TEMPLETON GLOBAL GROWTH FUND LTD.
A.B.N. 44 006 558 149

Level 19, 101 Collins Street
Melbourne, Victoria 3000

Telephone : (03) 9603 1209
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The Secretary
Australian Securities Exchange Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sirs,

Re: Final Report for the Year Ended 30 June 2016

Templeton Global Growth Fund Ltd is pleased to provide its final report to the ASX:

- Directors' Report
- Financial Statements
- Auditor's Report
- Investment Manager's Report
- Five year summary of financial information
- List of Investments

Yours Faithfully,

Templeton Global Growth Fund Ltd.

Mat Sund
Company Secretary

TEMPLETON GLOBAL GROWTH FUND LTD

ANNUAL REPORT 2016

ABN 44 006 558 149

MISSION STATEMENT

Templeton Global Growth Fund Ltd ("TGG") was established to provide Australian residents with a well managed and cost effective investment vehicle through which they could gain access to world equity markets.

TGG outsources certain of its investment management functions to Franklin Templeton Investments Australia Ltd, a member of the Franklin Resources Inc. and relies upon the integrity and professional competence of that organization for the prudent and successful management of the Company's global investment portfolio. Franklin Resources Inc. has a long established record of investing in global equity markets.

The primary objective of TGG is to increase shareholders' total returns through the achievement of superior investment performance.

CONTENTS

The Corporate Governance Statement is available for review on the Company website: www.tggf.com.au

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CHAIRMAN'S MESSAGE

2016 was a disappointing year for the company. While profits and realised gains more than covered dividend expectations, unrealised losses were severe and the portfolio materially under-performed the index.

KEY RESULTS

The portfolio of investments' return in A$ terms was negative 11.0% (net of fees) during the 2016 financial year, as compared to the MSCI All Country World Index ("Index") A$ return of negative 0.6% (gross).

The Investment Manager's Report ("IMR") explains in further detail TGG's 2016 performance against the Index, the relative performance across the major geographic and industry sectors, and the impact on our performance of the "Brexit" vote. I recommend the IMR as essential reading by shareholders.

The Company's net tangible asset backing ("NTA") decreased 14.6% from $1.50 per share at 30 June 2015 to $1.28 per share at 30 June 2016. This decrease is after the payment of a 4.1 cent per share ("cps") dividend to shareholders in September 2015.

TGG's share price decreased during the period, moving from $1.31 per share at 30 June 2015 to $1.155 per share at 30 June 2016.

OPERATING RESULTS

Profit after tax for the year was $3,775,042 compared with $3,216,865 in the previous year. The increase in profit after tax was primarily as a result of the investment of the proceeds from the prior year capital raising.

DIVIDEND

A final dividend of 4.5 cps has been declared, of which 2.5 cps will be fully franked and 2.0 cps will be unfranked. This represents a 10% increase on the previous year's final dividend of 4.1 cps, of which 0.7 cents were franked, and 3.4 cps were unfranked. This year's dividend will also include a LIC Capital Gains dividend component of 2.5cps which will be available as a tax deduction to eligible investors.

This is the first time that the Company has included LIC Capital Gains as a part of its dividend, which results from the Company having sufficient current year realised capital gains to offset prior years' capital losses. The dividend franking level is also higher than the previous year, with the Company now paying tax on net realised capital gains.

In accordance with the Company's dividend/distribution policy, the target dividend for the year ended 30 June 2017 will be 3.8cps.

SHARE BUYBACK

The Company reinstated its on-market share buyback program during the year end 30 June 2016, as the prevailing share price discount to NTA offered an attractive and accretive use of shareholder funds. During the year, there were 9,243,684 shares bought back at an average price of $1.22 per share. This equated to an average share price discount to NTA of 7.8%.

EXPENSE MANAGEMENT

Increased investor engagement, which included the investor briefings in March and the quarterly reports to all shareholders, together with professional expenses associated with the IMA renewal (see below), combined to have a slight upward impact on the Company's Management Expense Ratio ("MER").

The MER for the year ended 30 June 2016 was 1.20% of NTA, up slightly from 1.16% in 2015.

INVESTMENT MANAGEMENT AGREEMENT ("IMA") RENEWAL

A new IMA with Franklin Templeton Investments Australia Ltd ("FTIAL") was entered into after receiving and considering independent advice from a leading consulting firm. The key terms of the new IMA remain broadly consistent with previous agreements with FTIAL, including:

- A 3 year term;
- FTIAL's management fee remains unchanged,
- No performance fee is payable, and
- A minimum 90 day notice period to FTIAL should the Company wish to alter the provisions of, or terminate, the IMA.

Following feedback from recent shareholder meetings, the Company has also agreed arrangements with FTIAL under which FTIAL will provide additional shareholder engagement and marketing support to the Company at no extra cost.

The IMA and distribution support arrangements have taken effect from 1 July 2016.

REMUNERATION REPORT FIRST STRIKE

At the 2015 Annual General Meeting, the Company received what constituted a "first strike" against the remuneration report. 16% of all shares on issue were voted, 64% in favour, 36% against, thus, with more than 25% against, the first strike was triggered.

Subsequent discussion with shareholders indicated there was seemed to be no undue concern with the remuneration arrangements. As a result, no changes have been made to the remuneration – see page 22 of the Directors' Report.

SHAREHOLDER ENGAGEMENT

Rather, the vote against the remuneration report denoted concerns over a range of matters which shareholders wished to bring to the board's attention. These included the timing of successive capital raisings and its impact on shareholders, pricing of the recent raising, shareholder engagement/communication, portfolio investment returns and the discount between share price and NTA.

As a result your Directors initiated a range of actions.

In March we conducted investor briefings in Sydney, Melbourne and Perth and subsequently we have committed to annual investor briefings around the country. We have instituted mail-outs of the Quarterly Investment Manager's Review, and commenced to publish estimated NTAs on a weekly basis.

CHAIRMAN'S MESSAGE CONTINUED

On 26 February 2016, the company also announced an on-market capital buyback of up to 10% of the share capital of the company, which has since been actively pursued at a range of discounts to NTA, which were value accretive to the Company and increased liquidity in the stock.

The results of this on-market buyback have already been detailed above.

SUBSTANTIAL SHAREHOLDERS

On 8 April 2016, a substantial shareholder notice ('notice") was lodged. The notice detailed associated parties proposing "to act in concert to seek to influence the composition of the board of TGG." Subsequent discussions held by the company with the parties have yet to result in any formal proposal put to shareholders to this end.

On 10 May 2016, the parent company of FTIAL, Franklin Resources Inc. and / or affiliates, ("FR"), foreshadowed its intention to become a substantial shareholder in TGG. FR has since purchased some shares towards this objective – see page 55 of Annual Report.

Finally, I thank all of our shareholders for their support, and especially our longer term shareholders for their continued loyalty.

J A (Tony) Killen
Chairman

24 August 2016

Franklin Templeton Investments Australia Ltd ABN 87 006 972 247
Level 19
101 Collins Street
Melbourne, Victoria 3000
Telephone (03) 9603 1209
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2016 INVESTMENT MANAGER'S REPORT

2016 was a disappointing year for Templeton Global Growth Fund Ltd ("TGG") investors with the portfolio declining in value by 11% for the year compared to the 0.6% fall for the MSCI All Country World Free Index ("Index").

We are acutely aware of TGG's recent returns, but are convinced that significant opportunity exists for investors who recognise that there has only been one period in TGG's history rivalling recent struggles: the Tech, Media and Telco bubble of the late-90s. Our bottom-up process continues to identify compelling value in select, out-of-favour sectors, in particular financials, energy and health care, most significantly in regions outside of the US. Valuation spreads have widened to historic extremes presenting opportunities for substantial future returns when the cycle turns, as it always does.

PERFORMANCE SUMMARY TO 30 JUNE 2016 - $A

	Latest 6 Mths %	Latest 12 Mths %	Latest 3 Yrs* %	Latest 5 Yrs* %	Latest 10 Yrs* %	Since Inception* %
TGG ^	**-7.3**	**-11.0**	**8.6**	**11.3**	**2.5**	**6.8**
MSCI All Country World Free Index	-1.1	-0.6	13.6	13.3	4.2	6.7#

^ Returns are based on movements in the Company's net assets per share (after deducting investment management fees), before corporate taxes, with dividends reinvested and adjusted for share issues and share buy-backs.
* Annualised.
# Since inception Index uses MSCI World as the Index was not in existence at TGG's inception.
The benchmark is presented with net dividends reinvested. Shareholders should note that past performance is not necessarily an indicator of future performance.

2016 IN REVIEW

TGG materially underperformed the Index during the 2016 fiscal year which has also significantly impacted the Company's longer term performance.

Major Region Returns (yr to 30 June 2016)	TGG (%)	Index (%)
Asia	(9.4)	(7.5)
Europe	(14.5)	(8.3)
Eurozone	*(11.7)*	*(9.2)*
Rest of Europe	*(17.5)*	*(7.5)*
North America	(6.8)	5.3

You have to go back to the Investment Manager's Report from June 2000 to find a similarly disappointing performance summary. At that point in time TGG's performance over the prior twelve months lagged the Index by almost 15% and around 5% p.a. over the latest five years. Back then it was the astronomical performance of the world's technology, media and telecommunications companies that gave rise to what was subsequently christened the "TMT bubble" leading to lagging performance for TGG, as the portfolio was significantly under-weight those sectors. The MSCI Value Index lagged the MSCI Growth Index by 18% in the two years to 30 June 2000. The rebound in TGG's performance in the subsequent two years was significant with 22% and 6% out-performance of the Index in 2001 and 2002, respectively.

This time around it has been the flight to "safety" that has contributed to the longest under-performance by value investing that we've been able to identify, now heading into its ninth year. This is a period that, NOT co-incidentally, corresponds with the period since the Global Financial Crisis. Scarred by the downturn in equity markets in 2007 to 2009, scared by the ongoing fearmongering by Central Bankers leading us further into the uncharted world of negative interest rates and concerned by the rise in Populism and an uncertain political outlook, most recently manifesting in the UK citizenries' vote to eject themselves from the World's largest trading bloc, investors crave safety and certainty. Consequently, investors are increasingly willing to pay very high prices for equities that they perceive to be most immune to today's extra-ordinary market conditions. Have "safe" assets become the new TMT?

Notwithstanding that it has certainly been a difficult time for value investors, it is also clear that there were a number of self-inflicted wounds for TGG. The Brexit vote had a significant impact late in the period under review (contributing around one-third of the year's under-performance), but performance was disappointing even prior to that event, driven by poor returns from financials holdings, a lack of exposure to strongly performing consumer staples and the ongoing under-weight position in the US.

The surprise victory for the "Leave" campaign in the UK's referendum whipsawed stocks during the final week of the period as investors were caught largely off-guard following a week where markets increasingly favoured the "Remain" campaign. Global equities suffered their biggest two-day loss on record (in terms of US dollar value) before rebounding in the final days of the quarter. UK Prime Minister David Cameron announced his intention to resign, throwing the British political establishment into disarray, while ratings agency Standard & Poors issued its first-ever double downgrade of a AAA-rated sovereign.

In preparation for a Brexit, we assessed the situation and considered the potential financial, economic and geopolitical impacts of a Brexit. We concluded that the tangible costs associated with Brexit - restricted trade, diminished global influence and possible contagion - would overshadow any benefits likely to accrue to U.K. citizens in the event of a Brexit. While our analysis acknowledged the risks of an adverse outcome, we ultimately believed that economic pragmatism would prevail.

Having handicapped the situation accordingly, we positioned the portfolio to be overweight the stocks that had both attractive upside should the vote proceed as we expected, while the medium-term risk if the vote went in favour of exit was constrained by the low valuations of those stocks. To that end, we decided to largely maintain our portfolio positioning and exposures in advance of the referendum.

Obviously, we were wrong. Economic pragmatism was not the driving force of the electorate, but rather fear, anger and dissatisfaction with the status quo. The vote went the other way and the downside to a number of the portfolio's holdings has been significant thereafter.

The shortfall in performance has been as severe for many European companies as it has been for UK ones, especially for those in the financials sector. The portfolio's underweight in consumer staples and bias towards cheap value stocks over expensive "quality", safe and growth stocks has also detracted as risk aversion spiked post-Brexit.

An overweight exposure to the financials sector and poor security selection in that sector significantly detracted from relative performance over the last twelve months, by around 3.9%. This poor performance was concentrated in both the US and Europe. The sector had not performed well during 2016, and the unexpected Brexit referendum result led to additional pressure on the portfolio's holdings in the last week of the period under review. Both insurers and banks were adversely impacted as investors again took flight

Sector Returns (yr to 30 June 2016)	TGG (%)	Index (%)
Consumer Discretionary	(10.5)	(3.2)
Consumer Staples	(4.2)	15.7
Energy	(3.0)	(3.3)
Financials	(25.2)	(11.2)
Health Care	(8.0)	(1.6)
Industrials	(12.6)	2.6
Information Technology	7.4	4.3
Materials	(11.6)	(6.1)
Telecom Services	(8.3)	5.8
Utilities	n/a	15.7

from the sector due to the worsening market perception of the political and economic outlook. Perhaps nowhere in the stock market are investors more fearful than in the financials sector. The difficult performance for the sector during the GFC and the European Sovereign Crisis in 2011/12 still loom very large in the market's memory and the reaction to uncertainty of any kind seems to be the same; an instinctive "sell the banks". The falls were very broad based, as large in the Eurozone as they were in the UK, albeit somewhat less impactful for US firms. We received results late in the period that all the US domiciled banks had passed the US stress tests and that they were set to increase dividend and share buybacks, adding significant value given the low valuations of the stocks, but this was overshadowed by the negative reaction to financials globally from the Brexit decision. Similarly in the European banking sector we have received the European Banking Authorities stress test results in July 2016. These have generally been reassuring. Notwithstanding this, however, a significant decline in TGG's financials holdings for the year is very disappointing.

The portfolio's positioning in the health care sector also weighed on results, mostly due to weak stock selection as a number of stocks came under pressure, most notably a number of the smaller biotech companies. While the poor performance in the last twelve months is disappointing it is important to note that over the long-term, the sector has added significant value for TGG, around 8% overall to TGG's total returns in the last eight years. The sector has recently come under pressure as thematic investors extrapolate generalised political threats to pricing into pessimistic forecasts. While cash flows and earnings have held up well since then, the sector has experienced a significant multiple de-rating. We remain convinced that the health care stocks in the portfolio remains under-valued and have delivered innovative medical solutions as opposed to raising prices on old drugs, an action that has drawn well justified criticism from politicians. Looking at individual stocks, during the last 12 months Pfizer's proposed acquisition of Allergan falling through due to US restrictions on tax inversion related M&A hindered the stock.

Underweight positions in the market's deemed safe havens, namely consumer staples and utilities also hindered TGG.

On the contrary, positioning in the energy sector added some value in 2016, driven by an overweighting position and a decision to add holdings in the sector through the period of weak oil price performance in the first calendar quarter of the year. Positive stock selection in information technology was also helpful in the year.

Regional allocations have detracted from performance with the US market outperforming substantially. Excluding energy, materials, information technology and health care (as these sectors are generally global in nature), US stocks outperformed European ones by around 19% in Australian dollars and therefore being under-weight in the US subtracted significant value.

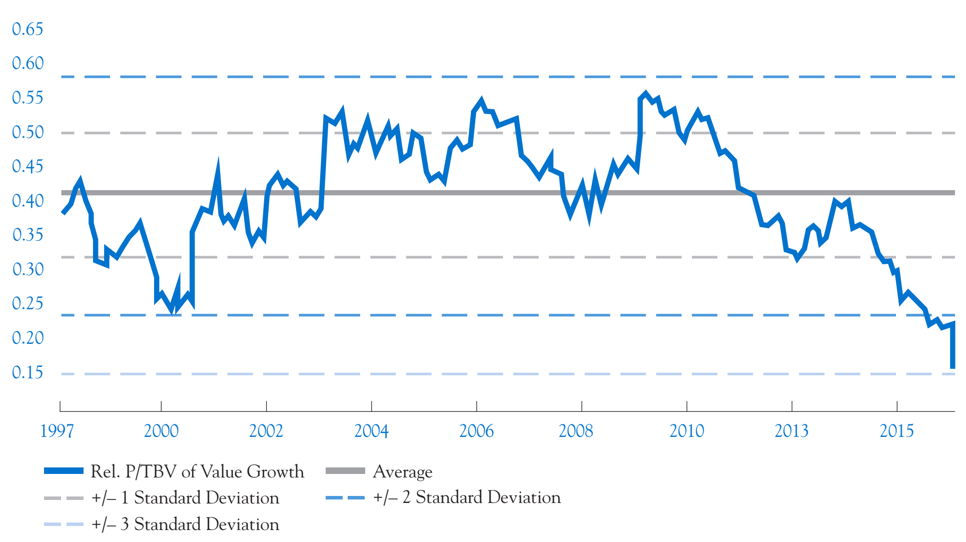
A number of individual names negatively impacted performance including Macy's, the largest department store chain in the US, Springland International Holdings, a Chinese retailer, and Tesco, the largest grocery retailer in the UK. Specific stocks that added value included Hyundai Mobis, a primary manufacturer of auto components for Hyundai and Kia Motor, and tech names including Samsung Electronics, Applied Materials and Microsoft.

PORTFOLIO STRATEGY

As always, our strategy at Templeton has been to buy undervalued stocks through patient, bottom-up investing founded on detailed fundamental analysis. This process has produced a portfolio that is regionally overweight in Europe and Asia and underweight US stocks. By sector, TGG's portfolio is overweight financials, energy, health care, telecommunications, and underweight consumer staples, info tech, utilities and industrials.

As reported earlier, value has continued to lag growth as an investment style and is currently at the longest period of value under-performance in the last century. The degree of underperformance of value in the last ten years is now almost as significant as the degree of underperformance during the TMT boom. Valuation differences between value and growth stocks are also now about as large as they were at the peak of the TMT bubble on some measures (almost three standard deviations from average), which should be supportive of outperformance for value stocks in the future.

PRICE TO TANGIBLE BOOK VALUE: MSCI WORLD VALUE VS MSCI WORLD GROWTH
TO 30TH JUNE, 2016



Source: Bloomberg

Citigroup's equity strategist, Robert Buckland, recently identified three preconditions necessary for asset bubble formation: a new paradigm story, surplus liquidity and a supply and demand imbalance. There was a bubble in tech stocks in the late '90s. The Templeton Global Equity Group would argue that today there is a bubble in "safe" assets, creating extreme overvaluation among growth and quality stocks and extreme undervaluation among cheaper, more volatile stocks. This time around, the new paradigm is secular stagnation and the surplus liquidity has been provided by central banks in the form of quantitative easing. The type of "safe" securities many investors demand today are also in short supply, with negative yields spreading and the number of non-financial sector companies rated AAA by S&P Global Ratings in the U.S. falling to just two down from sixty in 1980.

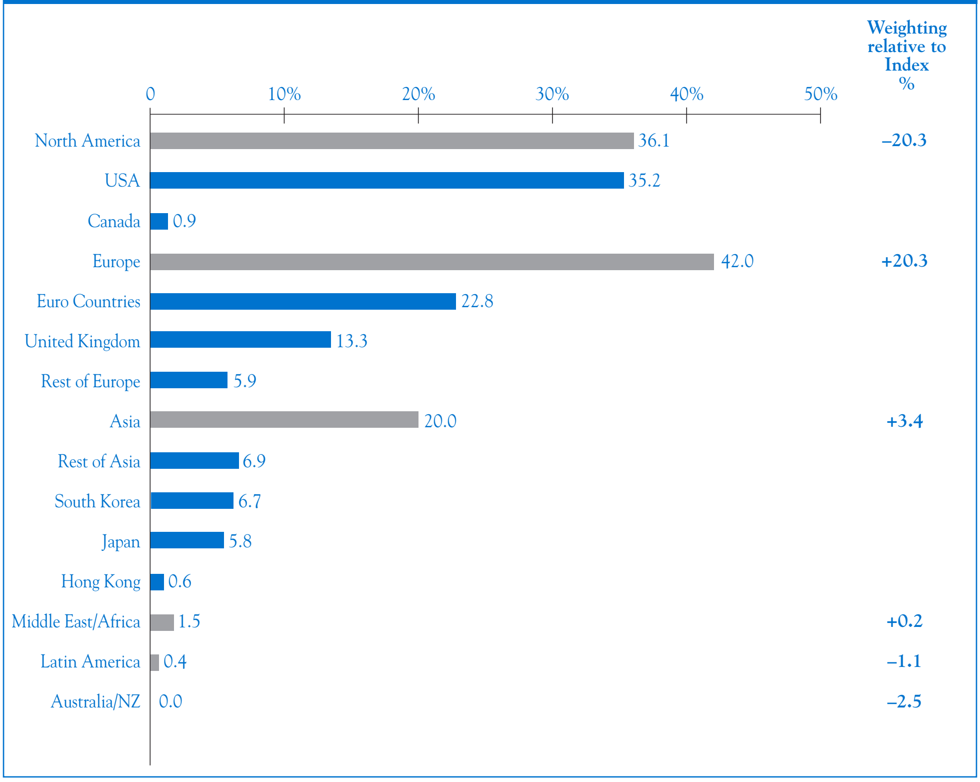
In this environment, many investors think that value doesn't stand a chance. We have argued to the contrary, suggesting that an eventual rise in interest rates and the mean-reverting tendency of valuation extremes should support a recovery in value investing. Historically, economic recovery has been an important driver of value out-performance but it is by no means a precondition for a value rebound. For example, investors waiting for an improving economic cycle would have missed the value upturn in 2000. On the other hand, investors fleeing value in anticipation of economic weakness would have missed value's outperformance during the recession of 1981–1982. In each of these instances, we believe value stocks simply became too cheap, and mean reversion prompted a value rally. The point is that while value can be pro-cyclically correlated to the economy, this isn't always the case. We consider the starting point valuation of value stocks (or any style factor, for that matter) to be a far more accurate predictor of future returns than the outlook for economic growth. By some measures the value trade is the least "crowded" it's ever been, making a value bias today about as contrarian as it gets. Yet, in our view, it is this extreme positioning that primes the market for the kind of snap-back in value that we have seen at other times.

With regard to portfolio strategy we must first be mindful of the implications of Brexit. The global economic impact should be limited given the U.K.'s relatively small contribution to the global economy (2.6% of global GDP). From a global standpoint, our revised base case scenario is that Brexit has resulted in: 1) increased risks/uncertainty and a higher risk premium that may last for some time; 2) slightly weaker global GDP growth; and 3) lower for longer interest rates. These impacts are greatest for the U.K., followed by Europe and the further you move away from the U.K., the less likely there will be direct impacts. It is possible that there is little Brexit impact on many companies in the U.S. or Asia.

Of greater concern, the Brexit result signifies a backlash against liberal values like globalisation, integration, cooperation and tolerance. In the U.K. and elsewhere, we see political power moving increasingly away from the centre and towards far left and far right extremes. The longer-term tail risk is contagion and the possible fragmentation of the European Union should these forces be further enfranchised by national electorates. This is the risk that we will seek to monitor and understand most closely, as it has the most serious implications for our portfolios and would necessitate a broad re-positioning. We view this as a tail risk at this time.

Our new "base case" scenario assumes the U.K. will leave the E.U. following an approximately 2-year period of political and economic uncertainty. We assume the free flow of labour and services, and possibly certain goods, to and from the U.K. will be curtailed and the domestic economy will be the worse off for it, possibly leading to recession. We expect costs and inflation will rise in the U.K. and that global financial services firms will shift some of their operations to other European countries over time. There is huge uncertainty at present and we are not political forecasters, but given what we know, we assume that the U.K. itself may eventually break up, but the rest of Europe hangs together. While the portfolios overall exposure to the UK is significant at 13.4% as of 30 June, the average revenue exposure of those UK companies to the UK is only around one-third, that is those companies generate around two-thirds of their revenue on average outside the UK.

PORTFOLIO GEOGRAPHIC WEIGHTINGS
AS AT 30 JUNE 2016



Generally speaking, we have been finding attractive opportunities among select European and American financials based on their historically cheap valuations and solid restructuring and recapitalisation progress in a stabilising regulatory environment. We have also been encouraged by their ability to preserve profitability and adjust business models to increase fee-based income and manage the margin challenges associated with a low-to-negative interest rate environment. Notwithstanding these encouraging developments and a significant increase in dividend payments and share buybacks by companies in the sector in the last twelve months the shares have suffered. A weaker UK economy is likely to lead to increasing loan losses from UK borrowers.

TGG's holdings in the sector are not experiencing any problems with accessing liquidity. They have generally built up capital to a level which is very close to that required by their regulators (hence the increased dividends and buybacks). There is no doubt, however, that interest rates at about zero (or below) cause some profit problems for financials. But this is a very different scenario to the issues that the sector was facing either during the GFC (when liquidity was scarce and problem assets crowded bank balance sheets) or during the European sovereign crisis when Italian government bonds reached a yield of 7% and

Greek government bonds were written down. Many of TGG's holdings, however, trade at a similar price-to-tangible book-value as in those dark days. The European banking sector overall is trading at a 40% discount to its book value and offering a prospective dividend yield of almost 6%, while only paying out around half of the sector's earnings.

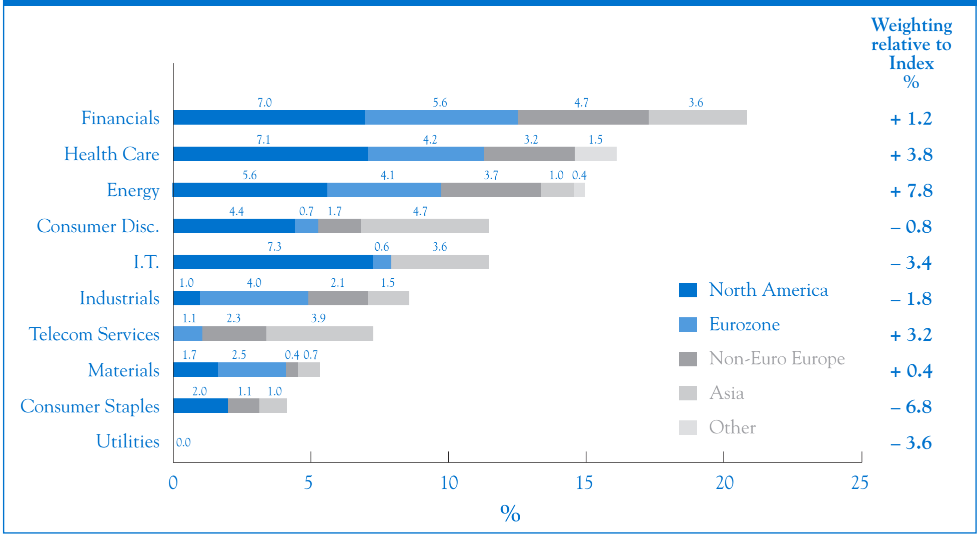
During the last 5 quarters we continued to see value in select energy stocks and right through the lows in the first quarter of 2016 we added to our exposure. Today, TGG is roughly double-weighted in the energy sector. We assess that this is a sector where Brexit is likely to have little impact. Although global GDP might be lower – our base case is that it is likely to be lower only at the margin and the impact on global energy demand would not be material. The process of supply adjusting to lower oil prices has now been taking place for 6 quarters and global oversupply is coming into balance which has resulted in oil moving from the lows below US$30/bbl to US$40/bbl today. In the short-term, events in places like Venezuela where the oil sector cannot pay its creditors, and Nigeria where rebels are creating havoc that have resulted in production interruptions and declines, highlight the lack of available spare capacity in the system because of the crunch on supply.

At the stock level, we are seeing a bottoming out in earnings momentum and expect more prudent, shareholder friendly decisions on capital deployments to likely underscore sustainable dividend yields.

Over the last year we had pared back TGG's exposure to health care with a number of the holdings having reached our assessment of fair value around the US political cycle and the threat of the U.S. government taking strong action to reduce drug prices - especially with a chance of a Democratic sweep in November's elections – having the potential to hurt sentiment and valuations in the sector. Also, some moves by the U.S. government to stop tax inversions where US companies merge with a foreign company to change their domicile to a lower tax country has also hurt the sector.

With a number of health care stocks having significantly lagged over the last twelve months we are again identifying an increasing number of value opportunities in the sector and are selectively adding to exposure. We continue to focus on companies with sound business models, solid portfolios of drugs, attractive drug pipelines, revenue growth, strong cashflows, and high capital return through dividends and buybacks.

PORTFOLIO GEOGRAPHIC-SECTOR WEIGHTINGS
AS AT 30 JUNE 2016



OUTLOOK

The Brexit vote has given markets another reason to flock to safety and security. Value as an investment approach has experienced one of its worst stretches of underperformance on record in terms of both magnitude and duration compared to growth investing, now approaching ten years of cumulative under-performance. The opportunities for long-term investors today in equity markets are both highly compelling and largely specific to value. Few times in history has the gap between the market's cheapest and most expensive stocks been so wide. As anxiety and fear pervade the investor psyche, the valuation extremes long evident in deep cyclical sectors are spreading more widely. This bodes well for future returns to value investors who have the ability to stick to their convictions through a very difficult period.

As always, our focus remains on seeking to exploit the market's short-term mindset and to buy businesses trading at a substantial discount to our assessment of their long-term intrinsic value. While this approach to investing can be challenging at times when we find ourselves on the wrong side of market trends, our confidence in its efficacy over a long-term investment horizon is unwavering. By seeking out overlooked value potential, we will continue to build differentiated portfolios that we believe offer significant potential for long-term value recognition.

Across the market, the gulf between the cheapest and most expensive stocks on most major valuation metrics within sectors has widened. For example, value is just as cheap today within pharmaceuticals and biotech as it is within financials and energy. The spread of value to many different sectors and regions may enhance the style's appeal in the eyes of the generalist investor, helping generate the potential for value recovery. High quality stocks (defined as stocks generating consistently high return on equity) are 7x more expensive than stocks generating lower returns. Prior to the global financial crisis, high quality stocks were just 2-3x more expensive. The price-to-tangible book discount of global value stocks (as represented by the MSCI World Value Index) relative to global growth stocks (as represented by the MSCI World Growth Index) is close to three standard deviations greater than normal, exceeding even the value gap that emerged during the technology, media and telecom ("TMT") bubble in 2000.

At Templeton, we have achieved successful results over time by focusing on long-term fundamentals and investing counter-cyclically during periods of adversity. We are confident that recent pain will once again pave the way for long-term opportunity when the cycle turns, as it always does.

Peter M Wilmshurst CFA
Portfolio Manager
19 August 2016

POST 30 JUNE POST-SCRIPT

Markets have continued to recover in the weeks after 30 June, rising by around 3%. TGG's performance has been even stronger with NTA rising by slightly more than 5%, both in AUD terms. The UK has appointed a new PM but shows no urgency in triggering Article 50 which would lead to the commencement of Brexit negotiations. The vast majority of June quarter results have been released for TGG's holdings and mostly been positively received by the market.

PERFORMANCE FOR SECTORS AND MAJOR REGIONS

30th June, 2016 to 19th August, 2016

Sector Returns	TGG (%)	Index (%)
Consumer Discretionary	4.4	4.5
Consumer Staples	(6.6)	(1.8)
Energy	2.5	(0.4)
Financials	5.5	3.8
Health Care	2.7	0.5
Industrials	6.2	4.2
Information Technology	11.6	8.4
Materials	10.8	7.2
Telecommunication Services	5.1	(2.1)
Utilities	n/a	(5.1)

Major Region Returns	TGG (%)	Index (%)
Asia	7.8	5.3
Europe	3.6	2.5
Eurozone	*5.6*	*4.2*
Rest of Europe	*1.3*	*1.2*
North America	4.9	2.2

TOP 15 PORTFOLIO HOLDINGS AS AT 30 JUNE 2016

Security	Sector	Country	% of Portfolio
Microsoft	Information Technology	United States	2.6
Samsung Electronics	Information Technology	South Korea	2.6
Comcast	Consumer Discretionary	United States	1.8
JPMorgan	Financials	United States	1.8
Amgen	Health Care	United States	1.7
BP	Energy	United Kingdom	1.7
Hyundai Mobis	Consumer Discretionary	South Korea	1.6
Nissan Motor	Consumer Discretionary	Japan	1.6
CRH	Materials	Ireland	1.6
Royal Dutch Shell	Energy	United Kingdom	1.5
Halliburton	Energy	United States	1.5
Citigroup	Financials	United States	1.5
Teva Pharmaceutical	Health Care	Israel	1.5
Gilead Sciences	Health Care	United States	1.5
Cie de Saint-Gobain	Industrials	France	1.4
			25.9

INDICATIVE PORTFOLIO CHARACTERISTICS
TGG VS MSCI AC WORLD FREE INDEX AS AT 30 JUNE 2016

Historic Valuation Measures		
Weighted Avg – Stocks Held	TGG	MSCI AC World
Price to Earnings (times)	13.9	19.2
Price to Cash Flow (times)	5.9	10.9
Price to Book Value (times)	1.2	2.0
Dividend Yield (%)	3.1	2.7
Market Capitalisation ($Aust m.)	102,369	108,986

FIVE YEAR SUMMARY

AS AT 30 JUNE

		2016	2015	2014	2013	2012
SECTOR WEIGHTINGS (%)						
Consumer Discretionary		11.5	12.8	11.5	11.9	9.7
Consumer Staples		4.1	4.7	4.9	4.3	3.2
Energy		14.8	10.9	12.7	10.2	13.0
Financials		20.9	24.9	22.6	20.3	20.7
Health Care		16.0	19.4	19.2	17.6	15.7
Industrials		8.6	7.7	8.8	9.0	9.0
Information Technology		11.5	8.1	7.7	12.2	12.9
Materials		5.3	4.5	4.5	5.4	2.1
Telecommunication Services		7.3	7.1	8.1	9.1	12.6
Utilities		0.0	0.0	0.0	0.0	1.0
GEOGRAPHIC WEIGHTINGS (%)						
North America		36.1	34.7	32.7	38.0	37.3
Europe - ex UK		28.7	30.5	34.9	34.9	34.0
UK		13.3	13.2	10.7	10.6	12.6
Asia - ex Japan		14.2	13.2	11.0	7.5	10.1
Japan		5.8	6.0	7.8	7.6	4.1
Australia/NZ		0.0	0.0	0.0	0.6	0.6
L. America/Caribbean		0.4	0.9	1.8	0.7	1.2
Mid-East/Africa		1.5	1.3	1.1	0.0	0.0
FUNDAMENTAL CHARACTERISTICS						
Price to Earnings	TGG	13.9	13.2	15.1	14.5	10.0
(times)	MSCI AC	19.2	16.2	16.8	15.6	13.4
Price to Book	TGG	1.2	1.2	1.5	1.3	1.2
(times)	MSCI AC	2.0	2.1	2.1	1.9	1.7
Price to Cash Flow	TGG	5.9	7.0	10.8	5.9	4.3
(times)	MSCI AC	10.9	9.5	14.9	9.4	8.1
Dividend Yield	TGG	3.1	2.7	2.5	2.7	3.5
(%)	MSCI AC	2.7	2.4	2.4	2.6	2.9
YEAR TO 30 JUNE PERFORMANCE						
	TGG	-11.0%	16.7%	23.2%	41.2%	-5.4%
	MSCI AC	-0.6%	23.7%	19.2%	30.5%	-2.3%
MARKET CAP (A$M)* (Weighted average – stocks held)						
	TGG	102,369	101,224	78,577	76,453	67,320
	MSCI AC	108,986	120,492	94,972	72,514	63,456

FRANKLIN TEMPLETON INVESTMENTS

TEMPLETON INVESTMENT APPROACH

Templeton's long term record of investment management performance is achieved by adherence to its time tested investment philosophy and process.

The Templeton equity investment approach focuses on long term capital growth from a globally diversified portfolio of investment securities. Securities are selected for their potential earning power over the longer term which is significant.

Templeton adopts a 'buy and hold' investment philosophy, whereby securities are typically held for five years or more. This approach recognises that it takes patience and discipline to wait for investor interest to return to securities that were once out of favour.

Templeton are value investors which focuses on securities that are considered to be underpriced relative to their future earning potential. Undervalued equity securities are identified using a rigorous bottom up approach which focuses on a company's intrinsic strengths and weaknesses.

Templeton's investment portfolio is structured in a manner which provides for prudent diversification. Although common equity stock are our primary form of investment, we seek opportunities in all forms of securities that are available in an open market.

There are no geographic limits on the allocation of the portfolio.

Templeton does not presently consider it appropriate to enter into any hedging transaction to protect the Australian dollar value of the portfolio against the decline arising from currency value fluctuations.

In summary, the Templeton investment approach is founded on three underlying tenets:

VALUE

Investment in undervalued securities with a focus on a stocks potential earning power of the long term.

PATIENCE

Long term appreciation with a low turnover of the portfolio.

BOTTOM-UP

Value can be identified through rigorous fundamental, bottom-up analysis.

The differentiating characteristics of the Templeton style of investing are:

- Original research
- Global industry research focus
- Long term investment horizon
- Adherence to time-tested investment philosophy and process
- Long-term record of superior performance

Overseas investments are not hedged.

The Directors of Templeton Global Growth Fund Ltd ("the Company") submit their report for the year ended 30 June 2016.

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

JAMES A. (TONY) KILLEN, OAM, BA., FAIM, FAICD – Non-Executive Chairman

Appointed as a Director in March 2003. Appointed Chairman on 24 October 2012. Chairman of the Review Committee. Member of the Audit Committee. Chairman of EQT Holdings Ltd. Former roles included Group Managing Director and Chief Executive Officer of Axa Asia Pacific Holdings Ltd, Chairman of St Vincents and Mercy Private Hospital Ltd, St Vincents Hospital Melbourne Ltd, Caritas Christi Hospice Ltd and Prague House Ltd. Mr. Killen was also Chairman of Sisters of Charity Health Service Ltd and Sisters of Charity Healthcare Australia Ltd. He is a Director and current Captain of Victoria Golf Club Ltd.

GREGORY E. McGOWAN, JD – Non-Executive Director

Appointed as a Director in January 1999. Non-Executive Director of the Company. Director, Executive Vice President, and General Counsel of Templeton International Inc., Director of Franklin Templeton Investments Australia Ltd.

MARTIN F. WARWICK, CA, MBA, ACIS, AGIA, BSc, MAICD – Non-Executive Director

Appointed as a Director on 1 July 2014. Member of the Review and Audit Committees. Formerly General Manager and Company Secretary of the Company. Currently the Director of a Melbourne accounting practice. Member of the Board of Management of Education Program for Infants and Children Inc.

MICHAEL J. O'BRIEN, CFA, FIAA, GAICD – Non-Executive Director

Appointed as a Director on 27 August 2014. Member of the Review and Audit Committees. Managing Director of EQT Holdings Ltd. Former roles include Chief Executive Officer and Director of Invesco Australia Ltd, Chief Investment Officer of AXA Australia and NZ. Former roles include directorships at Alliance Capital Management Australia, Alliance Capital Management NZ, National Mutual Superannuation Pty Ltd, Funds Management and Master Trust Ltd. On 8 June 2016, Michael J. O'Brien was granted leave of absence from the board, he is expected to resume full time duties by the time of the Annual General Meeting on 4 November 2016.

JOANNE DAWSON, B.Comm, MBA, CA, CFP, MAICD – Non-Executive Director

Appointed as a Director on 9 May 2012. Chair of the Audit Committee and a member of the Review Committee. Director of Catholic Church Insurance Ltd, CCI Asset Management Ltd, Vision Super and the Victoria Teachers Mutual Bank. Former roles include, senior management roles with National Australia Bank, Client Director in the Assurance and Advisory Division of Deloitte and Board Member and Chair of the Audit Committee of Film Victoria.

JENNIFER M. JOHNSON, BA (Economics) – Non-Executive Director
Appointed as a Director on 7 September 2007. Non-Executive Director of the Company. Co-President of Franklin Resources Inc.

INTEREST IN SHARES OF THE COMPANY

As at the date of this report, the interests of the Directors in the shares of the Company were:

Director	Ordinary Shares
J A KILLEN	345,832
G E MCGOWAN	–
M F WARWICK	34,440
M J O'BRIEN	131,250
J DAWSON	23,700
J M JOHNSON	–

EARNINGS PER SHARE

	Cents
Basic	1.5
Diluted	1.5

DIVIDENDS

	$
Directors have declared a final dividend of 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)	10,818,748
Dividends paid during the year ended 30 June 2016 were as follows: Final dividend for the year ended 30 June 2015 of 4.1 cents per share, paid 25 September 2015 (30 June 2014 of 3.5 cents per share, paid 26 September 2014)	10,198,130

CORPORATE INFORMATION

Corporate Structure

Templeton Global Growth Fund Ltd is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange ("ASX").

Principal Activities

The Company invests in a globally diversified portfolio of primarily international equities. The Company outsources its investment management and administration functions to Franklin Templeton Investments Australia Ltd ("FTIAL" or "Investment Manager"), a member of the Franklin Resources Inc.. The primary objective of the Company is to increase total shareholder returns through the achievement of superior investment performance.

The Company has an Australian Financial Services licence (Licence No: 296874).

There has been no significant change in the nature of these activities during the year.

OPERATING AND FINANCIAL REVIEW

Overview

The Company was formed in 1987 and has operated continuously since its formation.

The Company maintains a portfolio of investments in companies listed on international stock exchanges. The Company may also invest in unlisted trusts where the Investment Manager and the Directors consider such investment in unlisted trusts provides a cost effective and efficient manner in which to access specific geographic or industry sectors. At 30 June 2016, all investments were in listed equity securities.

As an investor in companies listed on international stock exchanges the Company is subject to general market sentiment towards investment in equities along with specific market sentiment towards the securities in which the company invests. The Company's Investment Manager utilises an investment philosophy and process designed to identify undervalued securities in which to invest.

The Company does not currently hedge the underlying currencies of its portfolio of investments.

Performance Indicators

For the year ended 30 June 2016, the Company's portfolio of investments returned negative 11% compared to the MSCI All Countries World Index ("the Index") which returned negative 0.6% for the same period.

The following tables illustrate the performance of the Company's investment portfolio compared to the Index since inception.

Investment Performance % ($Aust.)	Latest 6 Mths	Latest 12 Mths	Latest 3 Yrs*	Latest 5 Yrs*	Latest 10 Yrs*	Since Inception*
TGG^	(7.3)	(11.0)	8.6	11.3	2.5	6.8
MSCI AC World Index	(1.1)	(0.6)	13.6	13.3	4.2	6.7#

^ Returns are based on movements in the Company's net assets per share (after deducting investment management fees), before taxes, with dividends reinvested, adjusted for share issues and share buy-backs.

Since inception Index uses MSCI World (gross dividends) as AC World was not in existence at TGG's inception.

* Annualised.

The benchmark is presented with net dividend reinvested.

Yearly Investment Performance % ($Aust.) in each of the past five years.

Year to 30 June	2016	2015	2014	2013	2012
TGG^	(11.0)	16.7	23.2	41.2	(5.4)
MSCI AC World Index	(0.6)	23.7	19.2	30.5	(2.3)

^ Returns are based on movements in the Company's net assets per share (after deducting investment management fees), before all taxes, with dividends reinvested, adjusted for share issues and share buy-backs.

Operating Results for the Year

The net profit after income tax for the year was $3,775,042 compared with a net profit after tax of $3,216,865 in the previous corresponding year ("pcy").

In what was clearly a volatile financial year for global equity markets ending 30 June 2016, with the MSCI All Country World Index down almost 10% at one point, the market ended the financial year slightly below flat in AUD terms. Equities were helped by a strong rebound following the trough in February, but were impacted by the Brexit referendum in the last week of the year.

The net asset value of the Company decreased over the 12 months to 30 June 2016 (after taking into account the payment of the 2015 final dividend) from $357,893,338 at 30 June 2015 to $308,209,246 at 30 June 2016. This accounts for market movements and shares bought back as part of the Company's share buy-back program.

Revenue from investments amounted to $9,482,321 in the current financial year as compared with $7,852,995 in the pcy.

The net tangible asset ("NTA") backing of the Company's shares is calculated, in accordance with ASX guidelines, by dividing the net tangible assets of the Company (net assets less the deferred tax assets and liabilities), at a particular date, by the number of shares on issue at that date. It is an ASX requirement that the NTA backing of the Company be released to the market monthly. In addition, the company commenced the issuance of an estimated weekly NTA during the year. Over the previous five years the NTA at 30 June has been:

	Net Tangible Assets - cents per share	
As at 30 June	After Actual Tax*	After Estimated Tax**
2016^	128	128
2015	150	144
2014	137	135
2013^	118	118
2012^	86	86

* 'Actual Tax' is all Australian and Foreign income tax for which a liability has arisen and therefore excludes the deferred tax assets and liabilities.

** '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.

^ There were insufficient net unrealised gains to affect the "after estimated tax" NTA.

Share Issues and Buy-Back during the Year

The Company's dividend reinvestment plan ("DRP") continued to operate in the 2016 financial year. In September 2015 a final dividend of 4.1 cents per share was paid. As a result of these dividends 925,484 shares were issued under the DRP at a price of $1.259 cents per share representing a take-up rate of the DRP at approximately 11.5%.

The Company undertook a share buy-back program during the year. There were 9,243,684 shares bought back at an average price of $1.22 per share at an average discount to NTA of 7.8%.

The number of ordinary shares on issue after accounting for new shares issued under the DRP, and cancellation of shares as a result of share buy-back, decreased over the year from 248,734,827 to 240,416,627.

Borrowings

The Company's financing consists predominantly of shareholder funds. The Company has no external borrowings or undrawn borrowing facilities at the date of this report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Directors are not aware of any significant changes in the state of affairs of the Company or the environment in which it operates, that will adversely affect the results in subsequent years.

MATTERS ARISING SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The Directors are not aware of any matters or circumstance not otherwise disclosed in the Financial Report or Directors' Report that has arisen since the end of the financial year which has significantly affected, or may significantly affect:

(a) the Company's operations,
(b) the result of those operations, or
(c) the Company's state of affairs in financial years after the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Directors intend that the Company's Investment Manager will continue to invest in accordance with Templeton Global Equities Group's long-standing philosophy of seeking out undervalued investments in global equity markets.

SHARE OPTIONS

Unissued shares

As at the date of this report, there were no unissued ordinary shares under option.

Shares issued as a result of the exercise of options

During the financial year, Directors have not been granted nor have they exercised any options to acquire fully paid ordinary shares in the Company.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has entered into agreements with each of the Directors that require the Company to indemnify them and arrange for them to be insured, in each case to the extent permitted by the Company's Constitution and the *Corporations Act 2001*, in respect of certain liabilities they may incur in their capacity as Directors and officers of the Company.

ENVIRONMENTAL REGULATION

The Company's operations are such that they are not directly affected by any material environmental regulation.

DIRECTORS' REPORT – REMUNERATION REPORT (AUDITED)

This Remuneration Report outlines the Director remuneration arrangements of Templeton Global Growth Fund Ltd ("the Company") in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report key management personnel ("KMP") are the Directors of the Company.

Mr Mat R Sund in his capacity as General Manager and Company Secretary is an employee of Franklin Templeton Investments Australia Ltd (FTIAL) and provides services to the Company under the terms of the Administrative Services Agreement, and as such is remunerated by FTIAL.

At the 2015 Annual General Meeting, 16.2% of all shares on issue were voted on this item of business. 64 % of shares voted were in favour of adopting the Remuneration Report, 36% were against. Given more than 25% of shares voted were against, this constituted a first strike against the Remuneration Report.

Subsequent discussion with shareholders indicated there was no undue concern with the remuneration arrangements as such, which are indeed unremarkable. Accordingly, no changes have been made to remuneration arrangements as a result of this vote.

Rather, the vote denoted concerns over a range of matters which shareholders wished to bring to the Board's attention. These included timing of successive capital raisings and its impact on shareholders, pricing of the recent capital raising, shareholder engagement/ communication and investment returns.

As a result the Directors initiated a range of actions.

In March 2016, we conducted investor briefings in Sydney, Melbourne and Perth. Subsequently we have committed to annual investor briefings around the country, instituted quarterly mail-outs incorporating the Quarterly Investment Manager's Review, and commenced publishing estimated NTAs on a weekly basis.

On 26 February 2016, the company announced an on-market capital buy-back of up to 10% of the share capital of the company, which has since been actively pursued at range of discounts to NTA, which were value accretive to the Company and increases liquidity in the stock.

Remuneration Philosophy

The Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the KMP. The Board of Directors assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit. The Board also engages external remuneration consultants from time to time to make an assessment on the KMP compensation arrangements.

Non-executive Directors' Remuneration

In accordance with the Company's Constitution and the ASX Listing Rules, the aggregate amount of remuneration payable to the non-executive Directors in any year is determined from time to time by shareholders in General Meetings. The last determination was at the Annual General Meeting on 22 October 2007 when shareholders fixed an aggregate amount of $350,000.

Within the limit of the aggregate amount determined by the shareholders, the Board determines the remuneration for non-executive Directors.

The policy of the Board is not to pay fees or provide other remuneration to non-executive Directors who were at any time during the year officers of Franklin Resources Inc.. In the year ended 30 June 2016, this policy was maintained and neither Ms J M Johnson nor Mr G E McGowan, who are officers of the Franklin Resources Inc., received fees or other remuneration from the Company.

The Company provides remuneration for non-executive Directors who are not officers of Franklin Resources Inc.. The remuneration arrangements for these non-executive Directors are reviewed annually by the Board.

The Board assesses the appropriateness of the remuneration for non-executive Directors having regard to market practice (including available data concerning remuneration paid by other companies, in particular companies of comparable nature and size), the duties and accountability of the non-executive Directors and the objective of maintaining a balanced Board which has appropriate expertise and experience, at a reasonable cost to the Company. Non-executive Directors remuneration is not linked to the financial performance or share price of the Company.

The non-executive Directors who received remuneration in the year ended 30 June 2016 were Chairman, Mr J A Killen, Mr M F Warwick, Mr M J O'Brien and Ms J Dawson.

The Board does not pay bonuses or issue shares or options to Directors as components of their remuneration. Neither does it make loans to Directors, or provide motor vehicles, rent, travel allowances or other benefits.

The Company makes minimum superannuation guarantee contributions for non-executive Directors. Directors can also opt to "salary sacrifice" their Director's fees and have them paid wholly or partly as further superannuation contributions.

Details of the remuneration for non-executive Directors for the year ended 30 June 2016 are set out in Table 1 at the end of this Report.

Employment Arrangements

With effect from 1 July 2014, the Company had no employees. The executive staff are not paid by the Company. The executive staff are reimbursed and employed by FTIAL and provide services pursuant to the Administrative Services Agreement.

TABLE 1: DIRECTOR REMUNERATION FOR THE YEARS ENDED 30 JUNE 2016 AND 30 JUNE 2015.

Director	Year	Short-Term Directors Salary and Fees $	Post Employment Superannuation $	Total $
J A Killen	2016	82,380	7,828	90,208
(Chairman)	2015	82,380	7,828	90,208
M F Warwick	2016	59,364	5,640	65,004
(Appoint. 01/07/14)	2015	59,364	5,640	65,004
M J O'Brien*	2016	54,417	5,170	59,587
(Appoint. 27/08/14)	2015	50,283	4,777	55,060
J Dawson	2016	64,068	6,088	70,156
	2015	64,068	6,088	70,156
Total	2016	260,229	24,726	284,955
	2015	256,095	24,333	280,428

Mr G E McGowan and Ms J M Johnson are non-executive Directors of the Company and are also executives of the Investment Manager or companies associated with the Investment Manager and receive no remuneration from Templeton Global Growth Fund Ltd.

* Effective 8 June 2016, M J O'Brien didn't receive remuneration during his leave of absence.

TABLE 2: SHAREHOLDINGS OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

Shares Held in the Company (number)	Balance 1 July 2015	Net Change Other	Balance 26 August 2016
	Ord	Ord	Ord
Directors			
J A (Tony) Killen	345,832	–	345,832
G E McGowan	–	–	–
M F Warwick	34,440	-	34,440
M J O'Brien	131,250	–	131,250
J Dawson	23,700	–	23,700
J M Johnson	–	–	–
Total	**535,222**	**–**	**535,222**

All equity transactions with Directors have been entered into under terms and conditions, no more favourable than those the Company would have adopted if dealing at arm's length.

LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans made to key management personnel at any time during the year and no loans exist at the date of this report.

DIRECTORS' MEETINGS

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

	Directors' Meetings		Audit Committee		Review Committee	
Number of meetings held:	9		4		5	
Number of meetings attended:	A	B	A	B	A	B
J A Killen	9	9	4	4	5	5
G E McGowan**	7	7	–	–	–	–
M F Warwick	9	9	4	4	5	5
M J O'Brien	9	9	4	4	4	4
J Dawson	9	9	4	4	5	5
J M Johnson**	3	7	–	–	–	–

A = Number of meetings attended.
B = Number of meetings held during the time the Director held office or was a member of the committee during the year and to which they were entitled to attend.
** = Not a member of the relevant committee.

COMMITTEE MEMBERSHIP

As at the date of this report, the Company had an Audit Committee and a Review Committee.

The members of these committees of the Board during the year were:

Audit	***Review***
J Dawson (c)	J A Killen (c)
J A Killen	J Dawson
M F Warwick	M F Warwick
M J O'Brien	M J O'Brien

(c) indicates Chairman of the committee.

ROUNDING OF AMOUNTS

The Company is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to rounding in the Directors' Report. Amounts in the Directors' Report have been rounded to the nearest dollar in accordance with that legislative instrument, unless otherwise indicated.

AUDITOR INDEPENDENCE

The auditor's independence declaration given under Section 307C of the *Corporations Act 2001* is set out on page 27 and forms part of the Directors' Report for the year ended 30 June 2016.

NON-AUDIT SERVICES

The Company may decide to engage the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

Prior to any non-audit services being contracted through the Company's auditor, the Board of Directors, after receiving advice from the Audit Committee, would satisfy itself that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The auditor, PricewaterhouseCoopers, did not provide any services which are incompatible with their role as independent auditor for the period.

Details of the amounts paid or payable to the auditor for audit and non-audit services during the year are set out in Note 17.

Signed in accordance with a resolution of the Directors.

J A (Tony) Killen
Chairman

Melbourne
24 August 2016

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF TEMPLETON GLOBAL GROWTH FUND LTD

Auditor's Independence Declaration

As lead auditor for the audit of Templeton Global Growth Fund Ltd for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

2. no contraventions of any applicable code of professional conduct in relation to the audit.

JF Power
Partner
PricewaterhouseCoopers

Melbourne
24 August 2016

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
DX 77 Melbourne, Australia
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 $	2015 $
Revenue	5	9,482,321	7,852,995
Investment expenses	6	(3,315,970)	(2,720,700)
Salaries and employee benefit expenses		(262,860)	(280,428)
Shareholder and regulatory costs		(202,357)	(156,245)
Other expenses		(222,962)	(147,197)
Profit before income tax		**5,478,172**	**4,548,425**
Income tax expense	7	(1,703,130)	(1,331,560)
Profit after income tax for the year		**3,775,042**	**3,216,865**

	Notes	Cents	Cents
Earnings per share	15		
• Basic earnings per share for the year attributable to ordinary equity holders		1.5	1.6
• Diluted earnings per share for the year attributable to ordinary equity holders		1.5	1.6

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

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	2016 $	2015 $
Profit after income tax for the year	3,775,042	3,216,865
Other comprehensive income		
Unrealised (losses)/gains on investments in the portfolio at 30 June	(59,153,817)	22,409,696
Income tax benefit/(expense) on the above	17,746,145	(6,722,909)
Realised gains on investments during the year	11,771,069	17,305,201
Income tax expense on the above	(3,531,321)	(5,191,560)
Total other comprehensive (loss)/income after tax	**(33,167,924)**	**27,800,428**
Total comprehensive (loss)/income income after tax	**(29,392,882)**	**31,017,293**

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

BALANCE SHEET AS AT 30 JUNE 2016

	Notes	30 June 2016 $	30 June 2015 $
Current Assets			
Cash and cash equivalents		5,089,894	70,588,695
Receivables	9	783,883	829,952
Total current assets		5,873,777	71,418,647
Non-current assets			
Investments	10	304,152,354	303,095,032
Deferred tax asset	7	649,471	–
Total non-current assets		304,801,825	303,095,032
Total assets		310,675,602	374,513,679
Current liabilities			
Payables	11	361,726	925,818
Current tax liabilities		2,104,630	265,929
Total current liabilities		2,466,356	1,191,747
Non-current liabilities			
Deferred tax liability	7	–	15,428,594
Total non-current liabilities		–	15,428,594
Total liabilities		2,466,356	16,620,341
Net assets		**308,209,246**	**357,893,338**
Equity			
Contributed equity	12	306,549,306	316,642,386
Reserves	13	(8,869,284)	34,496,770
Retained profits	13	10,529,224	6,754,182
Total equity		**308,209,246**	**357,893,338**

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

Year ended 30 June 2016	Note	Contributed Equity $	Retained Profits $	Investment Revaluation Reserve $	Investment Realisation Reserve $	Total Equity $
Total equity at the beginning of the year as reported		316,642,386	6,754,182	39,982,856	(5,486,086)	357,893,338
Profit after income tax for the year		–	3,775,042	–	–	3,775,042
Other comprehensive income						
Net revaluation decrease on the investment portfolio		–	–	(33,167,924)	–	(33,167,924)
Transfer of net cumulative realised gains for the year	13(a),13(b)	–	–	(8,239,748)	8,239,748	–
Total other comprehensive income for the year		–	–	(41,407,672)	8,239,748	(33,167,924)
Transactions with shareholders						
Dividends paid	8	–	–	–	(10,198,130)	(10,198,130)
Shares issued under the dividend reinvestment plan	12	1,165,331	–	–	–	1,165,331
Shares bought back	12	(11,295,751)	–	–	–	(11,295,751)
Tax credit on capital raising	12	37,340	–	–	–	37,340
Total transactions with shareholders		(10,093,080)	–	–	(10,198,130)	(20,291,210)
Total equity at 30 June 2016		**306,549,306**	**10,529,224**	**(1,424,816)**	**(7,444,468)**	**308,209,246**

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016 CONTINUED

Year ended 30 June 2015	Note	Contributed Equity $	Retained Profits $	Investment Revaluation Reserve $	Investment Realisation Reserve $	Total Equity $
Total equity at the beginning of the year as reported		251,191,147	4,231,789	24,296,069	(11,349,481)	268,369,524
Profit after income tax for the year		–	3,216,865	–	–	3,216,865
Other comprehensive income						
Net revaluation increase on the investment portfolio		–	–	27,800,428	–	27,800,428
Transfer of net cumulative realised gains for the year	13(a),13(b)	–	–	(12,113,641)	12,113,641	–
Total other comprehensive income for the year		–	–	15,686,787	12,113,641	27,800,428
Transactions with shareholders						
Dividends paid	8	–	(694,472)	–	(6,250,246)	(6,944,718)
Shares issued under the dividend		–	–	–	–	–
reinvestment plan	12	745,874	–	–	–	745,874
Shares issued via Rights Offer	12	64,838,895	–	–	–	64,838,895
Costs of capital raising	12	(133,530)	–	–	–	(133,530)
Total transactions with shareholders		65,451,239	(694,472)	–	(6,250,246)	58,506,521
Total equity at 30 June 2015		**316,642,386**	**6,754,182**	**39,982,856**	**(5,486,086)**	**357,893,338**

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 $ Inflows (Outflows)	2015 $ Inflows (Outflows)
Cash Flows from Operating Activities			
Dividends and distributions received		8,516,690	6,916,314
Interest received		250,760	100,965
Custodian fees paid		(55,319)	(39,521)
Goods and services tax refunded		292,842	227,683
Investment manager's fees paid		(3,477,826)	(2,849,356)
Income taxes paid		(799,566)	(957,913)
Administrative, regulatory, legal and other payments in the normal course of operations		(765,490)	(566,362)
Net cash inflow from operating activities	14(a)	3,962,091	2,831,810
Cash flows from Investing Activities			
Cash paid for purchase of listed shares		(97,478,144)	(58,394,448)
Proceeds received from realisation of listed shares		49,752,135	59,395,134
Net cash (outflow)/inflow from investing activities		(47,726,009)	1,000,686
Cash flows from Financing Activities			
Net cash received from capital raising activities		–	64,838,895
Shares purchased (on market buy-back)		(10,093,080)	(6,198,845)
Net dividend paid		(10,198,130)	–
Cost of capital raising		(565,625)	–
Net cash (outflow)/inflow from financing activities		(20,856,835)	58,640,050
Net (decrease)/increase in cash and cash equivalents		(64,620,753)	62,472,546
Cash and cash equivalents at the beginning of the year		70,588,695	8,203,007
Effects of exchange rate changes on cash and cash equivalents		(878,048)	(86,858)
Cash and Cash Equivalents at Year End	**14 (b)**	**5,089,894**	**70,588,695**

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

1. CORPORATE INFORMATION

The financial report of Templeton Global Growth Fund Ltd ("the Company") for the year ended 30 June 2016 was authorised for issue in accordance with a resolution of the Directors on 24 August 2016.

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

The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, and with the Corporations Act 2001. Templeton Global Growth Fund Ltd is a for-profit entity for the purposes of preparing the financial statements.

The financial report has been prepared on a historical cost basis, except for investment assets ("Investments") which have been measured at fair value (last bid price).

The financial report is presented in Australian dollars.

(a) Compliance with IFRS

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board ("AASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

(b) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting period. The Company's assessment of the impact of these new standards is set out below:

- *AASB 9 Financial Instruments (and applicable amendments)*
  (effective from 1 January 2018)

  AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. It also introduced revised rules around hedge accounting and impairment. This standard has been early adopted by the Company. This standard does not have a significant impact on the recognition and measurement of the Company's financial instruments as they are carried at fair value through other comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

- *AASB 15 Revenue from Contracts with Customers (effective from 1 January 2017)*

  The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The Company's main sources of income are interest, dividends and gains on financial instruments held at fair value. The Company's management and Directors are currently assessing the impact of the new revenue recognition rules and do not expect the adoption of this new standard to have a significant impact on the Company's financial results.

  There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2015 that have a material impact on the Company.

(c) Foreign currency translation

(i) Functional and presentation currency

Both the functional and presentation currency of the Company is Australian dollars ($).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on investments held at fair value through other comprehensive income are recognised in the Statement of Comprehensive Income as part of the fair value gain or loss.

(d) Trade and other receivables

Trade receivables which generally have 30-90 day terms are recognised at the original transaction amount and where applicable converted to the equivalent Australian dollar value on the day of transaction.

(e) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(f) Investments and other financial assets

Classification

Equity securities within the investment portfolio are classified as 'financial assets measured at fair value through other comprehensive income', and are designated as such upon initial recognition in accordance with AASB 9.

The designation of securities within the investment portfolio as 'financial assets measured at fair value through other comprehensive income' is consistent with the Directors' view of these assets as being held for the long-term for both capital growth and for the provision to the Company of dividends and distribution income rather than to make a profit from the sale of such securities.

Measurement and Valuation

Securities, including listed shares, are initially brought to account at fair value, which is the cost of acquisition including directly attributable transaction costs, and are re-valued to fair values continuously. The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance sheet date. Increments and decrements on equity instruments are recognised in the Statement of Comprehensive Income and taken to the Investment Revaluation Reserve. Gains and losses are not subsequently reclassified to the Income Statement.

Where disposal of an investment occurs any revaluation increment or decrement relating to it is transferred from the Investment Revaluation Reserve to the Investment Realisation Reserve.

The purchase and the sale of securities are accounted for at the date of trade.

Recognition and derecognition

When securities classified as fair value through other comprehensive income are sold, the accumulated fair value adjustments recognised in the Statement of Comprehensive Income are disclosed in equity as gains or losses, net of tax, on realisation of investments.

(g) Trade and other payables

Trade payables and other payables are carried at amortised cost and due to their short term nature are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(h) Provisions

Provisions are recognised where the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended and no longer at the discretion of the Company on or before the reporting date.

Employee leave benefits

The Company outsources its investment management and administration functions, including the roles of General Manager and Company Secretary, to Franklin Templeton Investments Australia Ltd ('FTIAL') under the terms of the Administrative Services Agreement and therefore is not liable for any employee leave benefits.

(i) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds. Where the Company buys back shares through an on market buy back, the cost of the shares bought back and incremental costs of the buy back, net of tax, are deducted from equity.

(j) Income tax and other taxes

The income tax expense for the year is the tax payable on the current year's taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the same time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income. In this case, the tax is also recognised directly in the Statement of Comprehensive Income.

Deferred tax assets are recognised for deductible temporary differences and carried forward tax losses to the extent it is probable that future taxable amounts will be available to utilise those temporary differences. In assessing the likelihood of probable recoverability of the deferred tax asset, regard is given to the value and composition of the deferred tax asset, economic conditions and economic indicators.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flow.

(k) Earnings per share

Basic earnings per share ("EPS") is calculated as net profit attributable to shareholders, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to shareholders, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

There are no dilutive instruments currently on issue.

(l) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Interest income is recognised using the effective interest method.

Dividends and distributions

Dividends and distributions are recognised when the Company's right to receive the payment is established.

(m) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the Chief Operating Decision-Maker ("CODM"). The CODM is the Review Committee. The Company operates as a listed investment company in Australia and has a single reportable operating segment.

(n) Rounding of amounts

The Company is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to rounding in the financial statements. Amounts in the financial statements have been rounded to the nearest dollar in accordance with that legislative instrument, unless otherwise indicated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(o) Changes to presentation and comparative information

When presentation or classification of items in the financial statements is amended, comparative amounts have been reclassified.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial Risk Management Objectives, Policies and Processes

Risks arising from holding financial instruments are inherent in the Company's activities, and are managed through a process of ongoing identification, measurement and monitoring. The Company is primarily exposed to market risk, liquidity risk, and credit risk.

Financial instruments of the Company comprise the investment portfolio, cash and cash equivalents, receivables and payables.

Under the supervision of the Board, the Investment Manager is responsible for identifying and controlling the risks that arise from these financial instruments.

The risks are measured using a method that reflects the expected impact on the results and net assets attributable to shareholders of the Company from reasonably possible changes in the relevant risk variables. Information about these risk exposures at the reporting date, measured on this basis, is disclosed below. Information about the total fair value of financial instruments exposed to risk, as well as compliance with established investment mandate limits, is also monitored by management. These mandated limits reflect the investment strategy and market environment of the Company, as well as the level of risk that the Company is willing to accept, with additional emphasis on selected industries.

This information is prepared and reported to relevant parties within the Company on a regular basis as deemed appropriate, including management, committees of Directors and ultimately the Board of Directors of the Company.

Concentrations of risk arise when a number of financial instruments are entered into in the same geographic region or industry grouping whereby the performance of those financial instruments could be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentration of risk, the Investment Manager monitors the exposure to ensure concentrations of risk remain within acceptable levels.

(b) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in the market variables such as foreign currency exchange rates and equity prices.

Management of the Company's investment portfolio is outsourced to Franklin Templeton Investments Australia Ltd ("FTIAL") who manage market risk by prudent diversification of the investment portfolio and by reference to the performance of the portfolio of the investments compared to the performance of an appropriate index. This is monitored by the Board and Board committees. Market risk is also managed through Investment Management decisions with respect to current market conditions.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES CONTINUED

(b) Market risk (continued)

Foreign currency risk

Foreign currency exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates.

The Company's operations provide Australian investors with not only access to the world's equity markets but also investment exposure beyond the Australian dollar.

This has been one of the reasons that the long-standing approach of the Company has been not to hedge the underlying currencies of its portfolio of investments.

Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in market prices, whether those changes are caused by factors specific to the individual stock or factors affecting all instruments in the market. Equity price risk exposure arises from the Company's investment portfolio.

Interest rate risk

The nature of the Company's business operations is such that the only exposure to financial instruments with interest rate risk exposure is to cash and cash equivalents. Cash and cash equivalents are restricted to investment in "at-call" or short-term to maturity deposits. At balance date cash and cash equivalents were valued at $5,089,894 (2015: $70,588,695), the interest rate applicable to cash and cash equivalents at balance date was 1.5% (2015: 1.75%).

Value at Risk ("VaR")

Value at Risk (VaR) is a measure of the risk of investments. It estimates how much a set of investments might move, given normal market conditions, in a set time period. VaR represents the estimated maximum reasonable gain or loss that an investor could expect during a time period, with a given probability and relative to the assumptions applied.

In order to estimate this future market risk, VaR assumes a normal or "bell shaped" curve of future portfolio returns and uses the unique characteristics of the normal distribution primarily symmetry of future returns both higher and lower than the average future return to estimate the amount of the possible future losses or gains.

To calculate VaR, the Company uses the historic price volatility and correlations of current portfolio holdings to calculate both the historic average return and the historic standard deviation of returns around the average.

The VaR calculation represented here for the Company uses a 99% confidence interval and assumes a 3 month holding period.

The following table summarises the potential market risk impact on the investment portfolio of the Company. The estimated impact has been calculated on the basis of a VaR number incorporating market price, currency and interest rate factors into an overall return risk.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES CONTINUED

	VaR Factor %	Nets Assets $	Impact to Net Assets $
30 June 2016	**19.73**	**308,209,246**	**+/- 60,809,684**
30 June 2015	16.24	357,893,338	+/- 58,121,878

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. This risk is controlled through the Company's investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Company maintains sufficient cash and cash equivalents to meet normal operating requirements. Further, the Company under the requirements of its Australian Financial Services Licence is required to maintain cash reserves equivalent to three months projected operational expenditure.

The Company, through FTIAL, seeks maximum investment in world equity markets but balances that objective with the need to retain sufficient cash reserves to meet operational expenses, shareholder distributions and potential investment opportunities and share buy-backs where appropriate.

The effect of these requirements is that the Company is ordinarily fully invested in the market with cash and cash equivalents of between 1% to 7% of the Company's market capitalisation to account for operational and investment contingencies. The Company's investments are in equities tradeable on stock exchanges around the world and are considered highly liquid.

The Board and Board committees monitor the liquidity by reference to monthly cash flow projections and financial reports.

Maturity analysis for financial liabilities

Financial liabilities of the Company comprise trade and other payables, dividends payable and payments for purchases of investments. Trade and other payables and dividend payments have no contractual maturities but are typically settled within 30 days.

Payments for purchases of investments are governed by the rules of the relevant stock exchange and are usually settled in less than five working days.

(d) Credit Risk

Credit risk represents the risk that the counterparty to a certain type of financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss. Although the Company has a concentration of counterparty risk through its single custodian, JP Morgan Chase Bank, credit risk is not considered to be significant to the Company.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES CONTINUED

(e) Capital Management

The Company's objective in managing capital is to continue to provide shareholders with dividends and capital appreciation over the longer term.

The Company's capital will fluctuate with prevailing market movements. The Company controls: dividend policy, the issue and buy-back of shares and the purchase or sale of investments.

The Company has a Dividend Policy with the objective of providing shareholders with a level of certainty around expected dividends. The policy states that the Dividends declared will be not less than 3% of the net tangible assets ("NTA") value per share of the Company at 30 June of the prior year. However, this policy is subject to prevailing market conditions.

A total 925,484 additional shares at a cost of $1,165,331 were allotted to shareholders registered in the Company's dividend reinvestment plan in respect of the dividends paid on 25 September 2015.

The Company had in place an on market share buy-back which operated during the year, there were 9,243,684 shares at cost of $11,295,751 purchased during the year.

There were no other changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

5. REVENUE

	2016 $	2015 $
Dividends and distributions	9,394,642	7,713,963
Interest income	249,079	92,658
Other investment income	234	6,361
Net foreign currency (loss)/gains	(161,634)	40,013
	9,482,321	**7,852,995**

6. INVESTMENT EXPENSES

	2016 $	2015 $
Investment management fees	3,267,215	2,681,381
Custodian fees	48,755	39,319
	3,315,970	**2,720,700**

7. INCOME TAX

The major components of income tax are:

	2016 $	2015 $
Income Statement		
Current income tax		
Current income tax charge	(1,643,452)	(1,364,528)
Deferred income tax		
Relating to origination and reversal of temporary differences	(59,678)	32,968
Income tax expense reported in the income statement	**(1,703,130)**	**(1,331,560)**
Amounts charged or credited directly to equity		
Deferred income tax related to items charged or credited directly to equity in respect of:		
Net realised and unrealised gains/(losses) on investments	14,214,824	(11,914,469)
Income tax expense reported in equity	**14,214,824**	**(11,914,469)**

7. INCOME TAX CONTINUED

A reconciliation between the income tax expense and accounting profit before income tax multiplied by the Company's applicable income tax rate is as follows:

	2016 $	2015 $
Profit before income tax	5,478,172	4,548,425
Prima facie income tax expense at statutory rate of 30% (2015: 30%)	(1,643,452)	(1,364,528)
Tax effect of:		
– Unrealised foreign exchange (losses)/gains	(11,283)	8,644
– Other items	(48,395)	24,324
Income tax expense	**(1,703,130)**	**(1,331,560)**

Deferred income tax

Deferred income tax at 30 June relates to the following:

Deferred tax (assets)/liabilities

	2016 $	2015 $
The balance comprises temporary differences attributed to:		
Receivables	162,768	192,206
Payables	2,538	(297,454)
Exchange difference in tax and accounting	4,947	–
Amortisation of cost of capital raising	(209,089)	–
Unrealised (loss)/gain on investments	(610,635)	17,135,509
Realised capital losses	–	(1,601,667)
	(649,471)	**15,428,594**
Opening balance at 1 July	15,428,594	3,781,965
Charged/(credited) to the income statement	(7,005)	(288,934)
Charged/(credited) to equity	(16,071,060)	11,935,563
Closing balance at 30 June	**(649,471)**	**15,428,594**

8. DIVIDENDS PAID OR PROVIDED FOR

(a) Dividends paid during the year:

	2016 $	2015 $
Previous year's final		
Final Dividend for the year ended 30 June 2015		
– 4.1 cents per share at 0.7 cents fully franked and 3.4 cents unfranked (2014: 3.5 cents per share fully franked)	10,198,130	6,944,718

(b) Franking credit balance

	2016 $	2015 $
The amount of franking credits available for subsequent financial years are:		
– franking account balance as at the end of the financial year at the tax rate of 30% (2015: 30%)	491,360	444,794
– franking credits that will arise from the payment of income tax payable as at the end of the financial year	2,104,630	341,148
	2,595,990	785,942
The amount of franking credits available for future reporting periods:		
– impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year.	–	(746,204)
	2,595,990	39,738

(c) Listed investment company (LIC) capital gain account

	2016 $	2015 $
Balance of the LIC capital gain account	4,495,387	–
This equates to an attributable amount of	6,421,982	–

The attributable amount is efffectively 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. The Company intends to proportionally allocate as much of the 2016 attributable amount as reasonable in conjunction with the payment of the final dividend on 23 September 2016.

(d) Dividends declared after balance date

Since the end of the year Directors have declared a final dividend of 4.5 cents per share at 2.5 cents fully franked and 2.0 cents unfranked. The aggregate amount of the dividend for the year to 30 June 2016 to be paid on 23 September 2016, but not recognised as a liability at the end of the financial year: $10,818,748.

	2016 $	2015 $

9. RECEIVABLES (CURRENT)

Receivables	783,883	829,952

Receivables consist principally of sales of securities not yet settled or dividends declared not yet received. Proceeds from unsettled sale of securities are generally received within 5 days and dividends declared not yet received are generally received within 30-90 days.

10. INVESTMENTS (NON–CURRENT)

Securities listed on a prescribed stock exchange at cost:		
Shares	307,040,352	246,829,211
Aggregate quoted market value at balance date of securities listed on a prescribed stock exchange	304,152,354	303,095,032

The Company has no material exposures to a single listed equity investment.

For a detailed list of the fair values of the securities in the investment portfolio, refer to Note 24

11. TRADE AND OTHER PAYABLES (CURRENT)

Trade payables	–	–
Other payables	78,956	669,562
Payables due to related parties:		
– Director related entities – refer note 19(b)	282,770	256,256
	361,726	925,818

Trade payables and amounts payable to Director related entities are non-interest bearing and are normally settled on 30 day terms.

12. CONTRIBUTED EQUITY

(a) Issued and Paid-Up Capital

Ordinary shares fully paid	306,549,306	316,642,386

12. CONTRIBUTED EQUITY CONTINUED

	2016 No. of shares	2016 $	2015 No. of shares	2015 $
(b) Movements in ordinary shares on issue				
Beginning of financial year	248,734,827	316,642,386	198,420,359	251,191,147
Shares issued under dividend reinvestment	925,484	1,165,331	566,737	745,874
Shares issued via rights issue	–	–	49,747,731	64,838,895
Share cancelled via share buyback	(9,243,684)	(11,295,751)	–	–
Tax credit on costs of capital raising	–	37,340	–	(133,530)
End of the financial year	240,416,627	306,549,306	248,734,827	316,642,386

Share buy-back:

The Company has an on market buy-back programme. During the year ended 30 June 2016, 9,243,684 shares were bought back (2015: nil).

Dividend Reinvestment Plan ("DRP")

The Company has a DRP under which shareholders elect to have all or part of their dividend payment reinvested in new ordinary shares at a discount of 2.5% (2015: 2.5%) to the 5 day volume weighted average price of shares leading up to the dividend record date.

(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 holder to one vote, either in person or by proxy, at a meeting of the Company.

	Notes	2016 $	2015 $

13. RESERVES AND RETAINED PROFITS

	Notes	2016 $	2015 $
Investment Realisation	13(a)	(7,444,468)	(5,486,086)
Investment Revaluation	13(b)	(1,424,816)	39,982,856
		(8,869,284)	34,496,770
Retained profits	13(c)	10,529,224	6,754,182

(a) Investment Realisation Reserve

(i) Nature and purpose of reserve

The investment realisation reserve is used to accumulate realised capital profits/(losses) arising from the sale of securities in the investment portfolio.

(ii) Movements in Reserve

	2016 Taxable realised gains (net of tax) for the period $	2016 Other movements for the year $	2016 Total $
1 July			(5,486,086)
Cumulative taxable realised gains for the year	11,771,069	–	11,771,069
Income tax expense on the above	(3,531,321)	–	(3,531,321)
Dividend Paid	–	(10,198,130)	(10,198,130)
Total movements for the year	8,239,748	(10,198,130)	(1,958,382)
30 June			(7,444,468)

	2015 Taxable realised gains (net of tax) for the period $	2015 Other movements for the year $	2015 Total $
1 July			(11,349,481)
Cumulative taxable realised gains for the year	17,305,201	–	17,305,201
Income tax expense on the above	(5,191,560)	–	(5,191,560)
Dividend Paid	–	(6,250,246)	(6,250,246)
Total movements for the year	12,113,641	(6,250,246)	5,863,395
30 June			(5,486,086)

13. RESERVES AND RETAINED PROFITS (CONT.)

(b) Investment Revaluation Reserve

(i) Nature and purpose of Reserve

The investment revaluation reserve is used to accumulate unrealised capital profits/(losses) arising on from the revaluation of the investment portfolio.

(ii) Movement in Reserve

	2016 $	2015 $
Balance at the beginning of the year	39,982,856	24,296,069
Revaluation increments on revaluation of listed securities	(47,382,749)	39,714,897
Tax effect of increments to revaluation reserve	14,214,825	(11,914,469)
Transfer of net realised capital gains to the investment realisation reserve	(8,239,748)	(12,113,641)
Balance at the end of the year	(1,424,816)	39,982,856

(c) Retained Profits

Movements in Retained Profits

	2016 $	2015 $
Balance at the beginning of the year	6,754,182	4,231,789
Net profit for the year	3,775,042	3,216,865
Dividends paid	–	(694,472)
Balance at the end of the year	10,529,224	6,754,182

14. STATEMENT OF CASH FLOWS

(a) Reconciliation of the net profit after tax to the net cash flows from operations

	2016 $	2015 $
Net profit	3,775,042	3,216,865
Adjusted for:		
Net gain on foreign exchange	161,636	(40,012)
Changes in assets and liabilities		
– Receivables	58,639	(57,870)
– Payables	(1,645)	(39,196)
– Taxation commitments	(31,581)	(364,186)
– Provision for employee entitlements	–	116,209
Net cash inflow from operating activities	3,962,091	2,831,810

(b) Reconciliation of cash

	2016 $	2015 $
Cash comprises:		
Cash at Bank	5,089,894	70,588,695

Disclosure of non-cash financing activities

The company issued 925,484 shares under a dividend reinvestment plan in September 2015.

15. EARNINGS PER SHARE

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	2016 $	2015 $
Net profit used in calculating basic and diluted earnings per share	3,775,042	3,216,865

	Number	Number
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	248,648,757	198,986,753

	cents	cents
Basic and diluted earnings per share	1.5	1.6
Realised gain earnings per share*	3.3	6.1

* Net cumulative realised gains per the statement of changes in equity proportioned per weighted number of average shares for the period.

16. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) Directors

J A Killen	Chairman (non-executive)
G E McGowan	Director (non-executive)
M F Warwick	Director (non-executive)
M J O'Brien	Director (non-executive)
J Dawson	Director (non-executive)
J M Johnson	Director (non-executive)

(b) Compensation of Key Management Personnel

	2016 $	2015 $
Short-Term benefits	260,229	256,095
Post Employment benefits	24,726	24,333
Total	**284,955**	**280,428**

(c) Shareholdings of key management personnel

Shares held in the Company (number)	Balance 1 July 2015 Ord	Net Change Other Ord	Balance 30 June 2016 Ord
Directors			
J A Killen	345,832	–	345,832
G E McGowan	–	–	–
M F Warwick	34,440	–	34,440
M J O'Brien	131,250	–	131,250
J Dawson	23,700	–	–
J M Johnson	–	–	–
Total	**535,222**	**–**	**535,222**

16. KEY MANAGEMENT PERSONNEL CONTINUED

(c) Shareholdings of key management personnel (continued)

Shares held in the Company (number)	Balance 1 July 2014 Ord	Net Change Other Ord	Balance 30 June 2015 Ord
Directors			
J A Killen	276,665	69,167	345,832
G E McGowan	–	–	–
M F Warwick	27,552	6,888	34,440
M J O'Brien	–	131,250	131,250
J Dawson	18,960	4,740	23,700
J M Johnson	–	–	–
Total	**323,177**	**212,045**	**535,222**

All equity transactions with Directors have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length.

(d) Loans to key management personnel

There were no loans made to key management personnel at any time during the year and no loans exist at 30 June 2016 (2015: nil).

17. AUDITORS' REMUNERATION

The auditor of the Company is PricewaterhouseCoopers

During the year the following fees were paid or payable for services provided by the auditor:

	2016 $	2015 $
Audit and assurance services		
– Audit and review of the financial report	55,000	55,022
– Other assurance services*	18,296	9,451
Taxation services		
Tax compliance services**	10,450	15,950
	83,746	80,423

* The other assurance services include work regarding the Company's compliance with its Australian Financial Services licence.

** Tax compliance services fees are paid by FTIAL on behalf of the Company as per the Administration Services Agreement.

18. SEGMENT INFORMATION

(a) Operating segment

The Company has a single operating segment which is a business of investing in and managing a world wide portfolio of investments listed on international stock exchanges. Under the supervision of the Board, responsibility for day to day decisions about making and managing investments in specific securities is delegated to and undertaken by the Investment Manager.

The operating results of the business are regularly reviewed by the Board, and by the Review Committee on behalf of the Board. Decisions about allocation of resources to the business are made by the Board, based on a single, integrated strategy, and performance of the business is assessed by the Board on an overall basis, considering the portfolio of investments as a whole.

(b) Segment reporting

Internal reporting to the Board and Review Committee about the Company's assets, liabilities and performance is prepared and provided for the business as a single operating segment and is on a basis that is consistent with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax (as reported in the Company's Net Tangible Assets announcements to the ASX).

The Company reports net profit after tax. This excludes the impact of realised and unrealised gains and losses in the value of investments.

	2016 $	2015 $
Profit after income tax	3,775,042	3,216,865

The Company reports net asset value per share both before and after provision for deferred tax on realised and unrealised losses in the value of the Company's investment portfolio. Deferred tax is calculated as set out in Note 2(j). The relevant amounts as at 30 June 2016 and 30 June 2015 were as follows:

	2016 Cents	2015 Cents
Net tangible asset backing per share		
After actual tax*	128	150
After estimated tax**	128	144

After estimated tax NTA will be the same as after actual tax NTA where there are no net unrealised gains at the end of the relevant year.

* 'Actual Tax' is all Australian and Foreign income tax for which a liability has arisen and therefore excludes the deferred tax assets and liabilities.

** '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.

18. SEGMENT INFORMATION CONTINUED

(c) Other Segment Information

Segment Revenue

Revenues 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.

Dividend revenue by geographic location:

Country	2016 $	2015 $
Bermuda	30,711	79,884
Belgium	–	46,719
Brazil	68,419	55,482
Canada	87,733	67,693
China	172,639	93,504
France	1,396,253	1,048,857
Germany	510,172	252,017
Hong Kong	191,242	127,466
Ireland	185,949	123,831
Israel	86,734	84,824
Italy	240,262	249,637
Japan	426,401	432,714
Netherlands	341,034	211,539
Norway	130,377	66,822
Russia	75,479	198,241
Singapore	231,549	207,122
South Korea	449,930	289,765
Spain	128,003	62,154
Sweden	53,529	39,893
Switzerland	134,593	150,997
Taiwan	–	(6,263)*
Thailand	99,280	66,266
Turkey	–	237,262
United Kingdom	2,335,434	1,955,560
United States	2,018,919	1,571,977
Total	**9,394,642**	**7,713,963**

* This amount represents dividend withholding tax written off in Taiwan which was deemed irrecoverable.

19. RELATED PARTY DISCLOSURE

(a) Key management personnel

Details relating to key management personnel are included in note 16.

(b) Transactions with related parties

Management fees paid to Franklin Templeton Investments Australia Ltd

The Company's Investment Manager is Franklin Templeton Investments Australia Ltd ("Investment Manager"). The Investment Manager is a member of the Franklin Resources Inc..

In accordance with the Investment Management Agreement, the Investment Manager is entitled to a fee in respect of the management of the investment portfolio of the Company. This fee is calculated at the rate of 1% per annum payable monthly on the value of the net tangible assets of the Company less the value of the investments in unlisted trusts managed by the Investment Manager. For those services, the Investment Manager was paid a fee of $3,267,215 for the 12 months to 30 June 2016 (2015: $2,681,381). As at the end of the financial year $282,770 (2015: $256,256) was owing to the Investment Manager. All transactions with FTIAL are on normal commercial terms.

The Company has the following relationships with the Investment Manager:

Ms J M Johnson and Mr G E McGowan have a beneficial interest in shares in Franklin Resources Inc., the ultimate holding company of the Investment Manager.

Certain directors of the Company also held the following appointments with the Investment Manager and / or companies related to the Investment Manager. These appointments were held throughout the financial year (and continues as at 30 June 2016) unless otherwise specified.

- Mr G E McGowan is a director of the Investment Manager.
- Mr G E McGowan and Ms J M Johnson are employed by companies related to the Investment Manager.

The provision of administration services to the Company are also required in the terms of the Administrative Service Agreement, which includes the provision of a Company Secretary and General Manager with suitable knowledge and experience to undertake the requirements of the respective roles. These requirements have been fulfilled as follows:

- Mat Sund acting as General Manager and Company Secretary

Rabie Abas ceased as Company Secretary on 23rd March 2016, Mat Sund was appointed as Company Secretary on 23rd March 2016.

Neither the Investment Manager nor any of the funds for which the Investment Manager is responsible are shareholders in Templeton Global Growth Fund Ltd.

(c) Shareholding of related party entities

During the year, Franklin Resources Inc. and/or affiliates purchased shares in the company.

Shares held in the Company (number)	Balance 1 July 2015 Ord	Net Change Other Ord	Balance 30 June 2016 Ord
Franklin Resources Inc. and/or affiliates	–	807,906	807,906

20. 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 instrument assets are investments in listed securities (Level 1). The Company has no financial liabilities measured at fair value.

	30 June 2016		30 June 2015	
	Level 1	Total	Level 1	Total
	$	$	$	$
Financial assets at fair value through other comprehensive income				
Listed equity securities	304,152,354	304,152,354	303,095,032	303,095,032
Total	**304,152,354**	**304,152,354**	**303,095,032**	**303,095,032**

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. There were no transfers between levels during the period.

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 early adoption of AASB 9 was designated to be measured at fair value through other comprehensive income.

The fair value of each investment held at fair value through other comprehensive income is disclosed at note 24.

The value of investments realised in the normal course of the Company's business as a Listed Investment Company during the year was $49,035,718 (2015: $61,478,474). The cumulative gain on these realised investments after tax was $8,239,748 (2015: $12,113,641) which has been transferred from the investment revaluation reserve to the investment realisation reserve (refer to the statement of changes in equity).

21. PERFORMANCE BOND

Under the terms of its Australian Financial Services licence, the Company has in place a performance bond in favour of the Australian Securities and Investments Commission ("ASIC"), payable on demand to ASIC.

22. CONTINGENCIES

At balance date Directors are not aware of any material contingent liabilities or contingent assets (2015: nil).

23. EVENTS AFTER THE BALANCE SHEET DATE

No other matters or occurrences have arisen subsequent to balance date that materially affect the operations of the Company.

24. SECURITIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Listed below is the investment portfolio all of which are held at fair value through other comprehensive income.

Investments in the portfolio change from year to year as some holdings are added to, others realised and as the quoted market price of those securities alter.

Company	30 June 2016 $	30 June 2015 $
ABB Ltd	3,864,473	3,077,268
AEGON NV	1,242,103	1,750,410
Akzo Nobel NV	2,756,791	3,042,651
Allegheny Technologies Inc	2,604,805	3,179,133
Allergan Plc	3,756,279	4,783,497
Ally Financial Inc	1,763,390	1,638,183
Alphabet Inc	3,625,412	–
American International Group Inc	3,604,192	3,537,397
Amgen Inc	5,220,833	5,445,839
Apache Corp	1,711,370	–
Applied Materials Inc	1,725,081	–
Aviva Plc	1,788,970	1,464,234
AXA SA	3,173,064	4,225,669
BAE Systems Plc	2,573,113	2,340,147
Baidu Inc Adr	1,536,960	–
Baker Hughes Inc	1,803,346	1,849,458
Bangkok Bank Public	2,443,195	1,844,464
Bank of New York Mellon	–	2,170,608
Barclays Plc	2,709,152	3,604,538
BM&F Bovespa SA	–	1,406,844
Basilea Pharmaceutica	991,216	–
Bayer AG	1,922,375	–
BNP Paribas	3,759,913	3,621,686
BP Plc	5,212,960	1,736,539
Capital One Financial	3,522,945	3,886,705
Chesapeake Energy	461,981	1,168,675
Chevron Corp	2,072,187	–
China Life Insurance	1,173,918	–
China Merchants Holdings	2,053,101	3,205,911
China Mobile (HK) Ltd	987,796	1,070,977

25. SECURITIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME CONTINUED

Company	30 June 2016 $	30 June 2015 $
China Telecom Corp	3,487,884	4,459,430
Cisco Systems	3,259,721	3,312,143
Citigroup Inc.	4,481,440	4,937,901
Comcast Corp	5,378,219	5,868,044
Conocophillips	772,162	–
CIE De Saint–Gobain	4,231,084	3,162,769
Credit Agricole SA	2,643,593	4,208,471
Credit Suisse Group AG	2,358,686	3,929,698
CRH Plc	4,707,701	3,665,134
CRRC Corp Ltd	794,644	905,762
CVS Health Corp	2,825,873	3,935,626
Deutsche Boerse AG	2,279,594	2,924,904
Deutsche Lufthansa AG	3,497,822	2,982,200
Devon Energy Corp	2,075,707	–
DGB Financial Group Inc	1,360,028	1,389,015
Draegerwerk AG & Co KGAA	1,132,551	1,930,181
Eastman Chemical Co	2,480,000	1,326,246
Eli Lilly & Co	1,060,653	–
Eni Spa	2,512,217	2,679,935
Fred Olsen Energy ASA	–	631,307
General Motors Co	1,969,206	1,185,509
Getinge AB	3,258,844	2,966,790
Gilead Sciences Inc	4,423,135	5,577,238
Glaxosmithkline Plc	1,714,962	4,943,748
Glencore Plc	1,265,577	–
Goldpac Group Ltd	1,146,125	1,245,150
Halliburton Co	4,581,718	2,220,229
Hana Financial Group Inc	1,774,815	943,570
HSBC Holdings Plc	3,846,210	4,233,281
Hyundai Mobis Co Ltd	4,964,385	2,862,399
ING Groep NV CVA	2,170,808	3,406,428
Ionis Pharmaceuticals Inc	626,240	1,498,471
JP Morgan Chase & Co	5,320,248	4,927,279
KB Financial Group Inc	2,154,168	2,440,128
KBR Inc	–	1,957,884
Kingfisher Plc	2,173,949	3,617,412
Knowles Corp	2,104,177	2,047,330

25. SECURITIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME CONTINUED

Company	30 June 2016 $	30 June 2015 $
Kunlun Energy Co Ltd	2,091,761	1,592,237
Lloyds Banking Group Plc	1,121,570	2,016,446
Lukoil OAO	–	1,368,073
Macy's Inc	1,775,136	3,454,260
Marks & Spencer Group Plc	987,795	1,891,677
Medtronic Plc	3,183,664	3,715,566
Merck & Co Inc	–	1,366,607
Merck KGAA	3,291,402	3,987,428
Michael Kors Holdings Ltd	1,867,491	1,539,539
Michelin SA	2,090,209	2,240,128
Microsoft Corp	8,040,411	6,815,505
Morgan Stanley	2,775,792	4,012,464
MorphoSys AG	1,047,906	1,119,245
Navistar International Corp	1,237,333	1,739,501
Newocean Energy Holdings Ltd	1,040,226	1,434,325
Nissan Motor Co Ltd	4,948,273	5,018,802
NN Group N.V.	–	993,845
Noble Corporation	1,025,047	1,855,765
Noble Group Ltd	–	1,026,369
Oracle Corp	3,722,887	1,332,847
Orange SA	1,892,960	2,274,694
Petrofac Ltd	1,447,589	1,969,193
Petroleo Brasileiro SA	1,075,217	1,462,961
Pfizer Inc	2,941,748	4,157,054
POSCO Sponsored ADR	2,161,933	2,310,084
QIAGEN NV	1,937,549	1,016,821
Roche Holdings AG	3,924,405	5,179,487
Rockwell Collins Inc	1,829,277	–
Royal Dutch Shell – B shares	4,680,982	3,769,670
Samsung Electronics Co Ltd	7,981,765	6,050,598
Sanofi	3,665,684	5,451,313
SAP SE	1,801,188	2,131,552
SBM Offshore NV	2,080,299	1,632,960
Siemens AG	3,449,694	1,821,058
Singapore Telecommunications Ltd	3,087,460	3,047,772
Sky Plc	1,916,707	2,671,991
SoftBank Corp	4,220,420	1,523,449

25. SECURITIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME CONTINUED

Company	30 June 2016 $	30 June 2015 $
Springland International Holding Ltd	739,342	1,570,135
Standard Chartered Plc	2,411,848	–
Suncor Energy Inc	2,667,741	2,209,361
Suntory Beverages & Food Ltd	3,126,831	3,417,554
Symantec Corp	–	1,698,703
Technip SA	2,492,176	2,541,058
Tecnicas Reunidas SA	1,731,888	–
Telefonica SA	1,432,523	2,037,657
Telenor ASA	2,309,430	2,978,008
Tesco Plc	3,434,365	3,433,003
Teva Pharmaceutical Ind Ltd Convertibles	4,442,654	4,092,172
Toshiba Corporation	1,638,517	1,254,868
Total SA	3,694,243	2,821,412
Toyota Motor Corp	2,493,312	3,761,925
Tsumura & Co	–	1,512,849
Turkcell Iletisim Hizmetleri AS	1,298,921	1,577,074
Twenty–First Century Fox Inc	2,487,853	1,259,316
Unicredito SPA	1,654,116	3,272,306
Unipres Corp	1,165,076	1,732,537
United Overseas Bank Ltd	2,128,998	2,583,438
Vodafone Group Plc	3,353,289	2,439,267
Walgreens Boots Alliance Inc	3,239,380	3,538,658
Zodiac Aerospace SA	973,004	–
Total	**304,152,354**	**303,095,032**

Templeton Global Growth Fund Ltd. ABN 44 006 558 149

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DIRECTORS' DECLARATION

In the Directors' opinion:

(a) the financial statements. and notes set out on pages 28 to 60 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, Corporations Regulations 2001 and other mandatory professional requirements, and

  (ii) giving a true and fair view of the Company's financial position as at 30 June 2016 and of its performance for the year ended on that date; 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.

Note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

J A (Tony) Killen
Chairman

Melbourne
24 August 2016

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

Report on the financial report

We have audited the accompanying financial report of Templeton Global Growth Fund Ltd (the company), which comprises the balance sheet as at 30 June 2016, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the 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 financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
DX 77 Melbourne, Australia
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEMPLETON GLOBAL GROWTH FUND LTD

Auditor's opinion

In our opinion:

(a) the financial report of Templeton Global Growth Fund Ltd is in accordance with the *Corporations Act 2001,* including:

   (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

(b) the company's financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of Templeton Global Growth Fund Ltd for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

JF Power

JF Power
Partner

Melbourne
24 August 2016

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FIVE YEAR SUMMARY OF FINANCIAL INFORMATION

	2016 $	2015 $	2014 $	2013 $	2012 $
INCOME STATEMENT					
Investment and other income	9,482,321	7,852,995	8,141,572	4,158,354	4,288,486
Expenses	(4,004,149)	(3,304,570)	(3,131,419)	(2,286,901)	(2,133,142)
Profit/(loss) before income tax	5,478,172	4,548,425	5,010,153	1,871,453	2,155,344
Income tax (expense)/benefit	(1,703,130)	(1,331,560)	(1,512,419)	(505,494)	(643,976)
Operating profit/(loss) after tax	3,775,042	3,216,865	3,497,734	1,365,959	1,511,368
Other comprehensive (loss)/income after tax	(33,167,924)	27,800,428	23,845,766	43,734,993	(17,827,811)
Total other comprehensive (loss)/income after tax	(29,392,882)	31,017,293	27,343,500	45,100,952	(16,316,443)
BALANCE SHEET					
Assets					
Cash and receivables	5,873,777	71,418,647	11,519,210	4,912,678	2,984,202
Investments	304,152,354	303,095,032	263,934,079	166,959,032	121,327,705
Deferred tax asset	649,471	–	–	6,600,240	10,426,321
Total Assets	310,675,602	374,513,679	275,453,289	178,471,950	134,738,228
Liabilities					
Payables	361,726	925,818	2,545,795	1,723,814	1,034,637
Provisions	2,104,630	15,694,523	4,537,970	110,680	280,798
Total Liabilities	2,466,356	16,620,341	7,083,765	1,834,494	1,315,435
Net assets	308,209,246	357,893,338	268,369,524	176,637,456	133,422,793
Shares on issue	240,416,627	248,734,827	198,420,359	143,302,584	142,946,085
Earnings/(losses) per share (cents)	1.5	1.6	2.2	0.9	1.0
Dividends per share (cents)	4.1	3.5	2.5	1.5	2.0
Realised gain/loss per share (cents)	3.3	6.1	4.0	1.6	(2.3)

ADDITIONAL ASX INFORMATION

SHAREHOLDING INFORMATION

Shareholdings at 15 August 2016	Number of Holders	Number of Shares
Distribution of Holders		
1 to 1,000 shares	291	101,419
1,001 to 5,000 shares	764	2,445,141
5,001 to 10,000 shares	909	7,132,947
10,001 to 100,000 shares	3,031	97,469,697
100,001 and over	326	133,267,423
Total	**5,321**	**240,416,627**

Shareholders with less than a marketable parcel of shares: 172

All ordinary shares carry one vote per share without restriction.

The names of the twenty largest shareholders of quoted shares as at 15 August 2016 are:

	Number of Shares	Percentage of Total
1. HSBC Custody Nominees (Australia) Ltd	12,558,574	5.22
2. RBC Investor Services Australia Nominees Pty Ltd <MBA A/C>	10,943,222	4.55
3. Australian Foundation Investment Company Ltd	9,684,500	4.03
4. RBC Investor Services Australia Nominees Pty Ltd <WAM A/C>	9,357,330	3.89
5. Netwealth Investments Ltd <Wrap Services A/C>	4,477,300	1.86
6. Netwealth Investments Ltd <Super Services A/C>	4,262,759	1.77
7. IOOF Investment Management Ltd	3,667,915	1.53
8. Australian Foundation Investment Company Ltd	2,421,125	1.01
9. Mr Steven John Fahey	2,415,258	1.00
10. Mr. Steven Fahey and Mrs Lynette Fahey <SF Super Fund A/C>	2,407,430	1.00
11. Ms Gabrielle Rosa Baron and Mr Peter Michael Wilmshurst	1,840,830	0.77
12. Mr Victor John Plummer	1,500,000	0.62
13. J P Morgan Nominees Australia Ltd	1,071,629	0.45
14. Nendar Pty Ltd < The Little Family S/F A/C>	1,007,131	0.42
15 National Nominees Ltd	970,698	0.40
16. Mr Robert David Evans and Mrs Meredith Nevil Evans < R & M Evans Super Fund A/C >	840,000	0.35
17. Beth Maclaren Smallwood Foundation Pty Ltd	735,000	0.31
18. Navigator Australia Ltd <MLC Investment Sett A/C >	670,700	0.28
19. Mr David Ward & Mrs Jeanette Ward	669,849	0.28
20. ANZ Trustees Ltd < L J Mcinnes A/C >	569,831	0.24

ADDITIONAL ASX INFORMATION CONTINUED

SUBSTANTIAL SHAREHOLDERS

The following entities are recorded in the Company's Register of Substantial shareholders as at 15 August 2016.

Wilson Asset Management Group, Alder & Partners Pty Ltd and associates acting in concert	16,582,843
Australian Foundation Investment Company Ltd	12,105,625

A person may be a substantial shareholder of the Company by virtue of the person or their associates holding a "relevant interest" in shares in the Company. A person may hold a "relevant interest" in shares in the Company even though they are not a shareholder.

STOCK EXCHANGE LISTINGS

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

INVESTMENT DEALINGS

A list of all investments held as at 30 June 2016 is set out on pages 67 to 75.

During the year 30 June 2016, the Company completed 299 transactions in equity investments and the total brokerage paid or accrued on these transactions was $126,148.

During the year 30 June 2016, management fees paid or accrued for the management of the Company's investment portfolio was $3,267,215 - refer Note 19(b)

LIST OF INVESTMENTS AS AT 30 JUNE 2016

(Note: Certain investments which are listed in stock markets away from their normal place of business have been treated as if listed in their home countries.)

	Shares Held	AUD Value	% of Total
BRAZIL			
Energy			
PETROLEO BRASILEIRO SA: Multinational energy company.	137,798	1,075,217	
		1,075,217	0.4
CANADA			
Energy			
SUNCOR ENERGY INC: Integrated energy company operating primarily in Canada, focussed on developing the Athabasca oil sands.	72,100	2,667,741	
		2,667,741	0.9
CHINA			
Consumer Discretionary			
SPRINGLAND INTERNATIONAL HOLDINGS LTD: A Chinese retail company, operating department and supermarket stores	4,314,000	739,342	
Energy			
KUNLUN ENERGY COMPANY LTD: Explores and produces crude oil and natural gas in China and other countries and is involved in downstream gas transmission storage and distribution.	1,888,000	2,091,761	
Industrials			
CHINA MERCHANTS HOLDINGS INTERNATIONAL CO LTD: Operator of container and cargo terminals, port transportation and airport cargo handling.	577,123	2,053,101	
CRRC CORP LTD: A Chinese rolling stock manufacturer.	664,300	794,644	
Information Technology			
BAIDU INC ADR: One of China's largest internet companies, operating the dominant search engine	6,930	1,536,960	
GOLDPAC GROUP LTD: The leading financial and smartcard manufacturer as well as the card system solution provider in China.	3,051,000	1,146,125	
Telecommunication Services			
CHINA MOBILE LTD: Provider of mobile telecommunications services in China.	64,330	987,796	
CHINA TELECOM CORP LTD: Principal activity is the provision of wireline telecommunications services in provinces throughout Southern China and mobile services nationally.	5,840,000	3,487,884	
Financials			
CHINA LIFE INSURANCE: Largest life insurer in China	409,000	1,173,918	
		14,011,529	4.6

	Shares Held	AUD Value	% of Total
FRANCE			
Consumer Discretionary			
MICHELIN SA: Manufactures tyres for automobiles, trucks and special vehicles.	16,441	2,090,209	
Energy			
TOTAL SA: Explores for, produces, refines, transports and markets oil and natural gas. The company also operates a chemical division which produces polypropylene, polyethylene, polystyrene, rubber, paint, ink, adhesives, and resins.	57,084	3,694,238	
TECHNIP SA: Provide project management, engineering and construction services for the energy industry	34,225	2,492,176	
Financials			
AXA SA: A Company providing insurance (life and non-life), financial services and real estate services in Europe, Asia and North America.	119,478	3,173,064	
CREDIT AGRICOLE SA: Banking group also operating in asset management and insurance.	234,494	2,643,593	
BNP PARIBAS SA: Global banking and financial services group.	63,477	3,759,913	
Industrials			
CIE DE SAINT-GOBAIN: Manufactures glass products, high-performance materials, and construction materials. The Company produces flat glass, insulation, and glass containers, high-performance ceramics, plastics, and building materials. Saint-Gobain also retails building materials.	82,545	4,231,084	
ZODIAC AEROSPACE SA: Aeronautic equipment and systems producer for commercial, regional, business and military aircraft and space applications	30,900	973,004	
Healthcare			
SANOFI: The Company's principal activity is the provision of products and services for health and nutrition.	32,846	3,665,684	
Telecommunications			
ORANGE SA: Mobile and fixed line service provider with operations in a number of European countries.	86,603	1,892,960	
		28,615,927	9.4
GERMANY			
Financials			
DEUTSCHE BOERSE AG: Provides a variety of stock exchange trading and operational services to investors	20,810	2,279,594	
Healthcare			
BAYER AG: Produces and markets healthcare and agricultural products, and polymers including aspirin, antibiotics, anti-fectives amongst other medications	14,340	1,922,375	
DRAEGERWERK AG & COMPANY KGAA PRF: Manufactures medical, safety and aerospace equipment	13,900	1,132,551	

	Shares Held	AUD Value	% of Total
MERCK KGAA: Global pharmaceutical and chemical enterprise.	24,250	3,291,402	
MORPHOSYS AG: A German biotechnology company	18,860	1,047,906	
Industrials			
DEUTSCHE LUFTHANSA AG: Airline operating both domestically and internationally.	223,380	3,497,822	
SIEMENS AG: Produces a wide range of industrial and consumer products including trains, electricity generation, medical equipment and building controls.	25,170	3,449,694	
Information Technology			
SAP SE: Corporation providing enterprise software applications and support.	17,970	1,801,188	
		18,422,532	6.1
HONG KONG			
Energy			
NEWOCEAN ENERGY HOLDING LTD: Sells and distributes liquefied petroleum gas in Hong Kong and China.	2,394,000	1,040,226	
		1,040,226	0.3
IRELAND			
Materials			
CRH PLC: Core businesses involve primary materials production, value added building products and specialist building materials distribution.	122,132	4,707,701	
		4,707,701	1.5
ISRAEL			
Healthcare			
TEVA PHARMACEUTICAL INDUSTRIES LTD: A global pharmaceutical company developing, manufacturing and marketing generic and branded human pharmaceuticals	4,000,000	4,442,654	
		4,442,654	1.5
ITALY			
Energy			
ENI SPA: An integrated oil and gas company with operations in a number of countries.	116,123	2,512,217	
Financials			
UNICREDIT SPA: Provides consumer and corporate banking and wealth management services.	563,339	1,654,116	
		4,166,333	1.4

	Shares Held	AUD Value	% of Total
JAPAN			
Consumer Discretionary			
NISSAN MOTOR CO LTD: Multinational automaker.	411,800	4,948,273	
TOYOTA MOTOR CORP: Manufactures, sells, leases and repairs passenger cars, trucks, buses and their related parts. The Company also operates financing services through their subsidiaries.	37,700	2,493,312	
UNIPRES CORP: Mainly engaged in the manufacture and sale of press processing parts for automobiles. The company is part of Nissan Motor Group.	54,400	1,165,076	
Consumer Staples			
SUNTORY BEVERAGE AND FOOD LTD: Manufactures and sells beverages and food products worldwide. The company is a part of Suntory Holdings Ltd	51,700	3,126,831	
Industrial			
TOSHIBA CORP: A Japanese based Industrial Electronics firm with operations in Energy and Infrastructure, Electronic Devices and Components, Community Solutions, Lifestyle Products and Services, and Healthcare Systems and Services	453,000	1,638,517	
Telecommunication Services			
SOFTBANK CORP: A Japanese telecommunication and internet corporation	55,700	4,220,420	
		17,592,430	5.8
NETHERLANDS			
Energy			
SBM OFFSHORE NV: Engineers, supplies and installs most types of offshore terminals and related equipment. Also owns and operates a fleet of floating production storage and offloading units.	132,980	2,080,299	
Financials			
ING GROEP NV: A life and general insurance group that offers a range of financial services to individuals, companies and institutions throughout the world.	158,665	2,170,808	
AEGON NV: A multinational life insurance, pensions and asset management company, headquartered in the Netherlands.	235,837	1,242,103	
Health Care			
QIAGEN NV: A leading molecular diagnostics company	66,630	1,937,549	
Materials			
AKZO NOBEL NV: Paint and coatings company with other operations including the production of specialty chemicals.	32,784	2,756,791	
		10,187,550	3.3

	Shares Held	AUD Value	% of Total
NORWAY			
Telecommunication Services			
TELENOR ASA: A telecom operator with mobile telecommunication operations in various countries.	104,880	2,309,430	
		2,309,430	0.8
SINGAPORE			
Financials			
UNITED OVERSEAS BANK LTD: Provider of financial services including banking and finance, mortgage financing, corporate advisory services, stockbroking, and trustee services in Singapore and South-East Asia.	115,893	2,128,998	
Industrials			
Telecommunication Services			
SINGAPORE TELECOMMUNICATIONS LTD: Operates and provides telecommunications services in a number of countries.	751,000	3,087,460	
		5,216,458	1.7
SOUTH KOREA			
Consumer Discretionary			
HYUNDAI MOBIS CO LTD: Manufactures and markets automotive parts and equipment	16,896	4,964,385	
Financials			
KB FINANCIAL GROUP INC: Involved in the provision of commercial and personal banking services, which include remittances, deposits, foreign investments, corporate financing, financial advisory and mid-long term funding.	56,848	2,154,168	
DGB FINANCIAL GROUP INC: A Korean regional financial holding company, providing a full range of consumer and commercial banking related financial services	135,006	1,360,028	
HANA FINANCIAL GROUP INC: A financial holding company, providing a full range of consumer and commercial banking related financial services.	65,471	1,774,815	
Materials			
POSCO SPONSORED ADR: A multinational steelmaker.	36,191	2,161,933	
Information Technology			
SAMSUNG ELECTRONICS CO LTD: DRAM and NAND memory manufacturer, also involved in the manufacture of consumer electronics, displays and telecommunications equipment.	4,804	7,981,766	
		20,397,095	6.7

	Shares Held	AUD Value	% of Total
SPAIN			
Energy			
TECNICAS REUNIDAS SA: Oil services company focusing on engineering and construction in the up and downstream oil & gas and petrochemical industries	43,426	1,731,888	
Telecommunication Services			
TELEFONICA SA: Telephone company with primary markets in Spain, Latin America and Europe.	113,531	1,432,523	
		3,164,411	1.0
SWITZERLAND			
Financials			
CREDIT SUISSE GROUP AG: A financial services group providing investment banking, private banking and asset management services.	165,952	2,358,686	
Industrials			
ABB LTD: A leader in power and automation technologies headquartered in Switzerland	146,690	3,864,473	
Healthcare			
BASILEA PHARMACEUTICA: Biotech company developing anti-bacterial and anti-fungal compounds which destroy infectious organisms.	10,660	991,216	
ROCHE HOLDINGS AG: Global healthcare company.	11,120	3,924,405	
		11,138,779	3.7
SWEDEN			
Healthcare			
GETINGE AB: Develops, manufactures and sells equipment for sterilisation and disinfection. The company markets to the pharmaceutical industry, hospitals, clinics and laboratories.	119,670	3,258,844	
		3,258,844	1.1
THAILAND			
Financials			
BANGKOK BANK PCL: Provides various banking and financial services including commercial, consumer, credit card and mortgage lending, international trade financing, investment banking and securities services.	404,600	2,443,195	
		2,443,195	0.8
TURKEY			
Telecommunication Services			
TURKCELL ILETISIM HIZMETLERI AS: Offers mobile communication services in Turkey and other countries.	105,587	1,298,921	
		1,298,921	0.4

	Shares Held	AUD Value	% of Total
UNITED KINGDOM			
Consumer Discretionary			
KINGFISHER PLC: European home improvement retailer.	375,471	2,173,949	
MARKS & SPENCER GROUP PLC: Provides retail of clothing, food and home products	172,640	987,795	
SKY PLC: A British-based pay TV provider	126,046	1,916,707	
Consumer Staples			
TESCO PLC: Global grocery and general merchandising	1,094,051	3,434,365	
Energy			
BP PLC: Global oil and petrochemicals company with operations in many countries.	662,929	5,212,961	
NOBLE CORP: Offshore drilling contractor	92,740	1,025,047	
PETROFAC LTD: An onshore engineering and construction company for the oil and gas industry	104,040	1,447,589	
ROYAL DUTCH SHELL PLC: Global energy and petrochemical group.	126,446	4,680,982	
Financials			
AVIVA PLC: Insurance group which provides life and general insurance.	253,037	1,788,970	
BARCLAYS PLC: A global financial services provider engaged in retail banking, credit cards, wholesale banking, investment banking, wealth management.	1,088,747	2,709,152	
HSBC HOLDINGS PLC: Provides a range of financial services ncluding personal financial services, commercial banking, investment banking and private banking services.	469,227	3,846,210	
LLOYDS BANKING GROUP PLC: Provides a range of banking and financial services to personal and corporate customers. Its main business activities are retail, commercial, and corporate banking, and general and life insurance.	1,156,240	1,121,570	
STANDARD CHARTERED: London headquartered, emerging market focused, consumer and wholesale commercial bank.	238,150	2,411,848	
Healthcare			
GLAXOSMITHKLINE PLC: Created from the December 2000 merger between GlaxoWellcome and SmithKline Beecham.	59,572	1,714,962	
BAE SYSTEMS PLC: Global defence contractor.	273,517	2,573,113	
Materials			
GLENCORE PLC: A vertically-integrated, diversified commodity producer and marketing company	461,190	1,265,577	
Telecommunication Services			
VODAFONE GROUP PLC: Global mobile telecommunications services group.	821,006	3,353,290	
		41,664,085	13.6

	Shares Held	AUD Value	% of Total
UNITED STATES OF AMERICA			
Consumer Discretionary			
COMCAST CORP: Provides media and television broadcasting services	61,430	5,378,219	
GENERAL MOTORS CO: A US multinational corporate that designs, manufactures, markets and distributes vehicles	51,830	1,969,206	
MACY'S INC: Operates department stores in the USA. The company also operates direct mail catalogue and electronic commerce subsidiaries.	39,350	1,775,136	
MICHAEL KORS HOLDINGS LTD: A global luxury lifestyle brand that engages in the design, marketing, distribution and retailing of women's and men's accessories and apparel	28,120	1,867,491	
TWENTY-FIRST CENTURY FOX INC: A diversified media company.	67,980	2,487,853	
Consumer Staples			
CVS HEALTH CORP: An American retailer and health care company	21,980	2,825,873	
WALGREENS BOOTS ALLIANCE INC: Operates retail drugstores that offer a wide variety of prescription and non-prescription drugs as well as general goods. The Company operates stores primarily in the United States. Walgreen's also offers health services, including primary and acute care, wellness, pharmacy and disease management services and health and fitness.	28,970	3,239,380	
Energy			
APACHE CORP: is a petroleum and natural gas exploration and production company headquartered in Houston, Texas	22,890	1,711,370	
BAKER HUGHES INC: Oilfield services company.	29,760	1,803,346	
CHESAPEAKE ENERGY CORP: Natural gas producer.	80,560	461,981	
CHEVRON CORP: Global integrated energy company	14,720	2,072,187	
CONOCOPHILLIPS: The world's largest independent E&P company based on reserves and production	13,190	772,162	
DEVON ENERGY CORP: E&P company engaged in the production of oil, natural gas and NGLs in various US shale basins and Canada	42,660	2,075,707	
HALLIBURTON CO: Oilfield service company.	75,360	4,581,718	
Financials			
AMERICAN INTERNATIONAL GROUP INC: An international insurance organisation serving commercial, institutional and individual customers.	50,760	3,604,192	
ALLY FINANCIAL INC: A leading automotive financial services company	77,010	1,763,390	
CITIGROUP INC: Financial conglomerate with operations in consumer, corporate and investment banking and insurance.	78,700	4,481,440	
CAPITAL ONE FINANCIAL CORP: A diversified Bank, through its subsidiaries offers a broad spectrum of financial products and services to consumers, small businesses and commercial clients both domestically and internationally.	41,310	3,522,945	
J P MORGAN CHASE & CO: Global financial services firm providing retail/commercial and investment banking services, plus asset management, credit cards and private banking.	63,730	5,320,249	
MORGAN STANLEY: A global financial services firm that provides products and services to a diversified group of clients and customers, including corporations, governments, financial institutions and individuals.	79,525	2,775,792	

	Shares Held	AUD Value	% of Total
Healthcare			
ALLERGAN PLC: A diversified global pharmaceutical company	12,110	3,756,279	
AMGEN INC: Discovers, develops, manufactures, and markets human therapeutics based on cellular and molecular biology.	25,550	5,220,833	
ELI LILLY & CO: Global pharmaceutical company developing and manufacturing products for humans and animals.	10,030	1,060,653	
GILEAD SCIENCES INC: Biopharmaceutical company that discovers, develops, manufactures and commercialises therapies for viral diseases, infectious diseases and cancer.	39,490	4,423,135	
IONIS PHARMACEUTICALS INC: A US biotechnology company	20,030	626,240	
MEDTRONIC INC: Medical devices technology company	27,320	3,183,664	
PFIZER INC: A research-based, global pharmaceutical company that discovers, develops, makes and markets prescription medicines for humans and animals.	62,228	2,941,748	
Industrials			
NAVISTAR INTERNATIONAL CORP: Manufacturer and marketer of medium and heavy trucks and mid-range diesel engines.	78,880	1,237,333	
ROCKWELL COLLINS INC: A pure-play avionics and defense electronics company.	16,000	1,829,277	
Information Technology			
ALPHABET INC: Holding company for Google, other core businesses such as Youtube, Maps and Android, and other investments and growth businesses	3,840	3,625,412	
APPLIED MATERIALS INC: supplies equipment, services and software to enable the manufacture of semiconductor	53,610	1,725,081	
CISCO SYSTEMS INC: Supplier of networking equipment and network management for the internet.	84,630	3,259,721	
KNOWLES CORP: A global market leader of acoustical components to the mobile communications, consumer electronics, medical technology, military, aerospace and other industrial sectors	114,530	2,104,177	
MICROSOFT CORP: Computer software provider. Core offerings include Windows, Office, Windows Server. Newer products include Xbox and Windows Mobile.	117,000	8,040,412	
ORACLE CORP: Supplier of software and hardware for information technology management.	67,760	3,722,887	
Materials			
ALLEGHENY TECHNOLOGIES INC: Specialty metals producer.	152,240	2,604,805	
EASTMAN CHEMICAL CO: A US based manufacturer of chemicals, fibres and plastics	27,200	2,480,000	
		106,331,295	35.0
Total of investments		**304,152,354**	**100.0**

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DIRECTORY

DIRECTORS
J A Killen (Chairman)
J Dawson
J M Johnson
G E McGowan
M F Warwick
M J O'Brien

SECRETARY
M R Sund

GENERAL MANAGER
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SOLICITOR
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