TEMPLETON GLOBAL GROWTH FUND LTD

ABN 44 006 558 149

HALF YEARLY REPORT
TO SHAREHOLDERS
31 DECEMBER 2011

CONTENTS

Templeton Global Growth Fund Ltd. ABN 44 006 558 149

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CHAIRMAN'S MESSAGE

Half Year Results

Profit after tax for the six months to 31 December 2011 was $390,243, compared with $146,069 for the previous corresponding period.

Net tangible assets per share reduced from $0.94 at 30 June 2011 to $0.83 at 31 December 2011, reflecting mainly the realised losses on disposal of investments and the unrealised losses on revaluation of investments that are reflected in the Statement of Comprehensive Income.

A final dividend of 2 cents per share, fully franked, in respect of the year ended 30 June 2011 was paid to shareholders on 20 September 2011.

No interim dividend will be paid in respect of the half year to 31 December 2011.

Outlook

I expect that TGG shareholders will be well aware that the half year to 31 December 2011 was a further extremely troubled period for global equity markets, dominated by concerns over European sovereign debt and the Eurozone currency crisis.

The Investment Manager's Report for the half year provides an insightful commentary on the economic travails that beset Europe during the period.

Throughout the half year, TGG's exposure to European stocks was overweight, compared to the MSCI All Country World Index, and this exacerbated the decline in value of the investment portfolio during the period.

In particular, TGG's holdings of financial stocks (in USA as well as Europe) have been heavily discounted. The Investment Manager does not believe, however, that there has been significant permanent value destruction in this regard and is anticipating that when markets eventually recover, TGG's financial holdings in the portfolio will produce strong returns.

Recently there have been indications of some (albeit patchy) improvement in the economic outlook both for Europe and for the United States. This is encouraging, although, clearly, the outlook for the remainder of the current financial year continues to be uncertain and potentially volatile.

The Investment Manager intends to adhere to the Templeton approach of endeavouring to identify and invest in quality stocks that appear to be undervalued and to offer sound prospects of attractive returns in the long run.

David A Walsh
Chairman

28 February 2012

FRANKLIN TEMPLETON INVESTMENTS

Franklin Templeton Investments Australia Limited ABN 87 006 972 247

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Melbourne, Victoria 3000
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2012 INVESTMENT MANAGER'S HALF-YEARLY REPORT

The first six months of the 2012 financial year was a difficult period for the world economy and global equity markets. A deepening sovereign debt crisis in Europe coupled with renewed concerns of an economic slowdown led to increasing investor anxiety and severe market volatility during the period. In terms of relative performance, Templeton Global Growth Fund Ltd ("TGG") posted a -8.9% return for the six months compared to -7.4% for the MSCI All Country World Free Index ("Index"). The divergence was predominantly due to the weak performance of stocks within the Eurozone and the portfolio's overweight exposure to the region.

PERFORMANCE SUMMARY TO 31 DECEMBER 2011 - $A

	Latest 6 Mths %	Latest 12 Mths %	Latest 3 Yrs* %	Latest 5 Yrs* %	Latest 10 Yrs* %	Since Inception*# %
TGG ^	-8.9	-6.2	-3.9	-9.1	-3.1	5.4
MSCI All Country World Free Index	-7.4	-6.8	-1.0	-6.5	-2.3	4.6

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

* Annualised

Since inception Index uses MSCI World as MSCI AC World was not in existence at TGG's inception

Shareholders should note that past performance is not necessarily an indicator of future performance

Performance Review

Financial markets continued to be heavily influenced by developments in Europe throughout the past six months. While Portugal, Greece and Ireland all received bailout funds and saw their credit ratings cut to junk it wasn't until the focus shifted towards the rising bond yields in the larger economies of Italy and France that investor sentiment waned and market volatility escalated. Along with concerns about the political aptitude in stemming the crisis and the wider implications for global economic growth, the malaise in Europe led all markets lower during the period.

In attempting to stem the crisis, politicians and regulators pursued three key initiatives; enforcing losses on private holders of sovereign bonds, increasing capital ratios for banks and fiscal austerity. The first two, while laudable goals, were key policy mistakes and served to make the crisis significantly worse in the last six months. Thankfully, the errors have now been recognised and the authorities have made statements backtracking on both areas. This is not to say that they are bad policies, if put in place at the right time. Implementation during the latter part of 2011 was, however, a disaster, and served to further exacerbate market fears about the value of peripheral European sovereign bonds and the capital adequacy of banks. Banks need time to work through financial crises and mark to market write-downs and forced capital raisings work in the opposite direction; front-loading the effects of the crisis.

The reaction by banks to the threat of write-downs and higher capital targets was understandable. The risk of taking losses on sovereign bonds, or at the very least marking them to market, led banks to sell government bonds. This in turn contributed to a downward spiral in bond prices in all of Greece, Portugal, Italy and Spain. Investors were already fretting about the solvency of peripheral European governments, but with banks selling price declines became much worse. Likewise, the European bank regulators' decision to accelerate the timetable and level of capital required by banks served to aggravate the crisis. Rather than needing 7% capital by 2013, banks were asked to reach 9% Core Tier 1 capital by June 2012. This then contributed to the sharp fall in bank share prices due to investors' fears about the onset of dilutive capital raisings thereby making any capital raising even harder.

When combined with the economic growth sapping impact of fiscal austerity, these measures pressured bond and equity markets in the second half of calendar 2011, feeding on each other and producing a vicious downward spiral.

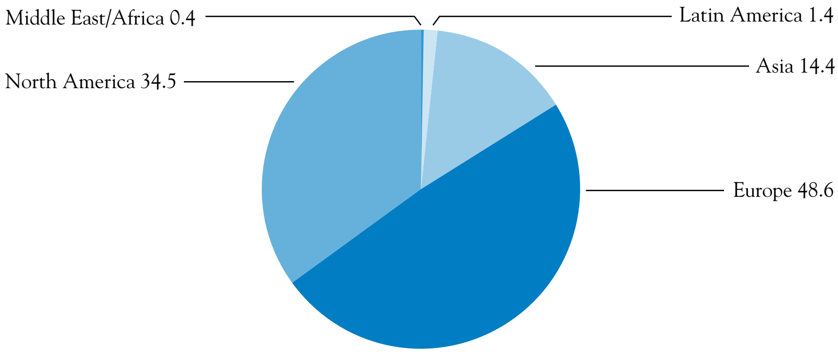
Towards the end of 2011, there were a number of important policy changes. Firstly, the EU announced that private sector write-downs will no longer be mandatory in any future government bailouts; Greece is to be the exception, not the rule. The European Banking Authority then went on to specify that there wouldn't be another recapitalisation test for the banking sector in 2012. Finally, the European Central Bank (ECB), having been a reluctant supporter of government bond markets through the entire crisis announced that they would provide three year finance to the European banking system while also expanding the range of acceptable collateral. These changes have allayed some of the concerns around forced selling by the banks. The ECB loans will allow the asset reduction to be undertaken via a more measured approach, generally through the natural run-down of assets as they mature.

As with most crises, it isn't any one individual action or decision which marks the end of the crisis, but rather, a range of measures that are introduced, which in turn serve to restore market confidence. And in time when markets do regain their confidence we believe the opportunity to reap the rewards from a recovery is considerable given that markets have been pricing in calamitous outcomes. We're not yet ready to say the crisis is over, by any means, but the last couple of months have brought, what we believe are, some very significant changes in helping to alleviate investors' perceptions of an insurmountable sovereign debt crisis and an irreparable Eurozone. Nor is it the case that all the economies in Europe will recover. We would share the markets' dire outlook for Greece, but be more sanguine, about the impact that weak Greek economic outcomes are likely to have on the rest of the Eurozone.

So how did TGG's portfolio fare given such a difficult and volatile environment? Simply put, the portfolio's financials holdings did not do well. The portfolio's European financial holdings fell by around 1/3rd in the six months, and aside from American Express and Ace, the US holdings fell by a similar amount. This has not been a pleasant experience. But nor do we believe that there has been significant, permanent value destruction in the period. Only one of our holdings, Unicredit Group, has announced a rights issue, which has certainly diluted book value somewhat, but as TGG participated by taking up the rights the average entry price has also come down substantially. Notwithstanding the resilience in the book value of the portfolio's financial holdings, the share price declines during the year have been dramatic. Our timing in buying a number of these positions could have been far, far better, but market timing in these situations is very difficult. We remain convinced that the financial holdings that are in TGG's portfolio will provide some of the most attractive returns of any of the stocks in the portfolio, as the market settles down.

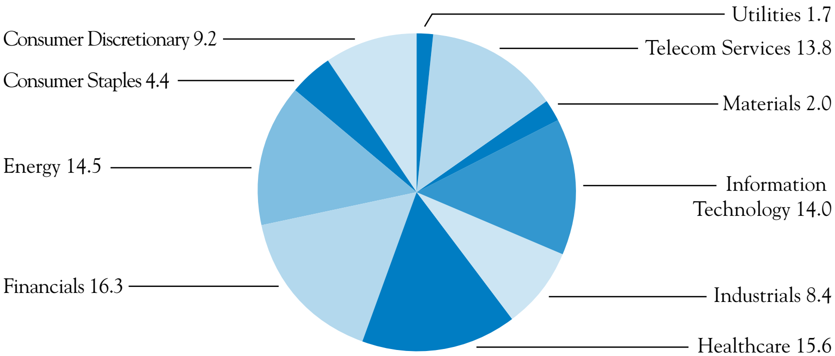
Given that backdrop it is not altogether surprising that TGG's underperformance was driven by the overweight exposure to the Eurozone region. For the six months ending December 2011 the MSCI All Country World Index declined by 7.4%, but this comprised a 23% decline in the Eurozone component of the Index and a 5% decline across the rest of of the global markets. With the portfolio on average, 14% overweight to the Eurozone this allocation contributed slightly under 3% of under-performance.

PORTFOLIO GEOGRAPHIC WEIGHTINGS
AS AT 31 DECEMBER 2011 (% OF EQUITIES)

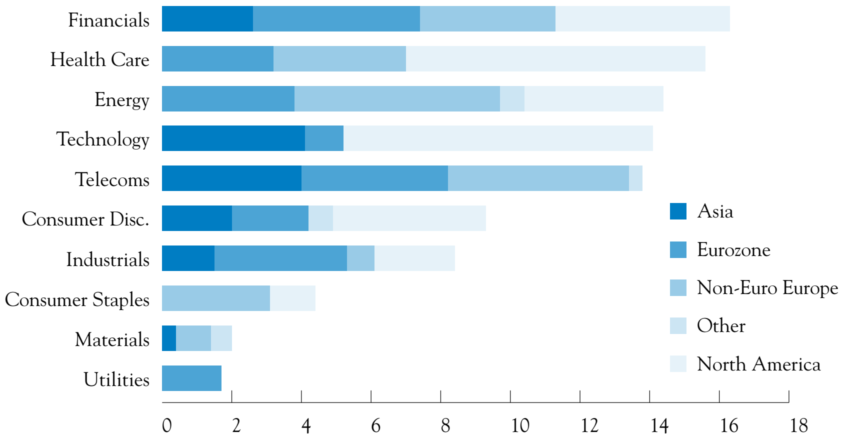


Financials were the largest detractors during the period, with both European and US banks declining, as discussed. The average weight to Eurozone financials through the six months was 5.4%, compared with an Index weight of 2.1%. Credit Agricole and UniCredit were the two largest detractors on a single stock basis. French and Italian banks were subjected to a number of negative media articles and access to some wholesale funding channels was constrained.

PORTFOLIO SECTOR WEIGHTINGS
AS AT 31 DECEMBER 2011 (% OF EQUITIES)



PORTFOLIO GEOGRAPHIC-SECTOR WEIGHTINGS
AS AT 31 DECEMBER 2011



Within the Eurozone holdings, stock selection was a significant positive contributor (more than 5% outperformance compared to the Index) in four sectors; namely, consumer discretionary, healthcare, information technology and utilities.

Outside the Eurozone the portfolio outperformed the Index by around 1.6%, driven by stock selection and an overweight position in the health care sector. U.S. bio-technology firm Amgen was a major contributor as the stock benefited from better-than-expected earnings, favourable regulatory rulings for a key drug and a $5bn share buyback through a Dutch tender. The company also introduced their first ever dividend. GlaxoSmithkline and Pfizer also performed creditably. An underweight allocation to the materials sector was another strong contributor to relative returns as commodity prices fell on a deteriorating global growth outlook.

Portfolio Strategy

As bottom-up value investors, we have often found the best bargains in regions and sectors experiencing turmoil and uncertainty, and Europe is no exception. Currently, European equities are about the cheapest of any major global region on a variety of valuation measures. European earnings multiples are near 30-year valuation lows at less than 10 times "trend" profits, as estimated by MSCI, despite the fact that many of these are blue-chip, multi-national companies, that just happen to be based in Europe. As such, we continue to find diverse opportunities within Europe and remain buyers of what we deem to be well positioned, cash-generative industry leaders at depressed valuations.

We continue to view the health care sector as a ripe opportunity for investors willing to look beyond the current round of patent expirations and regulatory challenges which are more than priced into current depressed multiples. The sector is delivering an attractive yield to shareholders, with dividends that should be able to grow in the future.

Market Outlook

Europe's problems appear likely to remain centre-stage in the short-term, but there have been some significant positive actions by authorities in the last few months. Despite this uncertainty we remain focused on adhering to Templeton's time-tested philosophy of buying under-valued shares through periods of market volatility with the view to reaping the rewards in the long term.

TOP 15 PORTFOLIO HOLDINGS AS AT 31 DECEMBER 2011

Security	Sector	Country	% of portfolio
Royal Dutch Shell	Energy	United Kingdom	2.6
Microsoft	Information Technology	United States	2.4
Vodafone	Telecommunication Services	United Kingdom	2.3
Amgen	Health Care	United States	2.3
Pfizer	Health Care	United States	2.1
Sanofi-Aventis	Health Care	France	2.1
Samsung Electronics	Information Technology	South Korea	2.0
GlaxoSmithKline	Health Care	United Kingdom	2.0
Telenor	Telecommunication Services	Norway	1.9
Singapore Telecom	Telecommunication Services	Singapore	1.9
Total	Energy	France	1.9
Cisco Systems	Information Technology	United States	1.8
Roche Holding	Health Care	Switzerland	1.8
American Express	Financials	United States	1.7
Merck & Co	Health Care	United States	1.6
			30.4

INDICATIVE PORTFOLIO CHARACTERISTICS
TGG VS MSCI AC WORLD FREE INDEX
AS AT 31 DECEMBER 2011

Historic Valuation Measures		
Weighted Avg – Stocks Held	**TGG**	**MSCI AC World**
Price to Earnings (times)	10.4	12.1
Price to Cash Flow (times)	5.0	6.7
Price to Book Value (times)	1.3	1.6
Dividend Yield (%)	3.9	2.9
Market Capitalisation ($Aust m.)	58,484	57,989

Peter M Wilmshurst CFA
Portfolio Manager

16 February 2012

DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

The Directors of Templeton Global Growth Fund Ltd ("TGG") submit their report for the half-year ended 31 December 2011 ("the reporting period").

DIRECTORS

The names of the Directors of the company in office during the period and until the date of this report are:

DAVID A. WALSH, LLB Chairman
GEOFFREY N. WEBB, (Retired 26 October 2011) Deputy Chairman
GREGORY E. McGOWAN, JD
JAMES A. (TONY) KILLEN, OAM, BA., FAIM, FAICD
JOHN F. HARVEY, LLB, B.JURIS (Monash) Grad Dip Acc, FCA
JENNIFER JOHNSON, BA. (Economics)
MICHAEL E. BARTLETT, MA (Cantab.), BA Dip Ed (Melbourne), MAICD (Appointed 15 September 2011)

RESULTS AND REVIEW OF OPERATIONS

The Company invests in a globally diversified portfolio of primarily international securities. The Company's operations did not change during the reporting period.

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

Revenue:
Revenue is represented by dividends from investments, interest income and other sundry receipts. In total, revenue for the reporting period was $1,696,502 up from $1,435,472 in the previous corresponding period ("pcp"). Dividend income for the reporting period was $1,664,357 compared to $1,355,938 in the pcp.

Profit after tax for the half year:
The profit after tax for the reporting period was $390,243 compared to a profit of $146,069 in the pcp.

Net tangible asset backing per share ("NTA"):

The NTA reduced from $0.94 per share at 30 June 2011 to $0.83 per share at 31 December 2011. This was after the payment of a 2 cent per share final dividend in September 2011. The NTA over the previous five years has been:

NTA cents per share As at 31 December	After Estimated After Actual Tax*	Tax**
2007	141	139
2008	101	101
2009	102	102
2010	91	91
30 June 2011	94	94
2011	83	83

* "Actual Tax" is all Australian and Foreign income tax for which a liability has risen.
** "Estimated Tax" is estimated tax if the company disposed of its total investment portfolio at its market value. However, TGG is a long term investor and does not intend to dispose of its total investment portfolio. The NTA does not take into account the deferred tax asset ("DTA") of the company which may be used to offset future tax liabilities of the company. At 31 December 2011 the potential benefit of the DTA was 15.1 cents per share compared to 12.3 cents per share as at 30 June 2011.

DIVIDENDS

On 23 August 2011 the Directors declared a final dividend in respect of the year ended 30 June 2011 of 2 cents per share fully franked and paid wholly from retained profits. The dividend was paid to shareholders on 20 September 2011.

No interim dividend has been declared in respect of the half year to 31 December 2011.

CAPITAL RAISINGS

The Company has not undertaken any capital raising in the half year to 31 December 2011. However, a total of 536,387 additional shares were allotted to shareholders registered in the Company's dividend reinvestment plan in respect of the dividends paid on 20 September 2011.

ON MARKET SHARE BUY-BACK

The on market buy-back of the Company's shares continued during the reporting period. Over the six month period to 31 December 2011 the company has bought back no shares.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration given under Section 307C of the *Corporations Act 2001* forms part of the Directors' Report for the half year ended 31 December 2011.

Signed in accordance with a resolution of the Directors.

D.A. WALSH
Chairman

Melbourne
28 February 2012

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

As lead auditor for the review of Templeton Global Growth Fund Ltd for the half year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the half year review; and

b) no contraventions of any applicable code of professional conduct in relation to the half year review.

This declaration is in respect of Templeton Global Growth Fund Ltd during the period.

JF Power

JF Power

PricewaterhouseCoopers
Melbourne
28 February 2012

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INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Notes	6 months to 31 December 2011 $	6 months to 31 December 2010 $
Revenue	3	1,696,502	1,435,472
Investment expenses	4	(694,190)	(760,596)
Salaries and employee benefit expenses		(238,516)	(217,170)
Shareholder and regulatory costs		(82,038)	(78,404)
Other expenses		(124,011)	(122,513)
Profit before income tax		557,747	256,789
Income tax expense	5	(167,504)	(110,720)
Profit after income tax for the half year		390,243	146,069

EARNINGS PER SHARE (cents)			
Basic and diluted earnings per share		0.2	0.0
Dividend paid per share (cents)	7	2.0	3.0

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

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	As at 31 December 2011 $	As at 30 June 2011 $
CURRENT ASSETS			
Cash and cash equivalents	6	1,949,312	1,348,975
Receivables		377,128	708,446
Total current assets		2,326,440	2,057,421
NON-CURRENT ASSETS			
Investments		117,993,002	133,975,666
Deferred tax assets		21,773,602	17,743,869
Total non-current assets		139,766,604	151,719,535
Total assets		142,093,044	153,776,956
CURRENT LIABILITIES			
Payables		129,083	246,985
Provisions		14,500	14,500
Total current liabilities		143,583	261,485
NON-CURRENT LIABILITIES			
Deferred tax liability		77,764	81,474
Provisions		90,120	90,120
Total non-current liabilities		167,884	171,594
Total liabilities		311,467	433,079
NET ASSETS		141,781,577	153,343,877
EQUITY			
Contributed equity	8	184,034,695	183,687,381
Reserves		(44,077,314)	(34,656,821)
Retained profits		1,824,196	4,313,317
TOTAL EQUITY		141,781,577	153,343,877

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	6 months to 31 December 2011 $	6 months to 31 December 2010 $
Profit for the half year	390,243	146,069
Other comprehensive income		
Revaluation of investments	(8,649,132)	(881,338)
Deferred tax (expense)/benefit on above	2,594,740	264,401
Gains/(losses) on investments realised during the period	(4,808,717)	680,073
Income tax (expense)/benefit on above	1,442,615	(204,022)
Total Other Comprehensive Income	(9,420,493)	(140,886)
Total Comprehensive Income	(9,030,250)	5,183

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

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Issued Capital $	Retained Profits $	Investment Revaluation Reserve $	Investment Realisation Reserve $	Total Equity $
At 1 July 2011	183,687,381	4,313,317	(20,198,740)	(14,458,081)	153,343,877
Profit after tax	–	390,243	–	–	390,243
Other comprehensive income					
Net unrealised losses for the period on investments held at 31 December 2011	–	–	(9,420,493)	–	(9,420,493)
Net losses on securities realised during the period	–	–	3,366,102	(3,366,102)	–
Other comprehensive income for the period	–	–	(6,054,391)	(3,366,102)	(9,420,493)
Transactions with members as members					
Dividends Paid	–	(2,879,364)	–	–	(2,879,364)
Shares issued – Dividend Reinvestment Plan	347,314	–	–	–	347,314
At 31 December 2011	184,034,695	1,824,196	(26,253,131)	(17,824,183)	141,781,577

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

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2011 (CONT)

	Issued Capital $	Retained Profits $	Investment Revaluation Reserve $	Investment Realisation Reserve $	Total Equity $
At 1 July 2010	184,161,381	7,249,812	(25,039,270)	(10,982,804)	155,389,119
Profit after tax	–	146,069	–	–	146,069
Other comprehensive income					
Net unrealised losses for the period on investments held at 31 December 2010	–	–	(616,937)	–	(616,937)
Net gains on securities realised during the period	–	–	476,051	–	476,051
Transfer to realisation reserve of cumulative losses on investments realised	–	–	1,261,640	(1,261,640)	–
Other comprehensive income for the period	–	–	1,120,754	(1,261,640)	(140,886)
Transactions with members as members					
Dividends Paid	–	(4,330,908)	–	–	(4,330,908)
Shares issued – Dividend Reinvestment Plan	517,876	–	–	–	517,876
Shares bought back	(145,553)	–	–	–	(145,553)
Transaction costs on share buy back	(448)	–	–	–	(448)
At 31 December 2010	184,533,256	3,064,973	(23,918,516)	(12,244,444)	151,435,269

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

CASH FLOWS STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	6 months to 31 December 2011 $ Inflows/ (Outflows)	6 months to 31 December 2010 $ Inflows/ (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends	1,605,905	1,313,675
Interest received	27,199	40,538
Other receipts in the normal course of operations	8,636	45,869
Custodian fees paid	–	–
Investment manager's fees paid	(812,630)	(760,462)
Goods and services tax refunded	55,734	55,091
Income taxes paid	(39,929)	(75,740)
Administrative, regulatory, legal and other payments in the normal course of operations	(470,908)	(462,622)
Net cash inflow from operating activities	374,007	156,349
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for purchase of listed shares	(8,851,859)	(12,200,215)
Proceeds received from realisation of listed shares	11,681,560	15,924,058
Net cash inflow from investing activities	2,829,701	3,723,843
CASH FLOWS FROM FINANCING ACTIVITIES		
Share buy back	–	(146,033)
Dividend paid (net)	(2,535,057)	(3,813,032)
Net cash (outflow) from financing activities	(2,535,057)	(3,959,065)
Net increase/(decrease) in cash held	668,651	(78,873)
Opening cash brought forward	1,348,975	1,038,647
Effects of exchange rate changes on cash	(68,314)	(42,517)
CLOSING CASH CARRIED FORWARD	**1,949,312**	**917,257**

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

NOTES TO AND FORMING PART OF THE HALF YEAR FINANCIAL REPORT 31 DECEMBER 2011

1. CORPORATE INFORMATION

The financial report of Templeton Global Growth Fund Ltd ("the Company") for the half year ended 31 December 2011 was authorised for issue in accordance with a resolution of the directors on 28 February 2012.

The Company is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange.

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

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This general purpose financial report for the half year ended 31 December 2011 has been prepared in accordance with the requirements of the AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The half year financial report has been prepared on a historical cost basis except for financial assets measured at fair value through other comprehensive income, which have been measured at fair value.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report. It is recommended that the half year financial report be read in conjunction with the annual report for the year ended 30 June 2011 and considered together with any public announcements made by the Company during the half year ended 31 December 2011 in accordance with the continuous disclosure obligations of the *ASX listing rules*.

The financial report is presented in Australian dollars.

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

Compliance with IFRS

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

Significant accounting judgments

In the Directors' judgment the future earnings potential and underlying business economics of the investee companies are favourable and, as the Company possesses the ability and intent to hold investments until their prices recover, it is probable that future taxable amounts will be available to offset these deferred tax assets within acceptable timeframes. The carrying amount of deferred income tax assets is reviewed at each balance sheet date.

	6 months to 31 December 2011 $	6 months to 31 December 2010 $
3. REVENUE		
Revenue		
Dividends	1,664,357	1,355,938
Interest	23,509	33,665
Other income	8,636	45,869
Total revenue	1,696,502	1,435,472

4. EXPENSES AND LOSSES

	6 months to 31 December 2011 $	6 months to 31 December 2010 $
Investment expenses		
Investment management fees	638,597	702,419
Custodian fees	16,000	2,000
Net foreign currency losses	39,593	56,177
Total investment expenses	694,190	760,596

5. INCOME TAX EXPENSE

The major components of income tax expense for the half year ended 31 December 2011 and 31 December 2010 are:

	6 months to 31 December 2011 $	6 months to 31 December 2010 $
Income Statement		
Current income tax		
Current income tax charge	167,324	77,037
Deferred income tax		
Relating to originating and reversal of temporary differences	180	33,683
Income tax reported in the income statement	167,504	110,720

	31 December 2011 $	30 June 2011 $

6. CASH AND CASH EQUIVALENTS

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

	31 December 2011 $	30 June 2011 $
Cash at bank	1,949,312	1,348,975

7. DIVIDENDS PAID OR PROPOSED

Equity dividends on ordinary shares:

	6 months to 31 December 2011 $	6 months to 31 December 2010 $
(a) Dividends declared and paid during the half year:		
Final franked dividend for the financial year 30 June 2011: 2.0 cents per share (2010: 0.0 cents per share)	2,879,364	2,887,272
Special dividend fully franked: 1.0 cents per share (2011: 0.0 cents per share)	–	1,443,272
(b) Dividends proposed and not yet recognised as a liability:		
Interim franked dividend for financial year 30 June 2012: 0.0 cents per share. (2011: 0.0 cents per share)	–	–

8. CONTRIBUTED EQUITY

(a) Issued and paid-up capital

	31 December 2011 $	30 June 2011 $
Ordinary shares fully paid	184,034,695	183,687,381

8. CONTRIBUTED EQUITY (cont.)

	Number	$
(b) Movements in shares on issue		
At 1 July 2011	143,953,353	183,687,381
Shares issued under dividend reinvestment	536,387	347,314
At 31 December 2011	144,489,740	184,034,695

(c) Terms and conditions of contributed capital

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

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

9. SEGMENT INFORMATION

The company is domiciled and incorporated in Australia.

The company's principal activity is investment in quoted equities and other securities on a worldwide basis.

The company operates in only one business and geographic sector.

10. CONTINGENT ASSETS AND LIABILITIES

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

11. EVENTS AFTER THE BALANCE SHEET DATE

On 28 February 2012 the Directors of TGG determined not to pay an interim dividend on ordinary shares in respect of the December 2011 half year.

DIRECTORS' DECLARATION

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

In the opinion of the Directors:

(a) the half-year financial report of the Company is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Company's financial position as at 31 December 2011 and the performance for the half-year ended on that date; and

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

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

On behalf of the Board.

D.A. WALSH
Director

Melbourne
28 February 2012

pwc

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

Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of Templeton Global Growth Fund Limited, which comprises the balance sheet as at 31 December 2011, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, selected explanatory notes and the directors' declaration for Templeton Global Growth Fund Limited (the company).

Directors' responsibility for the half year financial report

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

Auditor's responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2011 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Templeton Global Growth Fund Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report

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to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

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

Conclusion

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

(a) giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the half year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and *Corporations Regulations 2001*.

JF Power

PricewaterhouseCoopers

Melbourne

28 February 2012

LIST OF INVESTMENTS AS AT 31 DECEMBER, 2011 (UNAUDITED)

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

	Shares/Units Held	AUD Value	% of Total
AUSTRALIA			
Pacific Brands Ltd	1,514,737	817,958	
		817,958	0.69
AUSTRIA			
Telekom Austria AG	70,460	820,906	
		820,906	0.70
BELGIUM			
KBC Groep NV	19,980	244,190	
		244,190	0.21
BRAZIL			
Petrobras SA ADR	37,610	861,743	
Vale SA ADR	36,920	741,497	
		1,603,240	1.36
CANADA			
Suncor Energy Inc	16,500	464,379	
		464,379	0.39
CHINA			
China Merchants Holdings	148,000	419,149	
China Mobile Ltd	64,330	612,815	
China Telecom Corp. Ltd.	3,238,000	1,789,327	
		2,821,291	2.39

	Shares/Units Held	AUD Value	% of Total
EGYPT			
Egyptian Mobile Services	39,462	493,057	
		493,057	0.42
FRANCE			
Alstom SA	12,710	376,436	
AXA SA	89,718	1,138,317	
BNP Paribas SA	22,580	867,758	
Credit Agricole	133,743	737,014	
France Telecom SA	113,623	1,745,191	
GDF Suez	16,090	429,276	
Michelin SA	15,841	913,163	
Sanofi	35,036	2,517,211	
Total SA	44,670	2,230,277	
Vivendi Universal SA	30,980	663,543	
		11,618,186	9.85
GERMANY			
Deutsche Post AG	66,890	1,009,186	
E. ON AG	40,450	849,217	
Lufthansa AG	69,430	804,423	
Merck KGAA	13,390	1,301,462	
Muenchener Rueckver AG	5,650	676,435	
SAP AG	24,230	1,255,466	
Siemens AG	13,870	1,295,954	
		7,192,143	6.10
HONG KONG			
AIA Group Ltd	153,000	465,015	
Cheung Kong Holdings Ltd	78,000	903,204	
		1,368,219	1.16

	Shares/Units Held	AUD Value	% of Total
IRELAND			
CRH PLC	63,444	1,225,113	
		1,225,113	1.04
ITALY			
Eni SPA	58,750	1,179,107	
Unicredit SPA	88,914	718,301	
		1,897,408	1.61
JAPAN			
Itochu Corp	139,300	1,381,011	
Nissan Motor Co Ltd	139,500	1,220,288	
Nomura Holdings	136,400	401,182	
Toyota Motor Corp	33,500	1,086,386	
Trend Micro Inc	16,900	492,995	
		4,581,862	3.88
NETHERLANDS			
ING Groep NV	186,125	1,309,903	
Koninklijke Philips Electronics NV	46,440	953,215	
Reed Elsevier NV	148,595	1,686,074	
SBM Offshore NV	54,989	1,108,149	
		5,057,341	4.29
NORWAY			
Statoilhydro ASA	45,760	1,146,553	
Telenor ASA	145,820	2,335,658	
		3,482,211	2.95

	Shares/Units Held	AUD Value	% of Total
RUSSIA			
Gazprom ADR	90,420	940,185	
		940,185	0.80
SINGAPORE			
DBS Group Holdings Ltd	38,000	329,310	
Flextronics International Ltd	190,350	1,050,898	
Singapore Telecommunications Ltd	971,000	2,257,077	
		3,637,285	3.08
SOUTH KOREA			
KB Financial Group Inc	29,778	915,252	
Posco Sponsored ADR	5,430	434,792	
Samsung Electronics Co. Ltd.	2,667	2,389,172	
		3,739,216	3.17
SPAIN			
Iberdrola SA	113,740	696,203	
Telefonica SA	103,801	1,758,626	
		2,454,829	2.08
SWITZERLAND			
Credit Suisse Group AG	40,950	942,307	
Nestle SA	16,100	906,046	
Roche Holdings AG	12,740	2,114,330	
Swiss Re Ltd	33,773	1,686,422	
		5,649,105	4.79
TAIWAN			
Compal Electronics Inc.	907,803	883,178	
		883,178	0.75

	Shares/Units Held	AUD Value	% of Total
TURKEY			
Turk Iletisim Hizmet	91,100	1,044,113	
		1,044,113	0.88
UNITED KINGDOM			
Aviva Plc	97,905	446,282	
BAE Systems Plc	214,761	927,835	
BP Plc	263,142	1,836,721	
Glaxosmithkline Plc	106,417	2,372,981	
HSBC Holdings Plc	168,354	1,247,487	
Lloyds Banking Group Plc	688,160	270,184	
Royal Dutch Shell	83,223	3,095,280	
Tesco Plc	248,667	1,520,634	
Unilever Plc	37,589	1,231,933	
Vodafone Group Plc	1,010,320	2,739,167	
		15,688,504	13.30
UNITED STATES			
Accenture Plc	13,320	691,595	
Ace Ltd	4,480	306,460	
American Express Co.	44,710	2,056,695	
Amgen Inc.	43,670	2,735,126	
Baker Hughes Inc	15,100	716,410	
Bank of New York Mellon	79,330	1,539,862	
Chesapeake Energy	43,890	954,261	
Chevron Corp	14,670	1,521,662	
Cisco Systems Inc	123,050	2,170,059	
Citigroup Inc	47,560	1,219,618	
CVS Caremark Corp	38,930	1,548,542	
Dell Inc	95,890	1,367,452	
Gap Inc	52,660	953,345	
General Electric Co	102,730	1,794,669	
Gilead Sciences Inc	26,480	1,057,185	

	Shares/Units Held	AUD Value	% of Total
UNITED STATES (CONT)			
Home Depot Inc	30,240	1,239,451	
Medtronic Inc	50,110	1,869,105	
Merck & Co. Inc.	52,500	1,930,087	
Microsoft Corp	112,100	2,838,584	
Morgan Stanley	55,845	824,166	
Navistar International Corp	24,730	913,263	
News Corp Ltd	75,540	1,340,297	
Noble Corp	37,430	1,102,600	
Oracle Corp	40,470	1,011,750	
Pfizer Inc	119,928	2,531,449	
Saic Inc	60,390	723,950	
Symantec Corp	69,480	1,060,634	
TE Connectivity Ltd	20,970	630,000	
Time Warner Cable Inc	26,143	1,620,806	
		40,269,083	**34.13**
TOTAL PORTFOLIO OF INVESTMENTS		**117,993,002**	**100.00**

ADDITIONAL INFORMATION REQUIRED FOR LISTED COMPANIES

REGISTERED OFFICE

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Facsimile +61 3 96031266

SECRETARY

Martin F. Warwick

AUDITOR

PricewaterhouseCoopers

SOLICITOR

Mallesons Stephen Jaques

INVESTMENT MANAGER

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STOCK EXCHANGE LISTING

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