

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Templeton Income Trust - Templeton International Bond Fund		26-0714884	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Shareholder Services	(800) 632-2301	N/A	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
One Franklin Parkway; Attn: Fund Tax Department		San Mateo, CA 94403	
8 Date of action		9 Classification and description	
Various		Multiple classes of shares issued by a single mutual fund/regulated investment company.	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
See Statement 1	N/A	See Statement 1	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ The Fund paid monthly cash distributions to common shareholders from September 2016 through December 2016.
A portion of this distribution constitutes a non-taxable return of capital.

See Statement 1 for additional information.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The portion of the distribution that constitutes a non-taxable return of capital will decrease a U.S. taxpayer's basis in the shares of The Fund.

See Statement 1 for per share non-taxable return of capital information.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The calculation of the return of capital is based upon The Fund's current and accumulated earnings and profits as of its fiscal year ended December 31, 2016. Non-taxable return of capital represents the portion of distribution paid from September 2016 through December 2016 in excess of the Fund's current and accumulated earnings and profits.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____
IRC Sections 301(c) and 316(a)

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ None

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶ Signed copy is maintained by the issuer Date ▶ 1/12/2017

Paid Preparer Use Only	Print your name ▶ <u>Matthew T. Hinkle</u>	Preparer's signature	Title ▶ <u>Assistant Treasurer</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Templeton Income Trust - Templeton International Bond Fund

EIN: 26-0714884

FYE: 12/31/2016

Attachment to Form 8937 - Statement 1

Part I - Line 10		Part I - Line 12				Part II - Line 14	Part II - Line 15	
Class	CUSIP	Ticker Symbol	Record Date	Ex- Date	Pay Date	Original Distribution Dividend/Share	Revised Distribution Dividend	Return of Capital
A	880 208 509	TBOAX	9/14/2016	9/15/2016	9/19/2016	0.006100	0.000000	0.006100
C	880 208 608	-	9/14/2016	9/15/2016	9/19/2016	0.000000	0.000000	0.000000
R	880 208 707	-	9/14/2016	9/15/2016	9/19/2016	0.003100	0.000000	0.003100
ADV	880 208 806	FIBZX	9/14/2016	9/15/2016	9/19/2016	0.004800	0.000000	0.004800
A	880 208 509	TBOAX	10/14/2016	10/17/2016	10/19/2016	0.003600	0.000000	0.003600
C	880 208 608	-	10/14/2016	10/17/2016	10/19/2016	0.000000	0.000000	0.000000
R	880 208 707	-	10/14/2016	10/17/2016	10/19/2016	0.001600	0.000000	0.001600
ADV	880 208 806	FIBZX	10/14/2016	10/17/2016	10/19/2016	0.005900	0.000000	0.005900
A	880 208 509	TBOAX	11/14/2016	11/15/2016	11/17/2016	0.003600	0.000000	0.003600
C	880 208 608	-	11/14/2016	11/15/2016	11/17/2016	0.000400	0.000000	0.000400
R	880 208 707	-	11/14/2016	11/15/2016	11/17/2016	0.001600	0.000000	0.001600
ADV	880 208 806	FIBZX	11/14/2016	11/15/2016	11/17/2016	0.005800	0.000000	0.005800
A	880 208 509	TBOAX	12/14/2016	12/15/2016	12/19/2016	0.003600	0.000000	0.003600
C	880 208 608	-	12/14/2016	12/15/2016	12/19/2016	0.000100	0.000000	0.000100
R	880 208 707	-	12/14/2016	12/15/2016	12/19/2016	0.001100	0.000000	0.001100
ADV	880 208 806	FIBZX	12/14/2016	12/15/2016	12/19/2016	0.005800	0.000000	0.005800