

BMO Mutual Funds 2019

Semi-Annual Financial Statements

March 31, 2019

BMO U.S. High Yield Bond Fund

NOTICE OF NO AUDITOR REVIEW OF THE SEMI-ANNUAL FINANCIAL STATEMENTS

BMO Investments Inc., the Manager of the Fund, appoints independent auditors to audit the Fund's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Semi-Annual Financial Statements, this must be disclosed in an accompanying notice.

The Fund's independent auditors have not performed a review of these Semi-Annual Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

BMO U.S. High Yield Bond Fund

STATEMENT OF FINANCIAL POSITION

(All amounts in thousands of Canadian dollars, except per unit data)

As at	March 31 2019	September 30 2018
ASSETS		
CURRENT ASSETS		
Cash	47,859	36,715
Investments		
Non-derivative financial assets	861,942	950,647
Derivative assets	1,080	11,156
Receivable for investments sold	1,271	607
Subscriptions receivable	225	195
Interest receivable	14,627	15,356
Total assets	927,004	1,014,676
LIABILITIES		
CURRENT LIABILITIES		
Payable for investments purchased	10,053	8,162
Redemptions payable	724	671
Derivative liabilities	2,169	—
Distributions payable	1	—
Accrued expenses	419	30
Total liabilities	13,366	8,863
Net assets attributable to holders of redeemable units	913,638	1,005,813
Net assets attributable to holders of redeemable units		
Series A Units	5,480	5,822
Advisor Series Units	49,984	55,761
Series F Units	12,113	12,821
Series D Units	708	685
Series I Units	55,836	97,448
Series O Units	789,517	833,276
Net assets attributable to holders of redeemable units per unit		
Series A Units	\$ 8.75	\$ 8.85
Advisor Series Units	\$ 9.75	\$ 9.85
Series F Units	\$ 10.81	\$ 10.88
Series D Units	\$ 8.74	\$ 8.81
Series I Units	\$ 8.51	\$ 8.60
Series O Units	\$ 8.95	\$ 9.00

STATEMENT OF COMPREHENSIVE INCOME

(All amounts in thousands of Canadian dollars, except per unit data)

For the periods ended	March 31 2019	March 31 2018
INCOME		
Interest income	27,623	30,150
Other changes in fair value of investments and derivatives		
Net realized loss	(17,094)	(65,490)
Change in unrealized appreciation	13,496	15,628
Net gain (loss) in fair value of investments and derivatives	24,025	(19,712)
Securities lending revenue (note 8)	97	488
Foreign exchange (loss) gain	(4,414)	12,862
Total other (loss) income	(4,317)	13,350
Total income (loss)	19,708	(6,362)
EXPENSES		
Management fees (note 6)	1,282	1,539
Fixed administration fees (note 6)	1,161	1,286
Independent review committee fees (note 6)	2	1
Withholding taxes	46	184
Interest expense	—	0
Fund facts fees	0	0
Operating expenses absorbed by the Manager (note 6)	(0)	(0)
Total expenses	2,491	3,010
Increase (decrease) in net assets attributable to holders of redeemable units	17,217	(9,372)
Increase (decrease) in net assets attributable to holders of redeemable units		
Series A Units	80	(111)
Advisor Series Units	677	(1,113)
Series F Units	242	(183)
Series D Units	14	(8)
Series I Units	556	(657)
Series O Units	15,648	(7,300)
Increase (decrease) in net assets attributable to holders of redeemable units per unit (note 8)		
Series A Units	0.12	(0.15)
Advisor Series Units	0.13	(0.16)
Series F Units	0.21	(0.11)
Series D Units	0.18	(0.11)
Series I Units	0.07	(0.05)
Series O Units	0.18	(0.08)

The accompanying notes are an integral part of these financial statements.

BMO U.S. High Yield Bond Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

(All amounts in thousands of Canadian dollars)

For the periods ended	March 31 2019	March 31 2018	For the periods ended	March 31 2019	March 31 2018
Series A Units			Series F Units		
Net assets attributable to holders of redeemable units at beginning of period	5,822	7,337	Net assets attributable to holders of redeemable units at beginning of period	12,821	19,948
Increase (decrease) in net assets attributable to holders of redeemable units	80	(111)	Increase (decrease) in net assets attributable to holders of redeemable units	242	(183)
Distributions to holders of redeemable units from:			Distributions to holders of redeemable units from:		
Net investment income	(95)	(175)	Net investment income	(341)	(1,120)
Return of capital	(59)	—	Return of capital	(0)	(8)
Total distributions to holders of redeemable units	(154)	(175)	Total distributions to holders of redeemable units	(341)	(1,128)
Redeemable unit transactions			Redeemable unit transactions		
Proceeds from redeemable units issued	757	462	Proceeds from redeemable units issued	2,450	1,131
Reinvestments of distributions to holders of redeemable units	148	170	Reinvestments of distributions to holders of redeemable units	203	726
Redemption of redeemable units	(1,173)	(1,692)	Redemption of redeemable units	(3,262)	(3,026)
Net decrease from redeemable unit transactions	(268)	(1,060)	Net decrease from redeemable unit transactions	(609)	(1,169)
Net decrease in net assets attributable to holders of redeemable units	(342)	(1,346)	Net decrease in net assets attributable to holders of redeemable units	(708)	(2,480)
Net assets attributable to holders of redeemable units at end of period	5,480	5,991	Net assets attributable to holders of redeemable units at end of period	12,113	17,468
Advisor Series Units			Series D Units		
Net assets attributable to holders of redeemable units at beginning of period	55,761	75,424	Net assets attributable to holders of redeemable units at beginning of period	685	706
Increase (decrease) in net assets attributable to holders of redeemable units	677	(1,113)	Increase (decrease) in net assets attributable to holders of redeemable units	14	(8)
Distributions to holders of redeemable units from:			Distributions to holders of redeemable units from:		
Net investment income	(903)	(1,643)	Net investment income	(17)	(18)
Return of capital	(380)	—	Return of capital	(2)	(0)
Total distributions to holders of redeemable units	(1,283)	(1,643)	Total distributions to holders of redeemable units	(19)	(18)
Redeemable unit transactions			Redeemable unit transactions		
Proceeds from redeemable units issued	807	933	Proceeds from redeemable units issued	37	51
Reinvestments of distributions to holders of redeemable units	904	1,151	Reinvestments of distributions to holders of redeemable units	13	12
Redemption of redeemable units	(6,882)	(10,792)	Redemption of redeemable units	(22)	(71)
Net decrease from redeemable unit transactions	(5,171)	(8,708)	Net increase (decrease) from redeemable unit transactions	28	(8)
Net decrease in net assets attributable to holders of redeemable units	(5,777)	(11,464)	Net increase (decrease) in net assets attributable to holders of redeemable units	23	(34)
Net assets attributable to holders of redeemable units at end of period	49,984	63,960	Net assets attributable to holders of redeemable units at end of period	708	672

The accompanying notes are an integral part of these financial statements.

BMO U.S. High Yield Bond Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (cont'd)

(All amounts in thousands of Canadian dollars)

For the periods ended	March 31 2019	March 31 2018	For the periods ended	March 31 2019	March 31 2018
Series I Units			Total Fund		
Net assets attributable to holders of redeemable units at beginning of period	97,448	125,142	Net assets attributable to holders of redeemable units at beginning of period	1,005,813	1,079,799
Increase (decrease) in net assets attributable to holders of redeemable units	556	(657)	Increase (decrease) in net assets attributable to holders of redeemable units	17,217	(9,372)
Distributions to holders of redeemable units from:			Distributions to holders of redeemable units from:		
Net investment income	(2,352)	(9,375)	Net investment income	(25,831)	(66,523)
Return of capital	(1)	(526)	Return of capital	(453)	(4,779)
Total distributions to holders of redeemable units	(2,353)	(9,901)	Total distributions to holders of redeemable units	(26,284)	(71,302)
Redeemable unit transactions			Redeemable unit transactions		
Proceeds from redeemable units issued	—	2,409	Proceeds from redeemable units issued	95,123	78,320
Reinvestments of distributions to holders of redeemable units	2,353	9,901	Reinvestments of distributions to holders of redeemable units	24,780	67,932
Redemption of redeemable units	(42,168)	(13,475)	Redemption of redeemable units	(203,011)	(127,297)
Net decrease from redeemable unit transactions	(39,815)	(1,165)	Net (decrease) increase from redeemable unit transactions	(83,108)	18,955
Net decrease in net assets attributable to holders of redeemable units	(41,612)	(11,723)	Net decrease in net assets attributable to holders of redeemable units	(92,175)	(61,719)
Net assets attributable to holders of redeemable units at end of period	55,836	113,419	Net assets attributable to holders of redeemable units at end of period	913,638	1,018,080
Series O Units					
Net assets attributable to holders of redeemable units at beginning of period	833,276	851,242			
Increase (decrease) in net assets attributable to holders of redeemable units	15,648	(7,300)			
Distributions to holders of redeemable units from:					
Net investment income	(22,123)	(54,192)			
Return of capital	(11)	(4,245)			
Total distributions to holders of redeemable units	(22,134)	(58,437)			
Redeemable unit transactions					
Proceeds from redeemable units issued	91,072	73,334			
Reinvestments of distributions to holders of redeemable units	21,159	55,972			
Redemption of redeemable units	(149,504)	(98,241)			
Net (decrease) increase from redeemable unit transactions	(37,273)	31,065			
Net decrease in net assets attributable to holders of redeemable units	(43,759)	(34,672)			
Net assets attributable to holders of redeemable units at end of period	789,517	816,570			

The accompanying notes are an integral part of these financial statements.

BMO U.S. High Yield Bond Fund

STATEMENT OF CASH FLOWS

(All amounts in thousands of Canadian dollars)

For the periods ended	March 31 2019	March 31 2018
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	17,217	(9,372)
Adjustments for:		
Foreign exchange (gain) loss on cash	(79)	2,044
Net realized loss on sale of investments and derivatives	17,094	65,490
Change in unrealized appreciation of investments and derivatives	(13,496)	(15,628)
Decrease (increase) in interest receivable	729	(244)
Increase in accrued expenses	389	430
Amortization of premium and discounts	(300)	(23)
Purchases of investments	(98,242)	(170,406)
Proceeds from sale and maturity of investments	217,081	179,798
Cash outflows on derivatives	(19,960)	(71,327)
Net cash from operating activities	120,433	(19,238)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,503)	(3,358)
Proceeds from issuances of redeemable units	94,798	77,472
Amounts paid on redemption of redeemable units	(202,663)	(126,217)
Net cash from financing activities	(109,368)	(52,103)
Foreign exchange gain (loss) on cash	79	(2,044)
Net increase (decrease) in cash	11,065	(71,341)
Cash at beginning of period	36,715	105,490
Cash at end of period	47,859	32,105
Supplementary Information		
Interest received, net of withholding taxes*	28,039	29,884
Interest expense paid*	—	0

*These items are from operating activities

The accompanying notes are an integral part of these financial statements.

BMO U.S. High Yield Bond Fund

SCHEDULE OF INVESTMENT PORTFOLIO

As at March 31, 2019 (All amounts in thousands of Canadian dollars, unless otherwise noted)

	Par Value (in thousands)	Cost (\$)	Fair Value (\$)		Par Value (in thousands)	Cost (\$)	Fair Value (\$)
BONDS & DEBENTURES				Israel — 1.3%			
Brazil — 0.5%				Teva Pharmaceutical Finance Netherlands III			
JBS USA LUX S.A./JBS USA Finance Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.875% Jul 15, 2024	USD 584	776	802	B.V., Senior, Unsecured, Notes, 2.800% Jul 21, 2023	USD 6,175	7,200	7,379
Minerva Luxembourg S.A., Series 144A, Senior, Unsecured, Notes, Callable, 6.500% Sep 20, 2026	USD 2,650	3,482	3,489	Teva Pharmaceutical Finance Netherlands III B.V., Senior, Unsecured, Notes, Callable, 6.000% Apr 15, 2024	USD 3,250	4,192	4,334
		4,258	4,291			11,392	11,713
Canada — 3.8%				Italy — 0.3%			
1011778 B.C. ULC/New Red Finance, Inc., Series 144A, Secured, Notes, Callable, 4.250% May 15, 2024	USD 1,350	1,857	1,786	Telecom Italia Capital S.A., Senior, Unsecured, Notes, 6.000% Sep 30, 2034			
1011778 B.C. ULC/New Red Finance, Inc., Series 144A, Secured, Notes, Callable, 5.000% Oct 15, 2025	USD 5,325	6,851	7,027				
HudBay Minerals Inc., Series 144A, Senior, Unsecured, Notes, Callable, 7.250% Jan 15, 2023	USD 2,036	2,780	2,816	Luxembourg — 1.4%			
HudBay Minerals Inc., Series 144A, Senior, Unsecured, Notes, Callable, 7.625% Jan 15, 2025	USD 868	1,153	1,189	Altice Financing S.A., Series 144A, Secured, Notes, Callable, 7.500% May 15, 2026			
Kinross Gold Corporation, Senior, Unsecured, Notes, Callable, 5.950% Mar 15, 2024	USD 995	1,216	1,423	Altice Luxembourg S.A., Series 144A, Senior, Unsecured, Notes, Callable, 7.625% Feb 15, 2025			
Kinross Gold Corporation, Senior, Unsecured, Notes, Callable, 4.500% Jul 15, 2027	USD 6,000	7,717	7,697	ArcelorMittal, Senior, Unsecured, Notes, 4.550% Mar 11, 2026			
Kinross Gold Corporation, Senior, Unsecured, Notes, Callable, 6.875% Sep 1, 2041	USD 950	1,344	1,298				
Mercer International, Inc., Senior, Unsecured Notes, Callable, 6.500% Feb 1, 2024	USD 2,343	3,085	3,202	Netherlands — 0.8%			
Precision Drilling Corporation, Senior, Unsecured, Notes, Callable, 6.500% Dec 15, 2021	USD 992	1,293	1,335	Braskem Netherlands Finance B.V., Series 144A, Senior, Unsecured, Notes, 3.500% Jan 10, 2023			
Southern Pacific Resources Corp., Senior, Secured, Notes, Callable, 8.750% Jan 25, 2018	2,100	3	—	Starfruit US Holdco LLC, Series 144A, Senior, Unsecured, Notes, Callable, 8.000% Oct 1, 2026			
Teck Resources Limited, Senior, Unsecured, Notes, Callable, 5.400% Feb 1, 2043	USD 2,150	2,685	2,834	UPCB Finance IV Ltd., Series 144A, Secured, Notes, Callable, 5.375% Jan 15, 2025			
Telesat Canada/Telesat LLC, Series 144A, Senior, Unsecured, Notes, Callable, 8.875% Nov 15, 2024	USD 2,977	4,065	4,311				
		34,049	34,918	Norway — 0.8%			
France — 0.9%				Aker BP ASA, Series 144A, Senior, Unsecured, Notes, Callable, 6.000% Jul 1, 2022			
Numericable-SFR S.A., Series 144A, Secured, Notes, Callable, 7.375% May 1, 2026	USD 5,975	7,860	7,825	Aker BP ASA, Series 144A, Senior, Unsecured, Notes, Callable, 5.875% Mar 31, 2025			
Ireland — 1.8%							
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Series 144A, Secured, Notes, Callable, 7.250% May 15, 2024	USD 2,778	3,714	3,908	Switzerland — 0.9%			
Fly Leasing Limited, Senior, Unsecured, Notes, Callable, 6.375% Oct 15, 2021	USD 5,861	8,169	7,930	Syngenta Finance N.V., Series 144A, Senior, Unsecured, Notes, Callable, 4.441% Apr 24, 2023			
Fly Leasing Limited, Senior, Unsecured, Notes, Callable, 5.250% Oct 15, 2024	USD 1,425	1,778	1,828	Syngenta Finance N.V., Series 144A, Senior, Unsecured, Notes, Callable, 4.892% Apr 24, 2025			
Park Aerospace Holdings Limited, Series 144A, Senior, Unsecured, Notes, 4.500% Mar 15, 2023	USD 2,175	2,859	2,892				
		16,520	16,558	United Kingdom — 2.2%			
				Drax Finco PLC, Series 144A, Senior, Secured, Notes, Callable, 6.625% Nov 1, 2025			
				Inmarsat Finance Plc, Series 144A, Senior, Unsecured, Notes, Callable, 4.875% May 15, 2022			
				Noble Holdings International Limited, Senior, Unsecured, Notes, Callable, 7.750% Jan 15, 2024			
				Virgin Media Finance PLC, Senior, Unsecured, Notes, 4.875% Feb 15, 2022			

BMO U.S. High Yield Bond Fund

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at March 31, 2019 (All amounts in thousands of Canadian dollars, unless otherwise noted)

	Par Value (in thousands)	Cost (\$)	Fair Value (\$)		Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Virgin Media Secured Finance plc, Series 144A, Secured, Notes, Callable, 5.500% Aug 15, 2026.....	USD 600	765	814	Bausch Health Companies Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.500% Mar 1, 2023.....	USD 7,925	9,909	10,644
		18,773	20,281	Bausch Health Companies Inc., Series 144A, Senior, Unsecured, Notes, Callable, 6.125% Apr 15, 2025.....	USD 250	315	331
United States — 79.6%				Bausch Health Companies Inc., Term Loan B, Floating Rate, Jun 1, 2025.....	USD 475	620	627
Acadia Healthcare Company, Inc., Senior, Unsecured, Notes, Callable, 6.125% Mar 15, 2021.....	USD 2,444	2,719	3,266	Beacon Escrow Corporation, Series 144A, Senior, Unsecured, Notes, Callable, 4.875% Nov 1, 2025.....	USD 3,300	4,190	4,189
Acadia Healthcare Company, Inc., Senior, Unsecured, Notes, Callable, 5.125% Jul 1, 2022.....	USD 540	707	722	Beazer Homes USA, Inc., Senior, Unsecured, Notes, Callable, 8.750% Mar 15, 2022.....	USD 1,752	2,434	2,435
Acadia Healthcare Company, Inc., Senior, Unsecured, Notes, Callable, 6.500% Mar 1, 2024.....	USD 2,450	3,271	3,356	Beazer Homes USA, Inc., Senior, Unsecured, Notes, Callable, 5.875% Oct 15, 2027.....	USD 7,975	9,873	9,299
ADT Corporation, The, Senior, Unsecured, Notes, 3.500% Jul 15, 2022.....	USD 575	722	741	Berry Plastics Corporation, Secured, Notes, Callable, 5.125% Jul 15, 2023.....	USD 2,327	3,072	3,152
Albertsons Cos LLC/Safeway Inc./New Albertson's Inc./Albertson's LLC, Senior, Unsecured, Notes, Callable, 5.750% Mar 15, 2025.....	USD 5,300	6,326	6,711	Block Communications, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 6.875% Feb 15, 2025.....	USD 2,999	4,046	4,153
Alcoa Nederland Holding B.V., Series 144A, Senior, Unsecured, Notes, Callable, 6.750% Sep 30, 2024.....	USD 3,000	4,025	4,240	Boyd Gaming Corporation, Senior, Unsecured, Notes, Callable, 6.375% Apr 1, 2026.....	USD 2,882	3,788	3,986
Allison Transmission, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 4.750% Oct 1, 2027.....	USD 4,025	4,996	5,137	Boyd Gaming Corporation, Senior, Unsecured, Notes, Callable, 6.000% Aug 15, 2026.....	USD 1,175	1,526	1,609
Ally Financial Inc., Senior, Unsecured, Notes, 4.625% May 19, 2022.....	USD 547	670	746	Building Materials Corporation of America, Series 144A, Senior, Unsecured, Notes, Callable, 6.000% Oct 15, 2025.....	USD 2,100	2,826	2,929
Ally Financial Inc., Notes, Subordinated, Callable, 5.750% Nov 20, 2025.....	USD 2,303	3,019	3,278	BWAY Holding Company, Series 144A, Secured, Notes, Callable, 5.500% Apr 15, 2024.....	USD 1,950	2,567	2,586
Ally Financial Inc., Senior, Unsecured, Notes, 8.000% Nov 1, 2031.....	USD 1,355	2,017	2,248	Cablevision Systems Corporation, Senior, Unsecured, Notes, 5.875% Sep 15, 2022.....	USD 5,458	7,075	7,604
AMC Networks Inc., Senior, Unsecured, Notes, Callable, 5.000% Apr 1, 2024.....	USD 4,108	5,301	5,490	Calpine Corporation, Senior, Unsecured, Notes, Callable, 5.375% Jan 15, 2023.....	USD 2,081	2,723	2,781
AMC Networks Inc., Senior, Unsecured, Notes, Callable, 4.750% Aug 1, 2025.....	USD 2,950	3,649	3,913	Carrizo Oil & Gas, Inc., Senior, Unsecured, Notes, Callable, 6.250% Apr 15, 2023.....	USD 4,000	4,923	5,259
American Airlines Group Inc., Series 144A, Senior, Unsecured, Notes, 4.625% Mar 1, 2020.....	USD 3,177	4,013	4,262	Catalent Pharma Solutions, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 4.875% Jan 15, 2026.....	USD 3,575	4,481	4,718
American Axle & Manufacturing, Inc., Senior, Unsecured, Notes, Callable, 6.625% Oct 15, 2022.....	USD 4,005	4,980	5,493	CCO Holdings LLC/CCO Holdings Capital Corp., Series 144A, Senior, Unsecured, Notes, Callable, 5.875% Apr 1, 2024.....	USD 4,476	5,955	6,236
Amkor Technology, Inc., Senior, Unsecured, Notes, Callable, 6.375% Oct 1, 2022.....	USD 1,819	1,921	2,470	CCO Holdings LLC/CCO Holdings Capital Corp., Series 144A, Senior, Unsecured, Notes, Callable, 5.375% May 1, 2025.....	USD 1,500	1,929	2,065
Anixter, Inc., Senior, Unsecured, Notes, 5.500% Mar 1, 2023.....	USD 1,852	2,452	2,577	CCO Holdings LLC/CCO Holdings Capital Corp., Series 144A, Senior, Unsecured, Notes, Callable, 5.750% Feb 15, 2026.....	USD 670	894	935
Antero Midstream Partners LP/Antero Midstream Finance Corp., Senior, Unsecured, Notes, Callable, 5.375% Sep 15, 2024.....	USD 3,709	4,974	5,000	CCO Holdings LLC/CCO Holdings Capital Corp., Series 144A, Senior, Unsecured, Notes, Callable, 5.500% May 1, 2026.....	USD 5,434	7,107	7,498
Antero Resources Corporation, Senior, Unsecured, Notes, Callable, 5.000% Mar 1, 2025.....	USD 2,455	3,224	3,232	Centene Corporation, Senior, Unsecured, Notes, Callable, 6.125% Feb 15, 2024.....	USD 5,500	7,245	7,699
Archrock Partners LP/Archrock Partners Finance Corp., Series 144A, Senior, Unsecured, Notes, Callable, 6.875% Apr 1, 2027.....	USD 2,000	2,739	2,719	CenturyLink Inc., Series T, Senior, Unsecured, Notes, 5.800% Mar 15, 2022.....	USD 3,059	3,837	4,175
Avis Budget Car Rental LLC/Avis Budget Finance Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.250% Mar 15, 2025.....	USD 3,087	3,830	3,950	CF Industries, Inc., Senior, Unsecured, Notes, 4.950% Jun 1, 2043.....	USD 2,200	2,515	2,517
				Cheniere Corpus Christi Holdings, LLC, Senior, Secured, Notes, 7.000% Jun 30, 2024.....	USD 4,790	6,541	7,217

BMO U.S. High Yield Bond Fund

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at March 31, 2019 (All amounts in thousands of Canadian dollars, unless otherwise noted)

	Par Value (in thousands)	Cost (\$)	Fair Value (\$)		Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Cheniere Energy Partners, L.P., Series 144A, Senior, Unsecured, Notes, Callable, 5.625% Oct 1, 2026.....	USD 6,075	8,260	8,321	Financial & Risk US Holdings, Inc., Series 144A, Senior, Secured, Notes, Callable, 6.250% May 15, 2026.....	USD 450	586	610
Chesapeake Energy Corporation, Senior, Unsecured, Notes, Callable, 8.000% Jan 15, 2025.....	USD 2,525	3,339	3,433	Financial & Risk US Holdings, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 8.250% Nov 15, 2026.....	USD 4,350	5,639	5,711
Cincinnati Bell Inc., Series 144A, Senior, Unsecured, Notes, Callable, 7.000% Jul 15, 2024.....	USD 3,872	5,231	4,760	First Data Corporation, Series 144A, Secured, Notes, Callable, 5.750% Jan 15, 2024.....	USD 1,126	1,489	1,548
CIT Group Inc., Senior, Unsecured, Notes, 5.000% Aug 15, 2022.....	USD 3,170	3,344	4,411	Freeport-McMoRan Inc., Senior, Unsecured, Notes, Callable, 3.550% Mar 1, 2022.....	USD 5,415	6,421	7,155
CIT Group Inc., Senior, Unsecured, Notes, Callable, 4.750% Feb 16, 2024.....	USD 2,250	2,952	3,112	Freeport-McMoRan Inc., Senior, Unsecured, Notes, Callable, 4.550% Nov 14, 2024.....	USD 1,800	2,339	2,360
CNO Financial Group, Inc., Senior, Unsecured, Notes, 4.500% May 30, 2020.....	USD 750	974	1,007	Frontier Communications Corporation, Senior, Unsecured, Notes, 9.250% Jul 1, 2021.....	USD 1,285	1,610	1,453
CNO Financial Group, Inc., Senior, Unsecured, Notes, Callable, 5.250% May 30, 2025.....	USD 4,821	6,210	6,660	Frontier Communications Corporation, Senior, Unsecured, Notes, 7.125% Jan 15, 2023.....	USD 515	628	417
CommScope, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.500% Jun 15, 2024.....	USD 4,460	5,498	5,833	Frontier Communications Corporation, Senior, Unsecured, Notes, Callable, 6.875% Jan 15, 2025.....	USD 3,000	3,597	2,155
Consolidated Communications, Inc., Senior, Unsecured, Notes, Callable, 6.500% Oct 1, 2022.....	USD 5,413	6,510	6,565	GCI, Inc., Senior, Unsecured, Notes, Callable, 6.750% Jun 1, 2021.....	USD 1,869	1,846	2,513
CoreCivic, Inc., Senior, Unsecured, Notes, Callable, 4.125% Apr 1, 2020.....	USD 1,250	1,567	1,668	Genesis Energy L.P./Genesis Energy Finance Corp., Senior, Unsecured, Notes, Callable, 6.750% Aug 1, 2022.....	USD 2,114	2,769	2,885
Coty Inc., Series 144A, Senior, Unsecured, Notes, Callable, 6.500% Apr 15, 2026.....	USD 5,425	6,808	7,087	Genesis Energy L.P./Genesis Energy Finance Corp., Senior, Unsecured, Notes, Callable, 6.000% May 15, 2023.....	USD 4,175	5,385	5,649
Covanta Holding Corporation, Senior, Unsecured, Notes, Callable, 5.875% Mar 1, 2024.....	USD 4,063	4,881	5,565	Geo Group Inc., The, Senior, Unsecured, Notes, Callable, 5.125% Apr 1, 2023.....	USD 3,059	3,946	3,618
CSC Holdings, LLC, Series 144A, Senior, Unsecured, Notes, Callable, 7.500% Apr 1, 2028.....	USD 800	1,034	1,147	Gray Escrow, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 7.000% May 15, 2027.....	USD 1,475	1,931	2,089
Dana Financing Luxembourg Sarl, Series 144A, Senior, Unsecured, Notes, Callable, 6.500% Jun 1, 2026.....	USD 1,981	2,670	2,697	Gray Television, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.875% Jul 15, 2026.....	USD 2,572	3,394	3,497
Dana Holding Corporation, Senior, Unsecured, Notes, Callable, 5.500% Dec 15, 2024.....	USD 653	743	870	Gulfport Energy Corporation, Senior, Unsecured, Notes, Callable, 6.000% Oct 15, 2024.....	USD 5,900	7,552	7,155
Dean Foods Company, Series 144A, Senior, Unsecured, Notes, Callable, 6.500% Mar 15, 2023.....	USD 5,450	6,994	4,770	Harland Clarke Holdings Corp., Series 144A, Secured, Notes, Callable, 8.375% Aug 15, 2022.....	USD 1,794	2,362	2,161
Dell Inc., Senior, Unsecured, Notes, 6.500% Apr 15, 2038.....	USD 5,810	7,812	7,444	HCA, Inc., Senior, Unsecured, Notes, 7.500% Feb 15, 2022.....	USD 2,151	2,167	3,169
Diamond Offshore Drilling, Inc., Senior, Unsecured, Notes, Callable, 7.875% Aug 15, 2025.....	USD 4,550	6,010	5,868	HCA, Inc., Senior, Unsecured, Notes, 5.875% May 1, 2023.....	USD 2,633	2,792	3,752
Diebold Incorporated, Senior, Unsecured, Notes, Callable, 8.500% Apr 15, 2024.....	USD 3,525	4,639	4,216	HCA, Inc., Senior, Unsecured, Notes, 5.375% Feb 1, 2025.....	USD 2,700	3,654	3,825
DISH DBS Corporation, Senior, Unsecured, Notes, 5.000% Mar 15, 2023.....	USD 2,416	3,093	2,906	HCA, Inc., Senior, Unsecured, Notes, Callable, 5.375% Sep 1, 2026.....	USD 3,375	4,410	4,736
Donnelley Financial Solutions, Inc., Senior, Unsecured, Notes, Callable, 8.250% Oct 15, 2024.....	USD 2,900	3,869	3,904	HealthSouth Corporation, Senior, Unsecured, Notes, Callable, 5.750% Nov 1, 2024.....	USD 4,758	6,121	6,446
EnSCO PLC, Senior, Unsecured, Notes, Callable, 4.500% Oct 1, 2024.....	USD 3,175	3,214	3,235	Hertz Corporation, The, Senior, Unsecured, Notes, Callable, 5.875% Oct 15, 2020.....	USD 2,575	3,360	3,437
ESH Hospitality, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.250% May 1, 2025.....	USD 4,853	6,186	6,437	Hertz Corporation, The, Senior, Unsecured, Notes, Callable, 7.375% Jan 15, 2021.....	USD 2,222	2,966	2,966
				Hill-Rom Holdings Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.750% Sep 1, 2023.....	USD 349	463	481
				Hilton Domestic Operating Company Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.125% May 1, 2026.....	USD 3,475	4,421	4,708

BMO U.S. High Yield Bond Fund

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at March 31, 2019 (All amounts in thousands of Canadian dollars, unless otherwise noted)

	Par Value (in thousands)	Cost (\$)	Fair Value (\$)		Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Hologic, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 4.625% Feb 1, 2028.....	USD 2,500	3,109	3,282	Martin Midstream Partners L.P./Martin Midstream Finance Corporation, Senior, Unsecured, Notes, Callable, 7.250% Feb 15, 2021.....	USD 2,125	2,357	2,765
Hot Topic, Inc., Series 144A, Secured, Notes, Callable, 9.250% Jun 15, 2021.....	USD 6,530	8,676	8,726	MasTec, Inc., Senior, Unsecured, Notes, Callable, 4.875% Mar 15, 2023.....	USD 2,493	2,649	3,356
Hughes Satellite Systems Corporation, Senior, Secured, Notes, 6.500% Jun 15, 2019.....	USD 1,742	1,767	2,337	Mattel, Inc., Senior, Unsecured, Notes, Callable, 2.350% Aug 15, 2021.....	USD 2,900	3,534	3,653
Hughes Satellite Systems Corporation, Senior, Unsecured, Notes, 6.625% Aug 1, 2026.....	USD 1,935	2,598	2,534	Meritor, Inc., Senior, Unsecured, Notes, Callable, 6.250% Feb 15, 2024.....	USD 6,506	8,065	8,933
Icahn Enterprises L.P./Icahn Enterprises Finance Corp., Senior, Unsecured, Notes, Callable, 5.875% Feb 1, 2022.....	USD 3,933	5,162	5,315	MGM Growth Properties Operating Partnership L.P./ MGP Finance Co-Issuer Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.750% Feb 1, 2027.....	USD 475	634	655
Inception Merger Sub Inc./Rackspace Hosting Inc., Series 144A, Senior, Unsecured, Notes, Callable, 8.625% Nov 15, 2024.....	USD 1,158	1,568	1,393	MGM Resorts International, Senior, Unsecured, Notes, Callable, 5.500% Apr 15, 2027.....	USD 600	804	810
International Game Technology PLC, Series 144A, Senior, Secured, Notes, Callable, 6.250% Jan 15, 2027.....	USD 850	1,107	1,164	Murphy Oil Corporation, Senior, Unsecured, Notes, Callable, Multi-Couponed, 4.450% Dec 1, 2022.....	USD 3,000	3,615	4,037
Iron Mountain Incorporated, Senior, Notes, Subordinated, Callable, 5.750% Aug 15, 2024.....	USD 5,457	6,286	7,356	Murphy Oil Corporation, Senior, Unsecured, Notes, Callable, 6.875% Aug 15, 2024.....	USD 1,099	1,443	1,555
iStar Inc., Senior, Unsecured, Notes, Callable, 6.500% Jul 1, 2021.....	USD 1,141	1,507	1,551	Netflix, Inc., Senior, Unsecured, Notes, 4.875% Apr 15, 2028.....	USD 3,475	4,394	4,580
iStar Inc., Senior, Unsecured, Notes, Callable, 6.000% Apr 1, 2022.....	USD 4,020	5,376	5,392	Nielsen Finance LLC/Nielsen Finance Co., Series 144A, Senior, Unsecured, Notes, Callable, 5.000% Apr 15, 2022.....	USD 4,258	5,406	5,633
JBS USA LUX S.A./JBS USA Finance Inc., Series 144A, Senior, Unsecured, Notes, Callable, 7.250% Jun 1, 2021.....	USD 752	778	1,011	Novelis Corporation, Series 144A, Senior, Unsecured, Notes, Callable, 5.875% Sep 30, 2026.....	USD 4,227	5,538	5,620
Jefferies Finance LLC/JFIN Co-Issuer Corp., Senior, Unsecured, Notes, Callable, 7.500% Apr 15, 2021.....	USD 2,100	2,945	2,855	NRG Energy, Inc., Senior, Unsecured, Notes, Callable, 6.250% May 1, 2024.....	USD 648	812	893
Jefferies Finance LLC/JFIN Co-Issuer Corp., Senior, Unsecured, Notes, Callable, 6.875% Apr 15, 2022.....	USD 1,625	2,155	2,183	Oasis Petroleum Inc., Senior, Unsecured, Notes, Callable, 6.875% Mar 15, 2022.....	USD 3,874	5,172	5,216
Kaiser Aluminum Corporation, Senior, Unsecured, Notes, Callable, 5.875% May 15, 2024.....	USD 2,615	3,369	3,595	Olin Corporation, Senior, Unsecured, Notes, Callable, 5.125% Sep 15, 2027.....	USD 2,150	2,907	2,902
KFC Holding Co./Pizza Hut Holdings LLC/Taco Bell of America LLC, Series 144A, Senior, Unsecured, Notes, Callable, 5.000% Jun 1, 2024.....	USD 1,125	1,444	1,533	Owens-Brockway Glass Container Inc., Series 144A, Senior, Unsecured, Notes, 5.000% Jan 15, 2022.....	USD 3,100	3,930	4,236
Koppers Inc., Series 144A, Senior, Unsecured, Notes, Callable, 6.000% Feb 15, 2025.....	USD 699	931	912	Par Pharmaceutical, Inc., Series 144A, Senior, Secured, Notes, Callable, 7.500% Apr 1, 2027.....	USD 1,875	2,499	2,540
L Brands, Inc., Senior, Unsecured, Notes, 5.250% Feb 1, 2028.....	USD 1,575	1,957	1,876	Party City Holdings Inc., Series 144A, Senior, Unsecured, Notes, Callable, 6.125% Aug 15, 2023.....	USD 5,857	7,731	7,944
L Brands, Inc., Senior, Unsecured, Notes, 6.875% Nov 1, 2035.....	USD 4,263	5,780	4,928	PBF Holding Co LLC/PBF Finance Corp., Senior, Unsecured, Notes, Callable, 7.250% Jun 15, 2025.....	USD 4,925	6,594	6,754
Lennar Corporation, Senior, Unsecured, Notes, Callable, 4.875% Dec 15, 2023.....	USD 2,751	3,612	3,787	Peabody Securities Finance Corporation, Series 144A, Secured, Notes, Callable, 6.000% Mar 31, 2022.....	USD 2,027	2,689	2,732
Level 3 Communications, Inc., Senior, Unsecured, Notes, Callable, 5.750% Dec 1, 2022.....	USD 2,153	2,654	2,906	Penske Automotive Group, Inc., Senior, Notes, Subordinated, Callable, 5.750% Oct 1, 2022.....	USD 1,648	1,656	2,246
Level 3 Financing, Inc., Senior, Unsecured, Notes, Callable, 5.125% May 1, 2023.....	USD 2,017	2,546	2,719	Penske Automotive Group, Inc., Senior, Unsecured, Notes, Subordinated, Callable, 5.375% Dec 1, 2024.....	USD 3,500	4,643	4,654
Mallinckrodt International Finance S.A./Mallinckrodt CB LLC, Series 144A, Senior, Unsecured, Notes, Callable, 5.625% Oct 15, 2023.....	USD 5,375	6,012	5,962	Post Holdings, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.000% Aug 15, 2026.....	USD 4,975	6,594	6,466

BMO U.S. High Yield Bond Fund

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at March 31, 2019 (All amounts in thousands of Canadian dollars, unless otherwise noted)

	Par Value (in thousands)	Cost (\$)	Fair Value (\$)		Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Prime Security Services Borrower, LLC/Prime Finance Inc., Series 144A, Secured, Notes, Callable, 9.250% May 15, 2023	USD 2,803	3,789	3,938	Starwood Property Trust, Inc., Senior, Unsecured, Notes, Callable, 3.625% Feb 1, 2021	USD 4,775	5,931	6,357
Prime Security Services Borrower, LLC/Prime Finance Inc., Series 144A, Senior, Secured, Notes, 5.250% Apr 15, 2024	USD 1,750	2,347	2,339	Targa Resources Partners L.P./Targa Resources Partners Finance Corp, Senior, Unsecured, Notes, Callable, 5.000% Jan 15, 2028	USD 2,150	2,684	2,826
QEP Resources, Inc., Senior, Unsecured, Notes, Callable, 5.250% May 1, 2023	USD 6,000	7,178	7,557	Taylor Morrison Communities Inc./Monarch Communities Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.875% Apr 15, 2023	USD 3,184	4,051	4,297
Qwest Corporation, Senior, Unsecured, Debentures, Callable, 6.875% Sep 15, 2033	USD 5,580	6,898	7,382	Tempur Sealy International Inc., Senior, Unsecured, Notes, Callable, 5.625% Oct 15, 2023	USD 5,536	7,168	7,527
R. R. Donnelley & Sons Company, Senior, Unsecured, Notes, 7.000% Feb 15, 2022	USD 1,785	1,852	2,427	Tenet Healthcare Corporation, Senior, Unsecured, Notes, 8.125% Apr 1, 2022	USD 2,376	2,985	3,421
Range Resources Corporation, Senior, Unsecured, Notes, Callable, 5.000% Aug 15, 2022	USD 3,333	4,426	4,410	Tenet Healthcare Corporation, Series 144A, Secured, Notes, Callable, 6.250% Feb 1, 2027	USD 225	300	312
Revlon Consumer Products Corporation, Senior, Unsecured, Notes, Callable, 5.750% Feb 15, 2021	USD 1,773	1,849	2,038	Tenneco Inc., Senior, Unsecured, Notes, Callable, 5.375% Dec 15, 2024	USD 3,076	3,842	3,694
Revlon Consumer Products Corporation, Senior, Unsecured, Notes, Callable, 6.250% Aug 1, 2024	USD 2,829	3,780	1,947	Tenneco Inc., Senior, Unsecured, Notes, Callable, 5.000% Jul 15, 2026	USD 2,562	3,110	2,739
SBA Communications Corporation, Senior, Unsecured, Notes, Callable, 4.875% Sep 1, 2024	USD 3,240	4,327	4,362	TransDigm, Inc., Senior, Notes, Subordinated, Callable, 6.000% Jul 15, 2022	USD 1,675	2,169	2,275
Scientific Games International, Inc., Series 144A, Senior, Secured, Notes, Callable, 5.000% Oct 15, 2025	USD 5,825	7,255	7,629	TransDigm, Inc., Senior, Notes, Subordinated, Callable, 6.500% Jul 15, 2024	USD 1,895	2,518	2,602
Seagate HDD Cayman, Senior, Unsecured, Notes, Callable, 4.875% Mar 1, 2024	USD 1,750	2,230	2,336	TransDigm, Inc., Senior, Unsecured, Notes, Subordinated, Callable, 6.500% May 15, 2025	USD 750	982	1,015
Seagate HDD Cayman, Senior, Unsecured, Notes, 4.750% Jan 1, 2025	USD 2,225	2,946	2,884	Transocean Inc., Series 144A, Senior, Unsecured, Notes, Callable, 9.000% Jul 15, 2023	USD 750	1,034	1,069
Seagate HDD Cayman, Senior, Unsecured, Notes, Callable, 4.875% Jun 1, 2027	USD 1,450	1,930	1,853	Transocean Inc., Series 144A, Senior, Unsecured, Notes, Callable, 7.250% Nov 1, 2025	USD 3,825	4,993	5,060
Select Medical Corporation, Senior, Unsecured, Notes, Callable, 6.375% Jun 1, 2021	USD 4,471	5,139	5,997	Transocean Pontus Limited, Series 144A, Senior, Secured, Notes, Callable, 6.125% Aug 1, 2025	USD 543	718	736
SESI, L.L.C., Senior, Unsecured, Notes, Callable, 7.125% Dec 15, 2021	USD 4,020	5,160	4,815	TRI Pointe Holdings, Inc., Senior, Unsecured, Notes, 5.875% Jun 15, 2024	USD 1,790	2,187	2,398
SESI, L.L.C., Senior, Unsecured, Notes, Callable, 7.750% Sep 15, 2024	USD 1,900	2,552	2,101	Tribune Media Company, Senior, Unsecured, Notes, Callable, 5.875% Jul 15, 2022	USD 1,052	1,358	1,434
Sirius XM Radio Inc., Series 144A, Senior, Unsecured, Notes, Callable, 6.000% Jul 15, 2024	USD 1,458	1,984	2,019	Trinity Industries, Inc., Senior, Unsecured, Notes, Callable, 4.550% Oct 1, 2024	USD 3,175	3,971	4,032
Sirius XM Radio Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.375% Jul 15, 2026	USD 4,302	5,840	5,864	United Rentals (North America), Inc., Senior, Unsecured, Notes, Callable, 5.500% May 15, 2027	USD 3,459	4,628	4,680
Smithfield Foods, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.200% Apr 1, 2029	USD 2,000	2,668	2,681	United States Steel Corporation, Senior, Unsecured, Notes, Callable, 6.875% Aug 15, 2025	USD 6,925	8,908	9,023
Southwestern Energy Company, Senior, Unsecured, Notes, Callable, 7.500% Apr 1, 2026	USD 3,375	4,590	4,612	US Concrete Inc., Senior, Unsecured, Notes, Callable, 6.375% Jun 1, 2024	USD 3,080	4,068	4,167
Sprint Communications Inc., Senior, Unsecured, Notes, 6.000% Nov 15, 2022	USD 2,781	3,376	3,744	Valeant Pharmaceuticals International, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 8.500% Jan 31, 2027	USD 800	1,087	1,133
Sprint Corporation, Senior, Unsecured, Notes, 7.875% Sep 15, 2023	USD 8,400	10,011	11,801	Valvoline Inc., Senior, Unsecured, Callable, 4.375% Aug 15, 2025	USD 3,875	4,774	4,958
Sprint Corporation, Senior, Unsecured, Notes, 7.125% Jun 15, 2024	USD 1,358	1,858	1,842	W&T Offshore, Inc., Series 144A, Secured, Notes, Callable, 9.750% Nov 1, 2023	USD 3,375	4,376	4,493
Sprint Corporation, Senior, Unsecured, Notes, Callable, 7.625% Mar 1, 2026	USD 1,750	2,213	2,368				

BMO U.S. High Yield Bond Fund

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at March 31, 2019 (All amounts in thousands of Canadian dollars, unless otherwise noted)

	Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Weatherford International, LLC, Senior, Unsecured, Notes, 6.800% Jun 15, 2037.....	USD 2,544.....	2,566.....	1,921
Weatherford International Ltd., Senior, Unsecured, Notes, Callable, 8.250% Jun 15, 2023.....	USD 661.....	849.....	623
Weight Watchers International, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 8.625% Dec 1, 2025.....	USD 850.....	1,094.....	1,022
WellCare Health Plans, Inc., Series 144A, Senior, Unsecured, Notes, Callable, 5.375% Aug 15, 2026.....	USD 1,175.....	1,530.....	1,641
Western Digital Corporation, Senior, Unsecured, Notes, Callable, 4.750% Feb 15, 2026.....	USD 2,100.....	2,589.....	2,687
Whiting Petroleum Corporation, Senior, Unsecured, Notes, Callable, 5.750% Mar 15, 2021.....	USD 2,000.....	2,488.....	2,699
Whiting Petroleum Corporation, Senior, Unsecured, Notes, Callable, 6.625% Jan 15, 2026.....	USD 800.....	1,095.....	1,048
WildHorse Resource Development Corporation, Senior, Unsecured, Notes, Callable, 6.875% Feb 1, 2025.....	USD 3,625.....	4,775.....	4,893
William Lyon Homes, Inc., Senior, Unsecured, Notes, Callable, 5.875% Jan 31, 2025.....	USD 2,997.....	3,948.....	3,785
Windstream Services LLC/Windstream Finance Corp., Series 144A, Secured, Notes, Callable, 9.000% Jun 30, 2025.....	USD 1,065.....	1,546.....	968
WPX Energy, Inc., Senior, Unsecured, Notes, Callable, 8.250% Aug 1, 2023.....	USD 1,771.....	2,293.....	2,662
Wynn Las Vegas LLC/Wynn Las Vegas Capital Corporation, Series 144A, Senior, Unsecured, Notes, Callable, 5.250% May 15, 2027.....	USD 1,625.....	2,015.....	2,049
		705,465.....	727,296
Total Bonds & Debentures — 94.3%		836,562....	861,894
	Number of Shares or Units	Cost* (\$)	Fair Value (\$)

EQUITIES

Canada — 0.0%

Connacher Oil and Gas Limited.....	225,570.....	33.....	1
Connacher Oil and Gas Limited, Toronto Exchange.....	133,801.....	19.....	0
Prairie Provident Resources Inc. Canadian Trades.....	276,613.....	246.....	47
		298.....	48

Cayman Islands — 0.0%

CHC Group LLC.....	1,395.....	—.....	0
Total Equities — 0.0%		298.....	48

Total Investment Portfolio — 94.3%..... **836,860....** **861,942**

Total Unrealized Gain on Forward Currency Contracts — 0.1%..... 1,080

Total Unrealized Loss on Forward Currency Contracts — (0.2)%..... (2,169)

Other Assets Less Liabilities — 5.8%..... 52,785

NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS - 100.0%..... **913,638**

+ Where applicable, distributions received from holdings as a return of capital are used to reduce the adjusted cost base of the securities in the portfolio.

* These securities have no quoted market value and are valued using valuation techniques (note 3).

BMO U.S. High Yield Bond Fund

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at March 31, 2019 (All amounts in thousands of Canadian dollars, unless otherwise noted)

UNREALIZED GAIN ON FORWARD CURRENCY CONTRACTS

Settlement Date	Currency Buy	Position	Currency Sell	Position	Contract Rate	Counterparty	Credit Rating**	Unrealized Gain
30-Apr-19	CAD	330,000	USD	(246,309)	1.3398	Royal Bank of Canada	A-1+	1,080
Total Unrealized Gain on Forward Currency Contracts								1,080

UNREALIZED LOSS ON FORWARD CURRENCY CONTRACTS

Settlement Date	Currency Buy	Position	Currency Sell	Position	Contract Rate	Counterparty	Credit Rating**	Unrealized Loss
15-Apr-19	CAD	555,000	USD	(417,072)	1.3307	Canadian Imperial Bank of Commerce	A-1	(2,169)
Total Unrealized Loss on Forward Currency Contracts								(2,169)

** Credit Rating provided by Standard & Poor's.

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in thousands of Canadian dollars, except per unit data)

March 31, 2019

1. The Mutual Fund

BMO U.S. High Yield Bond Fund (the “Fund”) is an open-ended mutual fund established under the laws of the province of Ontario by Declaration of Trust. The Master Declaration of Trust was amended on October 23, 2008 and November 3, 2009 to permit certain Funds to offer a multi-series structure. In addition to the existing Series A Units, certain Funds are permitted to offer Series A Hedged Units, Advisor Series Units, Advisor Series Hedged Units, ETF Series Units, Series T4 Units, Series T5 Units, Series T6 Units, Series T8 Units, Series M Units, Series F Units, Series F Hedged Units, Series F2 Units, Series F4 Units, Series F6 Units, Series D Units, Series G Units, Series I Units, Series N Units, Series NBA Units, Series O Units, Series L Units, Series R Units, Series S Units and/or Classic Series Units. Each series is intended for different kinds of investors and has different management fees and fixed administration fees. Refer to Note 8 for the series issued for this Fund as well as the management and administration fee rates for each series.

BMO Investments Inc. (the “Manager”) is the Manager and Trustee of the Fund. The Manager is a wholly owned subsidiary of Bank of Montreal. The address of the Fund’s registered office is 100 King Street West, Toronto, Ontario, M5X 1A1.

The Statement of Financial Position and related notes of each of the Funds are as at March 31, 2019 and September 30, 2018, as applicable. The Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Units, Statement of Cash Flows and related notes are for the period(s) ended March 31, 2019 and March 31, 2018, except for a Fund established during the period(s) which is presented from the date of inception (as noted in Note 8) to March 31 of the applicable period. Financial information provided for a series established during the period(s) is presented from the inception date as noted in Note 8 to March 31 of the applicable period.

These financial statements were authorized for issuance by the Board of Directors of the Manager on May 8, 2019.

These financial statements should be read in conjunction with the annual financial statements for the period ended September 30, 2018, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

2. Basis of preparation and presentation

These unaudited interim financial statements have been prepared in accordance with IFRS and in accordance with International Accounting Standard (“IAS”) 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”).

3. Summary of significant accounting policies

Financial instruments

Investments include financial assets and financial liabilities such as equity and debt securities, investment funds and derivatives. These financial instruments are part of a group of financial instruments that are managed and their performance is evaluated on a fair value basis and in accordance with the Fund’s investment strategy.

The Fund classifies and measures financial instruments in accordance with IFRS 9 Financial Instruments (“IFRS 9”). Upon initial recognition, financial instruments are recorded at fair value. A financial instrument is recognized when the Fund becomes a party to the contractual requirements of the instrument and is derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. Investments and derivatives are subsequently measured at fair value through profit and loss (“FVTPL”) with changes in fair value recognized in the Statement of Comprehensive Income as “Change in unrealized appreciation (depreciation)”.

All financial assets and financial liabilities are recognized in the Statement of Financial Position.

The Fund’s outstanding redeemable units, which are puttable instruments, are entitled to a contractual obligation of annual distribution of any net income and net realized capital gains by the Fund. This annual distribution can be in cash at the option of the unitholders, and therefore the ongoing redemption feature is not the redeemable units’ only contractual obligation. Also, the Fund has issued multiple series of redeemable units, which are equally subordinated but are not identical and consequently, do not meet the conditions to be classified as equity. As a result, the Fund’s obligations for net assets attributable to holders of redeemable units (“Net Assets”) are classified as financial liabilities and presented at the redemption amounts.

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(All amounts in thousands of Canadian dollars, except per unit data)

March 31, 2019

Cost of investments

The cost of investments represents the amount paid for each security and is determined on an average cost basis, and excludes commissions and other portfolio transaction costs, which are reported separately in the Statement of Comprehensive Income. Realized gains and losses on disposition are determined based on the average cost of investments.

Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For exchange-traded securities, close prices are considered to be fair value if they fall within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Procedures are in place to fair value equities traded in countries outside of North America daily, to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market.

For bonds, debentures, asset-backed securities and other debt securities, fair value is determined as the last traded market price or close price, where the close price falls within the bid-ask spread of the security. Short-term investments, if any, are held at amortized cost, which approximates fair value due to their short-term nature.

Mutual fund units held as investments are valued at their respective Net Asset Value ("NAV") on each Valuation Date (the "Valuation Date" is each day on which the Toronto Stock Exchange is open for trading), as these values are the most readily and regularly available.

The Fund may enter into forward currency contracts for hedging purposes either directly or indirectly or for non-hedging purposes. The fair value of forward currency contracts entered into by the Fund is recorded as the difference between the fair value of the contract on the Valuation Date and the fair value on the date the contract originated.

For the Series A Hedged Units, Advisor Series Hedged Units and Series F Hedged Units (the "Hedged Series"),

the Fund enters into forward currency contracts to hedge against foreign currency exposure and as a result the Hedged Series will be subject to less currency risk than the other series of the Fund because their foreign currency exposure is hedged. However, the hedging strategy may not achieve a perfect hedge of the foreign currency exposure for the Hedged Series.

The Fund may engage in option contract transactions by purchasing (long positions) or writing (short positions) call or put option contracts. These contracts have different risk exposures for the Fund, whereas the risk for long positions will be limited to the premium paid to purchase the option contracts, the risk exposure for the short positions are potentially unlimited until closed or expired.

The premium paid for purchasing an option is recorded as an asset in the Statement of Financial Position. The option contract is valued on each Valuation Date at an amount equal to the fair value of the option that would have the effect of closing the position. The change in the difference between the premium and the fair value is shown as "Change in unrealized appreciation (depreciation)" in the Statement of Comprehensive Income.

When a purchased option expires, the Fund will realize a loss equal to the premium paid. When a purchased option is closed, the gain or loss the Fund will realize will be the difference between the proceeds and the premium paid. When a purchased call option is exercised, the premium paid is added to the cost of acquiring the underlying security. When a purchased put option is exercised, the premium paid is subtracted from the proceeds from the sale of the underlying security that had to be sold.

The premium received from writing a call or put option is recorded as a liability in the Statement of Financial Position.

When a written option expires, the Fund will realize a gain equal to the premium received. When a written option is closed, the Fund will realize a gain or loss equal to the difference between the cost at which the contract was closed and the premium received. When a written call option is exercised, the premium received is added to the proceeds from the sale of the underlying investments to determine the realized gain or loss. When a written put option is exercised, the premium received will be subtracted from the cost of the underlying investment the Fund had to purchase.

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
(All amounts in thousands of Canadian dollars, except per unit data)
March 31, 2019

The gain or loss that the Fund realizes when a purchased or written option is expired or closed is recorded as “Net realized gain (loss)” in the Statement of Comprehensive Income.

Futures contracts are financial agreements to purchase or sell a financial instrument at a contracted price on a specified future date. Futures contracts are valued at the gain or loss that would arise as a result of closing the position at the Valuation date. Any difference between the notional value on each Valuation Date is recorded as “Net realized gain (loss)” in the Statement of Comprehensive Income. Treasury bills or cash are held as margin against futures contracts.

A credit default swap contract is an agreement to transfer credit risk from one party, a buyer of protection, to another party, a seller of protection. The Fund, as a seller of protection, would be required to pay a notional or other agreed upon value to the buyer of protection in the event of a default by a third-party. In return, the Fund would receive from the counterparty a periodic stream of payments over the term of the contract provided that no event of default occurs. If no default occurs, the Fund would keep the stream of payments and would have no payment obligations.

In connection with the agreement, securities or cash may be identified as collateral or margin in accordance with the terms of the agreement to provide assets of value in the event of default or bankruptcy/insolvency.

The Fund, as a buyer of protection, would receive a notional or other agreed upon value from the seller of protection in the event of a default by a third-party. In return, the Fund would be required to pay to the counterparty a periodic stream of payments over the term of the contract provided that no event of default occurs.

Credit default swap contracts are fair valued daily based upon quotations from independent security pricing sources. Premiums paid or received, if any, are included in “Net realized gain (loss)” in the Statement of Comprehensive Income. Net periodic payments are accrued daily and recorded as “Interest income” in the Statement of Comprehensive Income. When credit default swap contracts expire or are closed out, gains or losses are recorded as “Net realized gain (loss)” in the Statement of Comprehensive Income.

Interest rate swap contracts are agreements between two parties to exchange periodic interest payments

based on a notional principal amount. The net periodic payments received or paid from interest rate swap contracts are recorded as “Interest income” in the Statement of Comprehensive Income. Payments received or paid when the Fund enters into the contract are recorded as a liability or asset in the Statement of Financial Position. When the contract is terminated or expires, the payments received or paid are recorded as “Net realized gain (loss)” in the Statement of Comprehensive Income. Payments received or paid upon early termination are recorded as “Net realized gain (loss)” in the Statement of Comprehensive Income.

Interest rate swap agreements are valued based upon quotations from independent sources. The change in value is included in “Change in unrealized appreciation (depreciation)” in the Statement of Comprehensive Income.

The Fund enters into interest rate swap agreements to manage the exposure to interest rates.

Unlisted warrants, if any, are valued based on a pricing model which considers factors such as the market value of the underlying security, strike price and terms of the warrant.

For securities where market quotes are not available, unreliable or not considered to reflect the current value, the Manager may determine another value which it considers to be fair and reasonable, or use a valuation technique that, to the extent possible, makes maximum use of inputs and assumptions based on observable market data including volatility, comparable companies, NAV (for exchange-traded funds) and other applicable rates or prices. These estimation techniques include discounted cash flows, internal models that utilize observable data or comparisons with other securities that are substantially similar. In limited circumstances, the Manager may use internal models where the inputs are not based on observable market data.

Cash

Cash is comprised of cash and deposits with banks which include bankers' acceptances and overnight demand deposits. The carrying amount of cash approximates its fair value because it is short-term in nature.

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(All amounts in thousands of Canadian dollars, except per unit data)

March 31, 2019

Other assets and other liabilities

Other assets and other liabilities generally include receivables for investments sold, subscription receivable, interest receivable, dividend receivable, distribution receivable from investment trusts, payable for investments purchased, redemption payable, distributions payable and accrued expenses. These financial assets and financial liabilities are short-term in nature and are subsequently measured at amortized cost, which approximates their fair value.

Investments in subsidiaries, joint ventures and associates

Subsidiaries are entities over which the Fund has control through its exposure or rights to variable returns from its investment and has the ability to affect those returns through its power over the entity. The Manager has determined that the Fund is an investment entity and as such, it accounts for subsidiaries, if any, at fair value. Joint ventures are investments where the Fund exercises joint control through an agreement with other shareholders, and associates are investments in which the Fund exerts significant influence over operating, investing, and financing decisions (such as entities in which the Fund owns 20% - 50% of voting shares), all of which, if any, have been classified at FVTPL.

Unconsolidated structured entities

The Manager has determined that the underlying funds in which the Fund may invest are unconsolidated structured entities. This determination is based on the fact that decision making about the underlying funds is not governed by the voting right or other similar right held by the Fund. Similarly, investments in securitizations, asset-backed securities and mortgage-backed securities are determined to be interests in unconsolidated structured entities.

The Fund may invest in underlying funds whose investment objectives range from achieving short-term to long-term income and capital growth potential. Underlying funds may use leverage in a manner consistent with their respective investment objectives and as permitted by Canadian securities regulatory authorities. Underlying funds finance their operations by issuing redeemable units which are puttable at the holders' option and entitles the holder to a proportionate stake in the respective fund's Net Assets. The change in fair value of each of the underlying funds during the periods is included in "Change in unrealized appreciation (depreciation)" in the Statement of Comprehensive Income.

Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. Asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans and student loans.

The Fund does not provide and has not committed to providing any additional significant financial or other support to the unconsolidated structured entities other than its investment in the unconsolidated structured entities.

Additional information on the Fund's interest in unconsolidated structured entities, where applicable, is provided in Note 8.

Offsetting of financial assets and financial liabilities

Financial instruments are presented at net or gross amounts in the Statement of Financial Position depending on the existence of intention and legal right to offset opposite positions of such instruments held with the same counterparties. Amounts offset in the Statement of Financial Position are transactions for which the Fund has legally enforceable rights to offset and intends to settle the positions on a net basis. Amounts not offset in the Statement of Financial Position relate to transactions where a master netting arrangement or similar agreement is in place with a right to offset only in the event of default, insolvency or bankruptcy, or where the Fund has no intention of settling on a net basis.

Income recognition

Dividend income and distributions received from investment trusts are recognized on the ex-dividend and ex-distribution date, respectively.

Interest income from interest bearing investments is recognized in the Statement of Comprehensive Income using the effective interest rate. Interest receivable shown in the Statement of Financial Position is accrued based on the interest bearing investments' stated rates of interest.

Interest on inflation-indexed bonds is paid based on a principal value, which is adjusted for inflation. The inflation adjustment of the principal value is recognized as part of interest income in the Statement of Comprehensive Income. If held to maturity, the Fund will receive, in addition to a coupon interest payment, a final payment equal to the sum of the par

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
(All amounts in thousands of Canadian dollars, except per unit data)
March 31, 2019

value and the inflation compensation accrued from the original issue date. Interest is accrued on each Valuation Date based on the inflation adjusted par value at that time and is included in "Interest income" in the Statement of Comprehensive Income.

Foreign currency translation

The fair value of investments and other assets and liabilities in foreign currencies are translated into the Fund's functional currency at the rates of exchange prevailing at the period-end date. Purchases and sales of investments, and income and expenses are translated at the rates of exchange prevailing on the respective dates of such transactions. Realized foreign exchange gains (losses) on investment transactions are included in "Net realized gain (loss)" in the Statement of Comprehensive Income and unrealized foreign exchange gains (losses) are included in "Change in unrealized appreciation (depreciation)" in the Statement of Comprehensive Income. Foreign exchange gains (losses) relating to cash, receivables and payables are included in "Foreign exchange gain (loss)" in the Statement of Comprehensive Income.

Securities lending

A Fund may engage in securities lending pursuant to the terms of agreements with State Street and BNY Mellon (the "security lending agent" and the "former security lending agent", respectively). BNY Mellon was the security lending agent until December 3, 2018, when State Street became the lending agent. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the NAV of the Fund. The Fund will receive collateral of at least 102% of the value of securities on loan. Collateral will generally be comprised of obligations of or guarantee by the Government of Canada or a province thereof, or by the United States government or its agencies, but it may include obligations of other governments with appropriate credit ratings. Further, the program entered into provides for 100% indemnification by the securities lending agent and parties related to the Fund's custodian, to the Fund for any defaults by borrowers.

For those Funds participating in the program, aggregate values of securities on loan, the collateral held as at March 31, 2019 and September 30, 2018, where applicable, and information about the security lending income earned by the Fund are disclosed in Note 8.

Income from securities lending, where applicable, is included in the Statement of Comprehensive Income and is recognized when earned. The breakdown of the securities lending income is disclosed in Note 8, where applicable.

Short-term trading penalty

To discourage excessive trading, the Fund may, at the Manager's sole discretion, charge a short-term trading penalty. This penalty is paid directly to the Fund and is included in "Short-term penalty fees" in the Statement of Comprehensive Income.

Increase or decrease in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" of a series in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units of the series divided by the weighted average number of units of the series outstanding during the period. Refer to Note 8 for details.

Taxation

The Fund qualifies as a unit trust under the provisions of the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to unitholders so that the Fund will not be subject to income tax. As a result, the Fund has determined that it is in substance not taxable and therefore does not record income taxes in the Statement of Comprehensive Income nor does it recognize any deferred tax assets or liabilities in the Statement of Financial Position.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and capital gains are recorded on a gross basis with the related withholding taxes shown as a separate expense in the Statement of Comprehensive Income.

Fund mergers

The Manager has adopted the purchase method of accounting for certain fund mergers which occurred during the periods. Under this method, one of the Funds in each merger is identified as the acquiring fund, and is referred to as the "Continuing Fund", and the other Fund involved in the merger is referred to as the "Terminated Fund". This identification is based on the comparison of the relative NAV of the funds as well

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(All amounts in thousands of Canadian dollars, except per unit data)

March 31, 2019

as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors, investment objectives and practices, type of portfolio securities, and management fees and expenses. Where applicable, refer to Note 8 for the details of the merger transactions.

4. Critical accounting judgements and estimates

The preparation of financial statements requires the use of judgement in applying the Fund's accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgements and estimates that the Manager has made in preparing the Fund's financial statements.

Accounting judgements:

Functional and presentation currency

The Fund's unitholders are mainly Canadian residents, with the subscriptions and redemptions of the redeemable units denominated in Canadian dollars. The Fund invests in Canadian and U.S. dollars and other foreign denominated securities, as applicable. The performance of the Fund is measured and reported to the investors in Canadian dollars. The Manager considers the Canadian dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency.

Classification and measurement of investment portfolio

Effective October 1, 2018, the Fund retrospectively adopted IFRS 9. The new standard requires assets to be carried at either amortized cost, FVTPL, or fair value through other comprehensive income ("FVOCI"), based on an assessment of the Fund's business model for managing financial instruments and the contractual cash flow characteristics of the financial assets. In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgements in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Fund's business model with respect to the manner in which financial assets and financial liabilities are managed as a group and performance is evaluated on a fair value basis, and has concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's investment portfolio. The

collection of principal and interest is incidental to the fair value business model. Further information related to the Fund's transition to IFRS 9 is detailed in Note 9.

Accounting estimates:

Fair value measurement of securities not quoted in an active market

The Fund has established policies and control procedures that are intended to ensure these estimates are well controlled, independently reviewed, and consistently applied from period to period. The estimates of the value of the Fund's assets and liabilities are believed to be appropriate as at the reporting date.

The Fund may hold financial instruments that are not quoted in active markets. Note 3 discusses the policies used by the Fund for the estimates used in determining fair value.

5. Units and unit transactions

The redeemable units of the Fund are classified as liabilities. The units have no par value and are entitled to distributions, if any. Upon redemption, a unit is entitled to a proportionate share of the Fund's NAV. The Fund is required to pay distributions in an amount not less than the amount necessary to ensure the Fund will not be liable for income taxes on realized capital gains, dividends and interest. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units except as disclosed in Note 8. The relevant movements in redeemable units are shown in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units.

In accordance with its investment objectives and strategies, and the risk management practices outlined in Note 7, the Fund endeavours to invest the subscriptions received in appropriate investments, while maintaining sufficient liquidity to meet redemptions, with such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

Redeemable units of the Fund are offered for sale on a continuous basis and may be purchased or redeemed on any Valuation Date at the NAV per unit of a particular series. The NAV per unit of a series for the purposes of subscription or redemption is computed by dividing the NAV of the Fund attributable to the series (that is, the total fair value of the assets attributable to the series less the liabilities attributable to the series)

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
(All amounts in thousands of Canadian dollars, except per unit data)
March 31, 2019

by the total number of units of the series of the Fund outstanding at such time on each Valuation Date, in accordance with Part 14 of National Instrument ("NI") 81-106 Investment Fund Continuous Disclosure for the purpose of processing unitholder transactions. Net Assets are determined in accordance with IFRS and may differ to the Funds' NAV. Where a Funds' NAV is not equal to its Net Assets, a reconciliation is shown in Note 8.

Expenses directly attributable to a series are charged to that series. Other expenses, income, realized and unrealized gains and losses from investment transactions are allocated proportionately to each series based upon the relative NAV of each series. The gain (loss) of certain forwards in Funds with Hedged Series is allocated only to the hedged series.

6. Related party transactions

(a) Management fees

The Manager is responsible for the day-to-day management of the Fund and its investment portfolio in compliance with the Fund's constating documents. The Manager provides key management personnel to the Fund, monitors and evaluates the performance of the Fund, pays for the investment management services of the investment advisors and provides all related administrative services required by the Fund.

The management fees for the ETF Series includes costs related to the administration expenses and other operating expenses, other than the fund expenses.

As compensation for its services, the Manager is entitled to receive a fee payable monthly, calculated at the maximum annual rates included in Note 8.

(b) Fixed administration fees

The Manager pays certain operating expenses of each Fund except for BMO Ascent Income Portfolio, BMO Ascent Conservative Portfolio, BMO Ascent Balanced Portfolio, BMO Ascent Growth Portfolio, BMO Ascent Equity Growth Portfolio, BMO FundSelect Balanced Portfolio (Series NBA only), BMO FundSelect Growth Portfolio (Series NBA only), BMO FundSelect Equity Growth Portfolio (Series NBA only), BMO Covered Call Canadian Banks ETF Fund, BMO Covered Call U.S. High Dividend ETF Fund, BMO Covered Call Europe High Dividend ETF Fund, BMO Fossil Fuel Free Fund, BMO Tactical Global Asset Allocation ETF Fund, BMO Tactical Global Growth ETF Fund, BMO Women in Leadership Fund, BMO International Equity Fund, BMO Japan Fund, BMO Covered Call Canada High

Dividend ETF Fund, BMO Concentrated Global Equity Fund, BMO Crossover Bond Fund, BMO Global Multi-Sector Bond Fund, BMO U.S. Small Cap Fund, BMO Multi-Factor Equity Fund, BMO SIA Focused Canadian Equity Fund and BMO SIA Focused North American Equity Fund (the "Variable Operating Expense Series"), including audit and legal fees and expenses; custodian and transfer agency fees; costs attributable to the issue, redemption and change of securities, including the cost of the securityholder record keeping system; expenses incurred in respect of preparing and distributing prospectuses, financial reports and other types of reports, statements and communications to securityholders; fund accounting and valuation costs; filing fees, including those incurred by the Manager (collectively the "Administration Expenses"). In return, the Fund pays a fixed administration fee to the Manager. The fixed administration fee is calculated daily as a fixed annual percentage of the average NAV of the Fund. Refer to Note 8 for the fixed administration fee rates charged to the Fund, where applicable.

(c) Fund expenses

The Fund also pays certain operating expenses directly ("Fund Expenses"), including expenses incurred in respect of preparing and distributing fund facts; interest or other borrowing expenses; all reasonable costs and expenses incurred in relation to compliance with NI 81-107, including compensation and expenses payable to Independent Review Committee ("IRC") members and any independent counsel or other advisors employed by the IRC, the costs of the orientation and continuing education of IRC members and the costs and expenses associated with IRC meetings; taxes of all kinds to which the Fund is or might be subject; and costs associated with compliance with any new governmental or regulatory requirement introduced after December 1, 2007.

The Manager may, in some years and in certain cases, absorb a portion of management fees, fixed administration fees or certain specified expenses of the Fund or series of the Fund. The decision to absorb these expenses is reviewed periodically and determined at the discretion of the Manager, without notice to unitholders.

(d) Variable administration fees

The Variable Operating Expense Series pay all of its operating expenses directly. These expenses include Administration Expenses and Fund Expenses.

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(All amounts in thousands of Canadian dollars, except per unit data)

March 31, 2019

(e) Commissions and other portfolio transaction costs

The Fund may execute trades with and through BMO Nesbitt Burns Inc., an affiliate of the Manager, based on established standard brokerage agreements at market prices. These fees are included in "Commissions and other portfolio transaction costs" in the Statement of Comprehensive Income. Refer to Note 8 for related party fees charged to the Fund during the period(s) ended March 31, 2019 and March 31, 2018, where applicable.

(f) Initial investments

In order to establish a new Fund, the Manager makes an initial investment in the Fund. Pursuant to the policies of the Canadian Securities Administrators, an initial investor cannot redeem its investments until an additional \$500 has been received from other investors with respect to the same class of units. Refer to Note 8 for the investment in units of the Fund held by the Manager as at March 31, 2019 and September 30, 2018, where applicable.

(g) Other related party transactions

From time to time, the Manager may on behalf of the Fund enter into transactions or arrangements with or involving subsidiaries and affiliates of Bank of Montreal or certain other persons or companies that are related or connected to the Manager of the Fund. These transactions or arrangements may include transactions or arrangements with or involving subsidiaries and affiliates of Bank of Montreal, BMO Investments Inc., BMO Nesbitt Burns Inc., BMO Asset Management Corp., BMO Private Investment Counsel Inc., BMO Asset Management Inc., BMO InvestorLine Inc., Pyrford International Limited, LGM Investments Limited, BMO Trust Company, BMO Asset Management Limited, BMO Global Asset Management (Asia) Limited, Taplin, Canida & Habacht LLC, BMO Capital Markets Corp., or other investment funds offered by Bank of Montreal, and may involve the purchase or sale of portfolio securities through or from subsidiaries or affiliates of Bank of Montreal, the purchase or sale of securities issued or guaranteed by subsidiaries or affiliates of Bank of Montreal, the purchase or redemption of units or shares of other Bank of Montreal investment funds or the provision of services to the Manager.

7. Financial instruments risks

The Fund's activities expose it to a variety of risks associated with the financial instruments, as follows: market risk (including currency risk, interest rate risk

and other market risk), credit risk and liquidity risk. The concentration table groups securities by asset type, geographic location and/or market segment. The Fund's risk management practice outlines the monitoring of compliance to investment guidelines.

The Manager manages the potential effects of these financial risks on the Fund's performance by employing and overseeing professional and experienced portfolio managers that regularly monitor the Fund's positions, market events and diversify investment portfolios within the constraints of the investment guidelines.

Where the Fund invests in other investment fund(s), it may be indirectly exposed to the financial instruments risks of the underlying fund(s), depending on the investment objectives and the type of securities held by the underlying fund(s). The decision to buy or sell an underlying fund is based on the investment guidelines and positions, rather than the exposure of the underlying fund(s).

(a) Currency risk

Currency risk is the risk that the fair value of financial instruments denominated in currencies, other than the functional currency of the Fund, will fluctuate due to changes in foreign exchange rates. Investments in foreign markets are exposed to currency risk as the prices denominated in foreign currencies are converted to the Fund's functional currency in determining fair value. The Fund may enter into forward currency contracts for hedging purposes to reduce foreign currency exposure or to establish exposure to foreign currencies. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. However, the Manager monitors the exposure on all foreign currency denominated assets and liabilities. The Fund's exposure to currency risk, if any, is further disclosed in Note 8.

(b) Interest rate risk

Interest rate risk is the risk that the fair value of the Fund's interest bearing investments will fluctuate due to changes in market interest rates. The Fund's exposure to interest rate risk is concentrated in its investment in debt securities (such as bonds, money market investments, short-term investments and debentures) and interest rate derivative instruments, if any. Other assets and liabilities are short-term in nature and/or non-interest bearing. The Fund's

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
(All amounts in thousands of Canadian dollars, except per unit data)
March 31, 2019

exposure to interest rate risk, if any, is further discussed in Note 8.

(c) Other market risk

Other market risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market. Other assets and liabilities are monetary items that are short-term in nature, as such they are not subject to other market risk. The Fund's exposure to other market risk, if any, is further discussed in Note 8.

(d) Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. Credit risk exposure for over-the-counter derivative instruments is based on the Fund's unrealized gain of the contractual obligations with the counterparty as at the reporting date. The credit exposure of other assets is represented by its carrying amount. The Fund's exposure to credit risk, if any, is further discussed in Note 8.

The Fund may enter into securities lending transactions with approved counterparties. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient approved credit rating and the market value of collateral held by the Fund must be at least 102% of the fair value of securities loaned, as disclosed in Note 8, where applicable.

(e) Liquidity risk

The Fund's exposure to liquidity risk is concentrated in the daily cash redemptions of units, and other liabilities. The Fund primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Fund retains sufficient cash positions to maintain liquidity. The Fund may, from time to time, enter into over-the-counter derivative contracts or invest in unlisted securities, which are not traded in an organized market and may be illiquid. Securities for which a market quotation could not be obtained and may be illiquid are identified in the Schedule of Investment Portfolio. The proportion of

illiquid securities to the NAV of the Fund is monitored by the Manager to ensure it does not exceed the regulatory limit and does not significantly affect the liquidity required to meet the Fund's financial obligations.

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
 (All amounts in thousands of Canadian dollars, except per unit data)
 March 31, 2019

8. Fund specific information

(a) Fund and Series information, change in units and significant events

The Fund is authorized to issue an unlimited number of units in each of Series A Units, Advisor Series Units, Series F Units, Series D Units, Series I Units and BMO Private U.S. High Yield Bond Fund Series O Units ("Series O Units"), which are redeemable at the unitholders' option.

Series	Inception date
Series A Units	May 9, 2008
Advisor Series Units	October 27, 2009
Series F Units	February 11, 2009
Series D Units	April 7, 2014
Series I Units	May 9, 2008
Series O Units	July 27, 2012

Series A Units are offered on a no-load basis and are available to all investors.

Advisor Series Units are available to all investors through authorized dealers and brokers.

Series F Units are available for purchase by investors who are enrolled in dealer-sponsored wrap programs or flat fee accounts. Instead of paying a commission on each transaction, these investors pay an annual fee to the Manager based on the value of their assets.

Series D Units are available to investors who have an account with a discount brokerage. A reduced trailing commission is paid to discount brokerages in respect to Series D Units which means a lower management fee can be charged.

Series I Units are available only to institutional investors and other investment funds as determined by the Manager from time to time and on a case-by-case basis, and who have entered into an agreement with the Manager. No management fees and fixed administration fees are charged to the Fund in respect of the Series I Units as each investor or dealer negotiates a separate fee with the Manager.

Series O Units are available to investors who have entered into an investment management agreement with BMO Private Investment Counsel Inc. or have entered into an investment agreement with BMO Nesbitt Burns Inc. and have received the Manager's consent. There are no sales charges applicable on a purchase of Series O Units. Investors pay a wealth

management fee directly to BMO Trust Company and to BMO Private Investment Counsel Inc. or directly to BMO Nesbitt Burns Inc., as applicable. A fund may not pay a management fee on Series O Units because Series O investors pay a separate fee directly to the dealer, a portion of which may be paid to the Manager by the dealer. The Series O fee is set by the dealer.

The number of units of each series that have been issued and are outstanding are shown in the table below.

For the periods ended (in thousands of units)	Mar. 31, 2019	Mar. 31, 2018
Series A Units		
Units issued and outstanding, beginning of period	657	782
Issued	88	50
Issued on reinvestment of distributions	17	18
Redeemed during the period	(136)	(184)
Units issued and outstanding, end of period	626	666

Advisor Series Units

Units issued and outstanding, beginning of period	5,662	7,265
Issued	84	92
Issued on reinvestment of distributions	94	113
Redeemed during the period	(716)	(1,056)
Units issued and outstanding, end of period	5,124	6,414

Series F Units

Units issued and outstanding, beginning of period	1,178	1,695
Issued	230	100
Issued on reinvestment of distributions	19	65
Redeemed during the period	(307)	(265)
Units issued and outstanding, end of period	1,120	1,595

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
 (All amounts in thousands of Canadian dollars, except per unit data)
 March 31, 2019

For the periods ended (in thousands of units)	Mar. 31, 2019	Mar. 31, 2018
Series D Units		
Units issued and outstanding, beginning of period	78	76
Issued	4	6
Issued on reinvestment of distributions	2	1
Redeemed during the period	(3)	(8)
Units issued and outstanding, end of period	81	75
Series I Units		
Units issued and outstanding, beginning of period	11,332	13,182
Issued	—	260
Issued on reinvestment of distributions	282	1,114
Redeemed during the period	(5,049)	(1,445)
Units issued and outstanding, end of period	6,565	13,111
Series O Units		
Units issued and outstanding, beginning of period	92,566	86,682
Issued	10,355	7,774
Issued on reinvestment of distributions	2,409	6,013
Redeemed during the period	(17,155)	(10,394)
Units issued and outstanding, end of period	88,175	90,075

(b) Reconciliation of NAV to Net Assets

As at March 31, 2019 and September 30, 2018, there were no differences between the Fund's NAV per unit and its Net Assets per unit calculated for each Series in accordance with IFRS.

(c) Increase (decrease) in net assets attributable to holders of redeemable units per unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit is calculated as follows:

For the periods ended	Mar. 31, 2019	Mar. 31, 2018
Series A Units		
Increase (decrease) in net assets attributable to holders of redeemable units	80	(111)
Weighted average units outstanding during the period (in thousands of units)	642	740
Increase (decrease) in net assets attributable to holders of redeemable units per unit	0.12	(0.15)
Advisor Series Units		
Increase (decrease) in net assets attributable to holders of redeemable units	677	(1,113)
Weighted average units outstanding during the period (in thousands of units)	5,357	6,860
Increase (decrease) in net assets attributable to holders of redeemable units per unit	0.13	(0.16)
Series F Units		
Increase (decrease) in net assets attributable to holders of redeemable units	242	(183)
Weighted average units outstanding during the period (in thousands of units)	1,127	1,635
Increase (decrease) in net assets attributable to holders of redeemable units per unit	0.21	(0.11)

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(All amounts in thousands of Canadian dollars, except per unit data)

March 31, 2019

For the periods ended	Mar. 31, 2019	Mar. 31, 2018
Series D Units		
Increase (decrease) in net assets attributable to holders of redeemable units	14	(8)
Weighted average units outstanding during the period (in thousands of units)	78	75
Series I Units		
Increase (decrease) in net assets attributable to holders of redeemable units per unit	0.18	(0.11)
Series O Units		
Increase (decrease) in net assets attributable to holders of redeemable units	556	(657)
Weighted average units outstanding during the period (in thousands of units)	7,803	12,904
Increase (decrease) in net assets attributable to holders of redeemable units per unit	0.07	(0.05)
Series O Units		
Increase (decrease) in net assets attributable to holders of redeemable units	15,648	(7,300)
Weighted average units outstanding during the period (in thousands of units)	87,646	88,325
Increase (decrease) in net assets attributable to holders of redeemable units per unit	0.18	(0.08)

(d) Income taxes

As at the tax year-ended December 2018, the Fund had the following capital and non-capital losses for income tax purposes:

Total Capital Losses (\$)	Total Non-Capital Losses (\$)	Non-Capital Losses That Expire in		
		2030 (\$)	2031 (\$)	2032 and thereafter (\$)
191,686	—	—	—	—

(e) Related party transactions

Management fees

The Manager is entitled to receive the following fees payable monthly, calculated at the following maximum annual rates:

Series	Management Fees (%)	Fixed Administration Fees (%)
Series A Units	1.600	0.250
Advisor Series Units	1.600	0.250
Series F Units	0.450	0.250
Series D Units	0.750	0.250
Series I Units	*	*
Series O Units	0.175	0.250

* Negotiated and paid by each Series I investor directly to the Manager.

The outstanding accrued management fees due to the Manager are included in “Accrued expenses” in the Statement of Financial Position and as at March 31, 2019 amounted to \$218 (September 30, 2018 — \$15).

The outstanding accrued fixed administration fees due to the Manager are included in “Accrued expenses” in the Statement of Financial Position and as at March 31, 2019 amounted to \$200 (September 30, 2018 — \$14).

Expenses

The Manager pays the administration and operating expenses of the Series I Units.

Brokerage commissions and soft dollars

There were no brokerage commissions charged to the Fund during the periods ended March 31, 2019 and March 31, 2018.

Units held by the Manager

The Manager held the following units of the Fund:

As at Mar. 31, 2019

Series	Number of Units	Value of Units (\$)
Series O Units	12	0

As at Sep. 30, 2018

Series	Number of Units	Value of Units (\$)
Series O Units	12	0

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
 (All amounts in thousands of Canadian dollars, except per unit data)
 March 31, 2019

(f) Financial instruments risks

The Fund's objective is to provide a high level of total return through a combination of income and capital appreciation by investing primarily in fixed income securities issued by United States corporations.

No changes affecting the overall level of risk of investing in the Fund were made during the period.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets (including derivatives and the underlying principal (notional) amount of forward currency contracts, if any).

As at Mar. 31, 2019

Currencies	Cash and other current receivables & payables (\$)	Investments (monetary & non-monetary) (\$)	Forward currency contracts (\$)	Net currency exposure (\$)	As a % of Net Assets (%)
Euro	2	—	—	2	0.0
U.S. Dollar	28,211	861,895	(886,089)	4,017	0.4
Total	28,213	861,895	(886,089)	4,019	0.4

As at Sep. 30, 2018

Currencies	Cash and other current receivables & payables (\$)	Investments (monetary & non-monetary) (\$)	Forward currency contracts (\$)	Net currency exposure (\$)	As a % of Net Assets (%)
Euro	2	—	—	2	0.0
U.S. Dollar	41,717	950,547	(988,844)	3,420	0.3
Total	41,719	950,547	(988,844)	3,422	0.3

As at March 31, 2019 and September 30, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to all foreign currencies, with all variables held constant, the Net Assets of the Fund could possibly have increased or decreased, respectively, by approximately \$201 (September 30, 2018 — \$171). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Interest rate risk

The Fund's exposure to interest rate risk by remaining term to maturity is summarized in the following table:

Number of years	Interest Rate Exposure as at	
	Mar. 31, 2019	Sep. 30, 2018
Less than one year	6,598	2,295
One to three years	107,033	61,678
Three to five years	254,543	288,552
Five to ten years	457,933	559,543
Greater than ten years	35,787	38,479
Total	861,894	950,547

As at March 31, 2019 and September 30, 2018, if the prevailing interest rates had been raised or lowered by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, the Net Assets of the Fund could possibly have increased or decreased, respectively, by approximately \$38,298 (September 30, 2018 — \$45,783). The Fund's interest rate sensitivity was determined based on portfolio weighted duration. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other market risk

As at March 31, 2019 and September 30, 2018, the Fund was not significantly exposed to other market risk as it was invested fully in fixed income securities.

Credit risk

The Fund's exposure to credit risk, grouped by credit ratings, is summarized in the following table:

Credit Rating	As a % of Net Assets as at	
	Mar. 31, 2019	Sep. 30, 2018
AA	0.1	0.2
A	—	0.9
BBB	5.8	5.7
BB	46.4	49.5
B	38.8	37.2
CCC	3.3	2.1
Below CCC	0.1	—
Total	94.5	95.6

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
 (All amounts in thousands of Canadian dollars, except per unit data)
 March 31, 2019

Securities lending

The Fund had assets involved in securities lending transactions outstanding as at March 31, 2019 and September 30, 2018 as follows:

	Aggregate value of securities on loan (\$)	Aggregate value of collateral received for the loan (\$)
Mar. 31, 2019	3,415	3,677
Sep. 30, 2018	44,233	47,104

The table below is a reconciliation of the gross amount generated from securities lending transactions to the security lending revenue for the periods ended March 31, 2019 and March 31, 2018:

For the periods ended	Mar. 31, 2019		Mar. 31, 2018	
	Amount	% of Gross Securities Lending Revenue	Amount	% of Gross Securities Lending Revenue
Gross securities lending revenue	123	100.0	618	100.0
Withholding taxes	36	29.5	183	29.7
	87	70.5	435	70.3
Payment to securities lending agents	26	21.0	130	21.2
Net securities lending revenue*	61	49.5	305	49.1

* Amount shown on the Statement of Comprehensive Income is gross of withholding taxes of \$36 (March 31, 2018 — \$183).

Concentration risk

The Fund's concentration risk is summarized in the following table:

As at	Mar. 31, 2019	Sep. 30, 2018
Bonds & Debentures		
Brazil	0.5%	0.6%
Canada	3.8%	2.8%
France	0.9%	0.8%
Ireland	1.8%	1.4%
Israel	1.3%	1.1%
Italy	0.3%	0.2%

As at	Mar. 31, 2019	Sep. 30, 2018
Luxembourg	1.4%	0.7%
Netherlands	0.8%	0.7%
Norway	0.8%	0.5%
Switzerland	0.9%	0.7%
United Kingdom	2.2%	2.0%
United States	79.6%	83.0%
Equities		
Canada	0.0%	0.0%
Other Assets Less Liabilities	5.7%	5.5%
	100.0%	100.0%

(g) Fair value hierarchy

The Fund classifies its financial instruments into three levels based on the inputs used to value the financial instruments. Level 1 securities are valued based on quoted prices in active markets for identical securities. Level 2 securities are valued based on significant observable market inputs, such as quoted prices from similar securities and quoted prices in inactive markets or based on observable inputs to models. Level 3 securities are valued based on significant unobservable inputs that reflect the Manager's determination of assumptions that market participants might reasonably use in valuing the securities. The tables below show the relevant disclosure.

As at Mar. 31, 2019

Financial assets	Level 1	Level 2	Level 3	Total
Debt Securities	811,463	50,431	—	861,894
Equity Securities	48	0	—	48
Derivatives	—	1,080	—	1,080
Total	811,511	51,511	—	863,022

Financial liabilities

Derivatives	—	(2,169)	—	(2,169)
-------------	---	---------	---	---------

As at Sep. 30, 2018

Financial assets	Level 1	Level 2	Level 3	Total
Debt Securities	913,165	37,382	—	950,547
Equity Securities	100	0	—	100
Derivatives	—	11,156	—	11,156
Total	913,265	48,538	—	961,803

BMO U.S. High Yield Bond Fund

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
 (All amounts in thousands of Canadian dollars, except per unit data)
 March 31, 2019

Transfers between levels

Transfers are made between the various fair value hierarchy levels due to changes in the availability of quoted market prices or observable inputs due to changing market conditions.

During the period from October 1, 2018 to March 31, 2019, \$17,674 of debt securities were transferred from Level 1 to Level 2 due to reduced observability of inputs used to value these securities.

During the period from October 1, 2017 to September 30, 2018, \$7,624 of debt securities were transferred from Level 2 to Level 1 due to increased availability of quoted prices in the active market.

9. IFRS 9 transition

Upon transition to IFRS 9, financial assets and financial liabilities in the Fund's investment portfolio were classified as FVTPL. The classification for financial assets and financial liabilities differs from the classification under the previous IAS 39. However, there were no changes in the measurement attributes for any of the financial assets and financial liabilities upon transition to IFRS 9. The tables below show the reconciliation of the financial assets and financial liabilities balances as at October 1, 2018, the IFRS 9 transition date.

As at Oct. 1, 2018

Financial Assets	Held for Trading	Designated as FVTPL	Loans and Receivables**	FVTPL
Opening balance - under IAS 39	11,156	950,647	16,158	—
On the basis of change from IAS 39 to IFRS 9:				
- reclassification of investments to FVTPL*	(11,156)	(950,647)	—	961,803
Total change on transition to IFRS 9	(11,156)	(950,647)	—	961,803
Opening balance - under IFRS 9	—	—	16,158	961,803

* These are financial instruments (including derivatives) classified as held for trading and others designated as FVTPL under IAS 39.

** These are other financial assets classified as loans and receivables under IAS 39, now classified as amortized cost under IFRS 9.

As at Oct. 1, 2018

Financial Liabilities	Held for Trading	Other Financial Liabilities**	FVTPL
Opening balance - under IAS 39	—	8,863	—
On the basis of change from IAS 39 to IFRS 9:			
- reclassification of securities sold short and derivatives*	—	—	—
Total change on transition to IFRS 9	—	—	—
Opening balance - under IFRS 9	—	8,863	—

* These are financial liabilities (such as securities sold short and derivatives) classified as held for trading under IAS 39.

** These were classified as other financial liabilities under IAS 39, now classified as amortized cost under IFRS 9.

BMO Investments Inc.

First Canadian Place, 43rd Floor
100 King Street West
Toronto, Ontario M5X 1A1

Independent Auditor

PricewaterhouseCoopers LLP
PwC Tower
18 York Street, Suite 2600
Toronto, Ontario M5J 0B2

www.bmo.com/mutualfunds and www.bmo.com/gam/ca

If you have any questions, please give us a call as follows:

- If you purchased BMO Mutual Funds through a BMO Bank of Montreal branch or BMO Online Banking, please call 1-800-665-7700.
- If you purchased BMO Mutual Funds through a full-service or discount broker, please call 1-800-668-7327 or email clientservices.mutualfunds@bmo.com.

®/™ Registered trade-marks/trade-mark of Bank of Montreal, used under licence.

BMO Mutual Funds are offered by BMO Investments Inc., a financial services firm and separate legal entity from Bank of Montreal.