holder of US$10,000,000 or more in aggregate principal amount of such Notes having the same Interest Payment Date will be entitled to receive payments of interest, other than interest due at Maturity, by wire transfer of immediately available funds to an account at a bank located in The City of New York or such other financial center set out in the applicable Pricing Supplement if appropriate wire transfer instructions have been received by the Paying Agent or any other paying agent in writing not less than 15 calendar days prior to the applicable Interest Payment Date (Indenture § 310).

Interest on any Note which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Note (or one or more predecessor Notes) is registered at the close of business on the Regular Record Date for such interest immediately preceding the applicable Interest Payment Date; *provided*, *however*, that any interest on any Note of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date ("Defaulted Interest") shall promptly cease to be payable to the Noteholder on the relevant Regular Record Date, and such Defaulted Interest will be paid to the persons in whose names the Notes of such series are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest or in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Notes may be listed; and *provided* further that interest payable at Maturity or redemption will be payable to the Person to whom principal shall be payable. The first payment of interest on any interest-bearing Note originally issued between a Regular Record Date and an Interest Payment Date will be made on the second Interest Payment Date following the Original Issue Date of such Note to the registered owner on the Regular Record Date immediately preceding such second Interest Payment Date (Indenture § 307).

Transfer and exchange

Subject to the restrictions on resale set forth in "Notice to purchasers and holders of Registered Notes and transfer restrictions" of this Offering Circular and the applicable Pricing Supplement, the Notes

may be presented for registration of transfer or exchange at the office of the relevant Paying Agent. No service charge will be made for any transfer or exchange of such Notes, but the Issuer or the Guarantor (as applicable) may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith (Indenture § 305).

Events of Default

The Indenture provides that, if any Event of Default (other than an Event of Default specified in paragraphs (d) and (e) below) with respect to Notes of any series at the time Outstanding occurs and is continuing, the New York Trustee at its discretion may, and if so requested in writing by the Noteholders of not less than 25.0% in principal amount of the Outstanding Notes of that series shall, by notice as provided in the Indenture, declare the Redemption Amount of all of the Notes of that series to be due and payable immediately and upon such declaration such Redemption Amount shall become immediately due and payable together with accrued but unpaid interest to (but excluding) the date of redemption; *provided* that in the event that the New York Trustee shall have resigned or been removed and a successor New York Trustee shall not have been appointed, such notice may be given directly by the Noteholders of not less than 25.0% in principal amount of the Outstanding Notes of that series. If an Event of Default specified in paragraphs (d) and (e) below with respect to Notes of any series at the time Outstanding occurs, then the Redemption Amount of all of the Notes of that series together with accrued but unpaid interest to (but excluding) the date of redemption shall, without any act by the New York Trustee or the holders of such Notes, become immediately due and payable without presentment, demand, protest or other notice of any kind. Upon certain conditions at any time after such acceleration or declaration of acceleration has been made and before a judgment or decree for payment of the money due has been obtained by the New York Trustee under the Indenture, the act of holders of a majority in aggregate principal amount of the Outstanding Notes of that series, by written notice to the Issuer or the Guarantor (as applicable), and the New York Trustee, may rescind and annul such acceleration or declaration of acceleration and its consequences on behalf of the holders of all Notes of that series (Indenture § 502).

Each of the following shall be an Event of Default with respect to the Notes of any series (Indenture § 501):

(a) failure to pay any interest on any Note when due and payable, and continuance of such default for a period of 14 days;

(b) failure to pay the Redemption Amount of any Note when due and payable, and continuance of such default for a period of 14 days;

(c) failure by the Issuer or the Guarantor to perform any other covenant of the Issuer or the Guarantor (other than a covenant expressly included in the Indenture solely for the benefit of one or more series of Notes other than such series of Notes), and continuance of such failure for 60 days after written notice by the New York Trustee;

(d) (i) the entry by a court having jurisdiction in the premises of a decree or order for relief in respect of the Issuer or the Guarantor in any voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganization, winding up (other than a reorganization or winding up under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency), sequestration or other similar law or (ii) the entry by a court having jurisdiction in the premises of a decree or order adjudging the Issuer or the Guarantor a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Issuer or the Guarantor under any applicable law (other than any reorganization, arrangement, adjustment or composition for the purposes of, or in connection with, a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor or ordering the winding up or liquidation of the affairs of the Issuer or the Guarantor (other than a reorganization, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency), and any such decree or order for relief or any such other decree or order shall not have been discharged or stayed within 60 days;

(e) commencement by the Issuer or the Guarantor of a voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganization (other than a reorganization, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction

not involving bankruptcy or insolvency) or other similar law or any other case or proceeding to be adjudicated bankrupt or insolvent, or the consent by the Issuer or the Guarantor to the entry of a decree or order for relief in respect of the Issuer or the Guarantor in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganization (other than a reorganization, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Issuer or the Guarantor or the filing by the Issuer or the Guarantor of a petition or answer or consent seeking reorganization (other than a reorganization, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or relief under any such applicable law, or the consent by the Issuer or the Guarantor to the filing of such petition or to the appointment or the taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor, or the making by the Issuer or the Guarantor of an assignment for the benefit of creditors, or the taking of action by the Issuer or the Guarantor in furtherance of any such action;

(f) the failure by the Issuer or the Guarantor to pay when due and payable, after the expiration of any applicable grace period, any portion of the principal of, or involuntary acceleration of the maturity of, indebtedness for borrowed money of or guaranteed by the Issuer or the Guarantor having an aggregate principal amount Outstanding in excess of US$100,000,000 (or its equivalent in another currency); or

(g) the Guarantee shall cease to be in full force or effect or the Guarantor shall deny or disaffirm in writing its obligations under the Guarantee.

The applicable Pricing Supplement may specify additional Events of Default.

The holders of not less than a majority in aggregate principal amount of Outstanding Notes of any series may waive any past default with respect to such Notes, except a default in the payment of principal, premium or interest or in respect of other covenants or provisions of the Indenture which cannot be amended without the consent of the holder of each Note of such series affected (Indenture § 513).

Subject to the provisions of the Indenture relating to the duties of the New York Trustee, in case of an Event of Default, the New York Trustee will be under no obligation to expend or risk its own funds or to exercise, at the request or direction of any of the holders of Notes of such series, any of the rights or powers vested in it pursuant to the Indenture unless such Noteholders shall have offered to the New York Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction (Indenture § 603). Subject to such provisions for the indemnification of the New York Trustee and certain other limitations, the holders of a majority in aggregate principal amount of the Outstanding Notes of such series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the New York Trustee or exercising any trust or power conferred on the New York Trustee (Indenture § 512).

A Noteholder may not pursue any remedy with respect to the Indenture or the Notes unless: (1) the Noteholder gives written notice to the New York Trustee of a continuing Event of Default with respect to the Notes of that series; (2) the holders of at least 25.0% in principal amount of the Outstanding Notes of that series shall have made a written request to the New York Trustee to institute proceedings in respect of such Event of Default; (3) such Noteholder or Noteholders offers to the New York Trustee indemnity or security reasonably satisfactory to the New York Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; (4) the New York Trustee does not comply with the request within 60 days after receipt of the request and offer of indemnity or security; and (5) during such 60-day period, the holders of 75.0% in principal amount of the Outstanding Notes of that series do not give the New York Trustee a direction that is inconsistent with the request (Indenture § 507). However, such limitations do not apply to the right of any holder of a Note to receive payment of the principal of and premium, if any, and (subject to the second paragraph under "— Procedures for payment" above) interest, if any, on such Note and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Noteholder (Indenture § 508).

The Indenture provides that the New York Trustee will, within 90 days after the occurrence of any default with respect to the Notes of any series, give to the holders of Notes of such series notice of such default known to it, unless such default shall have been cured or waived; *provided* that, except in the case of a default in the payment of principal of or premium, if any, or interest, if any, on the Notes

of such series, the New York Trustee shall be protected in withholding such notice if it determines in good faith that the withholding of such notice is in the interest of such Noteholders (Indenture § 602).

Payments of Additional Amounts

Pursuant to the Indenture, the Issuer and the Guarantor will agree duly and punctually to pay the principal of and premium and interest, if any, on the Notes and any payments under the Guarantee when and as the same shall become due and payable, whether at Stated Maturity, upon acceleration, or by call for redemption. The Issuer and the Guarantor will agree that any amounts to be paid by them under the Indenture, the Notes and the Guarantee will be paid without deduction or withholding for any and all present and future taxes, levies, imposts or other governmental charges whatsoever imposed, assessed, levied or collected by or for the account of the Republic of Singapore and, if different, the jurisdiction of organization, tax residency or formation of the Issuer or the Guarantor (as applicable), and any other jurisdiction through which payment is made (if applicable) or any political subdivision or taxing authority thereof or therein (as such jurisdiction may be changed from time to time pursuant to the terms of the Indenture) (the "Relevant Taxing Jurisdiction") unless required by law (including under FATCA (as defined below)). In the case of payments in respect of Notes not denominated in Singapore dollars, if deduction or withholding of any such taxes, levies, imposts or other governmental charges shall at any time be required by the Relevant Taxing Jurisdiction, the Issuer and the Guarantor (as applicable) shall pay such additional amounts ("Additional Amounts") in respect of any such principal, premium and interest (as applicable) or any payment under the Guarantee as may be necessary in order that the net amounts paid to the holders of such Notes or to the New York Trustee or any Paying Agent, as the case may be, pursuant to the Indenture and such Notes and the Guarantee after such deduction or withholding shall equal the respective amounts of principal, premium and interest as specified in such Notes, to which the holders thereof or the New York Trustee would be entitled if no such deduction or withholding had been made; *provided* that no Additional Amounts shall be payable in relation to or to the extent of any tax, levy, impost or other governmental charge:

(1) which would not be payable or due but for the fact that the beneficial owner or the holder of such Notes is a domiciliary, national or resident of, or engaging in business (whether through a branch, agency or otherwise) or maintaining a permanent establishment or being physically present in, the Relevant Taxing Jurisdiction or otherwise having some connection with the Relevant Taxing Jurisdiction other than the holding or ownership of a Note, or receiving income therefrom, or the enforcement of a Note;

(2) which would not be payable or due but for the fact that, where presentation is required, such Note was presented more than 30 days after the date such payment became due or was provided for, whichever is later, except to the extent that the holder thereof would have been entitled to Additional Amounts on presenting the same for payment on or before the expiration of 30 days;

(3) which would not be payable or due but for the Noteholder's or beneficial owner's failure to comply with any certification, identification or other reporting requirements of the Relevant Taxing Jurisdiction concerning the nationality, residence, identity or other attributes of the Noteholder or beneficial owner of such Note required in connection with a claim of eligibility for avoidance or reduction of withholding or deduction of tax under the laws of the Relevant Taxing Jurisdiction, if requested in writing addressed to the Noteholder by the Issuer to comply with such requirement;

(4) imposed on a payment to or for an individual that is required to be made pursuant to the European Council Directive 2003/48/EC or any other law implementing or complying with, or introduced in order to conform to, such directive;

(5) which would not be payable or due but for the fact that the Note was presented for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union;

(6) that is imposed in respect of any estate, inheritance, gift, sales, transfer or similar taxes of a Noteholder or beneficial owner of such Note;

(7) if the Noteholder is a fiduciary or partnership or person other than the sole beneficial owner of such payment to the extent that no Additional Amounts would have been payable had such Noteholder been the sole beneficial owner of the Note;

(8) which is imposed or required to be withheld under Sections 1471 to 1474 (or any successor provisions or amendments thereof) of the United States Internal Revenue Code of 1986, as

amended, or pursuant to any agreements and any official pronouncements with respect thereto or any inter-governmental agreement or legislation adopted in connection therewith ("FATCA"); or

(9) any combination of items (1) through (8) above.

No Additional Amounts shall be payable in relation to Notes denominated in Singapore dollars. Whenever there is mentioned in any context the payment of principal, premium or interest in respect of any Note, such mention shall be deemed to include the payment of Additional Amounts provided for in the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the Indenture (Indenture § 1001).

Interest and Interest Rates

Unless otherwise indicated in the applicable Pricing Supplement, interest-bearing Notes will bear interest at either (a) a fixed rate (a "Fixed Rate Note") or (b) a floating rate determined by reference to an interest rate formula, which may be adjusted by adding or subtracting the Spread and/or multiplying by the Spread Multiplier (a "Floating Rate Note"). Each interest-bearing Note will bear interest from and including the Original Issue Date of the series or from and including the most recent Interest Payment Date (or, in the case of a Floating Rate Note with daily or weekly Interest Reset Dates (as defined below), the day following the Regular Record Date immediately preceding such Interest Payment Date) with respect to which interest on such Note (or any predecessor Note) has been paid or duly provided for at the fixed rate per annum, or at the rate per annum determined pursuant to the interest rate formula, stated therein and in the applicable Pricing Supplement, as applicable, until the principal thereof is paid or made available for payment.

Interest rates, or interest rate formulae, are subject to change by the Issuer or the Guarantor (as applicable) from time to time, but no such change will affect any Note already issued or as to which an offer to purchase has been accepted by the Issuer or the Guarantor (as applicable).

Fixed Rate Notes

The applicable Pricing Supplement relating to a Fixed Rate Note will designate a fixed rate of interest per annum payable on such Note. Unless otherwise indicated in the applicable Pricing Supplement, (1) the Interest Payment Date(s) with respect to Fixed Rate Notes shall be either annually or semi-annually and (2) the Regular Record Date(s) for Fixed Rate Notes shall be the date that is 15 calendar days prior to each Interest Payment Date, whether or not such date is a Business Day. Unless otherwise indicated in the applicable Pricing Supplement, interest payments for Fixed Rate Notes shall be the amount of interest accrued from and including (1) the Original Issue Date of the series or (2) the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, to but excluding the relevant Interest Payment Date. Unless otherwise indicated in the applicable Pricing Supplement, interest on such Notes will be computed on the basis of a 360-day year of twelve 30-day months and, in the case of an incomplete month, the actual number of days elapsed. Unless otherwise indicated in the applicable Pricing Supplement, in any case where any Interest Payment Date, redemption date or Stated Maturity of any Fixed Rate Note is not a Business Day at any place of payment, then payment of principal of or any premium or interest on such Note need not be made at such place of payment on such date, but may be made on the next succeeding Business Day at such place of payment with the same force and effect as if made on the Interest Payment Date, redemption date or at the Stated Maturity, *provided* that no interest shall accrue on the amount payable for the period from and after such Interest Payment Date, redemption date or Stated Maturity, as the case may be.

Floating Rate Notes

The applicable Pricing Supplement relating to a Floating Rate Note will designate an interest rate formula for such Floating Rate Note. Such formula may be: (a) the Commercial Paper Rate, in which case such Note will be a Commercial Paper Rate Note, (b) the Prime Rate, in which case such Note will be a Prime Rate Note, (c) the CD Rate, in which case such Note will be a CD Rate Note, (d) the Federal Funds Rate, in which case such Note will be a Federal Funds Rate Note, (e) the Treasury Rate, in which case such Note will be a Treasury Rate Note, (f) the CMT Rate, in which case such Note will be a CMT Rate Note or (g) such other interest rate formula as is set forth in such Pricing Supplement. The applicable Pricing Supplement for a Floating Rate Note also will specify the Spread and/or Spread Multiplier, if any, and the maximum or minimum interest rate limitation, if any, applicable

to each Note. In addition, such Pricing Supplement will define or specify for each Floating Rate Note the following terms, if applicable: Calculation Dates, Initial Interest Rate, Interest Payment Dates, Regular Record Dates, Index Maturity, Interest Determination Dates and Interest Reset Dates with respect to such Notes. Unless otherwise specified in the applicable Pricing Supplement, the relevant Paying Agent will act as Calculation Agent with respect to the Floating Rate Notes.

The rate of interest on each Floating Rate Note will be reset daily, weekly, monthly, quarterly, semi-annually, annually, or at such other time or date as specified in the applicable Pricing Supplement. Each date on which the rate of interest on Floating Rate Notes is reset as set forth below is hereinafter referred to as an "Interest Reset Date". Except as otherwise provided in the next sentence, and unless otherwise specified in the applicable Pricing Supplement, the date on which the rate of interest on Floating Rate Notes is reset will be, in the case of Floating Rate Notes which reset daily, each Market Day; in the case of Floating Rate Notes (other than Treasury Rate Notes) which reset weekly, the Wednesday of each week; in the case of Treasury Rate Notes which reset weekly, the Tuesday of each week, except as provided below; in the case of Floating Rate Notes which reset monthly, the third Wednesday of each month; in the case of Floating Rate Notes which reset quarterly, the third Wednesday of March, June, September and December; in the case of Floating Rate Notes which reset semi-annually, the third Wednesday of two months of each year, as indicated in the applicable Pricing Supplement; and in the case of Floating Rate Notes which reset annually, the third Wednesday of one month of each year, as indicated in the applicable Pricing Supplement; *provided, however,* that (a) the interest rate in effect for the period from the Original Issue Date of a Floating Rate Note (or that of a predecessor Note) to but excluding the first Interest Reset Date with respect to such Floating Rate Note will be the Initial Interest Rate (as set forth in the applicable Pricing Supplement) and (b) unless otherwise specified in the applicable Pricing Supplement, the interest rate for the 10 calendar days immediately prior to Maturity will be that in effect on the tenth calendar day preceding such Maturity. If any Interest Reset Date for any Floating Rate Note would otherwise be a day that is not a Market Day with respect to such Note, such Interest Reset Date shall be the next succeeding Market Day with respect to such Notes.

The Interest Determination Date pertaining to an Interest Reset Date for a Commercial Paper Rate Note (the "Commercial Paper Interest Determination Date"), a Prime Rate Note (the "Prime Rate Interest Determination Date"), a CD Rate Note (the "CD Rate Interest Determination Date"), a Federal Funds Rate Note (the "Federal Funds Interest Determination Date") or a CMT Rate Note (the "CMT Rate Interest Determination Date") will be the second Market Day preceding such Interest Reset Date for the relevant Note. The Interest Determination Date pertaining to an Interest Reset Date for a Treasury Rate Note (the "Treasury Interest Determination Date") will be the day on which Treasury bills are normally auctioned for the week in which such Interest Reset Date falls. Treasury bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as a result of a legal holiday, an auction is so held on the preceding Friday, such Friday shall be the Treasury Interest Determination Date for the Interest Reset Date occurring in the next succeeding week. If the auction for such week falls on a day that is an Interest Reset Date, the Interest Reset Date for such week shall be the next succeeding Market Day.

Unless otherwise specified in the applicable Pricing Supplement, the "Calculation Date", where applicable, pertaining to any Interest Determination Date will be the first to occur of (a)(i) in the case of any CD Rate Interest Determination Date, Commercial Paper Interest Determination Date, Treasury Interest Determination Date, Federal Funds Interest Determination Date or CMT Rate Interest Determination Date, the 10th day after such interest determination date or, if any such day is not a Market Day, the next succeeding Market Day or (ii) in the case of any Prime Rate Interest Determination Date, such interest determination date, and (b) the Market Day preceding the applicable Interest Payment Date or the Stated Maturity (or the date of redemption or repayment, if any), as the case may be.

A Floating Rate Note may have either or both of the following: (a) a maximum interest rate limitation, or ceiling, on the rate of interest which may accrue during any interest period; and (b) a minimum interest rate limitation, or floor, on the rate of interest which may accrue during any interest period. In addition to any maximum interest rate which may be applicable to any Floating Rate Note, the interest rate on the Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States federal law of general application. Under present New York law, the maximum rate is 25.0% per annum on a simple interest basis. This limit does not apply to Notes in which US$2,500,000 or more has been invested.

Unless otherwise specified in the applicable Pricing Supplement, the Interest Payment Date with respect to a Floating Rate Note will be the third Wednesday of the month or months specified in the applicable Pricing Supplement. Unless otherwise specified in the applicable Pricing Supplement, if, pursuant to the preceding sentence, an Interest Payment Date with respect to any Floating Rate Note would otherwise be a day that is not a Market Day with respect to such Note, such Interest Payment Date shall be the next succeeding Market Day with respect to such Note. Unless otherwise specified in the applicable Pricing Supplement, if the date for payment of the principal of or any premium or interest on any Floating Rate Note at Maturity is not a Business Day at any place of payment, then such payment of principal, premium or interest need not be made on such date at such place of payment, but may be made on the next succeeding Business Day at such place of payment with the same force and effect as if made on the date for such payment of the principal, premium or interest and no interest shall accrue on the payment from and after any such date for payment.

Unless otherwise indicated in the applicable Pricing Supplement, the Regular Record Date with respect to Floating Rate Notes shall be the date 15 calendar days prior to each Interest Payment Date, whether or not such date shall be a Market Day. Unless otherwise specified in the applicable Pricing Supplement, interest payments for Floating Rate Notes shall be in the amount of interest accrued from and including (a) the Original Issue Date of the series or (b) the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, to but excluding the Interest Payment Date; *provided, however,* that if the Interest Reset Dates with respect to any Floating Rate Note are daily or weekly, unless otherwise specified in the applicable Pricing Supplement, interest payable on any Interest Payment Date will include interest accrued from and including (a) the Original Issue Date of the series or (b) the day following the most recent Regular Record Date in respect of which interest has been paid or duly provided for, as the case may be, to but excluding the day following the Regular Record Date immediately preceding such Interest Payment Date. Notwithstanding the foregoing, interest payable at Maturity will include interest accrued to but excluding the date of Maturity. Unless otherwise specified in the applicable Pricing Supplement, the interest accrued on a Floating Rate Note for any period will be calculated by multiplying the face amount of such Floating Rate Note by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day in such period. The interest factor (expressed as a decimal rounded upwards, if necessary, as described below) for each such day is computed by dividing the interest rate (expressed as a decimal rounded upwards, if necessary, as described below) applicable to such day by, unless otherwise specified in the applicable Pricing Supplement, 360, in the case of Commercial Paper Rate Notes, Prime Rate Notes, CD Rate Notes, or Federal Funds Rate Notes, or by the actual number of days in the year, in the case of Treasury Rate Notes and CMT Rate Notes. All percentages resulting from any calculation of the interest rate on Floating Rate Notes will be rounded, if necessary, to the nearest one-hundredth thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (for example, 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655) and 9.876544% (or .09876544) being rounded to 9.87654% (or .0987654)), and all U.S. dollar amounts used in or resulting from such calculation on Floating Rate Notes will be rounded to the nearest cent (with one-half cent being rounded upwards). Unless otherwise indicated in the applicable Pricing Supplement, the interest rate in effect with respect to a Floating Rate Note on any day that is not an Interest Reset Date will be the interest rate determined as at the Interest Determination Date pertaining to the immediately preceding Interest Reset Date (or if there is none, the Initial Interest Rate), and the interest rate in effect on any day that is an Interest Reset Date will be the interest rate determined as at the Interest Determination Date pertaining to such Interest Reset Date, subject in either case to any maximum or minimum interest rate limitation referred to above; *provided, however,* that the interest rate in effect for the 10 calendar days prior to Maturity shall be the interest rate in effect on the tenth calendar day prior to Maturity.

Upon the request of the holder of any Floating Rate Note, or the Issuer or the Guarantor, the Calculation Agent (which shall be the relevant Paying Agent unless otherwise specified in the applicable Pricing Supplement) will provide the interest rate then in effect, and, if determined, the interest rate which will become effective on the next Interest Reset Date as a result of a determination made on the most recent Interest Determination Date with respect to such Floating Rate Note.

Interest rates on Floating Rate Notes will be determined by the Calculation Agent as follows:

Commercial Paper Rate Notes

Each Commercial Paper Rate Note will bear interest at the interest rate (calculated with reference to the Commercial Paper Rate and the Spread and/or Spread Multiplier, if any) specified in the applicable Commercial Paper Rate Notes and in the applicable Pricing Supplement.

Unless otherwise indicated in the applicable Pricing Supplement, "Commercial Paper Rate" means, with respect to any Commercial Paper Interest Determination Date, the Money Market Yield (calculated as described below) of the rate on such date for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15(519) under the heading "Commercial Paper Non-financial". In the event that such rate is not published prior to 3:00 P.M., New York City time, on the Calculation Date pertaining to such Commercial Paper Interest Determination Date, then the Commercial Paper Rate will be the Money Market Yield of the rate on such Commercial Paper Interest Determination Date for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper Non-financial". If by 3:00 P.M., New York City time, on such Calculation Date such rate is not published in either H.15(519) or H.15 Daily Update, the Commercial Paper Rate for that Commercial Paper Interest Determination Date will be calculated by the Calculation Agent and will be the Money Market Yield of the arithmetic mean of the offered rates, as at 11:00 A.M., New York City time, on that Commercial Paper Interest Determination Date, of three leading dealers of commercial paper in The City of New York selected by the Calculation Agent for commercial paper having the Index Maturity specified in the applicable Pricing Supplement placed for an industrial issuer whose bond rating is "AAA", or the equivalent, from a nationally recognized rating agency; *provided, however,* that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Commercial Paper Rate will be the Commercial Paper Rate in effect on such Commercial Paper Interest Determination Date. "Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the interest period for which interest is being calculated.

Prime Rate Notes

Each Prime Rate Note will bear interest at the interest rate (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in the applicable Prime Rate Notes and in the applicable Pricing Supplement.

Unless otherwise indicated in the applicable Pricing Supplement, "Prime Rate" means, with respect to any Prime Rate Interest Determination Date, the rate on such date as published in H.15(519) under the heading "Bank Prime Loan". In the event that such rate is not published prior to 3:00 P.M., New York City time, on the Calculation Date pertaining to such Prime Rate Interest Determination Date, then the Prime Rate for that Prime Rate Interest Determination Date will be the rate on such Prime Rate Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Bank Prime Loan". If by 3.00 P.M., New York City time, on such Calculation Date such rate is not published in either H.15(519) or H.15 Daily Update, the Prime Rate for that Prime Rate Interest Determination Date will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 Page as such bank's prime rate or base lending rate as in effect for that Prime Rate Interest Determination Date. If fewer than four such rates but more than one such rate appear on the Reuters Screen USPRIME1 Page for the Prime Rate Interest Determination Date, the Prime Rate for that Prime Rate Interest Determination Date will be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as at the close of business on such Prime Rate Interest Determination Date by at least two of the three major money center banks in The City of New York selected by the Calculation Agent from which quotations are requested. If fewer than two quotations are provided, the Prime Rate for that Prime Rate Interest Determination Date will

be determined on the basis of the rates furnished in The City of New York by the appropriate number of substitute banks or trust companies organized and doing business under the laws of the United States or any State thereof, in each case having total equity capital of at least US$500,000,000 and being subject to supervision or examination by federal or State authority, selected by the Calculation Agent to provide such rate or rates, *provided, however,* that if the banks or trust companies selected as aforesaid by the Calculation Agent are not quoting rates as set forth above, the "Prime Rate" in effect for such Interest Reset Period will be the same as the Prime Rate for the immediately preceding Interest Reset Period (or, if there was no such Interest Reset Period, the rate of interest payable on the Prime Rate Notes for which such Prime Rate is being determined will be the Initial Interest Rate).

CD Rate Notes

Each CD Rate Note will bear interest at the interest rate (calculated with reference to the CD Rate and the Spread and/or Spread Multiplier, if any) specified in the applicable CD Rate Note and in the applicable Pricing Supplement.

Unless otherwise indicated in the applicable Pricing Supplement, "CD Rate" means, with respect to any CD Rate Interest Determination Date, the rate on such date for negotiable certificates of deposit having the Index Maturity specified in the applicable Pricing Supplement as published in H.15(519) under the heading "CDs (Secondary Market)". In the event that such rate is not published prior to 3:00 P.M., New York City time, on the Calculation Date pertaining to such CD Rate Interest Determination Date, then the CD Rate will be the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "CDs (Secondary Market)". If by 3:00 P.M., New York City time, on such Calculation Date such rate is not published in either H.15(519) or H.15 Daily Update, the CD Rate for that CD Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates, as at 10:00 A.M., New York City time, on that CD Rate Interest Determination Date, of three leading non-bank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money market banks with a remaining maturity closest to the Index Maturity specified in the applicable Pricing Supplement in a denomination of US$5,000,000; *provided*, *however,* that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the CD Rate will be the CD Rate in effect on such CD Rate Interest Determination Date.

Federal Funds Rate Notes

Each Federal Funds Rate Note will bear interest at the interest rate (calculated with reference to the Federal Funds Rate and the Spread and/or Spread Multiplier, if any) specified in the applicable Federal Funds Rate Note and in the applicable Pricing Supplement.

Unless otherwise indicated in the applicable Pricing Supplement, "Federal Funds Rate" means, with respect to any Federal Funds Interest Determination Date, the rate on such date for Federal Funds having the Index Maturity specified in the applicable Pricing Supplement as published in H.15(519) under the heading "Federal Funds (Effective)" as displayed on the Moneyline Telerate Service ("Moneyline Telerate") (or any successor service) on page 120 (or any other page as may replace the applicable page on that service). In the event that such rate is not published prior to 3:00 P.M., New York City time, on the Calculation Date pertaining to such Federal Funds Interest Determination Date, then the Federal Funds Rate will be the rate on such Federal Funds Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Federal Funds/Effective Rate". If by 3:00 P.M., New York City time, on such Calculation Date such rate is not published in either H.15(519) or H.15 Daily Update, the Federal Funds Rate for that Federal Funds Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates, as at 9:00 A.M., New York City time, on that Federal Funds Interest Determination Date, for the last transaction in overnight Federal Funds arranged by three leading brokers of Federal Funds transactions in The City of New York selected by the Calculation Agent; *provided, however,* that if the brokers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate will be the Federal Funds Rate in effect on such Federal Funds Interest Determination Date.

Treasury Rate Notes

Each Treasury Rate Note will bear interest at the interest rate (calculated with reference to the Treasury Rate and the Spread and/or Spread Multiplier, if any) specified in the applicable Treasury Rate Note and in the applicable Pricing Supplement.

Unless otherwise indicated in the applicable Pricing Supplement, "Treasury Rate" means, with respect to any Treasury Interest Determination Date, the rate for the most recent auction of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified in the applicable Pricing Supplement on the display on Moneyline Telerate (or any successor service) on page 56 or page 57 (or any other pages as may replace such pages on such services) under the caption "Investment Rate". If such rate is not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Treasury Interest Determination Date, then the Treasury Rate for that Treasury Interest Determination Date will be the auction average rate (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) for such auction as otherwise announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement are not published or reported as provided above by 3:00 P.M., New York City time, on such Calculation Date or if no auction is held, then the Treasury Rate will be the rate as published in H.15(519) under the heading "U.S. Government Securities/Treasury Bills/Secondary Market" or any successor publication or heading for Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement. If such rate is not published by 3:00 P.M., New York City time, on such Calculation Date, then the Treasury Rate will be calculated by the Calculation Agent and will be a yield to maturity (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the arithmetic mean of the secondary market bid rates as at approximately 3:30 P.M., New York City time, on such Treasury Interest Determination Date, of three leading primary United States government securities dealers selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the specified Index Maturity; *provided*, *however*, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Treasury Rate will be the Treasury Rate in effect on such Treasury Interest Determination Date.

CMT Rate Notes

Each CMT Rate Note will bear interest at the interest rate (calculated with reference to the CMT Rate and the Spread and/or Spread Multiplier, if any) specified in the applicable CMT Rate Note and in the applicable Pricing Supplement.

Unless otherwise indicated in an applicable Pricing Supplement, "CMT Rate" means, with respect to any CMT Interest Determination Date, the rate displayed for the Index Maturity specified in the applicable Pricing Supplement on the Designated CMT Telerate Page (as defined below) under the caption, "Treasury Constant Maturities, Federal Reserve Board Release H.15", "Mondays Approximately 3:45 P.M." under the column for the Designated CMT Maturity Index (as defined below) for (i) if the Designated CMT Telerate Page is FRBCMT, the rate on such CMT Interest Determination Date and (ii) if the Designated CMT Telerate Page is FEDCMT, the weekly or monthly average, as specified in the applicable Pricing Supplement, for the week or the month, as applicable, ended immediately preceding the week or the month, as applicable, in which the related CMT Interest Determination Date occurs. If such rate is no longer displayed on the relevant page, or if not displayed by 3:00 P.M., New York City time, on the related Calculation Date, then the CMT Rate for such CMT Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index as published in H.15(519). If such rate is no longer published or is not published by 3:00 P.M., New York City time, on the related Calculation Date, then the CMT Rate for such CMT Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index (or other United States Treasury rate for the Designated CMT Maturity Index) for the CMT Interest Determination Date with respect to the related CMT Interest Reset Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Telerate Page and published in H.15(519). If such information is not published by 3:00 P.M., New York City time, on the related Calculation Date, then the CMT Rate for such CMT Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity, based on the arithmetic mean of the secondary market bid prices as at approximately 3:30 P.M., New York City time, on the CMT Interest Determination Date reported,

according to their written records, by three leading primary United States government securities dealers (each a "Reference Dealer") in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent (from five such Reference Dealers selected by the Calculation Agent, after consultation with the Issuer, and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)) for the most recently issued direct non-callable fixed rate obligations of the United States ("Treasury Notes") with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year. If the Calculation Agent cannot obtain three such Treasury Notes quotations, the CMT Rate for such CMT Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market bid prices as at approximately 3:30 P.M., New York City time, on the CMT Interest Determination Date of three Reference Dealers in The City of New York (from five such Reference Dealers selected by the Calculation Agent, after consultation with the Issuer, and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)) for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the market at that time. If three or four (and not five) of such Reference Dealers are quoting as described above, then the CMT Rate for such CMT Interest Determination Date will be based on the arithmetic mean of the secondary market bid prices obtained and neither the highest nor the lowest of such quotes will be eliminated: *provided, however,* that if fewer than three Reference Dealers selected by the Calculation Agent are quoting as described herein, the CMT Rate for such Interest Reset Date will be the same as the CMT Rate in effect on such CMT Interest Determination Date. If two Treasury Notes with an original maturity as described in the second preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the Treasury Note with the shorter remaining term to maturity will be used.

"Designated CMT Telerate Page" means the display on the Moneyline Telerate (or any successor service) on the page designated in an applicable Pricing Supplement (or any other page as may replace such page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519)), for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable Pricing Supplement, the Designated CMT Telerate Page shall be FEDCMT for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified in an applicable Pricing Supplement with respect to which the CMT Rate will be calculated. If no such maturity is specified in the applicable Pricing Supplement, the Designated CMT Maturity Index shall be two years.

Redemption on Maturity

Unless previously redeemed or purchased and cancelled or unless such Note is stated in the applicable Pricing Supplement as having no fixed maturity date, each Note shall be finally redeemed on the Stated Maturity at its Redemption Amount.

Optional redemption

Unless otherwise specified in the applicable Pricing Supplement, the Issuer may, at its option at any time, redeem the Notes of a series prior to its Stated Maturity in whole or in part at an amount equal to the greater of (i) their Redemption Amount and (ii) the Make Whole Amount (which is the amount determined by discounting the principal amount of the Notes plus all required remaining scheduled interest payments due on such Notes at a rate equal to (a) the yield of United States Treasury Notes of the same maturity plus (b) a spread specified in the applicable Pricing Supplement), in each case together with accrued but unpaid interest to (but excluding) the date of redemption (Indenture § 1109). For the avoidance of doubt, the aforementioned reference to "United States Treasury Notes of the same maturity" refers to United States Treasury Notes having a maturity equal or most nearly equal to the period from the date of redemption to the Stated Maturity of such Notes.

Notice of such redemption will be provided to each holder of such Notes by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the respective address of each such holder as that address appears in the Note Register (Indenture §§ 1109).

Open market purchases

The Issuer or the Guarantor may at any time and from time to time purchase Notes at any price in the open market or otherwise. Notes so purchased by the Issuer or the Guarantor may be held, resold or surrendered to the New York Trustee for cancellation (Indenture § 1110).

Optional tax redemption

Unless otherwise provided in the applicable Pricing Supplement, if at any time the Issuer shall determine that as a result of a change in or amendment to the laws of a Relevant Taxing Jurisdiction affecting taxation, or any change in the general application or official or general interpretation of such laws, which change, amendment, application or interpretation is proposed and becomes effective on or after the Original Issue Date of such series of Notes (the "Relevant Date") in making any payment under the Indenture or the Notes, the Issuer would be required to pay Additional Amounts, such Notes may be redeemable as a whole at the option of the Issuer upon not less than 30 nor more than 60 days' notice given as provided in the Indenture at any time, at their Redemption Amount together with accrued but unpaid interest to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption, the Issuer is required to deliver to the New York Trustee (a) an opinion of independent tax counsel of recognized standing in the Relevant Taxing Jurisdiction or a copy of any judicial decision or regulatory determination or ruling, in each case to the effect that the Issuer would be required to pay Additional Amounts on the next payment in respect of such Notes as a result of a change, amendment, application or interpretation described above and (b) an Officer's Certificate to the effect that, in the judgment of the Issuer, such obligation cannot be avoided by the Issuer taking reasonable measures available to it and the New York Trustee shall be entitled to accept such opinion or decision, determination or ruling as sufficient evidence of the satisfaction of the conditions precedent for this option to redeem by the Issuer, in which event it shall be conclusive and binding on the Noteholders.

The ability of a Successor Entity (as defined below) to exercise the rights of the Issuer under this provision is described under "— Consolidation, merger and sale of assets" (Indenture § 1108).

Modification and amendment

Modification and amendments of an Indenture may be made by the Issuer, the Guarantor and the New York Trustee without the consent of the Noteholders in certain instances or with the Act of Noteholders of not less than a majority in the aggregate principal amount of the Notes of each series Outstanding under the Indenture affected by such modification or amendment, *provided* that no such modification or amendment may, without the consent of the holder of each such Note affected thereby, among other things: (a) change the Stated Maturity of principal or Redemption Amount of or due date for any installment of principal or interest, if any, on any such Note; (b) reduce the principal amount or Redemption Amount of, or any interest on, any such Note or any premium payable upon the redemption thereof or the amount of the principal of an Original Issue Discount Note that would be due and payable upon the acceleration of the maturity thereof; (c) change the currency of payment of principal of, premium, if any, or Redemption Amount or interest, if any, on any such Note; (d) impair the right of any Noteholder to institute suit for the enforcement of any such payment on any such Note; (e) reduce the above-stated percentage of holders of Notes of any series necessary to modify or amend the Indenture; (f) reduce the percentage in principal amount of Outstanding Notes of any series necessary to waive certain defaults or compliance with certain provisions of the Indenture; (g) modify the foregoing requirements; (h) change the obligation of the Issuer or the Guarantor to pay Additional Amounts; (i) change in any manner adverse to the interests of the holders of the Notes the terms and provisions of the Guarantee in respect of the due and punctual payment of the principal of and premium and interest on the Notes; or (j) change, in any manner adverse to the interests of the Noteholders, the terms and provisions of the covenant described under "— Consolidation, merger and sale of assets" (Indenture § 902).

Subject to the foregoing, the Indenture may be amended by the Issuer, the Guarantor and the New York Trustee, without the consent of the holder of any Note, for the purpose of curing any ambiguity or to correct or supplement any provision contained therein which may be inconsistent with any other provision contained therein, *provided* that such action shall not adversely affect the interests of the holders of any series of Notes in any material respect (Indenture § 901(7)).

Consolidation, merger and sale of assets

Each of the Issuer and the Guarantor may not consolidate with or merge into any other Person or permit any other Person to consolidate with or merge into it or directly or indirectly convey, transfer, sell or lease or otherwise dispose of all or substantially all of its property and assets to any Person unless:

(a) any Person formed by such consolidation or into which the Issuer or the Guarantor (as applicable) is merged or to whom the Issuer or the Guarantor (as applicable) has conveyed, transferred, sold or leased all or substantially all its properties and assets (the "Successor Entity") is a corporation, partnership or trust organized and validly existing under the laws of the jurisdiction where it is organized, and such Successor Entity shall expressly assume by a supplemental indenture all of the Issuer's or the Guarantor's (as applicable) obligations on the Notes and under the Indenture (including any obligation to pay any Additional Amounts);

(b) immediately after giving effect to the transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing;

(c) any such Successor Entity not organized and validly existing under the laws of the United States, any State thereof or the District of Columbia, or the Republic of Singapore shall expressly agree by a supplemental indenture that all payments pursuant to the Notes or the Guarantee (as applicable) in respect of principal of and premium and interest on the Notes shall be made without deduction or withholding for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the jurisdiction of organization or tax residency of such Successor Entity or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such Successor Entity will pay such additional amounts of, or in respect of the principal of and premium and interest on the Notes ("Successor Additional Amounts") as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such) in the payment to the holders of the Notes of the amounts which would have been payable in respect of such Notes had no such withholding or deduction been required, subject to the same exceptions as apply with respect to the payment by the Issuer or the Guarantor (as applicable) of Additional Amounts in respect of the Notes (inserting references to the taxing jurisdiction where appropriate), and *provided* that such Successor Entity shall not have the right to redeem the Notes pursuant to the provisions described under "— Optional tax redemption" in respect of such Successor Additional Amounts unless (A) the obligation to pay such Successor Additional Amounts arises as a result of any change in, or amendment to, the laws or regulations of such Successor Entity's jurisdiction of organization or any political subdivision or taxing authority thereof or therein, or any change in the general application or official or general interpretation of such laws or regulations, which change or amendment is proposed and becomes effective after the date such Successor Entity assumes the obligations of the Issuer or the Guarantor (as applicable) under the Indenture and the Notes, (B) such obligation to pay Successor Additional Amounts cannot be avoided by such Successor Entity taking reasonable measures available to it and (C) all other requirements contained in the Indenture relating to the redemption of the Notes shall have been satisfied;

(d) such Successor Entity shall have delivered to the New York Trustee an opinion of U.S. tax counsel of recognized standing to the effect that the beneficial owners of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such transaction and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would be the case as if the transaction had not occurred; and

(e) the Issuer or such Successor Entity shall have delivered to the New York Trustee an officers' certificate and an opinion of counsel, each stating that such transaction and such supplemental indenture comply with the Indenture and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with (Indenture § 801).

Defeasance and discharge

The Indenture provides that the Issuer and the Guarantor, at the Issuer's option, (a) will be Discharged from any and all obligations in respect of the Notes issued thereunder (except for certain obligations to register the transfer of or exchange Notes, replace stolen, lost or mutilated Notes, and maintain paying

agents and to hold certain moneys in trust for payment) or (b) need not comply with any term, provision or condition set forth in Indenture §§ 801, 1005 or 1007 of the Indenture if, in each case, the Issuer irrevocably deposits with the New York Trustee or its agent under the Indenture, in trust for the purpose of making the following payments for the benefit of holders of Notes: (1) an amount in U.S. dollars or (2) Government Obligations applicable to such Notes (determined on the basis of U.S. dollars), which through the scheduled payment of principal, premium and interest in respect thereof will provide not later than one day before the due date of any payment of principal, premium and interest, if any, on such Notes, money in an amount sufficient, in the opinion of an internationally recognized accounting firm that is independent to the Issuer and the Guarantor, to pay all the principal of and premium and interest on such Notes on the dates such principal, premium and interest is due in accordance with the terms of such Notes. In the case of a discharge described in clause (a) above, the Issuer is required to deliver to the New York Trustee under the Indenture prior to such discharge either (X) an Opinion of Counsel of recognized standing with respect to U.S. federal income tax matters to the effect that since the date of the Indenture there has been a change in applicable U.S. federal income tax law and, as a result of such change, beneficial owners of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and related defeasance and will be subject to U.S. federal income tax on the same amount, in the same manner and at the same times as would have been the case if such deposit and related defeasance had not been exercised or (Y) a ruling to such effect received from or published by the IRS and in the case of a discharge described in clause (b) above, the Issuer is required to deliver to the New York Trustee under the Indenture prior to such discharge an Opinion of Counsel of recognized standing with respect to U.S. federal income tax matters to the effect that beneficial owners of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and related defeasance and will be subject to U.S. federal income tax on the same amount, in the same manner and at the same times as would have been the case if such deposit and related defeasance had not been exercised (Indenture § 1401).

Waiver of immunity

Each of the Issuer and the Guarantor has irrevocably agreed that, should any suit or proceeding be brought against it arising out of or in connection with the Indenture or the Notes, no immunity (to the extent that it may now or hereafter exist, whether on the grounds of sovereign immunity or otherwise) from such suit or proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its property, assets or revenues, or from execution or judgment wherever brought or made, shall be claimed by it or on its behalf or with respect to its property, assets or revenues, and each of the Issuer and the Guarantor has irrevocably waived any such immunity to the fullest extent permitted by law (Indenture § 114).

Governing law

The Indenture and Notes issued pursuant to the Indenture will be governed by, and construed in accordance with, the laws of the State of New York (Indenture § 112). The Issuer and the Guarantor have submitted to the non-exclusive jurisdiction of any New York State or United States federal court in The City of New York in any suit or proceeding arising out of or relating to Notes or the Guarantee. The Issuer and the Guarantor have irrevocably waived, to the fullest extent permitted by law, any objection which they may now or hereafter have to the laying of venue in any such suit, action or proceeding brought in such courts and any claim that any such suit, action or proceeding brought in such courts, has been brought in an inconvenient forum and any right to which it may be entitled on account of place of residence or domicile (Indenture § 114).

Concerning the New York Trustee

Deutsche Bank Trust Company Americas is the New York Trustee under the Indenture. Except during the continuance of an Event of Default, the New York Trustee need perform only those duties that are specifically set forth in the Indenture and no others, and no implied covenants or obligations will be read into the Indenture against the New York Trustee. In case an Event of Default has occurred and is continuing, the New York Trustee shall exercise those rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. No provision of the Indenture will require the New York Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties thereunder, or in the exercise of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or indemnity or security satisfactory to it

against such risk or liability is not reasonably assured to it (Indenture § 601). The Issuer and the Guarantor maintain an account and conduct other banking transactions with the New York Trustee and its affiliates in the ordinary course of their business. The Indenture contains limitations on the rights of the New York Trustee, should it become a creditor of any obligor on the Notes, to obtain payment of claims in certain cases, or to realize certain property received in respect of any such claim as security or otherwise. The New York Trustee is permitted to engage in other transactions with the Issuer or the Guarantor; *provided* that if it acquires any conflicting interest it must either eliminate the conflict within 90 days or resign.

Consent to service of process

Each of the Issuer and the Guarantor has irrevocably designated and appointed CT Corporation System, located at 111 Eighth Avenue, New York, New York 10011, as its authorized agent for service of process in any suit or proceeding arising out of or relating to the Indenture or Notes governed by the laws of the State of New York issued thereunder brought in any federal or state court in The City of New York in the Borough of Manhattan or brought under federal or state securities laws or brought by the New York Trustee (whether in its individual capacity or in its capacity as the New York Trustee) and, in each case, will irrevocably submit to the non-exclusive jurisdiction of any New York State or United States federal court in The City of New York in any such suit or proceeding (Indenture § 114).

Terms and conditions of the Notes governed by Singapore law

*The following is the text of the terms and conditions (the "**Conditions**") of the Notes governed by Singapore law that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Program.*

The Notes are constituted by an amended and restated Singapore Law Trust Deed dated July 12, 2013 (as may be further amended or supplemented as at the date of issue of the Notes (the "**Issue Date**"), the "**Singapore Law Trust Deed**") among Temasek Financial (I) Limited (the "**Issuer**"), Temasek Holdings (Private) Limited (the "**Guarantor**") and DBS Trustee Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Singapore Law Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Singapore Law Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Agency Agreement (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") dated November 24, 2009 has been entered into in relation to the Notes among the Issuer, the Guarantor, the Trustee, DBS Bank Ltd. as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar) and the "**Calculation Agent(s)**". Copies of the Singapore Law Trust Deed and the Agency Agreement are available for inspection free of charge during usual business hours at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Singapore Law Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, "**Tranche**" means Notes which are identical in all respects.

1 Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"), in each case in the Specified Denomination(s) shown hereon. The Issuer may, without the consent of the Trustee, the Noteholders or Couponholders, at any time after any issue of the Notes, (i) reduce the denomination of such Notes into smaller divisible amounts and/or (ii) remove or reduce the minimum denomination requirement in respect of such Notes; and notwithstanding Condition 11 and Clause 15 of the Singapore Law Trust Deed and all other provisions in these Conditions and the Singapore Law Trust Deed, the Issuer may, without the consent of the Trustee, the Noteholders or Couponholders, make any and all modifications to these Conditions and the Singapore Law Trust Deed it deems necessary or appropriate to implement the foregoing and the Trustee shall, upon request of the Issuer, consent to all such modifications. Any such reduction, removal or modification shall be binding on all Noteholders and all Couponholders and, if the Trustee so requires, shall be notified to the Noteholders as soon as practicable. Notes in bearer form may be issued pursuant to a supplemental trust deed

that provides for the issuance of bearer notes and shall be in a form agreed between the Issuer, the Guarantor and the Trustee and in compliance with United States tax and other laws.

All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 ("FSMA") will have a minimum denomination of £100,000 (or its equivalent in other currencies). Subject to the right of the Issuer to re-denominate and/or remove the minimum denomination in Condition 1, Notes will be (unless otherwise specified in the relevant Pricing Supplement) issued in minimum denominations of US$200,000 (or its equivalent in another currency) and integral multiples of US$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Notes which are listed on SGX-ST will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.

This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(b), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

For so long as any of the Notes is represented by (i) a Global Note and such Global Note is held by a common depository for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited (the "**Depository**") or (ii) a Global Certificate and such Global Certificate is issued in the name of a common depository for Euroclear and Clearstream, Luxembourg and/or the Depository, each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the Registrar, all other agents of the Issuer, the Guarantor and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, interest and any other amounts in respect of the Notes, for which purpose the bearer of the Global Note or, as the case may be, the registered holder of

the Global Certificate shall be treated by the Issuer, the Issuing and Paying Agent, the Registrar, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Note or, as the case may be, the Global Certificate (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Note or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository.

2 Transfers of Registered Notes

(a) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(b) **Exercise of Options or Partial Redemption in Respect of Registered Notes**: In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(c) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(a) or (b) shall be available for delivery within five business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined below) or Purchase Notice (as defined below) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice, Purchase Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice, Purchase Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) **Exchange Free of Charge:** Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption or (iv) during the period of 15 days ending on (and including) any date on which payment is due.

3 Guarantee and Status

(a) **Guarantee:** The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Singapore Law Trust Deed, the Notes, the Receipts and the Coupons. Its obligations in that respect (the "**Guarantee**") are contained in the Singapore Law Trust Deed.

(b) **Status of Notes and Guarantee:** The Notes and the Receipts and Coupons constitute direct, unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and at least *pari passu* with all other existing and future unsecured and unsubordinated obligations of the Issuer, other than with respect to obligations which may be preferred by law or rank senior by operation of law. The Guarantee (as defined in the Singapore Law Trust Deed) will constitute a direct, unconditional, unsecured and unsubordinated obligation of the Guarantor and will rank at least *pari passu* with all existing and future, unsecured and unsubordinated obligations of the Guarantor (other than with respect to obligations which may be preferred by law or rank senior by operation of law) and senior to all existing and future subordinated obligations of the Guarantor.

4 Interest and other Calculations

(a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(h).

(b) **Interest on Floating Rate Notes, Index Linked Interest Notes and Variable Rate Notes**:

(i) *Interest Payment Dates:* Each Floating Rate Note, Index Linked Interest Note and Variable Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(i). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/ are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date, provided that the Agreed Yield (as defined in Condition 4(b)(v)) in respect of any Variable Rate Note for any Interest Period (as defined below) shall be payable on the first day of that Interest Period.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in

which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon

(y) the Designated Maturity is a period specified hereon and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes where the Benchmark is not specified as being SIBOR or SOR

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Benchmark which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Benchmark from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

(y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided

below, the Calculation Agent shall request, if the Benchmark is LIBOR, the principal London office of each of the Reference Banks or, if the Benchmark is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Benchmark if the Benchmark is LIBOR, at approximately 11.00 a.m. (London time), or if the Benchmark is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Benchmark is LIBOR, at approximately 11.00 a.m. (London time) or, if the Benchmark is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Benchmark by leading banks in, if the Benchmark is LIBOR, the London inter-bank market or, if the Benchmark is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Benchmark, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Benchmark, at which, if the Benchmark is LIBOR, at approximately 11.00 a.m. (London time) or, if the Benchmark is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Benchmark is LIBOR, the London inter-bank market or, if the Benchmark is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Spread or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Spread or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Spread or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Screen Rate Determination for Floating Rate Notes where the Benchmark is specified as being SIBOR or SOR

Each Floating Rate Note where the Benchmark is specified as being SIBOR (in which case such Note will be a SIBOR Note) or SOR (in which case such Note will be a Swap Rate Note) bears interest at a floating rate determined by reference to a benchmark as specified hereon or in any case such other benchmark as specified hereon.

(x) The Rate of Interest payable from time to time in respect of each Floating Rate Note under Condition 4(b)(iii)(C) will be determined by the Calculation Agent on the basis of the following provisions:

(I) in the case of Floating Rate Notes which are SIBOR Notes

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "Swap Offer and SIBOR (ABSIRFIX)" and under the column headed "SGD SIBOR" (or such other Relevant Screen Page);

(bb) if on any Interest Determination Date, no such rate appears on the Page ABSI (or such other replacement page thereof), the Calculation Agent will determine the Rate of Interest for such Interest Period which shall be the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof);

(cc) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of such offered quotations, as determined by the Calculation Agent;

(dd) if on any Interest Determination Date, two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (cc) above on the basis of the quotations of those Reference Banks providing such quotations; and

(ee) if on any Interest Determination Date, one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic

mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date.

(II) in the case of Floating Rate Notes which are Swap Rate Notes

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Calculation Agent as being the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "Swap Offer and SIBOR (ABSIRFIX)" under the column headed "SGD SWAP OFFER" (or such other page as may replace Page ABSI for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period);

(bb) if on any Interest Determination Date, no such rate appears on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof), the Calculation Agent will determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Calculation Agent as being the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME" and under the column headed "SGD SWAP OFFER" (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period);

(cc) if on any Interest Determination Date, no such rate is quoted on Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})}$$

$$- \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR	=	the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "Swap Offer and SIBOR (ABSIRFIX)" and under the column headed "USD SIBOR" (or such other page as may replace Page ABSI for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;
Spot Rate	=	the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks and which appear on Page ABSI on the monitor of the Bloomberg agency under the caption "FX and SGD Swap Points" (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;
Premium or Discount	=	the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "FX and SGD Swap Points" (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap

points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Calculation Agent);

(dd) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (cc) above is not quoted on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) or if Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) is unavailable for any reason, the Calculation Agent will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME" and under the column headed "USD SIBOR" (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Spot Rate = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSIRFIX06 Page under the caption "SGD SPOT AND SWAP OFFER RATES" and under the column headed "SPOT" (or such other page as may replace the Reuters Screen ABSIRFIX06 Page for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Premium or Discount = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appear on the Reuters Screen ABSIRFIX06-7 Pages under the caption "SGD SPOT AND SWAP OFFER RATES" (or such other page as may replace the Reuters Screen ABSIRFIX06-7 Pages for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned; and

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Calculation Agent);

(ee) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (dd) above is not quoted on the relevant Reuters Screen Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) or the relevant Reuters Screen Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of the

Reference Banks to provide the Calculation Agent with quotations of their Swap Rates for the Interest Period concerned at or about the Relevant Time on that Interest Determination Date and the Rate of Interest for such Interest Period shall be the Average Swap Rate for such Interest Period (which shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the Swap Rates quoted by the Reference Banks to the Calculation Agent). The Swap Rate of a Reference Bank means the rate at which that Reference Bank can generate Singapore dollars for the Interest Period concerned in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date and shall be determined as follows:

In the case of Premium:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR	=	the rate per annum at which United States dollar deposits for a period equal to the duration of the Interest Period concerned are being offered by that Reference Bank to prime banks in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;
Spot Rate	=	the rate at which that Reference Bank sells United States dollars spot in exchange for Singapore dollars in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;
Premium	=	the premium that would have been paid by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market;
Discount	=	the discount that would have been received by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market; and

T = the number of days in the Interest Period concerned;

(ff) if on any Interest Determination Date, two but not all the Reference Banks provide the Calculation Agent with quotations of their Swap Rate(s), the Average Swap Rate for the relevant Interest Period shall be determined in accordance with (ee) above on the basis of the quotations of those Reference Banks providing such quotations; and

(gg) if on any Interest Determination Date, one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date.

(iv) *Rate of Interest for Index Linked Interest Notes*: The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified thereon.

(v) *Rate of Interest for Variable Rate Notes*

(A) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (v). The interest payable in respect of a Variable Rate Note for each Interest Period relating to that Variable Rate Note, which shall be payable on the first day of such Interest Period, is referred to in this Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Rate of Interest**".

(B) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period, subject as referred to in paragraph (v)(D) below, shall be determined as follows:

(x) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(1) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(2) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Rate of Interest for such Variable Rate Note for such Interest Period shall be zero); and

(3) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the

Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(y) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (x) above, the Rate of Interest for such variable Rate Note for such Interest Period shall automatically be the Fall Back Rate.

(C) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:

(x) notify the Issuing and Paying Agent and the Calculation Agent in writing of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(y) cause such Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

(D) For the purposes of paragraph (B) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or SOR (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

(E) The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 4(iii)(B) or 4(iii)(C), as the case may be, above (mutatis mutandis) and references therein to "Rate of Interest" shall mean "Fall Back Rate".

If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 5(b)). As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(b)(i)).

(d) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date.

(g) **Spread, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding**:

(i) If any Spread is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Spread, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(h) **Calculations:** The amount of interest payable per calculation amount specified hereon (or, if no such amount is so specified, the Specified Denomination) (the "**Calculation Amount**") in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**: The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents and any other Calculation Agent appointed in respect of the Notes that is to make a

further calculation upon receipt of such information as soon as possible after their determination but in no event later than the fourth Business Day after such determination. In the case of Floating Rate Notes, the Calculation Agent will also cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period to be notified to the Noteholders in accordance with Condition 16 as soon as possible after their determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) **Determination or Calculation by Trustee:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Trustee pursuant to this Condition 4(j) shall (in the absence of manifest error) be final and binding upon all parties.

(k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a "**TARGET Business Day**") and/or

(iii) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual — ISDA**" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(vii) if "**Actual/Actual-ICMA**" is specified hereon,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date and

"**Determination Date**" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

"**euro**" means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified hereon.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in the relevant Financial Centre for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified hereon.

"**ISDA Definitions**" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon and, in the case of a determination of SIBOR or SOR, the principal Singapore office of three major banks in the Singapore inter-bank market.

"**Reference Rate**" means the rate specified as such hereon.

"**Relevant Dealer**" means the Dealer party to the Program Agreement referred to in the Agency Agreement with whom the Issuer has concluded an agreement for the issue of Notes pursuant to the Program Agreement.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified hereon.

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the relevant Financial Centre specified hereon or, if none is specified, the local time in the relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the relevant Financial Centre and, for the purpose of this definition "local time" means, with respect to the Euro-zone as a relevant Financial Centre, Central European Time.

"**Specified Currency**" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on November 19, 2007 or any successor thereto.

(l) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Singapore Law Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee or an Extraordinary Resolution of holders of the Notes) appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected

with the calculation or determination to be made by the Calculation Agent (acting through its principal Singapore office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5 Redemption, Purchase and Options

(a) **Redemption by Instalments and Final Redemption**:

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless otherwise provided hereon and unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) **Early Redemption**:

(i) Zero Coupon Notes:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to

Condition 5(c) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) **Redemption for Taxation Reasons**

Unless otherwise specified hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note or an Indexed Linked Note) or, at any time (if this Note is neither a Floating Rate Note or an Indexed Linked Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) (the "**Note Optional Tax Redemption**") at their Early Redemption Amount (as described in Condition 5(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay Additional Amounts (as described under Condition 7) as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, (or any taxing authority of any taxing jurisdiction to which the Issuer, or the Guarantor, as the case may be, is or has become subject and in respect of which it has given such undertaking as referred to above in this Condition) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (i) an opinion of independent tax counsel of recognised standing in Singapore or a copy of any judicial decision or regulatory determination or ruling, in each case to the effect that the Issuer (or the Guarantor, as the case may be) would be required to pay Additional Amounts on the next payment in respect of such Notes (or the Guarantee) as a result of a change, amendment, application or interpretation described above and (ii) a certificate signed by two executive officers (being any of the Chief Executive Officer, the Chief Financial Officer, the Secretary, a Director or any other person authorised by the Board of Directors) of the Issuer (or the Guarantor, as the case may be) to the effect that, in the judgment of the Issuer (or the Guarantor, as the case may be), such obligation referred to in (i) above cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it and the Trustee shall be entitled to accept such opinion without any further inquiry as sufficient evidence of the satisfaction of the conditions precedent set out above without liability to any person in which event it shall be conclusive and binding on Noteholders and Couponholders.

(d) **Redemption at the option of the Issuer**

Unless otherwise specified hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or some of the Notes on the date(s) specified thereon (the "**Notes Optional Redemption Date**"). Any such redemption of Notes shall be at the Optional Redemption Amount specified hereon together with interest accrued to the date fixed for redemption.

Unless otherwise specified hereon, the Optional Redemption Amount shall be equal to the greater of (i) the principal amount of the Notes being redeemed and (ii) the amount determined by discounting the principal amount of the Notes plus all required remaining scheduled interest payments due on such Notes at a Make Whole Call Reference Rate (as defined in the relevant Pricing Supplement) plus a spread specified in the relevant Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

(e) **Redemption at the option of holders of Notes:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) **Purchase at the option of holders of Variable Rate Notes**: If VRN Purchase Option is specified hereon, each holder of Variable Rate Notes shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Variable Rate Notes (together with all unmatured Receipts and Coupons and unexchanged Talons) to be purchased with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option purchase notice ("**Purchase Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(h) **Purchases:** The Issuer, the Guarantor and their subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(i) **Cancellation:** All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their subsidiaries may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) **Trustee Not Obliged to Monitor:** None of the Trustee or the Agents shall be under any duty to determine, calculate or verify the Early Redemption Date or be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 5 and will not be responsible to the Noteholders or Couponholders for any loss arising from any failure by it to do so. Unless and until the Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 5, it shall be entitled to assume that no such event or circumstance exists.

6 Payments and Talons

(a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency

with, a Bank. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) **Registered Notes**:

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**") provided, however, that interest payable on any interest bearing Note at Maturity or redemption shall be payable in immediately available funds to the person to whom principal shall be payable. Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, including FATCA (as defined below), but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent having a specified office in Singapore, and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and Receipts and unexchanged Talons**:

(i) Upon the due date for redemption, Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes) should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Redemption Amount due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as "**Financial Centres**" hereon and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or

(ii) (in the case of a payment in euro) which is a TARGET Business Day.

7 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, the Receipts and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law (including under FATCA (as defined below)). In that event, in relation to Notes denominated in Singapore dollars, the Issuer or, as the case may be, the Guarantor will not pay any additional amounts in respect of any such withholding or deduction from payments in respect of such Notes for, or on account of, any such taxes or duties, and, in relation to Notes which are not denominated in Singapore dollars, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts (the "**Additional Amounts**") as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of Singapore or as having a permanent establishment in Singapore for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Singapore other than the mere holding of the Note, Receipt or Coupon; or

(b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented), where presentation is required, for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or

(c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other law implementing or complying with, or introduced in order to conform to, such Directive; or

(d) **Payment by another Paying Agent:** (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or

(e) **Failure to comply with requirements:** which would not be payable or due but for the failure of the holder or beneficial owner of such Note, Receipt or Coupon to comply with any certification, identification or other reporting requirements of Singapore concerning the nationality, residence, identity or other attributes of such holder or beneficial owner required in connection with a claim of eligibility for avoidance or reduction of withholding or deduction of tax under the laws of Singapore, if requested in writing addressed to such holder or beneficial owner by the Issuer to comply with such requirements; or

(f) **Estate, inheritance, gift, sales, transfer or similar taxes:** where such deduction or withholding is imposed in respect of any estate, inheritance, gift, sales, transfer or similar taxes of a relevant holder or beneficial owner of such Note; or

(g) **Fiduciary or partnership or person other than the sole beneficial owner of such payment:** to, or to a third party on behalf of, a holder of such Note, Receipt or Coupon if such holder is a fiduciary or partnership or person other than the sole beneficial owner of such payment to the extent that no deduction or withholding would have been imposed on such payment had such holder been the sole beneficial owner of such Note, Receipt or Coupon, as applicable; or

(h) **Foreign Account Tax Compliance Act:** where such deduction or withholding is imposed or required to be withheld under Sections 1471 to 1474 (or any successor provisions or amendments thereof) of the United States Internal Revenue Code of 1986, as amended, or pursuant to any agreements and any official pronouncements with respect thereto or any inter-governmental agreement or legislation adopted in connection therewith ("**FATCA**"); or

(i) any combination of items (a) through (h) above.

As used in these Conditions, "**Relevant Date**" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Singapore Law Trust Deed.

8 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within three years from the appropriate Relevant Date in respect of them.

9 Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to its being indemnified and/or secured to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

(a) failure to pay any interest on any of the Notes when due and payable, and continuance of such failure for a period of 14 days; or

(b) failure to pay the Redemption Amount on any of the Notes when due and payable, and continuance of such failure for a period of 14 days; or

(c) failure by the Issuer or the Guarantor to perform any other covenant of the Issuer or the Guarantor and continuance of such failure for a period of 60 days after written notice of such default shall have been given to the Issuer by the Trustee; or

(d) (i) the entry by a court having jurisdiction in the premises of a decree or order for relief in respect of the Issuer or the Guarantor in any voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation, winding up (other than a reorganisation or winding up under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency), sequestration or other similar law or (ii) the entry by a court having jurisdiction in the premises of a decree or order adjudging the Issuer or the Guarantor a bankrupt or insolvent, or approving as properly filed a petition seeking reorganisation, arrangement, adjustment or composition of or in respect of the Issuer or the Guarantor under any applicable law (other than any reorganisation, arrangement, adjustment or composition for the purposes of, or in connection with, a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor or ordering the winding up or liquidation of the affairs of the Issuer or the Guarantor (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency), and any such decree or order for relief or any such other decree or order shall not have been discharged or stayed within 60 days; or

(e) commencement by the Issuer or the Guarantor of a voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation (other than a reorganisation,

winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or other similar law or any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by the Issuer or the Guarantor to the entry of a decree or order for relief in respect of the Issuer or the Guarantor in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Issuer or the Guarantor or the filing by the Issuer or the Guarantor of a petition or answer or consent seeking reorganisation (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or relief under any such applicable law, or the consent by the Issuer or the Guarantor to the filing of such petition or to the appointment or the taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor, or the making by the Issuer or the Guarantor of an assignment for the benefit of creditors, or the taking of action by the Issuer or the Guarantor in furtherance of any such action; or

(f) the failure by the Issuer or the Guarantor to pay when due and payable, after the expiration of any applicable grace period, any portion of the principal of, or involuntary acceleration of the maturity of, indebtedness for borrowed money of or guaranteed by the Issuer or the Guarantor having an aggregate principal amount outstanding in excess of US$100,000,000 (or its equivalent in another currency); or

(g) the Guarantee ceasing to be in full force or effect or the Guarantor denying or disaffirming in writing its obligations under the Guarantee

provided that in the case of paragraphs (d) and (e), the Notes shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest without any act by the Trustee or the Noteholders.

10 Consolidation, Merger and Sale of Assets and Substitution

Each of the Issuer and the Guarantor has agreed in the Singapore Law Trust Deed that it may not consolidate with or merge into any other Person (as defined below) or permit any other Person to consolidate with or merge into it or directly or indirectly convey, transfer, sell or lease or otherwise dispose of all or substantially all of its property and assets to any Person unless:

(a) any Person formed by such consolidation or into which the Issuer or the Guarantor, as the case may be, is merged or to whom the Issuer or the Guarantor, as the case may be, has conveyed, transferred, sold or leased all or substantially all its properties and assets (the "**Successor Entity**") is a corporation, partnership or trust organised and validly existing under the laws of the jurisdiction where it is organised, and such Successor Entity shall expressly assume by a supplemental trust deed all of the Issuer's or the Guarantor's, as the case may be, obligations under the Notes and the Singapore Law Trust Deed (including any obligation to pay any Additional Amounts as provided in Condition 7);

(b) immediately after giving effect to the transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing;

(c) any such Successor Entity not organised under the laws of the Republic of Singapore shall expressly agree by a supplemental trust deed that all payments pursuant to the Notes or the Guarantee, as the case may be, in respect of principal of and premium and interest on the Notes shall be made without deduction or withholding for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the jurisdiction of organisation or tax residency of such Successor Entity or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such Successor Entity will, in relation to Notes which are not denominated in

Singapore dollars, pay such additional amounts of, or in respect of the principal of and premium and interest on such Notes ("**Successor Additional Amounts**") as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such) in the payment to the holders of such Notes of the amounts which would have been payable in respect of such Notes had no such withholding or deduction been required, subject to the same exceptions as apply with respect to the payment by the Issuer or the Guarantor, as the case may be, of Additional Amounts in respect of the Notes (inserting references to the taxing jurisdiction where appropriate), and provided that such Successor Entity shall not have the right to redeem the Notes pursuant to Condition 5(c) in respect of such Successor Additional Amounts unless (A) the obligation to pay such Successor Additional Amounts arises as a result of any change in, or amendment to, the laws or regulations of such Successor Entity's jurisdiction of organisation or any political subdivision or taxing authority thereof or therein, or any change in the general application or official or general interpretation of such laws or regulations, which change or amendment is proposed and becomes effective after the date such Successor Entity assumes the obligations of the Issuer or the Guarantor, as the case may be, under the Singapore Law Trust Deed and the Notes, (B) such obligation to pay Successor Additional Amounts cannot be avoided by such Successor Entity taking reasonable measures available to it and (C) all other requirements contained in the Singapore Law Trust Deed relating to the redemption of the Notes shall have been satisfied; and

(d) the Issuer or such Successor Entity shall have delivered to the Trustee an officers' certificate and opinion of counsel, each stating that such transaction and such supplemental trust deed comply with this Condition 10 and that all conditions precedent provided for in this Condition 10 relating to such transaction have been complied with.

The Issuer and the Guarantor have agreed in the Singapore Law Trust Deed that upon any consolidation by the Issuer or the Guarantor with or merger or amalgamation by the Issuer or the Guarantor into any other entity, in each case, where the Issuer or the Guarantor, as the case may be, is not the surviving or resulting entity, or any conveyance, transfer, sale, assignment or lease, in one transaction or a series of transactions, directly or indirectly, of all or substantially all of the assets of the Issuer or the Guarantor, or any declaration by the Issuer that it acts as a trustee of all or substantially all of its assets for any Person, in each case in compliance with this Condition 10, the Successor Entity formed by such transaction or declaration shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer or the Guarantor, as the case may be, under the Singapore Law Trust Deed with the same effect as if such successor Person had been named as the Issuer therein, and the Issuer (which term shall for this purpose mean the Person named as the "Issuer" or the "Guarantor", as the case may be, in the first paragraph of the Singapore Law Trust Deed or any successor Person which shall theretofore become such in the manner described in this Condition to the extent that there exists a subsequent successor Person who shall substitute therefor in accordance with this Condition 10), except in the case of a lease, shall be discharged of all obligations and covenants under the Singapore Law Trust Deed and the Notes and may be dissolved and liquidated.

In this Condition 10, "**Person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation or government or any agency or political subdivision thereof.

11 Meetings of Noteholders, Modification and Waiver

(a) **Meetings of Noteholders:** The Singapore Law Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Singapore Law Trust Deed) of a modification of any of these Conditions or any provisions of the Singapore Law Trust Deed. If the Trustee receives a written request by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding and is indemnified and/or secured to its satisfaction against all costs and expenses, the Trustee shall convene a meeting of the Noteholders. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing

a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution or (ix) to modify or cancel the Guarantee, in which case the necessary quorum at the meeting or any adjourned meeting shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) **Modification of the Singapore Law Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Singapore Law Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or that is otherwise permitted by the Singapore Law Trust Deed, and (ii) any other modification (except as mentioned in the Singapore Law Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Singapore Law Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, such modification shall be notified to the Noteholders as soon as practicable.

(c) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require from the Issuer nor shall any Noteholder or Couponholder be entitled to claim from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Singapore Law Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13 Indemnification of the Trustee

The Singapore Law Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

14 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer or Agent may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Singapore Law Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Singapore Law Trust Deed. The Singapore Law Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides. The consolidation of any additional Bearer Notes issued under the TEFRA "D" rules into a series of previously issued Bearer Notes with the same Common Code or ISIN can occur only upon (i) exchange of interests in a Temporary Global Note for interests in a Permanent Global Note or Definitive Bearer Notes and (ii) certification of non-U.S. beneficial ownership in accordance with U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(3) or any successor regulation for purposes of Section 4701 of the United States Internal Revenue Code.

Any further issuances could have adverse tax consequences to U.S. Noteholders as discussed under "Certain tax considerations — United States federal income taxation — Original issue discount — Fungible issue" in the current offering circular relating to the Program.

16 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be the *Business Times*) and so long as the Notes are listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the rules of the SGX-ST so require, published on the website of the SGX-ST (www.sgx.com). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

*Until such time as any Definitive Notes or Definitive Certificates are issued, there may, so long as the Global Note(s) is or are held in its or their entirety on behalf of Euroclear, Clearstream, Luxembourg and/or The Central Depository (Pte) Limited (the "**Depository**") or, as the case may be, the Global Certificate is or are issued in the name of a common depository for Euroclear and Clearstream, Luxembourg and/or the Depository, be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or the Depository for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, notice will in any event be published in accordance with the previous paragraphs.*

Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

17 Contracts (Rights of Third Parties) Act

No person shall have the right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

18 Governing Law and Jurisdiction

(a) **Governing Law:** The Singapore Law Trust Deed, the Notes, the Receipts, the Coupons, the Talons and the Guarantee are governed by, and shall be construed in accordance with, Singapore law.

(b) **Jurisdiction:** The courts of Singapore are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons or the Guarantee may be brought in such courts.

Terms and conditions of the Notes governed by English law

*The following is the text of the terms and conditions (the "**Conditions**") of the Notes governed by English law that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or Global Certificate(s) representing each Series. Either (i) the full text of these Conditions together with the relevant provisions of the Pricing Supplement or (ii) these Conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Program.*

The Notes are constituted by an amended and restated English Law Trust Deed dated July 12, 2013 (as may be further amended or supplemented as at the date of issue of the Notes (the "**Issue Date**"), the "**English Law Trust Deed**") among Temasek Financial (I) Limited (the "**Issuer**"), Temasek Holdings (Private) Limited (the "**Guarantor**") and DB Trustees (Hong Kong) Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the English Law Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the English Law Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Agency Agreement dated February 3, 2010, as amended and supplemented by the first supplemental agency agreement dated July 9, 2012 (as may be further amended or supplemented as at the Issue Date, the "**Agency Agreement**") has been entered into in relation to the Notes among the Issuer, the Guarantor, the Trustee, Deutsche Bank Luxembourg S.A. as registrar, Deutsche Bank AG, Hong Kong Branch and Deutsche Bank AG, Singapore Branch as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below collectively as, the "**Agents**" and respectively as the "**Issuing and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar) and the "**Calculation Agent(s)**". Copies of the English Law Trust Deed, any Supplemental English Law Trust Deed (as defined below), the Agency Agreement and any Supplemental Agency Agreement (as defined below) are available for inspection free of charge during usual business hours at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the English Law Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, "**Tranche**" means Notes, which are identical in all respects.

1 Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"), in each case in the Specified Denomination(s) shown hereon. The Issuer may, without the consent of the Trustee, the Noteholders or the Couponholders, at any time after any issue of the Notes, (i) reduce the denomination of such Notes into smaller divisible amounts and/or (ii) remove or reduce the minimum denomination requirement in respect of such Notes; and notwithstanding Condition 11 and Clause 15 of the English Law Trust Deed and all other provisions in these Conditions and the English Law Trust Deed, the Issuer may, without the consent of the Trustee, the Noteholders or the Couponholders, make any and all modifications to these Conditions and the English Law Trust Deed it deems necessary or appropriate to implement the foregoing and the Trustee shall, upon request of the Issuer, consent to all such

modifications. Any such reduction, removal or modification shall be binding on all Noteholders and all Couponholders and, if the Trustee so requires, shall be notified to the Noteholders as soon as practicable. Notes in bearer form may be issued pursuant to a supplemental trust deed that provides for the issuance of bearer notes and shall be in a form agreed between the Issuer, the Guarantor and the Trustee and in compliance with United States tax and other laws.

All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by applicable law, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 ("FSMA") will have a minimum denomination of £100,000 (or its equivalent in other currencies). Subject to the right of the Issuer to re-denominate and/or remove the minimum denomination in Condition 1, Notes will be (unless otherwise specified in the relevant Pricing Supplement) issued in minimum denominations of US$200,000 (or its equivalent in another currency) and integral multiples of US$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Notes which are listed on SGX-ST will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.

This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(b), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

For so long as any of the Notes is represented by (i) a Global Note and such Global Note is held by The Depository Trust Company ("**DTC**"), a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream**, **Luxembourg**") and/or The Central Depository (Pte) Limited (the "**Depository**") or (ii) a Global Certificate and such Global Certificate is issued in the name of DTC, a common depository for Euroclear and Clearstream, Luxembourg and/or the Depository, each person who is for the time being shown in the records of DTC, Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by DTC, Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor,

the Issuing and Paying Agent, the Registrar, all other agents of the Issuer, the Guarantor and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, interest and any other amounts in respect of the Notes, for which purpose the bearer of the Global Note or, as the case may be, the registered holder of the Global Certificate shall be treated by the Issuer, the Issuing and Paying Agent, the Registrar, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Note or, as the case may be, the Global Certificate (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Note or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear, Clearstream, Luxembourg and/or the Depository.

In relation to each Series to be issued pursuant to Rule 144A of the Securities Act and in reliance on the exemption provided by Section 3(c)(7) under the U.S. Investment Company Act of 1940, as amended, the Issuer and the Guarantor will enter into a supplemental trust deed with the Trustee (a "**Supplemental English Law Trust Deed**") and a supplemental agency agreement with the Trustee and the Agents (a "**Supplemental Agency Agreement**"), each in a form to be agreed among the parties thereto to provide for additional terms and conditions applicable to such Series. The Notes of such Series will be constituted by the English Law Trust Deed as amended and supplemented by the relevant Supplemental English Law Trust Deed. In relation to any such Series, references to the English Law Trust Deed shall mean the English Law Trust Deed as amended and supplemented by the relevant Supplemental English Law Trust Deed and references to the Agency Agreement shall mean the Agency Agreement as amended and supplemented by the relevant Supplemental Agency Agreement.

2 Transfers of Registered Notes

(a) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(b) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(c) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(a) or (b) shall be available for delivery within five business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined below) or Purchase Notice (as defined below) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such

request for exchange, form of transfer, Exercise Notice, Purchase Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice, Purchase Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) **Exchange Free of Charge:** Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption or (iv) during the period of 15 days ending on (and including) any date on which payment is due.

3 Guarantee and Status

(a) **Guarantee:** The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the English Law Trust Deed, the Notes, the Receipts and the Coupons. Its obligations in that respect (the "**Guarantee**") are contained in the English Law Trust Deed.

(b) **Status of Notes and Guarantee:** The Notes and the Receipts and Coupons constitute direct, unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and at least *pari passu* with all other existing and future unsecured and unsubordinated obligations of the Issuer, other than with respect to obligations which may be preferred by law or rank senior by operation of law. The Guarantee (as defined in the English Law Trust Deed) will constitute a direct, unconditional, unsecured and unsubordinated obligation of the Guarantor and will rank at least *pari passu* with all existing and future, unsecured and unsubordinated obligations of the Guarantor (other than with respect to obligations which may be preferred by law or rank senior by operation of law) and senior to all existing and future subordinated obligations of the Guarantor.

4 Interest and other Calculations

(a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(h).

(b) **Interest on Floating Rate Notes, Index Linked Interest Notes and Variable Rate Notes:**

(i) *Interest Payment Dates:* Each Floating Rate Note, Index Linked Interest Note and Variable Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(i). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the

number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date, provided that the Agreed Yield (as defined in Condition 4(b)(v)) in respect of any Variable Rate Note for any Interest Period (as defined below) shall be payable on the first day of that Interest Period.

(ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon

(y) the Designated Maturity is a period specified hereon and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes where the Benchmark is not specified as being SIBOR or SOR

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Benchmark which appears or appear, as the case may be, on the Relevant Screen Page

as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Benchmark from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

(y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Benchmark is LIBOR, the principal London office of each of the Reference Banks or, if the Benchmark is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Benchmark if the Benchmark is LIBOR, at approximately 11.00 a.m. (London time), or if the Benchmark is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Benchmark is LIBOR, at approximately 11.00 a.m. (London time) or, if the Benchmark is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Benchmark by leading banks in, if the Benchmark is LIBOR, the London inter-bank market or, if the Benchmark is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Benchmark, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Benchmark, at which, if the Benchmark is LIBOR, at approximately 11.00 a.m. (London time) or, if the Benchmark is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Benchmark is LIBOR, the London inter-bank market or, if the Benchmark is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing

provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Spread or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Spread or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Spread or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Screen Rate Determination for Floating Rate Notes where the Benchmark is specified as being SIBOR or SOR

Each Floating Rate Note where the Benchmark is specified as being SIBOR (in which case such Note will be a SIBOR Note) or SOR (in which case such Note will be a Swap Rate Note) bears interest at a floating rate determined by reference to a benchmark as specified hereon or in any case such other benchmark as specified hereon.

(x) The Rate of Interest payable from time to time in respect of each Floating Rate Note under Condition 4(b)(iii)(C) will be determined by the Calculation Agent on the basis of the following provisions:

(I) in the case of Floating Rate Notes which are SIBOR Notes

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "Swap Offer and SIBOR (ABSIRFIX)" and under the column headed "SGD SIBOR" (or such other Relevant Screen Page);

(bb) if on any Interest Determination Date, no such rate appears on the Page ABSI (or such other replacement page thereof), the Calculation Agent will determine the Rate of Interest for such Interest Period which shall be the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof);

(cc) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of

Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of such offered quotations, as determined by the Calculation Agent;

(dd) if on any Interest Determination Date, two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (cc) above on the basis of the quotations of those Reference Banks providing such quotations; and

(ee) if on any Interest Determination Date, one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date.

(II) in the case of Floating Rate Notes which are Swap Rate Notes

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Calculation Agent as being the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "Swap Offer and SIBOR (ABSIRFIX)" under the column headed "SGD SWAP OFFER" (or such other page as may replace Page ABSI for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period);

(bb) if on any Interest Determination Date, no such rate appears on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof), the Calculation Agent will determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Calculation Agent as being the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME" and under the column headed "SGD SWAP OFFER" (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period);

(cc) if on any Interest Determination Date, no such rate is quoted on Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other

replacement page thereof or such other Relevant Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{ Spot Rate })} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR	=	the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "Swap Offer and SIBOR (ABSIRFIX)" and under the column headed "USD SIBOR" (or such other page as may replace Page ABSI for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;
Spot Rate	=	the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks and which appear on Page ABSI on the monitor of the Bloomberg agency under the caption "FX and SGD Swap Points" (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;
Premium or Discount	=	the rate being the composite quotation or in the absence of which,

the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "FX and SGD Swap Points" (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Calculation Agent);

(dd) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (cc) above is not quoted on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) or if Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) is unavailable for any reason, the Calculation Agent will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME" and under the column headed "USD

SIBOR" (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Spot Rate = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSIRFIX06 Page under the caption "SGD SPOT AND SWAP OFFER RATES" and under the column headed "SPOT" (or such other page as may replace the Reuters Screen ABSIRFIX06 Page for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Premium or Discount = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Calculation Agent) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appear on the Reuters Screen ABSIRFIX06-7 Pages under the caption "SGD SPOT AND SWAP OFFER RATES" (or such other page as may replace the Reuters Screen ABSIRFIX06-7 Pages for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned; and

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Calculation Agent);

(ee) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (dd) above is not quoted on the relevant Reuters Screen Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) or the relevant Reuters Screen Page (or such other replacement page thereof or such other Relevant Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of the Reference Banks to provide the Calculation Agent with quotations of their Swap Rates for the Interest Period concerned at or about the Relevant Time on that Interest Determination Date and the Rate of Interest for such Interest Period shall be the Average Swap Rate for such Interest Period (which shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest –1/16 per cent.) of the Swap Rates quoted by the Reference Banks to the Calculation Agent). The Swap Rate of a Reference Bank means the rate at which that Reference Bank can generate Singapore dollars for the Interest Period concerned in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date and shall be determined as follows:

In the case of Premium:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate per annum at which United States dollar deposits for a period equal to the duration of the Interest Period concerned are being offered by that Reference Bank to prime banks in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;

Spot Rate = the rate at which that Reference Bank sells United States dollars spot in exchange for Singapore dollars in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;

Premium = the premium that would have been paid by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market;

Discount = the discount that would have been received by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market; and

T = the number of days in the Interest Period concerned;

(ff) if on any Interest Determination Date, two but not all the Reference Banks provide the Calculation Agent with quotations of their Swap Rate(s), the Average Swap Rate for the relevant Interest Period shall be determined in accordance with (ee) above on the basis of the quotations of those Reference Banks providing such quotations; and

(gg) if on any Interest Determination Date, one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date.

(iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified thereon.

(v) *Rate of Interest for Variable Rate Notes*

(A) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (v). The interest payable in respect of a Variable Rate Note for each Interest Period relating to that Variable Rate Note, which shall be payable on the first day of such Interest Period, is referred to in this Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Rate of Interest**".

(B) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period, subject as referred to in paragraph (v)(D) below, shall be determined as follows:

(x) not earlier than 9.00 a.m. (Singapore time) on the ninth Business Day nor later than 3.00 p.m. (Singapore time) on the fifth Business Day prior to the commencement of each Interest Period, the Issuer

and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(1) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(2) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Rate of Interest for such Variable Rate Note for such Interest Period shall be zero); and

(3) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(y) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the fifth Business Day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (x) above, the Rate of Interest for such variable Rate Note for such Interest Period shall automatically be the Fall Back Rate.

(C) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following Business Day:

(x) notify the Issuing and Paying Agent and the Calculation Agent in writing of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(y) cause such Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

(D) For the purposes of paragraph (B) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or SOR (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

(E) The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 4(iii)(B) or 4(iii)(C), as the case may be, above (mutatis mutandis) and references therein to "Rate of Interest" shall mean "Fall Back Rate".

If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 5(b)). As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(b)(i)).

(d) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date.

(g) **Spread, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**

(i) If any Spread is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Spread, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(h) **Calculations:** The amount of interest payable per calculation amount specified hereon (or, if no such amount is so specified, the Specified Denomination) (the "**Calculation Amount**") in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the

sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents and any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information as soon as possible after their determination but in no event later than the fourth Business Day after such determination. In the case of Floating Rate Notes, the Calculation Agent will also cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period to be notified to the Noteholders in accordance with Condition 16 as soon as possible after their determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) **Determination or Calculation by Trustee:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Trustee pursuant to this Condition 4(j) shall (in the absence of manifest error) be final and binding upon all parties.

(k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

(i) in the case of a currency other than euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a "**TARGET Business Day**") and/or

(iii) in the case of Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong and/or

(iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual — ISDA**" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(vii) if "**Actual/Actual-ICMA**" is specified hereon,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date and

"**Determination Date**" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

"**euro**" means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified herein.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in the relevant Financial Centre for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is not Sterling, euro or Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified hereon.

"**ISDA Definitions**" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon and, in the case of a determination of SIBOR or SOR, the principal Singapore office of three major banks in the Singapore inter-bank market.

"**Reference Rate**" means the rate specified as such hereon.

"**Relevant Dealer**" means the Dealer party to the Program Agreement referred to in the Agency Agreement with whom the Issuer has concluded an agreement for the issue of Notes pursuant to the Program Agreement.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified hereon.

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the relevant Financial Centre specified hereon or, if none is specified, the local time in the relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the relevant Financial Centre and, for the purpose of this definition "local time" means, with respect to the Euro-zone as a relevant Financial Centre, Central European Time.

"**Specified Currency**" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on November 19, 2007 or any successor thereto.

(i) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the English Law Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee or an Extraordinary Resolution of holders of the Notes) appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Singapore office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5 Redemption, Purchase and Options

(a) **Redemption by Instalments and Final Redemption:**

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless otherwise provided hereon and unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) **Early Redemption:**

(i) Zero Coupon Notes:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c)

or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) **Redemption for Taxation Reasons**

Unless otherwise specified hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note or an Indexed Linked Note) or, at any time (if this Note is neither a Floating Rate Note or an Indexed Linked Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) (the "**Note Optional Tax Redemption**") at their Early Redemption Amount (as described in Condition 5(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay Additional Amounts (as described under Condition 7) as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, (or any taxing authority of any taxing jurisdiction to which the Issuer, or the Guarantor, as the case may be, is or has become subject and in respect of which it has given such undertaking as referred to above in this Condition) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (i) an opinion of independent tax counsel of recognised standing in Singapore or a copy of any judicial decision or regulatory determination or ruling, in each case to the effect that the Issuer (or the Guarantor, as the case may be) would be required to pay Additional Amounts on the next payment in respect of such Notes (or the Guarantee) as a result of a change, amendment, application or interpretation described above and (ii) a certificate signed by two executive officers (being any of the Chief Executive Officer, the Chief Financial Officer, the Secretary, a Director or any other person authorised by the Board of Directors) of the Issuer (or the Guarantor, as the case may be) to the effect that, in the

judgment of the Issuer (or the Guarantor, as the case may be), such obligation referred to in (i) above cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it and the Trustee shall be entitled to accept such opinion without any further inquiry as sufficient evidence of the satisfaction of the conditions precedent set out above without liability to any person in which event it shall be conclusive and binding on Noteholders and Couponholders.

(d) **Redemption at the option of the Issuer**

Unless otherwise specified hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or some of the Notes on the date(s) specified thereon (the "**Notes Optional Redemption Date**"). Any such redemption of Notes shall be at the Optional Redemption Amount specified hereon together with interest accrued to the date fixed for redemption.

Unless otherwise specified hereon, the Optional Redemption Amount shall be equal to the greater of (i) the principal amount of the Notes being redeemed and (ii) the amount determined by discounting the principal amount of the Notes plus all required remaining scheduled interest payments due on such Notes at a Make Whole Call Reference Rate (as defined in the relevant Pricing Supplement) plus a spread specified in the relevant Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

(e) **Redemption at the option of holders of Notes:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) **Purchase at the option of holders of Variable Rate Notes:** If VRN Purchase Option is specified hereon, each holder of Variable Rate Notes shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Variable Rate Notes (together with all unmatured Receipts and Coupons and unexchanged Talons) to be purchased with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option purchase notice ("**Purchase Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(h) **Purchases:** The Issuer, the Guarantor and their subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(i) **Cancellation:** All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their subsidiaries may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) **Trustee Not Obliged to Monitor:** None of the Trustee or the Agents shall be under any duty to determine, calculate or verify the Early Redemption Date or be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 5 and will not be responsible to the Noteholders or Couponholders for any loss arising from any failure by it to do so. Unless and until the Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 5, it shall be entitled to assume that no such event or circumstance exists.

6 Payments and Talons

(a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States, (i) other than in the case of Notes denominated in Renminbi, by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank or (ii) in the case of Notes denominated in Renminbi, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) **Registered Notes:**

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the Business Day before the due date for payment thereof (the "**Record Date**") provided, however, that interest payable on any interest bearing Note at Maturity or redemption shall be payable in immediately available funds to the person to whom principal shall be payable. Payments of interest on each Registered Note, other than in the case of Registered Notes denominated in Renminbi, shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank. Payments of interest on each Registered Note denominated in Renminbi shall be made by transfer to the registered Renminbi account of the Noteholder. In this Condition 6(b)(ii), "registered Renminbi account" means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register on the Record Date.

(c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, including FATCA (as defined below), but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

(i) Upon the due date for redemption, Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes) should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Redemption Amount due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as "**Financial Centres**" hereon and:

(i) (in the case of a payment in a currency other than euro or Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or

(ii) (in the case of a payment in euro) which is a TARGET Business Day or

(iii) (in the case of a payment in Renminbi) on which commercial banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

(i) **Notes denominated in Renminbi — Payment of U.S. Dollar Equivalent:** Notwithstanding all other provisions in these Conditions, if by reason of Inconvertibility, Non-transferability or Illiquidity, or if Renminbi is otherwise not available to the Issuer or the Guarantor as a result of circumstances beyond their control and such unavailability has been independently determined by a Renminbi Dealer, neither the Issuer nor the Guarantor is able or it would be impractical for the Issuer or the Guarantor, as the case may be, to satisfy payments of principal or interest (in whole or in part) in respect of Notes when due in Renminbi in Hong Kong, the Issuer or the Guarantor, as the case may be, on giving not less than five nor more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in U.S. dollars on the due date at the U.S. Dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the U.S. Dollar Equivalent of the relevant principal or interest in respect of the Notes shall be made by a U.S. dollar denominated cheque drawn on a bank in New York City and mailed to the holder (or to the first named of joint holders) of

the Notes at its address appearing in the Register, or, upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, by transfer to a U.S. dollar denominated account with a bank in New York City. For the avoidance of doubt, no such payment of the U.S. Dollar Equivalent shall by itself be deemed to constitute a default in payment within the meaning of Condition 9(a) or Condition 9(b).

In the event of a payment pursuant to this Condition 6(i), the following modification shall be made in respect of the Conditions:

The definition of "**Business Day**" in Condition 4(k) shall mean a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in New York City.

For the purposes of this Condition 6(i):

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

"**Illiquidity**" means that the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer or the Guarantor cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal (in whole or in part) in respect of the Notes or, as the case may be, the Guarantee, as determined by the Issuer or the Guarantor in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer or the Guarantor to convert any amount due in respect of the Notes or, as the case may be, the Guarantee in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer or the Guarantor to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer or, as the case may be, the Guarantor, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer or, as the case may be, the Guarantor to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or vice-versa, other than where such impossibility is due solely to the failure of the Issuer or the Guarantor to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer or, as the case may be, the Guarantor, due to an event beyond its control, to comply with such law, rule or regulation);

"**Rate Calculation Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange) in Hong Kong and in New York City;

"**Rate Calculation Date**" means the day which is two Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under these Conditions;

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong;

"**Spot Rate**", for a Rate Calculation Date, means the spot Renminbi/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the Calculation Agent in good faith and in a commercially reasonable manner at or around 11 a.m. (Hong Kong time) on such Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent in good faith and in a commercially

reasonable manner will determine the Spot Rate at or around 11 a.m. (Hong Kong time) on the Rate Calculation Date as the most recently available Renminbi/U.S. dollar official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; and

"**U.S. Dollar Equivalent**" means the relevant Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Rate Calculation Date, as calculated by the Calculation Agent.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(i) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Agents and all Noteholders.

7 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, the Receipts and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law (including under FATCA (as defined below)). In that event, in relation to Notes denominated in Singapore dollars, the Issuer or, as the case may be, the Guarantor will not pay any additional amounts in respect of any such withholding or deduction from payments in respect of such Notes for, or on account of, any such taxes or duties, and, in relation to Notes which are not denominated in Singapore dollars, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts (the "**Additional Amounts**") as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of Singapore or as having a permanent establishment in Singapore for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Singapore other than the mere holding of the Note, Receipt or Coupon; or

(b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented), where presentation is required, for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or

(c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/ EC or any other law implementing or complying with, or introduced in order to conform to, such Directive; or

(d) **Payment by another Paying Agent:** (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or

(e) **Failure to comply with requirements:** which would not be payable or due but for the failure of the holder or beneficial owner of such Note, Receipt or Coupon to comply with any certification, identification or other reporting requirements of Singapore concerning the nationality, residence, identity or other attributes of such holder or beneficial owner required in connection with a claim of eligibility for avoidance or reduction of withholding or deduction of tax under the laws of Singapore, if requested in writing addressed to such holder or beneficial owner by the Issuer to comply with such requirements; or

(f) **Estate, inheritance, gift, sales, transfer or similar taxes:** where such deduction or withholding is imposed in respect of any estate, inheritance, gift, sales, transfer or similar taxes of a relevant holder or beneficial owner of such Note; or

(g) **Fiduciary or partnership or person other than the sole beneficial owner of such payment:** to, or to a third party on behalf of, a holder of such Note, Receipt or Coupon if such holder is a fiduciary or partnership or person other than the sole beneficial owner of such payment to the extent that no deduction or withholding would have been imposed on such payment had such holder been the sole beneficial owner of such Note, Receipt or Coupon, as applicable; or

(h) **Foreign Account Tax Compliance Act:** where such deduction or withholding is imposed or required to be withheld under Sections 1471 to 1474 (or any successor provisions or amendments thereof) of the United States Internal Revenue Code of 1986, as amended, or pursuant to any agreements and any official pronouncements with respect thereto or any inter-governmental agreement or legislation adopted in connection therewith ("**FATCA**"); or

(i) any combination of items (a) through (h) above.

As used in these Conditions, "**Relevant Date**" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the English Law Trust Deed.

8 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within three years from the appropriate Relevant Date in respect of them.

9 Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to its being indemnified and/or secured to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

(a) failure to pay any interest on any of the Notes when due and payable, and continuance of such failure for a period of 14 days; or

(b) failure to pay the Redemption Amount on any of the Notes when due and payable, and continuance of such failure for a period of 14 days; or

(c) failure by the Issuer or the Guarantor to perform any other covenant of the Issuer or the Guarantor and continuance of such failure for a period of 60 days after written notice of such default shall have been given to the Issuer by the Trustee; or

(d) (i) the entry by a court having jurisdiction in the premises of a decree or order for relief in respect of the Issuer or the Guarantor in any voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation, winding up (other than a reorganisation or winding up under or in connection with a scheme of arrangement,

amalgamation or reconstruction not involving bankruptcy or insolvency), sequestration or other similar law or (ii) the entry by a court having jurisdiction in the premises of a decree or order adjudging the Issuer or the Guarantor a bankrupt or insolvent, or approving as properly filed a petition seeking reorganisation, arrangement, adjustment or composition of or in respect of the Issuer or the Guarantor under any applicable law (other than any reorganisation, arrangement, adjustment or composition for the purposes of, or in connection with, a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor or ordering the winding up or liquidation of the affairs of the Issuer or the Guarantor (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency), and any such decree or order for relief or any such other decree or order shall not have been discharged or stayed within 60 days; or

(e) commencement by the Issuer or the Guarantor of a voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or other similar law or any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by the Issuer or the Guarantor to the entry of a decree or order for relief in respect of the Issuer or the Guarantor in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Issuer or the Guarantor or the filing by the Issuer or the Guarantor of a petition or answer or consent seeking reorganisation (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or relief under any such applicable law, or the consent by the Issuer or the Guarantor to the filing of such petition or to the appointment or the taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor, or the making by the Issuer or the Guarantor of an assignment for the benefit of creditors, or the taking of action by the Issuer or the Guarantor in furtherance of any such action; or

(f) the failure by the Issuer or the Guarantor to pay when due and payable, after the expiration of any applicable grace period, any portion of the principal of, or involuntary acceleration of the maturity of, indebtedness for borrowed money of or guaranteed by the Issuer or the Guarantor having an aggregate principal amount outstanding in excess of US$100,000,000 (or its equivalent in another currency); or

(g) the Guarantee ceasing to be in full force or effect or the Guarantor denying or disaffirming in writing its obligations under the Guarantee

provided that in the case of paragraphs (d) and (e), the Notes shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest without any act by the Trustee or the Noteholders.

10 Consolidation, Merger and Sale of Assets and Substitution

Each of the Issuer and the Guarantor has agreed in the English Law Trust Deed that it may not consolidate with or merge into any other Person (as defined below) or permit any other Person to consolidate with or merge into it or directly or indirectly convey, transfer, sell or lease or otherwise dispose of all or substantially all of its property and assets to any Person unless:

(a) any Person formed by such consolidation or into which the Issuer or the Guarantor, as the case may be, is merged or to whom the Issuer or the Guarantor, as the case may be, has conveyed, transferred, sold or leased all or substantially all its properties and assets (the "**Successor Entity**") is a corporation, partnership or trust organised and validly existing under the laws of the jurisdiction where it is organised, and such Successor Entity shall expressly assume by a supplemental trust deed all of the Issuer's or the Guarantor's, as the case may be, obligations under the Notes and the English Law

Trust Deed (including any obligation to pay any Additional Amounts as provided in Condition 7);

(b) immediately after giving effect to the transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing;

(c) any such Successor Entity not organised under the laws of the Republic of Singapore shall expressly agree by a supplemental trust deed that all payments pursuant to the Notes or the Guarantee, as the case may be, in respect of principal of and premium and interest on the Notes shall be made without deduction or withholding for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the jurisdiction of organisation or tax residency of such Successor Entity or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such Successor Entity will, in relation to Notes which are not denominated in Singapore dollars, pay such additional amounts of, or in respect of the principal of and premium and interest on such Notes ("**Successor Additional Amounts**") as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such) in the payment to the holders of such Notes of the amounts which would have been payable in respect of such Notes had no such withholding or deduction been required, subject to the same exceptions as apply with respect to the payment by the Issuer or the Guarantor, as the case may be, of Additional Amounts in respect of the Notes (inserting references to the taxing jurisdiction where appropriate), and provided that such Successor Entity shall not have the right to redeem the Notes pursuant to Condition 5(c) in respect of such Successor Additional Amounts unless (A) the obligation to pay such Successor Additional Amounts arises as a result of any change in, or amendment to, the laws or regulations of such Successor Entity's jurisdiction of organisation or any political subdivision or taxing authority thereof or therein, or any change in the general application or official or general interpretation of such laws or regulations, which change or amendment is proposed and becomes effective after the date such Successor Entity assumes the obligations of the Issuer or the Guarantor, as the case may be, under the English Law Trust Deed and the Notes, (B) such obligation to pay Successor Additional Amounts cannot be avoided by such Successor Entity taking reasonable measures available to it and (C) all other requirements contained in the English Law Trust Deed relating to the redemption of the Notes shall have been satisfied;

(d) such Successor Entity shall have delivered to the Trustee and the New York Trustee an opinion of U.S. tax counsel of recognized standing to the effect that the beneficial owners of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such transaction and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would be the case as if the transaction had not occurred; and

(e) the Issuer or such Successor Entity shall have delivered to the Trustee an officers' certificate and opinion of counsel, each stating that such transaction and such supplemental trust deed comply with this Condition 10 and that all conditions precedent provided for in this Condition 10 relating to such transaction have been complied with.

The Issuer and the Guarantor have agreed in the English Law Trust Deed that upon any consolidation by the Issuer or the Guarantor with or merger or amalgamation by the Issuer or the Guarantor into any other entity, in each case, where the Issuer or the Guarantor, as the case may be, is not the surviving or resulting entity, or any conveyance, transfer, sale, assignment or lease, in one transaction or a series of transactions, directly or indirectly, of all or substantially all of the assets of the Issuer or the Guarantor, or any declaration by the Issuer that it acts as a trustee of all or substantially all of its assets for any Person, in each case in compliance with this Condition 10, the Successor Entity formed by such transaction or declaration shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer or the Guarantor, as the case may be, under the English Law Trust Deed with the same effect as if such successor Person had been named as the Issuer therein, and the Issuer (which term shall for this purpose mean the

Person named as the "Issuer" or the "Guarantor", as the case may be, in the first paragraph of the English Law Trust Deed or any successor Person which shall theretofore become such in the manner described in this Condition to the extent that there exists a subsequent successor Person who shall substitute therefor in accordance with this Condition 10), except in the case of a lease, shall be discharged of all obligations and covenants under the English Law Trust Deed and the Notes and may be dissolved and liquidated.

In this Condition 10, "**Person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation or government or any agency or political subdivision thereof.

11 Meetings of Noteholders, Modification and Waiver

(a) **Meetings of Noteholders:** The English Law Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the English Law Trust Deed) of a modification of any of these Conditions or any provisions of the English Law Trust Deed. If the Trustee receives a written request by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding and is indemnified and/or secured to its satisfaction against all costs and expenses, the Trustee shall convene a meeting of the Noteholders. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution or (ix) to modify or cancel the Guarantee, in which case the necessary quorum at the meeting or any adjourned meeting shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) **Modification of the English Law Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the English Law Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or that is otherwise permitted by the English Law Trust Deed, and (ii) any other modification (except as mentioned in the English Law Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the English Law Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, such modification shall be notified to the Noteholders as soon as practicable.

(c) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require from the Issuer nor shall any Noteholder or Couponholder be entitled to claim from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the English Law Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13 Indemnification of the Trustee

The English Law Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

14 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer or Agent may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the English Law Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the English Law Trust Deed. The English Law Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides. The consolidation of any additional Bearer Notes issued under the TEFRA "D" rules into a series of previously issued Bearer Notes with the same Common Code or ISIN can occur only upon (i) exchange of interests in a Temporary Global Note for interests in a Permanent Global Note or Definitive Bearer Notes and (ii) certification of

non-U.S. beneficial ownership in accordance with U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(3) or any successor regulation for purposes of Section 4701 of the United States Internal Revenue Code.

Any further issuances could have adverse tax consequences to U.S. Noteholders as discussed under "Certain tax considerations — United States federal income taxation — Original issue discount — Fungible issue" in the current offering circular relating to the Program.

16 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be the *Business Times*) and so long as the Notes are listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the rules of the SGX-ST so require, published on the website of the SGX-ST (www.sgx.com). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

Until such time as any Definitive Notes or Definitive Certificates are issued, there may, so long as the Global Note(s) is or are held in its or their entirety on behalf of DTC, Euroclear, Clearstream, Luxembourg and/or the Depository or, as the case may be, the Global Certificate(s) is or are issued in the name of DTC, a common depositary for DTC, Euroclear and Clearstream, Luxembourg and/or the Depository, be substituted for such publication in such newspapers the delivery of the relevant notice to DTC, Euroclear, Clearstream, Luxembourg and/or the Depository for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, notice will in any event be published in accordance with the previous paragraphs.

Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to DTC, Euroclear, Clearstream, Luxembourg and/or the Depository.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

17 Contracts (Rights of Third Parties) Act 1999

No person shall have the right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

18 Governing Law and Jurisdiction

(a) The English Law Trust Deed, the Notes issued thereunder and all non-contractual obligations arising out of or in connection therewith shall be governed by, and construed in accordance with, English law.

(b) The courts of England shall have non-exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Guarantee (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

(c) The Issuer and the Guarantor have irrevocably waived any objection which they may now or hereafter have to the courts of England being nominated as the forum to hear and

determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

(d) Each of the Issuer and the Guarantor have (i) irrevocably designated and appointed Hackwood Secretaries Limited at One Silk Street, London EC2Y8HQ, as its authorised agent upon which process may be served in Proceedings arising out of or relating to the Notes governed by English law or the English Law Trust Deed that may be instituted in the courts of England or brought under English law by the Trustee (whether in its individual capacity or in its capacity as Trustee hereunder). If such person is not or ceases to be effectively appointed to accept service of process on the Issuer's and the Guarantor's behalf, then the Issuer and the Guarantor shall as soon as reasonably practicable, upon their becoming aware that such person has not been or has ceased to be so appointed, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the Trustee shall be entitled to appoint such a person by written notice to the Issuer and the Guarantor, following which the Issuer or the Guarantor, as the case may be, shall take all reasonable steps to appoint such person as its agent for service of process. Nothing in this Clause shall affect the right to serve process in any other manner permitted by law.

Form of Notes

The Notes of each series will be in bearer or in registered form as specified in the relevant Pricing Supplement.

Bearer Notes

Each series of Bearer Notes may be represented either by a Temporary Global Note or a Permanent Global Note that will be deposited on the issue date thereof with CDP or a common depositary on behalf of Euroclear and Clearstream or any other agreed clearance system compatible with Euroclear and Clearstream. Beneficial interests in a Temporary Global Note will be exchangeable for interests in a Permanent Global Note from the Exchange Date. Interests in a Permanent Global Note may be exchanged for Definitive Bearer Notes only in the limited circumstances as described therein and summarized below.

While any Bearer Note that is issued in compliance with the D Rules is represented by a Temporary Global Note, payments of principal, premium and interest (if any) will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owner of an interest in such Note is not a U.S. person or a person who has purchased for resale to any U.S. person, as required by U.S. Treasury Regulations, has been received by Euroclear, Clearstream and/or CDP and/or any other such depositary, as applicable, and such clearing agent or depositary, as the case may be, has given a like certification (based on the certifications it has received) to the relevant Trustee or Agent, as the case may be.

From the Exchange Date, interests in such Temporary Global Note will be exchangeable (free of charge) upon request as described therein for interests in a Permanent Global Note without receipts, interest coupons or talons, and in the case of Bearer Notes issued in compliance with the D Rules, against certification of beneficial ownership as described in the immediately preceding paragraph unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, premium or principal due on or after the Exchange Date.

From the Exchange Date, a Permanent Global Note issued under the English Law Trust Deed or the Singapore Law Trust Deed will be exchangeable, in whole and not in part, for Definitive Bearer Notes (i) if the Permanent Global Note was issued in respect of a D Rules Note or if permitted by the relevant Pricing Supplement, (ii) if the Permanent Global Note is held on behalf of a clearing system, such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so or, in the case of a Permanent Global Note deposited with CDP, CDP has notified the Issuer that it is unable or unwilling to act as a depositary for the Notes and to continue performing its duties set out in the relevant Master Depository Services Agreement, and no alternative clearing system is available or (iii) an event of default with respect to such Notes has occurred and is continuing.

Each series of Bearer Notes shall comply with the D Rules unless otherwise stated in the relevant Pricing Supplement. The following legend will appear on the face of all Bearer Global Notes, Definitive Bearer Notes, receipts, interest coupons and talons thereon (or in the book or record where the Bearer Notes are held in book-entry form):

> "ANY UNITED STATES PERSON (AS DEFINED IN THE U.S. INTERNAL REVENUE CODE) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED."

Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended (the "U.S. Internal Revenue Code" or the "Code"), generally provide that U.S. beneficial owners, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts, interest coupons or talons thereon and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes, receipts, interest coupons or talons thereon.

Registered Notes

Unless otherwise provided with respect to a particular series of Registered Notes, Registered Notes of each series sold outside the United States in reliance on Regulation S will be represented by interests in a Regulation S Global Note, which may be deposited with CDP or with a common depositary for,

and registered in the name of a nominee of, Euroclear and Clearstream, or with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream. With respect to all offers or sales by a Dealer of an unsold allotment or subscription and in any case prior to expiry of the period that ends 40 days after the later of the date of issue and completion of the distribution of each series of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or the lead manager(s), in the case of a syndicated issue (the "Distribution Compliance Period"), beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person (unless, if permitted by the terms of such Notes, registered pursuant to the Securities Act or exempt from registration thereunder) and may be held only through CDP, Euroclear and Clearstream or DTC for the accounts of Euroclear and Clearstream, as the case may be. Regulation S Global Notes will be exchangeable for Definitive Registered Notes only in limited circumstances as more fully described in "Annex A — Global clearance and settlement".

Registered Notes of each series sold to QIBs under Rule 144A will be represented by a DTC Restricted Global Note deposited with a custodian for, and registered in the name of a nominee of, DTC. DTC Restricted Global Notes will be exchangeable for Definitive Registered Notes only in limited circumstances as described in this Offering Circular.

Registered Notes of each series sold to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof (a "Definitive IAI Registered Note"). Definitive IAI Registered Notes will, at the request of the Noteholder (except to the extent otherwise indicated in the relevant Pricing Supplement), be issued in exchange for interests in a Registered Global Note upon compliance with the procedures for exchange as described in the Indenture or relevant trust deed.

No beneficial owner of an interest in a Registered Global Note will be able to exchange or transfer that interest, except in accordance with the applicable procedures of DTC, Euroclear, Clearstream and/or CDP, in each case, to the extent applicable.

Security Codes

Bearer Notes shall be assigned (as applicable) a Common Code and an International Securities Identification number ("ISIN"). Registered Notes will be assigned (as applicable) a Common Code, ISIN and Committee on Uniform Securities Identification Procedures ("CUSIP") number. If a further issuance of Notes of the same series of Notes is issued, the New York Trustee or Agent, as the case may be, shall arrange that the Notes of such further issuance shall be assigned (as applicable) a CUSIP number, Common Code and ISIN that are different from the CUSIP number, Common Code and ISIN, as the case may be, assigned to existing Notes of such series or to Notes of any other series until the end of the Distribution Compliance Period. At the end of the Distribution Compliance Period, the CUSIP number, Common Code and ISIN, as the case may be, thereafter applicable to the Notes of the relevant series will be notified by the New York Trustee or Agent, as the case may be, to the relevant Dealers. The consolidation of any additional Bearer Notes issued under the TEFRA "D" rules into a series of previously issued Bearer Notes with the same Common Code or ISIN can occur only upon (i) exchange of interests in a Temporary Global Note for interests in a Permanent Global Note or Definitive Bearer Notes and (ii) certification of non-U.S. beneficial ownership in accordance with rules in substantially the same form as U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(3) for purposes of Section 4701 of the Code.

Certain tax considerations

The following summary of certain Singapore and U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary is not to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with the consequences applicable to all categories of investors, some of which may be subject to special rules. You should consult your own tax advisor concerning the application of Singapore and U.S. federal income tax laws to your particular situation as well as any consequences of the purchase, ownership and disposition of the Notes arising under the laws of any other taxing jurisdiction.

Singapore taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the MAS in force as at the date of this Offering Circular and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retrospective basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any Noteholder or of any person acquiring, selling or otherwise dealing in the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that none of the Issuer, the Guarantor nor any other persons involved in this Offering Circular accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

Interest and other payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17%. The applicable rate for non-resident individuals is currently 22%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The above withholding tax rates may be reduced by applicable tax treaties, subject to certain conditions.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from Singapore income tax, including:

- interest from debt securities derived on or after January 1, 2004;
- discount income (not including discount income arising from secondary trading) from debt securities derived on or after February 17, 2006; and
- prepayment fee, redemption premium and break cost from debt securities derived on or after February 15, 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

On the basis that the Program as a whole was arranged by Financial Sector Incentive (Bond Market) ("FSI-BM") Companies (as defined in the ITA) at the time of its establishment to January 1, 2014, and by FSI-BM, Financial Sector Incentive (Capital Market) or Financial Sector Incentive (Standard Tier) Companies (as defined in the ITA) thereafter, any tranche of the Notes (the "Relevant Notes") which are debt securities issued under the Program during the period from the date of this Offering Circular to December 31, 2023 will be, pursuant to the ITA and the MAS Circular FDD Cir 11/2018 entitled "Extension of Tax Concessions for Promoting the Debt Market" issued by MAS on May 31, 2018, "qualifying debt securities" ("QDS") for the purposes of the ITA, to which the following treatment shall apply:

- subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "Qualifying Income") from the Relevant Notes, derived by a Noteholder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore, or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;
- subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), Qualifying Income from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- subject to:

  (i) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

  (ii) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

  Qualifying Income derived from the Relevant Notes is not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- if during the primary launch of any tranche of Relevant Notes, such Relevant Notes are issued to fewer than four persons and 50% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as "QDS"; and
- even though a particular tranche of Relevant Notes are QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50% or more of such Relevant Notes which are outstanding at any time during the term of such Relevant Notes is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from the Relevant Notes held by:

  (i) any related party of the Issuer; or

  (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

  shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "related party", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "break cost", "prepayment fee" and "redemption premium" are defined in the ITA as follows:

> "break cost", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;
>
> "prepayment fee", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and
>
> "redemption premium", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "related party", "break cost", "prepayment fee" and "redemption premium" in this Singapore tax disclosure have the same meaning as defined in the ITA.

Notwithstanding that the Issuer is permitted to make payments of interest, discount income, prepayment fee, redemption premium and break cost (i.e the Qualifying Income) in respect of the Relevant Notes without deduction or withholding for tax under Section 45 and Section 45A of the ITA, any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e the Qualifying Income) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Capital gains

Singapore does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterization of capital gains, and hence, gains arising from the disposal of the Notes may be construed to be of an income nature and subject to income tax, especially if they arise from activities which the Comptroller would regard as the carrying on of a trade or business in Singapore.

In addition, Noteholders who apply or are required to apply FRS 39 or FRS 109 for Singapore income tax purposes may be required to recognize gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39 or FRS 109 even though no sale or disposal of the Notes is made. Please see the section below on "Adoption of FRS 39 and FRS 109 for Singapore income tax purposes".

Adoption of FRS 39 and FRS 109 for Singapore income tax purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to

comply with FRS 39 for financial reporting purposes. The Inland Revenue Authority of Singapore has also issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 — *Financial Instruments: Recognition and Measurement*".

FRS 109 is mandatorily effective for annual periods beginning on or after January 1, 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109, subject to certain exceptions. The Inland Revenue Authority of Singapore has also issued a circular entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 — Financial Instruments".

Holders of the Notes who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after February 15, 2008.

United States federal income taxation

The following is a summary of certain material U.S. federal income tax consequences of the acquisition, ownership and disposition by a U.S. Holder (as defined below) of certain types of Notes that may be issued under the Program. This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Program, and the relevant Pricing Supplement will contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Note as appropriate. This summary deals only with purchasers of Notes that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors, and does not address state, local, foreign or tax laws other than U.S. federal income tax law. In particular, this summary does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as partnerships or other pass-through entities, investors subject to special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account in an applicable financial statement, financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, investors whose functional currency is not the U.S. dollar) or persons holding Notes in connection with a trade or business conducted outside the United States. Moreover, the summary deals only with Notes with a fixed term of 30 years or less. The U.S. federal income tax consequences of owning Notes with a longer term will be discussed in the relevant Pricing Supplement. This summary does not address any aspect of the Medicare contribution tax on net investment income.

This summary pertains only to Registered Notes. A U.S. Holder who owns a Bearer Note may be subject to limitations under U.S. federal income tax law, including the limitations provided in Sections 165(j) and 1287(a) of the Code.

The following summary does not discuss Notes that are characterized as contingent payment debt instruments for U.S. federal income tax purposes. In the event the Issuer issues contingent payment debt instruments, the relevant Pricing Supplement will describe the material U.S. federal income tax consequences thereof.

As used herein, the term "U.S. Holder" means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) a citizen or resident of the United States, (ii) a corporation, or other entity treated as a corporation, created or organized under the laws of the United States or any State thereof (including the District of Columbia), (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has properly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership (including other entities treated as a partnership for U.S. federal income tax purposes) that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships should consult their tax advisors concerning the U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Notes by the partnership.

The summary is based on the tax laws of the United States including the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as at the date of this Offering Circular and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Characterization of the Notes

Whether a note is treated as debt (and not equity) for U.S. federal income tax purposes is an inherently factual question and no single factor is determinative. Except as set forth in the applicable Pricing Supplement, Temasek believes that the Notes will be treated as indebtedness for U.S. federal income tax purposes, although no opinions have been sought, and no assurances can be given, with respect to such treatment. The following discussion assumes that such treatment will be respected.

Payments of Interest

General

Interest on a Note, whether payable in U.S. dollars or a currency other than U.S. dollars (a "foreign currency"), other than interest on a "Discount Note" that is not "qualified stated interest" (each as defined below under "— Original issue discount — General"), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on such U.S. Holder's method of accounting for U.S. federal income tax purposes. Interest paid by the Issuer on the Notes and original issue discount ("OID"), if any, accrued with respect to the Notes (as described below under "— Original issue discount") will constitute income from sources outside the United States for foreign tax credit purposes.

Effect of Singapore withholding taxes

As discussed in "— Singapore taxation", under current law Qualifying Income derived from the Relevant Notes is not subject to withholding tax by the Issuer, provided certain conditions are satisfied. However, in other cases payments of interest in respect of the Notes may be subject to Singapore withholding taxes. As discussed under "Description of the Notes governed by New York law — Payments of Additional Amounts", "Terms and Conditions of the Notes governed by Singapore law — Taxation", and "Terms and Conditions of the Notes governed by English law — Taxation", the Issuer may become liable for the payment of Additional Amounts to U.S. Holders so that U.S. Holders receive the same amounts they would have received had no Singapore withholding taxes been imposed. For U.S. federal income tax purposes, U.S. Holders will be treated as having actually received the amount of any Singapore taxes withheld by the Issuer with respect to a Note, includable in such U.S. Holder's income at the time such amount is received or accrued in accordance with such U.S. Holder's method of U.S. federal income tax accounting, and as then having actually paid over the withheld taxes to the Singapore taxing authorities. As a result of this rule, the amount of interest income (including Additional Amounts, if any) included in gross income for U.S. federal income tax purposes by a U.S. Holder with respect to a payment of interest may be greater than the amount of cash actually received (or receivable) by the U.S. Holder from the Issuer with respect to the payment.

Subject to certain limitations, a U.S. Holder will generally be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Singapore income taxes withheld by the Issuer (paid at the rate applicable to a U.S. Holder). Interest and OID will constitute foreign source income, which is generally passive category income. For purposes of the foreign tax credit limitation, foreign source income is classified as belonging to a specified "basket", and the credit for foreign taxes on income in any basket is limited to U.S. federal income tax allocable to that basket. In certain circumstances, a U.S. Holder may be unable to claim foreign tax credits (but

may be allowed deductions) for Singapore taxes imposed on a payment of interest if the U.S. Holder has not met certain holding period requirements. Since a U.S. Holder may be required to include OID on the Notes in its gross income in advance of any withholding of Singapore income taxes from payments attributable to the OID (which would generally occur when the Note is repaid or redeemed), a U.S. Holder may not be entitled to a credit or deduction for these Singapore income taxes in the year the OID is included in the U.S. Holder's gross income, and may be limited in its ability to credit or deduct in full the Singapore taxes in the year those taxes are actually withheld by the Issuer. Prospective purchasers should consult their tax advisors concerning the foreign tax credit implications of the payment of any Singapore taxes.

Original issue discount

General

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes issued with OID.

A Note, other than a Note with a term of one year or less (a "Short-Term Note"), will be treated as issued with OID (a "Discount Note") if the excess of the Note's "stated redemption price at maturity" over its issue price is greater than or equal to a *de minimis* amount (0.25% of the Note's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "installment obligation") will be treated as a Discount Note if the excess of the Note's stated redemption price at maturity over its issue price is greater than or equal to 0.25% of the Note's stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note's weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note's stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold for money to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of "qualified stated interest". A qualified stated interest payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable in cash or in property (other than debt instruments of the Issuer) at least annually at a single fixed rate (with certain exceptions for different rates that take into account different compounding periods), or a variable rate (in the circumstances described below under "— Variable Interest Rate Notes"), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, the Issuer will be deemed to exercise any unconditional call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any unconditional put option that has the effect of increasing the yield on the Note.

U.S. Holders of Discount Notes (regardless of their method of accounting) must include OID in income as it accrues, using a constant-yield method generally before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note ("accrued OID"). The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Discount Note may be of any length and may vary in length over the term of the Discount Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Discount Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note's adjusted issue price at the beginning of the accrual period and the Discount Note's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Discount Note allocable to the accrual period. The "adjusted issue price" of a Discount Note at the beginning of any accrual period is the issue price of the Discount Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Discount Note that were not qualified stated interest payments.

Acquisition premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Discount Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "acquisition premium") and that does not make the election described below under "— Election to treat all interest as original issue discount", is permitted to reduce the daily portions of OID which must be included in income by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Discount Note immediately after its purchase over the Discount Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Discount Note after the purchase date, other than payments of qualified stated interest, over the Discount Note's adjusted issue price.

Market discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a "Market Discount Note") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Discount Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25% of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an installment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes *"de minimis* market discount". For this purpose, the revised issue price of a Discount Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognized on the maturity or disposition of a Market Discount Note (including any payment on a Market Discount Note that is not qualified stated interest) will be treated as ordinary income to the extent that the gain does not exceed the market discount that has been accrued on the Note while held by such U.S. Holder. Alternatively, a U.S. Holder of a Market Discount Note may elect to include market discount in income currently over the life of the Note. This election shall apply to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the IRS. A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently will generally be required to defer deductions for certain interest on borrowings incurred to purchase or carry a Market Discount Note, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Note was held by the U.S. Holder.

Market discount generally will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and may not be revoked without the consent of the IRS.

Election to treat all interest as original issue discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under "— General", with certain modifications. For purposes of this election, interest includes stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortizable bond premium (described below under "— Notes purchased at a premium") or acquisition premium. This election will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under "Market Discount" to include market discount in income currently over the life of all debt instruments with market discount acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and if the election to apply the constant yield method to all interest on a Note is made with respect to a Note purchased at a premium, the electing U.S. Holder will be treated as having made the election discussed below under "— Notes purchased at a premium" to amortize bond premium on all taxable bonds held or thereafter acquired by the U.S. Holder. U.S. Holders should consult their tax advisors concerning the consequences of this election.

Variable Interest Rate Notes

It is expected that Notes that provide for interest at variable rates ("Variable Interest Rate Notes") generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under U.S. Treasury Regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total non-contingent principal payments due under the Variable Interest Rate Note by more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate and (c) a qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A "current value" of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

A "qualified floating rate" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a governor, a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate unless the governor, cap or floor is fixed throughout the term of the Note or if certain other conditions are met.

An "objective rate" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note's term.

A "qualified inverse floating rate" is any objective rate equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the value of the variable rate on the Variable Interest Rate Note's issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument", then any stated interest on the Variable Interest Rate Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" will generally not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a "true" discount (i.e., at a price

below the Note's stated principal amount) in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Note arising from "true" discount is allocated to an accrual period using the constant-yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as at the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of any OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as at the Variable Interest Rate Note's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a "variable rate debt instrument" and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as at the Variable Interest Rate Note's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note that qualifies as a "variable rate debt instrument" is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest and any OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note does not qualify as a "variable rate debt instrument", then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt obligations will be more fully described in the relevant Pricing Supplement.

Short-term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but the U.S. Holder may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain recognized on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (or, if an election was made, based on the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is recognized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder not otherwise required may elect to accrue OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election shall apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Fungible issue

The Issuer may, without the consent of the Noteholders, issue additional Notes with identical terms. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such case, the additional Notes may be considered to have been issued with OID even if the original Notes had no OID, or the additional Notes may have a greater amount of OID than the original Notes. These differences may affect the market value of the original Notes.

Notes purchased at a premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or in the case of a Discount Note, its stated redemption price at maturity will generally have "amortizable bond premium" to the extent of such excess. If so, the U.S. Holder will not be required to include any OID in its income. In addition, the U.S. Holder may elect to amortize such premium, in which case the amount required to be included in the U.S. Holder's income each year with respect to qualified stated interest on the Note will be reduced by the amount of amortizable bond premium allocable (based on the Note's yield to maturity) to that year. Any election to amortize bond premium shall apply to all bonds with amortizable bond premium (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also "— Original issue discount — Election to treat all interest as original issue discount".

Substitution of Issuer

The terms of the Notes provide that, in certain circumstances, the obligations of the Issuer and the Guarantor under the Notes may be assumed by another entity. Depending on the circumstances, such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Notes by a U.S. Holder in exchange for new notes issued by the new obligor. As a result of this deemed disposition, a U.S. Holder may be required to recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new notes (as determined for U.S. federal income tax purposes), and the U.S. Holder's tax basis in the Notes. However, under the Indenture, if the Issuer's obligations relating to the Notes are assumed by a Successor Entity as a result of certain consolidation, merger or sale of assets, such Successor Entity must deliver to the New York Trustee and the Trustee an opinion of U.S. tax counsel of recognized standing to the effect that the beneficial owners of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such transaction and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would be the case as if the transaction had not occurred. U.S. Holders should consult their tax advisors concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Notes.

Purchase, sale or retirement of Notes

A U.S. Holder's adjusted tax basis in a Note will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortizable bond premium previously applied to reduce interest on the Note.

A U.S. Holder will generally recognize gain or loss on the sale or retirement of a Note equal to the difference between the amount realized on the sale or retirement and the adjusted tax basis of the Note. The amount realized does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the

extent described above under "— Original issue discount — Market discount" or "— Original issue discount — Short-Term Notes" or attributable to changes in exchange rates (as discussed below), gain or loss recognized on the sale or retirement of a Note will be capital gain or loss and will be long term capital gain or loss if the U.S. Holder's holding period in the Notes exceeds one year.

Gain or loss realized by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

Foreign currency notes

Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognized by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, an accrual basis U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the U.S. dollar amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

OID

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale of the Note), a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Market discount

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognize U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognize, upon the disposition or maturity of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income in units of the foreign currency. On the date bond premium offsets interest income, a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) measured by the difference between the spot rate in effect on that date, and on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognize a capital loss when the Note matures.

Sale or retirement

As discussed above under "— Purchase, sale or retirement of Notes", a U.S. Holder will generally recognize gain or loss on the sale or retirement of a Note equal to the difference between the amount realized on the sale or retirement and its adjusted tax basis in the Note. A U.S. Holder's adjusted tax basis in a Note that is denominated in a foreign currency will be determined by reference to the U.S. dollar cost of the Note. The U.S. dollar cost of a Note purchased with foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase or, in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the purchase.

The amount realized on a sale or retirement of a Note for an amount in foreign currency will be the U.S. dollar value of this amount on the date of sale or retirement or, in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the sale. Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note equal to the difference, if any, between the U.S. dollar values of the principal amount of the Note (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange gain or loss will be realized only to the extent of total gain or loss realized on the sale or retirement.

Disposition of foreign currency

Foreign currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. dollar value at the time the interest is received or at the time of the sale or retirement. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognized on a sale or other disposition of foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

Backup withholding and information reporting

In general, payments of interest and accrued OID on, and the proceeds of a sale, redemption or other disposition of, the Notes, payable to a U.S. Holder by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder to the extent required under applicable regulations. Backup withholding will apply to these payments and to accruals of OID if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or if the U.S. Holder had been notified that it is subject to backup withholding because of a failure to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Certain U.S. Holders who are individuals or entities closely-held by individuals may be required to report information relating to an interest in the Notes, subject to certain exceptions (including an exception for Notes held in accounts maintained by certain financial institutions). U.S. Holders should consult their tax advisors regarding the effect, if any, of this requirement on their ownership and disposition of the Notes.

Reportable transactions

U.S. Treasury Regulations require a U.S. taxpayer that participates in a "reportable transaction" to disclose this participation to the IRS. The scope and application of these rules is not entirely clear. A U.S. Holder may be required to treat any foreign currency exchange loss from the Notes as a reportable transaction if the loss exceeds US$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders. In the event the acquisition, holding or disposition of Notes constitutes participation in a "reportable transaction" for purposes of these rules, a U.S. Holder will be required to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of US$10,000 in the case of a natural person and US$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. In addition, the Issuer and its advisers may also be required to disclose the transaction to the IRS, and to maintain a list of U.S. Holders, and to furnish this list and certain other information to the IRS upon written request. Prospective purchasers are urged to consult their tax advisors regarding the application of these rules to the acquisition, holding or disposition of Notes.

Foreign Account Tax Compliance Act

Pursuant to provisions of the Code commonly referred to as FATCA, the Issuer, and other non-U.S. financial institutions through which payments on the Notes are made, may be required to withhold tax on all, or a portion of, payments made after December 31, 2018 (or if later, the date of publication of the final U.S. Treasury regulations defining the term "foreign passthru payment") on any Notes issued or materially modified on or after the date that is six months after final U.S. Treasury Regulations defining the term "foreign passthru payment" are filed. The rules governing FATCA have not yet been fully developed in this regard, and the future application of FATCA to the Issuer and the Notes is uncertain. However, such withholding by the Issuer and other non-U.S. financial institutions through which payments on the Notes are made, may be required, among others, where (i) the Issuer or such other non-U.S. financial institution is a foreign financial institution ("FFI") that agrees to provide certain information on its account holders to the IRS (making the Issuer or such other non-U.S. financial institution a "participating FFI") and (ii)(a) the payee itself is an FFI but is not a participating FFI or does not provide information sufficient for the relevant participating FFI to determine whether the payee is subject to withholding under FATCA or (b) the payee is not a participating FFI and is not otherwise exempt from FATCA withholding. Singapore has an IGA with the United States to implement FATCA. Guidance regarding compliance with FATCA and the IGA may alter the rules described herein, including treatment of foreign passthru payments. Notwithstanding anything herein to the contrary, if an amount of, or in respect of, withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, neither the Issuer nor Temasek nor any other person would, pursuant to terms of the Notes, be required to pay any additional amounts as a result of the deduction or withholding of such tax. The Issuer is registered with the IRS as a financial institution for FATCA purposes. **THE RULES GOVERNING FATCA ARE EXTREMELY COMPLICATED. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS TO DETERMINE WHETHER THESE RULES MAY APPLY TO PAYMENTS THEY WILL RECEIVE UNDER THE NOTES.**

Benefit plan investor considerations

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes fiduciary standards and certain other requirements on employee benefit plans subject thereto, including collective investment funds, separate accounts, and other entities or accounts whose underlying assets are treated as assets of such plans pursuant to the U.S. Department of Labor "plan assets" regulation 29 C.F.R. Section 2510.3-101 and the U.S. Pension Protection Act of 2006 (the "Plan Assets Regulation"), (collectively, "ERISA Plans"), and on those persons who are fiduciaries with respect to ERISA Plans. Before authorizing an investment in the Notes, fiduciaries of ERISA Plans should consider, among other matters, (i) ERISA's fiduciary standards, (ii) whether the investment in the Notes by the ERISA Plan satisfies the prudence and diversification requirements of ERISA, taking into account the overall investment policies of the ERISA Plan, the composition of the ERISA Plan's portfolio and the limitations on the marketability of the Notes, (iii) whether the fiduciaries have authority to make an investment in the Notes under the applicable ERISA Plan investment policies and governing instruments and (iv) rules under ERISA and the U.S. Internal Revenue Code that prohibit ERISA Plan fiduciaries from causing an ERISA Plan to engage in a "prohibited transaction".

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in a non-exempt prohibited transaction, it is particularly important that fiduciaries or other persons considering purchasing the Notes on behalf of or with "plan assets" of any ERISA Plan consult with their counsel regarding the potential consequences if the assets of the Issuer were deemed to be "plan assets" and the availability of exemptive relief under any applicable prohibited transaction class exemption or statutory exemption.

Section 406 of ERISA and Section 4975 of the U.S. Internal Revenue Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the U.S. Internal Revenue Code (together with ERISA Plans, "Plans")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption applies to the transaction. In particular, a sale or exchange of property or an extension of credit between a Plan and a "party in interest" or "disqualified person" may constitute a prohibited transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes or other liabilities under ERISA and the U.S. Internal Revenue Code.

Because of the foregoing restrictions, the Notes may not be purchased or held by any Plan, or any person investing "plan assets" of any Plan, unless that purchase and holding is covered by an applicable prohibited transaction class exemption or statutory exemption. Any purchaser or holder of the Notes or any interest therein will be deemed to have represented by its purchase or holding thereof that either (a) it is not and is not using the assets of any (i) Plan or (ii) governmental, church or non-U.S. plan that is subject to federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the U.S. Internal Revenue Code ("Similar Law") or (iii) entity whose assets are treated as assets of any Plan, or (b) its purchase and holding of a Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the U.S. Internal Revenue Code, a violation of applicable Similar Law or an unauthorized delegation of fiduciary authority.

In addition to the concern that the purchase or holding of Notes by Plans not result in any prohibited transactions, it is also important that such purchase or holding does not cause the Issuer to be deemed to be holding "plan assets". Under the terms of the Plan Assets Regulation, if the Issuer were deemed to hold plan assets by reason of a Plan's investment in the Notes, those plan assets would include an undivided interest in the assets held by the Issuer and Temasek. If the assets and transactions of the Issuer and Temasek were to be subject to the fiduciary responsibility provisions of Title I of ERISA and the prohibited transaction provisions of ERISA and the U.S. Internal Revenue Code, the Issuer, investing Plan fiduciaries and parties in interest or disqualified persons with respect to Plans could be subject to substantial liabilities, excise taxes and penalties on any non-exempt prohibited transactions and liability as a result of an unauthorized delegation of fiduciary duty. Under the Plan Assets Regulation, the assets of the Issuer would be deemed to be "plan assets" of an ERISA Plan for purposes of ERISA and Section 4975 of the U.S. Internal Revenue Code if "plan assets" were used to acquire an equity interest in the Issuer and no exception were applicable under the Plan Assets Regulation. An "equity interest" is defined under the Plan Assets Regulation as any interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Temasek believes the Notes are properly characterized as debt and,

accordingly, the acquisition and holding of the Notes by Plans should not result in the Issuer being deemed to hold "plan assets". However, the treatment of the Notes as debt, rather than equity, is not entirely free from doubt and therefore no assurances can be given, either in this regard or that another exception contained in the Plan Assets Regulation will be available.

Any plan fiduciary that proposes to cause a plan to purchase Notes should consult with its counsel regarding the applicability of the "plan asset", fiduciary responsibility and prohibited transaction provisions under ERISA and Section 4975 of the U.S. Internal Revenue Code to such an investment, and to confirm that such investment will not constitute or result in a prohibited transaction or any other violation of an applicable requirement of ERISA or the U.S. Internal Revenue Code or applicable Similar Laws.

The sale of Notes to a plan investor is in no respect a representation by the Issuer, Temasek, the Arrangers or the Dealers or any of their affiliates that such an investment meets all relevant legal requirements with respect to investments by plan investors generally or any particular plan investor, or that such an investment is appropriate for plan investors generally or any particular plan investor.

Plan of distribution

Summary of the Program Agreement

Subject to the terms and on the conditions contained in a program agreement, initially dated September 14, 2005, as amended and restated on February 3, 2010 (together with all supplements and amendments thereto, the "Program Agreement"), among the Issuer, the Guarantor, the Arrangers and the Dealers named therein (referred to herein as the "Arrangers" and the "Dealers"), the Notes will be offered from time to time for sale through the Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Program Agreement also provides for Notes to be issued in syndicated series that are underwritten by two or more Dealers. The Program Agreement further provides for the resignation of existing Dealers and the appointment of additional Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arrangers for their expenses incurred in connection with the establishment of the Program and the Dealers for certain of their activities in connection with the Program.

The Issuer and the Guarantor have, jointly and severally, agreed to indemnify the Arrangers and the Dealers in connection with the offer and sale of such Notes, including liability under the Securities Act. The Program Agreement entitles the Dealers to terminate any agreement that they make to purchase Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

The Dealers may from time to time purchase and sell Notes in the secondary market, but they are not obligated to do so, and there can be no assurance that there will be a secondary market for the Notes or liquidity in the secondary market if one develops. From time to time, the Dealers may make a market in the Notes.

Application has been made to the SGX-ST for permission to deal in and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. In connection with the offer and sale of each series of Notes, the relevant Pricing Supplement will indicate whether or not and, if so, on which stock exchange(s) the Notes will be listed. No assurances can be given that the Program will qualify for listing on a stock exchange. In addition, no assurances can be given that if the Program qualifies for listing on a stock exchange and the relevant Pricing Supplement indicates that such series of Notes will be listed on a stock exchange, that such Notes will trade from their date of issuance until maturity (or early redemption).

In connection with the issue of any series of Notes, one or more Dealers named as Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant series of Notes is made and, if begun, may be discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant series of Notes and 60 days after the date of the allotment of the relevant series of Notes.

Certain matters relating to the Dealers

Some of the Dealers and their affiliates have, directly or indirectly, performed investment and/or commercial banking or financial advisory or trustee services for Temasek, the Issuer or their affiliates, for which they may have received customary fees and commissions, and they expect to provide these services to Temasek, the Issuer and their affiliates in the future, for which they may also receive customary fees and commissions.

The Dealers or certain of their affiliates may purchase the Notes and be allocated the Notes for asset management and/or proprietary purposes but not with a view to distribution. The Dealers or their affiliates may purchase the Notes for their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes and/or other securities of Temasek, the Issuer or their respective subsidiaries, affiliates or associates at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing

sale or resale of any Notes issued pursuant to the terms of the Program (notwithstanding that such selected counterparties may also be purchasers of the Notes).

As at March 31, 2018, the Temasek Group had an effective interest of 29% and 16% of DBS and Standard Chartered, respectively. See "Business of Temasek — Major Investments".

DBS Bank Ltd., which is one of the Dealers under the Program, is a wholly-owned subsidiary of DBS. DBS Trustee Limited, the Singapore Trustee under the Singapore Law Trust Deed, is a wholly-owned subsidiary of DBS Bank Ltd.

Standard Chartered is the ultimate holding company of Standard Chartered Bank, which is also one of the Dealers under the Program.

Deutsche Bank Trust Company Americas, the New York Trustee under the Indenture, and DB Trustees (Hong Kong) Limited, the English Trustee under the English Law Trust Deed, are affiliates of Deutsche Bank AG. Deutsche Bank AG, Singapore Branch is one of the Dealers under the Program.

Following an issuance of the Notes, a Dealer may make a market in such Notes. However, such Dealer is not obligated to do so, and any market-making activities by such Dealer with respect to such Notes may be discontinued at any time without notice.

Selling restrictions

General

The selling restrictions below may be modified or supplemented from time to time by the agreement of the Issuer, Temasek and the Dealers. Any such modification or supplement will be set out in a Pricing Supplement or in a supplement to this Offering Circular. The Program Agreement provides that the restrictions relating to any specific jurisdiction (set out below) shall be deemed to be modified to the extent (if at all) of any change(s) in, or change(s) in official interpretation of, applicable laws and regulations governing any of such restrictions relating to any specific jurisdiction.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material relating to the Notes or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required other than as provided herein.

Each Dealer has agreed that it will comply with all relevant securities laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes, or has in its possession or distributes this Offering Circular, any other offering material relating to the Notes or any Pricing Supplement, which may include, without limitations, the following jurisdictions.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealer or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

Canada

Each Dealer has represented, warranted and agreed that any distribution of the Notes in Canada will be made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that the Issuer prepares and files a prospectus with the securities regulatory authorities in each province where trades of the Notes are made. Each Dealer has further represented, warranted and agreed that any resale of the Notes in Canada will be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the securities.

Each Dealer has represented, warranted and agreed that by purchasing the Notes in Canada and accepting delivery of a purchase confirmation, a purchaser will be notified that it will be deemed to represent to the Issuer and the Dealer from whom the purchase confirmation is received that:

(a) the purchaser is entitled under applicable provincial securities laws to purchase the Notes without the benefit of a prospectus qualified under those securities laws as it is an "accredited investor" as defined under National Instrument 45-106 — Prospectus Exemptions;

(b) the purchaser is a "permitted client" as defined in National Instrument 31-103 — Registration Requirements, Exemptions and Ongoing Registrant Obligations;

(c) where required by law, the purchaser is purchasing as principal and not as agent; and

(d) the purchaser has reviewed the text in this subsection titled "Canada".

Canadian purchasers are hereby notified that the Dealers are relying on the exemption set out in Section 3A.3 or 3A.4, if applicable, of National Instrument 33-105 — Underwriting Conflicts from having to provide certain conflict of interest disclosure in this Offering Circular.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the offering documents (including any amendment thereto) such as this Offering Circular contain a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser of these securities in Canada should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

All of the Issuer's directors and officers as well as the experts named herein and the Issuer may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Issuer or those persons. All or a substantial portion of the Issuer's assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Issuer or those persons in Canada or to enforce a judgment obtained in Canadian courts against the Issuer or those persons outside of Canada.

Canadian purchasers of the Notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Notes in their particular circumstances and about the eligibility of the Notes for investment by the purchaser under relevant Canadian legislation.

European Economic Area

Prohibition of Sales to EEA Retail Investors

Unless the relevant Pricing Supplement in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer (severally, and not jointly) has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of MiFID II;

  (ii) a customer within the meaning of the Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

  (iii) not a qualified investor as defined in the Prospectus Directive; and

(b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the relevant Pricing Supplement in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(1) if the relevant Pricing Supplement in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member

State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the relevant Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(2) *Qualified investors*: at any time to any legal entity which is a "qualified investor" as defined in the Prospectus Directive;

(3) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(4) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

France

Each Dealer has represented and agreed that:

(a) Offer to the public in France:

it has only made and will only make an offer of Notes to the public (appel public à lépargne) in France in the period beginning (a) when a prospectus in relation to those Notes has been approved by the Autorité des marchés financiers ("AMF"), on the date of its publication or, (b) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF and ending at the latest on the date which is 12 months after the date of the approval of this Offering Circular, all in accordance with articles L.412-1 and L.621-8 of the French Code monétaire et financier and the Règlement général of the AMF; or

(b) Private placement in France:

in connection with their initial distribution, it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Offering Circular, the relevant Pricing Supplement or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals, all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-4 of the French Code monétaire et financier.

Hong Kong

Each Dealer has represented and agreed that (1) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "Securities and Futures Ordinance")) and any rules made under that Ordinance, except for Notes which are a "structured

product" as defined in the Securities and Futures Ordinance or any rules made under the Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (2) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside of Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Italy

Each Dealer has represented and agreed that the offer of the Notes has not been registered with the Italian Securities and Exchange Commission (*Commissione Nazionale per le Società e la Borsa*, the "CONSOB") pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that no Notes may be offered, sold or distributed, to the public in the Republic of Italy ("Italy") nor may copies of this Offering Circular or of any other document relating to the Notes be distributed in Italy, except:

(a) to qualified investors (*investitori qualificati*), as defined in Article 2, paragraph (e) of the Prospectus Directive as implemented by Article 34-*ter* of CONSOB Regulation No. 11971 of May 14**,** 1999, as amended from time to time (the "Issuers Regulation"); or

(b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Italian Legislative Decree No. 58 of February 24, 1998, as amended from time to time, (the "Financial Services Act") and Article 34-*ter* of the Issuers Regulation.

Moreover, and subject to the foregoing, each Dealer has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Offering Circular or any other document relating to the Notes in Italy under (i) or (ii) above must be:

(1) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended from time to time (the "Banking Act");

(2) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy requests information on the issue or the offer of securities in Italy; and

(3) in compliance with any other applicable laws and regulations or requirement imposed by the Bank of Italy, CONSOB or other Italian authority.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer or resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations.

Japan

Each Dealer has acknowledged that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (the "FIEA"). Each Dealer has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Korea

Each Dealer has represented and agreed that Notes have not been and will not be offered, sold or delivered, directly or indirectly, in Korea or to or for the account or benefit of any Korean resident (as

such term is defined in the Foreign Exchange Transaction Law of Korea) except as otherwise permitted under applicable Korean laws and regulations.

Furthermore, a holder of Notes will be prohibited from offering, delivering or selling any Notes, directly or indirectly, in Korea or to any Korean resident for a period of one year from the date of issuance of Notes except (i) in the case where the Notes are issued as bonds other than equity-linked bonds, such as convertible bonds, bonds with warrants and exchangeable bonds (but with respect to exchangeable bonds, only those which are exchangeable into shares, convertible bonds or bonds with warrants), Notes may be offered, sold or delivered to or for the account or benefit of a Korean resident which falls within certain categories of professional investors as specified in the Financial Investment Services and Capital Markets Act, its Enforcement Decree and the Regulation on Securities Issuance and Disclosure, provided that such professional investors are registered as "qualified institutional buyers" ("Korean QIBs") with the Korea Financial Investment Association (the "KOFIA") in advance and complies with the requirement for monthly reports to the KOFIA of their holding of Korean QIB Bonds, and provided further that (a) the Notes are denominated, and the principal and interest payments thereunder are made, in a currency other than South Korean won, (b) the amount of the Notes acquired by such Korean QIBs in the primary market is limited to less than 20% of the aggregate issue amount of the Notes, (c) the Notes are listed on one of the major overseas securities markets designated by the Financial Supervisory Service of Korea, or certain procedures, such as registration or report with a foreign financial investment regulator, have been completed for offering of the Notes in a major overseas securities market, (d) the one-year restriction on offering, delivering or selling of the Notes to a Korean resident other than a Korean QIB is expressly stated in the Notes, the relevant underwriting agreement, subscription agreement and this Offering Circular, and (e) the Issuer and the relevant Dealers shall individually or collectively keep the evidence of fulfillment of conditions (a) through (d) above after having taken necessary actions therefor; or (ii) as otherwise permitted under applicable Korean laws and regulations. Each Dealer undertakes to use commercially reasonable best measures as a Dealer in the ordinary course of its business so that any securities dealer to which it sells Notes confirms that it is purchasing such Notes as principal and agrees with such Dealer that it will comply with the restrictions described above.

Malaysia

Each Dealer has acknowledged that (i) no approval from the Securities Commission Malaysia ("SC") is or will be obtained and/or no lodgement to the SC under the Lodge and Launch Framework issued by the SC has been or will be made for the offering of the Notes on the basis that the Notes will be issued and offered exclusively to persons outside Malaysia and (ii) this Offering Circular has not been registered as a prospectus with the SC under the Capital Markets and Services Act 2007 of Malaysia. Each Dealer has represented and agreed that the Notes may not be offered, sold, transferred or otherwise disposed of, directly or indirectly, nor may any document or other material in connection therewith be distributed, to a person in Malaysia except by way of a secondary transaction of the Notes which does not involve retail investors.

Singapore

Each Dealer has acknowledged that this Offering Circular has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

Each dealer has acknowledged and agreed that the Notes may not be publicly offered, sold, or advertised, directly or indirectly, in, into or from Switzerland, and will not be listed on SIX Swiss Exchange ("SIX") or on any other exchange or regulated trading facility in Switzerland. This Offering Circular has been prepared without regard to the disclosure standards for issuance prospectuses under article 652a or article 1156 of the Swiss Code of Obligations, or the disclosure standards for listing prospectuses under article 27 et seq. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland, or the rules related to prospectuses under Swiss Federal Act on Collective Investment Schemes. Neither this Offering Circular nor any other offering or marketing material relating to the Notes or the offering of the Notes under the Program may be publicly distributed or otherwise made publicly available in Switzerland.

Each dealer has further acknowledged and agreed that neither this Offering Circular nor any other offering or marketing material relating to the offering of the Notes under the Program, the Issuer or the Notes have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Offering Circular will not be filed with, and the offer of Notes will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("FINMA"). Acquirers of the Notes will not benefit from protection or supervision by FINMA.

The People's Republic of China

Each Dealer has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong Special Administrative Region), except as permitted by the securities laws of the People's Republic of China. See "— Hong Kong" above for the selling restrictions relating to the Hong Kong Special Administrative Region.

United Kingdom

Each Dealer has represented, warranted and agreed that:

(a) in relation to any Notes which have a maturity of less than one year, (1) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (2) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would

otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act, and have not been registered or qualified under any state securities or "blue sky" laws of any state of the United States, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from the registration requirements of the Securities Act.

Each Dealer has represented and agreed that, except as permitted by the Program Agreement, it will not offer, sell or deliver the Notes of any identifiable series (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the date of issue of the Notes of such series and the completion of the distribution of the Notes of such series, as determined and certified to the Issuer by the relevant Dealer (or, in the case of a sale of a series of Notes on a syndicated basis, by the relevant lead manager(s)), except (A) to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S"), as such terms are defined in Regulation S or (B) in accordance with Rule 144A under the Securities Act ("Rule 144A"). Each Dealer has agreed that, at or prior to confirmation of a sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it or through it during the 40-day distribution compliance period commencing upon completion of the distribution of the series of Notes as determined and certified to the Issuer, a confirmation or notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used above have the meaning given to them by Regulation S.

Until 40 days after the later of the date of issue and the completion of the distribution of any Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Notes to be issued in reliance on the exemption provided by Section 3(c)(7) under the Investment Company Act shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the relevant Pricing Supplement. The Issuer currently expects that all Notes issued pursuant to Rule 144A will be issued in reliance on the exemption provided by Section 3(c)(7) under the Investment Company Act. The selling and transfer restrictions applicable to such Notes are expected to be substantially as set out under "Important Information for Investors Relating to the U.S." in the Form of Pricing Supplement annexed as Annex B to this Offering Circular, including certain representations which will be deemed to be made by the purchasers of such Notes. However, the Issuer may choose to use different restrictions in the future and if so, such restrictions will be set out in a supplement to this Offering Circular or the relevant Pricing Supplement.

Notes to be issued in reliance on Regulation S only may be restricted from being offered, sold or transferred within the United States or to, or for the account of, U.S. persons as set out in the relevant Pricing Supplement.

With respect to Notes only in definitive registered form, a Dealer registered or exempt from registration as a broker or dealer under the Exchange Act and nominated as such by the Issuer (a "4(a)(2) Dealer") may, directly or through its affiliates, arrange for the placing of such Notes to institutional "accredited investors" (as defined in Rule 501(a)(1), (2), (3) or (7) promulgated under the Securities Act) acting for themselves or other institutional "accredited investors" pursuant to Section 4(a)(2) of the Securities Act or in a transaction otherwise exempt from registration under the Securities Act. In connection with each such sale of Definitive Registered Notes pursuant to Section 4(a)(2) or in a transaction otherwise exempt from registration under the Securities Act, each 4(a)(2) Dealer will (i) instruct the purchaser to deliver to the Issuer and to the Trustee an executed investment representation letter pursuant to the

Indenture, and the 4(a)(2) Dealer and the Issuer each agrees not to sell any Notes to any such purchaser until such an executed investment representation letter is so delivered, (ii) deliver, at or prior to settlement, an Offering Circular and the relevant Pricing Supplement to each Institutional Accredited Investor purchasing a Note or Notes from it and (iii) only sell to such purchaser, for such purchaser's own account or for any separate account of another Institutional Accredited Investor for which it is acting, Notes having an aggregate principal amount of not less than US$250,000 (or its equivalent rounded upwards as specified in the relevant Pricing Supplement).

Each Dealer (or, in the case of a sale of a particular series of Notes offered on a syndicated basis, the relevant lead manager(s)) who has purchased Notes of a series in accordance with the Program Agreement shall determine and certify to the Issuer on the completion of the distribution of the Notes of such series purchased by or through it.

Bearer Notes having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or to United States persons, except in certain transactions permitted by U.S. tax regulations. Accordingly, Bearer Notes having a maturity of more than one year will be issued in accordance with the provisions of U.S. Treasury Regulation§ 1.163-5(c)(2)(i)(D) (or any successor regulation for purposes of Section 4701 of the United States Internal Revenue Code), unless the relevant Pricing Supplement specifies that Notes will be issued in accordance with the provisions of U.S. Treasury Regulation§ 1.163-5(c)(2)(i)(C) (or any successor regulation for purposes of Section 4701 of the United States Internal Revenue Code). Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Notice to purchasers and holders of Registered Notes and transfer restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of Notes.

Each prospective purchaser of Notes that have a legend regarding restrictions on transferability, by accepting delivery of this Offering Circular, will be deemed to have represented and agreed that this Offering Circular is personal to such offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes. Distribution of this Offering Circular, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorized, and any disclosure of any of its contents, without the prior written consent of the Issuer and Temasek, is prohibited.

Additional restrictions regarding the eligible investors and transfer restrictions may apply to any series of Notes. Any such additional restrictions will be set out in the relevant Pricing Supplement.

Notes of a Series including Notes sold in reliance on the exemption provided by Section 3(c)(7) of the Investment Company Act ("3(c)(7) Series")

The Issuer currently expects that all Notes issued pursuant to Rule 144A will be issued in reliance on the exemption provided by Section 3(c)(7) under the Investment Company Act. The selling and transfer restrictions applicable to such Notes are expected to be substantially as set out under "Important Information for Investors Relating to the U.S." in the Form of Pricing Supplement annexed as Annex B to this Offering Circular, including the following representations deemed to be made by the purchasers of such Notes and the purchasers of Notes offered and sold pursuant to Regulation S as part of a 3(c)(7) Series.

DTC Restricted Global Notes

Each initial purchaser, and each subsequent purchaser or transferee, of an interest in a DTC Restricted Global Note issued as part of a 3(c)(7) Series will be deemed by its acceptance thereof to have represented, acknowledged and agreed, on its own behalf and on behalf of each account for which it is purchasing and each person for which it is acting, as follows (terms used in this paragraph that are not defined will have the meaning given to them in Rule 144A or Regulation S, as the case may be):

(1) Such person (i) is a QIB and a QP; (ii) is not a broker-dealer which owns and invests on a discretionary basis less than US$25 million in securities of unaffiliated issuers; (iii) is not a participant-directed employee plan, such as a plan described in subsections (a)(1)(i)(D), (E) or (F) of Rule 144A; and (iv) either (a) is not and is not using the assets of any (i) "employee benefit plan" which is subject to Title I of ERISA, "plan" which is subject to Section 4975 of the Code or entity whose underlying assets are treated as assets of any such employee benefit plan or plan within the meaning of ERISA or the Code or (ii) governmental, church or non-U.S. plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("Similar Law"), or entity whose assets are treated as assets of any such plan, or (b) its purchase and holding of a DTC Restricted Global Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or violation of applicable Similar Law.

(2) Such person (i) was not formed for the purpose of investing in the Issuer (unless each beneficial owner of its securities is a QP); and (ii) is acquiring an interest in the Notes for its own account as principal, or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements deemed made by such person and for whom such person exercises sole investment discretion.

(3) Such person understands and acknowledges that the Notes have not been and will not be registered under the Securities Act and accordingly may not be offered or sold as part of its initial distribution within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

(4) Such person understands and acknowledges that neither the Issuer nor the Guarantor has registered, and neither the Issuer nor the Guarantor intends to register, as an "investment company" (as such term is defined under the Investment Company Act and related rules) and that the Issuer and the Guarantor have imposed the transfer and offering restrictions with respect to persons in the United States and U.S. persons described herein so that the Issuer and the Guarantor will qualify for the exemption provided under Section 3(c)(7) of the Investment Company Act and will have no obligation to register as an investment company.

(5) Such person agrees that its Notes may only be sold, transferred, assigned, pledged or otherwise disposed of in compliance with the Securities Act and other applicable securities laws (i) to the Guarantor or any subsidiary thereof, (ii) to a U.S. person or to a person in the United States whom it reasonably believes is both a QIB and a QP (x) in a transaction meeting the requirements of Rule 144A or (y) pursuant to any other available exemption from the registration requirements of the Securities Act, or (iii) outside the United States to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S under the Securities Act (including, for the avoidance of doubt, a bona fide sale on the SGX-ST), provided, that it delivers to the Issuer and the Guarantor an Offshore Transaction Letter substantially in the form appended to the Indenture or the English Agency Agreement, as the case maybe. The term "offshore transaction" has the meaning set forth in Regulation S. Such person understands that the transfer restrictions will remain in effect until the Issuer determines, in its sole discretion, to remove them.

(6) Such person agrees that its Notes may be sold, transferred, assigned, pledged or otherwise disposed of only in minimum denominations of US$250,000.

(7) Such person understands that, subject to certain exceptions, to be a QP, entities must have US$25 million in "investments" as defined in Rule 2a51-1 under the Investment Company Act.

(8) Such person agrees, upon a proposed transfer of its Notes, to notify any purchaser of such Notes or the executing broker, as applicable, of any transfer restrictions that are applicable to the Notes being sold.

(9) Such person understands and acknowledges that (i) the New York Trustee or the English Trustee, as the case may be, the Issuer, the Guarantor and their agents shall not be obligated to recognize any resale or other transfer of the Notes made other than in compliance with the restrictions described herein; and (ii) the Issuer and its agents may require any U.S. person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Notes to transfer the Notes within 30 days to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S and if the obligation is not met, the Issuer is irrevocably authorized, without any obligation, to sell such Notes on an offshore stock exchange on such terms as the directors of the Issuer think fit, or the Issuer shall be entitled to redeem such Notes at par, being a Redemption Amount equal to the principal amount plus any accrued and unpaid interest to (but excluding) the Redemption Date.

(10) Such person agrees that neither it, nor any of its affiliates, nor any person acting on its or their behalf, will make any "directed selling efforts" as defined in Regulation S, or any "general solicitation or general advertising" as defined in Regulation D under the Securities Act, with respect to the Notes.

(11) Such person understands that the New York Trustee or the English Trustee, as the case may be, the Issuer and the Guarantor may receive a list of participants holding positions in the Notes from one or more book-entry depositories.

(12) Such person agrees that the Issuer, the Guarantor and others may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

(13) Such person understands and acknowledges that any Notes issued to it in definitive form will bear the applicable restrictive legend as provided for in the Indenture or the English Law Trust Deed, as the case may be. In addition, such person understands that the legend shall not be removed from the Notes unless the Issuer agrees, in its sole discretion, to remove the legend.

Regulation S Global Notes

Each initial purchaser, and each subsequent purchaser or transferee, of an interest in a Regulation S Global Note issued as part of a 3(c)(7) Series will be deemed to have represented, acknowledged and agreed, on its own behalf and on behalf of each account for which it is purchasing and each person for

which it is acting, as follows (terms used in this paragraph that are not defined will have the meaning given to them in Regulation S:

(1) Such person is, at the time of the offer to it of Notes and at the time the buy order originated, outside the United States for purposes of Regulation S.

(2) Such person is not a U.S. person and is not acquiring the Notes for the account or benefit of a U.S. person.

(3) Such person is aware that the Notes have not been and will not be registered under the Securities Act and are being offered outside the United States in reliance on Regulation S.

(4) Such person understands that prior to the end of the expiration of the 40-day distribution compliance period, no exchange, sale, assignment, pledge, transfer or other disposal of interests in a Regulation S Global Note for interests in a DTC Restricted Global Note shall be permitted.

(5) Such person understands that interests in the Regulation S Global Notes may only be sold, transferred, pledged or otherwise disposed of (i) to the Guarantor or any subsidiary thereof, (ii) to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S (including, for the avoidance of doubt, a bona fide sale on the SGX-ST), or (iii) after the expiration of the 40-day distribution compliance period following the issue date of the Notes, to a U.S. person or a person in the United States whom it reasonably believes is both a QIB and a QP (x) in a transaction that meets the requirements of Rule 144A or (y) pursuant to any other available exemption from the registration requirements of the Securities Act, and such transferee will then acquire such interests as interests in the DTC Restricted Global Note.

(6) Such person understands that any offer, sale, pledge or other transfer made other than in compliance with the above-stated restrictions shall not be recognized by the Issuer in respect of the Notes.

(7) Such person understands and acknowledges that any Notes issued to it in definitive form will bear the applicable restrictive legend as provided for in the Indenture or the English Law Trust Deed, as the case may be. In addition, such person understands that the legend shall not be removed from the Notes unless the Issuer agrees, in its sole discretion, to remove the legend.

Investor Representation Letters

In the event that any purchaser of an interest in a DTC Restricted Global Note issued as part of a 3(c)(7) Series transfers such interest outside the United States in an offshore transaction complying with the provisions of Regulation S (including, for the avoidance of doubt, a *bona fide* sale on the SGX-ST), such transferor must execute an Offshore Transaction Letter in the form appended to the relevant Pricing Supplement and cause such letter to be promptly delivered to the Issuer and the Guarantor.

In addition, in the event any such interests are issued in definitive form ("Definitive Notes") in accordance with the provisions of the Indenture or the English Law Trust Deed, as the case may be, such Definitive Notes will bear a legend substantially in the form as provided for in the Indenture or the English Law Trust Deed, as the case may be, and before any U.S. person or person located in the United States may take delivery of any such Definitive Notes, such person must deliver to the Issuer and the Guarantor a representation letter substantially in the form as provided for in the Indenture or the English Law Agency Agreement, as the case may be.

Ability of the Issuer to Compel Sale of or Redeem such DTC Restricted Global Notes

The Issuer may, at its option, compel any beneficial owner of interests in such a DTC Restricted Global Note to sell its interest in such Note, or sell such interests on behalf of such holder, or redeem its interests in such Note at an amount equal to the principal amount plus any accrued and unpaid interest to (but excluding) the Redemption Date (as defined in the Indenture) or the date fixed for redemption in accordance with the English Law Trust Deed, as the case may be, if such holder is not a QIB and a QP.

Legend

Each such DTC Restricted Global Note representing the Notes will bear a legend substantially to the following effect, in addition to such other legends as may be necessary or appropriate, unless the Issuer determines otherwise in compliance with applicable law:

> THIS NOTE (OR ITS PREDECESSOR) AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WERE ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), AND UNDER THE APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER AND THAT NEITHER THE ISSUER NOR THE GUARANTOR HAS BEEN OR WILL BE REGISTERED AS AN "**INVESTMENT COMPANY**" UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **"INVESTMENT COMPANY ACT"**), IN RELIANCE UPON EXEMPTIONS FROM THE DEFINITION OF "INVESTMENT COMPANY" UNDER THE INVESTMENT COMPANY ACT. THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER AND THE GUARANTOR THAT (A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS BOTH A "**QUALIFIED INSTITUTIONAL BUYER**" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A **"QUALIFIED PURCHASER"** (AS DEFINED IN THE INVESTMENT COMPANY ACT), AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, AND THAT (B) THIS NOTE MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF US$250,000 (1) TO THE GUARANTOR OR ANY SUBSIDIARY THEREOF, (2) TO A U.S. PERSON OR A PERSON IN THE UNITED STATES WHOM THE SELLER REASONABLY BELIEVES IS BOTH A **"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A **"QUALIFIED PURCHASER"** (AS DEFINED IN THE INVESTMENT COMPANY ACT) (X) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR (Y) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, OR (3) IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S UNDER THE SECURITIES ACT (**"REGULATION S"**) TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE SELLER TO BE A U.S. PERSON, IF EITHER (X) AT THE TIME THE BUY ORDER ORIGINATED THE PURCHASER WAS OUTSIDE THE UNITED STATES, OR THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVED THE PURCHASER WAS OUTSIDE THE UNITED STATES OR (Y) THE SALE IS MADE IN A TRANSACTION EXECUTED IN A DESIGNATED OFFSHORE SECURITIES MARKET, AND TO A PERSON NOT KNOWN TO THE SELLER TO BE A U.S. PERSON BY PRE-ARRANGEMENT OR OTHERWISE, AND UPON CERTIFICATION TO THAT EFFECT BY THE SELLER IN WRITING IN AN OFFSHORE TRANSACTION LETTER IN THE FORM AS PROVIDED FOR IN [THE INDENTURE] [THE AGENCY AGREEMENT ENTERED INTO IN RELATION TO THIS NOTE] OR ANOTHER FORM ACCEPTABLE TO THE ISSUER. THE TERMS **"U.S. PERSON," "OFFSHORE TRANSACTION"** AND **"DESIGNATED OFFSHORE SECURITIES MARKET"** HAVE THE MEANINGS SET FORTH IN REGULATION S. THE HOLDER AND EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE TRANSFER RESTRICTIONS REFERRED TO IN (B) ABOVE. NONE OF THE [NEW YORK] [ENGLISH] TRUSTEE UNDER THE [INDENTURE] [ENGLISH LAW TRUST DEED] GOVERNING THIS NOTE, THE ISSUER, THE GUARANTOR OR THEIR AGENTS SHALL BE OBLIGATED TO RECOGNIZE ANY RESALE OR OTHER TRANSFER OF THIS NOTE AND THE GUARANTEE MADE OTHER THAN IN COMPLIANCE WITH THE TRANSFER RESTRICTIONS REFERRED TO IN (B) ABOVE. THE ISSUER AND ITS AGENTS MAY REQUIRE ANY PERSON WHO IS REQUIRED TO BE A QUALIFIED PURCHASER AND A QUALIFIED INSTITUTIONAL BUYER BUT WHO IS NOT A QUALIFIED PURCHASER AND A QUALIFIED INSTITUTIONAL BUYER AT THE TIME IT ACQUIRES THIS NOTE TO TRANSFER THIS NOTE TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S WITHIN 30 DAYS. IF THIS NOTE IS NOT SO TRANSFERRED, THE ISSUER IS ENTITLED TO SELL THIS NOTE TO A PURCHASER SELECTED BY THE ISSUER OR REDEEM THIS

NOTE FROM SUCH PERSON AT PAR, BEING A REDEMPTION AMOUNT EQUAL TO THE PRINCIPAL AMOUNT PLUS ANY ACCRUED AND UNPAID INTEREST TO (BUT EXCLUDING) THE REDEMPTION DATE.

THE HOLDER OF THIS NOTE, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT EITHER (I) SUCH PERSON IS NOT AND IS NOT USING THE ASSETS OF ANY (A) "EMPLOYEE BENEFIT PLAN" AS DEFINED IN AND SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), "PLAN" SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") OR ENTITY WHOSE UNDERLYING ASSETS ARE TREATED AS ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN WITHIN THE MEANING OF ERISA OR THE CODE, OR (B) GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR ENTITY WHOSE ASSETS ARE TREATED AS ASSETS OF ANY SUCH PLAN, OR (II) SUCH PERSON'S PURCHASE AND HOLDING OF A NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF APPLICABLE SIMILAR LAW.

THIS NOTE IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH SELLER OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN TO THE PURCHASER AND TO ANY EXECUTING BROKER.

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("**DTC**"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OR TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Each such Regulation S Global Note representing the Notes will bear a legend to the following effect, in addition to such other legends as may be necessary or appropriate, unless the Issuer determines otherwise in compliance with applicable law:

THIS NOTE (OR ITS PREDECESSOR) AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WERE ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), AND UNDER THE APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. TERMS USED HEREIN HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT. NEITHER THE ISSUER NOR THE GUARANTOR HAS BEEN OR WILL BE REGISTERED AS AN **"INVESTMENT COMPANY"** UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **"INVESTMENT COMPANY ACT"**), IN RELIANCE UPON EXEMPTIONS FROM THE DEFINITION OF "INVESTMENT COMPANY" UNDER THE INVESTMENT COMPANY ACT. THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER AND THE GUARANTOR THAT THIS NOTE MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF US$250,000 (1) TO THE GUARANTOR OR ANY SUBSIDIARY THEREOF, (2) IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S UNDER THE SECURITIES ACT (**"REGULATION S"**) TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE SELLER TO BE A U.S. PERSON, IF EITHER (X) AT THE TIME THE BUY ORDER ORIGINATED THE PURCHASER WAS OUTSIDE THE UNITED STATES, OR THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVED THE PURCHASER WAS OUTSIDE THE UNITED STATES OR (Y) THE SALE IS MADE IN A TRANSACTION EXECUTED IN A DESIGNATED OFFSHORE SECURITIES MARKET, AND TO A PERSON NOT

KNOWN TO THE SELLER TO BE A U.S. PERSON BY PRE-ARRANGEMENT OR OTHERWISE, OR (3) AFTER THE EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD FOLLOWING THE ISSUE DATE OF THE NOTES, TO A U.S. PERSON OR A PERSON IN THE UNITED STATES WHOM THE SELLER REASONABLY BELIEVES IS BOTH A **"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A **"QUALIFIED PURCHASER"** (AS DEFINED IN THE INVESTMENT COMPANY ACT) (X) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR (Y) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND SUCH TRANSFEREE WILL THEN HOLD THE ACQUIRED INTERESTS AS INTERESTS IN THE DTC RESTRICTED GLOBAL NOTE. THE TERMS **"U.S. PERSON," "OFFSHORE TRANSACTION"** AND **"DESIGNATED OFFSHORE SECURITIES MARKET"** HAVE THE MEANINGS SET FORTH IN REGULATION S. THE HOLDER AND EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE TRANSFER RESTRICTIONS REFERRED TO ABOVE.

NONE OF THE [NEW YORK] [ENGLISH] TRUSTEE, THE ISSUER, THE GUARANTOR OR THEIR AGENTS SHALL BE OBLIGATED TO RECOGNIZE ANY RESALE OR OTHER TRANSFER OF THIS NOTE AND THE GUARANTEE MADE OTHER THAN IN COMPLIANCE WITH THE TRANSFER RESTRICTIONS REFERRED TO ABOVE.

THE HOLDER OF THIS NOTE, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT EITHER (I) SUCH PERSON IS NOT AND IS NOT USING THE ASSETS OF ANY (A) "EMPLOYEE BENEFIT PLAN" AS DEFINED IN AND SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), "PLAN" SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") OR ENTITY WHOSE UNDERLYING ASSETS ARE TREATED AS ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN WITHIN THE MEANING OF ERISA OR THE CODE, OR (B) GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR ENTITY WHOSE ASSETS ARE TREATED AS ASSETS OF ANY SUCH PLAN, OR (II) SUCH PERSON'S PURCHASE AND HOLDING OF A NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF APPLICABLE SIMILAR LAW.

THIS NOTE IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH SELLER OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN TO THE PURCHASER AND TO ANY EXECUTING BROKER.

Non-3(c)(7) Series

The following representations are deemed to be made by the purchasers indicated below in respect of Notes of a non-3(c)(7) Series.

DTC Restricted Global Notes

Each purchaser of an interest in a DTC Restricted Global Note offered and sold in reliance on Rule 144A will be deemed to have represented, acknowledged and agreed as follows (terms used in this paragraph that are not defined will have the meaning given to them in Rule 144A or in Regulation S, as the case may be):

1. The purchaser (i) is a QIB, (ii) is aware that the sale to it is being made in reliance on Rule 144A, and (iii) is acquiring Notes for its own account or for the account of one or more QIBs and that it exercises sole investment discretion with respect to each such account;

2. The purchaser understands that the Notes and the Guarantee are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, the Notes and the Guarantee have not been and will not be registered under the Securities Act or any other applicable state securities laws and may not be offered, sold, pledged or otherwise transferred unless registered pursuant to or exempt from registration under the Securities Act and any other applicable state securities laws; and that (i) if in the future the purchaser decides to offer, resell, pledge or otherwise transfer such interest in a

DTC Restricted Global Note, such interest in a DTC Restricted Global Note may be offered, resold, pledged or otherwise transferred only (A) to Temasek or any subsidiary thereof, (B) to a U.S. person or to a person in the United States whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (C) outside the United States to a non-U.S. person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, (D) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (E) pursuant to an effective registration statement under the Securities Act and in each of such cases in accordance with any applicable securities laws of any state of the United States or any other jurisdiction and that (ii) the purchaser will, and each subsequent holder of the interest in a DTC Restricted Global Note is required to, notify any purchaser of such interest in a DTC Restricted Global Note from it of the resale restrictions referred to in (i) above and that (iii) no representation is being made as to the availability of the exemption provided by Rule 144 under the Securities Act for resale of Notes;

3. Either (a) it is not and is not using any (i) "employee benefit plan" which is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), "plan" which is subject to Section 4975 of the U.S. Internal Revenue Code or entity whose underlying assets are treated as assets of any such employee benefit plan or plan within the meaning of ERISA or the Code or (ii) governmental, church or non-U.S. plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("Similar Law"), or entity whose assets are treated as assets of any such plan, or (b) its purchase and holding of a DTC Restricted Global Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or violation of applicable Similar Law;

4. The purchaser understands that the Issuer, Temasek and the Dealers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and warranties and agreements and agrees that, if any of the acknowledgements, representations, warranties and agreements deemed to have been made upon its purchase of Notes is no longer accurate, it shall promptly notify the Issuer and the Dealers. If it is acquiring any Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such investor account, and that it has full power to make the foregoing acknowledgements, representations, warranties and agreements on behalf of each such account; and

5. Each DTC Restricted Global Note will bear a legend substantially to the following effect, in addition to such other legends as may be necessary or appropriate, unless the Issuer determines otherwise in compliance with applicable law:

"THIS NOTE (OR ITS PREDECESSOR) AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WERE ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), AND UNDER THE APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER, THE GUARANTOR AND THE DEALERS THAT (A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A **"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, THAT (B) THIS NOTE MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) TO THE GUARANTOR OR ANY SUBSIDIARY THEREOF, (2) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A **"QUALIFIED INSTITUTIONAL BUYER**" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF SUCH RULE 144A, (3) OUTSIDE THE UNITED STATES TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S

UNDER THE SECURITIES ACT, (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THAT (C) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE TRANSFER RESTRICTIONS REFERRED TO IN (B) ABOVE.

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (**"DTC"**), A NEW YORK CORPORATION, TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

Definitive IAI Registered Notes

Each purchaser of Definitive IAI Registered Notes will be required to deliver to the Issuer, Temasek and the New York Registrar an IAI Investment Letter substantially in the form attached to the Indenture. The Definitive IAI Registered Notes will be subject to the transfer restrictions set forth in the legend below, such letter and the Indenture. Inquiries concerning transfers of Notes should be made to any Dealer.

1. The IAI Investment Letter will state, among other things, the following:

   (i) that the Institutional Accredited Investor has received a copy of the Offering Circular and such other information as it deems necessary in order to make its investment decision;

   (ii) that the Institutional Accredited Investor understands that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in the Offering Circular and the Notes (including those set out below) and that it agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with such restrictions and conditions and the Securities Act;

   (iii) that, in the normal course of its business, the institutional accredited investor invests in or purchases securities similar to the Notes;

   (iv) that the Institutional Accredited Investor is an Institutional Accredited Investor within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Notes, and it and any accounts for which it is acting are each able to bear the economic risk of its or any such accounts' investment for an indefinite period of time;

   (v) that the Institutional Accredited Investor is acquiring the Notes purchased by it for its own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which it exercises sole investment discretion and not with a view to any distribution of the Notes, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control; and

   (vi) that, in the event that the Institutional Accredited Investor purchases Notes, it will acquire Notes having a minimum purchase price of at least US$250,000 (or the approximate equivalent in another currency).

2. Each Definitive IAI Registered Note that is offered and sold in the United States to an Institutional Accredited Investor pursuant to Section 4(a)(2) of the Securities Act or in a transaction otherwise exempt from registration under the Securities Act will bear a legend substantially to the following effect, in addition to such other legends as may be necessary or appropriate, unless the Issuer determines otherwise in compliance with applicable law:

"THIS NOTE (OR ITS PREDECESSOR) AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WERE ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), AND UNDER THE APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE ACKNOWLEDGES FOR THE BENEFIT OF THE ISSUER, THE GUARANTOR AND THE DEALERS THE RESTRICTIONS ON THE TRANSFER OF THIS NOTE SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER THIS NOTE ONLY AS PROVIDED IN THE AMENDED AND RESTATED INDENTURE ENTERED INTO BY THE ISSUER, THE GUARANTOR AND THE NEW YORK TRUSTEE AS OF JULY 12, 2013. THE PURCHASER REPRESENTS THAT IT IS AN INSTITUTIONAL **"ACCREDITED INVESTOR"** (WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) AND IT IS ACQUIRING THIS NOTE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO ANY RESALE OR DISTRIBUTION HEREOF, SUBJECT TO ITS ABILITY TO RESELL THIS NOTE PURSUANT TO RULE 144A OR REGULATION S UNDER THE SECURITIES ACT OR AS OTHERWISE PROVIDED BELOW AND SUBJECT IN ANY CASE TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF THE PROPERTY OF ANY PURCHASER SHALL AT ALL TIMES BE AND REMAIN WITHIN ITS CONTROL.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER SUCH NOTE, PRIOR TO THE DATE (THE **"RESALE RESTRICTION TERMINATION DATE"**) WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER, THE GUARANTOR OR ANY AFFILIATE OF THE ISSUER OR THE GUARANTOR WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF SUCH NOTE) ONLY (A) TO THE GUARANTOR OR ANY SUBSIDIARY OF THE GUARANTOR, (B) IN THE UNITED STATES TO A PERSON WHOM IT REASONABLY BELIEVES IS A **"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF SUCH RULE 144A, (C) INSIDE THE UNITED STATES TO AN INSTITUTIONAL **"ACCREDITED INVESTOR"** (WITHIN THE MEANING OF RULE 501 (A)(1), (2), (3) or (7) UNDER THE SECURITIES ACT) THAT IS ACQUIRING THE NOTE FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN INSTITUTIONAL **"ACCREDITED INVESTOR"**, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF THE NOTES OF US$250,000 AND MULTIPLES OF US$1,000 IN EXCESS THEREOF FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO, OR FOR OFFER OR RESALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, (D) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, (E) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (F) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR (G) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S AND THE GUARANTOR'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (C), (E) OR (G) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER AND THE GUARANTOR, AND IN EACH OF THE FOREGOING CASES, A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE NEW YORK TRUSTEE AND, IN EACH OF THE FOREGOING CASES, NOT IN VIOLATION OF ANY APPLICABLE

STATE SECURITIES LAWS. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE TRANSFER RESTRICTIONS REFERRED TO IN THIS PARAGRAPH.

IF REQUESTED BY THE ISSUER, THE GUARANTOR OR A DEALER, THE PURCHASER AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF THIS NOTE IS PERMISSIBLE UNDER THE SECURITIES ACT. THIS NOTE AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALES OR TRANSFERS OF RESTRICTED NOTES GENERALLY. BY THE ACCEPTANCE OF THIS NOTE, THE HOLDER HEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT."

Regulation S Global Note

Each purchaser of Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the Distribution Compliance Period (as defined in Regulation S), by accepting delivery of this Offering Circular and the Notes will be deemed to have represented, agreed and acknowledged that:

1. It is, or at the time Notes are purchased will be, the beneficial owner of such Notes and it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S).

2. It understands that such Notes and the Guarantee have not been and will not be registered under the Securities Act and that it will not offer, sell, pledge or otherwise transfer such Notes except in accordance with the transfer restrictions set forth in the legend appearing on the front of such Notes (as set out below) and any other applicable transfer restrictions specified in the relevant Pricing Supplement.

3. Either (a) it is not (i) an "employee benefit plan" which is subject to Title I of the ERISA, "plan" which is subject to Section 4975 of the U.S. Internal Revenue Code or entity whose underlying assets are treated as assets of any such employee benefit plan or plan within the meaning of ERISA or the Code or (ii) a governmental, church or non-U.S. plan that is subject to any Similar Law, or entity whose assets are treated as assets of any such plan, or (b) its purchase and holding of a Regulation S Global Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or violation of applicable Similar Law.

4. It understands that such Notes, unless otherwise determined by the Issuer and Temasek in accordance with applicable law, will bear a legend substantially to the following effect:

   (i) in the case of Notes issued under the Indenture or Notes of a series issued in the form of a Regulation S Global Note and a DTC Restricted Global Note under the English Law Trust Deed:

   "THIS NOTE (OR ITS PREDECESSOR) AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WERE ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**) AND APPLICABLE SECURITIES LAWS OF THE STATES AND OTHER JURISDICTIONS OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. TERMS USED HEREIN HAVE THE MEANINGS GIVEN THEM IN REGULATION S UNDER THE SECURITIES ACT."

(ii) in the case of Notes issued under the Singapore Law Trust Deed or Notes of a series issued in the form of only a Regulation S Global Note under the English Law Trust Deed:

"THE NOTES (THE "**NOTES**") AND THE GUARANTEE IN RESPECT THEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE BENEFIT OF, ANY U.S. PERSON."

5. The Issuer, Temasek, the New York Registrar or the Singapore Registrar (as the case may be), the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

6. It understands that the Notes offered in reliance on Regulation S will be represented by the Regulation S Global Note. Prior to the expiration of the Distribution Compliance Period, before any interest in the Regulation S Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the DTC Restricted Global Note if applicable, it will be required to provide a transfer agent with a written certification (in the form provided in the Indenture or the English Law Trust Deed, as applicable) as to compliance with applicable securities laws.

Legal matters

Certain legal matters with respect to the Notes will be passed upon for the Issuer and Temasek by Allen & Gledhill LLP with respect to Singapore law and by Latham & Watkins LLP with respect to English, New York and United States federal securities laws. Certain legal matters with respect to the Notes will be passed upon for the Arrangers and Dealers by Davis Polk & Wardwell with respect to New York and United States federal securities laws.

Credit Ratings

Temasek has been assigned an overall corporate credit rating of “Aaa” by Moody’s and “AAA” by S&P. The overall corporate credit ratings of “Aaa” by Moody’s and “AAA” by S&P were assigned on October 12, 2004 and are current as at the date of this Offering Circular. Moody’s and S&P have been paid by Temasek to provide credit rating services in consideration for the credit rating assessments.

Each series of Notes issued under the Program may be rated or unrated. Where a series of Notes is rated, such credit rating will not necessarily be the same as the credit ratings assigned to Temasek.

Any credit ratings accorded to Temasek or the Notes are statements of opinion and are not a recommendation to buy, sell or hold the Notes, and investors should perform their own evaluation as to whether the investment is appropriate.

Credit ratings are subject to suspension, revision or withdrawal at any time by the assigning credit rating agency. Credit rating agencies may also revise or replace entirely the methodology applied to assign credit ratings. Temasek has been assigned an overall corporate credit rating, and may additionally be issued a stand-alone credit rating. No assurance can be given that if Temasek were issued such a stand-alone credit rating, it would be the same as or would not be lower than its overall corporate credit rating. Moreover, no assurances can be given that a credit rating will remain for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the relevant credit rating agency if in its judgment circumstances in the future so warrant or if a different methodology is applied to assign such credit ratings. Neither the Issuer nor Temasek has any obligation under the Notes to inform Noteholders of any such revision, downgrade or withdrawal. A suspension, revision or withdrawal at any time of the credit rating assigned to Temasek, the Program or the Notes may adversely affect the market price or liquidity of the Notes. Moreover, Temasek’s credit ratings do not reflect the potential impact related to market or other considerations discussed in “Investment considerations — Considerations related to the Issuer and Temasek — Temasek and its portfolio companies are subject to macroeconomic, strategic, financial, operational and political risks” relating to the Notes.

Independent public accountants

The consolidated financial statements of Temasek as at March 31, 2016, 2017 and 2018 and for each of the years in the three-year period ended March 31, 2018, which are included elsewhere in this Offering Circular, have been audited by KPMG LLP, Singapore, public accountants and chartered accountants, as stated in their report also appearing herein.

Index to consolidated financial statements

The page references in the Directors' Statement and the Independent Auditors' Report for the financial years ended March 31, 2016, 2017 and 2018 set out on pages F1 and F2 to F4, respectively, of this Offering Circular refer to the consolidated financial statements set out on pages FS1 to FS126.

	Pages
Directors' Statement	F1
Independent Auditors' Report	F2-4
Consolidated Income Statements	FS1
Consolidated Statements of Comprehensive Income	FS2
Consolidated Balance Sheets	FS3
Consolidated Statements of Changes in Equity	FS4-9
Consolidated Cash Flow Statements	FS10-12
Notes to the Financial Statements	FS13-126

TEMASEK HOLDINGS (PRIVATE) LIMITED
AND ITS SUBSIDIARIES
(Registration Number: 197401143C)

Consolidated Financial Statements

31 March 2018, 2017, 2016

In the opinion of the Directors, the consolidated financial statements of the Group as set out on pages FS1 to FS126 are drawn up so as to present fairly the financial position of the Group as at 31 March 2018, 2017 and 2016, and the financial performance, changes in equity and cash flows of the Group for each of the years then ended.

On behalf of the Board of Directors

/s/ Lim Boon Heng
LIM BOON HENG
Chairman

/s/ Ho Ching
HO CHING
Director

Singapore
2 July 2018

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Independent auditors' report

TEMASEK HOLDINGS (PRIVATE) LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying consolidated financial statements of TEMASEK HOLDINGS (PRIVATE) LIMITED ("THPL") and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as at 31 March 2018, 2017 and 2016, the consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated cash flow statements for each of the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS126.

In our opinion, the accompanying consolidated financial statements of the Group present fairly, in all material respects, the financial position of the Group as at 31 March 2018, 2017 and 2016 and the financial performance, changes in equity and cash flows of the Group for each of the years then ended in accordance with Financial Reporting Standards in Singapore ("FRSs").

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The requirement to communicate key audit matters is not applicable as THPL is not a listed entity.

Other Information

Management is responsible for the other information which accompanies the consolidated financial statements. This other information comprises the Directors' Statement.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing THPL's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and of the appropriateness in using the going concern basis of accounting for the consolidated financial statements of the Group.

The directors' responsibilities include overseeing the financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit conducted in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or an override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ KPMG LLP
KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
2 July 2018

The Group	**Note**	**2018 $million**	**2017 $million**	**2016 $million**
Revenue	5	107,131	97,057	101,501
Cost of sales		(74,962)	(68,621)	(73,251)
Gross profit		32,169	28,436	28,250
Other income		13,265	10,010	10,963
Selling and distribution expenses		(3,745)	(3,721)	(4,411)
Administrative expenses		(8,632)	(8,416)	(8,025)
Finance expenses	6	(3,154)	(2,806)	(2,725)
Other expenses		(9,467)	(8,898)	(15,994)
Profit before share of profit of associates and joint ventures		20,436	14,605	8,058
Share of profit, net of tax of:				
- associates		6,779	3,258	4,433
- joint ventures		2,321	2,456	2,240
Profit before tax		29,536	20,319	14,731
Tax expense	7	(2,691)	(2,589)	(2,094)
Profit for the year	8	26,845	17,730	12,637
Attributable to:				
Equity holder of THPL		21,338	14,193	8,425
Non-controlling interests		5,507	3,537	4,212
Profit for the year		26,845	17,730	12,637

The accompanying notes form an integral part of these consolidated financial statements.

The Group	**Note**	**2018 $million**	**2017 $million**	**2016 $million**
Profit for the year		26,845	17,730	12,637
Other comprehensive income				
Items that are or may be reclassified subsequently to income statement:				
Translation differences		(3,977)	1,081	(359)
Share of associates' and joint ventures' reserves		(512)	(17)	(24)
Net change in fair value of available-for-sale financial assets, net of tax		20,164	11,927	(15,107)
Net change in fair value of available-for-sale financial assets reclassified to income statement, net of tax		(4,148)	(3,721)	4,668
Cash flow hedges, net of tax		676	657	110
Disposal of investments in subsidiaries, with loss of control		76	560	193
Disposal or dilution of investments in associates and joint ventures		15	136	(44)
Others, net		(113)	(69)	(411)
Total other comprehensive income for the year, net of tax	7	12,181	10,554	(10,974)
Total comprehensive income for the year		39,026	28,284	1,663
Attributable to:				
Equity holder of THPL		34,091	24,224	(2,174)
Non-controlling interests		4,935	4,060	3,837
Total comprehensive income for the year		39,026	28,284	1,663

The accompanying notes form an integral part of these consolidated financial statements.

The Group	Note	2018 $million	2017 $million	2016 $million
Non-current assets				
Property, plant and equipment	11	75,173	70,769	69,856
Intangible assets	12	27,935	22,636	20,569
Biological assets	13	472	451	1,387
Associates	16	61,913	62,084	60,601
Joint ventures	17	22,854	21,410	19,498
Financial assets	18	130,968	97,337	87,446
Derivative financial instruments	19	1,013	955	983
Investment properties	20	46,287	40,027	36,322
Deferred tax assets	21	1,030	1,397	1,382
Other non-current assets	22	11,654	12,842	13,075
		379,299	329,908	311,119
Current assets				
Inventories	23	10,680	11,730	11,021
Trade and other receivables	24	33,087	33,364	34,176
Financial assets	18	17,416	17,171	14,410
Derivative financial instruments	19	2,455	2,485	1,127
Cash and bank balances	26	47,034	52,760	42,976
Assets classified as held for sale	27	1,530	182	998
		112,202	117,692	104,708
Total assets		491,501	447,600	415,827
Equity attributable to equity holder of THPL				
Share capital	9	59,907	56,671	54,369
Other reserves	10(a)	14,093	13,669	14,246
Fair value reserve	10(b)	44,673	28,205	19,928
Hedging reserve	10(c)	162	(244)	(731)
Currency translation reserve	10(d)	(7,282)	(3,181)	(4,374)
Accumulated profits		161,135	143,756	134,714
		272,688	238,876	218,152
Non-controlling interests	15	47,514	43,125	40,561
Total equity		320,202	282,001	258,713
Non-current liabilities				
Borrowings	28	80,418	73,385	68,929
Derivative financial instruments	19	1,206	1,118	1,173
Provisions	29	988	1,053	1,069
Deferred income and liabilities	30	2,070	2,852	2,846
Deferred tax liabilities	21	6,760	6,174	5,538
Other non-current liabilities	31	5,315	4,575	4,393
		96,757	89,157	83,948
Current liabilities				
Trade and other payables	32	48,949	49,356	45,797
Current tax payable		2,748	2,739	2,808
Borrowings	28	15,801	18,170	18,317
Derivative financial instruments	19	2,085	1,585	1,611
Provisions	29	2,642	2,360	2,116
Deferred income and liabilities	30	2,301	2,232	2,242
Liabilities classified as held for sale	27	16	-	275
		74,542	76,442	73,166
Total liabilities		171,299	165,599	157,114
Total equity and liabilities		491,501	447,600	415,827

The accompanying notes form an integral part of these consolidated financial statements.

The Group	Share capital $million	Other reserves $million	Fair value reserve $million	Hedging reserve $million	Currency translation reserve $million	Accumulated profits $million	Total equity attributable to equity holder of THPL $million	Non-controlling interests $million	Total equity $million
At 1 April 2015	51,694	14,672	30,582	(801)	(4,572)	127,025	218,600	37,803	256,403
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	8,425	8,425	4,212	12,637
Other comprehensive income									
Translation differences	-	-	-	-	27	-	27	(386)	(359)
Share of associates' and joint ventures' reserves	-	6	(112)	(28)	26	46	(62)	38	(24)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(15,123)	-	-	-	(15,123)	16	(15,107)
Net change in fair value of available-for-sale financial assets reclassified to income statement, net of tax	-	-	4,587	-	-	-	4,587	81	4,668
Cash flow hedges, net of tax	-	-	-	42	-	-	42	68	110
Disposal of investments in subsidiaries, with loss of control	-	(64)	(8)	65	200	-	193	-	193
Disposal or dilution of investments in associates and joint ventures	-	10	2	-	(68)	-	(56)	12	(44)
Others, net	-	(108)	-	-	(3)	(96)	(207)	(204)	(411)
Total other comprehensive income	-	(156)	(10,654)	79	182	(50)	(10,599)	(375)	(10,974)
Total comprehensive income for the year	-	(156)	(10,654)	79	182	8,375	(2,174)	3,837	1,663
Balance carried forward	51,694	14,516	19,928	(722)	(4,390)	135,400	216,426	41,640	258,066

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Share capital $million	Other reserves $million	Fair value reserve $million	Hedging reserve $million	Currency translation reserve $million	Accumulated profits $million	Total equity attributable to equity holder of THPL $million	Non-controlling interests $million	Total equity $million
The Group										
Balance brought forward		51,694	14,516	19,928	(722)	(4,390)	135,400	216,426	41,640	258,066
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Employee share-based payment		-	-	-	-	-	-	-	12	12
Transfers/Reclassifications		-	(57)	-	-	-	57	-	-	-
Capital contributions by non-controlling interests		-	-	-	-	-	-	-	2,220	2,220
Dividends paid to non-controlling interests/Capital reduction		-	-	-	-	-	-	-	(3,531)	(3,531)
Dividend (one tier) payable of $1.01 per share		-	-	-	-	-	(944)	(944)	-	(944)
Issue of ordinary shares	9	2,675	-	-	-	-	-	2,675	-	2,675
Total contributions by and distributions to owners		2,675	(57)	-	-	-	(887)	1,731	(1,299)	432
Changes in ownership interests in subsidiaries										
Acquisition of subsidiaries with non-controlling interests		-	-	-	-	-	-	-	1,143	1,143
Acquisition of non-controlling interests without a change in control		-	(268)	-	(7)	(2)	(1)	(278)	(553)	(831)
Disposal of investments in subsidiaries with loss of control		-	-	-	-	-	-	-	(342)	(342)
Partial disposal or dilution of investments in subsidiaries without loss of control		-	55	-	(2)	18	202	273	(28)	245
Total changes in ownership interests in subsidiaries		-	(213)	-	(9)	16	201	(5)	220	215
Total transactions with owners		2,675	(270)	-	(9)	16	(686)	1,726	(1,079)	647
At 31 March 2016		54,369	14,246	19,928	(731)	(4,374)	134,714	218,152	40,561	258,713

The accompanying notes form an integral part of these consolidated financial statements.

The Group	Share capital $million	Other reserves $million	Fair value reserve $million	Hedging reserve $million	Currency translation reserve $million	Accumulated profits $million	Total equity attributable to equity holder of THPL $million	Non-controlling interests $million	Total equity $million
At 1 April 2016	54,369	14,246	19,928	(731)	(4,374)	134,714	218,152	40,561	258,713
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	14,193	14,193	3,537	17,730
Other comprehensive income									
Translation differences	-	-	-	-	915	-	915	166	1,081
Share of associates' and joint ventures' reserves	-	(554)	30	121	(377)	650	(130)	113	(17)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	11,920	-	-	-	11,920	7	11,927
Net change in fair value of available-for-sale financial assets reclassified to income statement, net of tax	-	-	(3,643)	-	-	-	(3,643)	(78)	(3,721)
Cash flow hedges, net of tax	-	-	-	333	-	-	333	324	657
Disposal of investments in subsidiaries, with loss of control	-	(34)	-	21	573	-	560	-	560
Disposal or dilution of investments in associates and joint ventures	-	(21)	(30)	6	116	-	71	65	136
Others, net	-	10	-	-	-	(5)	5	(74)	(69)
Total other comprehensive income	-	(599)	8,277	481	1,227	645	10,031	523	10,554
Total comprehensive income for the year	-	(599)	8,277	481	1,227	14,838	24,224	4,060	28,284
Balance carried forward	54,369	13,647	28,205	(250)	(3,147)	149,552	242,376	44,621	286,997

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Share capital $million	Other reserves $million	Fair value reserve $million	Hedging reserve $million	Currency translation reserve $million	Accumulated profits $million	Total equity attributable to equity holder of THPL $million	Non-controlling interests $million	Total equity $million
The Group										
Balance brought forward		54,369	13,647	28,205	(250)	(3,147)	149,552	242,376	44,621	286,997
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Employee share-based payment		-	-	-	-	-	-	-	12	12
Transfers/Reclassifications		-	57	-	-	-	(57)	-	-	-
Capital contributions by non-controlling interests		-	-	-	-	-	-	-	2,781	2,781
Dividends paid to non-controlling interests/Capital reduction		-	-	-	-	-	-	-	(3,152)	(3,152)
Dividend (one tier) paid at $1.45 per share		-	-	-	-	-	(1,358)	(1,358)	-	(1,358)
Dividend (one tier) payable of $3.42 per share		-	-	-	-	-	(3,236)	(3,236)	-	(3,236)
Issue of ordinary shares	9	2,302	-	-	-	-	-	2,302	-	2,302
Total contributions by and distributions to owners		2,302	57	-	-	-	(4,651)	(2,292)	(359)	(2,651)
Changes in ownership interests in subsidiaries										
Acquisition of subsidiaries with non-controlling interests		-	-	-	-	-	-	-	380	380
Acquisition of non-controlling interests without a change in control		-	(33)	-	-	-	(762)	(795)	(808)	(1,603)
Disposal of investments in subsidiaries with loss of control		-	-	-	-	-	-	-	(1,227)	(1,227)
Partial disposal or dilution of investments in subsidiaries without loss of control		-	(2)	-	6	(34)	(383)	(413)	518	105
Total changes in ownership interests in subsidiaries		-	(35)	-	6	(34)	(1,145)	(1,208)	(1,137)	(2,345)
Total transactions with owners		2,302	22	-	6	(34)	(5,796)	(3,500)	(1,496)	(4,996)
At 31 March 2017		56,671	13,669	28,205	(244)	(3,181)	143,756	238,876	43,125	282,001

The accompanying notes form an integral part of these consolidated financial statements.

The Group	Share capital $million	Other reserves $million	Fair value reserve $million	Hedging reserve $million	Currency translation reserve $million	Accumulated profits $million	Total equity attributable to equity holder of THPL $million	Non-controlling interests $million	Total equity $million
At 1 April 2017	56,671	13,669	28,205	(244)	(3,181)	143,756	238,876	43,125	282,001
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	21,338	21,338	5,507	26,845
Other comprehensive income									
Translation differences	-	-	-	-	(2,762)	-	(2,762)	(1,215)	(3,977)
Share of associates' and joint ventures' reserves	-	409	581	38	(1,818)	(48)	(838)	326	(512)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	20,077	-	-	-	20,077	87	20,164
Net change in fair value of available-for-sale financial assets reclassified to income statement, net of tax	-	-	(4,140)	-	-	-	(4,140)	(8)	(4,148)
Cash flow hedges, net of tax	-	-	-	362	-	-	362	314	676
Disposal of investments in subsidiaries, with loss of control	-	(12)	(14)	-	102	-	76	-	76
Disposal or dilution of investments in associates and joint ventures	-	14	(4)	-	11	-	21	(6)	15
Others, net	-	7	-	-	1	(51)	(43)	(70)	(113)
Total other comprehensive income	-	418	16,500	400	(4,466)	(99)	12,753	(572)	12,181
Total comprehensive income for the year	-	418	16,500	400	(4,466)	21,239	34,091	4,935	39,026
Balance carried forward	56,671	14,087	44,705	156	(7,647)	164,995	272,967	48,060	321,027

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Share capital $million	Other reserves $million	Fair value reserve $million	Hedging reserve $million	Currency translation reserve $million	Accumulated profits $million	Total equity attributable to equity holder of THPL $million	Non-controlling interests $million	Total equity $million
The Group										
Balance brought forward		56,671	14,087	44,705	156	(7,647)	164,995	272,967	48,060	321,027
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Employee share-based payment		-	-	-	-	-	-	-	23	23
Transfers/Reclassifications		-	(37)	-	-	-	37	-	-	-
Capital contributions by non-controlling interests		-	-	-	-	-	-	-	1,555	1,555
Dividends paid to non-controlling interests/Capital reduction		-	-	-	-	-	-	-	(3,340)	(3,340)
Dividend (one tier) payable of $4.48 per share		-	-	-	-	-	(4,303)	(4,303)	-	(4,303)
Issue of ordinary shares	9	3,236	-	-	-	-	-	3,236	-	3,236
Total contributions by and distributions to owners		3,236	(37)	-	-	-	(4,266)	(1,067)	(1,762)	(2,829)
Changes in ownership interests in subsidiaries										
Acquisition of subsidiaries with non-controlling interests		-	-	-	-	-	-	-	641	641
Acquisition of non-controlling interests without a change in control		-	19	3	-	23	(57)	(12)	(219)	(231)
Disposal of investments in subsidiaries with loss of control		-	-	-	-	-	-	-	(144)	(144)
Partial disposal or dilution of investments in subsidiaries without loss of control		-	24	(35)	6	342	463	800	938	1,738
Total changes in ownership interests in subsidiaries		-	43	(32)	6	365	406	788	1,216	2,004
Total transactions with owners		3,236	6	(32)	6	365	(3,860)	(279)	(546)	(825)
At 31 March 2018		59,907	14,093	44,673	162	(7,282)	161,135	272,688	47,514	320,202

The accompanying notes form an integral part of these consolidated financial statements.

The Group	**2018 $million**	**2017 $million**	**2016 $million**
Cash flows from operating activities			
Profit before tax	29,536	20,319	14,731
Adjustments for:			
Accretion of government compensation received	(5)	(29)	(59)
Amortisation and impairment loss on intangible assets	861	929	887
Amortisation of deferred gain on sale and leaseback transactions	(4)	(6)	(14)
Depreciation of property, plant and equipment	6,680	6,544	6,623
Dividend income	(127)	(209)	(264)
Fair value change of financial assets and derivative financial instruments	(800)	(599)	(432)
Fair value gain on investment properties	(2,292)	(1,189)	(988)
Fair value loss on biological assets	16	1	59
Gain from disposal of investments (net)	(8,128)	(5,610)	(5,681)
(Gain)/Loss on disposal of property, plant and equipment	(45)	49	(81)
Gain on disposal of investment properties	(46)	(42)	(14)
Impairment of property, plant and equipment	89	349	127
Impairment in value of investments in associates, joint ventures and other financial assets	1,072	1,325	7,919
Finance expenses	3,154	2,806	2,725
Interest income	(446)	(392)	(402)
Negative goodwill	-	(2)	(221)
Property, plant and equipment written off	21	15	16
Share-based compensation expenses	111	116	104
Share of profit of associates, net of tax	(6,779)	(3,258)	(4,433)
Share of profit of joint ventures, net of tax	(2,321)	(2,456)	(2,240)
	20,547	18,661	18,362
Changes in:			
- Assets	(4,087)	(2,275)	(2,346)
- Liabilities	1,461	101	(2,894)
Foreign currency translation adjustments	(910)	(23)	121
Cash generated from operating activities	17,011	16,464	13,243
Income tax paid	(2,225)	(2,448)	(2,080)
Net cash from operating activities	14,786	14,016	11,163

The accompanying notes form an integral part of these consolidated financial statements.

The Group	Note	2018 $million	2017 $million	2016 $million
Cash flows from investing activities				
Payments for acquisition of subsidiaries and businesses (net of cash acquired) [(1)]		(2,832)	(2,575)	(2,498)
Proceeds from disposals of subsidiaries and businesses (net of cash disposed of) [(1)]		152	2,693	2,258
Payments for purchases of property, plant and equipment		(12,606)	(12,156)	(10,874)
Proceeds from disposals of property, plant and equipment		593	1,225	737
Payments for purchases of intangible assets		(2,030)	(670)	(481)
Proceeds from disposals of intangible assets		1	1	1
Proceeds from disposal/(Payments for purchases) of interests in associates and joint ventures (net)		1,008	(987)	(5,867)
(Payments for purchases)/Proceeds from disposals of financial assets and derivative financial instruments (net)		(8,477)	2,597	1,080
Payments for purchases of investment properties and properties under development (net)		(4,809)	(2,211)	(5,037)
Repayment from/(Loans to) associates and joint ventures (net)		1,184	(106)	1,303
Dividends received from associates and joint ventures		3,809	4,067	3,752
Dividends received from financial assets		367	268	323
Interest received		683	619	633
Net cash used in investing activities		(22,957)	(7,235)	(14,670)
Cash flows from financing activities				
Proceeds from/(Payments for acquisition) partial disposal of interest in subsidiaries without a change in control (net)		1,152	(1,150)	(373)
Repayments of finance lease and hire purchase obligations		(96)	(79)	(180)
Interest paid		(3,060)	(2,606)	(2,441)
Proceeds from borrowings		33,413	32,454	32,657
Repayments of borrowings		(27,109)	(25,565)	(25,979)
Return of capital by subsidiaries to non-controlling interests		(198)	(164)	(509)
Dividend paid to equity holder of THPL		(3,236)	(2,302)	(2,675)
Proceeds from issuance of ordinary shares to equity holder of THPL		3,236	2,302	2,675
Dividends paid to non-controlling interests of subsidiaries		(3,142)	(2,988)	(3,022)
Capital contributions by non-controlling interests of subsidiaries		1,555	2,781	2,220
Net cash from financing activities		2,515	2,683	2,373
Net (decrease)/increase in cash and cash equivalents		(5,656)	9,464	(1,134)
Cash and cash equivalents at the beginning of the year		52,077	42,613	43,747
Cash and cash equivalents at the end of the year	26	46,421	52,077	42,613

The accompanying notes form an integral part of these consolidated financial statements.

Note (1) The attributable net assets of subsidiaries and businesses acquired and disposed of are as follows:

	Recognised values		
	2018 $million	**2017 $million**	**2016 $million**
Acquisition of subsidiaries and businesses			
Non-current assets	3,124	5,935	10,021
Current assets	484	1,410	3,637
Non-current liabilities	(1,952)	(3,170)	(3,846)
Current liabilities	(347)	(1,061)	(1,852)
	1,309	3,114	7,960
Non-controlling interests	(641)	(380)	(1,143)
Net identifiable assets	668	2,734	6,817
Goodwill on acquisition	2,713	980	1,344
Amount previously accounted for as associates/joint ventures	(249)	(596)	(20)
Consideration not yet paid	(17)	(51)	(3,825)
Consideration paid in previous financial year	(107)	(157)	-
Consideration paid, satisfied in cash	3,008	2,910	4,316
Cash and cash equivalents acquired	(176)	(335)	(1,818)
Net cash outflow from acquisitions	2,832	2,575	2,498
Disposal of subsidiaries and businesses			
Non-current assets	1,273	10,430	4,081
Current assets	1,923	1,960	1,779
Non-current liabilities	(166)	(5,431)	(2,999)
Current liabilities	(1,972)	(3,307)	(1,646)
	1,058	3,652	1,215
Non-controlling interests	(144)	(1,227)	(342)
	914	2,425	873
Realisation of reserves and goodwill	129	622	1,282
Equity interests retained	(77)	(100)	-
Others	(366)	(16)	(286)
(Loss)/Gain on disposals	(157)	135	967
Cash consideration received	443	3,066	2,836
Cash and cash equivalents disposed of	(291)	(373)	(578)
Net cash inflow from disposals	152	2,693	2,258

The accompanying notes form an integral part of these consolidated financial statements.

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 2 July 2018.

1. General information

Temasek Holdings (Private) Limited ("THPL") is incorporated and domiciled in Singapore. The address of THPL's registered office is 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891.

The consolidated financial statements comprise THPL and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and joint ventures.

The principal activity of THPL is that of an investment holding company. The principal activities of the Group include that of investment holding companies and portfolio companies operating in the following sectors: (a) financial services; (b) telecommunications, media and technology; (c) transportation and industrials; (d) consumer and real estate; (e) energy and resources; and (f) life sciences and agriculture.

THPL is wholly-owned by the Minister for Finance, a body corporate constituted under the Minister for Finance (Incorporation) Act, Chapter 183 of Singapore.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS").

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as otherwise disclosed in the accounting policies below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore Dollar, which is THPL's functional currency. All financial information presented in Singapore Dollar has been rounded to the nearest million, unless otherwise indicated.

2.4 Basis of preparation of entities with non-coterminous year end

References to the financial years 2018, 2017 and 2016 refer to the financial years ended 31 March 2018, 31 March 2017 and 31 March 2016 respectively.

The consolidated financial statements include the financial statements of THPL drawn up to 31 March 2018 and financial statements of its subsidiaries which have been prepared and audited up to the year ended either 31 March 2018 or 31 December 2017. Management has evaluated the significance of transactions that occurred between 1 January 2018 and 31 March 2018 in respect of those subsidiaries with financial year ended 31 December 2017 and, where necessary, made adjustments to the consolidated financial statements. This approach is allowed under FRS 110 *Consolidated Financial Statements*.

Had the unaudited balance sheets as at 31 March of those subsidiaries with financial year end other than 31 March been included in the consolidated balance sheet of the Group, the effect on the equity attributable to equity holder of THPL as at 31 March would have been approximately as follows:

	2018 $million	**2017 $million**	**2016 $million**
As shown in audited consolidated balance sheet of the Group as at 31 March	272,688	238,876	218,152
Net increase/(decrease) in equity attributable to equity holder of THPL as at 31 March in respect of these subsidiaries with different year end	388	(338)	(1,682)
Consolidated balance sheet as would be revised	273,076	238,538	216,470

Had the unaudited income statements for the years ended 31 March of those subsidiaries with financial year end other than 31 March been included in the consolidated income statement of the Group, the effect on the profit attributable to equity holder of THPL for the years ended 31 March would have been approximately as follows:

	2018 $million	**2017 $million**	**2016 $million**
As shown in audited consolidated income statement of the Group for the years ended 31 March	21,338	14,193	8,425
Net (decrease)/increase in profit attributable to equity holder of THPL for the period from 1 January to 31 March in respect of these subsidiaries with different year end	(199)	32	80
Consolidated income statement as would be revised	21,139	14,225	8,505

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information on areas involving a high degree of judgement, or areas where estimates are significant to the financial statements, is set out in note 4.

2.6 Changes in accounting policies

On 1 April 2017, the Group adopted new or amended FRS and interpretations to FRS ("INT FRS") that were mandatory for application for the financial year. Changes to the Group's accounting policies had been made as required in accordance with the transitional provisions in the respective FRS and INT FRS. The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's accounting policies and had no significant impact on the amounts reported for the current or prior financial years.

Disclosure Initiative (*Amendments to FRS 7 *Statement of Cash Flow)

Arising from the amendments to FRS 7, the Group has provided additional disclosure in relation to the changes in liabilities arising from financing activities for the year ended 31 March 2018 (see note 28(h)). Comparative information is not required to be presented.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the subsidiaries.

3.1 Consolidation

Business combinations

Business combinations are accounted for using the acquisition method in accordance with FRS 103 *Business Combination* as at the acquisition date, which is the date on which control is transferred to the Group.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is measured at fair value at each balance sheet date and subsequent changes to the fair value of the contingent consideration are recognised in the income statement.

When share-based payment awards (replacement awards) are exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on a transaction-by-transaction basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are recognised in the income statement as incurred.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Business combinations involving entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as an acquisition on the date that the common control business combination occurs. The assets and liabilities acquired are recognised at the carrying amounts based on the financial statements of the acquired entity. The components of equity of the acquired entities are added to the same components within Group equity. Any difference between the consideration paid for the acquisition and net assets acquired is recognised directly in equity.

Loss of control

Upon a loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on a loss of control is recognised in the income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.

Transactions with non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to THPL, and are presented separately in the income statement, statement of comprehensive income and within equity in the balance sheet, separately from equity attributable to equity holder of THPL.

Changes in the Group's ownership interest in a subsidiary that do not result in a change in control are accounted for as transactions with owners and therefore the carrying amounts of assets and liabilities are not changed and goodwill, negative goodwill and gain or loss on partial disposal are not recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets/liabilities of the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to equity holder of THPL.

Associates and joint ventures (equity-accounted investees)

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates and joint ventures are accounted for in the consolidated financial statements using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition results and reserves of associates and joint ventures, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Associates and joint ventures held by or through venture capital organisations, or mutual funds, unit trusts and similar entities are exempted from applying the equity method in the consolidated financial statements and classified as at fair value through profit or loss in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*.

The Group's investments in associates and joint ventures include goodwill identified on acquisition.

When the Group's share of losses exceeds its interest in an associate or a joint venture, the carrying amount of that interest is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation to make or has made payments on behalf of the investee.

Joint operations

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to functional currencies at exchange rates at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to functional currencies at exchange rates at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using exchange rates at the dates of transactions.

Foreign currency differences arising on translation are recognised in the income statement, except for foreign currency differences arising on the translation of monetary items that in substance form part of the Group's net investment in a foreign operation (see below), available-for-sale equity instruments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to income statement), financial liabilities designated as hedges of a net investment in a foreign operation to the extent that the hedge is effective (note 3.8) or qualifying cash flow hedges to the extent the hedge is effective, which are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations, excluding goodwill and fair value adjustments arising on acquisition, are translated to Singapore Dollar at exchange rates prevailing at the balance sheet date. The income and expenses of foreign operations are translated to Singapore Dollar at average exchange rates for the year. Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 April 2005 are treated as assets and liabilities of the foreign operation and are translated at exchange rates prevailing at the balance sheet date. For acquisitions prior to 1 April 2005, exchange rates at the date of acquisition were used.

Foreign currency differences are recognised in other comprehensive income and presented in the currency translation reserve in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the currency translation reserve related to that foreign operation is reclassified to income statement as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to income statement.

When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income, and are presented in the currency translation reserve in equity.

3.3 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the costs of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for their intended use, estimated costs of dismantling and removing the items and restoring the site on which they are located when the Group has an obligation to remove the asset or restore the site, and capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Bearer plants are immature plantations stated at acquisition cost which includes costs incurred for field preparation, planting, farming inputs and maintenance, capitalisation of borrowing costs incurred on loans used to finance the development of immature plantations and an allocation of other indirect costs based on planted hectarage.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the income statement.

Subsequent costs

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits embodied within the component will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. Other subsequent expenditure such as repairs and maintenance is recognised in the income statement as incurred.

Depreciation

Depreciation is recognised in the income statement on a straight-line basis to write down the cost of property, plant and equipment to its estimated residual value over the estimated useful lives (or lease term, if shorter) of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

	Nature of property, plant and equipment	Useful lives
(a)	Buildings	1 to 60 years
(b)	Leasehold land and improvements, dry docks, floating docks, wharves, slipways, syncrolifts and wet berthages	1 to 99 years
(c)	Aircrafts, aircraft spares and engines, flight simulators and training aircrafts	4 to 30 years (For used freighter aircraft, the Group depreciates them over 20 years less age of aircraft)
(d)	Marine crafts and vessels	7 to 25 years
(e)	Plant, equipment and machinery (excluding easements)	1 to 50 years
(f)	Furniture, fittings, office equipment, computers, vehicles and others	1 to 30 years
(g)	Bearer plants	15 to 30 years

No depreciation is provided on freehold land, easements (included in plant, equipment and machinery) and leasehold land with a remaining lease period of more than 100 years. No depreciation is provided on construction work-in-progress until the related property, plant and equipment is ready for use.

Depreciation methods, useful lives and residual values are reviewed and adjusted, as appropriate, at each balance sheet date.

3.4 Research and development costs

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense when it is incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the costs of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in the income statement as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged to the income statement using the straight-line method over the estimated useful lives.

3.5 Intangible assets

Goodwill on consolidation

Goodwill and negative goodwill arise on the acquisition of subsidiaries, associates and joint ventures.

(a) Acquisitions prior to 1 April 2001

Goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of identifiable assets and liabilities of the acquiree.

Goodwill and negative goodwill on acquisitions were written off against accumulated profits in the year of acquisition.

Goodwill and negative goodwill that have previously been taken to reserves are not taken to the income statement when (i) the business is disposed of; or (ii) the goodwill is impaired.

(b) Acquisitions occurring between 1 April 2001 and 31 March 2005

Goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of identifiable assets and liabilities of the acquiree.

Goodwill arising on the acquisition of subsidiaries is presented in intangible assets. Goodwill arising on the acquisition of associates and joint ventures is presented together with investments in associates and joint ventures.

Goodwill was stated at cost from the date of initial recognition and amortised over its estimated useful life. On 1 April 2005, the Group discontinued amortisation of this goodwill. This remaining goodwill balance is subject to testing for impairment, as described in note 3.10.

Negative goodwill was derecognised by crediting accumulated profits on 1 April 2005.

Gains and losses on disposal of subsidiaries, associates and joint ventures include the carrying amount of goodwill relating to the entity sold.

(c) Acquisitions occurring between 1 April 2005 and 31 March 2010

Goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill arising on the acquisition of subsidiaries is presented in intangible assets. Goodwill arising on the acquisition of associates and joint ventures is presented together with investments in associates and joint ventures.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 3.10.

Negative goodwill is recognised immediately in the income statement.

Gains and losses on disposal of subsidiaries, associates and joint ventures include the carrying amount of goodwill relating to the entity sold.

(d) Acquisitions on or after 1 April 2010

For acquisitions on or after 1 April 2010, goodwill at the acquisition date represents the excess of:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree;

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a negative goodwill is recognised immediately in the income statement.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 3.10. In respect of associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates and joint ventures.

Gains and losses on disposal of subsidiaries, associates and joint ventures include the carrying amount of goodwill relating to the entity sold.

Exploration and evaluation expenditure

Exploration and evaluation activity involves the search for natural gas resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activity includes:

- researching and analysing exploration data;
- gathering exploration data through topographical, geochemical and geophysical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- examining and testing extraction and treatment methods;
- surveying transportation and infrastructure requirements; and
- conducting market and finance studies.

Considerations to third parties to acquire interests in existing exploration and evaluation projects are capitalised as exploration and evaluation assets. The interests in exploration and evaluation projects are accounted for as joint operations.

The Group applies the successful efforts method of accounting for the exploration and evaluation expenditure.

Exploration and evaluation expenditure is charged to the income statement as incurred except in the following circumstances, in which case the expenditure may be capitalised:

- the exploration and evaluation activity is within an area of interest for which it is expected that the expenditure will be recouped by future exploitation or sale; or
- exploration and evaluation activity has not reached a stage which permits reasonable assessment of the existence of commercially recoverable reserves.

Administration costs that are not directly attributable to a specific exploration area are recognised in the income statement as incurred.

As the asset is not available for use, it is not depreciated.

Capitalised exploration and evaluation assets are tested for impairment when any of the following facts and circumstances exists:

- the term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are neither budgeted or planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specific area; or
- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Where a potential impairment is indicated for an area of interest, impairment testing is performed in conjunction with the group of operating assets (representing a cash generating unit) attributed to that area in accordance with FRS 36 *Impairment of Assets*. To the extent that capitalised expenditure is no longer expected to be recovered, it is charged to the income statement.

Other intangible assets

Other intangible assets that have finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses. They are amortised in the income statement on a straight-line basis over their estimated useful lives from the date on which they are available for use.

Other intangible assets that have indefinite useful lives or are not ready for use are stated at cost less accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the income statement as incurred.

The estimated useful lives are as follows:

	Nature of intangible assets	Useful lives
(a)	Licence fee	3 to 30 years
(b)	Spectrum and other licences	4 to 18 years
(c)	Computer software	1 to 10 years
(d)	Brand name	Indefinite
(e)	Customer contracts and relationships	2 to 30 years
(f)	Deferred development expenditure	2 to 44 years
(g)	Patents and intellectual property rights	2 to 16 years
(h)	Port use rights	22 to 84 years
(i)	Service concession arrangements	10 to 30 years
(j)	Trademarks	3 to 24 years
(k)	Water rights	Perpetual

Amortisation methods, useful lives and residual values are reviewed and adjusted, as appropriate, at each balance sheet date.

3.6 Biological assets

Biological assets mainly include annual crops and livestock.

Annual crops

The fruits on trees are valued in accordance with FRS 41 *Agriculture*. The fair value amount is an aggregate of the fair valuation of the current financial year and the reversal of the prior year's fair valuation. The fair valuation takes into account current selling prices and related costs. The calculated value is then discounted by a suitable factor to take into account the agricultural risk until maturity.

The annual crops have been valued using adjusted cost, which is the estimate of the yield and cost of the crop at harvest discounted for the remaining time to harvest, which approximate fair value.

Livestock

Livestock are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognised in the income statement. Point-of-sale costs include all costs that would be necessary to sell the assets. The fair value of livestock is determined based on valuations by an independent professional valuer using the market prices of livestock of similar age, breed and generic merit.

3.7 Investment properties and properties under development

Investment properties (including those under development) are held for long-term rental yields and/or for capital appreciation and are not occupied substantially by the Group.

Investment properties are initially recognised at cost and subsequently carried at fair value. Changes in fair values are recognised in the income statement.

Where the fair value of investment properties under development cannot be reliably measured, the property is measured at cost until the earlier of the date at which construction is completed and the date at which fair value becomes reliably measurable.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in the income statement. The cost of maintenance, repairs and minor improvements is recognised in the income statement when incurred.

If an investment property becomes substantially owner-occupied, it is reclassified to property, plant and equipment and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in the income statement.

3.8 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, other non-current assets, trade and other receivables, cash and bank balances, other non-current liabilities, trade and other payables, and borrowings.

Cash and cash equivalents comprise cash balances, bank deposits, other short-term highly liquid investments and bank overdrafts. For the purpose of the consolidated cash flow statement, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and restricted cash.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of ownership of the asset. On disposal of a financial asset, the difference between the sale proceeds and the carrying amount is recognised in the income statement. Any amount in the fair value reserve relating to that asset is reclassified to the income statement. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset.

Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial instruments are recognised initially at fair value, and in the case of non-derivative financial assets or liabilities not at fair value through profit or loss, plus or minus, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

(a) Financial assets at fair value through profit or loss

A financial asset is classified as fair value through profit or loss if it is acquired principally for the purpose of selling in the short-term or is designated as such upon initial recognition. Financial instruments are designated as fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in the income statement as incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in the income statement.

(b) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intent and ability to hold to maturity. Held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

(c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables include other non-current assets, trade and other receivables and cash and bank balances which are measured at amortised cost using the effective interest method, less any impairment losses.

(d) Available-for-sale financial assets

The Group's investments in certain equity securities and debt securities are classified as available-for-sale financial assets if they are not classified in any of the other categories. Subsequent to initial recognition, they are measured at fair value and changes therein, other than foreign exchange gains and losses on available-for-sale debt instruments and impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to the income statement.

(e) Trade and other payables

Trade and other payables are carried at amortised cost using the effective interest method.

(f) Borrowings

Borrowings are carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each balance sheet date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative impact on the estimated future cash flows of that asset that can be estimated reliably.

Individually significant financial assets are tested for impairment on an individual specific basis. The remaining financial assets are assessed collectively in groups that share similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Impairment losses in respect of financial assets measured at amortised cost are recognised in the income statement. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. Impairment losses in respect of available-for-sale financial assets are recognised by reclassifying the cumulative losses that have been recognised in other comprehensive income and presented in the fair value reserve in equity, to the income statement.

Impairment losses in respect of financial assets measured at amortised cost and available-for-sale debt securities are reversed in the income statement if the subsequent increase in fair value can be related objectively to an event occurring after the impairment loss was recognised.

Impairment losses recognised in the income statement in respect of available-for-sale equity securities shall not be reversed through the income statement. Any subsequent increase in fair value of such assets is recognised in other comprehensive income and presented in the fair value reserve in equity.

Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items attributable to the hedged risk.

Derivatives are recognised initially at fair value and attributable transaction costs are recognised in the income statement as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

(a) Cash flow hedges

Changes in the fair value of a derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented in the hedging reserve in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised immediately in the income statement.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised or the designation is revoked, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction affects the income statement. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when the asset is recognised. If the forecast transaction is no longer expected to occur, then the balance in equity is recognised immediately in the income statement. In other cases, the amount recognised in equity is transferred to the income statement in the same period that the hedged item affects the income statement.

(b) Fair value hedges

Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognised in the income statement. The hedged item is also stated at fair value in respect of the risk being hedged; the gain or loss attributable to the hedged risk is recognised in the income statement and the carrying amount of the hedged item is adjusted.

(c) Hedges of a net investment in a foreign operation

Foreign currency differences arising on translation of financial liabilities designated as hedges of a net investment in a foreign operation are recognised in the income statement. On consolidation, such foreign currency differences are recognised in other comprehensive income and presented in the currency translation reserve in equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such foreign currency differences are recognised in the consolidated income statement.

When the hedged net investment is disposed of, in part or in full, the relevant amount in the currency translation reserve is transferred to the consolidated income statement as part of the gain or loss on disposal.

(d) Separable embedded derivatives

Changes in the fair value of separable embedded derivatives are recognised immediately in the income statement.

(e) Other non-trading derivatives

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in the income statement when the changes arise.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes and convertible redeemable preference shares that can be converted to shares or redeemed at the option of the holder and/or issuer at varying conditions and redemption amounts.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition.

On conversion, the financial liability is reclassified to equity. No gain or loss is recognised on conversion.

Financial guarantees

Financial guarantees are financial instruments issued by the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are recognised initially at fair value plus transaction costs and are classified as financial liabilities. Subsequent to initial measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the amount that would be recognised if they were accounted for as contingent liabilities. When financial guarantees are terminated before their original expiry date, the carrying amounts of the financial guarantees are transferred to the income statement.

3.9 Leases

(i) Lessees of finance leases

Where the Group assumes substantially all the risks and rewards of ownership of a leased asset, the asset is classified as a finance lease. Upon initial recognition, property, plant and equipment acquired through finance leases are capitalised at the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. Lease payments are apportioned between finance expense and reduction of the lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(ii) Lessees of operating leases

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease payments made. Contingent rents are recognised in the income statement in the year in which they are incurred.

(iii) Lessors of finance leases

Where the Group transfers substantially all the risks and rewards of ownership of an asset to the lessees, this leased asset is classified as a finance lease.

The leased asset is derecognised and the present value of the lease receivable (adjusted for initial direct costs for negotiating and arranging the lease) is recognised on the balance sheet and included in other non-current assets and trade and other receivables.

Finance lease income is recognised in the income statement on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and recognised as an expense in the income statement over the lease term on the same basis as the lease income.

(iv) Lessors of operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Leasing income from operating leases (net of any incentives given to the lessees) is recognised in the income statement on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging the leases are added to the carrying amount of the leased assets and recognised as an expense in the income statement over the lease term on the same basis as the lease income.

Contingent rents are recognised in the income statement when earned.

3.10 Impairment – non-financial assets

Property, plant and equipment, Intangible assets, Associates and Joint ventures

The recoverable amounts of goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, are estimated each year at the same time, and as and when indicators of impairment are identified.

The carrying amounts of the Group's other non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash inflows from continuing use that are largely independent from other assets and groups. Impairment losses are recognised in the income statement unless it reverses a previous revaluation, credited to equity, in which case it is charged to equity. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

An impairment loss for an asset, other than goodwill on acquisition of subsidiaries, is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. Impairment loss on goodwill on acquisition is not reversed in the subsequent period.

Goodwill forms part of the carrying amount of an investment in an associate or joint venture. The entire amount of the investment in an associate or joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or joint venture may be impaired.

3.11 Inventories and contracts work-in-progress

(a) Inventories

Inventories, other than commodities held for trading, are stated at the lower of cost and net realisable value. Cost is calculated on a first-in-first-out basis or by weighted average cost depending on the nature and use of the inventories. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Inventories for commodity trading businesses are measured at fair value less costs to sell, with changes in fair value less costs to sell recognised in the income statement in the period of the change.

For agricultural produce that is harvested, cost of inventory is stated at fair value less estimated point-of-sale costs at the time of harvest. Thereafter this inventory is carried at the lower of cost and net realisable value.

(b) Contracts work-in-progress

Contracts work-in-progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Where costs incurred plus recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers on contracts within trade and other receivables. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on contracts within trade and other payables.

3.12 Non-current assets held for sale

Non-current assets or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale and are carried at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of associates and joint ventures ceases once classified as held for sale.

3.13 Employee benefits

(a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in the income statement when incurred.

(b) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted from the present value of the defined benefit obligation at the balance sheet date. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset).

Remeasurements from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefits expense in the income statement.

(c) Share-based payment

For equity-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense in the income statement with a corresponding increase in the equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the goods or services received is determined by reference to the fair value of the equity instrument granted at the date of the grant. At each balance sheet date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised in expense and a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made to the original estimate if the actual outcome differs from the estimate due to market conditions.

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense in the income statement with a corresponding increase in liability over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the goods or services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each balance sheet date and at the date of settlement, with any changes in fair value recognised in the income statement.

The proceeds received from the exercise of the equity instrument, net of any directly attributable transaction costs, are credited to equity when the equity instruments are exercised.

(d) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(e) Other long-term employee benefits

The Group's net obligations in respect of long-term employee benefits other than pension plans is the amount of future benefits that employees have earned in return for their service in current and prior periods. The benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

3.14 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.15 Revenue recognition

Sale of goods and rendering of services

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from the rendering of services is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date, provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be reliably measured.

Revenue from the sale of goods and the rendering of services includes the following:

(a) Revenue from financial services

Fee and commission income (net)

Fee and commission income is earned from a range of services rendered by the Group to its customers, comprising income earned from services rendered over a period of time and from providing transaction-type services.

Fees earned from providing services over a period of time are recognised over the service period during which the related service is provided or credit risk is undertaken. Fee and commission income from such services comprise mainly servicing fees, investment management fees and syndication fees. Fees earned from providing transaction-type services are recognised when the service has been performed, which include underwriting fees and brokerage income.

Fee and commission expenses are netted off against the gross fee and commission income in the income statement. When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Interest income

Interest income comprises interest arising from various types of lending activities and includes interest on debt securities and deposits. Interest income is recognised based on the effective interest method.

(b) Revenue from investment trading activities

Changes in fair values of financial assets at fair value through profit or loss, and financial derivative instruments are recognised as revenue when the changes in fair value arise. On disposal, the difference between the sales proceeds and the carrying amount is recognised as revenue in the income statement.

(c) Revenue from liner and logistics services

Revenue from liner services is recognised on an accrual basis, using the percentage-of-completion method.

Revenue from logistics services is derived from the storage, handling and transportation of customer products. Such revenue is recognised when the services are provided. For shipments in transit, revenue is recognised on an accrual basis, using the percentage-of-completion method. Recognition of handling revenue is deferred until completion of the handling activity. Revenue is also recognised from fees earned upon the performance of certain logistics outsourcing activities, such as freight forwarding and customs clearance services.

(d) Revenue from energy and resources

Sale of electricity and gas

Revenue from the sale of electricity and gas are recognised when electricity and gas are delivered to consumers.

Transfers of assets from customers

Revenue arising from assets transferred from customers is recognised in the income statement when the performance obligations associated with receiving those customer contributions are met. In determining the amount of revenue to be recognised, the fair value of the assets is required to be estimated and the circumstances and nature of the transferred assets, which includes market value and relevant rate-regulated framework governing those assets, are taken into account.

(e) Revenue from contracts

Revenue from long-term contracts is recognised based on the percentage-of-completion method, which is measured by either:

(i) a combination of different or a single cost component(s) that would provide the most reliable indication of the stage of completion of a contract; or

(ii) when goods and services, representing part of a contract, are delivered; or

(iii) upon completion of designated phases of a contract.

When the outcome of a long-term contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that can probably be recovered and contract costs are recognised as an expense in the period in which they are incurred.

Provision for foreseeable losses on uncompleted contracts is recognised in the income statement as soon as such losses are determinable.

(f) Revenue from airline services

Revenue from airline services is principally earned from the carriage of passengers, cargo and mail, engineering services, training of pilots, air charters and tour wholesaling and related activities.

Passenger and cargo sales are recognised as revenue when the transportation is provided. The value of unutilised tickets and airway bills is included in current liabilities as sales in advance of carriage. The value of unutilised tickets is recognised as revenue by estimating a percentage of the breakage revenue upfront at flight date based on historical trends and experience. The value of airway bills is recognised as revenue if unused after one year.

Revenue from repair and maintenance of aircraft, engine and component overhaul is recognised based on the percentage of completion of the projects. The percentage of completion of the projects is determined based on the number of man-hours incurred to date against the estimated man-hours needed to complete the projects.

Rental income from lease of aircraft is recognised on a straight-line basis over the lease term.

(g) Revenue from telecommunication services

Revenue includes the gross income received and receivable from revenue sharing arrangements entered into with overseas telecommunication companies in respect of traffic exchanged.

Revenue from subscription contract is recognised ratably over the service, maintenance or subscription period.

For mobile device repayment plans, the consideration is allocated to its separate revenue generating activities based on the best estimate of the price of each activity in the arrangement. Handset sales are accounted for in accordance with the sale of equipment accounting policy (see below) of the Group. As the service credits under the device repayment plans are provided over time for services, they are recorded as a reduction of subscription revenue.

For prepaid cards which have been sold, provisions for unearned revenue are made for services which have not been rendered as at the end of the reporting period. Expenses directly attributable to the unearned revenue are deferred until the revenue is recognised.

Revenue from the sale of equipment is recognised upon the transfer of significant risks and rewards of ownership to the customer which generally coincides with delivery and acceptance of the equipment sold.

Revenues for system and network installation and integration projects are recognised based on the percentage of completion of the projects using cost-to-cost basis. Revenues from the rendering of services which involve the procurement of computer equipment, third party software for installation and information technology professional services are recognised upon full completion of the projects.

Revenue from sale of perpetual software licences and the related hardware are recognised when title passes to the customer, generally upon delivery.

Revenue from digital advertising services and solutions is recognised when advertising services are delivered, and when digital advertising impressions are delivered or clickthroughs occur. Revenue from selling advertising space is recognised when the advertising space is filled and sold to customers.

(h) Capacity swaps

The Group may exchange network capacity with other capacity or service providers. The exchange is regarded as a transaction which generates revenue unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given up is reliably measurable.

(i) Dividend income

Dividend income is recognised in the income statement when the right to receive payment is established.

(j) Rental income

Rental income under operating leases is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Contingent rents are recognised in the income statement when earned.

3.16 Other income

Other income includes interest income, dividend income, gains on disposal of investments in subsidiaries, associates, joint ventures, property, plant and equipment and other financial assets. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised when the right to receive payment is established.

3.17 Government grants

Government grants are recognised in the balance sheet initially as deferred income when there is reasonable assurance that they will be received and that the Group will comply with the conditions attached to them. Grants that compensate the Group for expenses incurred are recognised in the income statement on a systematic basis in the same period in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised in the income statement on a systematic basis over the useful life of the asset.

3.18 Finance expenses

Finance expenses comprise interest expense on borrowings and the unwinding of the discount on provisions. All borrowing costs are recognised in the income statement using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of a qualifying asset.

3.19 Tax

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries, associates and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, it is presumed that the carrying amount of such investment property will be recovered entirely through sale. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.20 Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative period.

3.21 Dividends to THPL's shareholder

Dividends to THPL's shareholder are recognised when the obligation to dividend payment is established.

4. Critical accounting estimates, assumptions and judgements

Critical estimates, assumptions and judgements in applying accounting policies that have a significant effect on the amounts recognised in the financial statements are discussed below.

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. In determining whether the Group controls an entity, significant judgement is required to assess if the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

(b) Fair value estimates for certain financial assets and liabilities and derivative financial instruments

The Group carries certain financial assets and liabilities and derivative financial instruments at fair value, which require extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence (i.e. foreign exchange rates, interest rates), the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these financial assets and liabilities and derivative financial instruments would affect income statement and other comprehensive income.

(c) Fair value of investment properties and properties under development

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Investment properties and properties under development are stated at fair value based on valuation performed by independent professional valuers. The fair values are based on highest-and-best-use basis.

The valuers have considered valuation techniques including the direct comparison method, capitalisation approach, residual method, and/or discounted cash flows, where appropriate.

(d) Impairment of property, plant and equipment and goodwill

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amounts of these assets and where applicable, cash-generating units, have been determined based on the higher of fair value less costs to sell and value in use calculations. The value in use calculations require the use of estimates.

(e) Impairment of available-for-sale financial assets

The Group follows the guidance of FRS 39 *Financial Instruments: Recognition and Measurement* in determining when an investment is impaired. This determination requires significant judgement about whether the decline in fair value below cost is significant or prolonged. The Group evaluates, among other factors, the duration of the decline and the magnitude by which the fair value of an investment is below cost; and the financial health and short-term business outlook of the investee.

(f) Impairment of loans and receivables

The Group assesses whether there is objective evidence that loans and receivables have been impaired at each balance sheet date. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy and default, or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates.

(g) Construction contracts

The Group uses the percentage-of-completion method to account for its contract revenue.

Significant judgement is required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion and the contract revenue respectively.

(h) Tax expense

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the capital allowances and deductibility of certain expenses at each tax jurisdiction.

The Group reviews the carrying amount of deferred tax assets at each balance sheet date. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular legal entity or tax group in which the deferred tax asset has been recognised.

5. Revenue

	2018 $million	2017 $million	2016 $million
Sale of goods	41,261	33,437	31,791
Rendering of services	58,482	57,408	64,121
Dividend income	1,946	1,877	2,550
Interest income	3,358	3,393	3,507
Investment gain/(loss), net	2,084	942	(468)
	107,131	97,057	101,501

Investment gain/(loss), net, comprises (i) unrealised fair value gains/(losses); and (ii) net realised gains/(losses) of financial assets measured at fair value through profit or loss and derivative financial instruments.

6. Finance expenses

Interest expense incurred by the Group's banking subsidiaries of $884 million (2017: $1,095 million; 2016: $1,251 million) is included as part of the Group's cost of sales and is, therefore not included as part of finance expenses.

7. Tax expense

	2018 $million	2017 $million	2016 $million
Tax recognised in income statement			
Current tax expense			
Current year	2,848	2,887	2,401
Over-provided in prior years	(319)	(333)	(448)
	2,529	2,554	1,953
Deferred tax expense			
Origination and reversal of temporary differences	427	36	141
Change in tax rates	(48)	(1)	-
Recognised as part of gain on disposal of investments in associates in income statement	(217)	-	-
	162	35	141
Total tax expense	2,691	2,589	2,094
Reconciliation of effective tax rate			
Profit before share of profit of associates and joint ventures	20,436	14,605	8,058
Tax calculated using Singapore tax rate of 17% (2017: 17%; 2016: 17%)	3,474	2,483	1,370
Net income not subject to tax	(3,329)	(1,644)	(2,035)
Expenses not deductible for tax purposes	1,948	1,266	2,389
Recognition of previously unrecognised tax benefits	(7)	(26)	(4)
Deferred tax benefits not recognised	226	222	226
Effect of different tax rates in other countries	742	518	413
Effect of change in tax rates	(48)	(1)	-
Over-provided in prior periods	(319)	(333)	(448)
Others	4	104	183
Total tax expense	2,691	2,589	2,094

Tax recognised in other comprehensive income

For the year ended 31 March	<---------- 2018 ---------->			<---------- 2017 ---------->			<---------- 2016 ---------->		
	Before tax $million	Tax (expense)/ benefit $million	Net of tax $million	Before tax $million	Tax (expense)/ benefit $million	Net of tax $million	Before tax $million	Tax (expense)/ benefit $million	Net of tax $million
Translation differences	(3,977)	-	(3,977)	1,081	-	1,081	(359)	-	(359)
Share of associates' and joint ventures' reserves	(512)	-	(512)	(17)	-	(17)	(24)	-	(24)
Net change in fair value of available-for-sale financial assets	20,293	(129)	20,164	11,932	(5)	11,927	(15,108)	1	(15,107)
Net change in fair value of available-for-sale financial assets reclassified to income statement	(4,149)	1	(4,148)	(3,723)	2	(3,721)	4,661	7	4,668
Cash flow hedges	811	(135)	676	756	(99)	657	111	(1)	110
Disposal of investments in subsidiaries, with loss of control	76	-	76	560	-	560	193	-	193
Disposal or dilution of investments in associates and joint ventures	15	-	15	136	-	136	(44)	-	(44)
Others, net	(113)	-	(113)	(69)	-	(69)	(411)	-	(411)
	12,444	(263)	12,181	10,656	(102)	10,554	(10,981)	7	(10,974)

8. Profit for the year

(a) Items included in other income:

	2018 $million	2017 $million	2016 $million
Dividend income	127	209	264
Fair value gain on investment properties	2,292	1,189	988
Gain on disposal of investments in subsidiaries and disposal/dilution of investments in associates and joint ventures	3,848	892	1,837
Gain on disposal of investments in financial assets	4,860	5,419	4,199
Gain on disposal of property, plant and equipment (net)	45	-	81
Interest income	446	392	402
Exchange gain (net)	2	160	-

(b) Items included in cost of sales and expenses:

	Note	2018 $million	2017 $million	2016 $million
Depreciation of property, plant and equipment	11	(6,680)	(6,544)	(6,623)
Amortisation of intangible assets	12	(718)	(630)	(538)
Fair value loss on biological assets	13	(16)	(1)	(59)
Impairment loss (net):				
- investments in associates, joint ventures and other financial assets		(1,072)	(1,325)	(7,919)
- property, plant and equipment	11	(89)	(349)	(127)
- intangible assets	12	(143)	(299)	(349)
Loss on disposal of investments in subsidiaries and disposal/dilution of investments in associates and joint ventures		(430)	(555)	(355)
Loss on disposal of investments in financial assets		(150)	(146)	-
Loss on disposal of property, plant and equipment (net)		-	(49)	-
Operating lease expenses		(2,625)	(2,423)	(2,777)
Wages and salaries		(13,129)	(12,283)	(12,064)
Contributions to defined contribution plans		(1,140)	(1,109)	(1,054)
Employee share-based compensation expenses		(111)	(116)	(104)
Other staff-related costs and benefits		(1,628)	(1,027)	(993)
Exchange loss (net)		-	-	(333)

9. Share capital

	2018 No. of shares	2017 No. of shares	2016 No. of shares
Fully paid ordinary shares, with no par value:			
At beginning of the year	946,584,470	936,700,712	925,375,952
Issue of shares for cash	12,822,190	9,883,758	11,324,760
At end of the year	959,406,660	946,584,470	936,700,712

The holder of the ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of THPL. All shares rank equally with regard to THPL's residual assets.

Capital management

THPL

THPL's capital comprises its share capital and reserves. The primary objective in capital management is to safeguard the ability to deliver sustainable returns to its shareholder over the long term.

THPL has been assigned an overall corporate credit rating of "AAA" by S&P Global Ratings and "Aaa" by Moody's Investors Service, Inc.

THPL is designated as a Fifth Schedule entity under the Singapore Constitution with a special responsibility to safeguard THPL's past reserves. Reserves in THPL are categorised as current or past reserves, depending on when these have been accumulated.

THPL's past reserves are those accumulated by THPL before the current term of Government.

If THPL's total reserves are less than THPL's past reserves, this will be considered a draw on THPL's past reserves. THPL is required by the Singapore Constitution to seek approval from the President of the Republic of Singapore (the "President") before a draw occurs on THPL's past reserves.

THPL's Chairman and Chief Executive Officer are required to certify THPL's Statement of Reserves and Statement of Past Reserves to the President at prescribed intervals as part of THPL's responsibility to protect THPL's past reserves.

Thus, the President acts as a check under a "two-key" concept to safeguard THPL's past reserves.

There were no changes to THPL's approach to capital management during the year.

The Group

THPL is an investment company that owns and manages its assets based on commercial principles. As a general principle, THPL does not issue any financial guarantee for the financial obligations of its portfolio companies.

Portfolio companies are guided and managed by their respective boards and management. THPL does not direct the commercial and operational decisions of these portfolio companies, but holds their respective boards accountable for the capital and risk management processes and financial performance of their companies.

Certain operating subsidiaries within the Group are subject to externally imposed capital requirements as required by law and financial loan covenant clauses. Management of these subsidiaries are responsible for compliance with the requirements during the financial year.

10. Reserves

(a) Other reserves

Other reserves mainly comprise:

(i) Merger reserve

The merger reserve represents the difference between the nominal value of shares issued by subsidiaries in exchange for the nominal value of shares acquired in respect of acquisition of entities under common control.

(ii) Capital reserve

The capital reserve mainly comprises the Group's share of capital reserves of associates and joint ventures and goodwill on acquisition completed prior to 1 April 2001.

(iii) Other reserves

Other reserves mainly comprise surplus on disposal of investments transferred from accumulated profits.

(b) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets held until the investments are derecognised or impaired.

(c) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments relating to forecast hedged transactions.

(d) Currency translation reserve

The currency translation reserve comprises:

(i) foreign currency differences arising from the translation of the financial statements of subsidiaries, associates and joint ventures whose functional currencies are different from the functional currency of THPL;

(ii) foreign currency gains or losses on instruments used to hedge the Group's net investment in foreign operations that are determined to be effective hedges; and

(iii) foreign currency differences on monetary items which form part of the Group's net investment in foreign operations.

11. Property, plant and equipment

	Note	Freehold land and buildings $million	Leasehold land and buildings and improvements $million	Dry docks, floating docks, wharves, slipways, syncrolifts and wet berthages $million	Aircrafts, aircraft spares and engines, flight simulators and training aircrafts $million	Marine crafts and vessels $million	Plant, equipment and machinery $million	Furniture, fittings, office equipment, computers, vehicles and others $million	Bearer plants $million	Construction work-in-progress $million	Total $million
Cost											
At 1 April 2015		1,254	10,808	3,912	20,163	8,409	59,994	9,356	-	11,514	125,410
Acquisition of subsidiaries		649	44	-	-	22	1,125	78	-	70	1,988
Additions		70	228	72	983	18	712	494	-	9,051	11,628
Assets classified as held for sale		(9)	-	-	(266)	-	(20)	(1)	-	(20)	(316)
Disposal of subsidiaries		(417)	(318)	(6)	-	-	(4,719)	(266)	-	(26)	(5,752)
Disposals		(8)	(288)	(21)	(1,483)	(21)	(1,649)	(816)	-	(24)	(4,310)
Transfer/Reclassification/Adjustment		386	609	146	1,859	54	5,165	466	-	(8,776)	(91)
Transfer from/(to) intangible assets	12	-	-	-	-	-	-	-	-	(7)	(7)
Write off		-	(24)	(52)	-	-	(139)	(58)	-	-	(273)
Translation differences		2	(24)	22	5	558	79	(26)	-	(200)	416
At 31 March 2016		1,927	11,035	4,073	21,261	9,040	60,548	9,227	-	11,582	128,693
Acquisition of subsidiaries		32	357	5	-	-	575	40	3	1,771	2,783
Purchase price allocation adjustment		3	215	-	-	-	125	12	-	8	363
Additions		29	329	36	171	9	645	659	214	10,495	12,587
Disposal of subsidiaries		(43)	(134)	(256)	(109)	(7,944)	(2,181)	(557)	-	-	(11,224)
Disposals		(8)	(69)	(58)	(550)	(23)	(3,140)	(300)	-	(349)	(4,497)
Transfer/Reclassification/Adjustment		(250)	936	544	2,184	6	4,607	567	13	(8,619)	(12)
Transfer from/(to) intangible assets	12	-	-	-	-	-	(3)	13	-	-	10
Transfer from biological assets	13	-	-	-	-	-	-	-	1,040	-	1,040
Write off		-	(18)	-	-	-	(185)	(58)	-	(1)	(262)
Translation differences		34	(86)	12	(2)	(395)	282	113	24	162	144
At 31 March 2017		1,724	12,565	4,356	22,955	693	61,273	9,716	1,294	15,049	129,625
Acquisition of subsidiaries		88	137	-	-	-	253	22	-	74	574
Purchase price allocation adjustment		-	-	-	-	-	(2)	-	-	-	(2)
Additions		25	283	19	213	-	651	476	212	11,206	13,085
Assets classified as held for sale		(49)	(58)	-	-	-	(3)	(20)	-	-	(130)
Disposal of subsidiaries		(32)	(44)	-	-	-	(355)	(57)	-	(10)	(498)
Disposals		(138)	(59)	(20)	(1,002)	(20)	(952)	(298)	-	(18)	(2,507)
Transfer/Reclassification/Adjustment		124	1,395	562	3,541	1	5,219	901	24	(11,912)	(145)
Transfer from/(to) intangible assets	12	-	(1)	(81)	-	-	(81)	1	-	(700)	(862)
Write off		-	(41)	-	-	-	(199)	(33)	-	(3)	(276)
Translation differences		(54)	(135)	(4)	(8)	(15)	(1,197)	(303)	1	(83)	(1,798)
At 31 March 2018		1,688	14,042	4,832	25,699	659	64,607	10,405	1,531	13,603	137,066

	Note	Freehold land and buildings $million	Leasehold land and buildings and improvements $million	Dry docks, floating docks, wharves, slipways, syncrolifts and wet berthages $million	Aircrafts, aircraft spares and engines, flight simulators and training aircrafts $million	Marine crafts and vessels $million	Plant, equipment and machinery $million	Furniture, fittings, office equipment, computers, vehicles and others $million	Bearer plants $million	Construction work-in-progress $million	Total $million
Accumulated depreciation and impairment losses											
At 1 April 2015		236	4,358	1,696	10,063	1,748	33,235	6,539	-	2	57,877
Depreciation for the year	8(b)	32	394	195	1,473	344	3,265	920	-	-	6,623
Impairment loss recognised/(reversed) (net)	8(b)	-	27	(3)	22	1	80	-	-	-	127
Assets classified as held for sale		(1)	-	-	(81)	-	(5)	(1)	-	-	(88)
Disposal of subsidiaries		(44)	(88)	(1)	-	-	(1,938)	(169)	-	-	(2,240)
Disposals		(1)	(92)	(14)	(986)	(18)	(1,453)	(754)	-	-	(3,318)
Transfer/Reclassification/Adjustment		(7)	6	-	(12)	-	(51)	(10)	-	-	(74)
Write off		-	(23)	(52)	-	-	(126)	(56)	-	-	(257)
Translation differences		5	11	8	1	117	60	(15)	-	-	187
At 31 March 2016		220	4,593	1,829	10,480	2,192	33,067	6,454	-	2	58,837
Depreciation for the year	8(b)	38	416	185	1,476	187	3,222	922	98	-	6,544
Impairment loss recognised/(reversed) (net)	8(b)	-	91	-	25	-	48	181	-	4	349
Disposal of subsidiaries		(6)	(91)	(187)	(3)	(2,048)	(1,185)	(404)	-	-	(3,924)
Disposals		(1)	(39)	(49)	(388)	(19)	(2,106)	(282)	-	-	(2,884)
Transfer/Reclassification/Adjustment		(12)	(14)	12	(8)	-	91	(79)	-	-	(10)
Transfer from/(to) intangible assets	12	-	-	-	-	-	-	6	-	-	6
Write off		-	(12)	-	-	-	(177)	(58)	-	-	(247)
Translation differences		2	(15)	(9)	1	(98)	205	92	7	-	185
At 31 March 2017		241	4,929	1,781	11,583	214	33,165	6,832	105	6	58,856
Depreciation for the year	8(b)	32	454	186	1,546	34	3,356	1,012	60	-	6,680
Impairment loss recognised/(reversed) (net)	8(b)	-	(2)	-	38	-	60	(4)	-	(3)	89
Assets classified as held for sale		(4)	(6)	-	-	-	(3)	(13)	-	-	(26)
Disposal of subsidiaries		(18)	(34)	-	-	-	(254)	(47)	-	(2)	(355)
Disposals		(13)	(40)	(16)	(831)	(19)	(863)	(267)	-	-	(2,049)
Transfer/Reclassification/Adjustment		-	6	-	-	-	(28)	(8)	-	-	(30)
Transfer from/(to) intangible assets	12	-	-	(22)	-	-	(27)	-	-	-	(49)
Write off		-	(27)	-	-	-	(196)	(32)	-	-	(255)
Translation differences		(3)	(26)	2	(2)	(2)	(710)	(219)	(8)	-	(968)
At 31 March 2018		235	5,254	1,931	12,334	227	34,500	7,254	157	1	61,893
Carrying amounts											
At 31 March 2016		1,707	6,442	2,244	10,781	6,848	27,481	2,773	-	11,580	69,856
At 31 March 2017		1,483	7,636	2,575	11,372	479	28,108	2,884	1,189	15,043	70,769
At 31 March 2018		1,453	8,788	2,901	13,365	432	30,107	3,151	1,374	13,602	75,173

Property, plant and equipment included the following:

(a) carrying amount of $352 million (2017: $625 million; 2016: $1,043 million) at the balance sheet date that was acquired under finance lease, sale and leaseback and hire purchase arrangements;

(b) carrying amount of $164 million (2017: $177 million; 2016: $875 million) at the balance sheet date that was held for the purpose of generating operating lease revenue;

(c) carrying amount of $7,454 million (2017: $7,665 million; 2016: $7,390 million) at the balance sheet date that was pledged to secure banking facilities (note 28(c)(i));

(d) borrowing costs for the year capitalised in the cost of property, plant and equipment of $144 million (2017: $281 million; 2016: $161 million); and

(e) staff costs for the year capitalised in the cost of property, plant and equipment of $314 million (2017: $371 million; 2016: $361 million).

12. Intangible assets

	Note	Goodwill on consolidation $million	Licences $million	Software $million	Other intangible assets $million	Total $million
Cost						
At 1 April 2015		15,347	2,817	1,838	4,901	24,903
Additions		6	134	91	266	497
Disposals/Write off		(31)	(13)	(41)	(41)	(126)
Acquisition/(Disposal) of subsidiaries (net)		155	(1)	(109)	(27)	18
Purchase price allocation adjustment		7	-	-	-	7
Transfer from property, plant and equipment	11	-	-	7	-	7
Transfer/Reclassification/ Adjustment		-	-	125	(125)	-
Translation differences		157	(59)	(5)	(26)	67
At 31 March 2016		15,641	2,878	1,906	4,948	25,373
Additions		2	490	96	256	844
Disposals/Write off		(2)	-	(40)	(57)	(99)
Acquisition/(Disposal) of subsidiaries (net)		639	-	(30)	846	1,455
Purchase price allocation adjustment		265	-	-	40	305
Transfer to property, plant and equipment	11	-	-	(8)	(2)	(10)
Transfer/Reclassification/ Adjustment		(7)	-	80	(67)	6
Translation differences		110	78	7	128	323
At 31 March 2017		16,648	3,446	2,011	6,092	28,197
Additions		-	1,123	168	782	2,073
Disposals/Write off		-	(1)	(51)	(2)	(54)
Acquisition/(Disposal) of subsidiaries (net)		2,083	(5)	53	931	3,062
Purchase price allocation adjustment		2	-	-	65	67
Transfer from property, plant and equipment	11	-	-	33	829	862
Transfer/Reclassification/ Adjustment		-	-	171	(171)	-
Translation differences		(358)	(159)	(14)	(229)	(760)
At 31 March 2018		18,375	4,404	2,371	8,297	33,447

	Note	Goodwill on consolidation $million	Licences $million	Software $million	Other intangible assets $million	Total $million
Accumulated amortisation and impairment losses						
At 1 April 2015		1,375	1,036	1,339	1,158	4,908
Amortisation for the year	8(b)	-	189	174	175	538
Impairment loss (net)	8(b)	133	-	-	216	349
Disposal of subsidiaries		(360)	-	(62)	(504)	(926)
Disposals/Write off		(2)	(6)	(37)	(35)	(80)
Translation differences		26	(15)	(7)	11	15
At 31 March 2016		1,172	1,204	1,407	1,021	4,804
Amortisation for the year	8(b)	-	203	170	257	630
Impairment loss (net)	8(b)	179	-	3	117	299
Disposal of subsidiaries		(142)	-	(29)	(11)	(182)
Disposals/Write off		-	-	(37)	(22)	(59)
Transfer from/(to) property, plant and equipment	11	-	-	(6)	-	(6)
Transfer/Reclassification/ Adjustment		-	-	-	2	2
Translation differences		6	36	3	28	73
At 31 March 2017		1,215	1,443	1,511	1,392	5,561
Amortisation for the year	8(b)	-	245	199	274	718
Impairment loss (net)	8(b)	56	-	-	87	143
Disposal of subsidiaries		(615)	(4)	(21)	(118)	(758)
Disposals/Write off		-	(1)	(50)	(1)	(52)
Transfer from property, plant and equipment	11	-	-	-	49	49
Translation differences		(15)	(72)	(12)	(50)	(149)
At 31 March 2018		641	1,611	1,627	1,633	5,512
Carrying amounts						
At 31 March 2016		14,469	1,674	499	3,927	20,569
At 31 March 2017		15,433	2,003	500	4,700	22,636
At 31 March 2018		17,734	2,793	744	6,664	27,935

Other intangible assets include:

(a) exploration and evaluation assets with carrying amount of $1,633 million (2017: $1,735 million; 2016: $1,664 million); and

(b) port use, water concession and other rights with carrying amount of $939 million (2017: $783 million; 2016: $389 million).

Intangible assets with carrying amount of $2,138 million (2017: $195 million; 2016: $159 million) were pledged to secure banking facilities (note 28 c(ii)).

Analysis of amortisation expense included in the income statement:

	2018 $million	2017 $million	2016 $million
Cost of sales	159	127	85
Administrative expenses	91	52	44
Other expenses	468	451	409
	718	630	538

Impairment testing for cash-generating units containing goodwill

Goodwill is tested annually for impairment, as well as when there is any indication that goodwill may be impaired. Goodwill is allocated to the Group's cash-generating units ("CGUs") that are expected to benefit from synergies of the business combinations.

The goodwill is mainly attributed to the acquisition of the following subsidiaries:

	2018 $million	2017 $million	2016 $million
Singtel Optus Pty Limited and its subsidiaries	9,279	9,288	9,283

Singtel Optus Pty Limited and its subsidiaries ("Optus")

The fixed, mobile, cable and broadband networks of Optus, a group of subsidiaries of Singapore Telecommunications Limited, are integrated operationally and accordingly, Optus as a group is a CGU for the purpose of impairment tests for goodwill.

The recoverable value of the CGU including goodwill is determined based on value in use calculations.

The value in use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management. Optus has used cash flow projections of 5 years (2017 and 2016: 5 years). Cash flows beyond the terminal year are extrapolated using the estimated growth rate of 3.0% (2017 and 2016: 3.0%) and pre-tax discount rate of 9.0% (2017: 9.3%; 2016: 9.5%). Key assumptions used in the calculation of value in use are growth rates, operating margins, capital expenditure and discount rates.

The terminal growth rates used do not exceed the long-term average growth rates of the respective industry and country in which Optus operates and are consistent with forecasts included in industry reports.

The discount rates applied to the cash flow projections are based on Weighted Average Cost of Capital where the cost of a company's debt and equity capital are weighted to reflect its capital structure.

At the respective balance sheet dates, no impairment charge was required for goodwill on acquisition of Optus, with any reasonably possible change to the key assumptions applied not likely to cause the recoverable values to be below its carrying value.

13. Biological assets

	Note	Plantations and annual crops $million	Livestock $million	Total $million
At 1 April 2015		1,072	182	1,254
Acquisition of a subsidiary		31	-	31
Net additions/(reductions)		(78)	(76)	(154)
Net change in fair value less estimated costs to sell	8(b)	17	(76)	(59)
Capitalisation of expenses		259	81	340
Translation differences		(23)	(2)	(25)
At 31 March 2016		1,278	109	1,387
Net additions/(reductions)		42	(53)	(11)
Net change in fair value less estimated costs to sell	8(b)	3	(4)	(1)
Capitalisation of expenses		32	63	95
Transfer to property, plant and equipment	(a), 11	(1,040)	-	(1,040)
Translation differences		9	12	21
At 31 March 2017		324	127	451
Net additions/(reductions)		(30)	(53)	(83)
Net change in fair value less estimated costs to sell	8(b)	(23)	7	(16)
Capitalisation of expenses		64	70	134
Translation differences		(7)	(7)	(14)
At 31 March 2018		328	144	472

	2018 $million	2017 $million	2016 $million
Carried at:			
- Cost	-	-	377
- Fair value classified under Level 3 of the fair value hierarchy	472	451	1,010
	472	451	1,387

(a) Transfer to property, plant and equipment as required by amendments to FRS 41 *Agriculture*.

14. Subsidiaries

(a) Details of significant subsidiaries held directly by THPL:

	Name of subsidiary	Principal places of business	Country of incorporation	Effective equity held by the Group		
				2018 %	2017 %	2016 %
	Fullerton Fund Investments Pte Ltd	Singapore	Singapore	100	100	100
	Fullerton Management Pte Ltd	Singapore	Singapore	100	100	100
	Fullerton (Private) Limited	Singapore	Singapore	100	100	100
[1]	Neptune Orient Lines Limited	Global	Singapore	-	-	65
	PSA International Pte Ltd	Singapore	Singapore	100	100	100
[2]	Sembcorp Industries Ltd	Singapore	Singapore	49	49	49
	Singapore Airlines Limited	Singapore	Singapore	56	56	56
	Singapore Power Limited	Singapore	Singapore	100	100	100
[3]	Singapore Technologies Engineering Ltd	Singapore	Singapore	51	51	51
	Singapore Technologies Telemedia Pte Ltd	Singapore	Singapore	100	100	100
[4]	Singapore Telecommunications Limited	Singapore, Australia	Singapore	52	52	51
	Temasek Capital (Private) Limited	Singapore	Singapore	100	100	100
	Tembusu Capital Pte. Ltd.	Singapore	Singapore	100	100	100

[1] Held through THPL – Nil% (2017: Nil%; 2016: 26%) and Tembusu Capital Pte. Ltd. – Nil% (2017: Nil%; 2016: 39%), and was disposed of in June 2016.

[2] Sembcorp Industries Ltd ("Sembcorp") is a company listed on the Singapore Exchange Securities Trading Limited. As at 31 March 2018, the Group's interest in Sembcorp was 49% (2017 and 2016: 49%). Having considered the absolute size of the Group's holding of voting rights and the relative size and dispersion of holdings of other shareholders, Sembcorp is classified as a subsidiary.

[3] Held through THPL – 50% (2017 and 2016: 50%) and Temasek Capital (Private) Limited – 1% (2017 and 2016: 1%).

[4] Held through THPL – 50% (2017: 50%; 2016: 51%) and Tembusu Capital Pte. Ltd. – 2% (2017: 2%; 2016: Nil%).

(b) Nature and extent of significant restrictions on the Group's ability to access assets and settle liabilities

THPL is an investment company that owns and manages its assets based on commercial principles. As a general principle, THPL does not issue any financial guarantee for the financial obligations of its portfolio companies.

Portfolio companies are guided and managed by their respective boards and management. THPL does not direct the commercial and operational decisions of these portfolio companies, but holds their respective boards accountable for the capital and risk management processes and financial performance of their companies.

Temasek's portfolio companies are legally distinct from one another and from Temasek and have no obligation to pay any amounts due with respect to one another's or Temasek's obligations or to make funds available for such payments. The ability of Temasek's portfolio companies to pay dividends or make other distributions or payments to Temasek is subject to, among others, dividend policies set out by listed portfolio companies, availability of profits or funds, restrictions on the payment of dividends contained in each portfolio company's indebtedness, and applicable laws and regulations. Temasek's sources of funds include divestment proceeds, dividends from portfolio companies, distributions from funds, supplemented by proceeds from borrowings and debt issuances. Temasek has occasionally received capital injections from its shareholder.

15. Non-controlling interests

The following tables set out the Group's subsidiaries with material non-controlling interests ("NCI") and summarised financial information of each subsidiary as extracted from their respective consolidated financial statements prepared in accordance with FRS, modified for fair value adjustments on acquisition and alignment to the Group's accounting policies (if any).

	Singapore Telecommunications Limited ("Singtel") $million	Singapore Airlines Limited ("SIA") $million	Sembcorp Industries Ltd ("Sembcorp") $million
2018			
Summarised income statement and statement of comprehensive income:			
Revenue	17,532	15,802	8,346
Profit for the year	5,430	1,016	245
Other comprehensive income	(652)	472	(104)
Total comprehensive income	4,778	1,488	141
Summarised balance sheet:			
Non-current assets	42,273	22,558	15,117
Current assets	5,981	4,968	8,096
Total assets	48,254	27,526	23,213
Non-current liabilities	(10,307)	(6,382)	(9,161)
Current liabilities	(8,293)	(6,549)	(5,836)
Total liabilities	(18,600)	(12,931)	(14,997)
Net assets	29,654	14,595	8,216
Summarised cash flow statement:			
Cash flows from/(used in):			
- operating activities	5,955	2,611	650
- investing activities	(1,951)	(4,581)	(92)
- financing activities	(4,009)	1,188	276
Net increase/(decrease) in cash and cash equivalents	(5)	(782)	834
Dividends to NCI included in cash flows from/(used in) financing activities	(1,605)	(160)	(101)
Ownership interests held by NCI	48%	44%	51%
Attributable to NCI:			
Profit for the year	2,586	476	132
Net assets	14,170	6,688	5,307

	Singtel $million	SIA $million	Sembcorp $million
2017			
Summarised income statement and statement of comprehensive income:			
Revenue	16,711	14,869	7,907
Profit for the year	3,831	320	437
Other comprehensive income	689	407	96
Total comprehensive income	4,520	727	533
Summarised balance sheet:			
Non-current assets	42,377	18,996	14,666
Current assets	5,917	5,702	7,624
Total assets	48,294	24,698	22,290
Non-current liabilities	(10,808)	(4,961)	(8,112)
Current liabilities	(9,272)	(6,288)	(6,016)
Total liabilities	(20,080)	(11,249)	(14,128)
Net assets	28,214	13,449	8,162
Summarised cash flow statement:			
Cash flows from/(used in):			
- operating activities	5,315	2,534	872
- investing activities	(4,832)	(2,944)	(801)
- financing activities	(422)	(225)	214
Net increase/(decrease) in cash and cash equivalents	61	(635)	285
Dividends to NCI included in cash flows from/(used in) financing activities	(1,371)	(270)	(138)
Ownership interests held by NCI	48%	44%	51%
Attributable to NCI:			
Profit for the year	1,821	187	245
Net assets	13,495	6,182	5,288

	Singtel $million	SIA $million	Sembcorp $million
2016			
Summarised income statement and statement of comprehensive income:			
Revenue	16,961	15,239	9,545
Profit for the year	3,858	852	454
Other comprehensive income	(735)	233	172
Total comprehensive income	3,123	1,085	626
Summarised balance sheet:			
Non-current assets	38,400	16,993	12,308
Current assets	5,165	6,776	7,608
Total assets	43,565	23,769	19,916
Non-current liabilities	(12,023)	(4,197)	(5,926)
Current liabilities	(6,540)	(6,440)	(5,946)
Total liabilities	(18,563)	(10,637)	(11,872)
Net assets	25,002	13,132	8,044
Summarised cash flow statement:			
Cash flows from/(used in):			
- operating activities	4,648	3,005	(704)
- investing activities	(2,740)	(2,700)	(1,277)
- financing activities	(2,044)	(1,321)	1,912
Net increase/(decrease) in cash and cash equivalents	(136)	(1,016)	(69)
Dividends to NCI included in cash flows from/(used in) financing activities	(1,368)	(182)	(276)
Ownership interests held by NCI	49%	44%	51%
Attributable to NCI:			
Profit for the year	1,884	398	187
Net assets	12,256	5,929	5,299

16. Associates

	2018 $million	2017 $million	2016 $million
Investments in associates	61,913	62,084	60,601

(a) Details of material associates:

Name of associate	Principal places of business	Country of incorporation	Effective equity held by the Group 2018 %	2017 %	2016 %
Held by THPL					
CapitaLand Limited	China, Singapore	Singapore	40	40	39
[1] DBS Group Holdings Ltd	Singapore	Singapore	29	29	30
Held by Tembusu Capital Pte. Ltd.					
A.S. Watson Holdings Limited	Asia, Western Europe	Cayman Islands	25	25	25
Held by PSA International Pte Ltd					
Hutchison Port Holdings Limited	British Virgin Islands	British Virgin Islands	20	20	20
Hutchison Ports Investments S.à.r.l.	Luxembourg	Luxembourg	20	20	20

[1] Held through THPL – 11% (2017: 11%; 2016: 12%) and Maju Holdings Pte. Ltd. – 18% (2017 and 2016: 18%).

(b) The nature and extent of significant restrictions on the Group's ability to access assets and settle liabilities are disclosed in note 14(b).

(c) The Group's share of contingent liabilities of associates is disclosed in note 38.

(d) The following tables set out the Group's material associates and summarised financial information of each associate as extracted from their respective consolidated financial statements, modified for fair value adjustments on acquisition and alignment to the Group's accounting policies (if any).

(i) *CapitaLand Limited and its subsidiaries ("CapitaLand")*

	2018 $million	2017 $million	2016 $million
Summarised income statement and statement of comprehensive income:			
Revenue	4,610	5,252	4,762
Profit for the year	2,326	1,504	1,495
Other comprehensive income	(409)	(1,144)	592
Total comprehensive income	1,917	360	2,087
Less: attributable to non-controlling interests	(721)	(166)	(430)
Total comprehensive income attributable to equity holders of CapitaLand	1,196	194	1,657
Summarised balance sheet:			
Non-current assets	49,219	33,976	34,426
Current assets	12,227	11,765	12,627
Non-current liabilities	(20,560)	(13,712)	(15,185)
Current liabilities	(8,803)	(7,728)	(6,930)
Net assets	32,083	24,301	24,938
Less: attributable to non-controlling interests	(13,701)	(6,696)	(7,032)
Net assets attributable to equity holders of CapitaLand	18,382	17,605	17,906
Group's interest in net assets of CapitaLand:			
At beginning of the year	6,967	7,071	6,601
Group's share of:			
- Profit for the year	618	471	421
- Other comprehensive income	(94)	(424)	200
- Total comprehensive income	524	47	621
Dividend income	(168)	(151)	(151)
At end of the year	7,323	6,967	7,071
Market value [2]	6,000	6,101	5,143

[2] Based on quoted market price at 31 March (Level 1 in the fair value hierarchy).

(ii) *DBS Group Holdings Ltd and its subsidiaries ("DBS")*

	2018 $million	2017 $million	2016 $million
Summarised income statement and statement of comprehensive income:			
Total income	12,274	11,489	10,923
Profit for the year	4,504	4,360	4,567
Other comprehensive income	(261)	(25)	(119)
Total comprehensive income	4,243	4,335	4,448
Less: attributable to non-controlling interests	(129)	(121)	(121)
Total comprehensive income attributable to equity holders of DBS	4,114	4,214	4,327
Summarised balance sheet:			
Total assets	517,711	481,570	457,834
Total liabilities	(467,909)	(434,600)	(415,038)
Net assets	49,802	46,970	42,796
Less: attributable to non-controlling interests	(2,344)	(2,361)	(2,422)
Net assets attributable to equity holders of DBS	47,458	44,609	40,374
Group's interest in net assets of DBS:			
At beginning of the year	12,805	12,037	10,869
Group's share of:			
- Profit for the year	1,267	1,238	1,321
- Other comprehensive income	(76)	(24)	(85)
- Total comprehensive income	1,191	1,214	1,236
Conversion of non-voting redeemable convertible preference shares to ordinary shares	-	-	378
Dividend income	(468)	(446)	(446)
At end of the year	13,528	12,805	12,037
Market value [2]	20,411	14,393	11,428

[2] Based on quoted market price at 31 March (Level 1 in the fair value hierarchy).

(iii) *A.S. Watson Holdings Limited and its subsidiaries ("A.S. Watson")*

	2018 $million	2017 $million	2016 $million
Summarised income statement and statement of comprehensive income:			
Revenue	21,438	21,783	22,268
Profit for the year	1,540	1,584	1,646
Other comprehensive income	(1,961)	687	(978)
Total comprehensive income	(421)	2,271	668
Less: attributable to non-controlling interests	(19)	(25)	(26)
Total comprehensive income attributable to equity holders of A.S. Watson	(440)	2,246	642
Summarised balance sheet:			
Non-current assets	30,812	32,445	31,389
Current assets	7,357	7,265	7,121
Non-current liabilities	(2,491)	(262)	(2,422)
Current liabilities	(5,055)	(7,303)	(5,050)
Net assets	30,623	32,145	31,038
Less: attributable to non-controlling interests	(52)	(55)	(65)
Net assets attributable to equity holders of A.S. Watson	30,571	32,090	30,973
Group's interest in net assets of A.S. Watson:			
At beginning of the year	8,005	7,727	7,860
Group's share of:			
- Profit for the year	379	389	404
- Other comprehensive income	(489)	171	(244)
- Total comprehensive income	(110)	560	160
Dividend income	(269)	(282)	(284)
Other adjustments	-	-	(9)
At end of the year	7,626	8,005	7,727

(iv) *Associates held by PSA International Pte Ltd and its subsidiaries ("PSA")*

The following disclosure is extracted from the consolidated financial statements of PSA.

	2018 $million	2017 $million	2016 $million
At beginning of the year	3,539	3,497	4,456
Group's share of:			
- Profit for the year	171	184	188
- Other comprehensive income	107	(80)	(133)
- Total comprehensive income	278	104	55
Investment during the year	1	-	-
Dividend income	(131)	(134)	(158)
Repayment of loans	-	-	(1,110)
Translation differences	(273)	72	254
At end of the year	3,414	3,539	3,497

(e) Summarised financial information of the Group's aggregated interest in remaining individually immaterial associates:

	2018 $million	2017 $million	2016 $million
Group's share of:			
- Profit for the year	4,344	976	2,099
- Other comprehensive income	(441)	775	413
- Total comprehensive income	3,903	1,751	2,512
Carrying amount of the Group's aggregated interest in individually immaterial associates	30,022	30,768	30,269

17. Joint ventures

Summarised financial information of the Group's aggregated interest in individually immaterial joint ventures:

	2018 $million	2017 $million	2016 $million
Group's share of:			
- Profit for the year	2,321	2,456	2,240
- Other comprehensive income	481	(435)	(175)
- Total comprehensive income	2,802	2,021	2,065
Carrying amount of the Group's aggregated interest in individually immaterial joint ventures	22,854	21,410	19,498

The Group's share of capital commitments of joint ventures is disclosed in note 37.

18. Financial assets

	Note	2018 $million	2017 $million	2016 $million
Non-current assets				
Available-for-sale financial assets	(a)	120,075	89,276	80,078
Financial assets at fair value through profit or loss		10,780	7,904	6,822
Held-to-maturity financial assets		113	157	546
		130,968	97,337	87,446
Current assets				
Available-for-sale financial assets	(a)	3,167	4,274	2,165
Financial assets at fair value through profit or loss		14,177	12,441	11,795
Held-to-maturity financial assets		72	456	450
		17,416	17,171	14,410
		148,384	114,508	101,856
Financial assets at fair value through profit or loss:				
- held for trading		6,383	5,135	5,367
- at fair value on initial recognition		18,574	15,210	13,250
		24,957	20,345	18,617

(a) Included in available-for-sale financial assets were securities sold under repurchase agreements of $Nil (2017: $1,204 million; 2016: $873 million). The corresponding liability in relation to these agreements together with repurchase agreement for investment securities of $Nil (2017: $1,201 million; 2016: $873 million) was included under current deposits and balances of banks placed with banking subsidiaries (note 32). The liability in relation to the repurchase agreements of government securities had matured during the year ended 31 March 2018. These transactions were conducted under terms that were usual and customary to standard securities borrowing and lending activities.

Significant exposure to non-functional currencies:

	2018 $million	2017 $million	2016 $million
US Dollar	59,699	43,838	35,082
Hong Kong Dollar	30,916	26,511	24,843
Korean Won	9,030	3,321	3,349
Euro	8,604	5,479	5,115
Pound Sterling	8,498	7,990	5,868

Fair value hierarchy

Classification of financial assets carried at fair value by levels (as defined in note 35):

	Level 1 $million	Level 2 $million	Level 3 $million	Total $million
2018				
Non-current assets				
Available-for-sale financial assets	84,563	1,797	33,715	120,075
Financial assets at fair value through profit or loss	2,713	1,133	6,934	10,780
	87,276	2,930	40,649	130,855
Current assets				
Available-for-sale financial assets	2,918	152	97	3,167
Financial assets at fair value through profit or loss	8,584	5,160	433	14,177
	11,502	5,312	530	17,344
	98,778	8,242	41,179	148,199
2017				
Non-current assets				
Available-for-sale financial assets	60,122	2,345	26,809	89,276
Financial assets at fair value through profit or loss	2,554	1,082	4,268	7,904
	62,676	3,427	31,077	97,180
Current assets				
Available-for-sale financial assets	1,444	2,830	-	4,274
Financial assets at fair value through profit or loss	8,232	3,260	949	12,441
	9,676	6,090	949	16,715
	72,352	9,517	32,026	113,895
2016				
Non-current assets				
Available-for-sale financial assets	55,844	2,091	22,143	80,078
Financial assets at fair value through profit or loss	2,177	1,005	3,640	6,822
	58,021	3,096	25,783	86,900
Current assets				
Available-for-sale financial assets	709	1,429	27	2,165
Financial assets at fair value through profit or loss	8,722	2,328	745	11,795
	9,431	3,757	772	13,960
	67,452	6,853	26,555	100,860

Reconciliation of movements in Level 3 fair values:

	Note	2018 $million	2017 $million	2016 $million
At beginning of the year		32,026	26,555	22,141
Gain/(Loss) recognised in the income statement as:				
- revenue		73	16	(63)
- other income		2,115	853	448
- other expenses		(532)	(646)	(10)
Net gain recognised in the income statement		1,656	223	375
Net gain/(loss) recognised in other comprehensive income		673	1,161	(474)
Purchases		13,940	9,126	9,864
Sales		(4,924)	(4,086)	(4,267)
Settlements		(1,063)	(147)	(523)
Acquisition of subsidiaries		-	-	74
Disposal of subsidiaries		-	(71)	(176)
Transfer into Level 3	(i)	377	20	530
Transfer out of Level 3	(ii)	(1,071)	(895)	(1,070)
Translation differences		(435)	140	81
At end of the year		41,179	32,026	26,555

Financial assets included within Level 3 are valued based on valuation methods in accordance with FRS, which include adjusted net asset values and approximate fair values.

(i) During the year ended 31 March 2018, an associate with a carrying amount of $200 million was reclassified as available-for-sale financial assets due to loss of significant influence over the associate.

During the year ended 31 March 2016, a subsidiary and an associate with carrying amounts totalling $515 million were reclassified as available-for-sale financial assets due to loss of control over the subsidiary and loss of significant influence over the associate.

(ii) Financial assets with carrying amount of $1,029 million (2017: $806 million; 2016: $190 million) were transferred from Level 3 to Level 1 because the securities became listed.

During the year ended 31 March 2016, financial assets with carrying amount of $818 million were transferred from Level 3 to Level 2 as observable market data for fair value measurement inputs became available.

19. Derivative financial instruments

	2018		2017		2016	
	Assets $million	Liabilities $million	Assets $million	Liabilities $million	Assets $million	Liabilities $million
Non-current						
Hedging instruments	900	(775)	794	(843)	842	(975)
Non-hedging instruments	113	(431)	161	(275)	141	(198)
	1,013	(1,206)	955	(1,118)	983	(1,173)
Current						
Hedging instruments	760	(1,135)	479	(563)	208	(948)
Non-hedging instruments	1,695	(950)	2,006	(1,022)	919	(663)
	2,455	(2,085)	2,485	(1,585)	1,127	(1,611)
	3,468	(3,291)	3,440	(2,703)	2,110	(2,784)
Analysed as:						
Commodity contracts	1,344	(660)	1,689	(742)	596	(371)
Cross-currency swaps	566	(839)	821	(308)	820	(724)
Currency forwards	684	(715)	604	(840)	466	(575)
Currency options	6	(39)	35	-	-	-
Currency swaps	4	(36)	17	(15)	17	(34)
Interest-rate swaps	84	(199)	85	(245)	121	(266)
Fuel oil swaps/options	668	(21)	106	(304)	3	(714)
Futures contracts	4	(5)	5	(5)	8	(6)
Others	108	(777)	78	(244)	79	(94)
	3,468	(3,291)	3,440	(2,703)	2,110	(2,784)

Fair value hierarchy

Classification of derivative financial instruments carried at fair value by levels (as defined in note 35):

	Level 1 $million	Level 2 $million	Level 3 $million	Total $million
2018				
Assets				
Non-current	-	973	40	1,013
Current	110	2,234	111	2,455
	110	3,207	151	3,468
Liabilities				
Non-current	-	(847)	(359)	(1,206)
Current	(232)	(1,161)	(692)	(2,085)
	(232)	(2,008)	(1,051)	(3,291)

	Level 1 $million	Level 2 $million	Level 3 $million	Total $million
2017				
Assets				
Non-current	-	843	112	955
Current	499	1,834	152	2,485
	499	2,677	264	3,440
Liabilities				
Non-current	-	(906)	(212)	(1,118)
Current	(133)	(1,422)	(30)	(1,585)
	(133)	(2,328)	(242)	(2,703)
2016				
Assets				
Non-current	-	928	55	983
Current	131	936	60	1,127
	131	1,864	115	2,110
Liabilities				
Non-current	-	(1,101)	(72)	(1,173)
Current	(204)	(1,393)	(14)	(1,611)
	(204)	(2,494)	(86)	(2,784)

Reconciliation of movements in Level 3 fair values:

	Derivative assets			Derivative liabilities		
	2018 $million	2017 $million	2016 $million	2018 $million	2017 $million	2016 $million
At beginning of the year	264	115	919	(242)	(86)	(12)
(Loss)/Gain recognised in the income statement as:						
- other income	(123)	87	(843)	(958)	(63)	39
- other expenses	-	-	-	-	(33)	(99)
Net (loss)/gain recognised in the income statement	(123)	87	(843)	(958)	(96)	(60)
Net loss recognised in other comprehensive income	-	-	(1)	-	-	-
Purchases	75	74	61	(69)	(12)	-
Sales	(53)	-	-	-	-	-
Settlements	(15)	(11)	(21)	220	(49)	(13)
Acquisition of subsidiaries	2	-	-	(2)	-	-
Translation differences	1	(1)	-	-	1	(1)
At end of the year	151	264	115	(1,051)	(242)	(86)

20. Investment properties

	2018 $million	2017 $million	2016 $million
Investment properties			
At beginning of the year	38,039	34,424	23,549
Acquisition/(disposal) of subsidiaries, net	1,197	59	4,903
Additions	3,654	1,510	4,264
Disposals	(521)	(392)	(29)
Transfer from property, plant and equipment/properties under development	2,027	1,292	956
Fair value gain recognised as other income in the income statement	2,249	1,123	928
Translation differences	(715)	23	(147)
Assets classified as held for sale	(1,002)	-	-
At end of the year	44,928	38,039	34,424
Properties under development			
At beginning of the year	1,988	1,898	1,947
Acquisition/(disposal) of subsidiaries, net	14	(42)	115
Additions	1,471	1,031	778
Disposals	(37)	(2)	-
Fair value gain recognised in the income statement	43	66	60
Transfer to investment properties/inventories	(2,061)	(969)	(952)
Translation differences	(59)	6	(50)
At end of the year	1,359	1,988	1,898
	46,287	40,027	36,322

Amounts recognised in the income statement:

	2018 $million	2017 $million	2016 $million
Rental income from investment properties	2,320	2,183	1,696
Direct operating expenses arising from investment properties that generated rental income	(487)	(455)	(368)

Investment properties amounting to $6,324 million (2017: $5,940 million; 2016: $4,301 million) were mortgaged to banks to secure bank loans (note 28(c)(iii)).

Investment properties and properties under development are classified under Level 3 of the fair value hierarchy.

Mapletree Investments Pte Ltd and its subsidiaries ("Mapletree")

As at 31 March 2018, the fair values of investment properties of $37,422 million (2017: $30,686 million; 2016: $28,564 million) and properties under development of $410 million (2017: $1,663 million; 2016: $1,647 million) were determined by independent professional valuers. These valuers had appropriate professional qualifications and experience in the location and category of the properties being valued. It is the intention of Mapletree to hold the investment properties and properties under development on a long term basis.

Fair values of Mapletree's properties under Level 3 of the fair value hierarchy have been generally derived using the following methods:

- Income capitalisation - Properties are valued by capitalising net rental income after property tax at a rate which reflects the present and potential income growth and over the unexpired lease term.

- Discounted cash flow - Properties are valued by discounting the future net income stream over a period to arrive at a present value.

- Direct comparison - Properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with adjustments made for differences in location, tenure, size, shape, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions.

- Residual value - Investment properties under redevelopment or development are valued, as a starting point using the direct comparison method, income capitalisation method and/or discounted cash flow method to derive the fair value of the property as if the redevelopment or development was already completed at balance sheet date. Deductions from that fair value, such as estimated construction cost and other costs to completion and estimated profit margin required to hold and develop property to completion are made to reflect the current condition of the property under redevelopment and development.

21. Deferred tax

Movements in deferred tax assets and liabilities (prior to offsetting of balances):

	Provisions $million	Tax losses and capital allowances $million	TWDV [1] in excess of NBV [2] of assets $million	Others $million	Total $million
Deferred tax assets					
At 1 April 2015	472	401	308	1,104	2,285
Acquisition/(Disposal) of subsidiaries	(9)	44	-	(37)	(2)
Recognised in income statement	10	(28)	-	98	80
Recognised in equity	(1)	(32)	(97)	(57)	(187)
Transfer from/(to) current tax payable	-	(2)	-	(17)	(19)
Translation differences	-	6	(3)	(1)	2
At 31 March 2016	472	389	208	1,090	2,159
Acquisition/(Disposal) of subsidiaries	(12)	1	-	(35)	(46)
Recognised in income statement	65	1	27	(33)	60
Recognised in equity	-	-	-	(77)	(77)
Transfer from/(to) current tax payable	21	(82)	-	71	10
Translation differences	10	(27)	5	2	(10)
At 31 March 2017	556	282	240	1,018	2,096
Acquisition/(Disposal) of subsidiaries	(104)	132	2	-	30
Recognised in income statement	27	(135)	24	(163)	(247)
Recognised in equity	5	-	-	(28)	(23)
Transfer from/(to) current tax payable	12	(3)	-	(43)	(34)
Translation differences	(24)	(4)	(6)	(21)	(55)
At 31 March 2018	472	272	260	763	1,767

[1] TWDV - Tax written down value

[2] NBV - Net book value

	Accelerated tax depreciation $million	Revaluation gains $million	Others $million	Total $million
Deferred tax liabilities				
At 1 April 2015	5,040	362	537	5,939
Acquisition/(Disposal) of subsidiaries	16	87	101	204
Recognised in income statement	115	75	31	221
Recognised in equity	-	(69)	18	(51)
Transfer from/(to) current tax payable	7	-	(1)	6
Translation differences	(1)	2	(5)	(4)
At 31 March 2016	5,177	457	681	6,315
Acquisition/(Disposal) of subsidiaries	18	(23)	245	240
Recognised in income statement	87	(10)	18	95
Recognised in equity	1	45	(11)	35
Transfer from/(to) current tax payable	-	-	94	94
Translation differences	(2)	4	92	94
At 31 March 2017	5,281	473	1,119	6,873
Acquisition/(Disposal) of subsidiaries	279	1	34	314
Recognised in income statement	174	116	(158)	132
Recognised in equity	-	225	4	229
Transfer from/(to) current tax payable	(1)	-	(25)	(26)
Translation differences	(4)	19	(40)	(25)
At 31 March 2018	5,729	834	934	7,497

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the balance sheet as follows:

	2018 $million	2017 $million	2016 $million
Deferred tax assets	1,030	1,397	1,382
Deferred tax liabilities	6,760	6,174	5,538

Deferred tax assets have not been recognised in respect of the following items:

	2018 $million	2017 $million	2016 $million
Deductible temporary differences	5,634	4,639	4,852
Tax losses	4,560	4,058	2,381
	10,194	8,697	7,233

Deductible temporary differences and tax losses are subject to agreement by tax authorities and compliance with tax regulations in respective countries in which certain subsidiaries operate. Deductible temporary differences and tax losses do not expire under current tax legislation except for tax losses amounting to $163 million (2017: $175 million; 2016: $124 million) which will expire between 2018 and 2028 (2017: between 2017 and 2028; 2016: between 2016 and 2028).

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the subsidiaries of the Group can utilise the benefits.

22. Other non-current assets

	Note	2018 $million	2017 $million	2016 $million
Loans and bills receivable of banking subsidiaries	(a)	8,233	8,826	9,100
Loans to:				
- associates and joint ventures	(b)	479	1,745	1,658
- others		325	293	282
Defined benefit assets		3	-	-
Finance lease receivables		20	50	98
Prepayments		562	504	232
Provisional goodwill on consolidation		-	-	499
Service concession receivables		981	461	228
Other receivables		1,391	1,411	1,377
		11,994	13,290	13,474
Allowance for impairment		(340)	(448)	(399)
		11,654	12,842	13,075

(a) Loans and bills receivable of banking subsidiaries

Included in loans and bills receivable of banking subsidiaries (non-current and current (note 24) are $3,568 million (2017: $3,029 million; 2016: $2,722 million) that were pledged as collateral for borrowing facilities granted to subsidiaries and $487 million (2017: $465 million; 2016: $507 million) that were pledged as collateral for bonds issued by a subsidiary (note 28(c)(iv)).

(b) Loans to associates and joint ventures

Loans to associates and joint ventures mainly consist of a loan to NetLink Trust ("NLT") of $1.10 billion by Singapore Telecommunications Limited and its subsidiaries, which carried a fixed interest rate and secured by a fixed and floating charge over NLT's assets and business undertakings. The loan was fully paid during the year ended 31 March 2018.

23. Inventories

	Note	2018 $million	2017 $million	2016 $million
Bunkers, fuel stocks and general consumables		668	605	713
Commodity inventories		6,045	7,414	6,791
Development properties held for sale		116	109	307
Finished goods		1,990	891	832
Raw materials, supplies, engineering products and sundry items		949	885	875
Work-in-progress		1,447	2,273	1,950
		11,215	12,177	11,468
Allowance for inventories		(535)	(447)	(447)
		10,680	11,730	11,021
Carried at:				
Fair value				
- Level 2 of the fair value hierarchy	(a)	3,706	4,550	4,308
- Level 3 of the fair value hierarchy		390	816	336
		4,096	5,366	4,644
Lower of cost and net realisable value		6,584	6,364	6,377
		10,680	11,730	11,021

Inventories with carrying amount of $195 million (2017: $157 million; 2016: $321 million) were pledged as collaterals to secure bank loans (note 28(c)(v)).

Inventories recognised as cost of sales for the year amounted to $28,912 million (2017: $23,017 million; 2016: $22,352 million).

(a) Inventories classified under Level 2 of the fair value hierarchy are valued using valuation techniques with market observable inputs. The models incorporate various inputs including broker quotes for similar transactions, credit quality of counter-parties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodities.

24. Trade and other receivables

	Note	2018 $million	2017 $million	2016 $million
Trade receivables		13,588	11,870	11,370
Allowance for impairment of trade receivables		(759)	(715)	(736)
Net trade receivables	(a)	12,829	11,155	10,634
Advance payments to suppliers		1,130	1,320	1,169
Amounts due from associates and joint ventures				
- trade		164	142	235
- non-trade		326	353	327
Due from customers on contracts	25	1,887	2,427	3,449
Interest and dividend receivables		758	1,147	591
Loans and bills receivable of banking subsidiaries	22(a)	7,985	9,246	8,606
Loans to:				
- associates and joint ventures		81	60	92
- others		167	152	157
Placements and balances with banks		1,458	1,747	3,069
Prepayments and deposits		2,582	2,131	1,919
Tax prepayments and recoverables		176	152	218
Other receivables		3,795	3,838	4,216
		33,338	33,870	34,682
Allowance for impairment of other receivables		(251)	(506)	(506)
		33,087	33,364	34,176

(a) Analysis of trade receivables:

	2018 $million	2017 $million	2016 $million
Not past due and not impaired	9,976	8,539	8,704
Past due but not impaired	2,853	2,616	1,930
Impaired	759	715	736
	13,588	11,870	11,370

Movements in allowance for impairment of trade receivables:

	2018 $million	2017 $million	2016 $million
At beginning of the year	715	736	537
Acquisition/(Disposal) of subsidiaries	2	(52)	(7)
Allowance recognised as an expense in the income statement	211	211	379
Allowance utilised	(148)	(195)	(184)
Translation differences	(21)	15	11
At end of the year	759	715	736

Significant exposure to non-functional currencies:

	2018 $million	2017 $million	2016 $million
US Dollar	2,344	2,640	3,556
Euro	683	290	355
Japanese Yen	294	224	208
Pound Sterling	267	332	484
Hong Kong Dollar	229	257	247

25. Contracts work-in-progress

	Note	2018 $million	2017 $million	2016 $million
Aggregated recognised contract costs and recognised profits (less recognised losses) to date		19,765	17,456	16,076
Allowance for foreseeable losses		(237)	(216)	(287)
		19,528	17,240	15,789
Progress billings		(18,626)	(15,705)	(13,271)
		902	1,535	2,518
Analysed by:				
Due from customers on contracts	24	1,887	2,427	3,449
Due to customers on contracts	32	(985)	(892)	(931)
		902	1,535	2,518

Sembcorp Industries Ltd and its subsidiaries ("Sembcorp")

During the current year, certain construction contracts were terminated, and the relevant contract revenue and related costs of sales, including contract price adjustments from contract modifications, previously recognised according to the stage of completion, were reversed through profit or loss. The amount of payment received to date on these contracts, which Sembcorp is contractually entitled to, however continues to be recognised in revenue and is not reversed. The effect of these contracts reversals of $64 million is recognised in current year's profit or loss. Work-in-progress related to these contracts has been transferred to finished goods on termination of the construction contracts.

Sembcorp conducted a review of all its long-term construction contracts and concluded that certain contracts with a few customers were loss-making, resulting in an allowance as at the balance sheet date of $201 million (2017: $190 million; 2016: $278 million). Such losses took into account the expected contract price adjustments from modifications to the original contract terms and deterioration in credit risk assessments on these customers, as well as the total costs to complete these construction contracts where the costs are expected to exceed the revised contract revenue.

26. Cash and bank balances

	Note	2018 $million	2017 $million	2016 $million
Fixed deposits		34,763	39,805	30,539
Cash on hand and at bank		12,271	12,955	12,437
Cash and bank balances in the consolidated balance sheet		47,034	52,760	42,976
Less:				
Bank overdrafts	28			
- secured		(28)	(31)	(23)
- unsecured		(107)	(192)	(199)
Restricted cash		(478)	(460)	(141)
Cash and cash equivalents in the consolidated cash flow statement		46,421	52,077	42,613

Significant exposure to non-functional currencies:

	2018 $million	2017 $million	2016 $million
US Dollar	7,760	6,260	5,849
Euro	1,201	571	440
Renminbi	783	1,090	1,510
British Pound	503	495	614
Singapore Dollar	338	752	485

27. Assets and liabilities classified as held for sale

Assets and liabilities classified as held for sale as at 31 March 2018 mainly comprise:

(a) Investment properties held by MJOF Pte. Ltd. and its subsidiaries of $896 million; and

(b) An investment in associate held by Fullerton Management Pte Ltd with a carrying amount of $360 million, in which the sale was completed in April 2018.

Assets and liabilities classified as held for sale as at 31 March 2016 mainly comprise:

(a) Seven finance-leased passenger aircrafts held by Singapore Airlines Limited and its subsidiaries (“SIA”) of $242 million;

(b) Investments held by SIA of $157 million; and

(c) Disposal group classified as held for sale by Ascendas-Singbridge Pte Ltd and its subsidiaries, which comprised mainly investment properties of $332 million and trade and other payables of $184 million.

28. Borrowings

	Note	2018 $million	2017 $million	2016 $million
Bank overdrafts	26			
- secured		28	31	23
- unsecured		107	192	199
		135	223	222
Bank loans	(e)			
- secured		13,329	11,642	10,201
- unsecured		31,888	30,405	29,279
		45,217	42,047	39,480
Fixed rate notes	(f)			
- secured		2,818	2,579	3,121
- unsecured		44,444	42,887	39,729
		47,262	45,466	42,850
Floating rate notes	(f)	740	1,164	1,805
Finance lease and hire purchase obligations	(g)	504	556	780
Commercial bills		1,525	1,510	1,658
Other loans		836	589	451
Total borrowings		96,219	91,555	87,246
Analysed by:				
Non-current liabilities		80,418	73,385	68,929
Current liabilities		15,801	18,170	18,317
Total borrowings		96,219	91,555	87,246

(a) Maturity of borrowings

	Total $million	Within 1 year $million	After 1 year but within 5 years $million	After 5 years $million
2018				
Bank overdrafts	135	135	-	-
Bank loans	45,217	10,949	30,203	4,065
Fixed rate notes	47,262	2,530	24,346	20,386
Floating rate notes	740	525	215	-
Finance lease and hire purchase obligations	504	57	105	342
Commercial bills	1,525	1,525	-	-
Other loans	836	80	449	307
	96,219	15,801	55,318	25,100

	Total $million	Within 1 year $million	After 1 year but within 5 years $million	After 5 years $million
2017				
Bank overdrafts	223	223	-	-
Bank loans	42,047	13,233	25,122	3,692
Fixed rate notes	45,466	2,743	20,786	21,937
Floating rate notes	1,164	384	616	164
Finance lease and hire purchase obligations	556	71	79	406
Commercial bills	1,510	1,510	-	-
Other loans	589	6	444	139
	91,555	18,170	47,047	26,338
2016				
Bank overdrafts	222	222	-	-
Bank loans	39,480	14,269	21,896	3,315
Fixed rate notes	42,850	1,935	17,817	23,098
Floating rate notes	1,805	-	1,646	159
Finance lease and hire purchase obligations	780	78	177	525
Commercial bills	1,658	1,658	-	-
Other loans	451	155	131	165
	87,246	18,317	41,667	27,262

(b) Contractual cash flows

Expected contractual undiscounted cash flows including interest payments of significant borrowings:

		Cash flows			
	Carrying amount $million	Contractual cash flows $million	Within 1 year $million	After 1 year but within 5 years $million	After 5 years $million
2018					
Bank loans	45,217	50,635	12,205	31,710	6,720
Notes and commercial bills	49,527	61,555	6,319	29,327	25,909
	94,744	112,190	18,524	61,037	32,629
2017					
Bank loans	42,047	47,323	14,691	26,917	5,715
Notes and commercial bills	48,140	60,043	5,859	25,815	28,369
	90,187	107,366	20,550	52,732	34,084
2016					
Bank loans	39,480	43,208	15,359	23,466	4,383
Notes and commercial bills	46,313	51,933	4,192	22,803	24,938
	85,793	95,141	19,551	46,269	29,321

(c) Collateralised borrowings

The secured borrowings are collateralised by the following:

(i) property, plant and equipment (note 11(c));

(ii) intangible assets (note 12);

(iii) investment properties (note 20);

(iv) loans and bills receivable of banking subsidiaries (note 22(a));

(v) inventories (note 23); and

(vi) lien on export documents and pari passu charge on receivables, letter of credit and consumer financing receivables.

(d) Carrying amounts and fair values of borrowings

	2018 $million	2017 $million	2016 $million
Carrying amount	96,219	91,555	87,246
Fair value classification by levels (as defined in note 35):			
- Level 1	35,291	24,944	23,141
- Level 2	50,405	57,908	55,151
- Level 3	12,255	8,872	10,969
Total fair value	97,951	91,724	89,261

(e) Bank loans

These loans bear interest at rates ranging from 0.1% to 12.8% (2017: 0.1% to 23.5%; 2016: 0.1% to 23.0%) per annum.

(f) Fixed and floating rate notes

	Effective interest rate		
	2018 %	2017 %	2016 %
Fixed rate notes	0.5 – 11.0	0.7 – 11.0	0.9 – 11.0
Floating rate notes	2.5 – 5.0	1.1 – 5.0	0.3 – 4.2

The fixed and floating rate notes are mainly contributed by the following subsidiaries:

	Note	2018 $million	2017 $million	2016 $million
Temasek Financial (I) Limited	(i)	11,456	11,566	11,555
Singapore Telecommunications Limited and its subsidiaries	(ii)	7,824	8,682	8,348
Singapore Power Limited and its subsidiaries		4,568	4,125	4,119
Olam International Limited and its subsidiaries		4,361	4,063	3,627
Ascendas-Singbridge Pte Ltd and its subsidiaries		4,120	4,120	3,920

(i) Temasek Financial (I) Limited ("TFI")

The notes issued are part of a US$15.0 billion Guaranteed Global Medium Term Note Program (the "MTN Program"). Under the MTN Program, notes issued by TFI are fully and unconditionally guaranteed by THPL.

(ii) Singapore Telecommunications Limited and its subsidiaries ("Singtel")

Certain bonds, issued by Singtel Optus Pty Limited ("Optus"), a subsidiary of Singtel, amounting to $3,155 million (2017: $2,777 million; 2016: $2,767 million) are subject to a negative pledge that limits the amount of secured indebtedness of certain subsidiaries of Optus.

(g) Finance lease and hire purchase obligations

	2018 $million	2017 $million	2016 $million
Finance lease and hire purchase obligations due:			
Within 1 year	81	108	131
After 1 year but within 5 years	238	219	338
After 5 years	814	1,069	1,152
	1,133	1,396	1,621
Less: Future finance charges	(629)	(840)	(841)
Present value	504	556	780

Interest rates on finance lease and hire purchase obligations ranged from 0.3% to 25.0% (2017: 0.1% to 16.6%; 2016: 0.1% to 13.9%) per annum.

(h) Reconciliation of movements of liabilities to cash flows arising from financial activities

	Bank loans $million	Fixed rate notes and floating rate notes $million	Finance lease and hire purchase obligations $million	Commercial bills $million	Other loans $million	Derivatives^ $million	Loans from associates and joint ventures* $million	Interest payable (note 32) $million	Total $million
At 1 April 2017	42,047	46,630	556	1,510	589	(268)	5	677	91,746
Changes from financing cash flows									
Proceeds from borrowings	28,336	4,507	18	117	291	-	144	-	33,413
Repayments of borrowings	(24,922)	(2,071)			(174)	61	(3)	-	(27,109)
Repayments of finance lease and hire purchase obligations	-	-	(96)	-	-	-	-	-	(96)
Interest paid	(406)	(531)	(1)	-	-	-	-	(2,122)	(3,060)
Total changes from financing cash flows	3,008	1,905	(79)	117	117	61	141	(2,122)	3,148
Non-cash changes									
Changes arising from obtaining or losing control of subsidiaries or other businesses	1,063	-	119	-	131	-	-	-	1,313
New finance leases	-	-	7	-	-	-	-	-	7
Fair value adjustment	-	(136)	-	-	(2)	109	-	-	(29)
Effect of changes in foreign exchange rates	(1,201)	(1,050)	(41)	(136)	(42)	11	-	11	(2,448)
Interest expense	305	647	19	34	3	-	-	2,146	3,154
Others	(5)	6	(77)	-	40	-	-	-	(36)
Total non-cash changes	162	(533)	27	(102)	130	120	-	2,157	1,961
At 31 March 2018	45,217	48,002	504	1,525	836	(87)	146	712	96,855

^ Derivatives used for hedging financing activities are presented as part of derivative financial instruments (note 19).

* Loans from associates and joint ventures are presented as part of trade and other payables (note 32) and other non-current liabilities (note 31).

29. Provisions

	Note	2018 $million	2017 $million	2016 $million
Contingencies		127	112	222
Warranties		230	230	233
Others	(a)	3,273	3,071	2,730
		3,630	3,413	3,185
Analysed by:				
Non-current liabilities		988	1,053	1,069
Current liabilities		2,642	2,360	2,116
		3,630	3,413	3,185

(a) Included in Others is a provision for committed community contributions of $1,772 million (2017: $1,560 million; 2016: $1,410 million).

Movements in provisions:

	Contingencies $million	Warranties $million	Others $million	Total $million
At 1 April 2015	330	265	3,414	4,009
Acquisition/(Disposal) of subsidiaries	(12)	1	(54)	(65)
Provisions made/(reversed)	7	(3)	278	282
Provisions utilised	(114)	(33)	(910)	(1,057)
Translation differences	11	3	2	16
At 31 March 2016	222	233	2,730	3,185
Acquisition/(Disposal) of subsidiaries	(112)	(10)	5	(117)
Provisions made/(reversed)	30	42	1,044	1,116
Provisions utilised	(20)	(36)	(723)	(779)
Translation differences	(8)	1	15	8
At 31 March 2017	112	230	3,071	3,413
Acquisition/(Disposal) of subsidiaries	-	1	5	6
Provisions made/(reversed)	36	36	899	971
Provisions utilised	(23)	(35)	(705)	(763)
Translation differences	2	(2)	3	3
At 31 March 2018	127	230	3,273	3,630

30. Deferred income and liabilities

	Note	2018 $million	2017 $million	2016 $million
Customers' contributions for capital projects		201	295	314
Deferred grants and donations		277	179	199
Deferred gain on sale and leaseback transactions		55	69	14
Unearned revenue		2,882	2,775	2,781
Others	(a)	956	1,766	1,780
		4,371	5,084	5,088
Analysed by:				
Non-current liabilities		2,070	2,852	2,846
Current liabilities		2,301	2,232	2,242
		4,371	5,084	5,088

(a) Others mainly comprise:

Singapore Telecommunications Limited and its subsidiaries ("Singtel")

NetLink Trust ("NLT") was a business trust established as part of the Info-communications Media Development Authority of Singapore's ("IMDA") effective open access requirements under Singapore's Next Generation Nationwide Broadband Network. In prior years, Singtel had sold certain infrastructure assets, namely ducts and manholes used by OpenNet Pte. Ltd., and exchange buildings ("Assets"), and Singtel's business of providing duct and manhole services in relation to the Assets ("Business") to NLT.

The gain on disposal of Assets recorded by Singtel was deferred in the balance sheet and amortised over the useful lives of the Assets.

On 19 July 2017, Singtel sold its 100% interest in NLT to Netlink NBN Trust ("the Trust") for an aggregate consideration of $1.89 billion, comprising a cash consideration of $1.11 billion and 24.79% interest in the Trust. The net gain on disposal was $2.03 billion which included the release of deferred gains (after tax) of $1.10 billion on past sales of Assets and Business to NLT.

Following the divestment, Singtel ceased to own units in NLT but continues to have an interest of 24.79% in the Trust which owns all the units in NLT. As Singtel does not have effective control over the Trust, the Trust is equity accounted as an associate.

31. Other non-current liabilities

	2018 $million	2017 $million	2016 $million
Accrued operating expenses	2,267	1,771	1,840
Advance payments received	570	451	594
Defined benefit obligations	488	458	485
Deposits from customers	436	503	466
Others	1,554	1,392	1,008
	5,315	4,575	4,393

32. Trade and other payables

	Note	2018 $million	2017 $million	2016 $million
Trade payables		12,990	13,067	12,289
Advance payments received		1,370	1,150	978
Accrued operating expenses		6,471	6,452	6,752
Accrued capital expenditures		1,435	1,358	1,289
Amounts due to associates and joint ventures		488	390	113
Deposits and balances of non-bank customers placed with banking subsidiaries	(a)	10,018	12,444	13,239
Deposits and balances of banks placed with banking subsidiaries	18(a)	457	1,787	1,407
Deposits from customers		735	734	696
Dividend payable to equity holder of THPL		4,303	3,236	944
Due to customers on contracts	25	985	892	931
Interest payable		712	677	665
Sales in advance of carriage and tickets		2,426	1,634	1,626
Others		6,559	5,535	4,868
		48,949	49,356	45,797

(a) Deposits and balances of non-bank customers placed with banking subsidiaries (current) include amounts designated as loan collaterals of $258 million (2017: $371 million; 2016: $390 million).

Significant exposure to non-functional currencies:

	2018 $million	2017 $million	2016 $million
US Dollar	3,672	4,400	5,136
Singapore Dollar	821	534	612
Euro	464	502	340
Pound Sterling	340	461	355
Renminbi	284	361	282

The expected contractual undiscounted cash flows, including interest payments, of significant trade and other payables (comprising trade payables, accrued operating expenses and deposits and balances placed with banking subsidiaries) approximate their respective carrying amounts at the balance sheet dates, and are to be settled mainly within one year subsequent to the respective balance sheet dates.

33. Operating lease commitments

(a) Where the Group is a lessee

The Group leases a number of warehouses, property, plant and equipment, office buildings, network facilities, aircraft, vessels and terminals under non-cancellable operating leases. The leases have different terms and termination dates. Some of the leases have specific clauses such as rental escalation clauses, renewal rights and purchase options.

Commitments for future minimum lease payments under non-cancellable operating leases:

	2018 $million	2017 $million	2016 $million
Within 1 year	1,916	1,990	2,169
After 1 year but within 5 years	4,900	5,330	5,951
After 5 years	3,668	4,260	5,540
	10,484	11,580	13,660

Details of significant operating lease commitments:

Singapore Airlines Limited and its subsidiaries ("SIA")

Aircraft

SIA has three B777-300ERs, twenty-one A330-300s and five A380-800s aircraft under operating leases at fixed rental rates. In three of the A380 lease agreements, lease rentals will be adjusted if the one-month LIBOR exceeds 6.50% per annum. The original lease terms range from 8 to 12 years.

For flexibility in fleet planning, most leases include extension options. The extension options provide for lease renewals up to a maximum of five years. In addition, there are 15 early termination options that allow termination of the leases up to two years prior to original lease expiry. Sub-leasing is allowed under all the lease arrangements.

SilkAir (Singapore) Private Limited ("SilkAir"), a subsidiary of SIA, has three A319-100s, eight A320-200s, and nine B737-800s under operating leases with fixed rental rates. The original lease terms for the three A319-100s range from 6.9 to 11.5 years, and SilkAir holds options to extend the leases for up to a maximum of three years. The original lease terms for the eight A320-200s range from 6.6 to 11.8 years and SilkAir holds options to extend the leases for one to five years. The original lease terms for the nine B737-800s range from 9.8 to 10.5 years, and SilkAir holds options to extend the leases for up to a maximum of four years. Sub-leasing is allowed under all the lease arrangements.

Budget Aviation Holdings Private Limited ("BAH"), a subsidiary of SIA, has twenty-nine A320-200 aircraft and two A319 aircraft under operating leases. The original lease terms on the aircraft are for 12 years. Sub-leasing is allowed under all the lease arrangements, subject to certain terms and conditions stated in the agreements.

Engines

SIA has operating lease agreements for four GE90-115B engines and six Trent 800 engines with fixed rental rates. The basic lease term for each engine varies from 5 to 6 years with extension options.

BAH has three spare engines under operating leases. The original lease terms on the engines are for 1 to 14 years. Sub-leasing is allowed under all the lease arrangements.

Property and equipment

SIA has entered into operating lease agreements for office and computer equipment, leasehold land and buildings. These non-cancellable leases have lease terms of between 1 to 50 years.

(b) Where the Group is a lessor

The Group leases out certain of its aircraft, investment properties and property, plant and equipment under operating leases. Some of the leases have escalation clauses and renewal rights.

Non-cancellable operating lease receivables:

	2018 $million	2017 $million	2016 $million
Within 1 year	2,953	2,552	2,310
After 1 year but within 5 years	6,144	5,027	4,786
After 5 years	2,968	2,412	2,847
	12,065	9,991	9,943

34. Financial risk management of financial assets and liabilities

Financial assets comprise investments in equity and debt securities, other non-current assets, trade and other receivables, cash and bank balances and derivative financial assets. Financial liabilities comprise trade and other payables, borrowings, other non-current liabilities and derivative financial liabilities.

Carrying amounts of financial instruments by categories:

	2018 $million	2017 $million	2016 $million
Loans and receivables	87,322	94,859	86,190
Available-for-sale financial assets	123,242	93,550	82,243
Held-to-maturity financial assets	185	613	996
Held for trading financial assets	6,383	5,135	5,367
Financial assets at fair value through profit or loss on initial recognition	18,574	15,210	13,250
Derivative financial instruments, net	177	737	(674)
Financial liabilities	(145,629)	(141,793)	(133,753)

(a) Financial risk management objectives and policies of Temasek Holdings (Private) Limited ("THPL")

THPL is an investment company that owns and manages its assets based on commercial principles. As a general principle, THPL does not issue any financial guarantee for the financial obligations of its portfolio companies.

Portfolio companies are guided and managed by their respective boards and management. THPL does not direct the commercial and operational decisions of these portfolio companies, but holds their respective boards accountable for the capital and risk management processes and financial performance of their companies. Financial risk management of these portfolio companies is managed by their management teams and supervised by their respective board of directors.

Disclosures of financial risk management of financial assets and liabilities relating to certain operating subsidiaries which contributed significantly to the consolidated financial assets and liabilities of the Group are set out in note 34(d). These disclosures are extracted from the financial risk management section of the respective operating subsidiaries' financial statements.

The disclosures in the following sections up to note 34(c) relate to risk management objectives and policies of THPL and its Investment Holding Companies (as defined in the following paragraph), together known as "Temasek".

Investment Holding Companies ("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 (1) THPL, (2) Temasek Pte. Ltd., a wholly-owned subsidiary of THPL, and/or (3) wholly-owned subsidiaries of Temasek Pte. Ltd.

The principal activities of THPL and its IHCs are that of investment holding, financing and/or the provision of investment advisory and consultancy services.

THPL Board determines the objectives and overall direction for its risk management framework and functions. Under the Board's guidance, the Chief Executive Officer and Senior Management team promote a culture of risk awareness and balanced risk-taking.

Enterprise risks, including the management of financial risks, are factored into the day to day decision making of Temasek on investments, divestments, company policies and processes. These decisions are taken under the supervision of the Chief Executive Officer and Senior Management team.

Temasek's established approval authorities, company policies and standard operating procedures continue to drive its end-to-end process controls. These procedures also cover Temasek's reporting requirements to the Board, Board Committees and Senior Management to apprise them of the relevant risk issues.

Not all risk considerations can be measured in quantitative terms, especially when such measurements are not available or impractical to compute. The methodology applied in the year ended 31 March 2018, is fundamentally similar to that of previous years.

(b) Financial risk profile of Temasek's portfolio

THPL's portfolio comprises mainly equities. As at 31 March 2018, THPL's net portfolio value of $308 billion (2017: $275 billion; 2016: $242 billion):

(i) refers to the sum of (1) the market value of investments in publicly-listed securities as of such specified date and (2) the fair value of investments in unlisted securities, in each case held directly by THPL or indirectly through an IHC, whether such holding is for the short term or the long term; and

(ii) takes into account the net amount of other assets and liabilities of THPL and its IHCs.

In respect of note 34(b)(i)(2), the fair value of unlisted available-for-sale investments is based on valuation methods in accordance with FRS, and the fair value of investments in unlisted subsidiaries, associates and joint ventures is based on the sum of (1) proportionate share of the shareholders' equity as set out in the financial statements of the relevant portfolio companies as at their respective financial year ends or latest available financial statements and (2) any premium paid, net of any subsequent impairment. In the case of unlisted subsidiaries, associates and joint ventures that hold substantially investments in publicly-listed securities, the fair value of investments in such unlisted subsidiaries, associates and joint ventures will take into account the market value of the underlying publicly-listed securities which they hold.

The above valuation policy has been approved by the Audit Committee.

Financial risks comprise mainly market risk, liquidity risk and credit risk. Market risks include equity price risk, foreign currency risk and interest rate risk.

As Temasek's portfolio comprises mostly equities, market risk exposure of Temasek's portfolio arises mainly from changes in equity prices, and such risk exposure is reflected in marked-to-market ("MTM") changes of the portfolio, including foreign exchange rate movements of the portfolio. More details are provided in note 34(c)(i).

Temasek has the flexibility to adopt a long-term view on its investments and is lightly geared with minimal liabilities. As such, while its portfolio is exposed to share price movements, Temasek does not necessarily have to liquidate its holdings in response to short-term fluctuations in the markets. With low gearing, interest rate risk exposure due to debt repricing is expected to be relatively low. More details are provided in note 34(c)(i) and (iii).

(c) Financial risk management processes and exposures

(i) Market risk

To assess the market risk of its portfolio, Temasek uses a Value-at-Risk ("VaR") statistical model that estimates the potential decline in portfolio value over a given period, based on historical market behaviour. Although VaR estimates are highly dependent on the assumptions and parameters used and can vary significantly in different market scenarios, they serve to provide a useful quantitative marker of relative and potential risks under normal market conditions. The total diversified VaR of Temasek's portfolio is reported to Temasek's Senior Management on a monthly basis and its Board of Directors on a quarterly basis.

As a long-term investor, Temasek computes an annual VaR to give its stakeholders a sense of how the portfolio might decline in value over a 12-month holding period. Monte Carlo simulation at 84% confidence level based on three years of weekly price data are used to compute the VaR with most weight assigned to the most recent 6 months. This is based on the assumption that the most recent 3-year history would be indicative of market behaviour over the next 12 months.

As at 31 March 2018, the VaR of Temasek's portfolio was about $36 billion (2017: $22 billion; 2016: $33 billion). This implies a 16% probability of its portfolio incurring MTM losses in excess of $36 billion (2017: $22 billion; 2016: $33 billion), on a net portfolio value of $308 billion (2017: $275 billion; 2016: $242 billion), in the following 12 months, assuming that the portfolio composition remains unchanged. This means that there is a 84% probability of an outcome better than a decline of portfolio value of $36 billion. The process also generates an indication of the upside potential for the portfolio even though conventional VaR reporting only focuses on the downside.

Over the financial year ended 31 March 2018, the VaR increased by $14 billion (2017: decreased by $11 billion; 2016: increased by $14 billion) while Temasek's net portfolio value increased by $33 billion (2017: increased by $33 billion; 2016: decreased by $24 billion). At 12% of the value of the portfolio as at 31 March 2018, VaR as a percentage of the portfolio increased from 31 March 2017, which stood at 8%.

The top 10 investment holdings contributed 48% (2017: 57%; 2016: 52%) of the total diversified VaR.

Although VaR provides valuable insights and a basis for comparing risks between investments, no single risk measure can capture all aspects of market risk in Temasek's portfolio. To complement the VaR measure, Temasek also conducts monthly stress tests and scenario analyses to gauge the effect of low probability but high impact events. Temasek has recalibrated the stress parameters during the course of 2009 and the Global Financial Crisis of 2008/2009 has continued to be an integral part of its stress tests.

(ii) Foreign currency risk

Foreign currency risk exposures comprise mainly transactional and translational foreign currency risks. Transactional foreign currency risk refers to cash flow related risk arising from Temasek's foreign currency denominated investments and related operating cash flows. Translational foreign currency risk refers to exchange rate impact on the balance sheet when translating Temasek's foreign currency portfolio into its Singapore Dollar functional currency.

It is Temasek's policy not to take positions in currencies with a view to making trading gains from currency movements. Where currency exposures arise naturally in the course of Temasek's business of investing and divesting in foreign currency denominated assets or international businesses, Temasek considers the merits of hedging transactional and translational foreign currency exposures on an economic basis.

Generally, Temasek uses forward contracts primarily to hedge its transactional currency exposures with known cash flow timeline and its translational foreign currency exposure. Such contracts allow Temasek to buy or sell currencies at market determined exchange rates and are executed purely for hedging purposes.

Transactional foreign currency exposures

Temasek's transactional foreign currency risk arises from its foreign currency denominated investments and related cash flows, including divestment cash flows, dividend receipts and operating expenses.

Translational foreign currency exposures

The translational foreign currency exposures of Temasek arise mainly from its investments in portfolio companies. When translating the value of these investments back to its functional currency, Singapore Dollars, it is subjected to volatility in foreign exchange movements.

Due to the long investment holding period, the cost of hedging such balance sheet exposures on a rolling basis can be costly. As such, Temasek only enters into selective currency hedges when the long term cost of the hedging program is expected to be off-set by the long term trajectory of the currency.

For all other investments, the foreign currency risk is therefore embedded in the projected risk-adjusted return calculation. Temasek also borrows in foreign currencies within its approved debt issuance limit which provides a partial natural hedge against the translational foreign currency exposure of its portfolio.

Foreign currency risk of financial assets, derivatives, cash and cash equivalents and borrowings accounts for 14% (2017: 21%; 2016: 21%) (before diversification effects) of Temasek's VaR.

(iii) Interest rate risk

Exposure to interest rate risk relates primarily to interest bearing liabilities. Temasek manages the interest rate risk by maintaining a mix of fixed and floating interest bearing liabilities of various maturities. Where necessary, Temasek also enters into derivative financial instruments such as interest rate swaps to hedge against potential interest rate risks, with the prior approval of Temasek's Senior Management Committee.

Interest rate risk accounts for 1% (2017: 3%; 2016: 2%) (before diversification effects) of Temasek's VaR.

(iv) Counterparty credit risk

Temasek has a counterparty credit risk management framework in place and the exposure to counterparty credit risk is monitored on an ongoing basis.

Counterparty credit risk arises mainly from the following activities:

- placement of cash and fixed deposits with banks;
- MTM gains from financial transactions before settlement of the trades;
- non-simultaneous transfer of payment and receipt currencies and/or securities when settling trades; and
- placement of financial assets in custody of custodians.

The maximum exposures arising from the placement of cash and fixed deposits with banks, non-simultaneous transfer of payment and receipt currencies and/or securities when settling trades and placement of financial assets in custody of custodians are the gross market value of the cash or asset transacted. The maximum exposure from MTM gains from financial transactions before settlement of the trades is the gross positive MTM, or net position MTM if legal netting arrangements are in place.

Limits on maximum exposure are imposed on the counterparties and where appropriate, Temasek seeks to reduce its counterparty's exposures by having in place legally enforceable netting agreements and collateral arrangements. Regular review of approved counterparties is also carried out.

(v) Liquidity risk

The liquidity needs for Temasek to manage its portfolio arise mainly from operational expenses and dividends to its shareholder. Being lightly geared with minimal liabilities recorded at THPL and its Investment Holding Companies and with a significant part of the investment portfolio comprising tradeable securities, there is no significant liquidity risk.

Temasek manages this liquidity risk through a combination of optimal cash holding and maintenance of credit facilities and borrowings. Excess funds are invested in short-term bank deposits and liquid securities that can be readily convertible to cash if required.

(d) Financial risk management objectives and policies of operating subsidiaries managed by their respective management

THPL does not direct the commercial and operational decisions of its portfolio companies, but holds their respective boards accountable for the capital and risk management processes and financial performance of their companies. Financial risk management of these portfolio companies is managed by their management teams and supervised by their respective board of directors.

The following disclosures on financial risk management of financial assets and liabilities relating to certain operating subsidiaries, which contributed significantly to consolidated financial assets and liabilities of the Group, are extracted from their respective financial statements.

PT Bank Danamon Indonesia Tbk and its subsidiaries ("Danamon")

Danamon is a subsidiary of Fullerton Financial Holdings Pte. Ltd.

The following disclosure is extracted from the financial statements of Fullerton Financial Holdings Pte. Ltd. and its subsidiaries, a wholly owned subsidiary of Fullerton Management Pte Ltd.

Risk management framework

Danamon is managed by its management, and guided and supervised by its Board. Fullerton Financial Holdings Pte. Ltd. does not direct Danamon's commercial and operational decisions, but holds Danamon's Board accountable for the financial performance and risk management processes of Danamon. As such, financial risk management of Danamon is the responsibility of its management team and supervised by its Board of Directors. The following sets forth the risk management disclosures of Danamon as primarily extracted from its financial statements for the years indicated, adjusted for differences in accounting standards and classifications, as applicable.

The organisation of Danamon's risk management involves oversight from the Board of Commissioners, the Board of Directors, and the Risk Monitoring Committee. The Risk Monitoring Committee is a committee that monitors risk at the Board of Commissioners' level. This committee functions as a supervisory board to monitor the implementation of risk management strategies and policies and evaluate the Board of Directors' accountability in managing the risk exposure across businesses both in the Danamon and its Subsidiaries. The Risk Monitoring Committee meets every month to analyse the performance of the loan portfolio and discuss other matters related to risk issues, mitigation mechanisms and potential losses. The Board of Commissioners delegates authority to the President Director and Board of Directors to implement the risk management strategy. The Risk Management Committee is established at the Board of Directors level and is responsible to oversee the day to day risk management strategy and policy development, manage overall risk both in the Danamon and its Subsidiaries, and oversee the implementation of strategies, policies and evaluate significant risk issues. The Risk Management Committee is chaired by the Integrated Risk Director. Further to the Financial Services Authority (OJK) Regulation on Integrated Risk Management of Financial Conglomeration, Danamon established an Integrated Risk Management Committee which is chaired by the Integrated Risk Director and the members consist of Danamon's Board of Directors, appointed Directors from each subsidiary and other related Executive Officer as nominated. The main function of Integrated Risk Management Committee is to provide recommendations to the Danamon's Board of Directors in relation to the preparation, improvement or enhancement of the Integrated Risk Management Policy to the Board of Directors of Danamon.

In line with the Financial Services Authority Regulation and industry best practices, Danamon has established an Integrated Risk function. Integrated Risk function combines credit, market, liquidity, and operational risks under one umbrella. This function is chaired by the Integrated Risk Director and fully staffed with experienced risk managers. It is a centralized and independent function, clearly separated with no reporting line or responsibility to business.

Danamon's principles of risk management are implemented proactively to support the achievement of sustainable growth. Therefore Danamon's risk management policy has been designed to create and implement a comprehensive approach to identify, measure, manage, and monitor the risks that Danamon faces in doing its business. Danamon's risk management policies are established to identify and analyse the risks, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. Danamon, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles, responsibilities, and obligations.

The Integrated Risk Management Policy has been reviewed and approved consistent with Bank Indonesia's regulation regarding Risk Management implementation for commercial banks and Financial Service Authority regulation regarding Integrated Risk Management Implementation for Financial Conglomeration. This policy is used as a guideline in the implementation of risk management at Danamon. The Integrated Risk Management Policy is reviewed periodically.

To improve risk awareness among employees and support Danamon's growth, the Integrated Risk Management in collaboration with Danamon Corporate University has established a Risk Management Academy covering Credit, Market, Liquidity and Operational Risk Management. The Risk Management Academy covers all employees. The syllabus consists of Basic, Intermediate, and Advanced Risk trainings. All training material has been completed and training has been carried out every year.

Danamon is actively involved in the preparation of Basel II/III implementation in accordance with Bank Indonesia ("BI") guidelines.

Under Capital Adequacy Basel II Pillar 1, Danamon has adopted the Standardised Approach for credit and market risk and the Basic Indicator Approach for operational risk.

For Capital Adequacy Basel II Pillar 2, Danamon has implemented Internal Capital Adequacy Assessment Process ("ICAAP") mechanism.

Internal Capital Adequacy Assessment Process is a self-assessment process whereby Danamon does not only cover capital adequacy from basic risks under Pillar 1 (Credit, Market & Operational Risk) but also take into consideration capital adequacy of other risks, as specified in Pillar 2 Basel & OJK regulation.

In addition to capital adequacy calculation based on risk profile rating as mandated by OJK, Danamon also uses internal ICAAP Framework to derive each of the risk components:

- Credit Concentration Risk
- Banking Book Interest Risk
- Liquidity Risk
- Stress Test Impact

In accordance with the regulation, Danamon's Internal Audit also annually reviews the ICAAP independently. As part of Basel II Pillar 3, Disclosure and Market Discipline was also implemented by Danamon from 2012 through its Annual Report publication as per BI regulation.

Danamon's Risk Management Committee is responsible to determine and recommend the risk management plan, policies, guidance, framework and strategies for Danamon and its subsidiaries.

(i) Credit risk

Credit risk is the potential financial loss caused by the failure of the borrower or counterparty in fulfilling its obligations. Credit risk exposure at Danamon primarily arises from lending activities as well as other functional activities such as trade finance, treasury and investment. Credit risk exposure can also increase due to the concentration of credit on certain debtor, geographic region, products, type of financing or business field. The objective of credit risk management is to control and manage credit risk exposures within acceptable limits in accordance with risk appetite, while optimising the risk adjusted returns.

Credit risk is managed through established policies and processes covering credit acceptance criteria, credit origination and approval, pricing, monitoring, problem loan management and portfolio management. Product programs and credit guidelines have also been developed by each business unit by referring to the established Credit Risk Policies and are reviewed regularly by related units.

Danamon's Credit Risk Policy is the core policy and main reference framework for the implementation of credit risk management in Danamon and its Subsidiaries. This policy, together with the credit risk guidelines, regulate a comprehensive risk management process from identification, measurement, monitoring up to risk control. All credit risk policies and guidelines are reviewed periodically to comply with applicable regulations and adjusted to the level of risk appetite of the Bank.

Starting April 2017, Danamon has established a Chief Credit Officer ("CCO") unit that is independently responsible for managing credit risk effectively. This unit is separated from the Integrated Management Risk unit.

Danamon closely monitors the performance of its loan portfolios, including its subsidiaries that enable Danamon and its subsidiaries to initiate preventive actions in a timely manner when deterioration is observed in credit quality. To detect possible problem loans, Danamon also has a Watch List for SME and Enterprise Banking segment customers.

Management Information Systems are also in place and cover a significant level of detail to detect any adverse development at an early stage, thus allowing for timely actions on the deterioration in credit quality or to minimise credit losses.

Danamon continues to actively manage and monitor the loan portfolio quality by improving credit risk policies effectively, improving procedures, and systems development in an effort to monitor the negative impact caused by non-performing loans. Danamon also reviews all relevant processes and policies on an ongoing basis, including any adjustment required due to changes in BI and Financial Services Authority regulation and developments in the external economic factors.

The creditworthiness of an individual counterparty is evaluated and appropriate credit limits are established. Credit limits set forth maximum credit exposures Danamon is willing to assume over specified period. Credit limits established for industries, countries and products to ensure broad diversification of credit risk and to avoid undue concentration.

Danamon has established a Customer Rating process for its borrowers. The ratings and Probability of Default were developed internally in consultation with an external analytics consultant. This probability of default is mapped to Danamon's Rating Scale to be applied to all asset classes in the line of businesses.

Collateral management

Danamon employs policies to mitigate credit risk, by requiring collateral to secure the repayment of loan if the main source of debtor's payment based on its cash flow is not fulfilled. Collateral types that can be used for working capital and investment loans to mitigate the risk include cash (including deposits from customers), land and/or building, Standby Letter of Credit/Bank Guarantee received by Danamon, machinery, vehicle, trade receivable, inventory, shares or other marketable securities. Estimates of fair value of collateral held by Danamon are based on the value of collateral assessed internally or externally by independent appraisers.

Collateral held as security for financial assets other than loans depends on the nature of the instrument. Debt securities, treasury, and other eligible bills are generally unsecured, except for asset-backed securities and similar instruments, which are secured by portfolios of financial instruments. Particularly for corporate customers, the required collateral can be in the form of margin collateral.

Maximum exposure to credit risk

For financial assets recognised in the consolidated statement of financial position, the maximum exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that Danamon would have to pay if the obligations of the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the un-drawn committed credit facilities granted to customers.

Concentration of credit risk analysis

Concentrations of credit risk arise when a number of customers are engaged in similar business activities or activities within the same geographic region, or when they have similar characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

Danamon encourages the diversification of its credit portfolio among a variety of geographic areas, industries, credit products, individual obligors, reflecting a well-balanced and healthy risk profile, and to focus marketing efforts toward potential industries and customers in order to minimise the credit risk. Danamon has set its industry concentration limit based on industry risk level and also availability of capital.

The extent of diversification is based on Danamon's strategic plan, target sectors, current economic conditions, government policy, funding sources and growth projections.

Stress testing

Stress testing is a method of risk measurement which estimates the potential economic loss to Danamon under abnormal market conditions in order to ascertain the sensitivity of Danamon's performance to changes in risk factors and to identify influencing factors that significantly impact Danamon's revenue and capital. Bank wide stress tests must be conducted at least annually or when there is an occurrence of event or events that has a significant negative impact to Danamon's portfolio earnings. All lines of business and subsidiaries are responsible to conduct bank wide stress tests. Scenarios for annual bank wide stress tests are defined into three categories: Mild, Moderate, and Severe based on the severity of macroeconomic factors used in the scenarios (e.g.: gross domestic product ("GDP"), inflation, IDR/USD, etc). In addition to scenarios built around historically observed events, hypothetical adverse events and their impact are also considered. This is done in collaboration with Danamon's economist team together with Integrated Risk, Credit from each line of business, and Chief Credit Officers/Senior Credit Officers based on their view of possible macroeconomic developments.

In addition to the yearly stress test conducted, additional stress tests are conducted throughout the year depending on the occurrence of economic or industry specific events. These types of stress test are typically done per industry (e.g. coal, palm oil, etc.) due to events in the industry that might influence the customer's ability to pay. In these exercises, the market conditions assessed pertain to current events that happen in a specific industry (e.g. drop in coal price, new regulation from government that might result in high inflation, etc.).

Repossession

During the year the following assets were repossessed by Danamon:

	2018 Carrying amount $million	**2017 Carrying amount $million**	**2016 Carrying amount $million**
Type of assets			
Property, land and building	52	14	1
Motor vehicles	-	1	-
	52	15	1

Credit quality

Credit quality is determined based on three pillars, namely: business prospect, financial performance and repayment capability of the borrower. In particular, the credit quality in relation to loans and advances are differentiated as follows:

- Pass represents credit facilities which demonstrate strong growth in business, high and stable earnings, strong capital and liquidity, prompt repayment for principal and/or interest and compliance with credit terms and conditions.

- Special mention represents credit facilities which demonstrate limited growth of business, fairly good earnings, capital and liquidity but with potential for decline. The arrears in principal and/or interest is up to 90 days.

- Substandard represents credit facilities which demonstrate very limited growth of business, low earnings and limited cash flow to meet the liabilities. The arrears in principal and/or interest is exceeding 90 days but no more than 120 days.

- Doubtful represents credit facilities which demonstrate declining in the business, negative earnings and very low liquidity that shows inability to repay principal or interest. The arrears in principal and/or interest is exceeding 120 days but no more than 180 days.

- Loss represents credit facilities which demonstrate borrowers' financial condition in serious doubt, sustaining heavy losses and unable to meet all liabilities. The arrears in principal and/or interest are exceeding 180 days.

Credit quality of financial assets

Danamon's financial assets are disclosed below.

	Placements and balances with other banks $million	Loans to and bills receivable from non-bank customers $million	Investment debt securities $million	Government securities $million	Derivative receivables $million	Other financial assets $million
2018						
Carrying amount						
Individually impaired	-	237	-	-	-	-
Collectively impaired	499	12,461	-	-	-	82
Neither past due[#] nor impaired	-	-	538	1,655	10	315
Impairment	(1)	(418)	-	-	-	(1)
Total	498	12,280	538	1,655	10	396
2017						
Carrying amount						
Individually impaired	-	367	-	-	-	-
Collectively impaired	513	13,271	-	-	-	90
Neither past due[#] nor impaired	-	10	550	1,827	28	311
Impairment	(1)	(488)	-	-	-	(2)
Total	512	13,160	550	1,827	28	399
2016						
Carrying amount						
Individually impaired	-	325	-	-	-	-
Collectively impaired	982	12,823	-	-	-	94
Neither past due[#] nor impaired	-	11	487	861	101	687
Impairment	(1)	(452)	-	-	-	(3)
Total	981	12,707	487	861	101	778

[#] *Past due refers to receivables that are overdue by 1 day or more.*

Danamon's financial assets with designated credit classifications are stipulated below.

	Placements and balances with other banks $million	Loans to and bills receivable from non-bank customers $million	Derivative receivables $million	Other financial assets $million
2018				
Carrying amount				
Pass	498	10,826	10	396
Special mention	-	1,233	-	-
Substandard	-	46	-	-
Doubtful	-	96	-	-
Loss	-	79	-	-
Total	498	12,280	10	396
2017				
Carrying amount				
Pass	512	11,732	28	399
Special mention	-	1,188	-	-
Substandard	-	56	-	-
Doubtful	-	68	-	-
Loss	-	116	-	-
Total	512	13,160	28	399
2016				
Carrying amount				
Pass	981	11,248	101	778
Special mention	-	1,215	-	-
Substandard	-	60	-	-
Doubtful	-	88	-	-
Loss	-	96	-	-
Total	981	12,707	101	778

The credit quality of government securities and investment debt securities is further illustrated as follows:

	Government securities $million	Investment debt securities $million
2018		
AAA	-	304
AA- to AA+	-	109
A- to A+	-	32
Lower than A-	1,655	50
Unrated	-	43
Total	1,655	538
2017		
AAA	-	267
AA- to AA+	-	111
A- to A+	-	53
Lower than A-	1,827	68
Unrated	-	51
Total	1,827	550
2016		
AAA	-	180
AA- to AA+	-	117
A- to A+	-	65
Lower than A-	861	102
Unrated	-	23
Total	861	487

The analysis has been based on Moody's, Fitch's and Pefindo's ratings where applicable.

Allowance for impairment

Danamon establishes an allowance for impairment losses on financial assets carried at amortised cost or classified as available-for-sale ("AFS") that represents its evaluation of the collectability of each financial asset. The main components of this allowance are specific and collective impairment losses.

There were no loans and advances which were past due and not impaired at the balance sheet date.

Write off policy

Financial assets are written-off against the respective allowance for impairment losses when they are classified as Loss. In line with BI's regulation, write off is the administrative action of Danamon in writing off loans and advances from the statements of financial position in the amount of receivables due from the customer, without however cancelling Danamon's right to claim against the debtors.

Fair value of collateral and other security enhancements held

Danamon holds collateral against loans to and bills receivables from non-bank customers primarily in the form of properties, ships, machine equipment, receivables and cash collateral.

Generally, collateral is not held in relation to loans and placements to banks (except when securities are held as part of securities purchased under resale agreements). As at the balance sheet date, there was no collateral held in relation to security purchased under resale agreements.

An estimate of the lower of fair value of collateral and other security enhancements held and carrying amounts of the financial assets as at the balance sheet date is shown below. This excludes the value of collateral and other security enhancements that are determined by management not to be enforceable (legally or practically) by Danamon.

	Loans to and bills receivable from non-bank customers		
	2018 $million	**2017 $million**	**2016 $million**
Land and buildings	3,940	4,121	3,930
Ships	92	143	227
Heavy equipment	187	279	279
Cash collaterals	139	156	181
Vehicles	52	54	61
Debt securities	7	15	15
Inventory	302	291	328
Others	594	592	552
	5,313	5,651	5,573

Concentration of credit risk by sector and industry of issuer

	<---------- 2018 ---------->			<---------- 2017 ---------->			<---------- 2016 ---------->		
	Loans to and bills receivable from non-bank customers $million	**Derivative receivables $million**	**Others[#] $million**	**Loans to and bills receivable from non-bank customers $million**	**Derivative receivables $million**	**Others[#] $million**	**Loans to and bills receivable from non-bank customers $million**	**Derivative receivables $million**	**Others[#] $million**
Concentration by sector									
Manufacturing	1,788	-	146	1,817	1	208	1,788	4	517
Electricity, gas and water	8	-	-	17	-	-	22	-	-
Agriculture and farming	325	-	-	328	-	-	391	-	-
Business services	173	-	-	206	-	-	202	-	-
Public services	101	-	-	157	-	-	176	-	-
Transportation and warehousing	456	-	-	483	-	-	570	-	-
Mining	82	-	-	139	-	-	167	-	-
Construction	199	-	-	170	-	-	158	-	-
Financial institutions	486	10	524	555	27	539	480	97	1,014
Retail	8,393	-	171	8,975	-	98	8,871	-	95
Others	687	-	624	801	-	702	334	-	692
Impairment	(418)	-	(2)	(488)	-	(3)	(452)	-	(4)
	12,280	10	1,463	13,160	28	1,544	12,707	101	2,314

[#] *Included in "Others" are placements and balances with other banks, other financial assets, irrevocable letters of credit, undrawn credit facilities, guarantees and standby letters of credit.*

	<---------- 2018 ---------->		<---------- 2017 ---------->		<---------- 2016 ---------->	
	Investment debt securities $million	**Government securities $million**	**Investment debt securities $million**	**Government securities $million**	**Investment debt securities $million**	**Government securities $million**
Industry of issuer						
Agriculture, mining and quarrying	4	-	1	-	1	-
Manufacturing	3	-	1	-	13	-
Building construction	5	-	4	-	6	-
Financial institutions	306	-	438	-	171	-
Others	220	1,655	106	1,827	296	861
	538	1,655	550	1,827	487	861

(ii) Market risk

Market risk is the risk of loss arising from adverse movement in market variables in portfolios held by Danamon which are defined as interest rates and exchange rates.

Market risk exists at a bankwide level, as well as treasury business level. These include exposure in securities and money market, equity participation in other financial institutions, provisions of funds (loans and other similar forms), funding and issuance of debt instruments, and trade financing activities.

The objective of market risk management is to identify, measure, control, and manage market risk exposures within acceptable parameters, while optimising the returns. This is done through a comprehensive policy and limit framework to identify, measure, and monitor the amount of risk based on the risk appetite of Danamon. Market risk limits are allocated at a bankwide level and are reported and monitored by Market and Liquidity Risk Division on a daily basis.

The Market and Liquidity Risks Division is responsible for identifying, measuring, monitoring and controlling market risk in Danamon, based on framework approved by the Assets and Liability Committee ("ALCO"). ALCO acts as the apex senior management forum charged with making all policy decisions regarding market and liquidity risk management. The Risk Management Committee ("RMC") confirms and endorses ALCO decision.

Market risk monitoring and controlling is implemented through a limit framework which is periodically reviewed in order to accomplish a more sensitive limit structure. The limits are set for Trading and Interest Rate Risk in the Banking Book (including AFS Portfolio and derivative for Funding & Hedging).

Overall, market risk is divided into two following risks:

(a) Foreign exchange risk

Foreign exchange risks arise from on and off-balance sheet positions both on the asset and liability sides through transactions in foreign currencies.

Danamon measures the foreign exchange risk to understand the impact of the exchange rate movement on Danamon's revenue and capital. In order to manage and mitigate the foreign exchange risk, predefined limits are set on top of the 20% regulatory limit. For net open position ("NOP"), Danamon is introducing a more risk sensitive measurement, such as Value at Risk ("VaR") for internal analysis purpose as an indicator. VaR is incorporated in stages in market risk limit framework.

The NOP ratio of Danamon at the balance sheet date, based on BI's prevailing regulations are as follows:

	2018	**2017**	**2016**
NOP Ratio (on and off-balance sheet)[#]	0.8%	0.7%	0.3%

[#] The NOP Ratio is calculated based on percentage of total net open position over total Tier I and Tier II capital.

Sensitivity analysis

In addition to the NOP ratio monitoring, Danamon also monitors the foreign exchange sensitivity. Danamon performs simulations to illustrate the exposure if there are movements in the foreign exchange. Factor sensitivity for foreign exchange is defined as the total amount of exposure for each foreign exchange given unit changes by 1%.

	1% increase $million	1% decrease $million
2018		
Gains/(losses) on exchange rate change	(0.2)	0.2
2017		
Gains/(losses) on exchange rate change	(0.1)	0.1
2016		
Gains/(losses) on exchange rate change	(0.1)	0.1

(b) Interest rate risk

Interest rate risk is the probability of loss that may occur from adverse movement in market interest rates vis-à-vis Danamon's position or transaction.

Danamon manages its interest rate risk through the use of repricing gap analysis and Earning-at-Risk ("EAR"). EAR measures the impact of interest rate changes to Danamon's net income in a period of up to 1 year. To enhance Danamon's management of interest rate risk, Danamon has implemented Economic Value of Equity ("EVE"). EVE provides a measurement of interest rate risk over a longer period as well as an estimation of the effect of interest rate changes to the value of Danamon's capital.

The trading book is managed through position and more interest rate risk sensitive measurements such as DV01 (per bucket tenor and per currency) and Stop Loss Limit. Market risk limits are established using these measures to manage interest rate exposures.

Sensitivity analysis

The interest rate risk management is supplemented by regularly conducting sensitivity analyses on scenarios to see the impact of changes in interest rate. The analysis focuses on Danamon's sensitivity to an increase or decrease in market interest rates, assuming no asymmetrical movement in yield curve.

Methods used are EAR and EVE. Under both of these methods, sensitivity analysis is conducted by increasing and decreasing interest rates by 100 basis points ("bps").

EAR and EVE incorporate the potential impact of interest rate volatility and are not limited to 1 bps parallel movement, which provides a better estimation of potential losses.

Sensitivity to interest rate risk

	100 bps parallel			
	Increase		Decrease	
	Effect on income statement $million	Effect on equity $million	Effect on income statement $million	Effect on equity $million
2018 [(i)]				
Indonesian Rupiah	14	(60)	(14)	62
US Dollar	3	(7)	(3)	7
2017 [(i)]				
Indonesian Rupiah	11	(58)	(11)	60
US Dollar	1	(4)	(1)	4
2016 [(i)]				
Indonesian Rupiah	16	(15)	(16)	15
US Dollar	11	24	(11)	(24)

[(i)] *using EAR and EVE method*

(iii) Liquidity risk

Liquidity risk is the risk caused by the inability of Danamon to meet its obligations at due date and unwind position created from market. Liquidity risk is an important risk for Danamon and as such needs to be managed on an on-going basis.

The objective of liquidity risk management is to ensure that current and future fund requirements can be met both in normal or stress conditions.

The Asset and Liability Committee ("ALCO") acts as the apex committee entrusted to monitor the liquidity situation of Danamon. ALCO is in charge of determining the policy and strategy of Danamon's asset and liabilities in line with the principles of prudent risk management and applicable regulatory requirements. ALCO approves the limit framework, deliberates on the long-term structural balance sheet positioning of Danamon, as well as assumptions used in the risk measurement. These are subject to the Risk Management Committee's ("RMC") review and endorsement.

Danamon manages its liquidity risk through liquidity gap analysis and liquidity ratios. Liquidity risk is measured and monitored on a daily basis based on liquidity risk limit framework. Liquidity gap analysis provides insight as to the mismatch of expected cash inflows vis-à-vis outflows on any given day. This is centrally managed within Treasury which has direct and authorised access to interbank, wholesale, and other professional markets, to supplement core banking activities such as lending and deposit taking.

Liquidity risk monitoring and controlling is implemented through a limit framework which is periodically reviewed in order to accomplish a more sensitive limit structure. The coverage of current liquidity risk limit structure includes measurement of limit and indicators such as Maximum Cumulative Outflow ("MCO"), Loan to Funding Ratio ("LFR"), Liquidity Coverage Ratio ("LCR") and funding concentration risk.

Exposure to liquidity risk

To complete the framework, liquidity risk is measured and controlled under both normal and stress scenarios. Thus, the MCO is estimated under abnormal market conditions, such that the Contingency Funding Plan ("CFP") is in place in case of liquidity crisis.

Olam International Limited and its subsidiaries ("Olam")

Olam is a subsidiary of Temasek Capital (Private) Limited.

Olam is exposed to financial risks from its operations and the use of financial instruments. Olam's board of directors and board risk committee reviews and agrees on policies and procedures for the management of these risks, which are executed by the Chief Financial Officer and Head of Risk. Olam's Audit Committee provides independent oversight to the effectiveness of the risk management process.

Olam's principal financial instruments, other than derivative financial instruments and investment in security, comprise bank loans, medium-term notes, term loans from banks, bonds, cash and bank balances, fixed deposits and bank overdrafts. The main purpose of these financial instruments is to finance Olam's operations. Olam has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

Olam also enters into derivative transactions, including interest rate swaps, commodity options, swaps and futures contracts and foreign currency forward contracts. The purpose is to manage the commodity price risk, foreign currency risk and interest rate risk arising from Olam's operations and its sources of financing.

There has been no change to Olam's exposure to these financial risks or the manner in which it manages and measures the risks.

The main risks arising from Olam's financial instruments are commodity price risk, credit risk, foreign currency risk, liquidity risk and interest rate risk. Olam's board of directors reviews and agrees on the policies for managing each of these risks and they are summarised below:

(a) *Commodity price risk*

Commodities traded by Olam are subject to fluctuations due to a number of factors that result in price risk. Olam purchases and sells various derivative products, primarily exchange traded futures and options with the purpose of managing market exposure to adverse price movements in these commodities. Olam has established policies and exposure limits that restrict the amount of unhedged fixed price physical positions in each commodity.

Olam also enters into commodity derivatives for trading purposes. Olam's trading market risk appetite is determined by the Board of Directors, with detailed exposure limits recommended by the Executive Risk Committee and approved by the Board Risk Committee.

At balance sheet date, if the commodities price index moved by 1.0% with all other variables held constant, Olam's profit net of tax would have changed by $30 million (2017: $23 million; 2016: $14 million) arising as a result of fair value on Olam's commodity futures, options contracts, physical sales and purchases commitments as well as the inventory held at balance sheet date.

(b) *Credit risk*

Credit risk is limited to the risk arising from the inability of a customer to make payment when due. It is Olam's policy to provide credit terms only to creditworthy customers. These debts are continually monitored and therefore, Olam does not expect to incur material credit losses.

For computation of impairment losses on financial assets, Olam uses a provision matrix as presented below:

Balance Sheet	**Expected credit loss**
Trade receivables	A percentage of the financial asset calculated by taking the default sovereign risk rating of the counterparties based on external benchmarks
Loans to jointly-controlled entities and associates and Other current assets – Sundry receivables, export incentives and subsidies receivable, deposits, staff advances, insurance receivables, amount due from jointly-controlled entity, associates and a shareholder related company	
Amount due from subsidiary companies	

The carrying amounts of trade receivables, other non-current and current assets, margin accounts with brokers, cash and short-term deposits payments, including derivatives with positive fair value represent Olam's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk. Deposits and cash balances are placed with reputable banks.

Credit risk concentration profile

Olam determines concentrations of credit risk by monitoring the operating segment profile of its trade receivables on an ongoing basis.

Olam has no significant concentration of credit risk with any single customer.

(c) *Foreign currency risk*

Olam trades its products globally and, as a result, is exposed to movements in foreign currency exchange rates. The primary purpose of Olam's foreign currency hedging activities is to protect against the volatility associated with foreign currency purchases and sales of raw materials and other assets and liabilities created in the normal course of business. Olam primarily utilises foreign currency forward exchange contracts to hedge firm commitments. Olam does not use foreign currency forward exchange contracts for trading purposes.

Olam has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Olam's entities. The foreign currencies in which these transactions are denominated are mainly United States Dollar ("USD"), Great Britain Pound ("GBP"), Euro ("EUR"), Australian Dollar ("AUD") and Singapore Dollar ("SGD").

The following table demonstrates the sensitivity of Olam's profit net of tax and equity to a reasonably possible change in the USD, GBP, EUR, AUD and SGD exchange rates, with all other variables held constant.

	Profit net of tax $million Increase/ (decrease)	**Equity $million** Increase/ (decrease)
2018		
USD – strengthened 0.5%	-	-
GBP – strengthened 0.5%	(1)	(5)
EUR – strengthened 0.5%	2	(6)
AUD – strengthened 0.5%	-	4
SGD – strengthened 0.5%	(7)	6
2017		
USD – strengthened 0.5%	1	-
GBP – strengthened 0.5%	-	(3)
EUR – strengthened 0.5%	(3)	(10)
AUD – strengthened 0.5%	-	3
SGD – strengthened 0.5%	(7)	6
2016		
USD – strengthened 0.5%	-	-
GBP – strengthened 0.5%	(4)	(13)
EUR – strengthened 0.5%	(9)	(2)
AUD – strengthened 0.5%	-	1
SGD – strengthened 0.5%	-	8

(d) *Liquidity risk*

Liquidity risk is the risk that Olam will encounter difficulty in meeting financial obligations associated with its financial liabilities or due to shortage of funds.

To ensure continuity of funding, Olam primarily uses short-term bank facilities that are transaction-linked and self-liquidating in nature. Olam also has a multicurrency medium-term notes programme, as well as term loans from banks, to fund its ongoing working capital requirement and growth needs.

(e) *Interest rate risk*

Olam's exposure to market risk for changes in interest rates relates primarily to its floating rate loans and borrowings. Interest rate risk is managed on an ongoing basis such as hedging the risk through interest rate derivatives with the primary objective of limiting the extent to which net interest exposure could be affected by adverse movements in interest rates.

At the balance sheet date, if interest rates had moved by 25 basis points with all other variables held constant, Olam's profit net of tax would have changed inversely by $28 million (2017: $25 million; 2016: $11 million).

Singapore Telecommunications Limited and its subsidiaries ("Singtel")

Singtel's activities are exposed to a variety of financial risks: foreign exchange risk, interest rate risk, credit risk, liquidity risk and market risk. Singtel's overall risk management seeks to minimise the potential adverse effects of these risks on the financial performance of Singtel.

Singtel uses financial instruments such as currency forwards, cross currency and interest rate swaps, and foreign currency borrowings to hedge certain financial risk exposures. No financial derivatives are held or sold for speculative purposes.

The Directors of Singtel assume responsibility for the overall financial risk management of Singtel. For the financial year ended 31 March 2018, the Risk Committee and Finance and Investment Committee ("FIC") of Singtel, which are committees of the Board, assisted the Directors of Singtel in reviewing and establishing policies relating to financial risk management in accordance with the policies and directives of the Directors of Singtel.

(i) Foreign exchange risk

The foreign exchange risk of Singtel arises from subsidiaries, associates and joint ventures operating in foreign countries, mainly Australia, India, Indonesia, the Philippines, Thailand and United States of America. Additionally, Singtel's joint venture in India, Bharti Airtel Limited, is primarily exposed to foreign exchange risks from its operations in Sri Lanka and 14 countries across Africa. Translation risks of overseas net investments are not hedged unless approved by the FIC.

Singtel has borrowings denominated in foreign currencies that have primarily been hedged into the functional currency of the respective borrowing entities using cross currency swaps in order to reduce the foreign currency exposure on these borrowings. As the hedges are perfect, any change in the fair value of the cross currency swaps has minimal impact on profit and equity.

Singtel's Treasury Policy, as approved by the FIC, is to substantially hedge all known transactional currency exposures. Singtel generates revenue, receives foreign dividends and incurs costs in currencies which are other than the functional currencies of the operating units, thus giving rise to foreign exchange risk. The currency exposures are primarily for the Australian Dollar, Euro, Hong Kong Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Pound Sterling, Thai Baht, United States Dollar and Japanese Yen.

Foreign currency purchases and forward currency contracts are used to reduce Singtel's transactional exposure to foreign currency exchange rate fluctuations.

(ii) Interest rate risk

Singtel has cash balances placed with reputable banks and financial institutions which generate interest income for Singtel. Singtel manages its interest rate risks on its interest income by placing the cash balances on varying maturities and interest rate terms.

Singtel's borrowings include bank borrowings and bonds. The borrowings expose Singtel to interest rate risk. Singtel seeks to minimise its exposure to these risks by entering into interest rate swaps over the duration of its borrowings. Interest rate swaps entail Singtel agreeing to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. As at 31 March 2018, after taking into account the effect of interest rate swaps, approximately 67% (2017: 70%; 2016: 76%) of Singtel's borrowings are at fixed rates of interest.

As at 31 March 2018, assuming that the market interest rate is 50 basis points higher or lower and with no change to the other variables, the annualised interest expense on borrowings would be higher or lower by $15.5 million (2017: $13.5 million; 2016: $14.1 million).

(iii) Credit risk

Financial assets that potentially subject Singtel to concentrations of credit risk consist primarily of trade receivables, cash and cash equivalents and financial instruments used in hedging activities.

Singtel has no significant concentration of credit risk from trade receivables due to its diverse customer base. Credit risk is managed through the application of credit assessment and approvals, credit limits and monitoring procedures. Where appropriate, Singtel obtains deposits or bank guarantees from customers or enters into credit insurance arrangements.

Singtel places its cash and cash equivalents with a number of major and high credit rating commercial banks and other financial institutions. Derivative counter-parties are limited to high credit rating commercial banks and other financial institutions. Singtel has policies that limit the financial exposure to any one financial institution.

(iv) Liquidity risk

To manage liquidity risk, Singtel monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance Singtel's operations and mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, Singtel aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available to ensure that Singtel is able to meet the short-term obligations of Singtel as they fall due.

(v) Market risk

Singtel has investments in quoted equity shares. The market value of these investments will fluctuate with market conditions.

35. Fair values

Fair value is defined as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair values have been determined for measurement and/or disclosure purposes and have been obtained from quoted market prices and valuation methods in accordance with FRS, including discounted cash flow models, counterparties' valuations or option pricing models as appropriate.

The carrying values of the financial assets and liabilities approximate their fair values, unless disclosed separately in the respective notes to the financial statements.

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value hierarchies of various assets and liabilities are disclosed in their respective notes:

(i) Biological assets (note 13);

(ii) Financial assets (note 18);

(iii) Derivative financial instruments (note 19);

(iv) Investment properties (note 20);

(v) Inventories (note 23); and

(vi) Borrowings (note 28).

36. Related party transactions

The Group engages in various transactions in the ordinary course of business with companies related to or associated with the Group at their prevailing market rates or prices and on customary terms and conditions. These related party transactions would have been required to be, and could have been, replaced with transactions with other parties on similar terms.

Other than the information disclosed elsewhere in the financial statements, there are no other significant transactions that took place between the Group and its related parties during the financial year.

Senior management personnel compensation of the Group:

	Year ended 31 March 2018 Compensation				Year ended 31 March 2017 Compensation				Year ended 31 March 2016 Compensation			
	Paid [ii] $million	Deferred incentives [iii] $million	R-Scope units awarded [iv] million	T-Scope units awarded [v] million	Paid [ii] $million	Deferred incentives [iii] $million	R-Scope units awarded [iv] million	T-Scope units awarded [v] million	Paid [ii] $million	Deferred incentives [iii] $million	R-Scope units awarded [iv] million	T-Scope units awarded [v] million
THPL Directors [i] and Temasek senior management personnel remuneration	136	129	53	30	123	81	28	24	150	122	62	44
Remuneration for senior management personnel in subsidiaries [vi]	542		NA	NA	515		NA	NA	430		NA	NA
Total senior management personnel remuneration of the Group [vii]	807		53	30	719		28	24	702		62	44

Notes:

(i) THPL Directors' remuneration includes directors' fees payable to Non-Executive Directors and remuneration payable to Executive Directors of THPL.

(ii) Paid compensation includes:

- directors' fees
- salaries and annual wage supplement
- allowances
- paid annual leave
- sign-on, guaranteed cash bonuses and paid out portion of guaranteed wealth added bonuses, where applicable
- performance bonuses earned in the prior year (i.e. bonuses paid in the year ended 31 March 2018 were based on goals achieved in the year ended 31 March 2017)
- Temasek Restricted Staff Co-investment Plan ("R-Scope") units granted and vested in the same year
- employer's mandatory contributions, where applicable
- benefits-in-kind

(iii) Deferred incentives include:

- unutilised annual leave accrual
- deferred portion of the wealth added bonuses retained in the Wealth Added Based Bonus bank ("WABB")[#], where applicable
- fair value of unvested Temasek Restricted Staff Co-Investment Plan ("R-Scope")[#] units which includes the fair value of units granted during the year and the change in value of units granted prior to this year. R-Scope units take 3 to 7 years to vest, depending on the type of R-Scope units awarded.
- fair value of unvested Temasek Staff Co-Investment Plan ("T-Scope") [#] units which includes the fair value of units granted during the year and the change in value of units granted prior to this year. T-Scope units take 7 to 12 years to vest upon meeting performance conditions and its value is amortised over 7 years.

(iv) R-Scope units are the number of co-investment units awarded under the Temasek Restricted Staff Co-Investment Plan during the year, the fair value of which has been included in the deferred incentives amount.

(v) T-Scope units are the number of co-investment units awarded under the Temasek Staff Co-Investment Plan during the year, the fair value of which has been included in the deferred incentives amount.

[#] THPL's staff incentive system links variable compensation to the achievement of annual performance targets, as well as the wealth creation for THPL's shareholder on a sustainable basis.

For each year that THPL achieves positive wealth added ("WA"), a portion of THPL's attributable wealth added or excess returns is set aside for THPL's staff incentive pool.

One part of the staff incentive pool is used to fund THPL's variable wealth added bonus plan, where part of the earned bonus is paid in cash and a significant balance is deferred in the form of R-Scope units and WABB, especially for senior management. Payout from the WABB balances is subject to THPL's future wealth added performance, with a negative allocation in the event of negative WA. This creates alignment for sustainable wealth added performance.

Another part of the staff incentive pool funds "performance-based co-investment units" under the Temasek Staff Co-Investment Plan or T-Scope for eligible employees. Vesting of these T-Scope units is over 5 years and begins after meeting certain performance conditions from the third year onwards. Unvested units will lapse after 12 years or if performance conditions are not met.

In the event of a negative WA for the year, a corresponding negative share will be deducted from the individual WABB balance before further payouts are made. In the case where the negative WA bonus allocated is greater than the WABB balance, the negative balance will be aggregated on a company-wide basis to be offset against future positive WA bonus pools. No new T-Scope units for the year will be awarded.

(vi) Remuneration for senior management personnel in Group subsidiaries is based on information from their respective financial reports, and includes:

- directors' fees and other remuneration
- salaries and annual wage supplement
- allowances
- bonuses
- deferred payment or fair value of equity-based incentives, where applicable
- employer's contributions to defined contribution and benefit plans and post employment plans, including employer's CPF contributions in Singapore, where applicable
- certain share-based compensation
- benefits-in-kind and other short-term employee benefits.

(vii) Total senior management personnel remuneration includes paid as well as deferred compensation for directors and senior management of THPL as well as directors and other senior management personnel of subsidiaries of the Group.

37. Capital and other commitments

Capital and other commitments contracted for but not recognised in the financial statements:

	2018 $million	2017 $million	2016 $million
Property, plant and equipment	29,314	26,466	30,497
Investment commitments	16,846	16,141	14,980
Intangible assets	759	1,398	952
Development expenditure	1,802	953	1,838
Credit commitments	229	521	519
Others	730	964	1,593
Share of capital commitments of joint ventures	2,955	2,439	2,333

38. Contingent liabilities

	2018 $million	2017 $million	2016 $million
Guarantees	1,739	1,848	2,078
Guarantees and standby letters of credit undertaken by banking subsidiaries	357	902	744
Share of contingent liabilities of associates	7,544	8,210	6,583

Other significant contingent liabilities not included in the above table:

CapitaLand Limited and its subsidiaries ("CapitaLand")

Certain subsidiaries of CapitaLand in China, whose principal activities are those of trading of development properties, would in the ordinary course of business act as guarantors for bank loans taken by buyers to finance purchases of residential properties developed by these subsidiaries. At the balance sheet date, the outstanding notional amount of the guarantees amounted to $1,058 million (2017: $1,142 million; 2016: $512 million).

Sembcorp Industries Ltd and its subsidiaries ("Sembcorp")

Certain of Sembcorp's subsidiaries are involved in claims, litigations, land disputes and other regulatory matters in certain emerging countries as at the year end. Due to the nature of these disputes and matters and also in view of the uncertainty of the outcome, Sembcorp believes that the amount of exposure cannot currently be determinable. Therefore no impairment, revision of useful life or provision for restoration cost, where applicable, has been recorded.

Singapore Airlines Limited and its subsidiaries ("SIA")

(i) *Cargo: Investigations by Competition Authorities and Civil Class Actions*

In 2006 and thereafter, Singapore Airlines Cargo Pte Ltd ("SIA Cargo"), a subsidiary of SIA, and SIA were among several airlines that received notice of investigations by competition authorities in the United States of America ("USA"), European Union, Australia, Canada, New Zealand, South Africa, South Korea and Switzerland as to whether surcharges, rates or other competitive aspects of air cargo service were lawfully determined (the "air cargo issues").

On 9 November 2010, the European Commission issued an adverse decision against 13 air cargo airlines, including SIA Cargo and SIA, in respect of fuel surcharges, security surcharges and commissions on surcharges. A fine of EUR 74.8 million ($135.7 million) was imposed on SIA Cargo and SIA. SIA Cargo paid the fine in February 2011 in accordance with European Union laws. SIA Cargo and SIA have filed an appeal to the European General Court seeking annulment of the decision.

In December 2015, the European General Court annulled the decision of the European Commission in its entirety vis-à-vis SIA Cargo and SIA. In February 2016, EUR 76.4 million ($119.1 million) comprising the fine amount and returns thereon was refunded to SIA Cargo. In March 2017, the European Commission re-adopted a decision in respect of the same case against the air cargo airlines, imposing a fine of EUR 74.8 million ($111.8 million) against SIA Cargo and SIA. SIA Cargo and SIA have filed an appeal to the European General Court seeking annulment of the re-adopted decision.

In January 2014, the Swiss Competition Commission announced a fine against SIA Cargo and SIA of CHF1.7 million ($2.3 million) in respect of the air cargo issues. SIA Cargo and SIA have filed an appeal to the Swiss Federal Administrative Tribunal seeking annulment of the decision.

The proceedings by competition authorities in the USA, South Korea, South Africa, Australia and New Zealand were resolved in previous financial periods.

After the investigations commenced, civil damage lawsuits were filed in the USA, Canada, Australia, South Korea, England, the Netherlands, Norway and Germany by private parties against several airlines, including SIA Cargo and SIA. Other lawsuits have been threatened by customers of SIA Cargo or shippers that purportedly contracted with SIA Cargo's customers.

The plaintiffs in the South Korea proceedings withdrew their complaint in July 2011 and the proceedings were accordingly dismissed without prejudice. In January 2014, a shipper from South Korea which purportedly contracted with SIA Cargo's customers served a claim against SIA Cargo and other airlines. SIA Cargo is defending this proceeding.

In September 2016, one of SIA Cargo's customers filed a claim against SIA Cargo and SIA in the USA after opting out of SIA Cargo's and SIA's class action settlement.

In June 2017, without admitting any liability, SIA Cargo and SIA entered into a settlement of the above civil damages claim in the United States. At the same time, SIA Cargo and SIA settled the civil damages lawsuit filed in Germany, which was related to the opt-out claim in the United States.

Without admitting any liabilities, SIA Cargo and SIA have settled with class action plaintiffs in the United States class action, Australia and Canada to resolve all liabilities of SIA Cargo and SIA as concerns the civil damage or class action lawsuits filed in the relevant jurisdictions.

In addition, without admitting any liability, in 2012, 2013 and 2015, SIA Cargo reached settlements with certain customers to resolve all pending and potential future civil damage claims regarding the air cargo issues for those customers. The individual terms of all such settlements are required to be kept confidential.

Apart from the class actions in Canada, the United States and Australia, the opt-out claim in the United States and the lawsuit in Germany, the filed cases remain in their respective procedural stages and none have been tried thus far on their respective substantive legal merits.

Apart from the above, it is premature to make a provision in the financial statements for the other pending investigations, court proceedings, civil suits, or threatened claims as their respective outcomes are uncertain.

(ii) *Passengers: Civil Class Actions*

SIA and several other airlines have been named in civil class action lawsuit in Canada alleging an unlawful agreement to fix surcharges and fares on transpacific flights. The case is currently in the procedural stage and has not been tried thus far on their respective substantive legal merits. As the lawsuit has neither been tried nor the alleged damages quantified, it is premature to make a provision in the financial statements.

In August 2014, without admitting any liability, SIA entered into a settlement agreement with the class action plaintiffs in the United States for USD9.2 million ($11.4 million) with respect to the passenger civil class action lawsuits filed in the United States. In accordance with the agreement, SIA paid the above amount into an escrow account pending court approval. Final approval of the settlement was granted by the court in June 2015. Subsequently, one of the class members filed an appeal against the court judgment approving the settlement. The class member's appeal was denied by the Court of Appeals and in December 2017, the United States Supreme Court denied the class member's petition for further review. SIA's settlement with the class action plaintiffs in the United States has thus become final.

Singapore Telecommunications Limited and its subsidiaries ("Singtel")

(i) Singtel is contingently liable for claims arising in the ordinary course of business and from certain tax assessments which are being contested, the outcome of which are not presently determinable. Singtel is vigorously defending all these claims.

(ii) Bharti Airtel Limited ("Airtel"), a joint venture of Singtel, has disputes with various government authorities in the respective jurisdictions where its operations are based, as well as with third parties regarding certain transactions entered into in the ordinary course of business.

On 8 January 2013, the local regulator, Department of Telecommunications ("DOT") issued a demand on Airtel Group for Rs. 52.01 billion ($1.05 billion) towards levy of one time spectrum charge.

In the opinion of Airtel, inter-alia, the above demand amounts to alteration of the terms of the licences issued in the past. Airtel believes, based on independent legal opinion and its evaluation, that it is not probable that any material part of the claim will be awarded against Airtel and therefore, pending outcome of this matter, no provision has been recognised.

As at 31 March 2018, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 126 billion ($2.54 billion). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

(iii) Advanced Info Service Public Company Limited ("AIS"), a joint venture of Singtel, has various commercial disputes and significant litigations.

In 2008, CAT Telecom Public Company Limited ("CAT") demanded that AIS' subsidiary, Digital Phone Company Limited ("DPC"), pay additional revenue share of THB 3.4 billion ($143 million) arising from the abolishment of excise tax. CAT's claim is still pending appeal before the Supreme Administrative Court.

In 2015, TOT Public Company Limited ("TOT") demanded that AIS pays additional revenue share of THB 62.8 billion ($2.64 billion) arising from what TOT claims to be an illegality of two amendments made to the Concession Agreement, namely, Amendment 6 (regarding reduction in prepaid revenue share rate) made in 2001 and Amendment 7 (regarding deduction of roaming expense from revenue share) made in 2002, which have resulted in lower revenue share. This case is pending arbitration.

Between 2011 and 2016, TOT demanded that AIS pays additional revenue share based on gross interconnection income from 2007 to 2015 amounting to THB 36.2 billion ($1.52 billion) plus interest. The claims are pending arbitration.

Between 2014 to 2016, TOT demanded that AIS pays THB 41.1 billion ($1.73 billion) plus interest for the porting of subscribers from 900MHz to 2100MHz network. This case is pending arbitration.

In March 2018, CAT demanded DPC to transfer the telecommunications systems which would have been supplied under the Concession Agreement between CAT and DPC of THB 13.4 billion ($564 million) or to pay the same amount plus interest. This case is pending arbitration.

As at 31 March 2018, there are a number of other claims against AIS and its subsidiaries amounting to THB 28.3 billion ($1.19 billion) which are pending adjudication.

AIS believes that the above claims will be settled in favour of AIS and will have no material impact to its financial statements.

(iv) In October 2017, Intouch and its subsidiary, Thaicom Public Company Limited ("Thaicom") received letters from the Ministry of Digital Economy and Society (the "Ministry") stating that Thaicom 7 and Thaicom 8 satellites (the "Satellites") are governed under the terms of a 1991 satellite operating agreement between Intouch and the Ministry which entails the transfer of asset ownership, procurement of backup satellites, payment of revenue share, and procurement of property insurance. Intouch and Thaicom have obtained legal advice and are of the opinion that the Satellites are not covered under the agreement but instead under the licence from the National Broadcasting and Telecommunications Commission. This case is pending arbitration.

39. Significant subsequent events

(a) On 9 March 2018, Mapletree signed an agreement relating to the acquisition of a portfolio of 164 logistics and distribution assets in the USA, for a total consideration of US$2,390 million (approximately $3,151 million). Out of 164 assets, the acquisition of 159 assets was completed on 26 April 2018.

(b) In April 2018, Temasek, through a wholly-owned subsidiary, subscribed for 31 million new shares of Bayer AG ("Bayer"), representing approximately 3.6% of the issued capital stock of Bayer, for a purchase price of €3 billion. The new shares were issued to a wholly-owned subsidiary of Temasek at a price near the market price. Following the issuance and together with its previous shareholdings in Bayer, Temasek held approximately 4% of the issued capital stock of Bayer. Bayer is a life science company with a more than 150-year history and core competencies in the areas of health care and agriculture.

40. Adoption of new and revised accounting standards effective for future periods

In December 2017, the Accounting Standards Council issued the Singapore Financial Reporting Standards International ("SFRS(I)"). SFRS(I) comprises standards and interpretations that are equivalent to IFRS as issued by the International Accounting Standards Board. Singapore incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading on the Singapore Exchange, will apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018. Non-listed Singapore-incorporated companies may voluntarily apply the new framework at the same time.

Temasek, as a non-listed company and currently adopting FRS, will voluntarily transit to the new framework and will present its first set of consolidated financial statements in accordance with SFRS(I) and IFRS for the financial year beginning on 1 April 2018.

In adopting the new framework, the Group will be required to apply the transition requirements in SFRS(I) 1 *First-time Adoption of International Financial Reporting Standards*. SFRS(I) 1 provides mandatory exceptions and optional exemptions from full retrospective application of SFRS(I). The Group is currently assessing the potential transitional impact on the application of the new framework on the consolidated financial statements.

In addition to the adoption of the new framework, the Group will be adopting new or amended standards and interpretations to FRS when they become effective, which includes the following that are relevant and likely to have a significant impact to the Group:

		Effective for financial years beginning on
SFRS(I) 9	*Financial Instruments*	1 April 2018
SFRS(I) 15	*Revenue from Contracts with Customers*	1 April 2018
SFRS(I) 16	*Leases*	1 April 2019

The Group is currently assessing the potential impact on the adoption of these new standards on the consolidated financial statements.

Applicable to the Group's 2019 financial statements

SFRS(I) 9 Financial Instruments

SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss ("ECL") model for calculation of impairment of financial assets, and new requirements for general hedge accounting.

(a) Classification and measurement: financial assets

SFRS(I) 9 contains a new classification and measurement approach for financial assets, that reflects the business model in which assets are managed and the characteristics of the cash flow of the assets.

SFRS(I) 9 contains three principal classification categories for financial assets:
(i) measured at amortised cost;
(ii) measured at fair value through other comprehensive income ("FVOCI"); and
(iii) measured at fair value through profit and loss ("FVTPL").

The standard removed the existing categories of held to maturity, loans and receivables and AFS.

Upon adoption of SFRS(I) 9, a significant portion of the Group's AFS investments would be reclassified to be measured at FVTPL. Unrealised fair value gains and losses, which are currently recorded under other comprehensive income, will be recorded in the income statement under the new standard, which may result in year-on-year volatility in the Group's results.

(b) Impairment

SFRS(I) 9 replaces the current 'incurred loss' model with expected credit loss (ECL) model. The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and to contract assets and certain loan commitments and certain financial guarantee contracts.

The Group plans to apply the simplified approach and lifetime ECL measurement for all trade receivables and any contract assets arising from the application of SFRS(I) 15.

(c) Hedging

SFRS(I) 9 requires the alignment of hedge accounting relationships with risk management objectives and strategies, and the application of a more qualitative and forward-looking approach to assessing hedge effectiveness. SFRS(I) 9 also introduces new requirements regarding rebalancing of hedge relationships, and prohibiting voluntary discontinuation of hedge accounting.

(d) Transition

The Group plans to apply the exemption in SFRS(I) 1 which allows for the differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 to be recognised in opening accumulated profits and reserves as at 1 April 2018. Accumulated fair value reserve would be reclassified to opening accumulated profits on the same date.

SFRS(I) 15 Revenue from Contracts with Customers

(a) Revenue recognition

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

Under SFRS(I) 15, revenue is recognised when the performance obligation is satisfied and the customer obtains control of the goods. The indicators of whether control has transferred would need to be assessed based on facts and circumstances. The transaction price will be allocated to performance obligations, and revenue will be recognised when each performance obligation is satisfied, which might be at different times.

(b) Transition

The Group plans to adopt SFRS(I) 15 using the retrospective approach with the practical expedients. The Group will retrospectively apply the new standard to its comparative information in the 2019 consolidated financial statements.

Applicable to the Group's 2020 financial statements

SFRS(I) 16 *Leases* will require lessess to bring most leases on-balance sheet.

The current operating lease accounting model for lessees will change significantly under the new standard. The Group's balance sheet will be expected to show an increase in both assets and liabilities, with changes to its expense pattern, from a generally straight-line operating lease expense, to a front-end loaded expense pattern from interest costs and asset depreciation.

The accounting model for lessors will largely be unchanged from that applied under the current standard. SFRS(I) 16 requires more extensive disclosures to be provided by a lessor.

Annex A —
Global clearance and settlement

The information set out below is subject to any change in, or reinterpretation of, the rules, regulations and procedures of DTC, CDP, Euroclear and Clearstream (together, the "Clearance Systems") currently in effect. Investors wishing to use the facilities of any of the Clearance Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearance System. None of the Issuer, Temasek, the Arrangers, any Dealer, the New York Trustee, the Singapore Trustee, the English Trustee and any exchange, paying or transfer agent (each an "Agent") or party to the Indenture, the Agency Agreement governed by Singapore law, the Agency Agreement governed by English law, the Singapore Law Trust Deed and/or the English Law Trust Deed will be held responsible or bear any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearance System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The relevant Pricing Supplement will specify the Clearance System(s) applicable for the relevant series.

The Clearance Systems

DTC

DTC is a limited purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions among participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly ("indirect participants").

DTC will take any action permitted to be taken by the holder of a beneficial interest in a Registered Global Note (including, without limitation, the presentation of a Registered Global Note for exchange) only at the direction of one or more participants to whose account with DTC interests in such Registered Global Note are credited and only in respect of such portion of the aggregate principal amount of Notes in respect of which such participant or participants has or have given such direction. If an Event of Default under the Notes occurs, DTC reserves the right to exchange the Registered Global Notes for Definitive Registered Notes bearing the appropriate legend, which it will distribute to the relevant participants. DTC makes payments only in U.S. dollars.

CDP

In respect of Notes which are accepted for clearance by CDP in Singapore (subject to the agreement of CDP and any restrictions or conditions as specified in the relevant Pricing Supplement), clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (the "Depository System") maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of the Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organization. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

Clearance and Settlement under the Depository System. In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a global note for persons holding the Notes in securities accounts with CDP (the "Depositors"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors. Although CDP encourages settlement on the third business day

following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through certain corporate depositors (the "Depository Agents") approved by CDP under the SFA to maintain securities sub-accounts and to hold the Notes in such securities sub-accounts for themselves and their clients. Accordingly, Notes for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

General. CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, Temasek, the Paying Agent in Singapore or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organizations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream have established an electronic bridge between their two systems which enables their respective participants to settle trades with each other. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream are governed by the respective rules and operating procedures of Euroclear or Clearstream and any applicable laws. Both Euroclear and Clearstream act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

Book-Entry Ownership

Bearer Notes

The Issuer will make applications to CDP, Euroclear and/or Clearstream for acceptance in their respective book-entry systems of any Bearer Series of Notes. In respect of Bearer Notes, as may be specified in the relevant Pricing Supplement, a Temporary Global Note and/or a Permanent Global Note in bearer form without coupons will be deposited with CDP or with a common depositary on behalf of Euroclear and Clearstream. Transfers of interests in a Temporary Global Note or a Permanent Global Note will be made in accordance with the normal market debt securities operating procedures of CDP, Euroclear and Clearstream.

Registered Notes

The Issuer will make applications to CDP, Euroclear and/or Clearstream or DTC for acceptance in their respective book-entry systems of the Regulation S Global Notes. Each Regulation S Global Note will have a CUSIP, an ISIN or Common Code and will be subject to restrictions on transfer contained in a legend appearing on the front of such Note, as set out under "Notice to purchasers and holders of Registered Notes and transfer restrictions".

The Issuer will make applications to DTC for acceptance in its book-entry settlement system of the DTC Restricted Global Notes. Each DTC Restricted Global Note will have a CUSIP number and will be subject to restrictions on transfer contained in a legend appearing on the front of such Note, as set out under "Notice to purchasers and holders of Registered Notes and transfer restrictions". The custodian with whom the DTC Restricted Global Notes are deposited and DTC will electronically record the principal amount of the DTC Restricted Notes held within the DTC system.

Investors may hold their interests in a Regulation S Global Note through DTC, Euroclear, Clearstream or CDP, as the case may be, directly through such Clearance System if they are participants in such Clearance System, or indirectly through organizations that are participants of such Clearance System. Investors may hold their interests in a DTC Restricted Global Note directly through DTC if they are participants in such system, or indirectly through organizations that are participants in such system.

So long as DTC, Euroclear, Clearstream or CDP, or their respective nominee, is the registered owner or holder of a Global Note, DTC, Euroclear, Clearstream, CDP, or their respective nominee, will be considered as the sole owner or holder of the Notes represented by such Global Note for all purposes under the Indenture, the Singapore Law Trust Deed or the English Law Trust Deed (as applicable) and such Notes. Accordingly, each owner of a beneficial interest in a Global Note must rely on the procedures of the relevant Clearance System and, if a person is not a participant in the relevant Clearance System, on the procedures of the participant through which the person owns its interest in order to exercise any rights of a Noteholder under the Indenture, the Singapore Law Trust Deed or the English Law Trust Deed (as applicable).

Payments in U.S. dollars of principal and interest in respect of DTC Restricted Global Notes registered in the name of DTC's nominee will be to, or to the order of, its nominee as the registered holder of such DTC Restricted Global Note. In the case of any such payments which are denominated other than in U.S. dollars, payment of such amounts will be made to the Paying Agent who will make payment of all or part of the amount to the beneficial holders of interests in such DTC Restricted Global Note directly, in the currency in which such payment was made and/or cause all or part of such payment to be converted into U.S. dollars and credited to the relevant participant's DTC account as aforesaid, in accordance with instructions received from DTC. The Issuer expects that the nominee will upon receipt of any such payment, immediately credit DTC participants' accounts with any such payments denominated in U.S. dollars in amounts proportionate to their respective beneficial interests in the principal amount of the relevant DTC Restricted Global Note as shown on the records of DTC. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such DTC Restricted Global Note held through such DTC participants will be governed by standing instructions and customary practices between the participants and owners of beneficial interests, as is the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants and not of the Agents, the New York Trustee, the Issuer or Temasek.

The laws in some states in the United States require that certain persons take physical delivery of securities in definitive form. Consequently, these laws may impair the ability to transfer a beneficial interest in a Registered Global Note to such persons. Because DTC can only act on behalf of participants in DTC, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Registered Global Note to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest may be limited by the lack of a Definitive Registered Note in respect of such interest. The ability of the holder of a beneficial interest in any Registered Note represented by the Registered Global Notes to resell, pledge or otherwise transfer such interest may also be impaired if the proposed transferee of such interest is not eligible to hold the same through a participant or indirect participant in DTC.

None of the Issuer, Temasek, the New York Trustee, the Singapore Trustee, the English Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such ownership interests.

Definitive Registered Notes

Registration of title to Registered Notes in a name other than CDP or its nominee or a depositary for Euroclear and Clearstream or DTC will not be permitted unless (i) in the case of DTC Restricted Global Notes, DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the DTC Restricted Global Notes, or ceases to be a "clearing agency" registered under the Exchange Act, or is at any time no longer eligible to act as such, and, in the case of Notes issued under the English Law Trust Deed, the Issuer is unable to locate a qualified successor within 90 days of receiving notice or becoming aware of such ineligibility on the part of DTC, (ii) in the case of Regulation S Global Notes deposited with a common depositary for Euroclear or Clearstream, Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, (iii) in the case of Regulation S Global Notes deposited with CDP, CDP is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or CDP has announced an intention permanently to cease business or CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in the relevant Master Depository Services Agreement as amended, varied or supplemented from time to time, (iv) an event of default with respect to such series has occurred, (v) in the case of Notes issued under the Indenture, the New York Trustee has instituted or has been directed to institute any judicial proceeding in a court to enforce the rights of holders of the Notes under the Notes and the New York Trustee has been advised by counsel that in connection with such proceeding it is necessary or appropriate for the New York Trustee to obtain possession of the Notes or (vi) in the case of Notes issued under the Indenture, unless otherwise provided in the relevant Pricing Supplement, a written request for one or more Definitive Registered Notes is made by a holder of beneficial interest in a Registered Global Note, provided that such written notice or request is submitted to the New York Registrar by such holder not less than 30 days prior to the requested date of such exchange or in the case of Notes issued under the English Law Trust Deed or Notes issued under the Singapore Law Trust Deed that are not cleared through CDP, the Issuer provides its consent. In such circumstances, the Issuer will cause sufficient Definitive Registered Notes to be executed and delivered to the New York Registrar, the Singapore Registrar or the English Registrar (as the case may be) for completion, authentication and dispatch to the relevant holder(s) of the Notes.

A person having an interest in the relevant Registered Global Note must provide the New York Registrar, the Singapore Registrar or the English Registrar (as the case may be) with:

(i) written instructions and such other information as the Issuer and the New York Registrar, the Singapore Registrar or the English Registrar (as the case may be) may require to complete, execute and deliver such Definitive Registered Notes; and

(ii) in the case of a DTC Restricted Global Note only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Registered Notes issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Trading within same Clearance System

Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC's rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Euroclear and/or Clearstream participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Euroclear and Clearstream and will be settled using procedures applicable to conventional Eurobonds in immediately available funds.

Trading between Clearance Systems

Trading between a Euroclear or Clearstream seller and a DTC purchaser involving only Registered Global Notes

Due to time zone differences in their favor, Euroclear and Clearstream participants may employ their customary procedures for transactions in which interests in a Registered Global Note are to be transferred by Euroclear or Clearstream (as the case may be) to a participant in DTC. The seller must send instructions to Euroclear or Clearstream through a Euroclear or Clearstream participant (as the case may be) at least one business day prior to settlement. In these cases, Euroclear or Clearstream

will instruct its respective depositary to deliver the interests in the Registered Global Note to the DTC participant's account against payment. Payment will include interest (if any) accrued on such interests in the Note from and including the immediately preceding date for the payment of interest to and excluding the settlement date. The payment will then be reflected in the account of the Euroclear or Clearstream participant the following day, and receipt of cash proceeds in the Euroclear or Clearstream participant's account would be back-valued to the value date (which would be the preceding day when settlement occurred in New York). Should the Euroclear or Clearstream participant have a line of credit in its respective Clearance System and elect to be in debit in anticipation of receipt of the sale proceeds in its account, the back-valuation will extinguish any overdraft charges incurred over that one-day period. If settlement is not completed on the intended value date (i.e. the trade fails), receipt of the cash proceeds in the Euroclear or Clearstream participant's account would be valued instead as at the actual settlement date.

Trading between a DTC seller and a Euroclear or Clearstream purchaser involving only Registered Global Notes

When interests in a Registered Global Note are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream participant, the purchaser must send instructions to Euroclear or Clearstream through a Euroclear or Clearstream participant, as the case may be, at least one business day prior to settlement. Euroclear or Clearstream, as the case may be, will then instruct its respective depositary to receive such interests against payment. Payment will include interest (if any) accrued on such interest in the Registered Global Note from and including the immediately preceding date for the payment of interest to and excluding the settlement date. Payment will then be made by the depositary to the participant's account against delivery of the interests in the Note. After settlement has been completed, the interests will be credited to the respective Clearance System, and by the Clearance System, in accordance with its usual procedures, to the Euroclear or Clearstream participant's account. The securities credit will appear the next day (European time) and the cash debit will be back-valued to, and any interest on the Note will accrue from, the value date (which would be the preceding day when settlement occurred in New York). If settlement is not completed on the intended value date (i.e. the trade fails), the Euroclear or Clearstream cash debit will be valued instead as at the actual settlement date.

Euroclear or Clearstream participants will need to make available to the respective Clearance System the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on-hand or existing lines of credit, as such participants would for any settlement occurring within Euroclear or Clearstream. Under this approach, such participants may take on credit exposure to Euroclear or Clearstream until the interests in the Note are credited to their accounts one day later.

Alternatively, if Euroclear or Clearstream has extended a line of credit to a Euroclear or Clearstream participant, as the case may be, such participant may elect not to preposition funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Euroclear or Clearstream participants purchasing interests in the Note held in DTC would incur overdraft charges for one day, assuming they cleared the overdraft when the interests in the Note were credited to their accounts. However, any interest on the Note would accrue from the value date. Therefore, in many cases the investment income on the interests in the Note held in DTC earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

Since the settlement takes place during New York business hours, DTC participants can employ their usual procedures for transferring interests in Registered Global Notes to the respective depositories of Euroclear or Clearstream for the benefit of Euroclear or Clearstream participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participants, a cross-market transaction will settle no differently from a trade between participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Registered Global Notes among participants and accountholders of DTC, Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, Temasek, the New York Trustee, the Singapore Trustee, the English Trustee and any Agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Annex B —
Form of Pricing Supplement

The form of Pricing Supplement that will be issued in respect of each series of Notes, subject only to the deletion of non-applicable provisions or modifications, as appropriate, is set out below:

[PRIIPS REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor in the EEA means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][1]

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET — Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended "MiFID II")][MiFID II] and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment and determining appropriate distribution channels.]

Pricing Supplement dated

Temasek Financial (I) Limited
Issue of [Aggregate Nominal Amount of Series] [Title of Notes]
unconditionally and irrevocably guaranteed by
Temasek Holdings (Private) Limited
Under the US$20,000,000,000 Guaranteed Global Medium Term Note Program
Series Number

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Offering Circular dated (the "Offering Circular"). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular. Capitalized terms used herein shall have the meanings given to them in the Offering Circular.

[While the Qualifying Debt Securities ("QDS") scheme under the Income Tax Act, Chapter 134 of Singapore is subsisting and the conditions for the relevant QDS tax concessions and exemptions are met (as set out in the Offering Circular), holders of the Notes should take note of the following:][2]

[Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the "Income Tax Act"), shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.][2]

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1 To be inserted unless the Pricing Supplement specifies "Prohibition of Sales to EEA Investors" as "Not Applicable".
2 Insert if and as applicable

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.*]

1	(i)	Issuer:	Temasek Financial (I) Limited
	(ii)	Guarantor:	Temasek Holdings (Private) Limited
2	(i)	Series Number:	
	(ii)	[Tranche Number: (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)]	
3	Specified Currency or Currencies:		
4	Aggregate Nominal Amount:		
	(i)	Series:	
	(ii)	[Tranche:]	
5	Issue Price:		% of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (in the case of fungible issues only, if applicable)]
6	(i)	Specified Denominations:	[ ] and integral multiples of [ ] in excess thereof. [*In the case of English law or Singapore law governed notes, if the Issuer's right to re-denominate the Notes does not apply to this Series, insert:* The second and third sentences of Condition 1 do not apply to this Series Number [ ].]
	(ii)	Calculation Amount:	
7	(i)	Issue Date:	
	(ii)	Interest Commencement Date:	
8	Maturity Date:		[*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*][3]
9	Interest Rate Basis:		[% Fixed Rate] [[*specify reference rate*] +/−% Floating Rate] [Zero Coupon] [Index Linked Interest] [Other *(specify)*] (further particulars specified below)
10	Redemption/Payment Basis:		[Redemption at Par] [Index Linked Redemption] [Dual Currency] [Partly Paid] [Installment] [Other *(specify)*]
11	Change of Interest or Redemption/Payment Basis:		[*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]

[3] Note that for fixed rate Notes denominated in Renminbi, where the interest payment dates and maturity date are subject to a business day convention, specify an Interest Payment Date falling in or nearest to the relevant month and year.

12	(i)	Status of the Notes:	[Senior/Other *(specify)*]
	(ii)	Status of the Guarantee:	[Senior/Other *(specify)*]
13	Listing:		[SGX-ST/Other *(specify)*/None]
14	Method of distribution:		[Syndicated/Non-syndicated]

Provisions Relating to Interest (if any) Payable

15	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(i)	Interest Rate:	% per annum [payable [annually/semi-annually/ quarterly/monthly] in arrear]
	(ii)	Interest Payment Date(s):	in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/not adjusted]
	(iii)	Fixed Coupon Amount [(s)]:	per in nominal amount *(Note: For Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005, being rounded upwards)*
	(iv)	Broken Amount:	[*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate*]
	(v)	Day Count Fraction:	(Day count fraction should be Actual/Actual-ISMA for all fixed rate issues other than those denominated in U.S. dollars)[4]
	(vi)	Determination Date(s):	in each year. [*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*]*
	(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/*give details*]
16	**Floating Rate Provisions**		[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(i)	Interest Period(s):	
	(ii)	Specified Interest Payment Dates:	
	(iii)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]

[4] For fixed rate Notes denominated in Renminbi, specify: "Actual/365 (Fixed)".

* Only to be completed for an issue where Day Count Fraction is Actual/Actual-ISMA.

(iv)	Business Centre(s):	
(v)	Manner in which the Rate(s) of Interest is/ are to be determined:	[Screen Rate Determination/ISDA Determination/other *(give details)*]
(vi)	Interest Period Date(s):	[Not Applicable/*specify dates*]
(vii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]):	
(viii)	Screen Rate Determination:	
	— Relevant Time:	
	— Interest Determination Date:	[[TARGET] Business Days in [*specify city*] for [*specify currency*] prior to [the first day in each Interest Accrual Period/ each Interest Payment Date]]
	— Primary Source for Floating Rate:	[*Specify relevant screen page or "Reference Banks"*]
	— Reference Banks (if Primary Source is "Reference Banks"):	[*Specify four*]
	— Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark — *specify if not London*]
	— Benchmark:	[LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]
	— Representative Amount:	[*Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount*]
	— Effective Date:	[*Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period*]
	— Specified Duration:	[*Specify period for quotation if not duration of Interest Accrual Period*]
(ix)	ISDA Determination:	
	— Floating Rate Option:	
	— Designated Maturity:	
	— Reset Date:	
	— ISDA Definitions: (if different from those set out in the Conditions):	
(x)	Spread	[+/−]% per annum
(xi)	Minimum Rate of Interest:	% per annum
(xii)	Maximum Rate of Interest:	% per annum
(xiii)	Day Count Fraction:	
(xiv)	Spread Multiplier:	
(xv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	

16A	**Singapore Dollar Notes**	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
(i)	Floating Rate Notes:	
	— Manner in which the Rate of Interest is to be determined:	[SIBOR Notes/Swap Rate Notes/Variable Rate Notes/Other]
	— Calculation Amount:	[*Specify*]
	— Denomination Amount:	[*Specify*]
	— Interest Commencement Date:	[*Specify date(s)*]
	— Interest Payment Date:	[*Specify date(s)*]
	— Interest Period:	[*Specify*]
	— Interest Denomination Date:	[Business Days in [Singapore] prior to [*specify date(s)*]
	— Relevant Time:	[11.00 a.m. (Singapore time)/Other]
	— Relevant Business Day:	[*Specify*]
	— Spread:	[*Give details*]
	— FRN Day Basis:	[*Specify*]
(ii)	SIBOR Notes:	
	— Screen Page:	[*Give details*]
	— Reference Banks:	[*Specify*]
(iii)	Swap Rate Notes:	
	— Discount/Premium:	[*Specify*]
	— Other terms or special conditions:	[Not applicable/*give details*]
(iv)	Variable Rate Notes:	
	— Interest Commencement Date:	[*Specify date(s)*]
	— Interest Payment Date:	[*Specify date(s)*]
	— Interest Period:	[*Specify dates*]
	— Relevant Dealer:	[*Specify*]
	— Other terms or special conditions:	[Not applicable/*give details*]
(v)	Calculation Agent:	[*Specify*]
17	**Zero Coupon Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
(i)	Amortization Yield:	% per annum
(ii)	Day Count Fraction:	
(iii)	Any other formula/basis of determining amount payable:	
18	**Index Linked Interest Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
(i)	Index/Formula:	[*Give or annex details*]
(ii)	Calculation Agent responsible for calculating the interest due:	

	(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	
	(iv)	Interest Period(s):	
	(v)	Specified Interest Payment Dates:	
	(vi)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
	(vii)	Business Centre(s):	
	(viii)	Minimum Rate of Interest:	% per annum
	(ix)	Maximum Rate of Interest:	% per annum
	(x)	Day Count Fraction:	
19	**Dual Currency Note Provisions**		[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(i)	Rate of Exchange/Method of calculating Rate of Exchange:	[*Give details*]
	(ii)	Calculation Agent, if any, responsible for calculating the principal and/or interest due:	
	(iii)	Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	
	(iv)	Person at whose option Specified Currency(ies) is/are payable:	
	(v)	Day Count Fraction:	

Provisions Relating to Redemption

20	**Optional Redemption**		[Applicable/Not Applicable] *(If applicable, provide further details, including the amount of spread for purposes of determining the Make Whole Amount (in the case of New York law governed Notes) or the Make Whole Call Reference Rate and the amount of spread for purposes of determining the Optional Redemption Amount (in the case of English law or Singapore law governed Notes))*
21	**Optional Tax Redemption**		[Applicable/Not Applicable]
22	**Additional Call Options**		[Applicable/Not Applicable]
[22A	**Call Option from non-QIB/QP holder**		[Applicable. See "Important Information for Investors Relating to the U.S. — Ability of the Issuer to Compel Sale of or Redeem DTC Restricted Global Note" below.] [Not Applicable]
22B	(i)	Additional Call Option Optional Redemption Date(s):	[*Insert date that is three*/*six*/*applicable months prior to maturity date*]
	(ii)	Additional Call Option Optional Redemption Amount(s) of each Note:	Par

	(iii)	If redeemable in part:	
		(a) Minimum Redemption Amount:	[●] per [●] in nominal amount
		(b) Maximum Redemption Amount:	[●] per [●] in nominal amount
	(iv)	Additional Call Option Notice Period:	The Issuer may, on giving not less than [15] nor more than [30] days' irrevocable notice to the Noteholders, redeem all or some of the Notes on the Additional Call Option Redemption Date.]
23	**Put Option**		[Applicable/Not Applicable] *(If applicable, provide further details)*
24	**Final Redemption Amount of each Note**		[per Note of specified denomination/ Other/See Appendix]
25	**Early Redemption Amount**		
	(i)	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or an event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):	
	(ii)	Redemption for taxation reasons permitted on days other than Interest Payment Dates:	[Yes/No]
	(iii)	Unmatured Coupons to become void upon early redemption (Bearer Notes only):	[Yes/No/Not Applicable]

General Provisions Applicable to the Notes

26	Form of Notes:		Bearer Notes/Registered Notes [*Delete as appropriate*]
	(i)	Form of Global Note:	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on days' notice/at any time/in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on days' notice] [Permanent Global Note exchangeable for Definitive Notes on days' notice/at any time/in the limited circumstances specified in the permanent Global Note] [Regulation S Global Note [and DTC Restricted Global Note, each] exchangeable for Definitive Registered Notes only in the limited circumstances specified in the Indenture/Singapore Law Trust Deed/English Law Trust Deed]
	(ii)	Applicable TEFRA Rules:	[C Rules/D Rules/Not Applicable]
27	Financial Centre(s) or other special provisions relating to payment dates:		[Not Applicable/*Give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 16(iv) and 18(vii) relate*]

28	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. *If yes, give details*]
29	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Yes/No. *If yes, give details*]
30	Details relating to Instalment Notes:	[Not Applicable/*give details*]
	(i) Instalment Amount(s):	
	(ii) Instalment Date(s):	
	(iii) Minimum Instalment Amount:	
	(iv) Maximum Instalment Amount:	
31	Redenomination, renominalization and reconventioning provisions:	[Not Applicable/The provisions [in Condition] [annexed to this Pricing Supplement] apply]
32	Consolidation provisions:	[Not Applicable/The provisions [in Condition] [annexed to this Pricing Supplement] apply]
33	Other terms or special conditions:	[Not Applicable/*give details*]
33A	Governing Law:	

Distribution

34	(i) If syndicated, names of Dealers:	[Not Applicable/*give names*]
	(ii) Stabilizing Manager (if any):	[Not Applicable/*give name*]
	(iii) Dealer's Commission:	
35	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
36	Additional selling restrictions:	[Not Applicable/The Notes are Section 3(c)(7) securities issued in reliance on an exemption under the U.S. Investment Company Act of 1940, as amended. The eligible investors and transfer restrictions described below in the section entitled "Important Information for Investors Relating to the U.S." apply./The Notes may not be offered, sold or transferred within the United States or to, or for the account or benefit of, U.S. persons./See "Additional Selling Restrictions" below/*give details*]
37	Prohibition of Sales to EEA Retail Investors	[Applicable/Not Applicable]

Operational Information

38	ISIN Code:
39	Common Code:
40	CUSIP No.:

41	Clearing System(s):	[CDP] [DTC] [Euroclear and Clearstream, Luxembourg] *(if any clearing system(s) other than CDP, DTC or Euroclear and Clearstream, Luxembourg, provide the following information)* [Name of Clearing System(s)/Identification Number(s)] [*Note: A member of the Central Moneymarkets Unit Service (the "CMU") operated by the Hong Kong Monetary Authority may act as a custodian for persons seeking to hold bonds through the CMU so long as such CMU member has subscribed to the CMU-Euroclear linkage service (a "Qualifying CMU Member"). Accordingly, any persons seeking to hold a beneficial interest in Notes denominated in Renminbi through the CMU are advised to contact a Qualifying CMU Member to establish eligibility.*]
42	Delivery:	Delivery [against/free of] payment
43	The Agents appointed in respect of the Notes are:	

General

44	Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with :	[Not Applicable/*give details*]
45	The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of , producing a sum of (for Notes not denominated in U.S. dollars):	[Not Applicable/US$]

[LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the Issuer's US$20,000,000,000 Guaranteed Global Medium Term Note Program.]

[STABILIZING

In connection with the issue of the Notes, one or more Dealers named as stabilizing manager (the "Stabilizing Manager(s)") (or persons acting on behalf of any Stabilizing Manager) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes.]

[ADDITIONAL SELLING RESTRICTIONS

Each of the Dealers in respect of the series of Notes to be issued under the Program has represented, acknowledged and agreed that it has complied with the selling restrictions set forth in the section entitled "Plan of Distribution — Selling Restrictions" in the Offering Circular dated and the additional selling restrictions set forth below in the offering of such Notes: [*specify applicable additional selling restrictions*].]

[IMPORTANT INFORMATION FOR INVESTORS RELATING TO THE U.S.

As described more fully below, there are certain restrictions regarding the Notes which affect potential investors. These restrictions modify the restrictions set forth in the section entitled "Plan of

distribution — Selling restrictions — United States" in the Offering Circular dated . These restrictions include prohibitions on sale or transfer in the offering of the Notes and thereafter to persons in circumstances which would cause either the Issuer or the Guarantor to be required to be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"), or the Notes to be required to be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). [References to the "Indenture" shall mean the amended and restated indenture dated as of July 12, 2013 and as further amended and supplemented by a supplemental indenture in relation to the Notes, to be dated as of the date of original issuance of the Notes, in each case among the Issuer, the Guarantor and Deutsche Bank Trust Company Americas as the trustee (the "New York Trustee").] [References to the "English Law Trust Deed" shall mean the amended and restated trust deed dated July 12, 2013 and as a further amended and supplemented by a supplemental trust deed in relation to the Notes, to be dated the date of original issuance of the Notes, in each case among the Issuer, the Guarantor and DB Trustees (Hong Kong) Limited as the trustee (the "English Trustee") and references to the "English Agency Agreement" shall mean the agency agreement dated February 3, 2010, as amended and supplemented by the first supplemental agency agreement dated July 9, 2012 and as further amended and supplemented by a supplemental agency agreement in relation to the Notes, to be dated the date of original issuance of the Notes, among the Issuer, the Guarantor, the English Trustee, Deutsche Bank Luxembourg S.A. as registrar, Deutsche Bank AG, Hong Kong Branch and Deutsche Bank AG, Singapore Branch as initial issuing and paying agent and the other agents named in it.]

Eligible Investors

The Notes may only be offered or sold (A) to U.S. persons or persons in the United States who are both "qualified institutional buyers" (each a "QIB") as defined in Rule 144A under the Securities Act ("Rule 144A") and "qualified purchasers" (each, a "QP") as defined in the Investment Company Act, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A, or (B) outside the United States, to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S"). The terms "U.S. person" and "offshore transaction" have the meanings set forth in Regulation S. Neither the Issuer nor the Guarantor will be registered under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act.

Bearer Notes generally may not be offered or sold to a person within the United States or its possessions or to a United States person (as defined in the U.S. Internal Revenue Code of 1986, as amended (the "Code")), subject to certain exceptions.

A description of the transfer restrictions applicable to the Notes, including Notes initially sold in the United States or to U.S. persons, is set forth below in the section entitled "— Transfer Restrictions".

DTC Restricted Global Notes

Each initial purchaser, and each subsequent purchaser or transferee, of Notes offered hereby in reliance on Rule 144A and the exemption provided by Section 3(c)(7) of the Investment Company Act (or any beneficial interest therein), including interests in DTC Restricted Global Notes, will be deemed by its acceptance thereof to have represented and agreed, on its own behalf and on behalf of each account for which it is purchasing and each person for which it is acting, as follows:

(1) Such person (i) is a QIB and a QP; (ii) is not a broker-dealer which owns and invests on a discretionary basis less than US$25 million in securities of unaffiliated issuers; (iii) is not a participant-directed employee plan, such as a plan described in subsections (a)(1)(i)(D), (E) or (F) of Rule 144A; and (iv) either (a) is not and is not using the assets of any (i) "employee benefit plan" which is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), "plan" which is subject to Section 4975 of the Code or entity whose underlying assets are treated as assets of any such employee benefit plan or plan within the meaning of ERISA or the Code or (ii) governmental, church or non-U.S. plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("Similar Law"), or entity whose assets are treated as assets of any such plan, or (b) its purchase and holding of a DTC Restricted Global Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or violation of applicable Similar Law.

(2) Such person (i) was not formed for the purpose of investing in the Issuer (unless each beneficial owner of its securities is a QP); and (ii) is acquiring an interest in the Notes for its own account as

principal, or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements deemed made by such person and for whom such person exercises sole investment discretion.

(3) Such person understands and acknowledges that the Notes have not been and will not be registered under the Securities Act and accordingly may not be offered or sold as part of its initial distribution within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

(4) Such person understands and acknowledges that neither the Issuer nor the Guarantor has registered, and neither the Issuer nor the Guarantor intends to register, as an "investment company" (as such term is defined under the Investment Company Act and related rules) and that the Issuer and the Guarantor have imposed the transfer and offering restrictions with respect to persons in the United States and U.S. persons described herein so that the Issuer and the Guarantor will qualify for the exemption provided under Section 3(c)(7) of the Investment Company Act and will have no obligation to register as an investment company.

(5) Such person agrees that its Notes may only be sold, transferred, assigned, pledged or otherwise disposed of in compliance with the Securities Act and other applicable securities laws (i) to the Guarantor or any subsidiary thereof, (ii) to a U.S. person or to a person in the United States whom it reasonably believes is both a QIB and a QP (x) in a transaction meeting the requirements of Rule 144A or (y) pursuant to any other available exemption from the registration requirements of the Securities Act, or (iii) outside the United States to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S under the Securities Act (including, for the avoidance of doubt, a bona fide sale on the Singapore Exchange Securities Trading Limited) (the "SGX-ST"), provided, that it delivers to the Issuer and the Guarantor an Offshore Transaction Letter substantially in the form appended to [the Indenture] [the English Agency Agreement]. The term "offshore transaction" has the meaning set forth in Regulation S. Such person understands that the transfer restrictions will remain in effect until the Issuer determines, in its sole discretion, to remove them.

(6) Such person agrees that its Notes may be sold, transferred, assigned, pledged or otherwise disposed of only in minimum denominations of US$250,000.

(7) Such person understands that, subject to certain exceptions, to be a QP, entities must have US$25 million in "investments" as defined in Rule 2a51-1 under the Investment Company Act.

(8) Such person agrees, upon a proposed transfer of its Notes, to notify any purchaser of such Notes or the executing broker, as applicable, of any transfer restrictions that are applicable to the Notes being sold.

(9) Such person understands and acknowledges that (i) the [New York] [English] Trustee, the Issuer, the Guarantor and their agents shall not be obligated to recognize any resale or other transfer of the Notes made other than in compliance with the restrictions described herein; and (ii) the Issuer and its agents may require any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Notes to transfer the Notes within 30 days to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S and if the obligation is not met, the Issuer is irrevocably authorized, without any obligation, to sell such Notes on an offshore stock exchange on such terms as the directors of the Issuer think fit, or the Issuer shall be entitled to redeem such Notes at par, being a Redemption Amount equal to the principal amount plus any accrued and unpaid interest to (but excluding) the Redemption Date.

(10) Such person agrees that neither it, nor any of its affiliates, nor any person acting on its or their behalf, will make any "directed selling efforts" as defined in Regulation S, or any "general solicitation or general advertising" as defined in Regulation D under the Securities Act, with respect to the Notes.

(11) Such person understands that the [New York] [English] Trustee, the Issuer and the Guarantor may receive a list of participants holding positions in the Notes from one or more book-entry depositories.

(12) Such person agrees that the Issuer, the Guarantor and others may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

(13) Such person understands and acknowledges that any Notes issued to it in definitive form will bear the applicable restrictive legend as provided for in [the Indenture] [the English Law Trust Deed]. In addition, such person understands that the legend shall not be removed from the Notes unless the Issuer agrees, in its sole discretion, to remove the legend.

Regulation S Global Notes

Each initial purchaser, and each subsequent purchaser or transferee, of Notes offered hereby in reliance on Regulation S (or any beneficial interest therein), including interests in Regulation S Global Notes, will be deemed to have represented and agreed, on its own behalf and on behalf of each account for which it is purchasing and each person for which it is acting, as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

(1) Such person is, at the time of the offer to it of Notes and at the time the buy order originated, outside the United States for purposes of Regulation S.

(2) Such person is not a U.S. person and is not acquiring the Notes for the account or benefit of a U.S. person.

(3) Such person is aware that the Notes have not been and will not be registered under the Securities Act and are being offered outside the United States in reliance on Regulation S.

(4) Such person understands that prior to the end of the expiration of the 40-day distribution compliance period, no exchange, sale, assignment, pledge, transfer or other disposal of interests in a Regulation S Global Note for interests in a DTC Restricted Global Note shall be permitted.

(5) Such person understands that interests in the Regulation S Global Notes may only be sold, transferred, pledged or otherwise disposed of (i) to the Guarantor or any subsidiary thereof, (ii) to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S (including, for the avoidance of doubt, a bona fide sale on the SGX-ST), or (iii) after the expiration of the 40-day distribution compliance period following the issue date of the Notes, to a U.S. person or a person in the United States whom it reasonably believes is both a QIB and a QP (x) in a transaction that meets the requirements of Rule 144A or (y) pursuant to any other available exemption from the registration requirements of the Securities Act, and such transferee will then acquire such interests as interests in the DTC Restricted Global Note.

(6) Such person understands that any offer, sale, pledge or other transfer made other than in compliance with the above-stated restrictions shall not be recognized by the Issuer in respect of the Notes.

(7) Such person understands and acknowledges that any Notes issued to it in definitive form will bear the applicable restrictive legend as provided for in [the Indenture] [the English Law Trust Deed]. In addition, such person understands that the legend shall not be removed from the Notes unless the Issuer agrees, in its sole discretion, to remove the legend.

Transfer Restrictions

The Notes and the Guarantee have not been, and will not be, registered under the Securities Act, and have not been registered or qualified under any state securities laws in the United States or the securities laws of any other jurisdiction and, accordingly, may not be offered, resold, pledged or otherwise transferred in the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available, and except in accordance with the restrictions described below.

Any purchaser of DTC Restricted Global Notes may only sell, transfer, assign, pledge, or otherwise dispose of such Notes in compliance with the Securities Act and other applicable securities laws (i) to the Guarantor or any subsidiary thereof, (ii) to a U.S. person or a person in the United States whom it reasonably believes is both a QIB and a QP (x) in a transaction that meets the requirements of Rule 144A or (y) pursuant to any other available exemption from the registration requirements of the Securities Act, or (iii) outside the United States to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S (including, for the avoidance of doubt, a *bona fide* sale on the SGX-ST), *provided* that such purchaser delivers to the Issuer and the Guarantor an Offshore Transaction Letter in the form of Appendix A hereto.

Each transferee, assignee, pledgee or other person acquiring any interest in a DTC Restricted Global Note will be deemed by its acceptance thereof to have made all of the representations and agreements set forth above in the section entitled "— Eligible Investors — DTC Restricted Global Notes".

Any purchaser of interests in the Regulation S Global Notes may only sell, transfer, assign, pledge, or otherwise dispose of such interests (i) to the Guarantor or any subsidiary thereof, (ii) to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S (including, for the avoidance of doubt, a *bona fide* sale on the SGX-ST), or (iii) after the expiration of the 40-day distribution compliance period following the issue date of the Notes, to a U.S. person or a person in the United States whom it reasonably believes is both a QIB and a QP (x) in a transaction that meets the requirements of Rule 144A or (y) pursuant to any other available exemption from the registration requirements of the Securities Act, and such transferee will then acquire such interests as interests in the DTC Restricted Global Note.

Each transferee, assignee, pledgee or other person acquiring in any interest in a Regulation S Global Note will be deemed by its acceptance thereof to have made all of the representations and agreements set forth above in the section entitled "— Eligible Investors — Regulation S Global Notes".

Investor Representation Letters

In the event that any purchaser of DTC Restricted Global Notes that is located within the United States or that is a U.S. person transfers such Notes outside the United States in an offshore transaction complying with the provisions of Regulation S (including, for the avoidance of doubt, a *bona fide* sale on the SGX-ST), such transferor must execute an Offshore Transaction Letter in the form of Appendix A hereto and cause such letter to be promptly delivered to the Issuer and the Guarantor.

In addition, in the event any Notes are issued in definitive form ("Definitive Notes") in accordance with the provisions of [the Indenture] [the English Law Trust Deed], such Definitive Notes will bear a legend substantially in the form as provided for in [the Indenture] [the English Law Trust Deed] and before any U.S. person or person located in the United States may take delivery of any such Definitive Notes, such person must deliver to the Issuer and the Guarantor a representation letter substantially in the form as provided for in [the Indenture] [the English Law Agency Agreement].

Ability of the Issuer to Compel Sale of or Redeem DTC Restricted Global Note

The Issuer may, at its option, compel any beneficial owner of interests in the DTC Restricted Global Note to sell its interest in such Notes, or sell such interests on behalf of such holder, or redeem its interests in such Note at an amount equal to the principal amount plus any accrued and unpaid interest to (but excluding) [the Redemption Date (as defined in the Indenture)] [the date fixed for redemption], if such holder is not a QIB and a QP.

Legend

Each DTC Restricted Global Note representing the Notes will bear a legend substantially to the following effect, in addition to such other legends as may be necessary or appropriate, unless the Issuer determines otherwise in compliance with applicable law:

> THIS NOTE (OR ITS PREDECESSOR) AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WERE ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), AND UNDER THE APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER AND THAT NEITHER THE ISSUER NOR THE GUARANTOR HAS BEEN OR WILL BE REGISTERED AS AN "**INVESTMENT COMPANY**" UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **"INVESTMENT COMPANY ACT"**), IN RELIANCE UPON EXEMPTIONS FROM THE DEFINITION OF "INVESTMENT COMPANY" UNDER THE INVESTMENT COMPANY ACT. THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER AND THE GUARANTOR THAT (A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS BOTH

A "**QUALIFIED INSTITUTIONAL BUYER**" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A **"QUALIFIED PURCHASER"** (AS DEFINED IN THE INVESTMENT COMPANY ACT), AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, AND THAT (B) THIS NOTE MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF US$250,000 (1) TO THE GUARANTOR OR ANY SUBSIDIARY THEREOF, (2) TO A U.S. PERSON OR A PERSON IN THE UNITED STATES WHOM THE SELLER REASONABLY BELIEVES IS BOTH A **"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A **"QUALIFIED PURCHASER"** (AS DEFINED IN THE INVESTMENT COMPANY ACT) (X) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR (Y) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, OR (3) IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S UNDER THE SECURITIES ACT (**"REGULATION S"**) TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE SELLER TO BE A U.S. PERSON, IF EITHER (X) AT THE TIME THE BUY ORDER ORIGINATED THE PURCHASER WAS OUTSIDE THE UNITED STATES, OR THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVED THE PURCHASER WAS OUTSIDE THE UNITED STATES OR (Y) THE SALE IS MADE IN A TRANSACTION EXECUTED IN A DESIGNATED OFFSHORE SECURITIES MARKET, AND TO A PERSON NOT KNOWN TO THE SELLER TO BE A U.S. PERSON BY PRE-ARRANGEMENT OR OTHERWISE, AND UPON CERTIFICATION TO THAT EFFECT BY THE SELLER IN WRITING IN AN OFFSHORE TRANSACTION LETTER IN THE FORM AS PROVIDED FOR IN [THE INDENTURE] [THE AGENCY AGREEMENT ENTERED INTO IN RELATION TO THIS NOTE] OR ANOTHER FORM ACCEPTABLE TO THE ISSUER. THE TERMS **"U.S. PERSON,"** "**OFFSHORE TRANSACTION**" AND **"DESIGNATED OFFSHORE SECURITIES MARKET"** HAVE THE MEANINGS SET FORTH IN REGULATION S. THE HOLDER AND EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE TRANSFER RESTRICTIONS REFERRED TO IN (B) ABOVE. NONE OF THE [NEW YORK] [ENGLISH] TRUSTEE UNDER THE [INDENTURE] [ENGLISH LAW TRUST DEED] GOVERNING THIS NOTE, THE ISSUER, THE GUARANTOR OR THEIR AGENTS SHALL BE OBLIGATED TO RECOGNIZE ANY RESALE OR OTHER TRANSFER OF THIS NOTE AND THE GUARANTEE MADE OTHER THAN IN COMPLIANCE WITH THE TRANSFER RESTRICTIONS REFERRED TO IN (B) ABOVE. THE ISSUER AND ITS AGENTS MAY REQUIRE ANY PERSON WHO IS REQUIRED TO BE A QUALIFIED PURCHASER AND A QUALIFIED INSTITUTIONAL BUYER BUT WHO IS NOT A QUALIFIED PURCHASER AND A QUALIFIED INSTITUTIONAL BUYER AT THE TIME IT ACQUIRES THIS NOTE TO TRANSFER THIS NOTE TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S WITHIN 30 DAYS. IF THIS NOTE IS NOT SO TRANSFERRED, THE ISSUER IS ENTITLED TO SELL THIS NOTE TO A PURCHASER SELECTED BY THE ISSUER OR REDEEM THIS NOTE FROM SUCH PERSON AT PAR, BEING A REDEMPTION AMOUNT EQUAL TO THE PRINCIPAL AMOUNT PLUS ANY ACCRUED AND UNPAID INTEREST TO (BUT EXCLUDING) THE REDEMPTION DATE.

THE HOLDER OF THIS NOTE, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT EITHER (I) SUCH PERSON IS NOT AND IS NOT USING THE ASSETS OF ANY (A) "EMPLOYEE BENEFIT PLAN" AS DEFINED IN AND SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), "PLAN" SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE")** OR ENTITY WHOSE UNDERLYING ASSETS ARE TREATED AS ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN WITHIN THE MEANING OF ERISA OR THE CODE**, OR (B) GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), OR ENTITY WHOSE ASSETS ARE TREATED AS ASSETS OF ANY SUCH PLAN, OR (II) SUCH PERSON'S PURCHASE AND HOLDING OF A NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF APPLICABLE SIMILAR LAW.**

THIS NOTE IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH SELLER OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN TO THE PURCHASER AND TO ANY EXECUTING BROKER.

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("**DTC**"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OR TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Each Regulation S Global Note representing the Notes will bear a legend to the following effect, in addition to such other legends as may be necessary or appropriate, unless the Issuer determines otherwise in compliance with applicable law:

THIS NOTE (OR ITS PREDECESSOR) AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER, AND WERE ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER, THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), AND UNDER THE APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. TERMS USED HEREIN HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT. NEITHER THE ISSUER NOR THE GUARANTOR HAS BEEN OR WILL BE REGISTERED AS AN **"INVESTMENT COMPANY"** UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **"INVESTMENT COMPANY ACT"**), IN RELIANCE UPON EXEMPTIONS FROM THE DEFINITION OF "INVESTMENT COMPANY" UNDER THE INVESTMENT COMPANY ACT. THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER AND THE GUARANTOR THAT THIS NOTE MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF US$250,000 (1) TO THE GUARANTOR OR ANY SUBSIDIARY THEREOF, (2) IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S UNDER THE SECURITIES ACT (**"REGULATION S"**) TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE SELLER TO BE A U.S. PERSON, IF EITHER (X) AT THE TIME THE BUY ORDER ORIGINATED THE PURCHASER WAS OUTSIDE THE UNITED STATES, OR THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVED THE PURCHASER WAS OUTSIDE THE UNITED STATES OR (Y) THE SALE IS MADE IN A TRANSACTION EXECUTED IN A DESIGNATED OFFSHORE SECURITIES MARKET, AND TO A PERSON NOT KNOWN TO THE SELLER TO BE A U.S. PERSON BY PRE-ARRANGEMENT OR OTHERWISE, OR (3) AFTER THE EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD FOLLOWING THE ISSUE DATE OF THE NOTES, TO A U.S. PERSON OR A PERSON IN THE UNITED STATES WHOM THE SELLER REASONABLY BELIEVES IS BOTH A **"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A **"QUALIFIED PURCHASER"** (AS DEFINED IN THE INVESTMENT COMPANY ACT) (X) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR (Y) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND SUCH TRANSFEREE WILL THEN HOLD THE ACQUIRED INTERESTS AS INTERESTS IN THE DTC RESTRICTED GLOBAL NOTE. THE TERMS **"U.S. PERSON," "OFFSHORE TRANSACTION"** AND **"DESIGNATED OFFSHORE SECURITIES MARKET" HAVE THE MEANINGS SET FORTH IN REGULATION S. THE HOLDER AND EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE TRANSFER RESTRICTIONS REFERRED TO ABOVE.**

NONE OF THE [NEW YORK] [ENGLISH] TRUSTEE, THE ISSUER, THE GUARANTOR OR THEIR AGENTS SHALL BE OBLIGATED TO RECOGNIZE ANY RESALE OR OTHER TRANSFER OF THIS NOTE AND THE GUARANTEE MADE OTHER THAN IN COMPLIANCE WITH THE TRANSFER RESTRICTIONS REFERRED TO ABOVE.

THE HOLDER OF THIS NOTE, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT EITHER (I) SUCH PERSON IS NOT AND IS NOT USING THE ASSETS OF ANY (A) "EMPLOYEE BENEFIT PLAN" AS DEFINED IN AND SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), "PLAN" SUBJECT

TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") OR ENTITY WHOSE UNDERLYING ASSETS ARE TREATED AS ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN WITHIN THE MEANING OF ERISA OR THE CODE, OR (B) GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR ENTITY WHOSE ASSETS ARE TREATED AS ASSETS OF ANY SUCH PLAN, OR (II) SUCH PERSON'S PURCHASE AND HOLDING OF A NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF APPLICABLE SIMILAR LAW.

THIS NOTE IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH SELLER OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN TO THE PURCHASER AND TO ANY EXECUTING BROKER.]

Offshore Transaction Letter

To:

Temasek Financial (I) Limited
60B Orchard Road
#06-18 Tower 2
The Atrium @ Orchard
Singapore 238891

as Issuer

Temasek Holdings (Private) Limited
60B Orchard Road
#06-18 Tower 2
The Atrium @ Orchard
Singapore 238891

as Guarantor

With a copy to:

Deutsche Bank Trust Company Americas
Trust & Agency Services
Global Transaction Banking
60 Wall Street, 16th Floor
New York, New York 10005

as Trustee

Re: [ ] Series of Guaranteed Notes (the ***"Notes"***) under the US$20,000,000,000 Guaranteed Global Medium Term Note Program

Ladies and Gentlemen:

Reference is hereby made to the Amended and Restated Indenture, dated as of July 12, 2013, and as further amended and supplemented by a [ ] Supplemental Indenture in relation to the Notes, dated as of the date of original issuance of the Notes (collectively, the ***"Indenture"***), among Temasek Financial (I) Limited, as the issuer (the ***"Issuer"***), Temasek Holdings (Private) Limited, as the guarantor (the ***"Guarantor"***), and Deutsche Bank Trust Company Americas, as the trustee (the ***"Trustee"***). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter (an ***"Offshore Transaction Letter"***) relates to the sale or other transfer by us of interests in a DTC Restricted Global Note representing the Notes in an offshore transaction pursuant to Regulation S ***("Regulation S")*** under the U.S. Securities Act of 1933, as amended (the ***"Securities Act"***).

Capitalized terms used but not defined herein shall have the meanings given to them in Regulation S, except as otherwise stated herein.

We acknowledge (or if we are acting for the account of another person, such person has confirmed that it acknowledges) that the Notes have not been and will not be registered under the Securities Act and that neither the Issuer nor the Guarantor has registered, and neither the Issuer nor the Guarantor intends to register, as an "investment company" under the Investment Company Act of 1940, as amended (the ***"Investment Company Act"***).

We hereby certify as follows:

1. The offer and sale of the Notes was not and will not be made to a person in the United States or to a person known by us to be a U.S. Person.

2. Either: (a) at the time the buy order for the Notes was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States; or (b) the transaction in the Notes was executed in, on or through the facilities of a designated offshore securities market (including the Singapore Exchange Securities Trading Limited), and neither we nor any person acting on our behalf knows that the transaction was pre-arranged with a buyer in the United States.

3. Neither we, nor any of our affiliates, nor any person acting on our or their behalf, has made any directed selling efforts in the United States with respect to the Notes.

4. The proposed transfer of the Notes is not part of a plan or scheme to evade the registration requirements of the Securities Act or the Investment Company Act.

5. None of the Issuer, the Guarantor or any of their agents participated in the sale of the Notes.

6. If the transfer is in accordance with Rule 904 of Regulation S, and we are a dealer in securities or have received a selling concession, fee or other remuneration in respect of the Notes, and the transfer is to occur during the Distribution Compliance Period (as defined in the Indenture), that the requirements of Rule 904(b)(i) of Regulation S have been satisfied.

7. We agree, prior to the sale of the Notes, to notify the purchaser of such Notes or the executing broker, as applicable, of the transfer restrictions that are applicable to the Notes being sold.

8. We agree that the Issuer, the Guarantor and others may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

[Where there are joint transferors, each must sign this Offshore Transaction Letter. An Offshore Transaction Letter of a corporation must be signed by an authorized officer or be completed otherwise in accordance with such corporation's constitution (evidence of such authority may be required).]

Very truly yours,

[NAME OF TRANSFEROR]

By: _____
Name:
Title:
Address:

Date:

Annex C —
Constitutional safeguards

The following is a general summary of the provisions in the Constitution of Singapore relating to Temasek as a company specified in Part II of the Fifth Schedule to the Constitution as at the date of this Offering Circular. This summary is for general information only and does not purport to be a comprehensive description or exhaustive statement of applicable laws as at the date of this Offering Circular. All references to "CEO" in this Annex C refer to the Chief Executive Officer of Temasek Holdings (Private) Limited.

The Constitution is the supreme law of Singapore. The Constitution provides that the President of Singapore (the "President"), who shall be elected by the citizens of Singapore in accordance with any law made by the Legislature of Singapore, shall be the Head of State. A constitutional framework relating to the safeguarding of reserves (namely, the excess of assets over liabilities) of the Government of Singapore (the "Government"), statutory boards specified in Part I of the Fifth Schedule to the Constitution (each, a "Statutory Board") and Government companies specified in Part II of the Fifth Schedule to the Constitution (each, a "Fifth Schedule Company") is set out in the Constitution. The Constitution provides for the President to exercise certain powers over the appointment of directors and the chief executive officer, the budget and certain proposed transactions of a Fifth Schedule Company. Temasek, being a Fifth Schedule Company specified in Part II of the Fifth Schedule to the Constitution, is subject to such powers of the President and the constitutional safeguards summarized below.

Appointment of Directors and Chief Executive Officer

The appointment or removal of any person as a director of Temasek ("Director") or CEO is not permitted unless the President, acting in his discretion, concurs with such appointment or removal, and without such concurrence of the President, the appointment or removal is void and of no effect. The term of appointment of a Director may not exceed three years. At the expiry of the term of appointment, a Director is eligible for reappointment.

Annual Budgets and Certain Proposed Transactions

Before the commencement of each financial year of Temasek, the Board of Directors is required to present to the President for his approval its annual budget (as well as any supplementary budget) for that financial year, together with a declaration (the "Declaration") by the chairman (the "Chairman") of the Board of Directors and the CEO whether the annual budget (or, as the case may be, supplementary budget) when implemented, is likely to draw on the reserves which were not accumulated by Temasek during the current term of office of the Government (the "Past Reserves"). The President, acting in his discretion, may disapprove the annual budget or supplementary budget of Temasek if, in his opinion, the budget is likely to draw on the Past Reserves, except that if he approves any such budget notwithstanding his opinion that the budget is likely to so draw on those reserves, the President is under a duty to cause his opinion to be published in the Government Gazette.

If the President has not approved the annual budget by the first day of the financial year, Temasek:

(a) shall, within three months of that first day, present to the President a revised budget for that financial year together with the Declaration described above; and

(b) may, pending the decision of the President, incur expenditure not exceeding one-quarter of the amount provided in the approved budget of Temasek for the preceding financial year.

In addition, if the President does not approve the revised budget, Temasek may during that financial year incur a total expenditure not exceeding the amount provided in the approved budget of Temasek for the preceding financial year; and the budget for the preceding financial year shall have effect as the approved budget for that financial year.

Within six months after the close of a financial year, the Board of Directors is required to present to the President:

(a) an audited profit and loss account showing the revenue collected and expenditure incurred by Temasek during that financial year, and an audited balance sheet showing the assets and liabilities of Temasek at the end of that financial year; and

(b) a declaration by the Chairman and CEO whether the audited profit and loss account and balance sheet of Temasek show any drawing on the Past Reserves.

The Board of Directors and the CEO have a duty to inform the President of any proposed transaction of Temasek, which is likely to draw on the Past Reserves. Where the President has been so informed, the President, acting in his discretion, may disapprove the proposed transaction (other than a proposed transaction which the Prime Minister of Singapore appointed under the Constitution (the "Prime Minister") and the Minister (appointed under the Constitution) responsible for defence, on the recommendations of the Permanent Secretary to the Ministry of Defence and the Chief of Defence Force, certify to be necessary for the defence and security of Singapore), except that if he does not disapprove any such proposed transaction even though he is of the opinion that such proposed transaction is likely to draw on the Past Reserves, the President is under a duty to cause his decision and opinion to be published in the Government Gazette.

General time limit for President to exercise discretionary powers and consequences if President does not exercise his discretion within such time limit

Where the Constitution authorizes the President to act in his discretion in assenting to, concurring with, approving, disapproving or confirming any of the constitutional safeguards summarized above (the "Constitutional Safeguards"), the President must signify his decision within a specified period (the "Specified Period") after his assent, concurrence, approval or confirmation is sought or after he is informed of a proposed transaction which is likely to draw on the Past Reserves. The Specified Period in relation to the Constitutional Safeguards is six weeks, which may be reduced or extended in accordance with the Constitution.

In relation to the Constitutional Safeguards, if the President fails to signify his decision within the Specified Period, the President is deemed to have, at the end of that period, given the assent, concurrence, approval or confirmation sought in that case, or, declined to disapprove a proposed transaction which is likely to draw on the Past Reserves that the President was informed of.

Prime Minister and Chairman to receive President's grounds and Council's recommendation if President exercises veto on Constitutional Safeguards

In relation to the Constitutional Safeguards, if the President acts in his discretion to refuse to give the assent, concurrence or approval that was sought or to disapprove a proposed transaction which is likely to draw on the Past Reserves, the President must certify the grounds for his decision to the Prime Minister and send the recommendation of the Council of Presidential Advisers constituted under Part VA of the Constitution (the "Council") to the Prime Minister. Where the President disapproves the budget, supplementary budget or revised budget of, or a proposed transaction by, Temasek, the President must also send such grounds and recommendation to the Chairman.

Parliament may overrule Presidential veto exercised contrary to Council's recommendation

In relation to the Constitutional Safeguards, Parliament may, by resolution, overrule the President if (a) the President acts in his discretion to refuse to give the assent, concurrence or approval that was sought or disapprove a proposed transaction which is likely to draw on the Past Reserves and (b) the President's decision was made contrary to the Council's recommendation. Such resolution (a) may only be passed on a motion for which notice has been given by a Minister (appointed under the Constitution), (b) may only be moved after the Government causes the President's grounds (as certified in the manner described in the preceding paragraph) for the decision sought to be overruled to be published in the Government Gazette and sends the recommendation of the Council in relation to that decision to the Speaker of Parliament (who must present the recommendation to Parliament), and (c) must be passed by no less than two-thirds of the total number of Members of Parliament (excluding nominated Members of Parliament). Despite the provision that Parliament may, by resolution, overrule the President as

described above in this paragraph, (a) a refusal by the President to approve a budget, revised budget or supplementary budget of Temasek, and (b) a decision by the President to disapprove a proposed transaction by Temasek, cannot be overruled unless the Chairman has made a request to the Cabinet constituted under the Constitution for such a resolution to be moved with respect to the refusal or the decision. If Parliament overrules the President, the President is deemed to have, on the date the overruling resolution was passed, given the assent, concurrence or approval that was sought or never to have disapproved of the proposed transaction which is likely to draw on the Past Reserves, as the case may be.

Council of Presidential Advisers

In relation to the Constitutional Safeguards, the President (a) must consult the Council before exercising any discretionary power conferred on him by the Constitution and (b) must immediately refer to the Council for its recommendation (i) any case where the President's assent, concurrence or approval is sought and which the President is so required to consult the Council and (ii) any proposed transaction which is likely to draw on the Past Reserves that the President is informed of. If the Council fails to give its recommendation within the time limit prescribed by the Constitution, the Council is deemed to have recommended that the President give the assent, concurrence or approval that was sought or not disapprove the proposed transaction which is likely to draw on the Past Reserves, as the case may be. The Council's recommendation to the President must state whether the recommendation is unanimous and if not, the number of votes for and against the recommendation as well as the grounds for the Council's recommendation.

Transfer of Past Reserves

A proposed transfer or transfer by Temasek of any of its reserves to the Government, any Statutory Board or another Fifth Schedule Company shall not be taken into account in determining whether the Past Reserves are likely to be or have been drawn on if:

(a) in the case of a proposed transfer or transfer of reserves by Temasek to the Government, the Minister (appointed under the Constitution) responsible for finance undertakes in writing to add those reserves of Temasek to the reserves accumulated by the Government before its current term of office;

(b) in the case of a proposed transfer or transfer of reserves by Temasek to a Statutory Board, that Statutory Board by resolution resolves that those reserves of Temasek shall be added to the reserves accumulated by that Statutory Board before the current term of office of the Government; or

(c) in the case of a proposed transfer or transfer of reserves by Temasek to another Fifth Schedule Company, the board of directors of that Fifth Schedule Company by resolution resolves that those reserves of Temasek shall be added to the reserves accumulated by that Fifth Schedule Company before the current term of office of the Government.

Any reserves so transferred shall be deemed to form part of the reserves accumulated by the Government, the relevant Statutory Board or, as the case may be, the relevant Fifth Schedule Company before the current term of office of the Government, on the relevant date specified in the Constitution.

Similarly, a proposed transfer or transfer by the Government, any Statutory Board or another Fifth Schedule Company of any of its respective reserves to Temasek shall not be taken into account in determining whether the reserves accumulated by the Government, that Statutory Board or, as the case may be, that Fifth Schedule Company before the current term of office of the Government are likely to be or have been drawn on if the Board of Directors by resolution resolves that those reserves shall be added to the Past Reserves. Any reserves so transferred will be deemed to form part of the Past Reserves.

President's Access to Information

In the exercise of his functions under the Constitution, it is provided under the Constitution that the President shall be entitled, at his request, to any information concerning Temasek which is available to the Board of Directors ("Temasek Information"). The Constitution further provides that the President may request the CEO or a Director to furnish any Temasek Information concerning the reserves of Temasek, and the CEO or Director concerned shall be under a duty to provide the information.

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