



TEMPLETON GLOBAL GROWTH FUND LTD

Quarterly Investment Manager's Report

SEPTEMBER 2015

INVESTMENT MANAGER

The Investment Manager of the Company's investment portfolio is Franklin Templeton Investments Australia Ltd. The Company's portfolio is managed in accordance with the investment philosophy of the Templeton Global Equities Group ("Templeton"), which forms part of the Franklin Templeton Investments group, a large U.S. based investment management organisation. Templeton is one of the pioneers in global investing and its successful investment philosophy has been refined over more than 70 years. The Templeton investment process endeavours to identify undervalued securities through fundamental company analysis, using a global industry focus and a long term investment horizon.

INVESTMENT APPROACH

Templeton's time-tested investment approach is based on its philosophy of value, patience and bottom-up stock selection. Templeton focus on the rigorous analysis of individual stocks across geographic borders and seek to identify companies trading at significant discounts to Templeton's estimates of future earnings power, cash flow generation and/or asset value. As independent thinkers with strong conviction in their investment ideas, they take an unconstrained approach to finding value.

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PERFORMANCE DATA¹ (AS OF 30/9/15)

Average Annual Total Returns

Templeton Global Growth Fund Ltd (AUD%)

	Quarter	1 Year	3 Years	5 Years	10 Years
Templeton Global Growth Fund Ltd (TGG) — Net of Fees ²	-3.7	8.8	21.8	14.0	4.7
MSCI All Country World Free Index ³	-0.9	16.3	21.9	13.9	5.5

Net Tangible Assets (NTA) – Unaudited

	30 June 2015	30 September 2015
TGG share price (cents)	1.31	1.30
NTA per share before tax (\$) ⁴	1.50	1.40
Premium/(Discount) to NTA before tax (%)	(12.7)	(7.1)
NTA per share after tax (\$) ⁴	1.44	1.36
Premium/(Discount) to NTA after tax (%)	(9.0)	(4.4)

The market value of the portfolio represents prices quoted on overseas stock markets in foreign currencies converted to Australian currency. The rate used for conversion of values of US currency securities was USD0.702 for September and USD0.769 for June.

QUARTERLY MARKET REVIEW

The Australian dollar declined almost 10% relative to the US dollar for the third quarter of 2015, substantially shielding Australian investors from general market declines, as stocks in the United States, most of Europe, and Japan retreated.

US economic growth for 2015's second quarter was revised upward, and US housing data and retail sales improved during the third quarter. In its September meeting, the Fed kept interest rates unchanged and said it would continue to monitor developments abroad. Eurozone economic growth rose in 2015's second quarter, mainly due to a rise in household consumption, but inflation contracted in September as oil prices fell.

Broad retreats across emerging-market equities accompanied the selloff in China's stock markets and the People's Bank of China's surprise move in August to devalue the Chinese yuan. Toward the end of August, China's failure to implement widely anticipated monetary policy easing measures triggered a fresh retreat in Chinese equities, leading the country's central bank to reduce its benchmark interest rate and the reserve requirement ratio for banks. In Latin America, Brazil slipped into a recession, and the country's central bank reduced its growth forecast and raised inflation projections for fiscal-year 2015.

QUARTERLY PERFORMANCE ATTRIBUTION

The portfolio underperformed its benchmark index for the quarter. Stock selection and an underweighting in the consumer staples sector detracted from the fund's performance for the quarter. An overweighting and security selection in the energy sector also hampered performance, as did positioning in the consumer discretionary sector. Conversely, security selection in the health care sector enhanced performance. Stock security and an underweighting in the materials sector also weighed on results, as did security selection in the financials sector.

Brazilian oil major Petrobras was a significant detractor in the energy sector during the third quarter. Its shares declined as oil prices slumped and investigations into a long-simmering bribery scandal at the company progressed. Petrobras remained a higher-risk holding given ongoing uncertainty around legal issues, government interference and strategic execution. However, many of these risks appeared to be discounted in the firm's depressed share price. We believe the energy sector generally remained an abundant source of long-term value. Within oil markets, we continue to believe that oil prices will eventually recover toward the marginal cost of production. While the cost of production has come down somewhat as costs reset lower, it remains substantially higher than current spot prices.

Turning to contributors, the health care sector notably helped relative results, buoyed by stock selection. Shares of French pharmaceutical firm Sanofi declined in value, but less so than the pharmaceuticals industry as a whole, and added value on a relative basis. The portfolio's positioning in the materials sector also enhanced performance. Within this sector, we have continued to find only selective value. According to our analysis, the mining industry is suffering from significant excess capacity following an unprecedented investment boom in China. While some stocks were beginning to look attractively valued to us, much depends on China's economic trajectory as the country's leadership seeks a more sustainable growth model.

INVESTMENT OUTLOOK AND STRATEGY

We believe the recent selloff in global equity markets could help mitigate one of the main overhangs for the asset class: a belief that stocks had gotten too expensive. The prospect of a Fed rate hike was potentially another major overhang for global stock markets, though with financial conditions tightening and stocks correcting recently, a move in interest rates may now be priced in as well. With such concerns abating against a backdrop of broadly accommodative global monetary policy and excess liquidity, conditions may be favourable for renewed equity strength.

We have seen widening spreads between, for example, developed and emerging markets, cyclical and defensive sectors, and value and growth stocks. In fact, global value stocks appear to be on pace to underperform growth stocks for a ninth consecutive year, a record dry spell for the style cohort. At quarter-end, value generally traded at the cheapest level relative to growth since the height of the Technology, Media and Telecom bubble in 2000, according to our analysis. Should such imbalances persist, we expect opportunities to continue to arise for patient, disciplined investors to buy long-term business value at a substantial discount.

PORTFOLIO CHARACTERISTICS – TEMPLETON GLOBAL GROWTH FUND LTD (AS AT 30/9/15)

	TEMPLETON GLOBAL GROWTH FUND LTD	MSCI All Country World Free Index
Weighted Average Market Cap (AUD Million)	97,953	124,165
Number of Securities	114	2,480

Price to Earnings

	Templeton Global Growth Fund Ltd	MSCI All Country World Free Index
Weighted Average	13.5x	15.9x

Price to Cash Flow

	Templeton Global Growth Fund Ltd	MSCI All Country World Free Index
Weighted Average	5.8x	8.5x

Dividend Yield

	Templeton Global Growth Fund Ltd	MSCI All Country World Free Index
Weighted Average	3.0%	2.7%

Price to Book Value

	Templeton Global Growth Fund Ltd	MSCI All Country World Free Index
Weighted Average	1.3x	1.9x

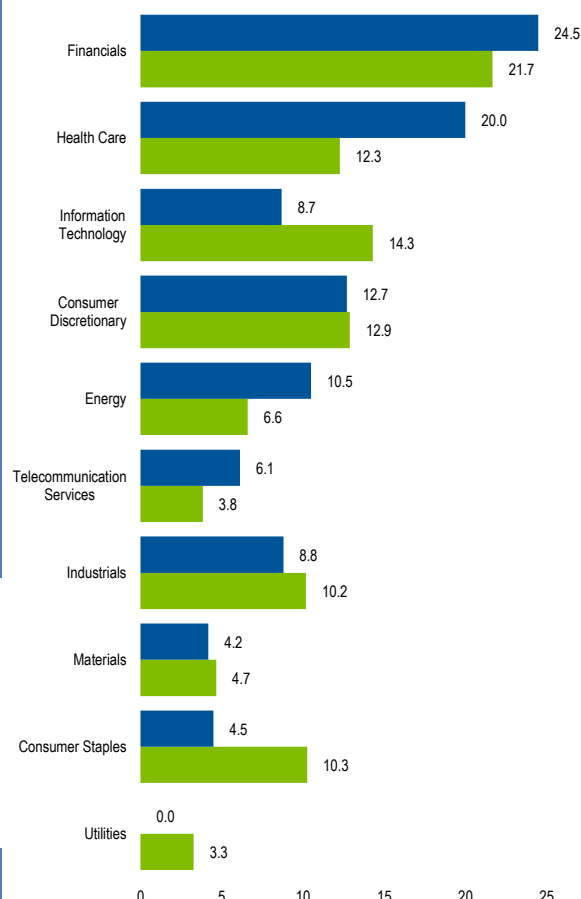
PORTFOLIO DIVERSIFICATION – TEMPLETON GLOBAL GROWTH FUND LTD (AS AT 30/9/15)

Top Ten Holdings⁵

SECURITY	COUNTRY	INDUSTRY GROUP
MICROSOFT CORP	United States	Software and Services
SAMSUNG ELECTRONICS	South Korea	Technology Hardware & Equipment
ROCHE HOLDING AG	Switzerland	Pharmaceuticals, Biotechnology & Life Sciences
AMGEN INC	United States	Pharmaceuticals, Biotechnology & Life Sciences
COMCAST CORP	United States	Media
SANOFI SA	France	Pharmaceuticals, Biotechnology & Life Sciences
CITIGROUP INC	United States	Financials
JPMORGAN CHASE	United States	Financials
HYUNDAI MOTOR CORP	South Korea	Automotive
NISSAN MOTOR CO	Japan	Automotive

Portfolio Sector Weighting vs. MSCI All Country World Index (%)

Percent of Equity Ranked by Fund Weighting



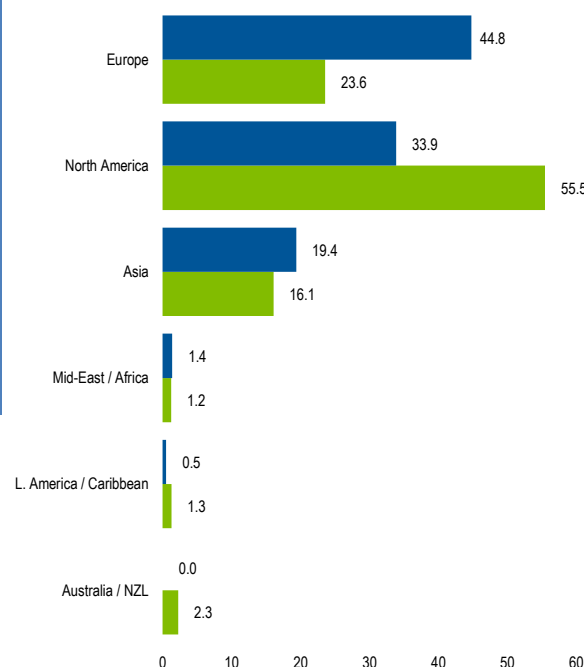
Country Allocation

The Company's portfolio of listed investments was spread over the following countries as at 30 September 2015.

COUNTRY	%	COUNTRY	%
BRAZIL	0.5	RUSSIA	0.3
CANADA	0.8	SINGAPORE	1.4
CHINA	5.3	SOUTH KOREA	5.8
FRANCE	9.9	SPAIN	0.6
GERMANY	6.7	SWEDEN	1.1
IRELAND	1.5	SWITZERLAND	4.9
ISRAEL	1.4	THAILAND	0.7
ITALY	1.8	TURKEY	0.4
JAPAN	5.9	UNITED KINGDOM	13.1
NETHERLANDS	3.7	UNITED STATES	33.2
NORWAY	1.0		

Portfolio Regional Weighting vs. MSCI All Country World Index (%)

Percent of Equity Ranked by Fund Weighting



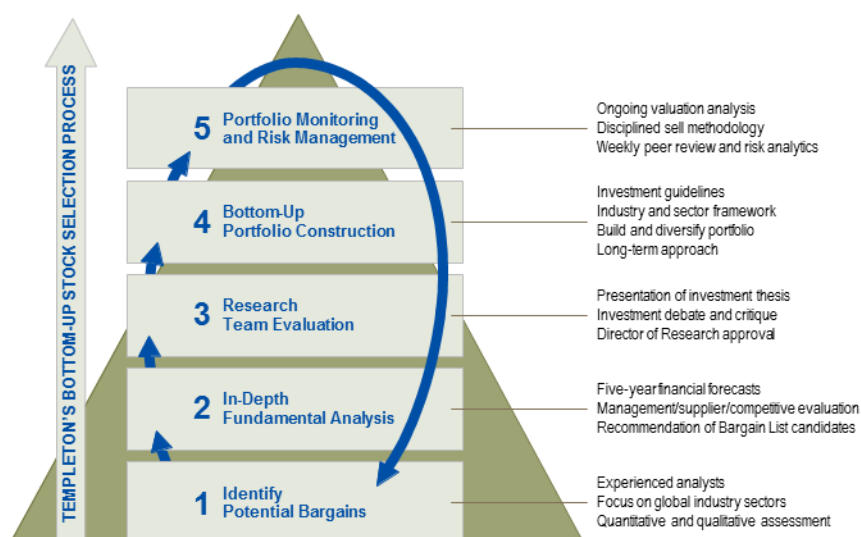
■ Templeton Global Growth Fund Ltd
■ MSCI All Country World Index

TEMPLETON INVESTMENT TEAM

TEMPLETON GLOBAL EQUITY MANAGEMENT TEAM	Years with Firm	Years Experience
Norman Boersma, CFA, Chief Investment Officer	24	29
Heather Arnold, CFA, Director of Research	10	31
Cindy Sweeting, CFA, Director of Portfolio Management	18	31
Peter Wilmshurst, CFA, Portfolio Manager/Research Analyst	17	22

TEMPLETON GLOBAL EQUITY TEAM	Number of Members	Average Years Experience
Portfolio Managers/Analysts	24	23
Research Analysts	14	10

TEMPLETON INVESTMENT PHILOSOPHY AND PROCESS



Templeton's Investment Philosophy

Templeton's investment philosophy is built upon a disciplined, yet flexible, long-term approach to value-oriented global and international investing. This time-tested approach is based on three tenets:

Value

Templeton seeks companies that it believes are trading at a discount to what their research indicates the company may be worth.

Patience

Security prices can fluctuate more widely than underlying security values. In Templeton's opinion, market efficiencies should recognise and correct these security prices over time.

Bottom-Up

Templeton identifies value through rigorous fundamental analysis of a company's business to determine what we consider its economic worth based on projected future earnings, cash flow or asset value potential.

COMPLIANCE STATEMENT AND OTHER INFORMATION

Benchmark: The MSCI AC World Free Index is the primary benchmark. The benchmark is used for comparative purposes only and is provided to represent the investment environment existing during the time periods shown. The index is unmanaged and one cannot invest directly in an index.

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Explanatory Notes:

1. Periods of more than one year are annualised.
2. Returns are based on movement in the Company's net assets per share (after deducting investment management fees), before all taxes, with dividends reinvested and adjusted for share issues and buy-backs.
3. Source: Morgan Stanley Capital International (MSCI). All MSCI data is provided "as is." The Fund described herein is not sponsored or endorsed by MSCI. In no event shall MSCI, its affiliates or any MSCI data provider have any liability of any kind in connection with the MSCI data or the Fund described herein. Copying or redistributing the MSCI data is strictly prohibited.
4. Estimated tax on unrealised gains.
5. Top ten holdings represent the 10 largest equity holdings at the end of the quarter, and may not reflect the current or future portfolio holdings. This does not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities listed was or will be profitable. Holdings of the same issuer have been combined.

IMPORTANT LEGAL INFORMATION

All investments involve risks including loss of principal. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments. Investments in developing markets involve heightened risks related to the same factors, in addition to those associated with their smaller size and lesser liquidity. While stocks have historically outperformed other asset classes over the long term, they tend to fluctuate more dramatically over the short term. The use of derivatives and foreign currency techniques involve special risks, as such techniques may not achieve the anticipated benefits and/or may result in losses. Templeton Global Growth Fund Ltd. (ABN 44 006 558 149) issues this document with the intention to provide general information only and not investment or financial product advice. It does not take into account the individual objectives, financial situation or needs of any recipient. Nothing in this update should be construed as investment advice. Franklin Templeton Investments have exercised professional care and diligence in the collection of information in this recording. However, data from third party sources may have been used in its preparation and Franklin Templeton Investments has not independently verified, validated or audited such data.

Past performance does not guarantee future results and results may differ over future time periods.