

Semi-Annual Management Report of Fund Performance

BMO Harris U.S. Growth Portfolio

For the period ended June 30, 2013

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 contact.centre@bmo.com, by writing to us at BMO Harris Investment Management Inc., 1 First Canadian Place, 100 King St. W., 41st Floor, Toronto, Ontario, M5X 1H3 or by visiting our website at www.bmoharrisprivatebanking.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 Harris Investment Management Inc. ("BHIMI" or the "Manager"), the manager and portfolio manager, is responsible for the management of the overall business, investments and operations of the BMO Harris Private Portfolios and has engaged Sands Capital Management, LLC ("Sands" or the "sub-advisor") as the sub-advisor of BMO Harris U.S. Growth Portfolio (the "Portfolio").

Results of Operations

For the six-month period ended June 30, 2013, the Portfolio returned 14.95% in C\$ (8.72% in US\$), after expenses. The Portfolio's benchmark is the Russell 1000 Growth Index, which generated an 18.13% in C\$ (11.80% in US\$) total return over the same six-month period.

The sub-advisor's ability to add value stems primarily from security selection, with sector allocation only pertinent on a residual basis. From a sector allocation standpoint, contributors to the Portfolio's performance over the period included its underweight position in the Materials sector and its overweight positions in the Health Care, Consumer Discretionary and Financial Services sectors. The most significant individual contributors to the Portfolio's relative performance included Visa Inc., Google Inc., priceline.com Incorporated, ASML Holding N.V. and Chipotle Mexican Grill, Inc. Since a primary competitor completed a technology overhaul in 2012, priceline.com Incorporated has been closely

monitored by the sub-advisor for indications of increased competitive pressures. The sub-advisor believes priceline.com Incorporated's recently released quarterly earnings confirm that its long-term growth prospects have not diminished. Room nights booked, an important growth metric for the company, grew in line with the sub-advisor's expectations, and the company's operating margins declined by a smaller amount than expected. In the sub-advisor's view, this indicates priceline.com Incorporated remains one of the leading global online travel agents, with an attractive and scalable business model that still has ample room for growth.

From a sector perspective, detractors from the Portfolio's performance over the period included its underweight positions in the Utilities, Producer Durables and Consumer Staples sectors, and its overweight positions in the Energy and Information Technology sectors. Significant individual detractors from the Portfolio's relative performance included F5 Networks, Inc., salesforce.com, inc., Coach, Inc., ARM Holdings plc, and Facebook, Inc. Later in the period, Allergan, Inc. was one of the most significant detractors from performance. Allergan, Inc. recently announced setbacks for two of its pipeline programs, which impacted the company's stock price. In spite of these setbacks, the sub-advisor continues to view Allergan, Inc. as a strong company and believes its core businesses — its Botox franchise and its eye care and medical device segments — remain on track to generate sustainable above-average growth over the long term.

BMO Harris U.S. Growth Portfolio

During the period, the sub-advisor eliminated the Portfolio's position in IntercontinentalExchange, Inc. as a result of the sub-advisor's concerns around the company's ability to sustain above-average earnings growth, the strength of its competitive advantages and a weakening of the company's focus after the company announced its intention to acquire NYSE Euronext Inc. The Portfolio's position in Coach, Inc. was also sold, largely as a result of the sub-advisor's concern that the company's competitive advantages in North America are eroding, which could negatively impact Coach's future growth. The Portfolio's positions in Apple Inc. and QUALCOMM Incorporated were also eliminated during the period.

A number of positions were added to the Portfolio during the period, including ARM Holdings; Biogen Idec Inc.; Baidu, Inc.; Splunk Inc.; and Ulta Salon, Cosmetics & Fragrance, Inc.

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

As a long-term investor in business enterprises, not a trader of stocks, the sub-advisor does not actively shift the Portfolio on an ongoing basis. Instead, the sub-advisor focuses on continually assessing the business fundamentals of the companies owned in the Portfolio. Almost all adjustments (e.g., buys, sells or weight changes) made to the Portfolio occur when there is a key change to a company's business fundamentals. For instance, if it appears a company no longer meets the sub-advisor's investment criteria — and this disconnect is expected to persist for an extended period of time — the company will be sold from the Portfolio.

The sub-advisor believes companies generating sustainable, above-average earnings growth will be rewarded with significant stock price appreciation in the long run. Through deep, fundamental research, the sub-advisor seeks to build conviction in a company's ability to grow at a higher rate and/or for a longer duration than the market expects.

The sub-advisor believes the vast majority of the businesses in the Portfolio are navigating current macroeconomic risks much more effectively than their

competitors, enabling them to gain market share and emerge from any global economic slowdowns both stronger and leaner.

Future Accounting Standards

Canadian investment entities will be required to prepare their financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, for fiscal years beginning on or after January 1, 2014. For reporting periods commencing January 1, 2014, the Portfolio will adopt IFRS as the basis for preparing its financial statements. The Portfolio will report its financial results for the interim period ending June 30, 2014, prepared on an IFRS basis. It will also provide comparative data on an IFRS basis, including an opening balance sheet as at January 1, 2013 (transition date). A summary of the significant standards impacting the Portfolio under IFRS are outlined below.

Based on the Portfolio's analysis to date, the more significant accounting changes that will result from its adoption of IFRS will be in the areas of fair valuation, cash flow presentation, consolidation of investments and classification of net assets representing unitholders' equity. The differences described in the sections that follow are based on Canadian generally accepted accounting principles ("Canadian GAAP") and IFRS that are in effect as of this date. This should not be considered a comprehensive list of the main accounting changes when the Portfolio adopts IFRS.

The framework for fair valuation is set out under IFRS 13 Fair Value Measurement, which includes the requirements for the measurement and disclosure of fair value. If an asset or liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value. The standard allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical means for fair value measurements within a bid-ask spread. Thus, this standard will impact the net assets per unit for financial statement reporting purposes compared to current standards, and may also result in the elimination of the differences between the net asset per unit and net asset value per unit ("NAVPU") at the financial statement reporting date. The Manager has not identified any changes that will impact NAVPU as a result of the transition to IFRS.

BMO Harris U.S. Growth Portfolio

Where the Portfolio holds controlling interest in an investment, it is the Manager's expectation that the Portfolio will qualify as an Investment Entity in accordance with IFRS 10 Consolidated Financial Statements. As such, the Portfolio will not be required to consolidate its investments, but rather to fair value its investments regardless of whether those investments are controlled. If the Portfolio fair values investments that it controls, it may be required to make additional financial statement disclosures on its controlled investments in accordance with IFRS 12 Disclosure of Interests in Other Entities. IFRS 12 also requires additional disclosures if the Portfolio is determined to qualify as an investment entity while not possessing all of the typical characteristics of an investment entity.

The criteria contained within IAS 32 Financial Instruments: Presentation may require unitholders' equity to be classified as a liability within the Portfolio's Statement of Net Assets, unless certain conditions are met. The Manager is currently assessing the Portfolio's unitholder structure to confirm classification.

Related Party Transactions

BMO Trust Company, an indirect, wholly-owned subsidiary of Bank of Montreal, is the trustee (the "trustee") and BHIMI is the manager of the Portfolio. From time to time, BHIMI 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

BHIMI 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 that is paid quarterly. Sands is paid by BHIMI, and BHIMI charges a portion of the sub-advisory fee 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, receives 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 BHIMI'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 BHIMI. The wealth management fee is paid directly by the investor to the trustee. 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 period were as follows:

	Period ended June 30, 2013 (\$000s)	Period ended June 30, 2012 (\$000s)
Unitholder Services	42	42

Management Fee

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

BMO Harris U.S. Growth Portfolio

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, 2013	Years ended December 31				
		2012	2011	2010	2009	2008
Net assets, beginning of period	\$ 5.50	4.55	4.33	3.64	2.46	3.91
Increase (decrease) from operations:						
Total revenue	\$ 0.01	0.04	0.02	0.02	0.01	0.01
Total expenses	\$ (0.01)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the period	\$ 0.20	0.31	0.26	0.24	(0.12)	(0.47)
Unrealized gains (losses) for the period	\$ 0.60	0.52	(0.08)	0.33	1.28	(1.05)
Total increase (decrease) from operations ⁽²⁾	\$ 0.80	0.85	0.19	0.58	1.16	(1.52)
Distributions:						
From income (excluding dividends)	\$ —	—	—	—	—	—
From dividends	\$ —	0.02	0.01	0.01	—	—
From capital gains	\$ —	—	—	—	—	—
Return of capital	\$ —	0.00	0.00	—	—	—
Total Annual Distributions ⁽³⁾	\$ —	0.02	0.01	0.01	—	—
Net assets, end of period	\$ 6.32	5.50	4.55	4.33	3.64	2.46

⁽¹⁾ This information is derived from the Portfolio's audited annual financial statements and unaudited June 30, 2013 semi-annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for Portfolio pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

⁽²⁾ 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.

⁽³⁾ Distributions were paid in cash or reinvested in additional units of the Portfolio, or both.

Ratios and Supplemental Data	Six months ended June 30, 2013	Years ended December 31				
		2012	2011	2010	2009	2008
Total net asset value (000s) ⁽¹⁾	\$ 135,896	101,381	71,149	62,935	67,264	67,621
Number of units outstanding (000s) ⁽¹⁾	21,485	18,424	15,634	14,522	18,477	27,494
Management expense ratio ⁽²⁾	% 0.47	0.23	0.22	0.27	0.30	0.22
Management expense ratio before waivers or management absorptions	% 0.61	0.28	0.22	0.27	0.30	0.22
Trading expense ratio ⁽³⁾	% 0.03	0.03	0.03	0.07	0.07	0.06
Portfolio turnover rate ⁽⁴⁾	% 20.32	43.08	40.32	57.81	29.84	43.29
Net asset value per unit	\$ 6.33	5.50	4.55	4.33	3.64	2.46

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

⁽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.

BMO Harris U.S. Growth Portfolio

Past Performance

General

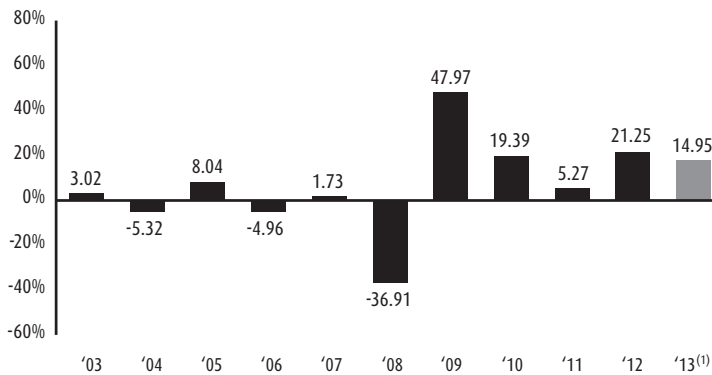
The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional units of the Portfolio and is based on the net asset value of the Portfolio.

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

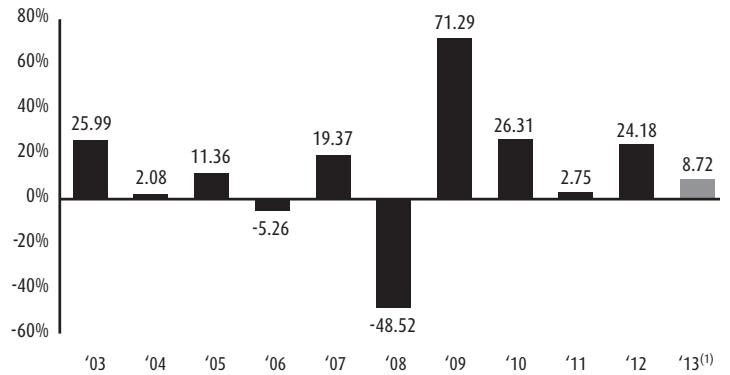
The following bar charts show the performance for each of the financial years and for the six-month period ended June 30, 2013 shown and illustrates how the performance has changed from year to year. The bar charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.

BMO Harris U.S. Growth Portfolio (C\$)



⁽¹⁾ For the six-month period ended June 30, 2013.

BMO Harris U.S. Growth Portfolio (US\$)



⁽¹⁾ For the six-month period ended June 30, 2013.

BMO Harris U.S. Growth Portfolio

Summary of Investment Portfolio

as at June 30, 2013

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings	% of Net Asset Value
Information Technology	37.0	Issuer	
Consumer Discretionary	29.0	Visa Inc., Class A	8.7
Health Care	19.4	Google Inc., Class A	8.4
Energy	10.8	Amazon.com, Inc.	7.8
Materials	2.8	Salesforce.com, Inc.	5.9
Cash/Receivables/Payables	1.0	priceline.com Incorporated	4.7
Total portfolio allocation	100.0	NIKE Inc., Class B	4.1
		Chipotle Mexican Grill, Inc.	4.0
		ASML Holdings N.V.	3.8
		Schlumberger Limited	3.5
		Biogen Idec Inc.	3.2
		Cerner Corporation	3.2
		Alexion Pharmaceuticals, Inc.	3.0
		Starbucks Corporation	2.9
		Ulta Salon, Cosmetics & Fragrance, Inc.	2.9
		Praxair, Inc.	2.8
		Regeneron Pharmaceuticals, Inc.	2.7
		Facebook, Inc.	2.7
		FMC Technologies Inc.	2.6
		Las Vegas Sands Corp.	2.6
		Southwestern Energy Company	2.6
		Allergan, Inc.	2.5
		ARM Holdings PLC	2.4
		Baidu, Inc., ADR	2.2
		National-Oilwell Varco, Inc.	2.2
		Intuitive Surgical, Inc.	2.0
		Top holdings as a percentage of net asset value	93.4
		Total Net Asset Value	\$135,896,145

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 BMO Harris Private Portfolios’ simplified prospectus. 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 Harris Investment Management 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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