

TEMPLETON GLOBAL INCOME FUND
Form N-CSR
October 29, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-05459

Templeton Global Income Fund

(Exact name of registrant as specified in charter)

300 S.E. 2nd Street, Fort Lauderdale, FL 33301-1923
(Address of principal executive offices) (Zip code)

Craig S. Tyle, One Franklin Parkway, San Mateo, CA 94403-1906

(Name and address of agent for service)

Registrant's telephone number, including area code: (954) 527-7500

Date of fiscal year end: 8/31

Date of reporting period: 8/31/14

Item 1. Reports to Stockholders.

Annual Report

August 31, 2014

Templeton Global Income Fund

Franklin Templeton Investments

Gain From Our Perspective®

At Franklin Templeton Investments, we're dedicated to one goal: delivering exceptional asset management for our clients. By bringing together multiple, world-class investment teams in a single firm, we're able to offer specialized expertise across styles and asset classes, all supported by the strength and resources of one of the world's largest asset managers. This has helped us to become a trusted partner to individual and institutional investors across the globe.

Focus on Investment Excellence

At the core of our firm, you'll find multiple independent investment teams—each with a focused area of expertise—from traditional to alternative strategies and multi-asset solutions. And because our portfolio groups operate autonomously, their strategies can be combined to deliver true style and asset class diversification.

All of our investment teams share a common commitment to excellence grounded in rigorous, fundamental research and robust, disciplined risk management. Decade after decade, our consistent, research-driven processes have helped Franklin Templeton earn an impressive record of strong, long-term results.

Global Perspective Shaped by Local Expertise

In today's complex and interconnected world, smart investing demands a global perspective. Franklin Templeton pioneered international investing over 60 years ago, and our expertise in emerging markets spans more than a quarter of a century. Today, our investment professionals are on the ground across the globe, spotting investment ideas and potential risks firsthand. These locally based teams bring in-depth understanding of local companies, economies and cultural nuances, and share their best thinking across our global research network.

Strength and Experience

Franklin Templeton is a global leader in asset management serving clients in over 150 countries.¹ We run our business with the same prudence we apply to asset management, staying focused on delivering relevant investment solutions, strong long-term results and reliable, personal service. This approach, focused on putting clients first, has helped us to become one of the most trusted names in financial services.

1. As of 12/31/13. Clients are represented by the total number of shareholder accounts.

Not FDIC Insured | May Lose Value | No Bank Guarantee

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Annual Report

Templeton Global Income Fund

Dear Shareholder:

We are pleased to bring you Templeton Global Income Fund's annual report for the fiscal year ended August 31, 2014.

Your Fund's Goals and Main Investments

Templeton Global Income Fund seeks high, current income, with a secondary goal of capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in income-producing securities, including debt securities of U.S. and foreign issuers, including emerging markets.

Performance Overview

For the 12 months under review, Templeton Global Income Fund delivered cumulative total returns of +7.04% based on market price and +11.85% based on net asset value. For comparison, the global government bond market, as measured by the J.P. Morgan (JPM) Global Government Bond Index (GGBI), posted cumulative total returns of +6.49% in local currency terms and +5.36% in U.S. dollar terms for the same period.¹ You can find the Fund's long-term performance data in the Performance Summary on page 5.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown.

Economic and Market Overview

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Global financial market volatility was elevated at the beginning of the period, as the U.S. federal government partially shut down and the U.S. Treasury approached its debt ceiling. Market volatility quickly subsided with the end of the shutdown. Fears of possible reductions in stimulative government policies contributed to periods of risk aversion, when credit spreads widened and assets perceived as risky sold off. However, these periods of risk aversion alternated with periods of healthy risk appetite, when spreads narrowed and investors again favored risk assets. Against this backdrop, extensive liquidity creation continued, in particular from the Bank of Japan's (BOJ's) commitment to increase inflation, as well as from the European Central Bank's (ECB's) interest rate cuts. Economic data among the largest economies appeared inconsistent with some predictions of a severe global economic slowdown.

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The index is unmanaged and includes reinvested interest. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI). The SOI begins on page 8.

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In the U.S., the Federal Reserve Board (Fed) said it would begin to reduce the size of its quantitative easing (QE) program in 2014. Pessimism about this policy affected emerging markets as market participants became concerned about potentially diminished global liquidity. Global financial market volatility increased at the beginning of 2014 amid concerns that economic growth was slowing, particularly in emerging markets. However, market volatility eventually began to subside and risk assets in a number of emerging markets rebounded.

Despite concerns surrounding Fed tapering, we did not believe there was a strong risk of a global liquidity problem, given the BOJ's massive QE. In our assessment, the BOJ's QE program has more than enough potential to offset the impact of the Fed's reduced buying. If the BOJ continued on its current path, it would be on pace to contribute more liquidity than the Fed would remove through tapering.

Also on investors' minds during the period was the moderation in China's growth rate. Despite negative headline news and skeptical investor attitudes, we did not believe China faced a hard landing scenario. Economic data during the period revealed overinvestment in certain sectors, decreasing industrial production, and rising nonperforming loans in the banking sector, but we believed these trends did not reflect the full picture. In fact, recent deceleration was a welcome and healthy development, in our view. Although the pace of China's growth has slowed, we believe recent reforms have improved its quality.

During much of the second half of the period, global financial markets appeared more broadly influenced by the pickup in growth in the U.S. and economic stabilization in China than by escalating geopolitical tensions, in our assessment. We continued to see differentiation among specific emerging market economies; some have healthy current account and fiscal balances and large international reserves, while others struggle with deficits and economic imbalances. We believe that economies with healthier balances and stronger growth prospects are likely to experience currency appreciation over the long term, while those with imbalances are more likely to face currency weakness and economic strains.

Investment Strategy

We invest selectively in bonds around the world to generate income for the Fund, seeking opportunities while monitoring changes in interest rates, currency exchange rates and credit risks. We seek to manage the Fund's exposure to various currencies and may use currency forward contracts.

What is a currency forward contract?

A currency forward contract is an agreement between the Fund and a counterparty to buy or sell a foreign currency at a specific exchange rate on a future date.

Manager's Discussion

The Fund's total return was influenced by various factors, including interest rate developments, currency movements and exposure to sovereign debt markets. During the period under review, the Fund's positive absolute performance was primarily attributable to interest rate strategies, followed by currency positions and sovereign credit exposures. The Fund's outperformance relative to the JPM GGBI arose primarily from currency positions followed by credit exposures. Interest rate strategies had a largely neutral effect on relative performance.

Interest Rate Strategy

As part of the Fund's interest rate strategy, we used interest rate swaps to manage duration. During the period, we maintained the portfolio's defensive duration posture as monetary policy remained highly accommodative in the U.S., eurozone, Japan and the U.K. Select underweighted duration exposures in Europe detracted from relative performance as the ECB expanded its accommodative monetary policies. Overweighted duration exposures in Latin America contributed to performance while underweighted duration exposure in the U.S. detracted. Select duration exposures in Europe and in Latin America contributed to absolute return. The Fund maintained little duration exposure in emerging markets, except in a few countries where rates were already quite high.

What is an interest rate swap?

An interest rate swap is an agreement between two parties to exchange interest rate obligations, generally one based on an interest rate fixed to maturity and the other based on an interest rate that changes in accordance with changes in a designated benchmark (for example, LIBOR, prime, commercial paper or other benchmarks).

What is duration?

Duration is a measure of a bond's price sensitivity to interest rate changes. In general, a portfolio of securities with a lower duration can be expected to be less sensitive to interest rate changes than a portfolio with a higher duration.

Currency Strategy

The Fund's diversified currency exposure contributed to absolute performance. The Fund utilized currency forward contracts to hedge or gain exposure to various currencies during the review period. The U.S. dollar strengthened against its major trading partners during the period; the trade-weighted U.S. dollar appreciated 1.28%.² The euro depreciated 0.11% and the Japanese yen depreciated 5.55% against the U.S. dollar during the period.³

Currency Breakdown*

8/31/14

	% of Total
	Net Assets
Americas	82.2 %
U.S. Dollar	53.7 %
Mexican Peso	9.4 %
Brazilian Real	8.9 %
Chilean Peso	6.6 %
Peruvian Nuevo Sol	3.6 %
Asia Pacific	24.9 %
South Korean Won	16.0 %
Malaysian Ringgit	15.7 %
Indian Rupee	5.5 %
Singapore Dollar	4.3 %
Sri Lankan Rupee	3.2 %
Indonesian Rupiah	2.8 %

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Philippine Peso	0.9 %
Japanese Yen	-23.5 %
Europe	-7.1 %
Polish Zloty	11.9 %
Swedish Krona	9.8 %
Hungarian Forint	1.1 %
Euro	-29.9 %

*Weightings may be negative or may not total 100% due to rounding, use of any derivatives, unsettled trades or other factors.

The Fund's currency positions in Asia ex-Japan contributed to absolute return and relative performance. The Fund's net-negative exposure to the Japanese yen against the U.S. dollar, achieved through the use of currency forward contracts, also added to absolute and relative performance.

Global Sovereign Debt Strategy

In addition to purchasing global government bonds, the Fund also invested in sovereign credit. As an asset class, such investments may compensate for greater credit risk by offering higher yields relative to U.S. Treasury and European benchmark bonds. The Fund's sovereign credit positioning contributed to absolute return and relative performance during the period.

2. Source: Federal Reserve H.10 Report.

3. Source: FactSet. 2014 FactSet Research Systems Inc. All Rights Reserved. The information contained herein: (1) is proprietary to FactSet Research Systems Inc. and/or

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Thank you for your continued participation in Templeton Global Income Fund. We look forward to serving your future investment needs.

Sincerely,

The foregoing information reflects our analysis, opinions and portfolio holdings as of August 31, 2014, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

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Performance Summary as of August 31, 2014

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities. Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not reflect any sales charges paid at inception or brokerage commissions paid on secondary market purchases. The performance table does not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale of Fund shares.

Share Prices

Symbol: GIM		8/31/14		8/31/13	Change
Net Asset Value (NAV)	\$	8.72	\$	8.38	+\$ 0.34
Market Price (NYSE)	\$	7.96	\$	8.03	-\$ 0.07

Distributions

		Dividend		Short-Term		Total
		Income		Capital Gain		
9/1/13–8/31/14	\$	0.6166	\$	0.0033	\$	0.6199

Performance¹

		Cumulative Total Return ²		Average Annual Total Return ²		Average Annual Total Return (9/30/14) ³	
		Based on	Based on	Based on	Based on	Based on	Based on
		NAV ⁴	market price ⁵	NAV ⁴	market price ⁵	NAV ⁴	market price ⁵
1-Year	+	11.85 %	+ 7.04 %	+ 11.85 %	+ 7.04 %	+ 6.99 %	+ 2.57 %
5-Year	+	56.13 %	+ 37.65 %	+ 9.32 %	+ 6.60 %	+ 8.18 %	+ 6.20 %
10-Year	+	167.64 %	+ 154.06 %	+ 10.35 %	+ 9.77 %	+ 9.90 %	+ 9.55 %

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown.

All investments involve risks, including possible loss of principal. Changes in interest rates will affect the value of the Fund's portfolio and its share price and yield. Bond prices generally move in the opposite direction of interest rates. Thus, as prices of bonds in the Fund adjust to a rise in interest rates, the Fund's share price may decline. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments of countries where the Fund invests. Investments in developing markets involve heightened risks related to the same factors, in addition to those associated with their relatively small size and lesser liquidity. The Fund's use of foreign currency techniques involves special risks as such techniques may not achieve the anticipated benefits and/or may result in losses to the Fund. Also, as a nondiversified investment company, the Fund may invest in a relatively small number of issuers and, as a result, be subject to a greater risk of loss with respect to its portfolio securities. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

1. The Fund has a fee waiver associated with its investments in a Franklin Templeton money fund, contractually guaranteed through at least its current fiscal year-end. Fund investment results reflect the fee waiver, to the extent applicable; without this reduction, the results would have been lower.

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2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. 3. In accordance with SEC rules, we provide standardized average annual total return information through the latest calendar quarter. 4. Assumes reinvestment of distributions based on net asset value.

5. Assumes reinvestment of distributions based on the dividend reinvestment and cash purchase plan.

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TEMPLETON GLOBAL INCOME FUND

Important Notice to Shareholders

Share Repurchase Program

The Fund's Board previously authorized the Fund to repurchase up to 10% of the Fund's outstanding shares in open-market transactions, at the discretion of management. This authorization remains in effect.

In exercising its discretion consistent with its portfolio management responsibilities, the investment manager will take into account various other factors, including, but not limited to, the level of the discount, the Fund's performance, portfolio holdings, dividend history, market conditions, cash on hand, the availability of other attractive investments and whether the sale of certain portfolio securities would be undesirable because of liquidity concerns or because the sale might subject the Fund to

adverse tax consequences. Any repurchases would be made on a national securities exchange at the prevailing market price, subject to exchange requirements, Federal securities laws and rules that restrict repurchases, and the terms of any outstanding leverage or borrowing of the Fund. If and when the Fund's 10% threshold is reached, no further repurchases could be completed until authorized by the Board. Until the 10% threshold is reached, Fund management will have the flexibility to commence share repurchases if and when it is determined to be appropriate in light of prevailing circumstances.

In the Notes to Financial Statements section, please see note 2 (Shares of Beneficial Interest) for additional information regarding shares repurchased.

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Financial Highlights

	Year Ended August 31,				
	2014	2013	2012	2011	2010
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$ 8.38	\$ 9.08	\$ 10.13	\$ 9.94	\$ 8.84
Income from investment operations:					
Net investment income ^a	0.35	0.38	0.41	0.54	0.56
Net realized and unrealized gains (losses)	0.61	(0.07)	(0.30)	0.61	1.06
Total from investment operations	0.96	0.31	0.11	1.15	1.62
Less distributions from:					
Net investment income and net foreign currency gains	(0.62)	(0.72)	(0.82)	(0.93)	(0.52)
Net realized gains	b	(0.29)	(0.34)	(0.03)	
Total distributions	(0.62)	(1.01)	(1.16)	(0.96)	(0.52)
Net asset value, end of year	\$ 8.72	\$ 8.38	\$ 9.08	\$ 10.13	\$ 9.94
Market value, end of year ^c	\$ 7.96	\$ 8.03	\$ 9.53	\$ 11.30	\$ 10.55
Total return (based on market value per share)	7.04 %	(5.97)%	(4.40)%	17.54 %	21.72 %
Ratios to average net assets					
Expenses ^d	0.73 %	0.73 %	0.75 %	0.74 %	0.74 %
Net investment income	4.05 %	4.21 %	4.55 %	5.37 %	5.87 %
Supplemental data					
Net assets, end of year (000 s)	\$ 1,169,318	\$ 1,124,611	\$ 1,209,287	\$ 1,338,948	\$ 1,307,675
Portfolio turnover rate	45.61 %	18.16 %	38.60 %	20.61 %	15.42 %

^aBased on average daily shares outstanding.

^bAmount rounds to less than \$0.01 per share.

^cBased on the last sale on the New York Stock Exchange.

^dBenefit of waiver and payments by affiliates and expense reduction rounds to less than 0.01%.

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Statement of Investments, August 31, 2014

	Principal Amount*	Value
Foreign Government and Agency Securities 82.4%		
Brazil 8.7%		
Letra Tesouro Nacional, Strip, 1/01/15	5,380 ^a BRL \$	2,318,825
Nota Do Tesouro Nacional, 10.00%, 1/01/17	54,900 ^a BRL	23,876,079
bIndex Linked, 6.00%, 5/15/15	20,602 ^a BRL	23,012,568
bIndex Linked, 6.00%, 8/15/16	10,112 ^a BRL	11,346,358
bIndex Linked, 6.00%, 5/15/17	231 ^a BRL	261,032
bIndex Linked, 6.00%, 8/15/18	12,055 ^a BRL	13,568,883
bIndex Linked, 6.00%, 5/15/45	23,625 ^a BRL	27,918,470
		102,302,215
Hungary 4.4%		
Government of Hungary, 7.75%, 8/24/15	56,780,000 HUF	250,821
5.50%, 2/12/16	238,600,000 HUF	1,044,946
5.50%, 12/22/16	101,230,000 HUF	449,639
4.00%, 4/25/18	206,520,000 HUF	883,449
6.50%, 6/24/19	481,650,000 HUF	2,262,892
7.50%, 11/12/20	15,300,000 HUF	76,273
A, 8.00%, 2/12/15	111,800,000 HUF	479,485
A, 6.75%, 11/24/17	829,080,000 HUF	3,849,267
A, 5.50%, 12/20/18	112,900,000 HUF	510,098
A, 7.00%, 6/24/22	189,970,000 HUF	940,317
A, 6.00%, 11/24/23	106,510,000 HUF	500,718
B, 6.75%, 2/24/17	236,530,000 HUF	1,078,972
B, 5.50%, 6/24/25	119,210,000 HUF	539,682
senior note, 6.25%, 1/29/20	3,535,000	4,001,178
senior note, 6.375%, 3/29/21	4,020,000	4,590,337
csenior note, Reg S, 3.50%, 7/18/16	905,000 EUR	1,241,798
csenior note, Reg S, 4.375%, 7/04/17	4,435,000 EUR	6,264,235
csenior note, Reg S, 5.75%, 6/11/18	12,690,000 EUR	18,965,260
csenior note, Reg S, 3.875%, 2/24/20	2,700,000 EUR	3,817,529
		51,746,896
Iceland 0.3%		
dGovernment of Iceland, 144A, 5.875%, 5/11/22	3,450,000	3,945,006

India 2.0%

Government of India,

senior bond, 7.80%, 5/03/20	231,200,000 INR	3,666,041
senior bond, 8.28%, 9/21/27	69,900,000 INR	1,106,203
senior bond, 8.60%, 6/02/28	239,800,000 INR	3,924,942
senior note, 7.28%, 6/03/19	9,000,000 INR	141,054
senior note, 8.12%, 12/10/20	173,600,000 INR	2,787,037
senior note, 8.35%, 5/14/22	68,200,000 INR	1,101,658
senior note, 7.16%, 5/20/23	42,900,000 INR	640,073
senior note, 8.83%, 11/25/23	579,400,000 INR	9,643,295
		23,010,303

Indonesia 2.8%

Government of Indonesia,

FR31, 11.00%, 11/15/20	141,798,000,000 IDR	13,840,889
FR34, 12.80%, 6/15/21	64,492,000,000 IDR	6,875,376
FR35, 12.90%, 6/15/22	37,356,000,000 IDR	4,039,192

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STATEMENT OF INVESTMENTS

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Indonesia (continued)			
Government of Indonesia, (continued)			
FR36, 11.50%, 9/15/19	32,651,000,000	IDR \$	3,189,800
FR43, 10.25%, 7/15/22	4,826,000,000	IDR	459,936
senior bond, FR53, 8.25%, 7/15/21	29,878,000,000	IDR	2,576,511
senior note, 8.50%, 10/15/16	19,302,000,000	IDR	1,683,700
			32,665,404
Ireland 8.4%			
Government of Ireland,			
5.90%, 10/18/19	3,886,000	EUR	6,444,825
4.50%, 4/18/20	3,901,000	EUR	6,150,523
5.00%, 10/18/20	28,162,000	EUR	45,965,899
senior bond, 4.50%, 10/18/18	1,303,000	EUR	1,993,228
senior bond, 5.40%, 3/13/25	21,783,580	EUR	37,919,683
			98,474,158
Lithuania 2.3%			
Government of Lithuania, 144A,			
6.75%, 1/15/15	15,000,000		15,342,750
7.375%, 2/11/20	8,825,000		10,808,507
6.125%, 3/09/21	1,160,000		1,363,081
			27,514,338
Malaysia 3.3%			
Government of Malaysia,			
3.741%, 2/27/15	24,130,000	MYR	7,679,105
3.835%, 8/12/15	11,765,000	MYR	3,754,385
4.72%, 9/30/15	4,770,000	MYR	1,536,919
3.197%, 10/15/15	21,885,000	MYR	6,939,590
senior bond, 4.262%, 9/15/16	23,980,000	MYR	7,733,027
senior note, 3.172%, 7/15/16	35,170,000	MYR	11,113,899
			38,756,925
Mexico 4.8%			
Government of Mexico,			
9.50%, 12/18/14	835,400 ^e	MXN	6,510,045
6.00%, 6/18/15	55,520 ^e	MXN	434,393
8.00%, 12/17/15	1,131,300 ^e	MXN	9,191,229

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6.25%, 6/16/16	354,030 ^e MXN		2,844,211
7.25%, 12/15/16	3,702,400 ^e MXN		30,568,350
fMexican Udibonos, Index Linked,			
4.50%, 12/18/14	103,695 ^g MXN		801,759
5.00%, 6/16/16	265,566 ^g MXN		2,216,349
3.50%, 12/14/17	205,503 ^g MXN		1,713,743
4.00%, 6/13/19	119,507 ^g MXN		1,028,451
2.50%, 12/10/20	94,245 ^g MXN		749,268
			56,057,798
Peru 3.5%			
Government of Peru,			
9.91%, 5/05/15	6,500,000	PEN	2,385,026
senior bond, 7.84%, 8/12/20	93,349,000	PEN	38,102,604
			40,487,630

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TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

	Principal Amount*	Value
Foreign Government and Agency Securities (continued)		
Philippines 0.1%		
Government of the Philippines, senior bond, 7.00%, 1/27/16	4,250,000 PHP \$	102,506
senior bond, 9.125%, 9/04/16	2,270,000 PHP	57,439
senior note, 1.625%, 4/25/16	51,390,000 PHP	1,165,655
		1,325,600
Poland 11.1%		
Government of Poland, 5.50%, 4/25/15	10,200,000 PLN	3,248,157
6.25%, 10/24/15	29,604,000 PLN	9,660,576
5.00%, 4/25/16	32,530,000 PLN	10,605,815
4.75%, 10/25/16	210,985,000 PLN	69,372,179
5.75%, 9/23/22	60,500,000 PLN	22,500,842
hFRN, 2.69%, 1/25/17	22,569,000 PLN	7,058,733
hFRN, 2.69%, 1/25/21	22,894,000 PLN	7,081,968
		129,528,270
Portugal 1.0%		
Government of Portugal, d144A, 5.125%, 10/15/24	11,090,000	11,512,806
csenior bond, Reg S, 4.95%, 10/25/23	92,700 EUR	139,606
csenior note, Reg S, 5.65%, 2/15/24	232,100 EUR	364,790
		12,017,202
Russia 0.4%		
dGovernment of Russia, senior bond, 144A, 7.50%, 3/31/30	4,680,605	5,210,566
Serbia 0.6%		
dGovernment of Serbia, senior note, 144A, 5.25%, 11/21/17	1,930,000	2,014,438
7.25%, 9/28/21	4,140,000	4,768,307
		6,782,745
Singapore 0.0%		
Government of Singapore, senior note, 1.125%, 4/01/16	300,000 SGD	242,920
Slovenia 1.0%		
dGovernment of Slovenia, senior note, 144A,		

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5.50%, 10/26/22	6,460,000	7,162,719
5.85%, 5/10/23	3,710,000	4,210,201
		11,372,920

South Korea 14.6%

Korea Monetary Stabilization Bond,

senior bond, 2.47%, 4/02/15	2,986,000,000 KRW	2,947,224
senior bond, 2.80%, 8/02/15	18,216,010,000 KRW	18,037,892
senior bond, 2.81%, 10/02/15	8,004,000,000 KRW	7,931,545
senior note, 2.76%, 6/02/15	11,144,700,000 KRW	11,025,790
senior note, 2.66%, 6/09/15	14,120,900,000 KRW	13,960,712
senior note, 2.90%, 12/02/15	41,563,400,000 KRW	41,251,911
senior note, 2.78%, 2/02/16	15,212,670,000 KRW	15,083,600
senior note, 2.80%, 4/02/16	18,684,690,000 KRW	18,539,852
senior note, 2.79%, 6/02/16	2,443,800,000 KRW	2,425,071
senior note, 2.46%, 8/02/16	279,200,000 KRW	275,460

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TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

	Principal Amount*	Value
Foreign Government and Agency Securities (continued)		
South Korea (continued)		
Korea Treasury Bond,		
senior bond, 5.25%, 9/10/15	4,000,000,000 KRW	\$ 4,058,811
senior bond, 4.00%, 3/10/16	621,000,000 KRW	626,885
senior note, 4.50%, 3/10/15	310,500,000 KRW	309,615
senior note, 3.25%, 6/10/15	1,121,500,000 KRW	1,113,687
senior note, 4.00%, 9/10/15	1,635,500,000 KRW	1,639,367
senior note, 2.75%, 12/10/15	4,768,900,000 KRW	4,724,611
senior note, 2.75%, 6/10/16	14,048,300,000 KRW	13,931,160
senior note, 3.00%, 12/10/16	12,595,000,000 KRW	12,564,298
		170,447,491
Sri Lanka 3.2%		
Government of Sri Lanka,		
8.25%, 3/01/17	32,710,000 LKR	257,133
10.60%, 7/01/19	260,430,000 LKR	2,228,293
10.60%, 9/15/19	437,300,000 LKR	3,739,900
11.20%, 7/01/22	55,890,000 LKR	492,957
A, 11.75%, 3/15/15	6,880,000 LKR	54,273
A, 6.50%, 7/15/15	194,620,000 LKR	1,493,708
A, 11.00%, 8/01/15	1,103,400,000 LKR	8,803,858
A, 8.50%, 11/01/15	115,700,000 LKR	906,077
A, 6.40%, 8/01/16	87,600,000 LKR	667,759
A, 5.80%, 1/15/17	88,200,000 LKR	657,633
A, 7.50%, 8/15/18	20,760,000 LKR	159,409
A, 8.00%, 11/15/18	413,650,000 LKR	3,220,660
A, 9.00%, 5/01/21	702,230,000 LKR	5,584,354
B, 6.40%, 10/01/16	96,500,000 LKR	731,086
B, 8.50%, 7/15/18	119,270,000 LKR	948,871
C, 8.50%, 4/01/18	359,370,000 LKR	2,852,084
D, 8.50%, 6/01/18	515,850,000 LKR	4,087,447
		36,885,502
iSupranational 1.4%		
Inter -American Development Bank, senior note, 7.50%, 12/05/24	185,000,000 MXN	16,566,823
Sweden 3.2%		
Government of Sweden, 4.50%, 8/12/15	248,660,000 SEK	37,039,421

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Ukraine 4.4%

dGovernment of Ukraine, 144A, 9.25%, 7/24/17	49,890,000	46,054,706
senior bond, 144A, 7.80%, 11/28/22	2,240,000	1,957,200
senior note, 144A, 7.95%, 2/23/21	350,000	308,000
senior note, 144A, 7.50%, 4/17/23	3,290,000	2,806,781
		51,126,687

Vietnam 0.9%

dGovernment of Vietnam, 144A, 6.75%, 1/29/20	9,270,000	10,550,280
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Total Foreign Government and Agency Securities

(Cost \$916,812,296)		964,057,100
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TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

	Principal Amount*		Value
Short Term Investments 14.3%			
Foreign Government and Agency Securities 4.3%			
Malaysia 0.8%			
jBank of Negara Monetary Notes, 9/09/14 - 8/11/15	30,175,000 MYR	\$	9,361,657
Philippines 0.8%			
jPhilippine Treasury Bills, 9/03/14 - 8/05/15	417,690,000 PHP		9,555,112
Singapore 2.1%			
jMonetary Authority of Singapore Treasury Bills, 10/10/14	26,170,000 SGD		20,945,994
9/30/14 - 1/20/15	5,080,000 SGD		4,065,859
			25,011,853
Sweden 0.6%			
jSweden Treasury Bills, 9/17/14 - 12/17/14	45,580,000 SEK		6,518,920
Total Foreign Government and Agency Securities (Cost \$50,863,287)			50,447,542
Total Investments before Money Market Funds (Cost \$967,675,583)			1,014,504,642
	Shares		
Money Market Funds (Cost \$116,081,751) 10.0%			
United States 10.0%			
k,Institutional Fiduciary Trust Money Market Portfolio	116,081,751		116,081,751
Total Investments (Cost \$1,083,757,334) 96.7%			1,130,586,393
Other Assets, less Liabilities 3.3%			38,731,197
Net Assets 100.0%			\$ 1,169,317,590

*The principal amount is stated in U.S. dollars unless otherwise indicated.

Rounds to less than 0.1% of net assets.

^aPrincipal amount is stated in 1,000 Brazilian Real Units.

^bRedemption price at maturity is adjusted for inflation. See Note 1(f).

^cSecurity was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States.

Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption

from registration. These securities have been deemed liquid under guidelines approved by the Fund's Board of Trustees. At August 31, 2014, the aggregate value of these

securities was \$30,793,218, representing 2.63% of net assets.

^dSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to

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qualified institutional buyers

or in a public offering registered under the Securities Act of 1933. These securities have been deemed liquid under guidelines approved by the Fund's Board of Trustees. At

August 31, 2014, the aggregate value of these securities was \$128,015,348, representing 10.95% of net assets.

^ePrincipal amount is stated in 100 Mexican Peso Units.

^fPrincipal amount of security is adjusted for inflation. See Note 1(f).

^gPrincipal amount is stated in 100 Unidad de Inversion Units.

^hThe coupon rate shown represents the rate at period end.

ⁱA supranational organization is an entity formed by two or more central governments through international treaties.

^jThe security is traded on a discount basis with no stated coupon rate.

^kNon-income producing.

^lSee Note 3(c) regarding investments in the Institutional Fiduciary Trust Money Market Portfolio.

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TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

At August 31, 2014, the Fund had the following forward exchange contracts outstanding. See Note 1(c).

**Forward Exchange
Contracts**

Currency	Counterparty ^a	Type	Quantity	Contract Amount*	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
Euro	DBAB	Buy	947,000	1,247,388	9/03/14	\$	\$ (3,138)
Euro	DBAB	Sell	947,000	1,254,112	9/03/14	9,862	
Indian Rupee	DBAB	Buy	71,050,000	1,188,654	9/03/14		(15,792)
Indian Rupee	DBAB	Sell	71,050,000	1,175,741	9/03/14	2,879	
Indian Rupee	HSBK	Buy	139,262,000	2,311,806	9/03/14	2,058	(14,990)
Indian Rupee	HSBK	Sell	139,262,000	2,296,916	9/03/14		(1,959)
Chilean Peso	DBAB	Buy	2,256,815,000	3,961,858	9/05/14		(118,224)
Euro	DBAB	Sell	3,495,500	4,612,976	9/05/14	20,235	
Chilean Peso	DBAB	Buy	1,166,790,000	2,047,719	9/08/14		(61,107)
Mexican Peso	HSBK	Buy	82,460,700	6,181,462	9/10/14	117,662	
Singapore Dollar	DBAB	Buy	9,461,270	7,463,100	9/15/14	111,603	
Chilean Peso	DBAB	Buy	2,298,030,000	3,945,116	9/17/14		(35,816)
Euro	BZWS	Sell	370,478	494,959	9/19/14	8,149	
Indian Rupee	JPHQ	Buy	73,333,000	1,204,406	9/23/14	1,498	
Euro	BZWS	Sell	899,632	1,217,886	9/24/14	35,734	
Indian Rupee	DBAB	Buy	108,491,000	1,780,000	9/26/14	3,023	
Chilean Peso	DBAB	Buy	1,107,150,000	2,114,900	9/30/14		(233,772)
Indian Rupee	DBAB	Buy	208,232,400	3,413,265	9/30/14	6,772	
Indian Rupee	JPHQ	Buy	73,333,000	1,211,115	9/30/14		(6,684)
Japanese Yen	JPHQ	Sell	130,931,000	1,327,867	9/30/14	69,271	
Swedish Krona	BZWS	Buy	150,288,486	16,392,187	EUR 10/03/14		(44,607)
Chilean Peso	DBAB	Buy	1,176,260,000	2,096,720	10/06/14		(99,154)
Indian Rupee	HSBK	Buy	173,786,000	2,871,903	10/07/14		(20,240)
Indian Rupee	DBAB	Buy	110,524,000	1,813,192	10/15/14		(1,501)
Swedish Krona	BZWS	Buy	45,098,000	4,869,011	EUR 10/16/14	51,390	
Indian Rupee	DBAB	Buy	237,003,000	3,886,601	10/17/14		(2,707)
Chilean Peso	CITI	Buy	219,208,545	421,312	10/20/14		(49,472)
Euro	HSBK	Sell	11,729,000	15,928,334	10/20/14	513,090	
Malaysian Ringgit	JPHQ	Buy	6,080,000	1,879,385	10/20/14	43,704	
Mexican Peso	DBAB	Buy	67,596,340	5,154,124	10/21/14		(4,379)
Indian Rupee	JPHQ	Buy	33,196,000	543,662	10/22/14		(18)

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Japanese Yen	BZWS	Sell	146,100,000	1,498,154	10/22/14	93,510	
Malaysian Ringgit	HSBK	Buy	10,989,000	3,426,353	10/22/14	49,023	
Mexican Peso	DBAB	Buy	62,150,960	4,722,717	10/22/14	11,869	
Mexican Peso	CITI	Buy	21,771,590	1,641,157	10/23/14	17,269	
Euro	DBAB	Sell	6,027,000	8,323,227	10/24/14	401,797	
Malaysian Ringgit	DBAB	Buy	8,263,000	2,565,751	10/24/14	47,188	
Malaysian Ringgit	HSBK	Buy	5,510,477	1,701,815	10/24/14	40,716	
Chilean Peso	BZWS	Buy	47,431,000	90,742	10/27/14		(10,332)
Euro	BZWS	Sell	2,780,907	3,845,194	10/27/14	190,100	
Chilean Peso	DBAB	Buy	94,814,000	180,529	10/29/14		(19,818)
Swedish Krona	DBAB	Buy	45,098,000	4,918,154 EUR	10/29/14		(13,989)
Indian Rupee	DBAB	Buy	153,987,100	2,531,642	10/30/14		(12,659)
Indian Rupee	HSBK	Buy	397,766,000	6,541,688	10/30/14		(34,872)
Swedish Krona	DBAB	Buy	89,650,000	9,776,978 EUR	10/30/14		(28,202)
Euro	DBAB	Sell	1,646,550	2,273,902	10/31/14	109,688	
Indian Rupee	DBAB	Buy	153,987,100	2,520,825	10/31/14		(2,268)
Indian Rupee	HSBK	Buy	54,730,000	896,097	10/31/14		(953)
Malaysian Ringgit	JPHQ	Buy	5,507,000	1,722,014	10/31/14	18,703	
Swedish Krona	BZWS	Buy	29,978,900	3,304,152 EUR	10/31/14		(55,127)

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TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

Forward Exchange Contracts (continued)

Currency	Counterparty ^a	Type	Quantity	Contract Amount*	Settlement Date	Unrealized	
						Date Appreciation	Unrealized Depreciation
Euro	DBAB	Sell	111,459	153,373	11/03/14	\$ 6,869	\$
Indian Rupee	DBAB	Buy	71,050,000	1,164,754	11/03/14		(3,275)
Indian Rupee	HSBK	Buy	139,262,000	2,276,267	11/03/14	298	
Euro	BZWS	Sell	783,291	1,059,323	11/05/14	29,731	
Japanese Yen	CITI	Sell	104,080,747	1,058,699	11/10/14	57,909	
Euro	JPHQ	Sell	517,652	690,258	11/12/14	9,797	
Indian Rupee	HSBK	Buy	29,570,000	472,723	11/12/14	9,934	
Japanese Yen	HSBK	Sell	286,780,000	2,908,519	11/12/14	150,944	
Indian Rupee	HSBK	Buy	74,630,000	1,203,778	11/13/14	14,168	
Japanese Yen	JPHQ	Sell	102,242,000	1,033,896	11/13/14	50,767	
Indian Rupee	JPHQ	Buy	73,333,000	1,198,722	11/14/14		(2,145)
Japanese Yen	MSCO	Sell	245,000,000	2,465,682	11/14/14	109,818	
Euro	DBAB	Sell	398,651	535,875	11/17/14	11,822	
Japanese Yen	CITI	Sell	183,499,000	1,853,151	11/17/14	88,632	
Japanese Yen	SCNY	Sell	103,657,300	1,045,797	11/17/14	49,033	
Euro	DBAB	Sell	817,802	1,101,498	11/19/14	26,427	
Indian Rupee	JPHQ	Buy	159,192,000	2,560,971	11/19/14	34,382	
Japanese Yen	CITI	Sell	733,240,000	7,339,887	11/19/14	288,989	
Japanese Yen	DBAB	Sell	592,373,000	5,926,100	11/19/14	229,791	
Malaysian Ringgit	DBAB	Buy	5,266,040	1,615,994	11/19/14	46,759	
Euro	JPHQ	Sell	5,056,324	6,844,301	11/20/14	197,283	
Japanese Yen	CITI	Sell	823,639,000	8,264,489	11/20/14	344,255	
Japanese Yen	HSBK	Sell	154,574,000	1,550,220	11/20/14	63,814	
Japanese Yen	JPHQ	Sell	532,106,000	5,335,446	11/20/14	218,636	
Malaysian Ringgit	HSBK	Buy	3,175,000	975,123	11/20/14	27,327	
Indian Rupee	DBAB	Buy	68,380,000	1,110,227	11/21/14	4,216	
Swedish Krona	DBAB	Buy	28,384,373	3,098,392	EUR 11/26/14		(13,678)
Swedish Krona	UBSW	Buy	91,000,000	9,938,187	EUR 11/26/14		(50,127)
Chilean Peso	DBAB	Buy	1,650,520,000	2,900,228	11/28/14		(110,067)
Euro	DBAB	Sell	820,797	1,112,180	11/28/14	33,099	
Indian Rupee	DBAB	Buy	108,491,000	1,770,212	11/28/14		(4,156)
Chilean Peso	DBAB	Buy	497,300,000	872,303	12/01/14		(31,822)
Euro	HSBK	Sell	3,548,865	4,844,200	12/09/14	178,222	

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Euro	SCNY	Sell	1,325,806	1,811,223	12/09/14	68,079	
Malaysian Ringgit	JPHQ	Buy	16,656,368	5,059,343	12/17/14	191,259	
Japanese Yen	DBAB	Sell	186,830,000	1,821,514	12/22/14	24,379	
Japanese Yen	HSBK	Sell	187,120,000	1,821,545	12/22/14	21,620	
Japanese Yen	BZWS	Sell	132,990,000	1,282,511	12/26/14	3,215	
Japanese Yen	CITI	Sell	207,460,000	2,000,667	12/26/14	5,007	
Japanese Yen	GSCO	Sell	69,178,000	667,027	1/08/15	1,479	
Malaysian Ringgit	DBAB	Buy	6,824,400	2,033,916	1/08/15	114,531	
Malaysian Ringgit	JPHQ	Buy	3,602,500	1,075,116	1/08/15	59,017	
Malaysian Ringgit	JPHQ	Buy	1,937,000	578,485	1/09/15	31,282	
Chilean Peso	MSCO	Buy	1,432,600,000	2,597,407	1/12/15		(183,906)
Malaysian Ringgit	JPHQ	Buy	581,000	173,692	1/12/15	9,174	
Euro	SCNY	Sell	15,057,111	20,462,764	1/13/15	660,905	
Japanese Yen	CITI	Sell	94,950,000	907,831	1/13/15		(5,712)
Euro	CITI	Sell	2,459,575	3,358,304	1/14/15	123,652	
Euro	JPHQ	Sell	3,792,783	5,184,734	1/14/15	196,745	
Japanese Yen	BZWS	Sell	237,550,000	2,290,656	1/15/15	5,069	
Japanese Yen	HSBK	Sell	372,780,000	3,584,423	1/15/15		(2,280)
Japanese Yen	JPHQ	Sell	154,420,000	1,488,895	1/15/15	3,143	

TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

Forward Exchange Contracts (continued)

Currency	Counterparty ^a	Type	Quantity	Contract Amount*	Settlement	Unrealized Date	Unrealized Appreciation	Unrealized Depreciation
Japanese Yen	DBAB	Sell	95,240,000	921,377	1/16/15	\$ 5,016		
Japanese Yen	SCNY	Sell	219,020,000	2,119,771	1/16/15		12,448	
Malaysian Ringgit	JPHQ	Buy	1,392,000	419,416	1/16/15		18,603	
Euro	BZWS	Sell	1,052,000	1,433,876	1/21/15		50,292	
Euro	JPHQ	Sell	2,459,575	3,342,255	1/22/15		107,414	
Chilean Peso	DBAB	Buy	1,968,980,000	3,557,326	1/23/15			(242,953)
Chilean Peso	DBAB	Buy	2,792,880,000	4,947,091	1/26/15			(246,921)
Euro	BZWS	Sell	4,351,556	5,954,604	1/27/15		231,214	
Japanese Yen	DBAB	Sell	631,276,974	6,182,928	1/28/15		108,273	
Japanese Yen	HSBK	Sell	817,266,455	7,986,109	1/28/15		121,713	
Euro	DBAB	Sell	338,000	461,286	1/30/15		16,721	
Chilean Peso	DBAB	Buy	1,048,520,000	1,849,894	2/04/15			(86,531)
Malaysian Ringgit	JPHQ	Buy	6,651,000	1,965,484	2/04/15		125,018	
Malaysian Ringgit	HSBK	Buy	170,000	52,682	2/09/15		735	
Chilean Peso	BZWS	Buy	726,200,000	1,249,269	2/10/15			(28,527)
Euro	BZWS	Sell	6,294,000	8,562,672	2/10/15		283,634	
Euro	CITI	Sell	8,393,000	11,413,389	2/10/15		373,356	
Euro	HSBK	Sell	7,662,000	10,421,163	2/10/15		342,677	
Japanese Yen	CITI	Sell	152,232,000	1,499,409	2/10/15		34,311	
South Korean Won	HSBK	Buy	6,054,254,000	5,542,159	2/10/15		385,442	
Euro	BZWS	Sell	17,259,000	23,467,062	2/11/15		764,652	
Chilean Peso	MSCO	Buy	1,630,490,000	2,832,679	2/12/15			(92,241)
Japanese Yen	GSCO	Sell	110,363,000	1,080,909	2/12/15		18,741	
Euro	SCNY	Sell	6,873,000	9,403,776	2/13/15		362,931	
Chilean Peso	CITI	Buy	2,019,520,000	3,532,482	2/17/15			(139,469)
Chilean Peso	DBAB	Buy	606,970,000	1,056,335	2/17/15			(36,559)
Chilean Peso	DBAB	Buy	1,653,630,000	2,829,862	2/18/15			(51,794)
Japanese Yen	GSCO	Sell	85,279,140	839,651	2/18/15		18,847	
Japanese Yen	JPHQ	Sell	100,450,000	989,236	2/18/15		22,414	

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Euro	JPHQ	Sell	12,428,000	17,043,946	2/19/15	695,256	
Malaysian Ringgit	HSBK	Buy	6,108,000	1,818,940	2/19/15	99,181	
Chilean Peso	JPHQ	Buy	332,200,000	569,323	2/20/15		(11,318)
Chilean Peso	MSCO	Buy	801,470,000	1,403,134	2/23/15		(57,188)
Euro	GSCO	Sell	6,210,000	8,545,892	2/23/15	376,570	
Chilean Peso	JPHQ	Buy	1,128,000,000	1,976,174	2/24/15		(82,015)
Japanese Yen	HSBK	Sell	187,760,000	1,840,387	2/24/15	33,100	
Chilean Peso	MSCO	Buy	1,174,700,000	2,048,836	2/25/15		(76,406)
Euro	DBAB	Sell	12,097,000	16,586,197	2/25/15	672,230	
Japanese Yen	JPHQ	Sell	187,900,000	1,833,869	2/25/15	25,215	
Chilean Peso	DBAB	Buy	1,047,180,000	1,823,085	2/26/15		(64,895)
Euro	BZWS	Sell	4,618,433	6,343,023	2/26/15	267,274	
Euro	SCNY	Sell	8,685,912	11,928,363	2/26/15	501,669	
Japanese Yen	BZWS	Sell	726,500,000	7,103,953	2/26/15	110,861	
Japanese Yen	SCNY	Sell	696,345,000	6,815,019	2/26/15	112,191	
Euro	BOFA	Sell	1,471,272	2,011,670	2/27/15	76,128	
Euro	DBAB	Sell	14,039,070	19,243,353	2/27/15	774,159	
Mexican Peso	CITI	Buy	62,000,000	4,553,634	2/27/15	131,111	
Mexican Peso	MSCO	Buy	117,000,000	8,573,941	2/27/15	266,626	
Chilean Peso	DBAB	Buy	1,082,945,000	1,869,080	3/03/15		(51,469)
Japanese Yen	JPHQ	Sell	416,700,000	4,092,221	3/03/15	80,945	
Japanese Yen	HSBK	Sell	196,900,000	1,929,446	3/04/15	34,007	
Euro	BZWS	Sell	1,348,368	1,852,995	3/09/15	78,959	

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TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

Forward Exchange Contracts (continued)

Currency	Counterparty ^a	Type	Quantity	Contract Amount*	Settlement Date	Unrealized	
						Appreciation	Depreciation
Euro	DBAB	Sell	10,610,000	14,567,000	3/09/15	\$ 607,519	\$
Euro	HSBK	Sell	1,285,000	1,766,567	3/09/15	75,904	
Japanese Yen	BZWS	Sell	192,016,500	1,877,756	3/09/15	29,219	
Euro	CITI	Sell	4,817,000	6,666,848	3/10/15	329,101	
Euro	MSCO	Sell	3,640,000	5,041,309	3/10/15	252,145	
Chilean Peso	DBAB	Buy	1,135,180,000	1,929,299	3/13/15		(25,330)
Euro	JPHQ	Sell	296,000	410,206	3/16/15	20,733	
Singapore Dollar	CITI	Buy	21,787,381	17,245,721	3/17/15	199,202	
Japanese Yen	CITI	Sell	220,552,000	2,172,626	3/19/15	49,131	
Japanese Yen	MSCO	Sell	311,200,000	3,082,104	3/19/15	85,841	
Chilean Peso	JPHQ	Buy	670,400,000	1,137,235	3/20/15		(13,356)
Japanese Yen	BZWS	Sell	125,158,380	1,226,562	3/25/15	21,441	
Malaysian Ringgit	HSBK	Buy	1,130,000	336,530	3/31/15	17,464	
Euro	HSBK	Sell	7,909,000	10,903,941	4/10/15	494,747	
Malaysian Ringgit	HSBK	Buy	1,130,000	339,288	4/10/15	14,488	
Euro	SCNY	Sell	3,955,000	5,466,720	4/13/15	261,306	
Euro	JPHQ	Sell	3,144,000	4,357,741	4/14/15	219,691	
Japanese Yen	CITI	Sell	146,000,000	1,442,310	4/15/15	36,164	
Euro	HSBK	Sell	4,695,000	6,519,524	4/16/15	339,962	
Mexican Peso	CITI	Buy	21,365,740	1,583,234	4/16/15	25,934	
Malaysian Ringgit	JPHQ	Buy	19,607,841	5,930,090	4/21/15	204,539	
Euro	BZWS	Sell	4,026,945	5,583,198	4/30/15	282,174	
Euro	SCNY	Sell	6,683,000	9,248,336	4/30/15	450,912	
Euro	BZWS	Sell	4,107,651	5,692,629	5/05/15	285,089	
Chilean Peso	MSCO	Buy	730,900,000	1,247,483	5/11/15		(26,555)
Japanese Yen	CITI	Sell	152,233,000	1,503,209	5/12/15	36,569	
Euro	GSCO	Sell	560,000	771,680	5/13/15	34,405	
Japanese Yen	GSCO	Sell	203,561,000	2,005,330	5/13/15	44,163	
Japanese Yen	SCNY	Sell	152,158,000	1,500,276	5/13/15	34,341	
Euro	GSCO	Sell	1,688,000	2,325,119	5/14/15	102,738	
Japanese Yen	CITI	Sell	152,157,000	1,496,886	5/14/15	30,944	
Japanese Yen	BOFA	Sell	705,633,500	6,950,000	5/18/15	151,323	
Japanese Yen	BOFA	Sell	704,526,000	6,960,000	5/19/15	171,914	

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Japanese Yen	BZWS	Sell	706,440,000	6,960,000	5/19/15	153,472	
Japanese Yen	CITI	Sell	705,604,100	6,960,000	5/19/15	161,526	
Japanese Yen	HSBK	Sell	707,007,200	6,960,000	5/19/15	148,007	
Chilean Peso	MSCO	Buy	2,278,980,000	4,009,465	5/22/15		(205,431)
Mexican Peso	JPHQ	Buy	39,025,000	2,940,179	5/28/15		(9,284)
Euro	GSCO	Sell	454,000	617,751	6/01/15	19,899	
Chilean Peso	BZWS	Buy	1,898,900,000	3,341,369	6/04/15		(174,873)
Chilean Peso	MSCO	Buy	521,800,000	914,236	6/05/15		(44,181)
Japanese Yen	CITI	Sell	153,700,000	1,504,915	6/09/15	23,525	
Japanese Yen	HSBK	Sell	230,100,000	2,252,724	6/09/15	34,976	
Euro	DBAB	Sell	3,495,500	4,775,902	6/10/15	172,218	
Japanese Yen	BZWS	Sell	474,230,000	4,644,419	6/10/15	73,615	
Japanese Yen	CITI	Sell	496,800,000	4,858,110	6/10/15	69,768	
Japanese Yen	HSBK	Sell	505,050,000	4,948,099	6/10/15	80,241	
Japanese Yen	DBAB	Sell	167,200,000	1,636,969	6/11/15	25,405	
Japanese Yen	JPHQ	Sell	467,930,000	4,580,274	6/11/15	70,111	
Polish Zloty	CITI	Buy	5,203,000	1,243,666 EUR	6/11/15		(36,184)
Polish Zloty	DBAB	Buy	26,670,000	6,367,283 EUR	6/12/15		(175,860)
Euro	DBAB	Sell	3,756,000	5,090,770	6/15/15	143,631	

TEMPLETON GLOBAL INCOME FUND
STATEMENT OF INVESTMENTS

Forward Exchange Contracts

(continued)

Currency	Counterparty ^a	Type	Quantity	Amount*	Contract Settlement Date	Unrealized	
						Appreciation	Depreciation
Japanese Yen	CITI	Sell	230,997,000	2,270,642	6/17/15	\$ 43,927	\$
Japanese Yen	JPHQ	Sell	197,300,000	1,939,629	6/17/15	37,738	
Japanese Yen	DBAB	Sell	187,160,000	1,837,965	6/22/15	33,657	
Malaysian Ringgit	HSBK	Buy	12,077,292	3,675,378	6/24/15	88,724	
Malaysian Ringgit	HSBK	Buy	4,516,266	1,375,401	6/30/15	31,679	
Euro	BZWS	Sell	894,000	1,221,079	7/16/15	43,021	
Euro	MSCO	Sell	1,228,000	1,676,662	7/16/15	58,480	
Euro	DBAB	Sell	2,276,000	3,094,791	7/17/15	95,575	
Euro	BZWS	Sell	1,403,000	1,902,089	7/20/15	53,193	
Malaysian Ringgit	DBAB	Buy	9,759,000	2,199,410	EUR 7/20/15	138,526	
Euro	DBAB	Sell	772,000	1,046,755	7/22/15	29,370	
Euro	MSCO	Sell	905,000	1,225,135	7/22/15	32,475	
Malaysian Ringgit	DBAB	Buy	75,842,000	23,318,063	7/22/15	280,767	
Malaysian Ringgit	DBAB	Buy	11,019,000	2,498,583	EUR 7/22/15	135,876	
Euro	DBAB	Sell	701,000	949,631	7/23/15	25,800	
Japanese Yen	CITI	Sell	178,564,000	1,766,876	7/24/15	44,442	
Japanese Yen	JPHQ	Sell	275,000,000	2,719,676	7/24/15	67,017	
Euro	DBAB	Sell	1,802,000	2,430,105	7/27/15	55,152	
Euro	GSCO	Sell	1,800,000	2,428,470	7/27/15	56,153	
Japanese Yen	JPHQ	Sell	95,800,000	947,952	7/27/15	23,812	
Malaysian Ringgit	DBAB	Buy	117,760,000	36,411,985	7/27/15	219,257	
Malaysian Ringgit	DBAB	Buy	14,167,000	3,247,673	EUR 7/27/15	126,602	
Chilean Peso	DBAB	Buy	1,739,030,000	2,992,909	7/28/15		(105,282)
Chilean Peso	MSCO	Buy	1,235,940,000	2,126,568	7/28/15		(74,313)
Euro	CITI	Sell	960,795	1,296,045	7/28/15	29,743	
Euro	GSCO	Sell	6,683,000	9,018,842	7/28/15	210,825	
Chilean Peso	JPHQ	Buy	596,880,000	1,025,743	7/30/15		(34,791)
Malaysian Ringgit	JPHQ	Buy	48,000,000	14,842,301	7/30/15	86,296	
Malaysian Ringgit	JPHQ	Buy	14,167,000	3,248,418	EUR 7/30/15	124,657	

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Chilean Peso	DBAB	Buy	561,810,000	966,056	7/31/15		(33,401)
Euro	JPHQ	Sell	6,683,000	8,985,026	7/31/15	176,615	
Malaysian Ringgit	HSBK	Buy	1,687,000	519,365	7/31/15	5,283	
Malaysian Ringgit	JPHQ	Buy	8,765,000	2,699,249	7/31/15	26,616	
Chilean Peso	DBAB	Buy	1,123,610,000	1,905,716	8/04/15		(41,006)
Euro	HSBK	Sell	6,684,000	8,970,095	8/04/15	159,841	
Euro	BZWS	Sell	4,094,000	5,503,462	8/05/15	107,035	
Euro	JPHQ	Sell	893,000	1,200,513	8/05/15	23,423	
Malaysian Ringgit	HSBK	Buy	170,000	52,013	8/06/15	837	
Euro	CITI	Sell	851,902	1,139,283	8/10/15	16,282	
Euro	DBAB	Sell	1,775,000	2,378,420	8/11/15	38,529	
Euro	JPHQ	Sell	2,248,000	3,010,915	8/11/15	47,492	
Japanese Yen	CITI	Sell	613,483,000	6,021,919	8/11/15	102,317	
Chilean Peso	DBAB	Buy	727,600,000	1,229,469	8/12/15		(22,723)
Euro	GSCO	Sell	1,183,000	1,588,461	8/12/15	28,950	
Malaysian Ringgit	HSBK	Buy	3,400,000	1,035,228	8/12/15	21,412	
South Korean Won	HSBK	Buy	8,324,000,000	804,515,493 JPY	8/12/15	343,266	
Chilean Peso	MSCO	Buy	617,690,000	1,040,846	8/18/15		(16,869)
Japanese Yen	DBAB	Sell	687,444,000	6,740,407	8/18/15	106,303	
South Korean Won	JPHQ	Buy	980,000,000	942,670	8/18/15	11,540	
Chilean Peso	JPHQ	Buy	332,400,000	560,303	8/20/15		(9,353)
Japanese Yen	HSBK	Sell	1,286,140,000	12,584,540	8/20/15	172,337	
Japanese Yen	JPHQ	Sell	926,943,000	9,074,243	8/20/15	128,557	

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TEMPLETON GLOBAL INCOME FUND

STATEMENT OF INVESTMENTS

Forward Exchange Contracts (continued)

Currency	Counterparty ^a	Type	Quantity	Contract	Settlement	Unrealized	Unrealized
				Amount*	Date	Appreciation	Depreciation
Mexican Peso	HSBK	Buy	21,920,000	1,641,579	8/21/15	\$	\$ (3,915)
Japanese Yen	BZWS	Sell	307,053,000	2,984,313	8/24/15		20,810
Japanese Yen	DBAB	Sell	303,441,000	2,934,405	8/25/15		5,710
Japanese Yen	HSBK	Sell	608,984,000	5,892,443	8/25/15		14,765
Euro	BZWS	Sell	1,464,790	1,949,086	8/26/15		17,697
Japanese Yen	BZWS	Sell	860,890,000	8,336,626	8/26/15		27,499
Japanese Yen	JPHQ	Sell	612,179,000	5,923,988	8/26/15		15,367
Chilean Peso	DBAB	Buy	1,106,070,000	1,845,603	8/27/15		(13,304)
Euro	JPHQ	Sell	3,821,732	5,061,788	8/27/15		22,594
Japanese Yen	DBAB	Sell	509,728,000	4,920,606	8/27/15		730
Japanese Yen	HSBK	Sell	980,688,000	9,467,745	8/27/15		2,182
Japanese Yen	JPHQ	Sell	450,908,000	4,358,557	8/27/15		6,410
Chilean Peso	JPHQ	Buy	364,500,000	608,311	8/28/15		(4,532)
Euro	DBAB	Sell	577,980	764,448	8/31/15		2,299
Japanese Yen	JPHQ	Sell	304,127,000	2,940,201	8/31/15		4,565
Euro	DBAB	Sell	947,000	1,251,442	9/02/15		2,651
Unrealized appreciation (depreciation)							23,436,380 \$ (3,637,777)
Net unrealized appreciation (depreciation)						\$	19,798,603

^aMay be comprised of multiple contracts with the same counterparty, currency and settlement date.

*In U.S. dollars unless otherwise indicated.

At August 31, 2014, the Fund had the following interest rate swap contracts outstanding. See Note 1(c).

Interest Rate Swap Contracts

Description	Counterparty/ Expiration		Notional Amount	Unrealized Appreciation	Unrealized Depreciation
	Exchange	Date			
Centrally Cleared Swaps					
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 2.731%	LCH	7/07/24	\$ 11,090,000	\$	\$ (283,493)
Centrally Cleared Swaps unrealized					

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appreciation (depreciation)				\$	(283,493)
OTC Swaps					
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 3.558%	JPHQ	3/04/21	1,160,000	\$	(126,964)
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 3.523%	DBAB	3/28/21	3,970,000		(417,153)
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 4.215%	JPHQ	1/11/41	3,030,000		(684,711)
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 4.347%	CITI	2/25/41	6,980,000		(1,723,268)
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 4.349%	JPHQ	2/25/41	6,980,000		(1,726,815)
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 4.320%	JPHQ	2/28/41	5,230,000		(1,272,034)
Receive Floating rate 3-month USD BBA LIBOR					
Pay Fixed rate 4.299%	JPHQ	3/01/41	1,740,000		(448,830)
OTC Swaps unrealized appreciation (depreciation)				\$	(6,399,775)
Total Interest Rate Swaps unrealized appreciation (depreciation)				\$	(6,683,268)
Net unrealized appreciation (depreciation)				\$	(6,683,268)

See Abbreviations on page 31.

Financial Statements

Statement of Assets and Liabilities

August 31, 2014

Assets:

Investments in securities:

Cost - Unaffiliated issuers	\$	967,675,583
Cost - Sweep Money Fund (Note 3c)		116,081,751
Total cost of investments	\$	1,083,757,334
Value - Unaffiliated issuers	\$	1,014,504,642
Value - Sweep Money Fund (Note 3c)		116,081,751
Total value of investments		1,130,586,393
Restricted cash (Note 1d)		7,967,800
Foreign currency, at value (cost \$9,214,141)		9,206,098

Receivables:

Interest		16,074,610
Due from brokers		1,652,357
Variation margin		12,956
Unrealized appreciation on forward exchange contracts		23,436,380
Total assets		1,188,936,594

Liabilities:

Payables:

Management fees		612,872
Transfer agent fees		22,790
Due to brokers		7,967,800
Unrealized depreciation on forward exchange contracts		3,637,777
Unrealized depreciation on OTC swap contracts		6,399,775
Deferred tax		584,491
Accrued expenses and other liabilities		393,499
Total liabilities		19,619,004
Net assets, at value	\$	1,169,317,590

Net assets consist of:

Paid-in capital	\$	1,114,225,731
Distributions in excess of net investment income		(4,277,302)

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Net unrealized appreciation (depreciation)		59,023,786
Accumulated net realized gain (loss)		345,375
Net assets, at value	\$	1,169,317,590
Shares outstanding		134,144,158
Net asset value per share	\$	8.72

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The accompanying notes are an integral part of these financial statements. | Annual Report | 19

TEMPLETON GLOBAL INCOME FUND
FINANCIAL STATEMENTS

Statement of Operations

for the year ended August 31, 2014

Investment income:		
Interest (net of foreign taxes of \$1,103,063)	\$	54,723,590
Expenses:		
Management fees (Note 3a)		6,165,937
Administrative fees (Note 3b)		1,059,090
Transfer agent fees		240,407
Custodian fees (Note 4)		526,160
Reports to shareholders		102,123
Registration and filing fees		121,997
Professional fees		68,656
Trustees' fees and expenses		98,169
Other		29,127
Total expenses		8,411,666
Expense reductions (Note 4)		(43)
Expenses waived/paid by affiliates (Note 3c)		(88,006)
Net expenses		8,323,617
Net investment income		46,399,973
Realized and unrealized gains (losses):		
Net realized gain (loss) from:		
Investments		21,849,027
Foreign currency transactions		889,282
Swap contracts		(1,143,489)
Net realized gain (loss)		21,594,820
Net change in unrealized appreciation (depreciation) on:		
Investments		33,167,432
Translation of other assets and liabilities denominated in foreign currencies		26,666,873
Change in deferred taxes on unrealized appreciation		33,479
Net change in unrealized appreciation (depreciation)		59,867,784
Net realized and unrealized gain (loss)		81,462,604
Net increase (decrease) in net assets resulting from operations	\$	127,862,577

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TEMPLETON GLOBAL INCOME FUND

FINANCIAL STATEMENTS

Statements of Changes in Net Assets

	Year Ended August 31,	
	2014	2013
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$ 46,399,973	\$ 51,259,249
Net realized gain (loss) from investments, foreign currency transactions and swap contracts	21,594,820	48,036,014
Net change in unrealized appreciation (depreciation) on investments, translation of other assets and liabilities denominated in foreign currencies and deferred taxes	59,867,784	(57,107,407)
Net increase (decrease) in net assets resulting from operations	127,862,577	42,187,856
Distributions to shareholders from:		
Net investment income and net foreign currency gains	(82,713,288)	(96,713,653)
Net realized gains	(442,676)	(38,439,049)
Total distributions to shareholders	(83,155,964)	(135,152,702)
Capital share transactions (Note 2)		8,288,993
Net increase (decrease) in net assets	44,706,613	(84,675,853)
Net assets:		
Beginning of year	1,124,610,977	1,209,286,830
End of year	\$ 1,169,317,590	\$ 1,124,610,977
Undistributed net investment income (distributions in excess of net investment income) included in net assets:		
End of year	\$ (4,277,302)	\$ 11,822,110

TEMPLETON GLOBAL INCOME FUND

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Templeton Global Income Fund (Fund) is registered under the Investment Company Act of 1940, as amended, (1940 Act) as a closed-end management investment company.

The following summarizes the Fund's significant accounting policies.

a. Financial Instrument Valuation

The Fund's investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Fund calculates the net asset value (NAV) per share at the close of the New York Stock Exchange (NYSE), generally at 4 p.m. Eastern time (NYSE close) on each day the NYSE is open for trading. Under compliance policies and procedures approved by the Fund's Board of Trustees (the Board), the Fund's administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation and Liquidity Oversight Committee (VLOC). The VLOC provides administration and oversight of the Fund's valuation policies and procedures, which are approved annually by the Board. Among other things, these procedures allow the Fund to utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Debt securities generally trade in the over-the-counter (OTC) market rather than on a securities exchange. The Fund's pricing services use multiple valuation techniques to determine fair value. In instances where sufficient market activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, credit spreads, estimated default rates, anticipated market interest rate volatility, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value. Securities denominated in a foreign currency are converted into their U.S. dollar equivalent at the foreign exchange rate in effect at the NYSE close on the date that the values of the foreign debt securities are determined. Investments in open-end mutual funds are valued at the closing net asset value.

Derivative financial instruments (derivatives) listed on the exchange are valued at the official closing price of the day. Certain derivatives trade in the OTC market. The Fund's pricing services use various techniques including industry standard option pricing models and proprietary discounted cash flow models to determine the fair value of those instruments. The Fund's net benefit or obligation under the derivative contract, as measured by the fair value of the contract, is included in net assets.

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the VLOC convenes on a regular basis to review such financial instruments and considers a number of factors, including significant unobservable valuation inputs, when arriving at fair value. The VLOC primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed. The VLOC employs various methods for calibrating these valuation approaches including a regular review of key inputs and assumptions, transactional back-testing or disposition analysis, and reviews of any related market activity.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before the daily NYSE close. In addition, trading in certain foreign markets may not take place on every NYSE business day. Occasionally, events occur between the time at which trading in a foreign security is completed and the close of the NYSE that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Fund's portfolio securities as determined at the foreign market close and the latest indications of value at the close of the NYSE. In order to minimize the potential for these differences, the VLOC monitors price movements following the close of trading in foreign stock markets through a series of country specific market proxies (such as baskets of American Depositary Receipts, futures contracts and exchange traded

TEMPLETON GLOBAL INCOME FUND

NOTES TO FINANCIAL STATEMENTS

funds). These price movements are measured against established trigger thresholds for each specific market proxy to assist in determining if an event has occurred that may call into question the reliability of the values of the foreign securities held by the Fund. If such an event occurs, the securities may be valued using fair value procedures, which may include the use of independent pricing services.

Also, when the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the NYSE is closed, which could result in differences between the value of the Fund's portfolio securities on the last business day and the last calendar day of the reporting period. Any significant security valuation changes due to an open foreign market are adjusted and reflected by the Fund for financial reporting purposes.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Fund may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments on the Statement of Operations.

Realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities

other than investments in securities held at the end of the reporting period.

c. Derivative Financial Instruments

The Fund invested in derivatives in order to manage risk or gain exposure to various other investments or markets. Derivatives are financial contracts based on an underlying or notional amount, require no initial investment or an initial net investment that is smaller than would normally be required to have a similar response to changes in market factors, and require or permit net settlement. Derivatives contain various risks including the potential inability of the counterparty to fulfill their obligations under the terms of the contract, the potential for an illiquid secondary market, and/or the potential for market movements which expose the Fund to gains or losses in excess of the amounts shown on the Statement of Assets and Liabilities. Realized gain and loss and unrealized appreciation and depreciation on these contracts for the period are included in the Statement of Operations.

Derivative counterparty credit risk is managed through a formal evaluation of the creditworthiness of all potential counterparties. The Fund attempts to reduce its exposure to counterparty credit risk on OTC derivatives, whenever possible, by entering into International Swaps and Derivatives Association (ISDA) master agreements with certain counterparties. These agreements contain various provisions, including but not limited to collateral requirements, events of default, or early termination. Termination events applicable to the counterparty include certain deteriorations in the credit quality of the counterparty. Termination events applicable to the Fund include failure of the Fund to maintain certain net asset levels and/or limit the decline in net assets over various periods of time. In the event of default or early termination, the ISDA master agreement gives the non-defaulting party the right to net and close-out all transactions traded, whether or not arising under the ISDA agreement, to one net amount payable by one counterparty to the other. However, absent an event of default or early termination, OTC derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities. Early termination by the counterparty may result in an immediate payment by the Fund of any net liability owed to that counterparty under the ISDA agreement.

Collateral requirements differ by type of derivative. Collateral or initial margin requirements are set by the broker or exchange clearing house for exchange traded and centrally cleared derivatives. Initial margin deposited is held at the exchange and can be

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TEMPLETON GLOBAL INCOME FUND

NOTES TO FINANCIAL STATEMENTS

1. Organization and Significant Accounting

Policies (continued)

c. Derivative Financial Instruments (continued)

in the form of cash and/or securities. For OTC derivatives traded under an ISDA master agreement, posting of collateral is required by either the fund or the applicable counterparty if the total net exposure of all OTC derivatives with the applicable counterparty exceeds the minimum transfer amount, which typically ranges from \$100,000 to \$250,000, and can vary depending on the counterparty and the type of the agreement. Generally, collateral is determined at the close of fund business each day and any additional collateral required due to changes in derivative values may be delivered by the fund or the counterparty within a few business days. Collateral pledged and/or received by the fund for OTC derivatives, if any, is held in segregated accounts with the fund's custodian/counterparty broker and can be in the form of cash and/or securities. Unrestricted cash may be invested according to the Fund's investment objectives.

The Fund entered into OTC forward exchange contracts primarily to manage and/or gain exposure to certain foreign currencies. A forward exchange contract is an agreement between the Fund and a counterparty to buy or sell a foreign currency at a specific exchange rate on a future date.

The Fund entered into interest rate swap contracts primarily to manage interest rate risk. An interest rate swap is an agreement between the Fund and a counterparty to exchange cash flows based on the difference between two interest rates, applied to a notional amount. These agreements may be privately negotiated in the over-the-counter market (OTC interest rate swaps) or may be executed on a registered exchange (centrally cleared interest rate swaps). For centrally cleared interest rate swaps, required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable on the Statement of Assets and Liabilities. Over the term of the contract, contractually required payments to be paid and to be received are accrued daily and recorded as unrealized depreciation and appreciation until the payments are made, at which time they are realized.

See Note 9 regarding other derivative information.

d. Restricted Cash

At August 31, 2014, the Fund received restricted cash in connection with investments in certain derivative securities. Restricted cash is held in a segregated account with the Fund's custodian / counterparty broker and is reflected in the Statement of Assets and Liabilities.

e. Income and Deferred Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained upon examination by the tax authorities based on the technical merits of the tax position. As of August 31, 2014, and for all open tax years, the Fund has determined that no liability for unrecognized tax benefits is required in the Fund's financial statements related to uncertain tax positions taken on a tax return (or expected to be taken on future tax returns). Open tax years are those that remain subject to examination and are based on each tax jurisdiction statute of limitation.

f. Security Transactions, Investment Income, Expenses and Distributions

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Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest

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TEMPLETON GLOBAL INCOME FUND

NOTES TO FINANCIAL STATEMENTS

income. Distributions to shareholders are recorded on the ex-dividend date and are determined according to income tax regulations (tax basis). Distributable earnings determined on a tax basis may differ from earnings recorded in accordance with accounting principles generally accepted in the United States of America. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

Inflation-indexed bonds are adjusted for inflation through periodic increases or decreases in the security's interest accruals, face amount, or principal redemption value, by amounts corresponding to the rate of inflation as measured by an index. Any increase or decrease in the face amount or principal redemption value will be included as interest income on the Statement of Operations.

g. Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

h. Guarantees and Indemnifications

Under the Fund's organizational documents, its officers and trustees are indemnified by the Fund against certain liabilities arising out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. Currently, the Fund expects the risk of loss to be remote.

2. Shares of Beneficial Interest

At August 31, 2014, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Year Ended August 31,			
	2014			2013
	Shares	Amount	Shares	Amount
Shares issued in reinvestment of distributions	—	\$ —	909,848	\$ 8,288,993

The Board previously authorized an open-market share repurchase program pursuant to which the Fund may purchase, from time to time, Fund shares in open-market transactions, at the discretion of management. This authorization remains in effect. Since the inception of the program, the Fund had repurchased a total of 11,210,400 shares. During the years ended August 31, 2014 and August 31, 2013, there were no shares repurchased.

3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton Investments. Certain officers and trustees of the Fund are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager

TEMPLETON GLOBAL INCOME FUND
NOTES TO FINANCIAL STATEMENTS

3. Transactions with Affiliates (continued)

a. Management Fees

The Fund pay an investment management fee to Advisers based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.700 %	Up to and including \$200 million
0.635 %	Over \$200 million, up to and including \$700 million
0.600 %	Over \$700 million, up to and including \$1 billion
0.580 %	Over \$1 billion, up to and including \$5 billion
0.560 %	Over \$5 billion, up to and including \$10 billion
0.540 %	Over \$10 billion, up to and including \$15 billion
0.520 %	Over \$15 billion, up to and including \$20 billion
0.500 %	In excess of \$20 billion

Effective June 1, 2014, the Fund combined its investment management and administration agreements as approved by the Board.

The fees paid under the combined agreement do not exceed the aggregate fees that were paid under the separate agreements.

Prior to June 1, 2014, the Fund paid fees to Advisers based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.550 %	Up to and including \$200 million
0.500 %	Over \$200 million, up to and including \$1 billion
0.480 %	Over \$1 billion, up to and including \$5 billion
0.460 %	Over \$5 billion, up to and including \$10 billion
0.440 %	Over \$10 billion, up to and including \$15 billion
0.420 %	Over \$15 billion, up to and including \$20 billion
0.400 %	In excess of \$20 billion

b. Administrative Fees

Effective June 1, 2014, under an agreement with Advisers, FT Services provides administrative services to the Fund. The fee is paid by Advisers based on the Fund's average daily net assets, and is not an additional expense of the Fund.

Prior to June 1, 2014, the Fund paid FT Services for administrative services. The Fund paid administrative fees to FT Services based on daily net assets as follows:

Annualized Fee Rate	Net Assets
0.150 %	Up to and including \$200 million
0.135 %	Over \$200 million, up to and including \$700 million
0.100 %	In excess of \$700 million

c. Investments in Institutional Fiduciary Trust Money Market Portfolio

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The Fund invests in the Institutional Fiduciary Trust Money Market Portfolio (Sweep Money Fund), an affiliated open-end management investment company. Management fees paid by the Fund are waived on assets invested in the Sweep Money Fund, as noted on the Statement of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by the Sweep Money Fund. Prior to September 1, 2013, the waiver was accounted for as a reduction to management fees.

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TEMPLETON GLOBAL INCOME FUND
NOTES TO FINANCIAL STATEMENTS

4. Expense Offset Arrangement

The Fund has entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Fund's custodian expenses. During the year ended August 31, 2014, the custodian fees were reduced as noted in the Statement of Operations.

5. Income Taxes

For tax purposes, capital losses may be carried over to offset future capital gains, if any.

During the year ended August 31, 2014, the Fund utilized \$801,095 of capital loss carryforwards.

The tax character of distributions paid during the years ended August 31, 2014 and 2013, was as follows:

		2014		2013
Distributions paid from:				
Ordinary income	\$	83,155,964	\$	97,391,877
Long term capital gain				37,760,825
	\$	83,155,964	\$	135,152,702

At August 31, 2014, the cost of investments and net unrealized appreciation (depreciation) and undistributed ordinary income for income tax purposes were as follows:

Cost of investments	\$	1,090,748,097
Unrealized appreciation	\$	61,629,477
Unrealized depreciation		(21,791,181)
Net unrealized appreciation (depreciation)	\$	39,838,296
Distributable earnings - undistributed ordinary income	\$	30,113,851

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of foreign currency transactions and bond discounts and premiums.

6. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended August 31, 2014, aggregated \$434,324,967 and \$431,936,667, respectively.

7. Credit Risk

At August 31, 2014, the Fund had 14.96% of its portfolio invested in high yield or other securities rated below investment grade. These securities may be more sensitive to economic conditions causing greater price volatility and are potentially subject to a greater risk of loss due to

default than higher rated securities.

8. Concentration of Risk

Investing in foreign securities may include certain risks and considerations not typically associated with investing in U.S. securities, such as fluctuating currency values and changing local and regional economic, political and social conditions, which may result in greater market volatility. In addition, certain foreign securities may not be as liquid as U.S. securities.

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NOTES TO FINANCIAL STATEMENTS

9. Other Derivative Information

At August 31, 2014, the Fund's investments in derivative contracts are reflected on the Statement of Assets and Liabilities as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Interest rate contracts	Variation margin / Net assets consist of: net unrealized appreciation	\$	Unrealized depreciation on swap contracts / Due from Brokers / Variation margin / Net assets consist of: net unrealized depreciation	\$ 6,683,268 a
Foreign exchange contracts	Unrealized appreciation on forward exchange contracts	23,436,380	Unrealized depreciation on forward exchange contracts	3,637,777

aIncludes cumulative appreciation (depreciation) of centrally cleared swaps as reported in the Statement of Investments. Initial margin is included as a receivable due from

brokers and current day's variation margin is separately reported within the Statement of Assets and Liabilities.

For the year ended August 31, 2014, the effect of derivative contracts on the Fund's Statement of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Operations Locations	Realized Gain (Loss) for the Year	Change in Unrealized Appreciation (Depreciation) for the Year
Interest rate contracts	Net realized gain (loss) from swap contracts / Net change in unrealized appreciation (depreciation) on investments	\$ (1,143,489)	\$ (3,509,127)
Foreign exchange contracts	Net realized gain (loss) from foreign currency transactions / Net change in unrealized appreciation (depreciation) on translation of other assets and liabilities denominated in foreign currencies	796,980	26,690,810

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For the year ended August 31, 2014, the average month end fair value of derivatives represented 3.34% of average month end net assets. The average month end number of open derivative contracts for the year was 300.

At August 31, 2014, the Fund's OTC derivative assets and liabilities, are as follows:

Gross and Net Amounts of			
Assets and Liabilities Presented			
in the Statement of Assets and Liabilities			
		Assets^a	Liabilities^a
Derivatives			
Forward exchange contracts	\$	23,436,380	\$ 3,637,777
Swap Contracts			6,399,775
Total	\$	23,436,380	\$ 10,037,552

^aAbsent an event of default or early termination, OTC derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities.

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TEMPLETON GLOBAL INCOME FUND
NOTES TO FINANCIAL STATEMENTS

At August 31, 2014, the Fund's OTC derivative assets which may be offset against the Fund's OTC derivative liabilities and collateral received from the counterparty, is as follows:

Counterparty	Amounts Not Offset in the Statement of Assets and Liabilities				
	Gross and Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Financial Instruments Available for Offset	Financial Instruments Collateral Received ^{a,b}	Cash Collateral Received ^b	Net Amount (Not less than zero)
BOFA	\$ 399,365	\$	(349,021)	\$	\$ 50,344
BZWS	3,318,049	(313,466)		(2,680,000)	324,583
CITI	2,663,066	(1,954,105)	(708,961)		
DBAB	5,044,785	(2,430,705)		(2,160,000)	454,080
GSCO	912,770			(810,000)	102,770
HSBK	4,251,846	(79,209)	(4,172,637)		
JPHQ	3,527,299	(3,527,299)			
MSCO	805,385	(777,090)		(28,295)	
SCNY	2,513,815			(2,280,000)	233,815
UBSW					
Total	\$ 23,436,380	(9,081,874)	\$ (5,230,619)	\$ (7,958,295)	\$ 1,165,592

^aAt August 31, 2014, the Fund received United Kingdom Treasury Bonds and U.S. Treasury Bonds and Notes as collateral for derivatives.

^bIn some instances, the collateral amounts disclosed in the table above were adjusted due to the requirement to limit the collateral amounts to avoid the effect of overcollateralization. Actual collateral received and/or pledged may be more than the amounts disclosed herein.

At August 31, 2014, the Fund's OTC derivative liabilities which may be offset against the Fund's OTC derivative assets and collateral pledged to the counterparty, is as follows:

	Amounts Not Offset in the Statement of Assets and Liabilities				
	Gross and Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments Available for Offset	Financial Instruments Collateral Pledged	Cash Collateral Pledged ^a	Net Amount (Not less than zero)

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Counterparty					
BOFA	\$		\$		\$
BZWS		313,466		(313,466)	
CITI		1,954,105		(1,954,105)	
DBAB		2,430,705		(2,430,705)	
GSCO					
HSBK		79,209		(79,209)	
JPHQ		4,432,850		(3,527,299)	(905,551)
MSCO		777,090		(777,090)	
SCNY					
UBSW		50,127			(20,000) 30,127
Total	\$	10,037,552	\$	(9,081,874)	\$ (925,551) \$ 30,127

in some instances, the collateral amounts disclosed in the table above were adjusted due to the requirement to limit the collateral amounts to avoid the effect of overcollateralization. Actual collateral received and/or pledged may be more than the amounts disclosed herein.

See Note 1(c) regarding derivative financial instruments.

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TEMPLETON GLOBAL INCOME FUND
NOTES TO FINANCIAL STATEMENTS

10. Fair Value Measurements

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates/prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

For movements between the levels within the fair value hierarchy, the Fund has adopted a policy of recognizing the transfers as of the date of the underlying event which caused the movement.

A summary of inputs used as of August 31, 2014, in valuing the Fund's assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments in Securities:				
Foreign Government and Agency Securities ^a	\$	\$ 964,057,100	\$	\$ 964,057,100
Short Term Investments	116,081,751	50,447,542		166,529,293
Total Investments in Securities	\$ 116,081,751	\$ 1,014,504,642	\$	\$ 1,130,586,393
Other Financial Instruments				
Forward Exchange Contracts	\$	\$ 23,436,380	\$	\$ 23,436,380
Liabilities:				
Other Financial Instruments				
Forward Exchange Contracts	\$	\$ 3,637,777	\$	\$ 3,637,777
Swap Contracts		6,683,268		6,683,268
Total Other Financial Instruments	\$	\$ 10,321,045	\$	\$ 10,321,045

^aFor detailed categories, see the accompanying Statement of Investments.

11. New Accounting Pronouncements

In June 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2013-08, Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements. The ASU modifies the criteria used in defining an investment company under U.S. Generally Accepted Accounting Principles and also sets forth certain measurement and disclosure requirements. Under the ASU, an entity that is registered under the 1940 Act automatically qualifies as an investment company. The ASU is effective for interim and annual reporting periods beginning after December 15, 2013. Management has reviewed the requirements and believes the adoption of this ASU will not have a material impact on the financial statements.

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In June 2014, the FASB issued ASU No. 2014-11, Transfers and Servicing (Topic 860), Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures. The ASU changes the accounting for certain repurchase agreements and expands disclosure requirements related to repurchase agreements, securities lending, repurchase-to-maturity and similar transactions. The ASU is effective for interim and annual reporting periods beginning after December 15, 2014. Management is currently evaluating the impact, if any, of applying this provision.

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TEMPLETON GLOBAL INCOME FUND
NOTES TO FINANCIAL STATEMENTS

12. Subsequent Events

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure.

Abbreviations

Counterparty/Exchange	Currency	Selected Portfolio
BOFA Bank of America Corp.	BRL Brazilian Real	FRN Floating Rate Note
BZWS Barclays Bank PLC	EUR Euro	
CITI Citigroup, N.A.	HUF Hungarian Forint	
DBAB Deutsche Bank AG	IDR Indonesian Rupiah	
GSCO Goldman Sachs Group, Inc.	INR Indian Rupee	
HSBK HSBC Bank PLC	JPY Japanese Yen	
JPHQ JPMorgan Chase N.A.	KRW South Korean Won	
LCH London Clearing House	LKR Sri Lankan Rupee	
MSCO Morgan Stanley and Co. Inc.	MXN Mexican Peso	
SCNY Standard Chartered Bank	MYR Malaysian Ringgit	
UBSW UBS AG	PEN Peruvian Nuevo Sol	
	PHP Philippine Peso	
	PLN Polish Zloty	
	SEK Swedish Krona	
	SGD Singapore Dollar	

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TEMPLETON GLOBAL INCOME FUND

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of Templeton Global Income Fund

In our opinion, the accompanying statement of assets and liabilities, including the statement of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Templeton Global Income Fund (the Fund) at August 31, 2014, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as financial statements) are the responsibility of the Fund s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at August 31, 2014 by correspondence with the custodian, transfer agent and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

San Francisco, California

October 17, 2014

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TEMPLETON GLOBAL INCOME FUND

Tax Information (unaudited)

Under Section 871(k)(2)(C) of the Internal Revenue Code (Code), the Fund hereby reports the maximum amount allowable but no less than \$442,676 as a short term capital gain dividend for purposes of the tax imposed under Section 871(a)(1)(A) of the Code for the fiscal year ended August 31, 2014.

At August 31, 2014, more than 50% of the Fund's total assets were invested in securities of foreign issuers. In most instances, foreign taxes were withheld from income paid to the Fund on these investments. As shown in the table below, the Fund hereby reports to shareholders the foreign source income and foreign taxes paid, pursuant to Section 853 of the Code. This written statement will allow shareholders of record on August 15, 2014, to treat their proportionate share of foreign taxes paid by the Fund as having been paid directly by them. The shareholder shall consider these amounts as foreign taxes paid in the tax year in which they receive the Fund distribution.

The following table provides a detailed analysis of foreign tax paid, and foreign source income, and foreign qualified dividends as reported by the Fund to shareholders of record.

	Foreign Tax Paid		Foreign Source		Foreign Source Qualified
	Per Share		Income Per Share		Dividends Per Share
\$	0.0085	\$	0.4095		\$

Foreign Tax Paid Per Share (Column 1) is the amount per share available to you, as a tax credit (assuming you held your shares in the Fund for a minimum of 16 days during the 31-day period beginning 15 days before the ex-dividend date of the Fund's distribution to which the foreign taxes relate), or, as a tax deduction.

Foreign Source Income Per Share (Column 2) is the amount per share of income dividends attributable to foreign securities held by the Fund, plus any foreign taxes withheld on these dividends. The amounts reported include foreign source qualified dividends that have not been adjusted for the rate differential applicable to such dividend income.¹

Foreign Source Qualified Dividends Per Share (Column 3) is the amount per share of foreign source qualified dividends, plus any foreign taxes withheld on these dividends. These amounts represent the portion of the Foreign Source Income reported to you in column 2 that were derived from qualified foreign securities held by the Fund.¹

By mid-February 2015, shareholders will receive Form 1099-DIV which will include their share of taxes paid and foreign source income distributed during the calendar year 2014. The Foreign Source Income reported on Form 1099-DIV has not been adjusted for the rate differential on foreign source qualified dividend income. Shareholders are advised to check with their tax advisors for information on the treatment of these amounts on their 2014 individual income tax returns.

¹Qualified dividends are taxed at reduced long term capital gains tax rates. In determining the amount of foreign tax credit that may be applied against the U.S. tax liability of individuals receiving foreign source qualified dividends, adjustments may be required to the foreign tax credit limitation calculation to reflect the rate differential applicable to such dividend income. The rules however permit certain individuals to elect not to apply the rate differential adjustments for capital gains and/or dividends for any taxable year. Please consult your tax advisor and the instructions to Form 1116 for more information.

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TEMPLETON GLOBAL INCOME FUND

Annual Meeting of Shareholders, February 28, 2014 (unaudited)

The Annual Meeting of Shareholders of the Fund was held at the Fund's offices, 300 S.E. 2nd Street, Fort Lauderdale, Florida, on February 28, 2014. The purpose of the meeting was to elect five Trustees of the Fund and to ratify the selection of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Fund for the fiscal year ending August 31, 2014. At the meeting, the following persons were elected by the shareholders to serve as Trustees of the Fund: Edith E. Holiday, J. Michael Luttig, Frank A. Olson, Constantine D. Tseretopoulos and Rupert H. Johnson, Jr.* Shareholders also ratified the selection of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Fund for the fiscal year ending August 31, 2014. No other business was transacted at the meeting.

The results of the voting at the Annual Meeting are as follows:

1. Election of five Trustees:

		% of		% of Shares	
		Outstanding	Shares	Present and	Withheld
Term Expiring 2017	For				
Edith E. Holiday	113,238,256	84.42 %	97.68 %	2,687,424	2.00 %
J. Michael Luttig	113,396,343	84.53 %	97.82 %	2,529,337	1.89 %
Frank A. Olson	112,915,451	84.18 %	97.40 %	3,010,230	2.24 %
Constantine D. Tseretopoulos	113,212,224	84.40 %	97.66 %	2,713,457	2.02 %
Term Expiring 2016					
Rupert H. Johnson, Jr.	113,273,094	84.44 %	97.71 %	2,652,587	1.98 %

There were approximately 500 uncast votes received with respect to this item.

2. Ratification of the selection of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Fund for the fiscal year ending August 31, 2014:

	Shares	% of	
		Outstanding	Present and
	Voted	Shares	Voting
For	114,008,690	84.99 %	98.34 %
Against	818,234	0.61 %	0.71 %
Abstain	1,099,257	0.82 %	0.95 %
Total	115,926,181	86.42 %	100.00 %

*Harris J. Ashton, Ann Torre Bates, Frank J. Crothers, Gregory E. Johnson, David W. Niemiec, Larry D. Thompson and Robert E. Wade are Trustees of the Fund who are currently serving and whose terms of office continued after the Annual Meeting of Shareholders.

TEMPLETON GLOBAL INCOME FUND

Dividend Reinvestment and Cash Purchase Plan

The Fund offers a Dividend Reinvestment and Cash Purchase Plan (the Plan) with the following features:

Shareholders must affirmatively elect to participate in the Plan. If you decide to use this service, share dividends and capital gains distributions will be reinvested automatically in shares of the Fund for your account. Computershare Shareowner Services, LLC, P.O. Box 30170, College Station, TX, 77842-3170, will provide additional Plan information upon request.

Whenever the Fund declares dividends in either cash or shares of the Fund, if the market price is equal to or exceeds net asset value at the valuation date, the participant will receive the dividends entirely in new shares at a price equal to the net asset value, but not less than 95% of the then current market price of the Fund's shares. If the market price is lower than net asset value or if dividends and/or capital gains distributions are payable only in cash, the participant will receive shares purchased on the New York Stock Exchange or otherwise on the open market.

A participant has the option of submitting additional cash payments to the Plan Administrator, in any amounts of at least \$100, up to a maximum of \$5,000 per month, for the purchase of Fund shares for his or her account. These payments can be made by check payable to Computershare Trust Company, N.A. (formerly, The Bank of New York Mellon) (the Plan Administrator) and sent to Computershare Shareowner Services, LLC, P.O. Box 30170, College Station, TX, 77842-3170, Attention: Templeton Global Income Fund. The Plan Administrator will apply such payments (less a \$5.00 service charge and less a pro rata share of trading fees) to purchases of Fund shares on the open market.

The automatic reinvestment of dividends and/or capital gains does not relieve the participant of any income tax that may be payable on dividends or distributions.

Whenever shares are purchased on the New York Stock Exchange or otherwise on the open market, each participant will pay a pro rata portion of trading fees. Trading fees will be deducted from amounts to be invested. The Plan Administrator's fee for a sale of shares through the Plan is \$15.00 per transaction plus a \$0.12 per share trading fee.

A participant may withdraw from the Plan without penalty at any time by written notice to the Plan Administrator sent to Computershare Shareowner Services, LLC, P.O. Box 30170, College Station, TX, 77842-3170. Upon withdrawal, the participant will receive, without charge, share certificates issued in the participant's name for all full shares held by the Plan Administrator; or, if the participant wishes, the Plan Administrator will sell the shares and send the proceeds to the participant, less a service charge of \$15.00 and less trading fees of \$0.12 per share. The Plan Administrator will convert any fractional shares held at the time of withdrawal to cash at current market price and send a check to the participant for the net proceeds.

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TEMPLETON GLOBAL INCOME FUND

Transfer Agent

Computershare Shareowner Services, LLC

P.O. Box 30170

College Station, TX 77842-3170

Overnight Address:

211 Quality Circle, Suite 210

College Station, TX 77845

(800) 416-5585

www.computershare.com/Investor

Direct Deposit Service for Registered Shareholders

Cash distributions can now be electronically credited to a checking or savings account at any financial institution that participates in the Automated Clearing House (ACH) system. The Direct Deposit service is provided for registered shareholders at no charge. To enroll in the service, access your account online by going to www.computershare.com/Investor or dial (800) 416-5585 (toll free) and follow the instructions. Direct Deposit will begin with the next scheduled distribution payment date following enrollment in the service.

Direct Registration

If you are a registered shareholder of the Fund, purchases of shares of the Fund can be electronically credited to your Fund account at Computershare Shareowner Services, LLC through Direct Registration. This service provides shareholders with a convenient way to keep track of shares through book-entry transactions, electronically move book-entry shares between broker-dealers, transfer agents and DRS eligible issuers, and eliminate the possibility of lost certificates. For additional information, please contact Computershare Shareowner Services, LLC at (800) 416-5585.

Shareholder Information

Shares of Templeton Global Income Fund are traded on the New York Stock Exchange under the symbol GIM. Information about the net asset value and the market price is published each Monday in the *Wall Street Journal*, weekly in *Barron's* and each Saturday in *The New York Times* and other newspapers. Daily market prices for the Fund's shares are published in the New York Stock Exchange Composite Transactions section of newspapers.

For current information about distributions and shareholder accounts, call (800) 416-5585. Registered shareholders can access their Fund account on-line with the *Investor ServiceDirect* website. For information go to Computershare Shareowner Services, LLC's web site at www.computershare.com/Investor and follow the instructions.

The daily closing net asset value as of the previous business day may be obtained when available by calling Franklin Templeton Fund Information after 7 a.m. Pacific time any business day at (800) DIAL BEN/342-5236. The Fund's net asset value and dividends are also listed on the NASDAQ Stock Market, Inc.'s Mutual Fund Quotation Service (NASDAQ MFQS).

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Shareholders not receiving copies of reports to shareholders because their shares are registered in the name of a broker or a custodian can request that they be added to the Fund's mailing list by writing Templeton Global Income Fund, 100 Fountain Parkway, P.O. Box 33030, St. Petersburg, FL, 33733-8030.

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TEMPLETON GLOBAL INCOME FUND

Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of portfolios overseen in the Franklin Templeton Investments fund complex are shown below. Generally, each board member serves until that person's successor is elected and qualified.

Independent Board Members

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Harris J. Ashton (1932) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 1992	138	Bar-S Foods (meat packing company) (1981-2010).

Principal Occupation During at Least the Past 5 Years:

Director of various companies; and **formerly**, Director, RBC Holdings, Inc. (bank holding company) (until 2002); and President, Chief Executive Officer and Chairman of the Board, General Host Corporation (nursery and craft centers) (until 1998).

Ann Torre Bates (1958) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2008	36	Navient Corporation (loan management, servicing and asset recovery) (May 2014), Ares Capital Corporation (specialty finance company) (2010-present), United Natural Foods, Inc. (distributor of natural, organic and specialty foods) (2013-present), Allied Capital Corporation (financial services) (2003-2010) and SLM Corporation (Sallie Mae) (1997-2014).
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Principal Occupation During at Least the Past 5 Years:

Director of various companies; and **formerly**, Executive Vice President and Chief Financial Officer, NHP Incorporated (manager of multifamily housing) (1995-1997); and Vice President and Treasurer, US Airways, Inc. (until 1995).

Frank J. Crothers (1944) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 1999	26	Talon Metals Corp. (mining exploration), Fortis, Inc. (utility holding company) and AML Foods Limited (retail distributors).
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TEMPLETON GLOBAL INCOME FUND

Independent Board Members (continued)

Name, Year of Birth and Address	Length of Position Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
J. Michael Luttig (1954) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee Since 2009	138	Boeing Capital Corporation (aircraft financing) (2006-2013).

Principal Occupation During at Least the Past 5 Years:

Executive Vice President, General Counsel and member of the Executive Council, The Boeing Company (aerospace company); and **formerly**, Federal Appeals Court Judge, U.S. Court of Appeals for the Fourth Circuit (1991-2006).

David W. Niemiec (1949) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee Since 2005	33	Emeritus Corporation (assisted living) (1999-2010) and OSI Pharmaceuticals, Inc. (pharmaceutical products) (2006-2010).
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Principal Occupation During at Least the Past 5 Years:

Advisor, Saratoga Partners (private equity fund); and **formerly**, Managing Director, Saratoga Partners (1998-2001) and SBC Warburg Dillon Read (investment banking) (1997-1998); Vice Chairman, Dillon, Read & Co. Inc. (investment banking) (1991-1997); and Chief Financial Officer, Dillon, Read & Co. Inc. (1982-1997).

Frank A. Olson (1932) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee Since 2003	138	Hess Corporation (exploration and refining of oil and gas) (1998-2013).
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Principal Occupation During at Least the Past 5 Years:

Director of various companies; and **formerly**, Chairman of the Board, The Hertz Corporation (car rental) (1980-2000) and Chief Executive Officer (1977-1999); and Chairman of the Board, President and Chief Executive Officer, UAL Corporation (airlines) (June-December 1987).

Larry D. Thompson (1945) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee Since 2005	138	Cbeyond, Inc. (business communications provider) (2010-2012), The Southern Company (energy company) (2010-2012) and Graham Holdings
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Company (formerly, The Washington Post Company) (education and media organization).

Principal Occupation During at Least the Past 5 Years:

Executive Vice President – Government Affairs, General Counsel and Corporate Secretary, PepsiCo, Inc. (consumer products) (2012-present);

and **formerly**, John A. Sibley Professor of Corporate and Business Law, University of Georgia School of Law (2011-2012); Senior Vice President – Government Affairs, General Counsel and Secretary, PepsiCo, Inc. (2004-2011); Senior Fellow of The Brookings Institution (2003-2004); Visiting Professor, University of Georgia School of Law (2004); and Deputy Attorney General, U.S. Department of Justice (2001-2003).

Constantine D. Tseretopoulos Trustee Since 1999	26	None
(1954)		
300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923		

Principal Occupation During at Least the Past 5 Years:

Physician, Chief of Staff, owner and operator of the Lyford Cay Hospital (1987-present); director of various nonprofit organizations; and **formerly**, Cardiology Fellow, University of Maryland (1985-1987); and Internal Medicine Resident, Greater Baltimore Medical Center (1982-1985).

Robert E. Wade (1946) Trustee Since 2006	43	El Oro Ltd (investments).
300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923		

Principal Occupation During at Least the Past 5 Years:

Attorney at law engaged in private practice (1972-2008) and member of various boards.

TEMPLETON GLOBAL INCOME FUND

Interested Board Members and Officers

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
**Gregory E. Johnson (1961) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2006	148	None
Principal Occupation During at Least the Past 5 Years: Chairman of the Board, Member Office of the Chairman, Director, President and Chief Executive Officer, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of 44 of the investment companies in Franklin Templeton Investments; and Chairman, Investment Company Institute.				
**Rupert H. Johnson, Jr. (1940) One Franklin Parkway San Mateo, CA 94403-1906	Chairman of the Board and Trustee and Vice President	Chairman of the Board and Trustee since 2013, and Vice President since 1996	138	None
Principal Occupation During at Least the Past 5 Years: Vice Chairman, Member Office of the Chairman and Director, Franklin Resources, Inc.; Director, Franklin Advisers, Inc.; Senior Vice President, Franklin Advisory Services, LLC; and officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of 41 of the investment companies in Franklin Templeton Investments.				
Alison E. Baur (1964) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2012	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Deputy General Counsel, Franklin Templeton Investments; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of 46 of the investment companies in Franklin Templeton Investments.				
Laura F. Ferguson (1962) One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer Finance and Administration	Since 2009	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:

Senior Vice President, Franklin Templeton Services, LLC; and officer of 46 of the investment companies in Franklin Templeton Investments.

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Aliya S. Gordon (1973) Vice President Since 2009 Not Applicable Not Applicable
One Franklin Parkway
San Mateo, CA 94403-1906

Principal Occupation During at Least the Past 5 Years:

Senior Associate General Counsel, Franklin Templeton Investments; officer of 46 of the investment companies in Franklin Templeton Investments; and **formerly**, Litigation Associate, Steefel, Levitt & Weiss, LLP (2000-2004).

Steven J. Gray (1955) Vice President Since 2009 Not Applicable Not Applicable
One Franklin Parkway
San Mateo, CA 94403-1906

Principal Occupation During at Least the Past 5 Years:

Senior Associate General Counsel, Franklin Templeton Investments; Vice President, Franklin Templeton Distributors, Inc. and Franklin Alternative Strategies Advisers, LLC; and officer of 46 of the investment companies in Franklin Templeton Investments.

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TEMPLETON GLOBAL INCOME FUND

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Selena L. Holmes (1965) 100 Fountain Parkway St. Petersburg, FL 33716-1205	Vice President – AML Compliance	Since 2012	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:

Director, Global Compliance Monitoring; Chief Compliance Officer, Franklin Alternative Strategies Advisers, LLC; Vice President, Franklin Templeton Companies, LLC; and officer of 46 of the investment companies in Franklin Templeton Investments.

Christopher J. Molumphy (1962) One Franklin Parkway San Mateo, CA 94403-1906	President and Chief Executive Officer – Investment Management	Since 2002	Not Applicable	Not Applicable
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Principal Occupation During at Least the Past 5 Years:

Director and Executive Vice President, Franklin Advisers, Inc.; Executive Vice President, Franklin Templeton Institutional, LLC; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of 22 of the investment companies in Franklin Templeton Investments.

Kimberly H. Novotny (1972) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Vice President	Since 2013	Not Applicable	Not Applicable
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Principal Occupation During at Least the Past 5 Years:

Associate General Counsel, Franklin Templeton Investments; Vice President and Secretary, Fiduciary Trust International of the South; Vice President, Templeton Investment Counsel, LLC; Assistant Secretary, Franklin Resources, Inc.; and officer of 46 of the investment companies in Franklin Templeton Investments.

Robert C. Rosselot (1960) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Chief Compliance Officer	Since 2013	Not Applicable	Not Applicable
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Principal Occupation During at Least the Past 5 Years:

Director, Global Compliance, Franklin Templeton Investments; Vice President, Franklin Templeton Companies, LLC; officer of 46 of the investment companies in Franklin Templeton Investments; and formerly, Senior Associate General Counsel, Franklin Templeton Investments (2007-2013); and Secretary and Vice President, Templeton Group of Funds (2004-2013).

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Karen L. Skidmore (1952) Vice President Since 2009 Not Applicable Not Applicable
One Franklin Parkway
San Mateo, CA 94403-1906

Principal Occupation During at Least the Past 5 Years:

Senior Associate General Counsel, Franklin Templeton Investments; and officer of 46 of the investment companies in Franklin Templeton Investments.

Craig S. Tyle (1960) Vice President Since 2005 Not Applicable Not Applicable
One Franklin Parkway
San Mateo, CA 94403-1906

Principal Occupation During at Least the Past 5 Years:

General Counsel and Executive Vice President, Franklin Resources, Inc.; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of 46 of the investment companies in Franklin Templeton Investments.

TEMPLETON GLOBAL INCOME FUND

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Lori A. Weber (1964) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Secretary and Vice President	Secretary since 2013 and Vice President since 2011	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:

Senior Associate General Counsel, Franklin Templeton Investments; Assistant Secretary, Franklin Resources, Inc.; Vice President and Secretary, Templeton Investment Counsel, LLC; Vice President, Fiduciary Trust International of the South; and officer of 46 of the investment companies in Franklin Templeton Investments.

*We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton Investments fund complex. These portfolios have a common investment manager or affiliated investment managers.

**Gregory E. Johnson is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director of Franklin Resources, Inc. (Resources), which is the parent company of the Fund's investment manager. Rupert H. Johnson, Jr. is considered to be an interested person of the Fund under the federal securities laws due to his position as officer and director and major shareholder of Resources.

Note 1: Rupert H. Johnson, Jr. is the uncle of Gregory E. Johnson.

Note 2: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the U.S. Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit

Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated each of Ann Torre Bates and David W. Niemiec as an audit committee financial expert. The Board believes that Ms. Bates and Mr. Niemiec qualify as such an expert in view of their extensive business background and experience. Ms. Bates has served as a member of the Fund Audit Committee since 2008. She currently serves as a director of Navient Corporation (May 2014), Ares Capital Corporation and United National Foods Inc. and was formerly a director of SLM Corporation from 1997 to 2014 and Allied Capital Corporation from 2003 to 2010, Executive Vice President and Chief Financial Officer of NHP Incorporated and Vice President and Treasurer of US Airways, Inc. Mr. Niemiec has served as a member of the Fund Audit Committee since 2005, currently serves as an Advisor to Saratoga Partners and was formerly its Managing Director

from 1998 to 2001. Mr. Niemiec was formerly a director of Emeritus Corporation from 1999 to 2010 and OSI Pharmaceuticals, Inc. from 2006 to 2010, Managing Director of SBC Warburg Dillon Read from 1997 to 1998, and was Vice Chairman from 1991 to 1997 and Chief Financial Officer from 1982 to 1997 of Dillon, Read & Co. Inc. As a result of such background and experience, the Board believes that Ms. Bates and Mr. Niemiec have each acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Ms. Bates and Mr. Niemiec are independent Board members as that term is defined under the applicable U.S. Securities and Exchange Commission Rules and Releases or the listing standards applicable to the Fund.

TEMPLETON GLOBAL INCOME FUND

Shareholder Information

Board Review of Investment Management Agreement

At a meeting held May 15, 2014, the Board of Trustees (Board), including a majority of non-interested or independent Trustees, approved renewal of the investment management agreement for the Fund. In reaching this decision, the Board took into account information furnished throughout the year at regular Board meetings, as well as information prepared specifically in connection with the annual renewal review process. Information furnished and discussed throughout the year included investment performance reports and related financial information for the Fund, as well as periodic reports on expenses, shareholder services, legal and compliance matters, pricing, brokerage commissions and execution and other services provided by the Investment Manager (Manager) and its affiliates. Information furnished specifically in connection with the renewal process included a report for the Fund prepared by Lipper, Inc. (Lipper), an independent organization, as well as additional material, including a Fund profitability analysis prepared by management. The Lipper report compared the Fund's investment performance and expenses with those of other funds deemed comparable to the Fund as selected by Lipper. The Fund profitability analysis discussed the profitability to Franklin Templeton Investments from its overall U.S. fund operations, as well as on an individual fund-by-fund basis. Additional material accompanying such profitability analysis included information on a fund-by-fund basis listing portfolio managers and other accounts they manage, as well as information on management fees charged by the Manager and its affiliates to U.S. funds and other accounts, including management's explanation of differences where relevant. Such material also included a memorandum prepared by management describing project initiatives and capital investments relating to the services provided to the Fund by the Franklin Templeton Investments organization, as well as a memorandum relating to economies of scale.

In considering such materials, the independent Trustees received assistance and advice from and met separately with independent counsel. In approving continuance of the investment management agreement for the Fund, the Board, including a majority of independent Trustees, determined that the existing management fee structure was fair and reasonable and that continuance of the investment management agreement was in the best interests of the Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's decision.

NATURE, EXTENT AND QUALITY OF SERVICES.

The Board was satisfied with the nature and quality of the overall services provided by the Manager and its affiliates to the Fund and its shareholders. In addition to investment performance and expenses discussed later, the Board's opinion was based, in part, upon periodic reports furnished it showing that the investment policies and restrictions for the Fund were consistently complied with as well as other reports periodically furnished the Board covering matters such as the compliance of portfolio managers and other management personnel with the code of ethics adopted throughout the Franklin Templeton fund complex, the adherence to fair value pricing procedures established by the Board, and the accuracy of net asset value calculations. Favorable consideration was given to management's continual efforts and expenditures in establishing back-up systems and recovery procedures to function in the event of a natural disaster, it being noted that such systems and procedures had functioned well during the Florida hurricanes and blackouts experienced in previous years, and that those operations in the New York/New Jersey area ran smoothly during the period of the 2012 Hurricane Sandy. Consideration was also given to the experience of the Fund's portfolio management team, the number of accounts managed and general method of compensation. In this latter respect, the Board noted that a primary factor in management's determination of a portfolio manager's bonus compensation was the relative investment performance of the funds he or she managed and that a portion of such bonus was required to be invested in a predesignated list of funds within such person's fund management area so as to be aligned with the interests of shareholders. Particular attention was given to management's conservative approach and diligent risk management procedures, including continual monitoring of counterparty credit risk and attention given to derivatives and other complex instruments including expanded collateralization requirements. The Board also took into account, among other things, the strong financial position of the Manager's parent company and its commitment to the fund business as evidenced by its subsidization of money market funds.

INVESTMENT PERFORMANCE. The Board placed significant emphasis on the investment performance of the Fund in view of its importance to shareholders. While consideration was given to performance reports and discussions with portfolio managers at Board meetings during the year, particular attention in assessing performance was given to the Lipper reports furnished for the agreement renewal. The Lipper report

TEMPLETON GLOBAL INCOME FUND

SHAREHOLDER INFORMATION

for the Fund showed its investment performance for the one-year period ended February 28, 2014, as well as the previous 10 years ended that date in respect to a performance universe consisting of the Fund and all closed-end non-leveraged global income funds as selected by Lipper. Such universe consisted of four funds during the one-year period, three funds during the annualized previous three- and five-year periods, and two funds during the annualized previous 10-year period. The Lipper report considered both the Fund's income return and total return on a net asset value basis without regard to market discounts or premiums to accurately reflect investment performance. The Lipper report showed the Fund's income return to be the second lowest among the four funds composing its Lipper performance universe for the one-year period, and on an annualized basis to be the highest or second highest among the funds constituting such universe for the previous three-, five- and 10-year periods. The Lipper report showed the Fund's total return to be the second highest among the four funds composing its Lipper performance universe for the one-year period, and on an annualized basis to be the highest or second highest among the funds constituting such universe for the previous three-, five- and 10-year periods. The Board was satisfied with such comparative investment performance, noting that the Fund's income return for the one-year period as shown in the Lipper report was 7.99% and exceeded the average income return of the expense group for such period.

COMPARATIVE EXPENSES. Consideration was given to a comparative analysis of the management fee and total expense ratio of the Fund compared with an expense group consisting of the Fund and two other closed-end funds as selected by Lipper. Lipper expense data is based upon information taken from each fund's most recent annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Lipper to be an appropriate measure of comparative expenses. In reviewing comparative costs, Lipper provides information on each Fund's contractual investment management fee rate in comparison with the contractual investment management fee rate that would have been charged by the other funds within the Lipper expense group assuming they were similar in size to the Fund, as well as the actual total expense rate of the Fund in comparison with those of the other funds. The Lipper contractual investment management fee analysis considers administrative fees to be part of management fees, and the results of such expense comparison

showed both the Fund's contractual investment management fee rate and total actual expense rate to be the lowest in its Lipper expense group. The Board was satisfied with the Fund's comparative expenses as shown in the Lipper report.

MANAGEMENT PROFITABILITY. The Board also considered the level of profits realized by the Manager and its affiliates in connection with the operation of the Fund. In this respect, the Board reviewed the Fund profitability analysis that addresses the overall profitability of Franklin Templeton's U.S. fund business, as well as its profits in providing management and other services to each of the individual funds during the 12-month period ended September 30, 2013, being the most recent fiscal year-end for Franklin Resources, Inc., the Manager's parent. In reviewing the analysis, the Board recognized that allocation methodologies are inherently subjective and various allocation methodologies may be reasonable while producing different results. In this respect, the Board noted that while management continually makes refinements to its methodologies in response to organizational and product related changes, the overall approach as defined by the primary drivers and activity measurements has remained consistent with that used in the Fund's profitability report presentations from prior years. Additionally, the Fund's independent registered public accounting firm had been engaged by the Manager to periodically review the reasonableness of the allocation methodologies to be used solely by the Fund's Board in reference to the profitability analysis. In reviewing and discussing such analysis, management discussed with the Board its belief that costs incurred in establishing the infrastructure necessary for the type of fund operations conducted by the Manager and its affiliates may not be fully reflected in the expenses allocated to the Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. In addition, the Board considered a third-party study comparing the profitability of the Manager's parent on an overall basis to other publicly held managers broken down to show profitability from management operations exclusive of distribution expenses, as well as profitability including distribution expenses. The Board also considered the extent to which the Manager and its affiliates might derive ancillary benefits from fund operations. Based upon its consideration of all these factors, the Board determined that the level of profits realized by the Manager and its affiliates from providing services to the Fund was not excessive in view of the nature, quality and extent of services provided.

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TEMPLETON GLOBAL INCOME FUND

SHAREHOLDER INFORMATION

ECONOMIES OF SCALE. The Board also considered whether the Manager realizes economies of scale as the Fund grows larger and the extent to which any such benefit is shared with the Fund and its shareholders. The Board believed that a manager's ability to realize economies of scale and the sharing of such benefit is a more relevant consideration in the case of an open-end fund whose size increases as a result of the continuous sale of its shares. A closed-end investment company such as the Fund does not continuously offer shares, and growth following its initial public offering will primarily result from market appreciation, which benefits its shareholders. While believing economies of scale to be less of a factor in the context of a closed-end fund, the Board believes at some point an increase in size may lead to economies of scale that should be shared with the Fund and its shareholders. In this respect, the Board noted the Fund is charged a management advisory fee at the rate of 0.55% on its first \$200 million of net assets; 0.500% on the next \$800 million of net assets; 0.48% on the next \$4 billion of net assets; and 0.46% on the next \$5 billion of net assets with decreasing breakpoints continuing through the \$20 billion net asset level. The Fund also pays a separate fee for administrative services that starts at 0.150% on the first \$200 million of Fund net assets, 0.135% on the next \$500 million of Fund net assets, and 0.100% thereafter. The Fund's asset size was approximately \$1.1 billion on December 31, 2013, and the Board believed such fee schedule provides a sharing of benefits with the Fund and its shareholders.

At the May 15, 2014, Board meeting, the Board eliminated the separate investment management and administrative agreements and approved a new form of investment management agreement for the Fund combining such services. In approving the new form of investment management agreement, the Board took into account that the types of services would be the same as that charged under the previous separate agreements and that the aggregate fee, including breakpoints, would be the same as that charged under the previous separate agreements. The Board also noted that combining such services was consistent with Lipper's methodology of considering contractual investment management fees to include any separately charged administrative fee.

copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Fund's proxy voting records are also made available online at franklintempleton.com and posted on the U.S. Securities and Exchange Commission's website at sec.gov and reflect the most recent 12-month period ended June 30.

Quarterly Statement of Investments

The Fund files a complete statement of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year on Form N-Q. Shareholders may view the filed Form N-Q by visiting the Commission's website at sec.gov. The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

Certifications

The Fund's Chief Executive Officer - Finance and Administration is required by the New York Stock Exchange's Listing Standards to file annually with the Exchange a certification that she is not aware of any violation by the Fund of the Exchange's Corporate Governance Standards applicable to the Fund. The Fund has filed such certification.

In addition, the Fund's Chief Executive Officer - Finance and Administration and Chief Financial Officer and Chief Accounting Officer are required by the rules of the U.S. Securities and Exchange Commission to provide certain certifications with respect to the Fund's Form N-CSR and Form N-CSRS (which include the Fund's annual and semi-annual reports to shareholders) that are filed annually with the Commission. The Fund has filed such certifications with its Form N-CSRS for the six months ended February 28, 2014. Additionally, the Fund expects to file, on or about October 30, 2014, such certifications with its Form N-CSR for the year ended August 31, 2014.

Proxy Voting Policies and Procedures

The Fund's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Fund uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Fund's complete Policies online at franklintempleton.com. Alternatively, shareholders may request

Annual Report

Templeton Global Income Fund

Investment Manager

Franklin Advisers, Inc.

Transfer Agent

Computershare Shareowner Services, LLC

P. O. Box 30170

College Station, TX 77842-3170

Toll free number: (800) 416-5585

Hearing Impaired phone number: (800) 231-5469

Foreign Shareholders phone number: (201) 680-6578

www.computershare.com/investor

Fund Information

(800) DIAL BEN[®] / 342-5236

Investors should be aware that the value of investments made for the Fund may go down as well as up. Like any investment in securities, the value of the Fund's portfolio will be subject to the risk of loss from market, currency, economic, political and other factors. The Fund and its investors are not protected from such losses by the investment manager. Therefore, investors who cannot accept this risk should not invest in shares of the Fund.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.

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Item 2. Code of Ethics.

(a) The Registrant has adopted a code of ethics that applies to its principal executive officers and principal financial and accounting officer.

(c) N/A

(d) N/A

(f) Pursuant to Item 12(a)(1), the Registrant is attaching as an exhibit a copy of its code of ethics that applies to its principal executive officers and principal financial and accounting officer.

Item 3. Audit Committee Financial Expert.

(a)(1) The Registrant has an audit committee financial expert serving on its audit committee.

(2) The audit committee financial expert is David W. Niemiec and he is "independent" as defined under the relevant Securities and Exchange Commission Rules and Releases.

Item 4. Principal Accountant Fees and Services.

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(a) Audit Fees

The aggregate fees paid to the principal accountant for professional services rendered by the principal accountant for the audit of the registrant's annual financial statements or for services that are normally provided by the principal accountant in connection with statutory and regulatory filings or engagements were \$53,634 for the fiscal year ended August 31, 2014 and \$54,721 for the fiscal year ended August 31, 2013.

(b) Audit-Related Fees

There were no fees paid to the principal accountant for assurance and related services rendered by the principal accountant to the registrant that are reasonably related to the performance of the audit of the registrant's financial statements and are not reported under paragraph (a) of Item 4.

There were no fees paid to the principal accountant for assurance and related services rendered by the principal accountant to the registrant's investment adviser and any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the registrant that are reasonably related to the performance of the audit of their financial statements.

(c) Tax Fees

There were no fees paid to the principal accountant for professional services rendered by the principal accountant to the registrant for tax compliance, tax advice and tax planning.

The aggregate fees paid to the principal accountant for professional services rendered by the principal accountant to the registrant's investment adviser and any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the registrant for tax compliance, tax advice and tax planning were \$3,830 for the fiscal year ended August 31, 2014 and \$6,100 for the fiscal year ended August 31, 2013. The services for which these fees were paid included technical tax consultation for capital gain tax and withholding tax reporting for foreign governments and requirements on local country's self-certification forms.

(d) All Other Fees

The aggregate fees paid to the principal accountant for products and services rendered by the principal accountant to the registrant, other than the services reported in paragraphs (a)-(c) of Item 4 were \$335 for the fiscal year ended August 31, 2014 and \$0 for the fiscal year ended August 31, 2013. The services for which these fees were paid included review of materials provided to the fund Board in connection with the investment management contract renewal process.

The aggregate fees paid to the principal accountant for products and services rendered by the principal accountant to the registrant's investment adviser and any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the registrant, other than the services reported in paragraphs (a)-(c) of Item 4 were \$159,401 for the fiscal year ended August 31, 2014 and \$0 for the fiscal year ended August 31, 2013. The services for which these fees were paid included review of materials provided to the fund Board in connection with the investment management contract renewal process.

(e) (1) The registrant's audit committee is directly responsible for approving the services to be provided by the auditors, including:

(i) pre-approval of all audit and audit related services;

(ii) pre-approval of all non-audit related services to be provided to the Fund by the auditors;

(iii) pre-approval of all non-audit related services to be provided to the registrant by the auditors to the registrant's investment adviser or to any entity that controls, is controlled by or is under common control with the registrant's investment adviser and that provides ongoing services to the registrant where the non-audit services relate directly to the operations or financial reporting of the registrant; and

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(iv) establishment by the audit committee, if deemed necessary or appropriate, as an alternative to committee pre-approval of services to be provided by the auditors, as required by paragraphs (ii) and (iii) above, of policies and procedures to permit such services to be pre-approved by other means, such as through establishment of guidelines or by action of a designated member or members of the committee; provided the policies and procedures are detailed as to the particular service and the committee is informed of each service and such policies and procedures do not include delegation of audit committee responsibilities, as contemplated under the Securities Exchange Act of 1934, to management; subject, in the case of (ii) through (iv), to any waivers, exceptions or exemptions that may be available under applicable law or rules.

(e) (2) None of the services provided to the registrant described in paragraphs (b)-(d) of Item 4 were approved by the audit committee pursuant to paragraph (c) (7) (i) (C) of Rule 2-01 of regulation S-X.

(f) No disclosures are required by this Item 4(f).

(g) The aggregate non-audit fees paid to the principal accountant for services rendered by the principal accountant to the registrant and the registrant's investment adviser and any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the registrant were \$163,566 for the fiscal year ended August 31, 2014 and \$6,100 for the fiscal year ended August 31, 2013.

(h) The registrant's audit committee of the board has considered whether the provision of non-audit services that were rendered to the registrant's investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Item 5. Audit Committee of Listed Registrants

Members of the Audit Committee are: Ann Torre Bates, Frank J. Crothers, David W. Niemiec, and Constantine D. Tseretopoulos.

Item 6. Schedule of Investments.

N/A

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

The board of trustees of the Fund has delegated the authority to vote proxies related to the portfolio securities held by the Fund to the Fund's investment manager Franklin Advisers, Inc. in accordance with the Proxy Voting Policies and

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Procedures (Policies) adopted by the investment manager.

The investment manager has delegated its administrative duties with respect to the voting of proxies for equity securities to the Proxy Group within Franklin Templeton Companies, LLC (Proxy Group), an affiliate and wholly owned subsidiary of Franklin Resources, Inc. All proxies received by the Proxy Group will be voted based upon the investment manager's instructions and/or policies. The investment manager votes proxies solely in the best interests of the Fund and its shareholders.

To assist it in analyzing proxies, the investment manager subscribes to Institutional Shareholder Services, Inc. (ISS), an unaffiliated third-party corporate governance research service that provides in-depth analyses of shareholder meeting agendas, vote recommendations, vote execution services, ballot reconciliation services, recordkeeping and vote disclosure services. In addition, the investment manager subscribes to Glass, Lewis & Co., LLC (Glass Lewis), an unaffiliated third-party analytical research firm, to receive analyses and vote recommendations on the shareholder meetings of publicly held U.S. companies, as well as a limited subscription to its international research. Although ISS' and/or Glass Lewis' analyses are thoroughly reviewed and considered in making a final voting decision, the investment manager does not consider recommendations from ISS, Glass Lewis or any other third party to be determinative of the investment manager's ultimate decision. Rather, the investment manager exercises its independent judgment in making voting decisions. As a matter of policy, the officers, directors/trustees and employees of the investment manager and the Proxy Group will not be influenced by outside sources whose interests conflict with the interests of the Fund and its shareholders. Efforts are made to resolve all conflicts in the best interests of the investment manager's clients. Material conflicts of interest are identified by the Proxy Group based upon analyses of client, distributor, broker-dealer and vendor lists, information periodically gathered from directors and officers, and information derived from other sources, including public filings. In situations where a material conflict of interest is identified, the Proxy Group may defer to the voting recommendation of ISS, Glass Lewis or those of another independent third-party provider of proxy services; or send the proxy directly to the Fund's board or a committee of the board with the investment manager's recommendation regarding the vote for approval.

Where a material conflict of interest has been identified, but the items on which the investment manager's vote recommendations differ from Glass Lewis, ISS, or another independent third-party provider of proxy services relate specifically to (1) shareholder proposals regarding social or environmental issues, (2) "Other Business" without describing the matters that might be considered, or (3) items the investment manager wishes to vote in opposition to the recommendations of an issuer's management, the Proxy Group may defer to the vote recommendations of the investment manager rather than sending the proxy directly to the Fund's board or a board committee for approval.

To avoid certain potential conflicts of interest, the investment manager will employ echo voting, if possible, in the following instances: (1) when the Fund invests in an underlying fund in reliance on any one of Sections 12(d) (1) (E), (F), or (G) of the 1940 Act, the rules thereunder, or pursuant to a SEC exemptive order thereunder; (2) when the Fund invests uninvested cash in affiliated money market funds pursuant to the rules under the 1940 Act or any exemptive orders thereunder ("cash sweep arrangement"); or (3) when required pursuant to the Fund's governing documents or applicable law. Echo voting means that the investment manager will vote the shares in the same proportion as the vote of all of the other holders of the underlying fund's shares.

The recommendation of management on any issue is a factor that the investment manager considers in determining how proxies should be voted. However, the investment manager does not consider recommendations from management to be determinative of the investment manager's ultimate decision. As a matter of practice, the votes with respect to most issues are cast in accordance with the position of the company's management. Each issue, however, is considered on its own merits, and the investment manager will not support the position of the company's management in any situation where it deems that the ratification of management's position would adversely affect the investment merits of owning that company's shares.

Investment manager's proxy voting policies and principles The investment manager has adopted general proxy voting guidelines, which are summarized below. These guidelines are not an exhaustive list of all the issues that may arise and the investment manager cannot anticipate all future situations. In all cases, each proxy will be considered based on the relevant facts and circumstances.

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Board of directors. The investment manager supports an independent board of directors, and prefers that key committees such as audit, nominating, and compensation committees be comprised of independent directors. The investment manager will generally vote against management efforts to classify a board and will generally support proposals to declassify the board of directors. The investment manager will consider withholding votes from directors who have attended less than 75% of meetings without a valid reason. While generally in favor of separating Chairman and CEO positions, the investment manager will review this issue as well as proposals to restore or provide for cumulative voting on a case-by-case basis, taking into consideration factors such as the company's corporate governance guidelines or provisions and performance. The investment manager generally will support non-binding shareholder proposals to require a majority vote standard for the election of directors; however, if these proposals are binding, the investment manager will give careful review on a case-by-case basis of the potential ramifications of such implementation.

In the event of a contested election, the investment manager will review a number of factors in making a decision including management's track record, the company's financial performance, qualifications of candidates on both slates, and the strategic plan of the dissidents.

Ratification of auditors of portfolio companies. The investment manager will closely scrutinize the independence, role and performance of auditors. On a case-by-case basis, the investment manager will examine proposals relating to non-audit relationships and non-audit fees. The investment manager will also consider, on a case-by-case basis, proposals to rotate auditors, and will vote against the ratification of auditors when there is clear and compelling evidence of a lack of independence, accounting irregularities or negligence. The investment manager may also consider whether the ratification of auditors has been approved by an appropriate audit committee that meets applicable composition and independence requirements.

Management and director compensation. A company's equity-based compensation plan should be in alignment with the shareholders' long-term interests. The investment manager believes that executive compensation should be directly linked to the performance of the company. The investment manager evaluates plans on a case-by-case basis by considering several factors to determine whether the plan is fair and reasonable, including the ISS quantitative model utilized to assess such plans and/or the Glass Lewis evaluation of the plans. The investment manager will generally oppose plans that have the potential to be excessively dilutive, and will almost always oppose plans that are structured to allow the repricing of underwater options, or plans that have an automatic share replenishment "evergreen" feature. The investment manager will generally support employee stock option plans in which the purchase price is at least 85% of fair market value, and when potential dilution is 10% or less.

Severance compensation arrangements will be reviewed on a case-by-case basis, although the investment manager will generally oppose "golden parachutes" that are considered to be excessive. The investment manager will normally support proposals that require a percentage of directors' compensation to be in the form of common stock, as it aligns their interests with those of shareholders.

The investment manager will review non-binding say-on-pay proposals on a case-by-case basis, and will generally vote in favor of such proposals unless

compensation is misaligned with performance and/or shareholders' interests, the company has not provided reasonably clear disclosure regarding its compensation practices, or there are concerns with the company's remuneration practices.

Anti-takeover mechanisms and related issues. The investment manager generally opposes anti-takeover measures since they tend to reduce shareholder rights. However, as with all proxy issues, the investment manager conducts an independent review of each anti-takeover proposal. On occasion, the investment manager may vote with management when the research analyst has concluded that the proposal is not onerous and would not harm the Fund or its shareholders' interests. The investment manager generally supports proposals that require shareholder rights' plans ("poison pills") to be subject to a shareholder vote and will closely evaluate such plans on a case-by-case basis to determine whether or not they warrant support. In addition, the investment manager will generally vote against any proposal to issue stock that has unequal or subordinate voting rights. The investment manager generally opposes any supermajority voting requirements as well as the payment of "greenmail." The investment manager generally supports "fair price" provisions and confidential voting. The investment manager will review a company's proposal to reincorporate to a different state or country on a case-by-case basis taking into consideration financial benefits such as tax treatment as well as comparing corporate governance provisions and general business laws that may result from the change in domicile.

Changes to capital structure. The investment manager realizes that a company's financing decisions have a significant impact on its shareholders, particularly when they involve the issuance of additional shares of common or preferred stock or the assumption of additional debt. The investment manager will review, on a case-by-case basis, proposals by companies to increase authorized shares and the purpose for the increase. The investment manager will generally not vote in favor of dual-class capital structures to increase the number of authorized shares where that class of stock would have superior voting rights. The investment manager will generally vote in favor of the issuance of preferred stock in cases where the company specifies the voting, dividend, conversion and other rights of such stock and the terms of the preferred stock issuance are deemed reasonable. The investment manager will review proposals seeking preemptive rights on a case-by-case basis.

Mergers and corporate restructuring. Mergers and acquisitions will be subject to careful review by the research analyst to determine whether they would be beneficial to shareholders. The investment manager will analyze various economic and strategic factors in making the final decision on a merger or acquisition. Corporate restructuring proposals are also subject to a thorough examination on a case-by-case basis.

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Environment, social and governance issues. The investment manager will generally give management discretion with regard to social, environmental and ethical issues, although the investment manager may vote in favor of those that are believed to have significant economic benefits or implications for the Fund and its shareholders. The investment manager generally supports the right of shareholders to call special meetings and act by written consent. However, the investment manager will review such shareholder proposals on a case-by-case basis in an effort to ensure that such proposals do not disrupt the course of business or require a disproportionate or inappropriate use of company resources. The investment manager will consider supporting a shareholder proposal seeking disclosure and greater board oversight of lobbying and corporate political contributions if the investment manager believes that there is evidence of inadequate oversight by the company's board, if the company's current disclosure is significantly deficient, or if the disclosure is notably lacking in comparison to the company's peers. The investment manager will consider on a case-by-case basis any well-drafted and reasonable proposals for proxy access considering such factors as the size of the company, ownership thresholds and holding periods, responsiveness of management, intentions of the shareholder proponent, company performance, and shareholder base.

Global corporate governance. Many of the tenets discussed above are applied to the investment manager's proxy voting decisions for international investments. However, the investment manager must be flexible in these worldwide markets. Principles of good corporate governance may vary by country, given the constraints of a country's laws and acceptable practices in the markets. As a result, it is on occasion difficult to apply a consistent set of governance practices to all issuers. As experienced money managers, the investment manager's analysts are skilled in understanding the complexities of the regions in which they specialize and are trained to analyze proxy issues germane to their regions.

The investment manager will generally attempt to process every proxy it receives for all domestic and foreign securities. However, there may be situations in which the investment manager may be unable to vote a proxy, or may choose not to vote a proxy, such as where: (i) the proxy ballot was not received from the custodian bank; (ii) a meeting notice was received too late; (iii) there are fees imposed upon the exercise of a vote and it is determined that such fees outweigh the benefit of voting; (iv) there are legal encumbrances to voting, including blocking restrictions in certain markets that preclude the ability to dispose of a security if the investment manager votes a proxy or where the investment manager is prohibited from voting by applicable law or other regulatory or market requirements, including but not limited to, effective Powers of Attorney; (v) the investment manager held shares on the record date but has sold them prior to the meeting date; (vi) proxy voting service is not offered by the custodian in the market; (vii) the investment manager believes it is not in the best interest of the Fund or its shareholders to vote the proxy for any other reason not enumerated herein; or (viii) a security is subject to a securities lending or similar program that has transferred legal title to the security to another person. In some foreign jurisdictions, even if the investment manager uses reasonable efforts to vote a proxy on behalf of the Fund, such vote or proxy may be rejected because of (a) operational or procedural issues experienced by one or more third parties involved in voting proxies in such jurisdictions; (b) changes in the process or agenda for the meeting by the issuer for which the investment manager does not have sufficient notice; and (c) the exercise by the issuer of its discretion to reject the vote of the investment manager. The investment manager or its affiliates may, on behalf of one or more of the proprietary registered investment companies advised by the investment manager or its affiliates, determine to use its best efforts to recall any security on loan where the investment manager or its affiliates (a) learn of a vote on a material event that may affect a security on loan and (b) determine that it is in the best interests of such proprietary registered investment companies to recall the security for voting purposes.

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Shareholders may view the complete Policies online at franklintempleton.com. Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301-1923, Attention: Proxy Group. Copies of the Fund's proxy voting records are available online at franklintempleton.com and posted on the SEC website at www.sec.gov. The proxy voting records are updated each year by August 31 to reflect the most recent 12-month period ended June 30.

Item 8. Portfolio Managers of Closed-End Management Investment Companies.

(a) (1) As of October 24, 2014, the portfolio manager of the Fund is as follows:

MICHAEL HASENSTAB, Ph.D., *Senior Vice President of Franklin Advisers, Inc.*

Dr. Hasenstab has been a portfolio manager of the Fund since 2002. He has final authority over all aspects of the Fund's investment portfolio, including but not limited to, purchases and sales of individual securities, portfolio risk assessment, and the management of daily cash balances in accordance with anticipated management requirements. The degree to which he may perform these functions, and the nature of these functions, may change from time to time. He first joined Franklin Templeton Investments in 1995, rejoining again in 2001 after a three-year leave to obtain his PH.D.

SONAL DESAI, PH.D., *Portfolio Manager of Franklin Advisers, Inc.*

Dr. Desai has been a portfolio manager of the Fund since 2011, providing research and advice on the purchases and sales of individual securities, and portfolio risk assessment. She joined Franklin Templeton Investments in 2009. Prior to joining Franklin Templeton Investments, she was part of the Global Credit team at Thames River Capital in London, where she was responsible for shaping the team's top-down global view on macroeconomic and market developments covering both G10 and global emerging markets.

(a) (2) This section reflects information about the portfolio managers as of the fiscal year ended August 31, 2014.

The following table shows the number of other accounts managed by each portfolio manager and the total assets in the accounts managed within each category:

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Name	Number of Other Registered Investment Companies Managed ¹	Assets of Other Registered Investment Companies Managed (x \$1 million) ¹	Number of Other Pooled Investment Vehicles Managed ¹	Assets of Other Pooled Investment Vehicles Managed (x \$1 million) ¹	Number of Other Accounts Managed ¹	Assets of Other Accounts Managed (x \$1 million) ¹
Michael Hasenstab	18	96,149.3	42 ²	98,183.4	16 ²	5,284.1
Sonal Desai	7	86,655.1	10	79,898.9	1	353.3

1. The various pooled investment vehicles and accounts listed are managed by a team of investment professionals. Accordingly, the individual managers listed would not be solely responsible for managing such listed amounts.

2. Dr. Hasenstab manages a Pooled Investment Vehicle and Other Accounts with \$979.8 in total assets with a performance fee.

Portfolio managers that provide investment services to the Fund may also provide services to a variety of other investment products, including other funds, institutional accounts and private accounts. The advisory fees for some of such other products and accounts may be different than that charged to the Fund and may include performance based compensation (as noted, in the chart above, if any). This may result in fees that are higher (or lower) than the advisory fees paid by the Fund. As a matter of policy, each fund or account is managed solely for the benefit of the beneficial owners thereof. As discussed below, the separation of the trading execution function from the portfolio management function and the application of objectively based trade allocation procedures help to mitigate potential conflicts of interest that may arise as a result of the portfolio managers managing accounts with different advisory fees.

Conflicts. The management of multiple funds, including the Fund, and accounts may also give rise to potential conflicts of interest if the funds and other accounts have different objectives, benchmarks, time horizons, and fees as the portfolio manager must allocate his or her time and investment ideas across multiple funds and accounts. The investment manager seeks to manage such competing interests for the time and attention of portfolio managers by having portfolio managers focus on a particular investment discipline. Most other accounts managed by a portfolio manager are managed using the same investment strategies that are used in connection with the management of the Fund. Accordingly, portfolio holdings, position sizes, and industry and sector exposures tend to be similar across similar portfolios, which may minimize the potential for conflicts of interest. As noted above, the separate management of the trade execution and valuation functions from the portfolio management process also helps to reduce potential conflicts of interest. However, securities selected for funds or accounts other than the Fund may outperform the securities selected for the Fund. Moreover, if a portfolio manager identifies a limited investment opportunity that may be suitable for more than one fund or other account, the Fund may not be able to take full advantage of that opportunity due to an allocation of that opportunity across all eligible funds and other accounts. The investment manager seeks to manage such potential conflicts by using procedures intended to provide a fair allocation of buy and sell opportunities among funds and other accounts.

The structure of a portfolio manager's compensation may give rise to potential conflicts of interest. A portfolio manager's base pay and bonus tend to increase with additional and more complex responsibilities that include increased assets under management. As such, there may be an indirect relationship between a portfolio manager's marketing or sales efforts and his or her bonus.

Finally, the management of personal accounts by a portfolio manager may give rise to potential conflicts of interest. While the funds and the manager have adopted a code of ethics which they believe contains provisions reasonably necessary to prevent a wide range of prohibited activities by portfolio managers and others with respect to their personal trading activities, there can be no assurance that the code of ethics addresses all individual conduct that could result in conflicts of interest.

The manager and the Fund have adopted certain compliance procedures that are designed to address these, and other, types of conflicts. However, there is no guarantee that such procedures will detect each and every situation where a

conflict arises.

Compensation. The investment manager seeks to maintain a compensation program that is competitively positioned to attract, retain and motivate top-quality investment professionals. Portfolio managers receive a base salary, a cash incentive bonus opportunity, an equity compensation opportunity, and a benefits package. Portfolio manager compensation is reviewed annually and the level of compensation is based on individual performance, the salary range for a portfolio manager's level of responsibility and Franklin Templeton guidelines. Portfolio managers are provided no financial incentive to favor one fund or account over another. Each portfolio manager's compensation consists of the following three elements:

Base salary Each portfolio manager is paid a base salary.

Annual bonus Annual bonuses are structured to align the interests of the portfolio manager with those of the Fund's shareholders. Each portfolio manager is eligible to receive an annual bonus. Bonuses generally are split between cash (50% to 65%) and restricted shares of Resources stock (17.5% to 25%) and mutual fund shares (17.5% to 25%). The deferred equity-based compensation is intended to build a vested interest of the portfolio manager in the financial performance of both Resources and mutual funds advised by the investment manager. The bonus plan is intended to provide a competitive level of annual bonus compensation that is tied to the portfolio manager achieving consistently strong investment performance, which aligns the financial incentives of the portfolio manager and Fund shareholders. The Chief Investment Officer of the investment manager and/or other officers of the investment manager, with responsibility for the Fund, have discretion in the granting of annual bonuses to portfolio managers in accordance with Franklin Templeton guidelines. The following factors are generally used in determining bonuses under the plan:

- *Investment performance.* Primary consideration is given to the historic investment performance of all accounts managed by the portfolio manager over the 1, 3 and 5 preceding years measured against risk benchmarks developed by the fixed income management team. The pre-tax performance of each fund managed is measured relative to a relevant peer group and/or applicable benchmark as appropriate.
- *Non-investment performance.* The more qualitative contributions of the portfolio manager to the investment manager's business and the investment management team, including business knowledge, productivity, customer service, creativity, and contribution to team goals, are evaluated in determining the amount of any bonus award.
- *Responsibilities.* The characteristics and complexity of funds managed by the portfolio manager are factored in the investment manager's appraisal.

Additional long-term equity-based compensation Portfolio managers may also be awarded restricted shares or units of Resources stock or restricted shares or units of one or more mutual funds. Awards of such deferred equity-based compensation typically vest over time, so as to create incentives to retain key talent.

Portfolio managers also participate in benefit plans and programs available generally to all employees of the investment manager.

Ownership of Fund shares. The investment manager has a policy of encouraging portfolio managers to invest in the funds they manage. Exceptions arise when, for example, a fund is closed to new investors or when tax considerations or jurisdictional constraints cause such an investment to be inappropriate for the portfolio manager. The following is the dollar range of Fund shares beneficially owned by the portfolio manager (such amounts may change from time to time):

Dollar Range of Fund Shares Beneficially
Owned

Portfolio Manager	
Michael Hasenstab	\$10,001 - \$50,000
Sonal Desai	None

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers. **N/A**

Item 10. Submission of Matters to a Vote of Security Holders.

There have been no changes to the procedures by which shareholders may recommend nominees to the Registrant's Board of Trustees that would require disclosure herein.

Item 11. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures. The Registrant maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Registrant's filings under the Securities Exchange Act of 1934 and the Investment Company Act of 1940 is recorded, processed, summarized and reported within the periods specified in the rules and forms of the Securities and Exchange Commission. Such information is accumulated and communicated to the Registrant's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. The Registrant's management, including the principal executive officer and the principal financial officer, recognizes that any set of controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Within 90 days prior to the filing date of this Shareholder Report on Form N-CSR, the Registrant had carried out an evaluation, under the supervision and with the participation of the Registrant's management, including the Registrant's principal executive officer and the Registrant's principal financial officer, of the effectiveness of the design and operation of the Registrant's disclosure controls and procedures. Based on such evaluation, the Registrant's principal executive officer and principal financial officer concluded that the Registrant's disclosure controls and procedures are effective.

(b) Changes in Internal Controls. There have been no changes in the Registrant's internal controls or in other factors that could materially affect the internal controls over financial reporting subsequent to the date of their evaluation in connection with the preparation of this Shareholder Report on Form N-CSR.

Item 12. Exhibits.

(a) (1) Code of Ethics

(a) (2) Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Laura F. Ferguson, Chief Executive Officer - Finance and Administration, and Mark H. Otani, Chief Financial Officer and Chief Accounting Officer

(b) Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of Laura F. Ferguson, Chief Executive Officer - Finance and Administration, and Mark H. Otani, Chief Financial Officer and Chief Accounting Officer

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TEMPLETON GLOBAL INCOME FUND

By /s/ LAURA F. FERGERSON

Laura F. Ferguson

Chief Executive Officer -

Finance and Administration

Date: October 24, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/ LAURA F. FERGERSON

Laura F. Ferguson

Chief Executive Officer -

Finance and Administration

Date: October 24, 2014

By /s/ MARK H. OTANI

Mark H. Otani

Chief Financial Officer and

Chief Accounting Officer

Date: October 24, 2014