Semi-Annual Management Report of Fund Performance

BMO Harris International Equity Portfolio

For the period ended June 30, 2012

This semi-annual management report of fund performance contains financial highlights but does not contain semi-annual financial statements of the Portfolio. If the semi-annual financial statements of the Portfolio do not accompany the mailing of this report, you may obtain a copy of the semi-annual financial statements at your request, and at no cost, by calling 1-800-361-1392, by e-mailing us at **contact.centre@bmonb.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"), the manager and the portfolio manager, is responsible for the management of the overall business and operations of BMO Harris Private Portfolios and has engaged McKinley Capital Management, LLC, Pyrford International Limited and Thornburg Investment Management, Inc. as the sub-advisors (each, the "sub-advisor" and collectively, the "sub-advisors") of BMO Harris International Equity Portfolio (the "Portfolio").

Three firms share the sub-advisory responsibilities for the Portfolio. Each sub-advisor manages a different style component of the Portfolio, with the three style components, each with distinct investment strategies: core/value, deep value, and growth. Core/value and deep value investing employ the strategy of selecting stocks that trade for less than their intrinsic value and that the 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

For the six-month period ended June 30, 2012, the Portfolio returned 4.5% in C$ (4.5% in US$), after expenses.

The Portfolio's benchmark is the MSCI (Morgan Stanley Capital International) Europe, Australasia, Far East Index, which generated a 3.2% total return in C$ (3.0% in US$) over the same six-month period.

Global equity markets experienced strong returns in the first quarter of 2012, followed by a sharp reversal in the second quarter. During the first quarter, optimism reigned as hopeful indications of a sustained recovery in the U.S. economy surfaced, including healthy output gains, corporate profit generation, positive consumer sentiment and a decline in unemployment. In the second quarter, the markets' optimism gave way to increasing concerns that the eurozone would fail to sort out its problems in an orderly fashion, growth would continue to slow in China and the U.S. economic recovery would remain sluggish.

Growth component

McKinley Capital Management, LLC, the sub-advisor for the growth component of the Portfolio, uses stock-price momentum as a key return indicator in making decisions about stock selection. For the six-month period ended June 30, 2012, momentum rebounded and was a strong, positive factor that drove stock performance. From a style perspective, growth stocks showed mixed results and remained flat for the period.

In the second quarter, 85% of the companies whose shares are held in this component of the Portfolio announced earnings results at or above the mean of analysts' estimates.

Boosting performance in the growth component's holdings were the Industrials, Information Technology, and Telecommunication Services sectors. Detracting from performance were holdings in the Health Care, Consumer Discretionary, and Financials sectors.

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On a country basis, allocations to Italy, Thailand and Spain enhanced the growth component's performance, while the United Kingdom, Japan and Denmark detracted from the growth component's performance. Adding to the growth component's performance were positions in Impregilo S.p.A., Charoen Pokphand Foods PCL, and Swiss Re AG. Detracting from performance were holdings in Sanrio Co. Ltd., Shire plc, and Anglo American plc.

On a country basis, as of June 30, 2012, the growth component held an overweight position in Germany and South Korea and an underweight position in France and Japan. On a sector basis, the growth component held an overweight position in Information Technology and Consumer Staples and an underweight position in Financials and Health Care.

Core component
The top contributors to the performance of the Portfolio's core component were Novo Nordisk A/S, Toyota Motor Corporation, and SAP AG. Novo Nordisk A/S continues to execute well, gaining share in the diabetes market through success with existing products and with new drugs, such as Victoza. The possibility that Victoza will receive U.S. regulatory approval for the treatment of obesity helped Novo Nordisk's stock performance. Japanese exporter Toyota benefited as production recovered from the turmoil caused by last year's natural disaster, and as monetary easing resulted in a weaker yen. SAP's strong results were helped by economic recovery in the United States, as well as excitement about a new software solution.

Detractors from the component's performance included Tesco plc, Vallourec, and Itau Unibanco Holding SA. Tesco plc's CEO announced a new plan to regain market share through restructuring and increased spending, which will have a near-term dampening effect on margins. Vallourec was sold during the period as European demand softened and margins deteriorated. A delay in two new plant openings caused additional concern. Itau Unibanco Holding SA has been impacted in dollar terms by the depreciation of the Brazilian real, which has come under pressure due to an aggressive interest-rate-reduction campaign, slowing economic growth and a deteriorating external position. The company has also faced pressure from deteriorating asset quality relative to other banks in Brazil, reflecting higher consumer loan growth in prior periods.

Deep value component
Stock selection was responsible for the relative outperformance of the deep value component of the Portfolio and country allocation slightly detracted from the deep value component's performance. The most significant areas of positive relative stock selection were Hong Kong, Malaysia and the eurozone.

In terms of country allocation, the deep value component's performance benefited most from having an overweight position in Singapore and Hong Kong. Performance was hurt by having an overweight position in Israel and underweight positions in Japan and Denmark.

Currency allocation within the deep value component had a positive impact; having an underweight exposure to Japan was the key positive contributor.

During the six-month period, the country allocation to Singapore was increased and the allocation to Australia was reduced. The decision to reduce the Australian weighting was driven by the negative impact of the country's strong currency on its exporters.

The component remained significantly underweight in its allocations to Japan and the United Kingdom throughout the six-month period. The corresponding overweight positions were in the Asia-excluding-Japan region, namely Hong Kong, Malaysia, Singapore and Taiwan. Pyrford International Ltd., the sub-advisor for the deep value component, believes these countries will continue to enjoy superior economic fundamentals and growth prospects.

The component benefited from good stock selection within the Materials, Information Technology, and Utilities sectors. Detracting from performance was an overweight position in the Telecommunications Services sector.

Relative to the Portfolio's benchmark, the average dividend yield of the component continues to be higher, debt-to-equity lower, and return-on-equity higher.

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

Over the second quarter, BHIMI observed bond and equity markets reacting almost instantly to headlines and each new release of economic data. For some time, BHIMI has held the view that macroeconomic risks would continue to dissipate over the next 12 to 18 months and that a moderate U.S. economic recovery was on track. During the second quarter, however, economic data and news events weighed on the strategic factors BHIMI monitors, in particular the U.S. economy. In BHIMI's view, the current situation calls for caution. BHIMI will continue to monitor key factors in order to determine whether the economy is experiencing short-term weakness or a longer-term downward trend. Given this environment and perspective, in late June BHIMI decided to shift some assets from the growth component to the deep value component, which is more defensively positioned.

Growth component

The growth component's sub-advisor expects to see improving opportunities in Japan, Thailand and Malaysia, and in the Consumer Discretionary, Financials, and Telecommunication Services sectors, with fewer opportunities in the United Kingdom, Australia and Germany, and in the Materials, Consumer Staples, and Energy sectors.

Core component

The core component's sub-advisor sees there is reason to believe that some form of financial union is possible within the European Union ("EU"). EU leaders have made progress toward the long-awaited and much-needed separation of bank and state finances and the creation of a pan-European bank resolution authority. Many questions remain unanswered, however, including whether Greece will abandon the euro currency. It will take time to resolve the problems in the eurozone. Meanwhile, the economic backdrop in Europe continues to deteriorate. Combined with disappointing growth indicators in the United States and the slowdown in China, there are reasons for caution in the months ahead. While it is not possible to foresee the exact magnitude and duration of these global economic challenges, the core component's sub-advisor has positioned this component to avoid some of the more likely and severe downside risks in Europe. This translates into limited exposure to the European financial sector, emphasis on exporters within the European holdings, a relatively diversified currency mix and focus on world-class, financially sound companies. This approach is intended to mitigate near-term volatility while positioning the component for long-term capital appreciation.

Deep value component

The deep value component's sub-advisor expects that the current global economic recovery will be slow and unpredictable. A significant risk to economic growth is the need for governments to raise taxes and cut public spending, which will result in lower demand within the global economy.

The threat of European sovereign defaults remains acute. In the second quarter of 2012, Spain and Cyprus became the fourth and fifth members of the eurozone to request financial assistance from their fellow members. The Spanish banking system requires an injection of capital to deal with the damage caused by the country's property bust. Cyprus has run into difficulties because of its large exposure to the Greek economy. The scale of investor concern was illustrated by the flight to safety that sent German two-year government borrowing costs almost to zero at the end of May as investors scurried to invest in German bonds. In the view of the component's sub-advisor, policymakers show no signs of coming up with an effective plan to tackle the underlying problem of excessive debt. In the absence of such a plan, the deep value component of the Portfolio will continue to have no exposure to the European banking sector. Eurozone exposure will continue to be concentrated in the most economically healthy countries (Germany and the Netherlands).

Investors' concerns over Europe continued to dominate Asian markets as regional indices fell during the second quarter. Leading indicators of the Chinese economy weakened further during the period, raising the prospect of a more prolonged regional slowdown. The deep value component has exposure to the long-term growth potential of China both through companies operating there and those selling to it, but does not have exposure to the sectors most at risk of an abrupt slowdown, such as Real Estate and Consumer Discretionary.

The deep value component's sub-advisor believes that the outlook for international equities remains challenging. Therefore, the sub-advisor has maintained a defensive position for this component of the Portfolio. The sub-advisor continues to select stocks with high-dividend yields, strong company balance sheets and returns on equity that are sustainable during times of economic stress.

Change to Expenses

The Portfolio is responsible for the payment of all expenses relating to the operation of the Portfolio and the carrying on of its business. Currently, these expenses are capped and the trustee absorbs any expenses above this capped amount.

Effective October 1, 2012, the existing cap on the expenses of the Portfolio will be removed. Also, commencing on that date, any fees payable to the sub-advisor of the Portfolio over 0.15% (plus any applicable HST) will become an expense of the Portfolio.

Transition to International Financial Reporting Standards

In March 2011, the Canadian Accounting Standards Board ("AcSB") amended its mandatory requirement for all Canadian publicly accountable enterprises to prepare their financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), permitting investment companies, which includes mutual funds, to defer the adoption of IFRS. On December 12, 2011, the AcSB decided to extend by one year the deferral from fiscal years beginning on or after January 1, 2013 to January 1, 2014.

The deferral of the mandatory IFRS changeover date to January 1, 2014 is to prevent Canadian investment companies and segregated accounts of life insurance enterprises from having to change their current accounting treatment for controlled investees while the IASB finalizes its proposed investment entities standard. Under IFRS 10 Consolidated Financial Statements, investment companies are required to consolidate their controlled investments. The IASB has issued an exposure draft that will exempt entities that qualify as investment entities from consolidating their controlled investments and requires such entities to record, with very limited exceptions, all of their investments at fair value through profit or loss account. This exposure draft is still under review. Canadian Generally Accepted Accounting Principles ("GAAP") permits investment companies to fair value their investments regardless of whether those investments are controlled. The AcSB will continue to monitor the need to revise the IFRS changeover date for these entities.

The Portfolio has not elected to early adopt IFRS, therefore it will adopt IFRS effective January 1, 2014. The Portfolio expects to report its financial results for the six-month period ending June 30, 2014 prepared on an IFRS basis. The Portfolio will also provide comparative data on an IFRS basis, including an opening balance sheet as at January 1, 2013. Further revisions by the AcSB to the IFRS adoption date for investment companies are possible.

BHIMI has not identified any changes that will impact net asset value per unit as a result of the changeover to IFRS. However, this determination is subject to change as BHIMI finalizes its assessment of potential IFRS differences and as new standards are issued by the IASB prior to the Portfolio's adoption of IFRS. The criteria contained within the IFRS Financial Instruments: Presentation Standard may require unitholders' equity to be classified as a liability within the Portfolio's Statement of Net Assets, unless certain conditions are met. BHIMI 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").

Portfolio Manager

BHIMI has hired McKinley Capital Management, LLC, Pyrford International Ltd. (a related party) and Thornburg Investment Management, Inc. 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 that are paid quarterly. The sub-advisors are paid by BHIMI and not by the Portfolio.

Wealth Management Fee

Units of the Portfolio are only available through the wealth management service offered through BMO Financial Group. The trustee, a related party, receives an annual fee from each investor for the wealth management service offered through 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 investment management fee payable by each investor is set out in the BHIMI Investment Management Fee Schedule that has been provided to the investor in conjunction with the investment management agreement between the investor, the trustee and BHIMI. This 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") is the registrar of the Portfolio. The trustee and BMO AM 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:

	2012 ($000s)	2011 ($000s)
Unitholder Services	151	150

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 through BMO Financial Group.

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, 2012	Years ended December 31 2011	2010	2009	2008	2007
Net assets, beginning of period	$	7.77	8.75	8.44	7.80	11.54	12.94
Increase (decrease) from operations:							
Total revenue	$	0.15	0.23	0.20	0.21	0.27	0.31
Total expenses	$	(0.01)	(0.02)	(0.03)	(0.03)	(0.05)	(0.06)
Realized gains (losses) for the period	$	(0.16)	(0.06)	(0.15)	(0.96)	(2.70)	(0.21)
Unrealized gains (losses) for the period	$	0.35	(0.91)	0.53	1.71	(1.27)	(1.35)
Total increase (decrease) from operations (2)	$	0.33	(0.76)	0.55	0.93	(3.75)	(1.31)
Distributions:							
From income (excluding dividends)	$	—	0.00	—	—	—	—
From dividends	$	—	0.23	0.18	0.21	0.28	0.27
From capital gains	$	—	—	—	—	—	—
Return of capital	$	—	0.00	—	—	—	—
Total Annual Distributions (3)	$	—	0.23	0.18	0.21	0.28	0.27
Net assets, end of period	$	8.12	7.77	8.75	8.44	7.80	11.54

(1) This information is derived from the Portfolio's audited annual financial statements and unaudited June 30, 2012, 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, 2012	Years ended December 31 2011	2010	2009	2008	2007
Total net asset value (000s) (1)	$	510,280	459,153	559,179	439,133	296,709	446,853
Number of units outstanding (000s) (1)		62,877	59,109	63,875	52,058	38,055	38,673
Management expense ratio (2)	%	0.14	0.15	0.15	0.17	0.15	0.13
Management expense ratio before waivers or management absorptions	%	0.14	0.15	0.15	0.17	0.15	0.13
Trading expense ratio (3)	%	0.15	0.25	0.26	0.26	0.40	0.38
Portfolio turnover rate (4)	%	21.75	72.18	65.23	54.34	146.45	70.88
Net asset value per unit	$	8.12	7.77	8.75	8.44	7.80	11.55

(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-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.

Past Performance

General

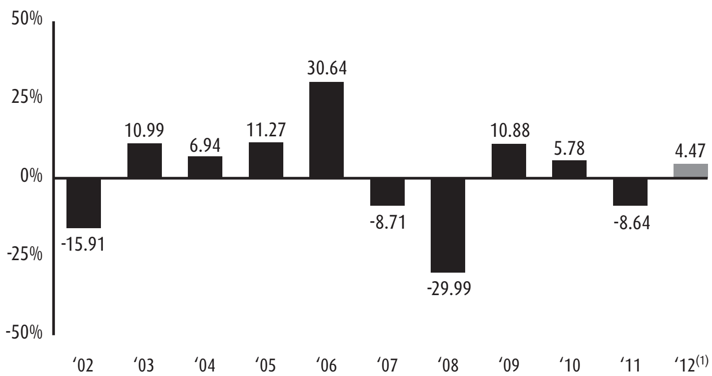
The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were used to purchase additional units of the Portfolio and is based on the net asset value of the Portfolio.

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 indicate how it will perform in the future.

Year-by-Year Returns

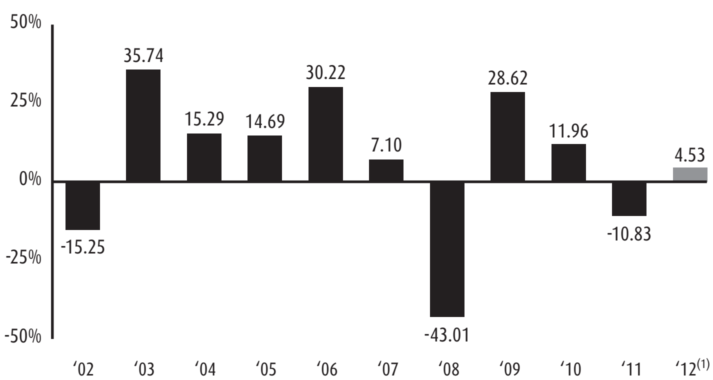
The following bar chart(s) show the performance for each of the financial years and for the six-month period ended June 30, 2012 shown. The chart(s) show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of the financial year.

BMO Harris International Equity Portfolio (C$)



[1] For the six-month period ended June 30, 2012.

BMO Harris International Equity Portfolio (US$)



[1] For the six-month period ended June 30, 2012.

Summary of Investment Portfolio

as at June 30, 2012

Portfolio Allocation	% of Net Asset Value
United Kingdom	19.1
Japan	11.2
Cash/Receivables/Payables	10.3
Germany	9.6
Switzerland	9.2
Other	5.2
France	5.1
Hong Kong	5.1
Australia	4.2
China	3.0
Netherlands	2.9
Sweden	2.8
Israel	2.3
Belgium	1.6
South Korea	1.4
Singapore	1.3
Denmark	1.3
Malaysia	1.2
Ireland	1.1
Taiwan	1.1
Brazil	1.0

Top 25 Holdings	% of Net Asset Value
Cash/Receivables/Payables	10.3
British American Tobacco p.l.c.	2.2
SAP AG	2.0
Nestle S.A.	2.0
Roche Holding AG	1.7
Novartis AG	1.5
Vodafone Group Plc	1.4
Fresenius Medical Care AG & Co. KGaA	1.2
Air Liquide S.A.	1.2
adidas AG	1.1
BG Group PLC	1.1
Toyota Motor Corporation	1.1
Novo Nordisk A/S, Class B	1.1
CNOOC Limited	1.0
Power Assets Holdings Limited	1.0
Tesco PLC	1.0
Komatsu Ltd.	1.0
Royal Dutch Shell Plc	0.9
Telstra Corporation Limited	0.9
Total S.A.	0.9
Standard Chartered PLC	0.9
Reckitt Benckiser Group plc	0.8
LVMH Moet Hennessy Louis Vuitton S.A.	0.8
Pearson plc	0.8
Kingfisher plc	0.8
Top holdings as a percentage of net asset value	**38.7**
Total Net Asset Value	**$510,234,935**

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

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Management Inc.
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Trustee
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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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