

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

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Melbourne, Victoria 3000

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The Secretary
Australian Securities Exchange Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sirs,

Re: Preliminary Final Report for the Year Ended 30 June 2016

Templeton Global Growth Fund Ltd is pleased to provide its preliminary final report to the ASX as required under listing rule 4.3A, including:

- ◆ Results for Announcement to the Market
- ◆ Directors' Report
- ◆ Financial Statements
- ◆ Auditor's Report
- ◆ Five year summary of financial information
- ◆ List of Investments

Yours Faithfully,

Templeton Global Growth Fund Ltd.

A handwritten signature in blue ink, appearing to be 'Mat Sund', written over a horizontal line.

Mat Sund
Company Secretary
24 August 2016

Appendix 4E

Templeton Global Growth Fund Ltd (“TGG”)

ABN 44 006 558 149

Preliminary Final Report
Provided to the ASX under listing rule 4.3A

Reporting Period

The financial information contained within this report pertains to the reporting period 1 July 2015 to 30 June 2016 and is drawn from the audited financial statements of the Company for the year then ended. Comparative information pertains to the previous corresponding period (“pcp”) 1 July 2014 to 30 June 2015.

Results for Announcement to the Market

	2016	2015	Increase / (Decrease)	Change
	\$	\$		%
Revenue	9,482,321	7,852,995	1,629,326	21%
Profit from ordinary activities after tax attributable to members	3,775,042	3,216,865	558,177	17%
Net profit attributable to members	3,775,042	3,216,865	558,177	17%
Other comprehensive (loss)/income	(33,167,924)	27,800,428	(60,968,352)	(219%)
Total comprehensive (loss)/income	(29,392,882)	31,017,293	(60,410,175)	(195%)

Dividends

In the reporting period, a 4.1 cent per share, of which 0.7 cents per share was fully franked and 3.4 cents per share was unfranked, final dividend in respect of the financial year ended 30 June 2015 was paid in September 2015.

No interim dividend was paid.

In respect of the financial year ended 30 June 2016 the Directors have resolved to declare a 4.5 cent per share final dividend, of which 2.5 cents per share will be fully franked, and 2.0 cents per share will be unfranked. The dividend will also contain LIC Capital Gains attributable to 2.5cents per share. The record date for the final dividend is 9 September 2016.

The 4.5 cent per share final dividend for the year ended 30 June 2016 will be paid to shareholders on 23 September 2016.

On market share buyback

During the financial year ended 30 June 2016, the Company bought back 9,243,684 shares at an average price of 1.22 per share. There were no shares bought back on market in the pcg.

Additional explanation

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 buyback program.

Dividend Reinvestment

The Directors of the Company have opted to suspend to the operation of the dividend reinvestment plan (DRP) for the upcoming dividend payment, as it contradicts with the objectives of the current on-market share buyback.

Net Tangible Assets Per Security

Net tangible assets per security at the end of the period was 128 cents compared to 150 cents per security at the end of the pcg.

Controlled Entities

The Company at no time in the reporting period or in the previous corresponding reporting period gained or lost control of an entity. The Company has no controlled entities.

Associates and Joint Ventures

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

Related Parties

During the year, Franklin Resources Incorporated and/or its affiliates, the parent Company of the Investment Manager (Franklin Templeton Investments Australia Limited) purchased holdings in the company.

These holdings were 807,906 shares at 30 June 2016, and subsequent purchases have seen those holdings increase to 1,050,801 as at 15 August 2016.

Audit

The Company's auditors are PricewaterhouseCoopers. There are no items in dispute with the auditors. The audit report on the financial report for the year ended 30 June 2016 is unqualified.

TEMPLETON GLOBAL GROWTH FUND LTD. ABN 44 006 558 149
DIRECTORS' REPORT for the year ended 30 June 2016

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 Limited. Former roles included Group Managing Director and Chief Executive Officer of Axa Asia Pacific Holdings Limited, 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 Limited.

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 Limited. Former roles include Chief Executive Officer and Director of Invesco Australia Limited, 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 Limited. 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, GAICD – 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 Limited, 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 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 Limited ("FTIAL" or "Investment Manager"), a member of the Franklin Templeton group. 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 months	Latest 12 months	Latest 3 years*	Latest 5 years*	Latest 10 years*	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 dividend) 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 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:

As at 30 June	Net Tangible Assets - cents per share	
	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 Limited (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. 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 a range of discounts to NTA, which were value accretive to the Company and increased 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 Templeton group. In the year ended 30 June 2016, this policy was maintained and neither Ms J Johnson nor Mr G E McGowan, who are officers of the Franklin Templeton group, received fees or other remuneration from the Company.

The Company provides remuneration for non-executive Directors who are not officers of Franklin Templeton group. 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 –	Post Employment	Total
		Term Directors Salary and Fees \$	Superannuation \$	
J A Killen (Chairman)	2016	82,380	7,828	90,208
	2015	82,380	7,828	90,208
M F Warwick (Appoint.01/07/14)	2016	59,364	5,640	65,004
	2015	59,364	5,640	65,004
M J O'Brien* (Appoint.27/08/14)	2016	54,417	5,170	59,587
	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 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 did not 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 24 August 2016	
	Ord		Ord		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		-		23,700	
J 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:

	Board of Directors		Audit Committee		Review Committee	
	9		4		5	
Number of meetings held:	A	B	A	B	A	B
Number of meetings attended:						
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 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

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

Review

J A Killen (c)
J Dawson
M F Warwick
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 and Non-Audit Services

The auditor's independence declaration given under Section 307C of the *Corporations Act 2001* is set out on page 10 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 KILLEN
Chairman

Melbourne
24 August 2016



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.

A handwritten signature in black ink that reads 'JF Power'.

JF Power
Partner
PricewaterhouseCoopers

Melbourne
24 August 2016

TEMPLETON GLOBAL GROWTH FUND LTD

**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		<u>(222,962)</u>	<u>(147,197)</u>
Profit before income tax		5,478,172	4,548,425
Income tax expense	7	<u>(1,703,130)</u>	<u>(1,331,560)</u>
Profit after income tax for the year		<u>3,775,042</u>	<u>3,216,865</u>
Earnings per share	15	Cents	Cents
• 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.

TEMPLETON GLOBAL GROWTH FUND LTD

**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	<u>(3,531,321)</u>	<u>(5,191,560)</u>
Total other comprehensive (loss)/income after tax	<u>(33,167,924)</u>	<u>27,800,428</u>
Total comprehensive (loss)/income after tax	<u>(29,392,882)</u>	<u>31,017,293</u>

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

TEMPLETON GLOBAL GROWTH FUND LTD

**BALANCE SHEET
AS AT 30 JUNE 2016**

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

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

TEMPLETON GLOBAL GROWTH FUND LTD

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

Year Ended 30 June 2016

	Notes	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.

TEMPLETON GLOBAL GROWTH FUND LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016 (continued)****Year Ended 30 June 2015**

	Notes	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.

TEMPLETON GLOBAL GROWTH FUND LTD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016**

		2016	2015
		\$	\$
	Notes	Inflows (Outflows)	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		<u>(765,490)</u>	<u>(566,362)</u>
Net cash inflow from operating activities	14(a)	<u>3,962,091</u>	<u>2,831,810</u>
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		<u>49,752,135</u>	<u>59,395,134</u>
Net cash (outflow)/inflow from investing activities		<u>(47,726,009)</u>	<u>1,000,686</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash received from capital raising activities		-	64,838,895
Shares purchased (on market buy-back)		(10,093,080)	-
Net dividend paid		(10,198,130)	(6,198,845)
Cost of capital raising		<u>(565,625)</u>	<u>-</u>
Net cash (outflow)/inflow from financing activities		<u>(20,856,835)</u>	<u>58,640,050</u>
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		<u>(878,048)</u>	<u>(86,858)</u>
CASH AND CASH EQUIVALENTS AT YEAR END	14 (b)	<u>5,089,894</u>	<u>70,588,695</u>

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

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016

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.

- *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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(f) Investments and other financial assets (continued)***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.

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 Limited ('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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(j) Income tax and other taxes (continued)**

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.

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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(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.

(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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**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 estimated 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.

	VaR Factor	Net 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

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)
3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(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.

(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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**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.

	2016	2015
	\$	\$
5. REVENUE		
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
	<u>9,482,321</u>	<u>7,852,995</u>

	2016	2015
	\$	\$
6. INVESTMENT EXPENSES		
Investment management fees	3,267,215	2,681,381
Custodian fees	48,755	39,319
	<u>3,315,970</u>	<u>2,720,700</u>

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

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

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

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	<u>(1,703,130)</u>	<u>(1,331,560)</u>

Deferred income tax

Deferred income tax at 30 June relates to the following:

Deferred tax (assets)/liabilities

The balance comprises temporary differences attributable 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)
	<u>(649,471)</u>	<u>15,428,594</u>
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	<u>(16,071,060)</u>	<u>11,935,563</u>
Closing balance at 30 June	<u>(649,471)</u>	<u>15,428,594</u>

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

8. DIVIDENDS PAID OR PROVIDED FOR	2016	2015
	\$	\$
(a) Dividends paid during the year:		
<i>Previous year's final</i>		
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
<hr/>		
(b) Franking credit balance		
The amount of franking credits available for subsequent financial years are:	2016	2015
	\$	\$
– 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
	<hr/>	<hr/>
	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)
	<hr/>	<hr/>
	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 effectively the pre tax capital gain amount. Generally, individuals and superannuation funds can deduct in their tax returns, 50% or 33.3% respectively of the attributable amount advised to them in their dividend statement. 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.

9. RECEIVABLES (CURRENT)	2016	2015
	\$	\$
Receivables	<hr/>	<hr/>
	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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

	2016	2015
	\$	\$
10. INVESTMENTS (NON-CURRENT)		
Securities listed on a prescribed stock exchange at cost:		
Shares	<u>307,040,352</u>	<u>246,829,211</u>
Aggregate quoted market value at balance date of securities listed on a prescribed stock exchange	<u>304,152,354</u>	<u>303,095,032</u>

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.

	2016	2015
	\$	\$
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)	<u>282,770</u>	<u>256,256</u>
	<u>361,726</u>	<u>925,818</u>

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

	2016	2015		
	\$	\$		
12. CONTRIBUTED EQUITY				
(a) Issued and Paid-Up Capital				
Ordinary shares fully paid	<u>306,549,306</u>	<u>316,642,386</u>		
	2016	2016	2015	2015
	No. of shares	\$	No. of shares	\$
(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	<u>240,416,627</u>	<u>306,549,306</u>	<u>248,734,827</u>	<u>316,642,386</u>

Share buy-back:

The Company has an on market buy-back program. 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 TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

	Notes	2016 \$	2015 \$
13. RESERVES AND RETAINED PROFITS			
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 year \$	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	<u>8,239,748</u>	<u>(10,198,130)</u>	<u>(1,958,382)</u>
30 June			<u>(7,444,468)</u>

	2015 Taxable realised gains (net of tax) for The year \$	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	<u>12,113,641</u>	<u>(6,250,246)</u>	<u>5,863,395</u>
30 June			<u>(5,486,086)</u>

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**13. RESERVES AND RETAINED PROFITS (continued)****(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.

	2016	2015
	\$	\$
<i>(ii) Movement in Reserve</i>		
Balance at the beginning of the year	39,982,856	24,296,069
Revaluation (decrease)/increase on revaluation of listed securities	(47,382,749)	39,714,897
Tax effect of increase/(decrease) 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	<u>(1,424,816)</u>	<u>39,982,856</u>

(c) Retained Profits***Movements in Retained Profits***

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	<u>10,529,224</u>	<u>6,754,182</u>

14. STATEMENT OF CASH FLOWS**(a) Reconciliation of the net profit after tax to the net cash flows from operations**

Net profit	3,775,042	3,216,865
<i>Adjusted for:</i>		
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	<u>3,962,091</u>	<u>2,831,810</u>

(b) Reconciliation of cash

Cash comprises:

Cash at Bank	<u>5,089,894</u>	<u>70,588,695</u>
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Disclosure of non-cash financing activities

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

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**15. EARNINGS PER SHARE****2016**
\$**2015**
\$

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

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***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 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

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

16. KEY MANAGEMENT PERSONNEL (continued)

(c) Shareholdings of key management personnel

Shares held in the Company (number)	Balance 1 July 2015	Net Change Other	Balance 30 June 2016
	Ord	Ord	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	-	23,700
J Johnson	-	-	-
Total	535,222	-	535,222

Shares held in the Company (number)	Balance 1 July 2014	Net Change Other	Balance 30 June 2015
	Ord	Ord	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 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).

2016	2015
\$	\$

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:

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
	<u>83,746</u>	<u>80,423</u>

* The other 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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**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	2015
	Cents	Cents
<i>Net tangible asset backing per share</i>		
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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

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:

	2016	2015
Country	\$	\$
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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**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 Limited*

The Company's Investment Manager is Franklin Templeton Investments Australia Limited ("Investment Manager"). The Investment Manager is a member of the Franklin Templeton group.

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 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 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 Incorporated and/or affiliates purchased shares in the Company.

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

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)**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.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)
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
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

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

24. SECURITIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

Company	30 June 2016 \$	30 June 2015 \$
Fred Olsen Energy ASA	-	631,307
General Motor 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 Group NV IDR 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
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

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2016 (continued)

24. SECURITIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

Company	30 June 2016 \$	30 June 2015 \$
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
Springland International Holding Ltd.	739,342	1,570,135
Standard Chartered	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 Industries Ltd	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

DIRECTORS' DECLARATION

In the Directors' opinion:

(a) the financial statements and notes set out on pages 11 to 38 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 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
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



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*.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'JF Power'.

JF Power
Partner

Melbourne
24 August 2016

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 before income tax	5,478,172	4,548,425	5,010,153	1,871,453	2,155,344
Income tax expense	1,703,130	1,331,560	1,512,419	505,494	643,976
Operating profit 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)

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			
<u>PETROLEO BRASILEIRO SA</u> : Multinational energy company.	137,798	1,075,217	0.4
		<u>1,075,217</u>	
CANADA			
Energy			
<u>SUNCOR ENERGY INC</u> : Integrated energy company operating primarily in Canada, focussed on developing the Athabasca oil sands.	72,100	2,667,741	0.9
		<u>2,667,741</u>	
CHINA			
Consumer Discretionary			
<u>SPRINGLAND INTERNATIONAL HOLDINGS LTD</u> : A Chinese retail company, operating department and supermarket stores	4,314,000	739,342	
Energy			
<u>KUNLUN ENERGY COMPANY LTD</u> : 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			
<u>CHINA MERCHANTS HOLDINGS INTERNATIONAL CO LTD</u> : Operator of container and cargo terminals, port transportation and airport cargo handling.	577,123	2,053,101	
<u>CRRC CORP LTD</u> : A Chinese rolling stock manufacturer.	664,300	794,644	
Information Technology			
<u>BAIDU INC ADR</u> : One of China's largest internet companies, operating the dominant search engine	6,930	1,536,960	
<u>GOLDPAC GROUP LTD</u> : The leading financial and smartcard manufacturer as well as the card system solution provider in China.	3,051,000	1,146,125	
Telecommunication Services			
<u>CHINA MOBILE LTD</u> : Provider of mobile telecommunications services in China.	64,330	987,796	
<u>CHINA TELECOM CORP LTD</u> : 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			
<u>CHINA LIFE INSURANCE</u> : Largest life insurer in China	409,000	1,173,918	4.6
		<u>14,011,529</u>	

LIST OF INVESTMENTS AS AT 30 JUNE 2016 (continued)

	Shares Held	AUD Value	% Of Total
FRANCE			
Consumer Discretionary			
<u>MICHELIN SA</u> : Manufactures tyres for automobiles, trucks and special vehicles.	16,441	2,090,209	
Energy			
<u>TOTAL SA</u> : 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	
<u>TECHNIP SA</u> : Provide project management, engineering and construction services for the energy industry	34,225	2,492,176	
Financials			
<u>AXA SA</u> : 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	
<u>CREDIT AGRICOLE SA</u> : Banking group also operating in asset management and insurance.	234,494	2,643,593	
<u>BNP PARIBAS SA</u> : Global banking and financial services group.	63,477	3,759,913	
Industrials			
<u>CIE DE SAINT-GOBAIN</u> : 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	
<u>Zodiac Aerospace SA</u> : Aeronautic equipment and systems producer for commercial, regional, business and military aircraft and space applications	30,900	973,004	
Healthcare			
<u>SANOFI</u> : The Company's principal activity is the provision of products and services for health and nutrition.	32,846	3,665,684	
Telecommunications			
<u>ORANGE SA</u> : 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			
<u>DEUTSCHE BOERSE AG</u> : Provides a variety of stock exchange trading and operational services to investors	20,810	2,279,594	
Healthcare			
<u>Bayer AG</u> : Produces and markets healthcare and agricultural products, and polymers including aspirin, antibiotics, anti-fectives amongst other medications	14,340	1,922,375	
<u>DRAEGERWERK AG & COMPANY KGAA PRF</u> : Manufactures medical, safety and aerospace equipment	13,900	1,132,551	
<u>MERCK KGAA</u> : Global pharmaceutical and chemical enterprise.	24,250	3,291,402	
<u>MORPHOSYS AG</u> : A German biotechnology company	18,860	1,047,906	

LIST OF INVESTMENTS AS AT 30 JUNE 2016 (continued)

	Shares Held	AUD Value	% Of Total
Industrials			
<u>DEUTSCHE LUFTHANSA AG</u> : Airline operating both domestically and internationally.	223,380	3,497,822	
<u>SIEMENS AG</u> : 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			
<u>SAP SE</u> : Corporation providing enterprise software applications and support.	17,970	1,801,188	
		<u>18,422,532</u>	6.1
HONG KONG			
Energy			
<u>NEWOCEAN ENERGY HOLDING LTD</u> : Sells and distributes liquefied petroleum gas in Hong Kong and China.	2,394,000	1,040,226	
		<u>1,040,226</u>	0.3
IRELAND			
Materials			
<u>CRH PLC</u> : Core businesses involve primary materials production, value added building products and specialist building materials distribution.	122,132	4,707,701	
		<u>4,707,701</u>	1.5
ISRAEL			
Healthcare			
<u>TEVA PHARMACEUTICAL INDUSTRIES LTD</u> : A global pharmaceutical company developing, manufacturing and marketing generic and branded human pharmaceuticals	4,000,000	4,442,654	
		<u>4,442,654</u>	1.5
ITALY			
Energy			
<u>ENI SPA</u> : An integrated oil and gas company with operations in a number of countries.	116,123	2,512,217	
Financials			
<u>UNICREDIT SPA</u> : Provides consumer and corporate banking and wealth management services.	563,339	1,654,116	
		<u>4,166,333</u>	1.4
JAPAN			
Consumer Discretionary			
<u>NISSAN MOTOR CO LTD</u> : Multinational automaker.	411,800	4,948,273	
<u>TOYOTA MOTOR CORP</u> : 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	
<u>UNIPRES CORP</u> : 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	

LIST OF INVESTMENTS AS AT 30 JUNE 2016 (continued)

	Shares Held	AUD Value	% Of Total
Consumer Staples			
<u>SUNTORY BEVERAGE AND FOOD LIMITED</u> : Manufactures and sells beverages and food products worldwide. The company is a part of Suntory Holdings Ltd	51,700	3,126,831	
Industrial			
<u>TOSHIBA CORP</u> : 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			
<u>SOFTBANK CORP</u> : A Japanese telecommunication and internet corporation	55,700	4,220,420	
		<hr/> 17,592,430	5.8
NETHERLANDS			
Energy			
<u>SBM OFFSHORE NV</u> : 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			
<u>ING GROEP NV</u> : 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	
<u>AEGON NV</u> : A multinational life insurance, pensions and asset management company, headquartered in the Netherlands.	235,837	1,242,103	
Health Care			
<u>QIAGEN NV</u> : A leading molecular diagnostics company	66,630	1,937,549	
Materials			
<u>AKZO NOBEL NV</u> : Paint and coatings company with other operations including the production of specialty chemicals.	32,784	2,756,791	
		<hr/> 10,187,550	3.3
NORWAY			
Telecommunication Services			
<u>TELENOR ASA</u> : A telecom operator with mobile telecommunication operations in various countries.	104,880	2,309,430	
		<hr/> 2,309,430	0.8
SINGAPORE			
Financials			
<u>UNITED OVERSEAS BANK LTD</u> : 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			
<u>SINGAPORE TELECOMMUNICATIONS LIMITED</u> : Operates and provides telecommunications services in a number of countries.	751,000	3,087,460	
		<hr/> 5,216,458	1.7

LIST OF INVESTMENTS AS AT 30 JUNE 2016 (continued)

	Shares Held	AUD Value	% of Total
SOUTH KOREA			
Consumer Discretionary			
<u>HYUNDAI MOBIS CO LTD</u> : Manufactures and markets automotive parts and equipment	16,896	4,964,385	
Financials			
<u>KB FINANCIAL GROUP INC</u> : 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	
<u>DGB FINANCIAL GROUP INC</u> : A Korean regional financial holding company, providing a full range of consumer and commercial banking related financial services	135,006	1,360,028	
<u>HANA FINANCIAL GROUP INC</u> : A financial holding company, providing a full range of consumer and commercial banking related financial services.	65,471	1,774,815	
Materials			
<u>POSCO SPONSORED ADR</u> : A multinational steelmaker.	36,191	2,161,933	
Information Technology			
<u>SAMSUNG ELECTRONICS CO LTD</u> : DRAM and NAND memory manufacturer, also involved in the manufacture of consumer electronics, displays and telecommunications equipment.	4,804	7,981,766	
		<hr/>	
		20,397,095	6.7
SPAIN			
Energy			
<u>TECNICAS REUNIDAS SA</u> : 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			
<u>TELEFONICA SA</u> : Telephone company with primary markets in Spain, Latin America and Europe.	113,531	1,432,523	
		<hr/>	
		3,164,411	1.0
SWITZERLAND			
Financials			
<u>CREDIT SUISSE GROUP AG</u> : A financial services group providing investment banking, private banking and asset management services.	165,952	2,358,686	
Industrials			
<u>ABB LTD</u> : A leader in power and automation technologies headquartered in Switzerland	146,690	3,864,473	
Healthcare			
<u>BASILEA PHARMACEUTICA</u> : Biotech company developing anti-bacterial and anti-fungal compounds which destroy infectious organisms.	10,660	991,216	
<u>ROCHE HOLDINGS AG</u> : Global healthcare company.	11,120	3,924,405	
		<hr/>	
		11,138,779	3.7
SWEDEN			
Healthcare			
<u>GETINGE AB</u> : 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	
		<hr/>	
		3,258,844	1.1

LIST OF INVESTMENTS AS AT 30 JUNE 2016 (continued)

	Shares Held	AUD Value	% of Total
THAILAND			
Financials			
<u>BANGKOK BANK PCL</u> : 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	
		<hr/> 2,443,195 <hr/>	0.8
TURKEY			
Telecommunication Services			
<u>TURKCELL ILETISIM HIZMETLERI AS</u> : Offers mobile communication services in Turkey and other countries.	105,587	1,298,921	
		<hr/> 1,298,921 <hr/>	0.4
UNITED KINGDOM			
Consumer Discretionary			
<u>KINGFISHER PLC</u> : European home improvement retailer.	375,471	2,173,949	
<u>MARKS & SPENCER GROUP PLC</u> : Provides retail of clothing, food and home products	172,640	987,795	
<u>SKY PLC</u> : A British-based pay TV provider	126,046	1,916,707	
Consumer Staples			
<u>TESCO PLC</u> : Global grocery and general merchandising	1,094,051	3,434,365	
Energy			
<u>BP PLC</u> : Global oil and petrochemicals company with operations in many countries.	662,929	5,212,961	
<u>NOBLE CORP</u> : Offshore drilling contractor	92,740	1,025,047	
<u>PETROFAC LTD</u> : An onshore engineering and construction company for the oil and gas industry	104,040	1,447,589	
<u>ROYAL DUTCH SHELL PLC</u> : Global energy and petrochemical group.	126,446	4,680,982	
Financials			
<u>AVIVA PLC</u> : Insurance group which provides life and general insurance.	253,037	1,788,970	
<u>BARCLAYS PLC</u> : A global financial services provider engaged in retail banking, credit cards, wholesale banking, investment banking, wealth management and investment management services	1,088,747	2,709,152	
<u>HSBC HOLDINGS PLC</u> : Provides a range of financial services including personal financial services, commercial banking, investment banking and private banking services.	469,227	3,846,210	
<u>LLOYDS BANKING GROUP PLC</u> : 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	
<u>Standard Chartered</u> : London headquartered, emerging market focused, consumer and wholesale commercial bank operating across 70 different countries	238,150	2,411,848	
Healthcare			
<u>GLAXOSMITHKLINE PLC</u> : Created from the December 2000 merger between GlaxoWellcome and SmithKline Beecham.	59,572	1,714,962	
<u>BAE SYSTEMS PLC</u> : Global defence contractor.	273,517	2,573,113	
Materials			
<u>GLENCORE PLC</u> : A vertically-integrated, diversified commodity producer and marketing company	461,190	1,265,577	
Telecommunication Services			
<u>VODAFONE GROUP PLC</u> : Global mobile telecommunications services group.	821,006	3,353,290	
		<hr/> 41,664,085 <hr/>	13.6

LIST OF INVESTMENTS AS AT 30 JUNE 2016 (continued)

	Shares Held	AUD Value	% of Total
UNITED STATES OF AMERICA			
Consumer Discretionary			
<u>COMCAST CORP</u> : Provides media and television broadcasting services	61,430	5,378,219	
<u>GENERAL MOTORS CO</u> : A US multinational corporate that designs, manufactures, markets and distributes vehicles	51,830	1,969,206	
<u>MACY'S INC</u> : Operates department stores in the USA. The company also operates direct mail catalogue and electronic commerce subsidiaries.	39,350	1,775,136	
<u>MICHAEL KORS HOLDINGS LTD</u> : 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	
<u>TWENTY-FIRST CENTURY FOX INC</u> : A diversified media company.	67,980	2,487,853	
Consumer Staples			
<u>CVS HEALTH CORP</u> : An American retailer and health care company	21,980	2,825,873	
<u>WALGREENS BOOTS ALLIANCE INC</u> : 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			
<u>APACHE CORP</u> : is a petroleum and natural gas exploration and production company headquartered in Houston, Texas	22,890	1,711,370	
<u>BAKER HUGHES INC</u> : Oilfield services company.	29,760	1,803,346	
<u>CHESAPEAKE ENERGY CORP</u> : Natural gas producer.	80,560	461,981	
<u>Chevron Corp</u> : Global integrated energy company	14,720	2,072,187	
<u>CONOCOPHILLIPS</u> : The world's largest independent E&P company based on reserves and production	13,190	772,162	
<u>DEVON ENERGY CORP</u> : 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	
<u>HALLIBURTON CO</u> : Oilfield service company.	75,360	4,581,718	
Financials			
<u>AMERICAN INTERNATIONAL GROUP INC</u> : An international insurance organisation serving commercial, institutional and individual customers.	50,760	3,604,192	
<u>ALLY FINANCIAL INC</u> : A leading automotive financial services company	77,010	1,763,390	
<u>CITIGROUP INC</u> : Financial conglomerate with operations in consumer, corporate and investment banking and insurance.	78,700	4,481,440	
<u>CAPITAL ONE FINANCIAL CORP</u> : 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	
<u>J P MORGAN CHASE & CO</u> : Global financial services firm providing retail/commercial and investment banking services, plus asset management, credit cards and private banking.	63,730	5,320,249	
<u>MORGAN STANLEY</u> : 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	
Healthcare			
<u>ALLERGAN PLC</u> : A diversified global pharmaceutical company	12,110	3,756,279	
<u>AMGEN INC</u> : Discovers, develops, manufactures, and markets human therapeutics based on cellular and molecular biology.	25,550	5,220,833	
<u>ELI LILLY & CO</u> : Global pharmaceutical company developing and manufacturing products for humans and animals.	10,030	1,060,653	
<u>GILEAD SCIENCES INC</u> : Biopharmaceutical company that discovers, develops, manufactures and commercialises therapies for viral diseases, infectious diseases and cancer.	39,490	4,423,135	
<u>IONIS PHARMACEUTICALS INC</u> : A US biotechnology company	20,030	626,240	
<u>MEDTRONIC INC</u> : Medical devices technology company	27,320	3,183,664	

LIST OF INVESTMENTS AS AT 30 JUNE 2016 (continued)

	Shares Held	AUD Value	% of Total
<u>PFIZER INC</u> : A research-based, global pharmaceutical company that discovers, develops, makes and markets prescription medicines for humans and animals.	62,228	2,941,748	
Industrials			
<u>NAVISTAR INTERNATIONAL CORP</u> : Manufacturer and marketer of medium and heavy trucks and mid-range diesel engines.	78,880	1,237,333	
<u>ROCKWELL COLLINS INC</u> : A pure-play avionics and defense electronics company.	16,000	1,829,277	
Information Technology			
<u>ALPHABET INC</u> : Holding company for Google, other core businesses such as Youtube, Maps and Android, and other investments and growth businesses	3,840	3,625,412	
<u>APPLIED MATERIALS INC</u> : supplies equipment, services and software to enable the manufacture of semiconductor	53,610	1,725,081	
<u>CISCO SYSTEMS INC</u> : Supplier of networking equipment and network management for the internet.	84,630	3,259,721	
Information Technology			
<u>KNOWLES CORP</u> : 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	
<u>MICROSOFT CORP</u> : Computer software provider. Core offerings include Windows, Office, Windows Server. Newer products include Xbox and Windows Mobile.	117,000	8,040,412	
<u>ORACLE CORP</u> : Supplier of software and hardware for information technology management.	67,760	3,722,887	
Materials			
<u>ALLEGHENY TECHNOLOGIES INC</u> : Specialty metals producer.	152,240	2,604,805	
<u>EASTMAN CHEMICAL CO</u> : A US based manufacturer of chemicals, fibres and plastics	27,200	2,480,000	
		<hr/> 106,331,295	35.0
Total of investments		<hr/> 304,152,354 <hr/>	100.0