

Semi-Annual Management Report of Fund Performance

BMO Private U.S. Growth Equity Portfolio (formerly, BMO Harris U.S. Growth 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, investments and operations of the BMO Private Portfolios (formerly, the BMO Harris Private Portfolios) and has engaged Sands Capital Management, LLC ("Sands" or the "sub-advisor") as the sub-advisor of BMO Private U.S. Growth Equity Portfolio (the "Portfolio").

Results of Operations

Over the six-month period ended June 30, 2015, the Portfolio returned 9.02% in C\$ (1.41% in US\$), after expenses. The Portfolio's benchmark is the Russell 1000 Growth Index, which generated an 11.79% total return in C\$ (3.96% in US\$) over the same six-month period.

Markets were volatile during the period, but many U.S. companies reported strong earnings, as a result of improved growth prospects for the U.S. economy relative to other areas around the globe. The ongoing debt crisis in Greece continued to be a concern and was a contributing factor to a strengthening U.S. dollar over the period. Commodity prices were also volatile, with crude oil ending the period up slightly, but with the Energy sector as a whole lagging behind the market. The Health Care sector, and the biotechnology industry in particular, delivered strong returns.

Underweight positions in the Consumer Discretionary sector and overweight allocations to the Financials and Energy sectors detracted from the Portfolio's performance. Significant individual detractors from the Portfolio's performance included holdings in Alibaba Group Holding Limited, Baidu Inc., Whole Foods Market Inc. and athenahealth Inc. The Portfolio's holdings in LendingClub Corporation, the leading U.S. online lending platform, also detracted from its performance as a result of fluctuating company margins and recent media attention on LendingClub Corporation's growing competition. However, the sub-advisor believes that the concerns are overblown, as the company has a competitive advantage and has made the right decisions for the long-term health of the business by spending on new product expansion and back office support.

An underweight allocation to the Consumer Staples, Utilities and Materials sectors, as well as to the producer durables sub-sector, contributed to the Portfolio's performance, as did overweight allocations in the Health Care and Information Technology sectors. The top individual contributor to the Portfolio's performance was BioMarin Pharmaceutical Inc., which benefited from the recent release of strong data for the second phase of its drug Vosoritide. In the sub-advisor's estimation, Vosoritide has a potential market opportunity of more than US\$1 billion, and the sub-advisor is encouraged by the company's growing global diversification (deriving 80% to 85% of its revenues from outside the United States). Other

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individual contributors to performance included Regeneron Pharmaceuticals Inc., Salesforce.com Inc., Biogen Idec Inc. and Splunk Inc.

The sub-advisor initiated a new holding in cybersecurity firm Palo Alto Networks Inc. in the Portfolio for its potential to gain significant market share and to drive earnings growth over the next five years. Cybersecurity has become a concern for the board of directors of many companies, as the frequency, severity and sophistication of cyberattacks continue to increase. A leading innovator in its field, Palo Alto Networks Inc.'s end-to-end solution and the company's two-way communication enables it to see a new attack on one customer and push the necessary fix to other customers in almost real time. The sub-advisor added to existing shares of Alexion Pharmaceuticals Inc., Alibaba Group Holding Inc., FMC Technologies Inc. and LendingClub Corporation. Holdings in oil and gas drilling company National Oilwell Varco Inc. were sold as a result of concerns over falling oil prices. Though National Oilwell Varco Inc. had benefited from the upgrade and expansion of the global drilling rig fleet as production moved offshore, in recent months, the decline in crude oil prices has delayed new projects and slowed drilling activity. The sub-advisor believes it may take the company several years to resume its normal growth trajectory. The Portfolio's positions in Cerner Corporation, Google Inc., Southwestern Energy Company and Regeneron Pharmaceuticals Inc. were trimmed in favour of other investment holdings.

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

The sub-advisor has identified several sector-specific trends that are likely to impact the Portfolio's holdings in the coming period. It is expected that the e-commerce and electronic payments sub-sector will continue to be the fastest-growing segment of retail sales, with good potential for greater penetration rates in growing countries such as China. Within the mobile technology device sub-sector, the sub-advisor believes that there will be increased demand for more efficient mobile devices. The mobile service providers and enablers

that can best leverage these more powerful devices will likely be rewarded by the market. In terms of biotechnology and specialty pharmaceuticals, new technologies (immunotherapy, gene-therapy, etc.) are allowing drug makers to develop "orphan" drugs for treatment of rare diseases, which often receive faster regulatory approval and have a higher success rate than traditional drug therapies, significantly expanding their commercial potential. The shift from fee-for-service to value-based pricing and electronic medical records in the health care information technology sub-sector is driving the need for more sophisticated and expanded technology solutions at reduced costs. As the world's energy needs continue to grow, the sub-advisor sees promise in companies working in deep water offshore and unconventional oil and gas production. The sub-advisor believes that the Portfolio is well positioned to benefit from these sector trends and to deliver strong business results and earnings growth over an investment horizon of three to five years.

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-advisor

BPIC has hired Sands to provide investment advice and make investment decisions for the Portfolio's investment portfolio. Sands receives an investment advisory fee based on assets under management, which is paid quarterly. Sands is paid by BPIC, and BPIC charges a portion of the sub-advisory fee as an expense to the Portfolio.

Buying and Selling Securities

Related-Party Underwritings

During the period, the Manager relied on an approval and standing instruction provided by the Portfolio's Independent Review Committee ("IRC") with respect to investments in a class of non-government debt securities and/or equity securities of an issuer during the period

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of distribution of those securities to the public and/or the 60-day period following the distribution period where BMO Nesbitt Burns Inc., an affiliate of the Manager, acted as an underwriter in the distribution (each, a “Related Party Transaction”).

In accordance with the IRC’s approval and standing instruction, in making a decision to cause the Portfolio to make a Related Party Transaction, the Manager and the sub-advisor of the Portfolio are required to comply with the Manager’s written policies and procedures governing the Related Party Transaction and report periodically to the IRC, describing each instance that the Manager and the sub-advisor relied on the approval and standing instruction and their compliance or non-compliance with the governing policies and procedures. The governing policies and procedures are designed to ensure the Related Party Transaction (i) is made free from any influence by an entity related to the Manager or any associate or affiliate of the Manager and without taking into account any consideration relevant to the Manager or any associate or affiliate of the Manager, (ii) represents the business judgement of the Manager or sub-advisor, as the case may be, uninfluenced by considerations other than the best interests of the Portfolio, and (iii) achieves a fair and reasonable result for 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	43	44

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	\$ 9.87	8.30	5.50	4.55	4.33	3.64
Increase (decrease) from operations:						
Total revenue	\$ 0.02	0.06	0.03	0.04	0.02	0.02
Total expenses ⁽²⁾	\$ (0.02)	(0.04)	(0.04)	(0.02)	(0.01)	(0.01)
Realized gains (losses) for the period	\$ 0.31	0.73	0.70	0.31	0.26	0.24
Unrealized gains (losses) for the period	\$ 0.57	0.83	2.12	0.52	(0.08)	0.33
Total increase (decrease) from operations ⁽³⁾	\$ 0.88	1.58	2.81	0.85	0.19	0.58
Distributions:						
From income (excluding dividends)	\$ —	—	—	—	—	—
From dividends	\$ —	0.02	0.00	0.02	0.01	0.01
From capital gains	\$ —	—	—	—	—	—
Return of capital	\$ —	—	0.00	—	—	—
Total Annual Distributions ⁽⁴⁾	\$ —	0.02	0.00	0.02	0.01	0.01
Net assets, end of period	\$ 10.76	9.87	8.30	5.50	4.55	4.33

⁽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⁾	\$ 301,622	270,834	204,195	101,381	71,149	62,935
Number of units outstanding (000s) ⁽¹⁾	28,021	27,430	24,591	18,424	15,634	14,522
Management expense ratio ⁽²⁾	% 0.38	0.41	0.48	0.23	0.22	0.27
Management expense ratio before waivers or management absorptions	% 0.55	0.59	0.66	0.28	0.22	0.27
Trading expense ratio ⁽³⁾	% 0.02	0.02	0.04	0.03	0.03	0.07
Portfolio turnover rate ⁽⁴⁾	% 9.42	25.35	48.00	43.08	40.32	57.81
Net asset value per unit	\$ 10.76	9.87	8.30	5.50	4.55	4.33

⁽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-advisor manages 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

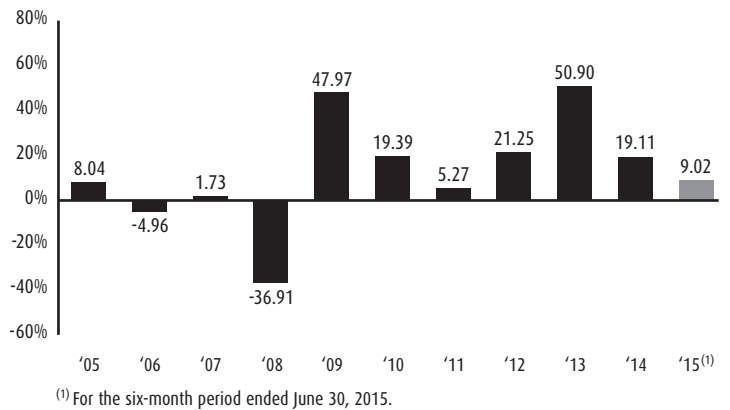
The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional units of the Portfolio and is based on the net asset value of the Portfolio.

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.

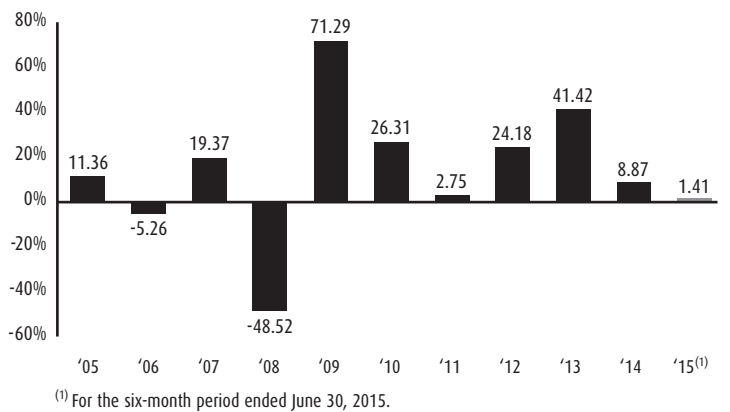
Year-by-Year Returns

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 U.S. Growth Equity Portfolio (C\$)



BMO Private U.S. Growth Equity Portfolio (US\$)



BMO Private U.S. Growth Equity Portfolio

Summary of Investment Portfolio

as at June 30, 2015

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings	% of Net Asset Value
Information Technology	49.1	Issuer	
Health Care	21.8	Visa Inc., Class A	8.0
Consumer Discretionary	14.3	Salesforce.com, Inc.	6.6
Energy	5.9	Facebook, Inc.	6.3
Materials	3.0	Regeneron Pharmaceuticals, Inc.	5.1
Financials	2.8	Google Inc.	5.0
Consumer Staples	1.9	LinkedIn Corporation	4.4
Cash/Receivables/Payables	1.2	Biogen Idec Inc.	4.4
Total portfolio allocation	100.0	Priceline Group Inc., The,	4.0
		Alexion Pharmaceuticals, Inc.	3.7
		BioMarin Pharmaceutical Inc.	3.5
		Adobe Systems Incorporated	3.5
		Chipotle Mexican Grill, Inc.	3.4
		Baidu, Inc., ADR	3.3
		NIKE Inc., Class B	3.2
		Schlumberger Limited	3.2
		Monsanto Company	2.9
		Splunk Inc.	2.9
		Charles Schwab Corporation, The,	2.8
		Cerner Corporation	2.4
		Twenty-First Century Fox Inc.	2.2
		Alibaba Group Holdings Ltd., ADR	2.1
		ARM Holdings PLC	2.0
		FMC Technologies Inc.	1.9
		Whole Foods Market, Inc.	1.9
		ASML Holdings N.V.	1.7
		Top holdings as a percentage of total net asset value	90.4
		Total Net Asset Value	\$301,622,300

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

Manager

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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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