

Semi-Annual Management Report of Fund Performance

BMO Private International Equity Portfolio (formerly, BMO Harris International Equity Portfolio)

For the period ended June 30, 2015

This semi-annual management report of fund performance contains financial highlights, but does not contain semi-annual or annual financial statements of the Portfolio. If the semi-annual or annual financial statements of the Portfolio do not accompany the mailing of this report, you may obtain a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-361-1392, by e-mailing us at contactcentre@bmo.com, by writing to us at BMO Private Investment Counsel Inc. (formerly, BMO Harris Investment Management Inc.), 1 First Canadian Place, 100 King St. W., 41st Floor, Toronto, Ontario, M5X 1A1 or by visiting our website at www.bmoprivatebanking.com or SEDAR at www.sedar.com. You may also contact us using one of these methods to request a copy of the Portfolio's proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.

Management Discussion of Fund Performance

BMO Private Investment Counsel Inc. (“BPIC” or the “Manager”), the manager and portfolio manager, is responsible for the management of the overall business and operations of the BMO Private Portfolios (formerly, the BMO Harris Private Portfolios) and has engaged BMO Asset Management Corp. (“BMO AM Corp.”), Pyrford International Limited (“Pyrford”) and WCM Investment Management (“WCM”) as the sub-advisors (each, a “sub-advisor” and collectively, the “sub-advisors”) of BMO Private International Equity Portfolio (the “Portfolio”). BMO AM Corp. and WCM replaced Thornburg Investment Management, Inc. and McKinley Capital Management, LLC, respectively, on April 20, 2015.

Three firms share the sub-advisory responsibilities for the Portfolio. Each sub-advisor manages one of three style components of the Portfolio, each with distinct investment strategies: core/value (managed by BMO AM Corp.), deep value (managed by Pyrford), and growth (managed by WCM). Core/value and deep value investing employ the strategy of selecting stocks that trade for less than their intrinsic value which the respective sub-advisor believes the market has undervalued. Growth investing employs the strategy of seeking out stocks with good growth potential, defined as stocks of a company whose earnings are expected to grow at an above-average rate compared to its industry or the overall market.

Results of Operations

Over the six-month period ended June 30, 2015, the Portfolio returned 13.05% in C\$ (5.19% in US\$), after expenses. The Portfolio's benchmark is the Morgan Stanley Capital International Europe, Australasia and the Far East Index (the “MSCI EAFE Index”), which generated a 13.47% total return in C\$ (5.52% in US\$) over the same six-month period.

During the period, international equity markets generated positive returns, continuing a rise that has proceeded with few interruptions since March 2009. Once again, ample supplies of liquidity provided by global central banks have been integral to this advance.

Early in the period, European markets rallied strongly in local currency terms, with markets in both Germany and the United Kingdom reaching record highs. The markets were supported by the announcement that the European Central Bank would begin a policy of quantitative easing. An exception was Greece, which was weak following the victory of Syriza, the anti-austerity party, in national elections. This introduced further concerns about the stability of the eurozone. European markets were weaker in the second quarter of 2015, with most markets down in local currency terms. Greece's debt negotiations continued to trouble markets as an inability to agree on a plan for further structural reforms delayed the disbursement of bailout funds.

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Chinese equities began the period with rapid appreciation, supported by an increase in speculative investments, and this increase lifted stock prices in Hong Kong as well. Later in the period, the tide turned in China as panic among investors over China's slowing economy led to a major sell-off. Hong Kong equities sold off as well, but to a lesser extent. The Japanese market was strong over the period, as it saw a revival in interest from global investors following a number of shareholder-friendly initiatives.

Growth Component

Before April 20, 2015, when McKinley was the sub-advisor of the growth component of the Portfolio, allocations in the Industrials and Information Technology sectors detracted from the component's performance. From a country perspective, exposure to the Australian market also detracted from the performance of the growth component. Significant individual detractors from the growth component's performance included Royal Dutch Shell PLC and Ashtead Group PLC.

From a sector perspective, allocations in the Consumer Discretionary and Financials sector contributed to the component's performance, as did exposure to the United Kingdom. Significant individual contributors to the growth component's performance included CK Hutchison Holdings Limited and Pigeon Corporation.

From and after April 20, 2015, when WCM became the sub-advisor of the growth component, underweight positions in the strongly performing Financials and Telecommunication Services sectors detracted from the component's performance. Significant individual detractors from the growth component's performance included Tencent Holdings Limited, Sensata Technologies Holding N.V. and ASML Holding N.V.

From a sector perspective, allocations to the Health Care and Materials sectors contributed to the performance of the growth component, as did exposure to Asia. Significant individual contributors to the growth component's performance included Chr. Hansen Holding A/S, Novozymes A/S, and Wal-Mart de Mexico SAB de CV.

During the period, WCM eliminated positions in Perrigo Company PLC, whose price jumped when Mylan Inc. made a buyout offer. The sub-advisor also trimmed the growth component's holdings in Tencent Holdings Limited.

New positions were initiated in ICON PLC, Compass Group PLC and Unicharm Corporation, and the sub-advisor added to the growth component's existing holdings of Nestle SA and LVMH Moët Hennessy Louis Vuitton SA.

Deep Value Component

Stock selection was a strong contributor to the performance of the deep value component of the Portfolio, led by holdings in Singapore and Sweden. The deep value component's overweight allocations in the Information Technology and Telecommunication Services sectors also contributed to its performance, as did its underweight exposure to the United Kingdom and overweight position in Hong Kong. Significant individual contributors to the performance of the deep value component included Svenska Cellulosa AB, ComfortDelGro Corporation Limited and Rubis SCA.

A significant underweight exposure to Japan detracted from the deep value component's performance, as did security selection in the eurozone, Hong Kong and the United Kingdom. The deep value component's holdings in the Energy and Utilities sectors also detracted from its performance. Significant individual detractors from the performance of the deep value component included Royal Dutch Shell PLC, Woolworths Limited and Axiata Group Berhad.

During the period, Pyrford eliminated positions in Symrise AG and CRH PLC. Flavours and fragrances supplier Symrise AG was sold because of its share price appreciation and in favour of other investment opportunities. Shares of building materials manufacturer CRH PLC were eliminated as the share price increased while the company's dividend yield decreased. Pyrford initiated a new position in Japan Tobacco Inc., which is expected to increase earnings while generating cash. As the company prepares its balance sheet for the government's sale of its 33% stake, over time, Japan Tobacco Inc. should be able to increase its payout ratio.

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Core/Value Component

Before April 20, 2015, when Thornburg was the sub-advisor of the core/value component of the Portfolio, stock selection in the Telecommunication Services and Consumer Discretionary sectors contributed to the performance of the component, as did its overweight exposure to the Consumer Discretionary sector. From a regional perspective, exposure to China also contributed to the core/value component's performance, as China underperformed other markets. Significant individual contributors to the core/value component's performance included Novo Nordisk A/S, as a result of positive growth prospects for the company's diabetes drug Tresiba, Sony Corporation, as the company cut costs and successfully managed its Playstation and image sensor businesses, and also ING Groep N.V., on strong quarterly results.

Stock selection in the Information Technology, Financials and Materials sectors detracted from the core/value component's performance during the first part of the period. The core/value component's overweight allocations in Brazil and India also detracted from its performance, as did its stock selection in Japan. Significant individual detractors from the core/value component's performance included Kroton Educacional SA, whose share price declined over government budget cuts and student loan new legislation, Galaxy Entertainment Group Limited, on the uncertain gaming landscape in Macau and increased gambling regulation, and Tokyo Electron Limited, whose shares were negatively affected by ongoing delays related to a long-awaited merger.

From and after April 20, 2015, when BMO AM Corp. became the sub-advisor of the core/value component of the Portfolio, an overweight allocation to Denmark contributed to the core/value component's performance, as did the component's higher-quality stocks, as investors sought higher quality investments in an environment of greater market volatility. Significant individual contributors to the component's performance included K+S AG, following the announcement of their acquisition by Potash Corporation of Saskatchewan Inc., Pandora A/S and Fujikura Limited on strong quarterly results and positive expectations for future earnings.

The core/value component's overweight allocations to the underperforming Health Care sector and to Israeli stocks detracted from performance during the second

part of period. Significant individual detractors from the component's performance included Fiat Chrysler Automobiles and Kawasaki Kisen Kaisha Limited, which both underperformed on disappointing earnings results, and easyJet PLC, which underperformed along with the airline industry in general.

During the period, BMO AM Corp. made a number of changes to the holdings of the core/value component of the Portfolio. Among the new positions added to the component, BMO AM Corp. purchased Delphi Automotive plc, as the sub-advisor believes that the company's strong profitability and effective use of capital were reasonably priced. The sub-advisor also added to the component's existing holdings in Swiss Re AG, for its attractive valuation, strong fundamentals and improving investor sentiment, and Sanofi SA, for the company's inexpensive valuation and efficient use of capital. BMO AM Corp. eliminated the core/value component's positions in Teva Pharmaceutical Industries Limited, given the legal and acquisition costs of its takeover battle with Mylan NV, and Delhaize Group SA, after an acquisition bid by Koninklijke Ahold NV. The sub-advisor also trimmed positions in Vinci SA and AstraZeneca PLC.

For information on the Portfolio's longer-term performance and composition, please refer to the Past Performance section and Summary of Investment Portfolio section of this report.

Recent developments

Growth Component

WCM, the sub-advisor of the Portfolio's growth component, believes that market volatility will continue in the coming term, affected by events in Greece, speculation on the U.S. Federal Reserve Board's first interest rate increase or conditions in the Chinese local stock markets. WCM will continue to focus on large, high-quality multinational businesses with the demonstrated ability to withstand this kind of global uncertainty. While WCM considers some areas of the market to be overpriced, the sub-advisor believes that attractive investment opportunities remain.

Deep Value Component

Pyrford, the sub-advisor of the Portfolio's deep value component, maintains a cautious outlook on international economic growth and believes that global economies will continue on their path of slow growth,

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while asset prices, boosted by central banks, remain firmly on the expensive side of fair value. Pyrford remains cautious regarding the eurozone, currently mired in Greece's debt concerns, anticipating that Europe will fail to see any rapid equity market advances in the coming period. As such, the deep value component of the Portfolio will remain defensively positioned with an underweight exposure to cyclical sectors, a zero weighting in European banks, and overweight exposure to sectors that offer high dividend yields and visible earnings streams, such as Energy, Utilities and Telecommunication Services.

Core/Value Component

Given the high level of uncertainty around global economic weakness, declining commodity prices and the potential for central bank monetary policy responses, the sub-advisor of the Portfolio's core/value component expects that global markets will see heightened volatility in the coming period. With economic uncertainty in Greece, the sub-advisor believes that the euro is likely to see increased risk exposure in the short term, and has hedged half of the component's euro exposure in order to manage that risk. The sub-advisor of the Portfolio's core/value component believes that there are excellent investment prospects to be found, particularly in Europe and Japan. The sub-advisor will continue to focus on risk management, and on high-quality companies that may be expected to perform well in periods of market volatility.

Related Party Transactions

BMO Trust Company, an indirect, wholly-owned subsidiary of Bank of Montreal, is the trustee (the "trustee") and BPIC is the manager of the Portfolio. From time to time, BPIC may, on behalf of the Portfolio, enter into transactions or arrangements with or involving other members of BMO Financial Group, or certain other persons or companies that are related or connected to the Portfolio (each, a "related party" and collectively, the "related parties").

Sub-advisors

BPIC has hired BMO AM Corp. (a related party), Pyrford (a related party) and WCM to provide investment advice and make investment decisions for the Portfolio's investment portfolio. Each sub-advisor receives investment advisory fees based on assets under management, which are paid quarterly. The sub-

advisors are paid by BPIC, and BPIC charges a portion of the sub-advisory fees as an expense to the Portfolio.

Wealth Management Fee

Units of the Portfolio are only available through the wealth management service offered by BMO Financial Group. The trustee, a related party, and the Manager receive an annual fee from each investor for the wealth management service offered by BMO Financial Group. A tiered schedule is applied to calculate the annual fee for this service. The fee schedule starts at 1.95% and declines to 0.20% (depending on the nature and size of the investor's investment portfolio), and is calculated as a percentage of the assets under management. The actual wealth management fee payable by each investor is set out in BPIC's *Investment Management Fee Schedule* that has been provided to the investor when the investor enters into an investment management agreement with the trustee and BPIC. The wealth management fee is paid directly by the investor to the trustee and the Manager. The trustee may compensate financial institutions and securities registrants within BMO Financial Group for client referrals to the wealth management service.

Unitholder Services

The Portfolio is provided with certain facilities and services by related parties. BMO Asset Management Inc. ("BMO AM Inc.") is the registrar of the Portfolio. The trustee and BMO AM Inc. are paid by the Portfolio for fees relating to the custodial and administrative services they provide, respectively. Administrative services include fund accounting, record keeping and purchases/redemption order processing.

The fees charged to the Portfolio during the periods were as follows:

	Period ended June 30, 2015 (\$000s)	Period ended June 30, 2014 (\$000s)
Unitholder Services	145	149

Management Fee

There is no management fee charged to the Portfolio. The trustee and the Manager receive an annual wealth management fee from investors for the wealth management service offered by BMO Financial Group.

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Financial Highlights

The following tables show selected key financial information about the Portfolio and are intended to help you understand the Portfolio's financial performance for the periods indicated.

The Portfolio's Net Assets Per Unit ⁽¹⁾	Six months ended June 30, 2015	Years ended December 31				
		2014	2013	2012	2011	2010
Net assets, beginning of period	\$ 11.19	10.98	8.77	7.77	8.75	8.44
Increase (decrease) from operations:						
Total revenue	\$ 0.22	0.34	0.26	0.23	0.23	0.20
Total expenses ⁽²⁾	\$ (0.08)	(0.12)	(0.10)	(0.03)	(0.02)	(0.03)
Realized gains (losses) for the period	\$ 1.85	0.74	0.54	(0.21)	(0.06)	(0.15)
Unrealized gains (losses) for the period	\$ (0.60)	(0.49)	1.71	1.21	(0.91)	0.53
Total increase (decrease) from operations ⁽³⁾	\$ 1.39	0.47	2.41	1.20	(0.76)	0.55
Distributions:						
From income (excluding dividends)	\$ —	—	0.00	0.00	0.00	—
From dividends	\$ —	0.26	0.16	0.21	0.23	0.18
From capital gains	\$ —	—	—	—	—	—
Return of capital	\$ —	0.00	0.00	0.00	0.00	—
Total Annual Distributions ⁽⁴⁾	\$ —	0.26	0.16	0.21	0.23	0.18
Net assets, end of period	\$ 12.65	11.19	10.98	8.77	7.77	8.75

⁽¹⁾ This information is derived from the Portfolio's unaudited semi-annual and audited annual financial statements. The financial information presented for the periods ended June 30, 2015, December 31, 2014 and December 31, 2013 is derived from the financial statements determined in accordance with IFRS. Information for years prior to January 1, 2013 is derived from prior period financial statements prepared in accordance with Canadian GAAP. An explanation of these differences can be found in the notes to the financial statements.

⁽²⁾ Includes commissions and portfolio transaction costs. Prior to 2013, withholding taxes were not included in expenses as they were included in revenue.

⁽³⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

⁽⁴⁾ Distributions were paid in cash or reinvested in additional units of the Portfolio, or both.

Ratios and Supplemental Data	Six months ended June 30, 2015	Years ended December 31				
		2014	2013	2012	2011	2010
Total net asset value (000s) ⁽¹⁾	\$ 1,353,757	1,087,776	984,745	553,418	459,153	559,179
Number of units outstanding (000s) ⁽¹⁾	106,976	97,208	89,703	63,099	59,109	63,875
Management expense ratio ⁽²⁾	% 0.38	0.43	0.48	0.23	0.15	0.15
Management expense ratio before waivers or management absorptions	% 0.54	0.59	0.64	0.28	0.15	0.15
Trading expense ratio ⁽³⁾	% 0.38	0.22	0.21	0.17	0.25	0.26
Portfolio turnover rate ⁽⁴⁾	% 83.08	63.16	42.85	46.44	72.18	65.23
Net asset value per unit	\$ 12.65	11.19	10.98	8.77	7.77	8.75

⁽¹⁾ This information is provided as at June 30 or December 31 of the period shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

⁽⁴⁾ The portfolio turnover rate indicates how actively the Portfolio's sub-advisors manage its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate in a year, the greater the trading costs payable by the Portfolio in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a portfolio.

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Past Performance

General

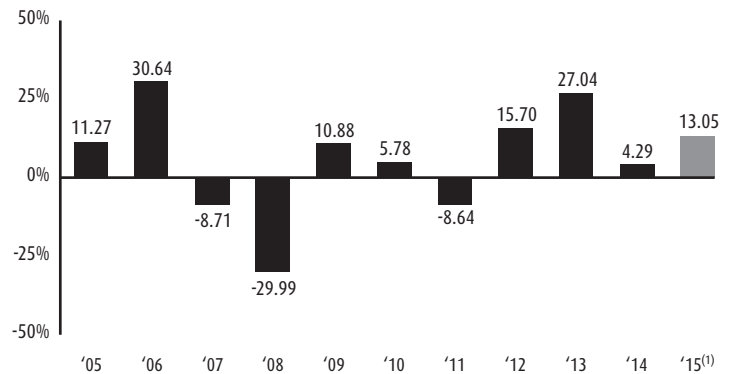
The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional units of the Portfolio and is based on the net asset value of the Portfolio.

The performance information does not take into account sales, redemption, distribution or other optional charges that, if applicable, would have reduced returns or performance. Please remember, how the Portfolio has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

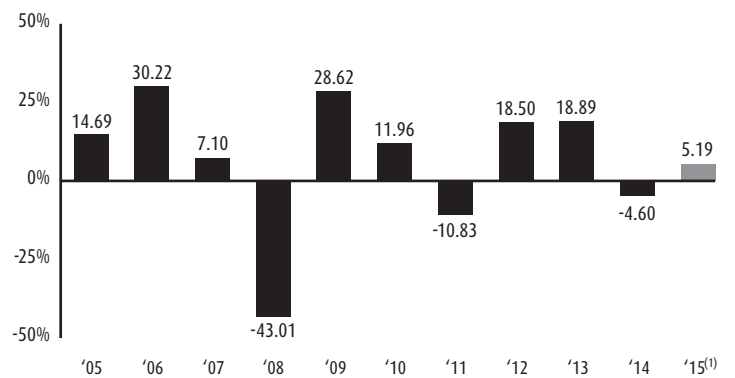
The following bar charts show the performance for each of the financial years and for the six-month period ended June 30, 2015 shown and illustrate how the performance has changed from year to year. The bar charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.

BMO Private International Equity Portfolio (C\$)



⁽¹⁾ For the six-month period ended June 30, 2015.

BMO Private International Equity Portfolio (US\$)



⁽¹⁾ For the six-month period ended June 30, 2015.

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Summary of Investment Portfolio

as at June 30, 2015

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings	% of Net Asset Value
United Kingdom	14.5	Issuer	
Japan	12.6	Cash/Receivables/Payables	7.0
Switzerland	11.0	Nestle S.A.	2.4
Cash/Receivables/Payables	7.0	Roche Holding AG	2.2
France	6.7	Taiwan Semiconductor Manufacturing Company Limited, ADR	1.7
Australia	6.4	Reckitt Benckiser Group plc	1.7
Netherlands	5.6	Sanofi	1.6
Germany	5.5	Chr. Hansen Holding A/S	1.5
Other	5.1	Lazard Ltd., Class A	1.4
Denmark	4.4	Novo-Nordisk A/S, ADR	1.4
Norway	2.8	Svenska Cellulosa AB (SCA), Class B	1.4
Taiwan	2.6	ASML Holdings N.V.	1.3
Hong Kong	2.6	Sysmex Corporation	1.2
Singapore	2.4	Novartis AG	1.2
Sweden	2.3	ACE Limited	1.2
Canada	1.9	Sensata Technologies Holding N.V.	1.2
Malaysia	1.6	Tencent Holdings Limited	1.1
China	1.5	Canadian Pacific Railway Limited	1.1
Bermuda	1.4	Woodside Petroleum Ltd.	1.1
United States	1.1	ARM Holdings PLC	1.1
Ireland	1.0	GlaxoSmithKline plc	1.0
Total portfolio allocation	100.0	British American Tobacco p.l.c.	1.0
		Novozymes A/S, B Shares	1.0
Sector Allocation		CSL Limited	1.0
Industrials	15.4	FANUC Corporation	1.0
Health Care	13.2	Experian plc	1.0
Financials	12.0	Top holdings as a percentage of total net asset value	38.8
Information Technology	10.8	Total Net Asset Value	\$1,353,757,498
Consumer Staples	10.7		
Consumer Discretionary	9.6		
Materials	8.8		
Cash/Receivables/Payables	7.0		
Telecommunication Services	5.8		
Energy	4.4		
Utilities	2.3		
Total sector allocation	100.0		

The summary of investment portfolio may change due to the Portfolio's ongoing portfolio transactions. Updates are available quarterly.

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This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Portfolio may invest and the risks detailed from time to time in the simplified prospectus of the BMO Private Portfolios. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Portfolio, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, BMO Private Investment Counsel Inc. does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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