



Appendix 4D

Templeton Global Growth Fund Ltd ("Company") ABN 44 006 558 149

Half Year Report

(provided to the ASX under listing Rule 4.2A.3)

Reporting Period

The financial information contained within this report pertains to the reporting period 1 July 2016 to 31 December 2016. Comparative information pertains to the previous corresponding period ("pcp") 1 July 2015 to 31 December 2015. The information contained in this half year report should be read in conjunction with the annual financial report for the year ended 30 June 2016.

Results for Announcement to the Market

Revenue for the reporting period was \$3,424,153 (2015: \$3,688,770) a decrease of \$244,617.

Net profit from ordinary activities after tax attributable to the members for the reporting period was \$1,015,408 (2015: \$1,054,749) a decrease of \$39,341.

During the reporting period, a final dividend of 4.5 cents per share at 2.5 cents fully franked and 2.0 cents unfranked was declared and paid. This dividend included LIC capital gains attributable at 2.5 cents per share.

No interim dividend has been declared in respect of the half year to 31 December 2016.

The record date for determining entitlements to the final dividend was Friday 9 September 2016.

Additional Explanation:

The Company reports realised and unrealised gains or losses on its investment portfolio, net of tax, in equity and discloses these movements as other comprehensive income in the statement of comprehensive income and not in the income statement. In the reporting period other comprehensive income was \$30,788,851 compared to a loss of \$12,204,445 in the pcip.

Dividend Information

On 24 August 2016 the Directors declared a final dividend in respect of the year ended 30 June 2016 of 4.5 cents per share at 2.5 cents fully franked and 2.0 cents unfranked which was paid from current year realised capital gains net of tax and retained earnings. This dividend included LIC capital gains attributable at 2.5 cents per share.

The dividend was paid to shareholders on 23 September 2016.

No interim dividend has been declared in respect of the half year to 31 December 2016.

Dividend Reinvestment

The Company dividend reinvestment plan was not in operation for the final dividend for the year ended 30 June 2016.

Net Tangible Assets per Security

During the reporting period the Company's net tangible asset backing ("NTA") before tax increased from 128 cents per share at 30 June 2016 to 143 cents per share at 31 December 2016. This increase is after the payment of a 4.5 cent per share dividend to shareholders in September 2016. The NTA at the end of the pcip was 139 cents per share.

Investment Performance

The Company's investment portfolio returned 16.0% (net of expenses) whereas the MSCI All Country World Index ("index") returned 9.6% over the six months to 31 December 2016. The Company's portfolio outperformed the market in the period under review by 6.4%, due primarily to its stock selection – particularly the overweight positions in the energy, industrial and financial sectors, as compared to the Index.

On Market Share Buy-Back

The Company had an on market share buy-back facility in place for the current reporting period. There were 10,279,680 shares at cost of \$12,104,702 purchased for the half year ended 31 December 2016.

Controlled Entities

The Company at no time in the reporting period or in the pcg gained or lost control of any entity.

Associates and Joint Ventures

The Company at no time in the reporting period or in the pcg had any associate or joint venture relationships.

Audit

There are no items in dispute with the auditors and the review report on the half year financial report is not subject to qualification.

Templeton Global Growth Fund Ltd

A handwritten signature in blue ink, reading "Lindsay Macleay".

Company Secretary

22 February 2016

**DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

The Directors of Templeton Global Growth Fund Ltd ("Company") submit their report for the half year ended 31 December 2016 ("the reporting period").

DIRECTORS

The following persons were Directors of the Company during the half year and up to the date of this report:

JAMES A. (TONY) KILLEN, OAM, BA, FAIM, FAICD - Non-Executive Chairman
GREGORY E. McGOWAN, JD – Non-Executive Director
MARTIN F. WARWICK, CA, MBA, ACIS, AGIA, BSc, MAICD – Non-Executive Director
MICHAEL J. O'BRIEN, CFA, FIAA, GAICD – Non-Executive Director
JOANNE DAWSON, B.Com, MBA, CA, CFP, MAICD – Non-Executive Director
JENNIFER M. JOHNSON, BA. (Economics) – Non-Executive Director
CHRIS R. FREEMAN, CA, MAICD – Non-Executive Director (Appointed 11 January 2017)
ALOK SETHI, B.Com, ACA – Non-Executive Director (Appointed 22 February 2017)

RESULTS AND REVIEW OF OPERATIONS

The Company invests in a globally diversified portfolio of primarily international securities. The Company does not hedge the underlying currencies in which the portfolio is invested. The Company's operations did not change during the reporting period.

The key elements of this half year report are referred to below.

Revenue:

Revenue is represented by dividends from investments, interest income and other sundry receipts. In total, revenue for the reporting period was \$3,424,153 down from \$3,688,770 in the previous corresponding period ("pcp"). Dividend income for the reporting period was \$3,212,949 compared to \$3,568,738 in the pcp.

Profit after income tax for the half year:

The profit after tax for the reporting period was \$1,015,408 compared to a profit after tax of \$1,054,749 in the pcp.

Other comprehensive income:

The after tax effect of realised and unrealised capital gains or losses are recorded directly to equity and disclosed in the statement of comprehensive income. In the reporting period \$30,788,851 of realised and unrealised capital gains (net of tax) were reported as other comprehensive income compared to realised and unrealised capital losses (net of tax) of \$12,204,445 in the pcp.

Net tangible asset backing per share (“NTA”):

The NTA increased from \$1.28 per share at 30 June 2016 to \$1.43 per share at 31 December 2016. This was after the payment of a 4.5 cent per share final dividend in September 2016.

The NTA over the previous five years has been:

As at 31 December	NTA cents per share	
	After Actual Tax*	After Estimated Tax**
2016	143	138
30 June 2016	128	128
2015	139	135
2014	142	138
2013	142	139
2012	96	96
<p>* “Actual Tax” is all Australian and Foreign income tax for which a liability has risen and therefore excludes deferred tax. ** “Estimated Tax” is estimated tax if the company disposed of its total investment portfolio at its market value. However, the company is a long term investor and does not intend to dispose of its total investment portfolio.</p>		

The Company’s Annual General Meeting (“AGM”) was held on 4 November 2016. At the AGM, the Financial Report of the Company, the Reports of the Directors for the financial year ended 30 June 2016 were received and considered. Jennifer M Johnson and Gregory E McGowan were re-elected as Directors of the Company. The Remuneration Report for the financial year ended 30 June 2016 was adopted. However, the votes cast against this resolution were greater than 25% of total votes cast and, accordingly, the Company received a ‘second strike’, requiring a resolution to be put to the meeting to consider whether an extraordinary general meeting should be held at which the appointment of all Directors would be put to a shareholder vote (“Spill Resolution”). The Spill Resolution was not carried and no extraordinary general meeting was required to be held.

The Company continues to believe the ‘strikes’ were not directed at the Remuneration Report which it considers unexceptional. Rather the Company considers that the strikes related to the activities of a few shareholders seeking to influence the composition of the Board.

INVESTMENT PERFORMANCE

The Company’s investment portfolio increased by \$22,422,758 over the reporting period. When taking into account the impact of the dividend paid and the on market share buy-back, the investment performance for the period was 16.0% (net of expenses), compared to the MSCI All Country World Index (“index”) of 9.6% over the six months to 31 December 2016.

The Company’s portfolio outperformed the market in the period under review by 6.4%, due primarily to its stock selection – particularly the overweight positions in the energy, industrial and financial sectors, as compared to the Index.

DIVIDENDS

On 24 August 2016 the Directors declared a final dividend in respect of the year ended 30 June 2016 of 4.5 cents per share at 2.5 cents fully franked and 2.0 cents unfranked which was paid from current year realised capital gains net of tax and retained earnings. The dividend also included a LIC capital gains component attributable to 2.5 cents per share. The dividend was paid to shareholders on 23 September 2016.

No interim dividend has been declared in respect of the half year to 31 December 2016 (31 December 2015: nil).

The dividend/distribution target for 2016/2017 will be a minimum of 3% of the value of the Company's pre-estimated tax Net Tangible Assets ("NTA") at 30 June 2016, which equates to 3.8 cents per share. This dividend will be paid from retained earnings and/or realised capital gains net of tax for the period. As at December 2016, the retained earnings position equates to 4.0 cents per share and net realised capital gains (net of tax) of 0.6 cents per share.

CAPITAL MANAGEMENT

The Company had in place an on market share buy-back which operated during the reporting period. There were 10,279,680 shares at cost of \$12,104,702 purchased for the half year ended 31 December 2016.

The on market share buy-back was not in place during the prior corresponding period.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration given under Section 307C of the *Corporations Act 2001* forms part of the Directors' Report for the half year ended 31 December 2016.

Signed in accordance with a resolution of the Directors.



J.A. (Tony) KILLEN
Chairman

Melbourne
22 February 2017



Auditor's Independence Declaration

As lead auditor for the review of Templeton Global Growth Fund Ltd for the half-year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in cursive script that reads 'Elizabeth O'Brien'.

Elizabeth O'Brien
Partner
PricewaterhouseCoopers

Melbourne
22 February 2017

**INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	Notes	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
Revenue	3	3,424,153	3,688,770
Investment expenses	4	(1,635,140)	(1,740,218)
Salaries and employee benefit expenses		(131,266)	(145,186)
Shareholder and regulatory costs		(119,140)	(152,854)
Other expenses		(97,694)	(65,052)
Profit before income tax		1,440,913	1,585,460
Income tax expense	5	(425,505)	(530,711)
Profit after income tax for the half year		1,015,408	1,054,749
Earnings per share (cents)			
Basic and diluted earnings per share		0.4	0.4
Dividend paid per share (cents)	6	4.5	4.1

The above income statement should be read in conjunction with the accompanying notes.

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
Profit after income tax for the half year	1,015,408	1,054,749
Other comprehensive income		
<i>Items that will not be recycled through the Income Statement</i>		
Unrealised gains/(losses) on investments in the portfolio at 31 December	41,952,370	(22,683,992)
Income tax (expense)/benefit on the above	(12,585,711)	6,805,197
Realised gains on investments during the period	2,031,703	5,249,071
Income tax (expense) on the above	<u>(609,511)</u>	<u>(1,574,721)</u>
Total other comprehensive income/(loss) after tax	<u>30,788,851</u>	<u>(12,204,445)</u>
Total comprehensive income/(loss) after tax	<u>31,804,259</u>	<u>(11,149,696)</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Notes	As at 31 December 2016 \$	As at 30 June 2016 \$
Current assets			
Cash and cash equivalents	7	2,784,335	5,089,894
Receivables		850,928	783,883
Total current assets		<u>3,635,263</u>	<u>5,873,777</u>
Non-current assets			
Investments		326,575,112	304,152,354
Deferred tax asset		-	649,471
Total non-current assets		<u>326,575,112</u>	<u>304,801,825</u>
Total assets		<u>330,210,375</u>	<u>310,675,602</u>
Current liabilities			
Payables		424,976	361,726
Current tax liabilities		610,348	2,104,630
Total current liabilities		<u>1,035,324</u>	<u>2,466,356</u>
Non-current liabilities			
Deferred tax liability		<u>11,934,435</u>	<u>-</u>
Total non-current liabilities		<u>11,934,435</u>	<u>-</u>
Total liabilities		<u>12,969,759</u>	<u>2,466,356</u>
Net assets		<u>317,240,616</u>	<u>308,209,246</u>
Equity			
Contributed equity	8	294,444,604	306,549,306
Reserves		13,679,818	(8,869,284)
Retained profits		<u>9,116,194</u>	<u>10,529,224</u>
Total equity		<u>317,240,616</u>	<u>308,209,246</u>

The above balance sheet should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	<i>Issued Capital \$</i>	<i>Retained Profits \$</i>	<i>Investment Revaluation Reserve \$</i>	<i>Investment Realisation Reserve \$</i>	<i>Total Equity \$</i>
At 1 July 2016	306,549,306	10,529,224	(1,424,816)	(7,444,468)	308,209,246
Profit after income tax for the half year	-	1,015,408	-		1,015,408
Other comprehensive income					
Net revaluation increment on the investment portfolio	-	-	30,788,851	-	30,788,851
Transfer of net cumulative realised gains for the half year	-	-	(1,422,192)	1,422,192	-
Total other comprehensive income for the period	-	-	29,366,659	1,422,192	30,788,851
Transactions with shareholders					
Dividends paid	-	(2,428,438)	-	(8,239,749)	(10,668,187)
Shares bought back	(12,104,702)	-	-	-	(12,104,702)
At 31 December 2016	294,444,604	9,116,194	27,941,843	(14,262,025)	317,240,616

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2016 (Cont.)**

	<i>Issued Capital \$</i>	<i>Retained Profits \$</i>	<i>Investment Revaluation Reserve \$</i>	<i>Investment Realisation Reserve \$</i>	<i>Total Equity \$</i>
At 1 July 2015	316,642,386	6,754,182	39,982,856	(5,486,086)	357,893,338
Profit after income tax for the half year	-	1,054,749	-	-	1,054,749
Other comprehensive income					
Net revaluation decrement on the investment portfolio	-	-	(12,204,445)	-	(12,204,445)
Transfer of net cumulative realised gains for the half year	-	-	(3,674,350)	3,674,350	-
Total other comprehensive income for the period	-	-	(15,878,795)	3,674,350	(12,204,445)
Transactions with shareholders					
Dividends paid	-	-	-	(10,198,130)	(10,198,130)
Shares issued under the dividend reinvestment plan	1,165,331	-	-	-	1,165,331
Tax credit* on cost of capital raising	37,339	-	-	-	37,339
At 31 December 2015	317,845,056	7,808,931	24,104,061	(12,009,866)	337,748,182

*Reduced Input Tax Credit claimable from Australian Taxation Office on goods and services tax paid.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

	6 months to 31 December 2016 \$ Inflows/(Outflows)	6 months to 31 December 2015 \$ Inflows/(Outflows)
Cash Flows from Operating Activities		
Dividends received	2,834,657	3,223,892
Interest received	187,074	127,255
Custodian fees paid	(21,638)	(17,392)
Investment manager's fees paid	(1,716,595)	(1,668,978)
Goods and services tax refunded	138,490	152,129
Income taxes paid	(2,202,886)	(502,449)
Administrative, regulatory, legal and other payments in the normal course of operations	(337,609)	(377,548)
Net cash (outflow)/inflow from operating activities	(1,118,507)	936,909
Cash Flows from Investing Activities		
Cash paid for purchase of listed shares	(25,793,670)	(76,060,078)
Proceeds received from realisation of listed shares	47,346,857	21,913,003
Net cash inflow/(outflow) from investing activities	21,553,187	(54,147,075)
Cash Flows from Financing Activities		
Shares purchased (on market buy-back)	(12,104,702)	-
Net dividend paid	(10,668,187)	(9,032,799)
Cost of capital raising	-	(528,284)
Net cash (outflow) from financing activities	(22,772,889)	(9,561,083)
Net decrease in cash and cash equivalents	(2,338,209)	(62,771,249)
Cash and cash equivalents at the beginning of the half year	5,089,894	70,588,695
Effects of exchange rate changes on cash and cash equivalents	32,650	(934,046)
Cash and cash equivalents at the end of the half year	2,784,335	6,883,400

The above cash flows statement should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT 31 DECEMBER 2016

1. CORPORATE INFORMATION

The financial report of Templeton Global Growth Fund Ltd (“the Company”) for the half year ended 31 December 2016 was authorised for issue in accordance with a resolution of the Directors on 22 February 2017.

The Company is incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange (“ASX”).

The nature of operations and principal activities of the Company are described in Note 9.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This interim financial report for the half year reporting period ended 31 December 2016 has been prepared in accordance with the requirements of the AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The half year financial report has been prepared on a historical cost basis except for financial assets (“Investments”) which have been measured at fair value through other comprehensive income.

The half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2016 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The financial report is presented in Australian dollars.

For the purpose of preparing the half year financial report, the half year has been treated as a discrete reporting period.

New accounting standards or amendments

There are no new accounting standards, interpretations or amendments that are effective for the first time for the half year beginning 1 July 2016 that would be expected to have a material impact on the Company.

Compliance with IFRS

The financial report complies with Australian Accounting Standards applicable to interim reporting as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (“IFRS”) applicable to interim reporting as issued by the International Accounting Standards Board.

**NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT
31 DECEMBER 2016**

3. REVENUE

	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
Dividends	3,212,949	3,568,738
Interest	211,126	120,012
Other investment income	78	20
Total revenue	3,424,153	3,688,770

4. INVESTMENT EXPENSES

	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
Investment management fees	1,580,848	1,595,605
Custodian fees	23,000	27,755
Net foreign currency losses	31,292	116,858
Total investment expenses	1,635,140	1,740,218

5. INCOME TAX EXPENSE

The major components of income tax expense for the half year ended 31 December 2016 and 31 December 2015 are:

Income Statement	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
<i>Current income tax</i>		
Current income tax charge	425,505	530,711
<i>Deferred income tax</i>		
Relating to originating and reversal of temporary differences	-	-
Income tax reported in the income statement	425,505	530,711

**NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT
31 DECEMBER 2016**

6. DIVIDENDS PAID OR PROPOSED

	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
Equity dividends on ordinary shares:		
(a) Dividends declared and paid during the half year:		
Final dividend for the financial year 30 June 2016: 4.5 cents per share at 2.5 cents fully franked and 2.0 cents unfranked. (2015: 4.1 cents per share at 0.7 cents fully franked and 3.4 cents unfranked)	10,668,187	10,198,130
(b) Dividends proposed and not yet recognised as a liability:		
Interim franked dividend for financial year 30 June 2017: 0.0 cents per share. (2016: 0.0 cents per share)	-	-
(c) Listed investment company (LIC) capital gain account		
Balance of the LIC capital gain account	1,422,192	-
This equates to an attributable amount of	2,031,703	-

The attributable amount is effectively the pre tax capital gain amount. Generally, individuals and superannuation funds can deduct in their tax returns 50% or 33.3%, respectively, of the attributable amount advised to them in their dividend statement.

7. CASH AND CASH EQUIVALENTS

For the purpose of the half year cash flow statement, cash and cash equivalents are comprised of the following:

	31 December 2016 \$	30 June 2016 \$
Cash at bank	2,784,335	5,089,894

**NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT
31 DECEMBER 2016**

8. CONTRIBUTED EQUITY

	31 December 2016	30 June 2016
	\$	\$
<i>(a) Issued and paid-up capital</i>		
Ordinary shares fully paid	<u>294,444,604</u>	<u>306,549,306</u>

	Number	\$
<i>(b) Movements in shares on issue</i>		
At 1 July 2016	240,416,627	306,549,306
Share cancelled via share buy-back	(10,279,680)	(12,104,702)
At 31 December 2016	<u>230,136,947</u>	<u>294,444,604</u>

(c) Terms and conditions of contributed capital

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of (and amounts paid up on) shares held.

Ordinary shares entitle their holders to one vote, either in person or by proxy, at a meeting of the Company.

NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT 31 DECEMBER 2016

9. SEGMENT INFORMATION

(a) *Operating segment*

The Company is domiciled and incorporated in Australia. The Company has a single operating segment which is the business of investing in and managing a worldwide portfolio of investments listed on international stock exchanges.

(b) *Segment reporting*

The Company reports net profit (or loss) after income tax. This excludes the impact of realised and unrealised gains or losses in the value of investments which are reported in the statement of comprehensive income.

	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
Profit after income tax (excluding realised and unrealised gains/(losses))	1,015,408	1,054,749

The Company also reports the net asset value per share both before and after provision for deferred tax on realised and unrealised gains or losses in the value of the Company's investment portfolio.

	31 December 2016 cents	30 June 2016 cents
Net tangible asset backing per share		
After actual tax	143	128
After estimated tax	<u>138</u>	<u>128</u>

(c) *Other segment information*

Segment revenue

Revenue from external parties are derived from the receipt of dividend, distribution and interest income.

The Company is domiciled in Australia and all of the Company's dividend and distribution income is from entities which maintain a listing on a stock exchange. The Company has a diversified portfolio of investments.

NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT 31 DECEMBER 2016

9. SEGMENT INFORMATION (cont.)

(c) *Other segment information (cont.)*

Dividend revenue by geographic location:

	6 months to 31 December 2016 \$	6 months to 31 December 2015 \$
Country		
Brazil	-	60,772
Canada	34,462	44,256
China	21	17,501
France	102,875	110,751
Hong Kong	58,602	41,452
Ireland	83,078	83,907
Israel	-	57,643
Italy	95,843	73,127
Japan	218,364	227,515
Netherlands	118,246	107,292
Norway	58,564	60,804
Russia	-	82,263
Singapore	166,948	192,784
South Korea	314,588	349,394
Spain	98,139	57,445
Thailand	30,406	32,351
United Kingdom	763,024	997,757
United States of America	1,069,789	971,724
Total	3,212,949	3,568,738

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows financial instruments recorded at fair value, analysed between those whose fair value is based on quoted market prices (“Level 1”), those involving valuation techniques where all the model inputs are observable in the market (“Level 2”) and those where the valuation technique involves the use of non-market observable inputs (“Level 3”). All of the Company’s financial assets are investments in listed securities (Level 1). The Company has no financial liabilities measured at fair value.

**NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT
31 DECEMBER 2016**

10. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

	31 December 2016		30 June 2016	
	Level 1	Total	Level 1	Total
Financial assets at fair value through other comprehensive income				
Listed equity securities	326,575,112	326,575,112	304,152,354	304,152,354
Total	326,575,112	326,575,112	304,152,354	304,152,354

There were no transfers between levels during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair value of listed equity is based on quoted market bid prices at the reporting date, without any deduction for transaction costs. These instruments are included in level 1.

Other disclosures – Investment portfolio

The Company's portfolio of investments has, since the Company's inception, consisted of securities chosen primarily on the basis of their long term appreciation potential. The Company is a long term holder of investments. Accordingly each investment within the portfolio of investments on adoption of AASB 9 was designated to be measured at fair value through other comprehensive income.

The value of investments realised in the normal course of the Company's business as a Listed Investment Company during the half year was \$47,410,721 (2015: \$21,095,814). The cumulative gain on these realised investments after tax was \$1,422,192 (2015: \$3,674,350) which has been transferred from the investment revaluation reserve to the investment realisation reserve (refer to the statement of changes in equity).

11. RELATED PARTY DISCLOSURE

Shareholding of related party entities

During the half year, Franklin Resources Incorporated and/or affiliates held shares in the Company.

Shares held in the Company
(number)

	Balance 1 July 2016 Ord	Net Change Other Ord	Balance 31 December 2016 Ord
<i>Franklin Resources Inc. and/or affiliates</i>	807,906	4,513,715	5,321,621

**NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT
31 DECEMBER 2016**

12. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

13. EVENTS AFTER THE BALANCE SHEET DATE

On 22 February 2017 the Directors determined not to pay an interim dividend on ordinary shares in respect of the December 2016 half year.

On 22 February 2017 the following changes were also made to the Board of Directors.

The Chairman, Mr. James Killen, and Jenny Johnson, both submit their resignation from the Board. Mr. Chris Freeman was appointed as the Chairman of the Board, and Mr. Alok Sethi was also appointed to the Board as a non-executive director.

Both Mr. Freeman and Mr. Sethi will submit themselves for election at the 2017 AGM.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Templeton Global Growth Fund Ltd ("the Company"), I state that:

In the Directors' opinion:

(a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2016 and of its performance for the half year ended on that date; and
- (ii) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board.



J.A. (Tony) Killen
Chairman

Melbourne
22 February 2017



Independent auditor's review report to the members of Templeton Global Growth Fund Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Templeton Global Growth Fund Ltd (the company), which comprises the balance sheet as at 31 December 2016, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Templeton Global Growth Fund Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Templeton Global Growth Fund Ltd is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in dark ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in dark ink, appearing to read 'Elizabeth O'Brien'.

Elizabeth O'Brien
Partner

Melbourne
22 February 2017

LIST OF INVESTMENTS AS AT 31 DECEMBER 2016 (Unaudited)

(Note: Certain investments which are dual listed have been treated as if listed in their home countries.)

	Shares/Units Held	AUD Value	% of Total
CANADA			
Silver Wheaton Corp	63,300	1,690,948	
Suncor Energy Inc	45,900	2,074,602	
		<u>3,765,550</u>	1.15
CHINA			
Baidu, Inc	10,210	2,317,942	
China Life Insurance Co Ltd	409,000	1,471,628	
China Merchants Co Ltd	577,123	1,973,754	
China Mobile Ltd	64,330	941,336	
China Telecom Corp Ltd	5,840,000	3,724,082	
Goldpac Group Ltd	3,051,000	1,097,784	
Kunlun Energy Co Ltd	1,888,000	1,947,170	
		<u>13,473,696</u>	4.13
FRANCE			
AXA SA	119,478	4,173,384	
BNP Paribas SA	57,527	5,059,599	
Compagnie De Saint Gobain SA	62,825	4,044,883	
CGDE Michelin SCA	16,441	2,530,166	
Credit Agricole SA	183,004	3,140,199	
Sanofi	32,846	3,675,907	
Technip SA	13,295	1,312,820	
Total SA	57,862	4,099,569	
Zodiac Aerospace SA	30,900	981,445	
		<u>29,017,972</u>	8.89
GERMANY			
Bayer AG	16,340	2,351,821	
Deutsche Lufthansa AG	185,030	3,312,419	
Draegerwerk AG & Co. KGaA Pref	13,900	1,609,859	
Merck KGaA	16,650	2,402,745	
MorphoSys AG	18,860	1,337,482	
SAP SE	13,950	1,677,626	
Siemens AG	15,650	2,651,217	
		<u>15,343,169</u>	4.70

	Shares/Units Held	AUD Value	% of Total
HONG KONG			
NewOcean Energy Holdings Ltd	2,394,000	874,181	
Springland International Holdings Ltd	4,314,000	983,589	
		<u>1,857,770</u>	0.57
IRELAND			
CRH PLC	102,382	4,886,355	
		<u>4,886,355</u>	1.50
ISRAEL			
Teva Pharmaceutical Industries Ltd 7% Conv Cum Pfd Shs	4,000	3,563,044	
		<u>3,563,044</u>	1.09
ITALY			
Eni SpA	160,640	3,615,209	
Unicredit SpA	563,339	2,241,825	
		<u>5,857,034</u>	1.79
JAPAN			
Nissan Motor Co Ltd	386,300	5,367,604	
OMRON Corporation	31,800	1,684,972	
Panasonic Corporation	125,900	1,770,239	
SoftBank Group Corp	55,700	5,117,214	
Sumitomo Metal Mining Co Ltd	83,000	1,479,065	
Suntory Beverage and Food Co Ltd	70,500	4,048,587	
Toshiba Corp	453,000	1,517,413	
Toyota Motor Corp	20,400	1,658,466	
Unipres Corp	54,400	1,493,087	
		<u>24,136,647</u>	7.39
NETHERLANDS			
Aegon NV	244,259	1,860,105	
Akzo Nobel NV	32,784	2,834,700	
ING Groep NV	158,665	3,085,415	
Qiagen NV	66,630	2,601,093	
SBM Offshore NV	132,980	2,889,088	
		<u>13,270,401</u>	4.06
NORWAY			
Telenor ASA	104,880	2,170,685	
		<u>2,170,685</u>	0.66

	Shares/Units Held	AUD Value	% of Total
SINGAPORE			
Singapore Telecommunications Ltd	751,000	2,613,155	1.51
United Overseas Bank Ltd	118,455	2,308,844	
		<u>4,921,999</u>	
SOUTH KOREA			
DGB Financial Group Co Ltd	135,006	1,500,465	5.76
Hana Financial Group Inc	65,471	2,335,662	
Hyundai Mobis Co Ltd	13,231	3,986,390	
KB Financial Group Inc	56,848	2,778,803	
Samsung Electronics Co Ltd	3,987	8,205,882	
		<u>18,807,202</u>	
SPAIN			
Tecnicas Reunidas SA	30,539	1,733,328	1.00
Telefonica SA	118,072	1,516,762	
		<u>3,250,090</u>	
SWEDEN			
Gefinge AB	119,670	2,665,131	0.82
		<u>2,665,131</u>	
SWITZERLAND			
ABB Ltd	113,420	3,310,412	3.42
Basilea Pharmaceutica AG	10,660	1,057,397	
Credit Suisse Group AG	165,952	3,292,255	
Roche Holdings Ltd Genusssch	11,120	3,514,574	
		<u>11,174,638</u>	
THAILAND			
Bangkok Bank Public Company Ltd	404,600	2,480,928	0.76
		<u>2,480,928</u>	
TURKEY			
Turk Iletisim Hizmetleri AS	105,587	1,004,688	0.31
		<u>1,004,688</u>	

	Shares/Units Held	AUD Value	% of Total
UNITED KINGDOM			
Aviva PLC	253,037	2,096,382	
BAE Systems PLC	273,517	2,749,140	
Barclays PLC	1,088,747	4,131,987	
BP PLC	778,373	6,767,514	
Glencore PLC	360,920	1,708,191	
HSBC Holdings PLC	476,641	5,280,866	
Kingfisher PLC	375,471	2,241,907	
Marks & Spencer Group PLC	172,640	1,030,230	
Petrofac Ltd	104,040	1,542,827	
Royal Dutch Shell PLC Class A	2,411	92,201	
Royal Dutch Shell PLC Class B	165,726	6,654,413	
Sky PLC	126,046	2,131,572	
Standard Chartered PLC	238,150	2,693,989	
Tesco PLC	310,451	1,095,572	
Vodafone Group PLC	935,576	3,189,861	
		<hr/>	
		43,406,652	13.29
		<hr/>	

UNITED STATES			
Allegheny Technologies Inc	152,240	3,347,135	
Allergan PLC	13,310	3,863,595	
Ally Financial Inc	77,010	2,021,765	
Alphabet Inc	4,650	5,090,019	
American International Group Inc	47,590	4,293,024	
Amgen Inc	23,720	4,790,189	
Apache Corp	22,890	2,006,708	
Apple Inc	25,580	4,092,235	
Applied Materials Inc	31,930	1,422,982	
Capital One Financial Corp	41,310	4,977,053	
Chevron Corp	14,720	2,394,312	
Cisco Systems Inc	75,210	3,140,934	
Citigroup Inc	74,910	6,148,186	
Comcast Corp	52,590	5,021,506	
ConocoPhillips	28,530	1,975,548	
CVS Health Corp	21,980	2,396,218	
Devon Energy Corp	31,380	1,979,181	
Eastman Chemical Co	27,200	2,825,554	
Eli Lilly & Co	25,100	2,550,210	
First Solar Inc	38,990	1,726,846	
General Motors Co	35,430	1,704,711	

	Shares/Units Held	AUD Value	% of Total
UNITED STATES (CONTINUE)			
Gilead Sciences Inc	45,400	4,490,468	
Halliburton Co	31,200	2,330,628	
Ionis Pharmaceuticals Inc	20,030	1,323,070	
J P Morgan Chase & Co	52,750	6,289,059	
Knowles Corp	114,530	2,643,000	
LyondellBasell Industries NV	13,570	1,607,561	
Medtronic Inc	27,120	2,668,554	
Michael Kors Holdings Ltd	24,630	1,461,949	
Microsoft Corp	104,440	8,962,715	
Morgan Stanley	29,975	1,748,990	
Navistar International Corp	78,880	3,417,298	
Oracle Corp	81,870	4,347,330	
Perrigo Co PLC	13,630	1,567,045	
Pfizer Inc	62,228	2,792,139	
Rockwell Collins Inc	17,430	2,233,572	
Twenty-First Century Fox Inc	67,980	2,558,286	
Walgreens Boots Alliance Inc	28,970	3,311,886	
		<hr/>	
		121,521,461	37.20
		<hr/>	
TOTAL PORTFOLIO OF INVESTMENTS		326,575,112	100
		<hr/>	

ADDITIONAL INFORMATION REQUIRED FOR LISTED COMPANIES

REGISTERED OFFICE

Level 19
101 Collins Street
Melbourne 3000
Telephone +61 3 9603 1209
Facsimile +61 3 9603 1266

SECRETARY

L Mackay
M R Sund

GENERAL MANAGER

M R Sund

AUDITOR

PricewaterhouseCoopers

SOLICITOR

King & Wood Mallesons

INVESTMENT MANAGER

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Melbourne 3000
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SHARE REGISTRAR

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067
Telephone 1300 850 505
International Enquiries: +61 3 9415 4000
Facsimile +61 3 9473 2500

STOCK EXCHANGE LISTINGS

The company's shares are listed on the Australian Securities Exchange Ltd

WEBSITE

www.tggf.com.au