

# **BMO INVESTMENTS II (IRELAND) PLC**

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 457359 and operating as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (“UCITS Regulations”))

**Condensed Interim Report and Unaudited Financial Statements for the  
six months ended 30 June 2016**

# **BMO INVESTMENTS II (IRELAND) PLC**

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# **BMO INVESTMENTS II (IRELAND) PLC**

## **Directory**

### **BOARD OF DIRECTORS**

Anthony Cousins (British)\*  
Eimear Cowhey (Irish)‡  
Barry McInerney (Canadian)\*\*\*  
Paul McNaughton (Irish)‡\*  
Liam Miley (Irish)‡\*\*  
Hugh Moir (British)\*\*  
Lars Nielsen (Danish)\*\*  
Drew Newman (British) (Chairman)  
Diane Seymour-Williams (British)\*

‡ Independent Director

\*Resigned 1 April 2016

\*\*Appointed 1 April 2016

\*\*\*Resigned 13 June 2016

### **REGISTERED OFFICE**

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Dublin 2  
Ireland

### **INVESTMENT MANAGER & DISTRIBUTOR**

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95 Wigmore Street  
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W1U 1FD  
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### **ADMINISTRATOR**

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **DEPOSITARY**

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **AUDITOR**

KPMG  
1-2 Harbourmaster Place  
International Financial Services Centre  
Dublin 1  
Ireland

### **LEGAL ADVISERS**

Arthur Cox  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2  
Ireland

### **COMPANY SECRETARY**

Bradwell Limited  
Arthur Cox Building  
Earlsfort Terrace  
Dublin 2  
Ireland

### **GOVERNANCE SERVICE PROVIDER**

KB Associates  
Ground Floor  
5 Georges Dock  
IFSC  
Dublin 1  
Ireland

### **REGISTRATION NUMBER**

457359

## **BMO INVESTMENTS II (IRELAND) PLC**

### **General Information**

The Company is an open-ended investment company with variable capital and was incorporated in Ireland on 14 May 2008 and is organised under the laws of Ireland with registration number 457359. The Company was formerly known as Lloyd George Investment Company Plc and, on 8 September 2014, the Company changed its name to BMO Investments II (Ireland) Plc. The Company has been authorized by the Central Bank of Ireland (the "Central Bank") as an undertaking for collective investment in transferable securities ("UCITS") pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations"). All capitalised terms used but not defined herein shall have the meaning ascribed thereto in the Company's prospectus dated 9 December 2015 (the "Prospectus").

The Company is structured as an umbrella fund consisting of different sub-funds ("Funds") each comprising one or more classes of shares and with segregated liability between Funds.

The Shares issued in each Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular Class, dividend policy, voting rights, return of capital, the level of fees and expenses to be charged, or the Minimum Initial Subscription and Minimum Holding applicable. The assets of each Fund will be invested separately on behalf of each Fund in accordance with the investment objective and policies of each Fund. A separate portfolio of assets is not maintained for each Class within a Fund.

### **Launched Funds and Share Classes offered**

There are currently five active Funds in operation as at 30 June 2016, BMO LGM Asian Growth and Income Fund, BMO LGM Frontier Markets Fund, BMO LGM Global Emerging Markets Growth and Income Fund, BMO LGM Greater India Fund and BMO LGM Asian Smaller Companies Fund.

<b>Name of Fund</b>	<b>Currency</b>	<b>Class</b>
BMO LGM Asian Growth and Income Fund	USD	Class A Income Shares Class A Accumulating Shares Class B Income Shares Class B Accumulating Shares* Class E Income Shares Class E Accumulating Shares Class S Income Shares Class S Accumulating Shares Class W Income Shares Class W Accumulating Shares
BMO LGM Frontier Markets Fund	USD	Class A Income Shares* Class A Accumulating Shares Class B Income Shares* Class B Accumulating Shares* Class E Income Shares Class E Accumulating Shares*
BMO LGM Global Emerging Markets Growth and Income Fund	USD	Class A Income Shares Class A Accumulating Shares Class B Income Shares* Class B Accumulating Shares* Class D Income Shares Class D Accumulating Shares Class E Income Shares Class E Accumulating Shares* Class F Income Shares Class F Accumulating Shares Class S Income Shares Class S Accumulating Shares* Class W Income Shares Class W Accumulating Shares

\*These Classes of Shares are active as at 30 June 2016.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **General Information cont/d**

### **Fund Share Classes cont/d**

<b>Name of Fund</b>	<b>Currency</b>	<b>Class</b>
BMO LGM Greater India Fund	USD	Class A Income Shares Class A Accumulating Shares Class B Income Shares Class B Accumulating Shares Class E Income Shares Class E Accumulating Shares*
BMO LGM Asian Smaller Companies Fund	USD	Class A Income Shares Class A Accumulating Shares Class B Income Shares Class B Accumulating Shares* Class E Income Shares Class E Accumulating Shares

\*These Classes of Shares are active as at 30 June 2016.

The BMO LGM Asian Growth and Income Fund Class B Income Shares terminated on 5 January 2016.

The BMO LGM Greater India Fund Class B Income Shares terminated on 5 January 2016.

The BMO LGM Global Emerging Markets Growth and Income Fund Class S Accumulating Shares launched on 20 April 2016.

### **Investment Objectives and Policies**

The following is a summary of the investment objectives and policies of the active Funds. It does not purport to be a complete account of the investment objectives and policies and you should refer to the Prospectus in case of any uncertainty.

#### **Investment Objective and Policies of the BMO LGM Asian Growth and Income Fund**

The Fund aims to achieve long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in the Asian region with the potential for capital appreciation and a growing stream of dividends.

The Fund will invest primarily in equity and equity-related securities of companies in the Asian region which are listed or traded on a Recognised Exchange and which have, in the opinion of the Investment Manager, the potential for both capital appreciation and a growing stream of dividends. The Fund may also invest in companies that have, in the opinion of the Investment Manager, substantial economic activities in the Asian region.

The Asian region may include, but is not limited to, Hong Kong, Singapore, Malaysia, Thailand, Taiwan, China, Indonesia, South Korea and the Philippines. Investment may be made in developed and emerging markets and Frontier Markets in the Asian region and exposure to countries that do not form part of the MSCI AC Asia ex Japan Index (Net Dividends Reinvested), such as Japan and Vietnam, is permitted up to a maximum of 20% of the Fund's Net Asset Value. In addition to the above, in constructing the portfolio, the Investment Manager will focus on the selection of securities of quality companies and consider factors including but not limited to sustainable business models, robust balance sheets, proven management teams with disciplined capital management, clear and fair alignment between majority and minority shareholders, share valuations, market capitalisation, liquidity and dividend yield.

#### **Investment Objective and Policies of the BMO LGM Frontier Markets Fund**

The Fund aims for long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in Frontier Markets worldwide. In exceptional circumstances, the Fund may invest in debt securities.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **General Information cont/d**

#### **Investment Objective and Policies of the BMO LGM Frontier Markets Fund cont/d**

The Fund will invest primarily in equities and equity-related securities of companies which are listed or traded on a Recognised Exchange in countries of Frontier Markets and companies which have, in the opinion of the Investment Manager, substantial economic activities in Frontier Markets, but whose stock listing may only be on a Recognised Exchange outside Frontier Markets region.

In constructing the portfolio, the Investment Manager will focus on the selection of securities of quality companies and consider factors, including, but not limited to, sustainable business models, robust balance sheets, proven management teams with disciplined capital management, clear and fair alignment between majority and minority shareholders, share valuations, market capitalisation, liquidity and dividend yield.

#### **Investment Objective and Policies of the BMO LGM Global Emerging Markets Growth and Income Fund**

The Fund aims for long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in emerging markets worldwide with the potential for capital appreciation and a growing stream of dividends.

The Fund will invest primarily in equity and equity related securities of companies which are listed or traded on a Recognised Exchange in emerging market countries worldwide, including Russia, which have, in the opinion of the Investment Manager, the potential for both capital appreciation and a growing stream of dividends.

#### **Investment Objective and Policies of the BMO LGM Greater India Fund**

The Fund aims to achieve long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in India and may include investment in other countries in the Indian sub-continent such as Sri Lanka and Bangladesh.

The Fund will invest primarily in equity securities and equity-related securities of companies in India or other countries in the Indian sub-continent that are listed or traded on a Recognised Exchange. The Fund may also invest in companies that, in the opinion of the Investment Manager, have substantial economic activities in India or other countries in the Indian sub-continent, but that are listed or traded on a Recognised Exchange outside of India or other countries in the Indian sub-continent.

#### **Investment Objective and Policies of the BMO LGM Asian Smaller Companies Fund**

The Fund aims to achieve long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of smaller companies in the Asian region.

The Fund will invest primarily in equity and equity-related securities smaller companies in the Asian region which are listed or traded on a Recognised Exchange. In this context, smaller companies generally mean companies which are, at the time of investment, of a market capitalisation within a small company sector benchmark market capitalisation range. Investments in companies which subsequently outgrow the small company sector benchmark will not be sold unless, in the opinion of the Investment Manager, this is in the best interests of Shareholders.

#### **Redemption of Shares**

The redemption price per Share shall be the Net Asset Value per Share. A redemption fee of up to 3% of the Net Asset Value per Share being redeemed may be charged in respect of Class E Income Shares and Class E Accumulating Shares of BMO LGM Frontier Markets Fund. Other than as set forth below or in the section of the Prospectus titled "Redemption of Shares" it is not the intention to charge a redemption fee in respect of any other Class of any Fund.

The Directors are empowered to charge a redemption fee of up to 3% of the Net Asset Value per Share of any Class of any Fund and may exercise their discretion to charge the redemption fee if they have reason to believe that any Shareholder requesting redemption is attempting any form of arbitrage on the yield of Shares in the Fund. In addition, in respect of BMO LGM Frontier Markets Fund only, if a Shareholder requests redemption within six months of the initial investment, then the Directors may exercise their discretion to charge a redemption fee. The Directors will give not less than one month's notice to Shareholders of their intention to introduce a redemption fee generally. A redeeming Shareholder of Shares may also receive additional redemption proceeds if any Equalisation Credit paid at the time of subscription has not been fully applied.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **General Information cont/d**

#### **Dividends and Distributions**

The Directors are empowered to declare and pay dividends on Shares issued in any Class or Fund in the Company.

*Income Share Classes:* Dividends will be declared and paid on these Shares. Dividends will normally be declared in respect of the financial year end (i.e., 31 December in each year) and paid to Shareholders as of 31 December within four months of the financial year end and will usually be paid to the Shareholder's bank account as detailed on the Application Form. Dividends which are not claimed or collected within six years of payment shall revert to and form part of the assets of the relevant class. The Directors will declare dividends in respect of any Shares in the Company out of the net income (i.e., income less expenses) of the Company (whether in the form of dividends, interest or otherwise), subject to certain adjustments.

*Accumulating Share Classes:* Dividends will be declared on these Shares but automatically reinvested and will be reflected in the Net Asset Value of the Share class. Dividends will normally be declared in respect of the financial year end (i.e., 31 December in each year). The Directors will declare dividends in respect of any Shares in the Company out of the net income (i.e., income less expenses) of the Company (whether in the form of dividends, interest or otherwise), subject to certain adjustments.

With effect from 1 October 2013, all Classes of Shares will be permitted to operate equalisation. Where the Classes of Shares operate equalisation, distributions made by such Classes of Shares will include an amount of income equalisation. This amount corresponds to the equalisation income included in the Net Asset Value per Share of such Classes.

All investors, including UK investors, should seek their own tax advice in relation to the implications (if any) of these distribution policies.

Any change to the dividend policy will be provided in an updated Prospectus and all Shareholders will be notified in advance.

#### **Reporting to investors – UK Reporting Fund Regime**

It is the intention of each launched Fund to continue to meet its annual obligations to be a "reporting fund", as defined in the Offshore Funds (Tax) Regulations 2009 (SI 2009 No. 3001). The Fund will report income to investors via the Company's website at [www.bmo.com/lgminvestments](http://www.bmo.com/lgminvestments) and this is expected to be made available to investors by 30 June in each year.

#### **Net Asset Value and Valuation of Assets**

The Net Asset Value of each Fund or, if there are different Classes within a Fund, each Class, will be calculated by the Administrator as at the Valuation Point on or with respect to each Dealing Day in accordance with the Articles of Association. The Net Asset Value of a Fund shall be determined as at the Valuation Point for the relevant Dealing Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees and other liabilities). The Net Asset Value attributable to a class shall be determined as at the Valuation Point for the relevant Dealing Day by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant Class as at the Valuation Point, subject to adjustment to take account of assets and/or liabilities attributable to the Class.

The Net Asset Value of a Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case.

The Net Asset Value per Share shall be calculated as at the Valuation Point on or with respect to each Dealing Day by dividing the Net Asset Value of the relevant Fund or attributable to a Class by the total number of Shares in issue in the Fund or Class at the relevant Valuation Point and rounding the resulting total to four decimal places.

For further information regarding the method and principles by which the Net Asset Value is determined and the circumstances under which the Directors may temporarily suspend the determination of the Net Asset Value, please refer to the Prospectus.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report**

#### **BMO LGM Asian Growth and Income Fund**

After starting the year with the worst January for Asian equities since 2008, markets subsequently recovered some of their poise to close the first half up 2.2% in US dollar terms. Initial anxieties were driven by weaker commodity prices (especially oil), exaggerated concerns over the risk of Renminbi devaluation, flip-flopping Chinese policy and fading global growth prospects. Thereafter, receding US rate hike worries and a weaker US dollar set the scene for better price action towards the end of the half. Brexit related anxieties caused barely a ripple in our markets after just one or two shaky days. This sanguine outlook springs from the view that developed market uncertainties will simply postpone the timing of US rate rises. This was certainly the view in most of Asia's currency markets, many of which rallied strongly in the latter part of the half.

The Fund rose 10.4% in USD terms over the first half, outperforming its benchmark by 8.2%. Performance was supported by stock selection in India, Indonesia and Korea. From a sector perspective, stock selection in financials and consumer names helped the Fund to outperform. In absolute terms, the standout contributions came from Yes Bank in India; Mahindra & Mahindra Financial Services, also in India (second-hand vehicle financing), Universal Robina in the Philippines (branded consumer food products); Unilever Indonesia (fast moving consumer goods); and Korean Tobacco. Our worst performer was the Chinese pharmaceutical company, Sino Biopharmaceutical, which disappointed both ourselves and the market with the announcement of an expensive, value destroying acquisition that had very little to do with the company's core business.

In what proved to be a busy first half for the managers, team members visited current and potential new investments in China, Hong Kong, Singapore, Thailand, Malaysia, the Philippines, Korea, Taiwan and India (twice). Malaysia has been one of the region's least loved markets and the lingering scandal surrounding the curious fund flows into and out of the prime minister's personal bank account has done little to improve confidence. However, our visits there proved unexpectedly productive, allowing us to add one new name during the half (see below). Our visits in India were mainly focused on the consumer sector. This sector has been facing a variety of short term headwinds, especially in the rural sector where poor monsoons and significant changes to the subsidy regime have hit farmer incomes over the last two years. Longer term, however, Indian consumer names offer some of the best investment potential of any sector in the region. Most of India's citizens spend less on basic staples in a year than western consumers do in two weeks. As disposable incomes grow, consumer goods sales will increase exponentially. One interesting theme to emerge from the India trips was the developing popularity of traditional ayurvedic health and personal care products. Whether this becomes a major competitive threat to more established, western-style products remains to be seen, but we believe the market potential is sufficiently large to accommodate both types of product and the larger incumbents are anyway planning to respond with "natural" lines of their own. Our visit to Korea also reconfirmed some of our long standing concerns with regard to governance and alignment issues for many Korean companies, which partly explains why we struggle to find many Korean names that satisfy our quality criteria.

In terms of significant portfolio activity, we continued to concentrate the Fund's holdings around the highest quality businesses that we can identify in the Asian universe. To this end we added five new names to the Fund during the first half and we sold eight. The new buys included: Vitasoy in Hong Kong (beverages); Britannia in India (snack foods); HDFC Limited, also in India (financial services and banking); Mead Johnson (listed in the US but deriving most of its sales and earnings from Asian markets); and BAT Malaysia (tobacco). The disposals included Stella International in Hong Kong (shoe maker); Giordano in Hong Kong (clothing retailer); St Shine Optical in Taiwan (contact lens maker); Major Cineplex in Thailand (cinema chain); Ping An Insurance in China; Sino Biopharmaceutical in China (pharmaceuticals); SJM in Macau (gaming); and Advance Info Services in Thailand (telecoms). Please refer to our separate monthly reports for more detailed analysis of these changes.

At LGM we invest only in quality companies with defensive characteristics such as robust balance sheets, high returns on invested capital, stable or growing free cash flows, proven management teams and where we can identify a clear alignment of interest between majority and minority shareholders. This quality focus tends to create a bias in favour of consumer names and finance and service-related companies in the less developed parts of our region.



## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report cont/d**

#### **BMO LGM Asian Growth and Income Fund cont/d**

Low penetration rates for goods and services in these markets create a favourable backdrop, with the potential for significant demand growth as disposable incomes rise. For us, market volatility simply provides the opportunity to build new positions and / or to add to existing holdings at more attractive valuations.

LGM Investments Limited  
August 2016

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report cont/d**

#### **BMO LGM Frontier Markets Fund**

The fund gained 3.8% (net of all fees in USD terms) on Class B Accumulating shares over the 6 months to June 30 compared to 0.5% for the benchmark. This is in spite of the very large drawdown in January, which saw the Fund drop 7.1%. Since inception the fund has delivered an annualised return of 11.8% for our investors versus 4.4% for the benchmark and it continues to outperform on a one, two and three year basis.

Whilst the top down news has continued to create volatility, not just for frontier markets, it has been pleasing to see that our companies are still moving in the right direction. This is best illustrated by the strong results that we saw coming from our companies during the first six months of the year. In aggregate, the first quarter of the year saw an average year on year earnings growth for our companies of 17.6%, which was in line with the performance reported during the third and fourth quarters of last year. Combined with a strong revenue growth of 14.5% these results only continue to increase our confidence in the companies we hold and their ability to generate strong, long-term returns for our investors.

Amongst the biggest contributors to the Fund's six month performance were our two Georgian investments: BGEO Holdings, which is the largest bank in that country; and its listed subsidiary, Georgia Healthcare Group (GHG). GHG is a relatively new investment for the Fund, but the developments we have seen since the company listed in late 2015 have more than justified our confidence as management continues to take the right steps to maximise shareholder value. This is something we expected having been long term shareholders in the parent BGEO, but even we were impressed by the speed with which they were able to improve margins and also by the decision to acquire Georgia's third largest pharmacy chain. Strong results since listing have been reflected in a significant movement in the share price, with substantial gains year to date. The impressive performance of these two Georgian investments was even more remarkable given they are both listed in the UK and were thus impacted by the decline in sterling following the Brexit decision at the end of the period.

Vinamilk remains the fund's largest investment and after being one of the top contributors to performance last year was again one of the largest contributors during the first six months of 2016. The company has continued to benefit from low raw material prices - which have driven strong margin improvements - and also from the government's decision to allow companies to increase their foreign ownership limits. Vinamilk in fact removed the foreign ownership limit entirely just after the period under review. The Fund also benefited from its investments in the Latin and Central American regions. Because of our focus on buying high quality companies at attractive valuations, we have been continuously drawn to this region over the past two years. The Fund has gone from having zero weight in the region at launch to having seven investments today, which together account for 18% of the Fund's NAV. As such we have been pleased to see that this started to pay off so far this year.

During the last six months the Fund has made five changes with two new investments and three companies leaving the portfolio. This has been a fairly active period in terms of changes but, in line with our long term investment approach, it should be noted that the Fund's turnover still remains low at 13.9%. The three companies to leave the portfolio, all in January, were Oman Tel, Bank Muscat and First Gulf Bank. All three companies were good businesses trading at attractive valuations. However, the decision to exit these holdings was made because the sharp price falls seen across the frontier universe in 2015 created better value elsewhere. We thus believed that the Fund would be able to compound returns at a higher rate for our clients if the capital invested in these three names were re-deployed into even better businesses. As bottom up investors the fact that all three companies were located in the Middle East was not in itself the reason they were sold. However, as we have maintained since launching the fund, we generally see better long term opportunities for our companies in regions outside of the Middle East, where conditions have been exacerbated by the decline in commodity prices and also by the region's currency pegs, which have artificially inflated the value of their currencies.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report cont/d**

#### **BMO LGM Frontier Markets Fund cont/d**

The Fund's two new investments are both in Africa. As with our increased investments in Latin America over the last two years, this was not a decision to allocate to a particular region. Rather, regions like Africa that are currently out of favour are good hunting grounds in which to search for great businesses selling at attractive valuations. The first of these two investments, made during April, was Unilever Ghana. The company has a very strong core franchise. However troubles in the Ghanaian economy and a business that was not run tightly enough led to weak financial performance and a cancellation of the dividend. The new management has now trimmed the cost structure and focused on expanding the product portfolio and, so far, we like the results we are seeing; after cleaning up the balance sheet, the company resumed paying a dividend and we made our initial investment on a yield close to 5%.

The second new investment, during June, was in the South African based quick service restaurant (QSR), Famous Brands. Over the last year we have spent considerable time researching the fast food sector. The Fund only has one investment in this space, Herfy in Saudi Arabia. However, we have always looked for more opportunities because this is an industry which has shown over and over again that with the right offering and management you can earn 'supernormal' returns for a very prolonged period of time. Famous Brands is a company that has, for years, kept popping up on our screens because it generates better returns than almost anyone else globally in this sector. We have not looked at it more in the past because the bulk of its cash flows come from South Africa. However, with its strongly growing pan-African operation we now feel it has reached a scale where it can be considered for the frontier fund. In our work on African QSRs it has become clear that Famous Brands is going to be the long-term winner and the only real challenger for first place is American Yum! Brands. After researching the business for a long time, 'Brexit', which triggered a sharp fall in the South African Rand, provided us with an opportunity to become shareholders in this excellent business. We fully understand that South Africa is not part of our universe and we want to be crystal clear that this is not going to be the start of a trend towards buying companies outside the universe. We will continue to invest in accordance with the investment objectives and policies of the fund. However, we also feel strongly that not owning a company that will be the most successful QSR on the African continent over the next ten years would be a huge mistake, especially when it trades on such an undemanding valuation by QSR standards. In many ways African QSR is as frontier as it gets!

LGM Investments Limited  
August 2016

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report cont/d**

#### **BMO LGM Global Emerging Markets Growth and Income Fund**

The Fund gained 13.5% (Class B income, net of fees in USD), over the six-months period ended 30 June 2016 and outperformed its benchmark, the MSCI Emerging Markets Index (net of dividends reinvested, in USD), which returned 6.4%. The Fund's performance was driven by stock selection in India, where we have an overweight, and also by the underweight position in China.

Over the period, the Fund benefited from a number of holdings, including Yes Bank, Mahindra & Mahindra Financial Services and Universal Robina. Founded in 2004, Yes Bank has built a successful corporate banking business based on offering its clients a full "banking solution" that includes lending products, foreign exchange and treasury services. This solutions-based approach has improved its knowledge of clients' business, reduced the risk of non-performing loans and increased lucrative fee generation. Yes Bank has also embarked on a transformational journey towards retail banking by steadily building its branch network and increasing the share of low cost current and savings account deposits. In the recent results, Yes Bank showed no significant deterioration in asset quality following an extensive review by the central bank, thus dispelling some investor concerns and driving the stock's outperformance. In a recent meeting with the bank's founder, Dr. Rana Kapoor, he shared Yes Bank's goal of becoming the "Wells Fargo of India", an aspiration that we support as shareholders.

The key detractor to performance in the first half was the Commercial International Bank of Egypt (CIB). CIB's performance was hit by political unrest in the region as well as by the devaluation of Egyptian Pound. Despite these near-term macro challenges, CIB remains one of the best managed banks in our universe, with a culture of lending prudently and profitably and generating a 10-year return on assets of more than 2%.

Over the period, the Fund increased its position in US-listed Mead Johnson, a producer of baby formula that derives 78% of its revenue from Emerging Markets, and 40% of its operating profit from China. Mead Johnson has a 100-year old power-brand that boasts the second largest market share in Asia and Latin America, with an exceptionally high return on invested capital due to modest capital needs and its negative working capital cycle. While growth in the Chinese market recently presented a number of challenges as distribution shifted from the modern channel to specialty stores where Mead Johnson had little presence, we have every confidence in management's ability to address these issues, whilst maintaining high profitability and returns.

LGM Investments Limited  
August 2016

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report cont/d**

#### **BMO LGM Greater India Fund**

The Fund gained 9.66% over the six month period ended 30 June 2016 and outperformed its benchmark, the S&P BSE 100 by 7.47% (USD terms). From a sector perspective, the outperformance was driven by stock selection in financials and the overweight in consumer staples. The Fund's absolute performance was supported by holdings in Yes Bank, Mahindra & Mahindra Financial Services and Pidilite Industries, while Jubilant Foodworks, United Spirits and ICICI Bank detracted. The managers' bottom-up, quality focussed investment philosophy tends to produce a natural bias in favour of consumer staples, consumer discretionary and financials stocks. We are typically underweight energy, utility, information technology and telecoms.

Among the key contributors to performance was our holding Pidilite Industries, the market leader in consumer and speciality industrial chemicals such as adhesives, sealants and construction chemicals, with a market share in excess of 70% in many of their markets. The products Pidilite sells are commodity-type products and economic theory would therefore suggest returns at or below the cost of capital as competitors enter the market with the expectation of higher returns. Pidilite, however, is able to generate a return on invested capital greater than 30% by virtue of its strong management team, first-mover advantages, superior distribution and the fact that Pidilite sells branded products in commodity like categories. Pidilite has grown operating profits at a CAGR of more than 20% in the last 10 years, while maintaining a net cash position and paying a steadily increasing stream of dividends. We are confident Pidilite can continue this strong performance and benefit us as shareholders.

Among the stocks which detracted performance was United Spirits (UNSP). India is the second largest market for alcoholic spirits accounting for approximately 13% of global volumes. Branded liquor sales account for just 50% of the Indian market, which presents a significant opportunity for growth and premiumisation. UNSP has a 40% share of the branded market and has been 55% owned by Diageo, the world's largest spirits company, since 2013. UNSP's profitability and capital efficiency ratios were very poor under the previous management. Diageo has initiated steps to rationalize the brands and improve profitability along with instilling best corporate practices in terms of governance and financial controls. The transformation of the operating and financial metrics to truly reflect its dominant position is taking more time than initially envisaged, thus leading to period of stock underperformance. However, with our long term investment horizon we believe there is significant potential for value to be unlocked by Diageo in the next several years.

Over the period, the Fund initiated positions in three stocks: Britannia Industries, the largest company in the biscuits segment with aspirations to become a total foods company; Jyothy Laboratories, a mid-sized consumer staples company that has diversified successfully into multiple FMCG brands in under-penetrated categories; and Credit Analysis Research Ltd (CARE), the second largest rating agency supporting the growth of India's nascent corporate debt market.

LGM Investments Limited  
August 2016

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report cont/d**

#### **BMO LGM Asian Smaller Companies Fund**

After starting the year with the worst January for Asian small cap equities since 2008, the benchmark subsequently recovered some of its poise to close the first half down just 1.8% in US dollar terms. Initial anxieties were driven by weaker commodity prices (especially oil), exaggerated concerns over the risk of Renminbi devaluation, flip-flopping Chinese policy and fading global growth prospects. Thereafter, receding US rate hike worries and a weaker US dollar set the scene for better price action towards the end of the half. Brexit related anxieties caused barely a ripple in our markets after just one or two shaky days. This sanguine outlook springs from the view that developed market uncertainties will simply postpone the timing of US rate rises. This was certainly the view in most of Asia's currency markets, many of which rallied strongly in the latter part of the quarter.

The Fund rose 4.5% in USD terms over the half, outperforming its benchmark by 6.3%. Performance was particularly supported by stock selection in Hong Kong, Malaysia and India. From a sector perspective, stock selection in the consumer staples and discretionary sectors both helped the Fund to outperform. In absolute terms, the standout contributions came from Beauty Community in Thailand (cosmetics retailing), Mayora Indah in Indonesia (snack foods), Mahindra & Mahindra Financial Services in India (second-hand vehicle financing), Ace Hardware in Indonesia (homeware retailing), and Dah Sing Financial in Hong Kong (banking and insurance).

In what proved to be a busy first half for the managers, team members visited current and potential new investments in China, Hong Kong, Singapore, Thailand, Malaysia, the Philippines, Korea, Taiwan and India (twice). Malaysia has been one of the region's least loved markets and the lingering scandal surrounding the curious fund flows into and out of the prime minister's personal bank account has done little to improve confidence. However, our visits there proved unexpectedly productive, allowing us to add two new names during the half (see below). Our visits in India were mainly focused on the consumer sector. This sector has been facing a variety of short term headwinds, especially in the rural sector where poor monsoons and significant changes to the subsidy regime have hit farmer incomes over the last two years. Longer term, however, Indian consumer names offer some of the best investment potential of any sector in the region. Most of India's citizens spend less on basic staples in a year than western consumers do in two weeks. As disposable incomes grow, consumer goods sales will increase exponentially. One interesting theme to emerge from the India trips was the developing popularity of traditional ayurvedic health and personal care products. Whether this becomes a major competitive threat to more established, western-style products remains to be seen, but we believe the market potential is sufficiently large to accommodate both types of product and the larger incumbents are anyway planning to respond with "natural" lines of their own. Our visit to Korea also reconfirmed some of our long standing concerns with regard to governance and alignment issues for many Korean companies, which partly explains why we struggle to find many Korean names that satisfy our quality criteria.

In terms of significant portfolio activity, we continued to concentrate the Fund's holdings around the highest quality businesses that we can identify in the Asian small cap universe. To this end we added eight new names during the half and we sold seven. The new buys included: Ceylon Tobacco in Sri Lanka; Sheng Siong Holdings in Singapore (supermarkets); Dutch Lady Milk in Malaysia (dairy); Heineken Malaysia (brewery); Cosmo Lady in China (lingerie retailing); Vitasoy in Hong Kong (beverages); Shriram City Union Finance in India (small business finance); and Credit Analysis & Research (India's second largest credit rating agency). The disposals included: Tune Protect in Malaysia (on-line insurance); Stella International in Hong Kong (shoe maker); Dialog in Malaysia (engineering and oil storage); Ticon in Thailand (industrial real estate); OSIM in Singapore (lifestyle products and massage chairs); Skyworth Digital in China (television manufacturer) and Dah Sing Financial in Hong Kong (banking and insurance). Please refer to our separate monthly reports for more detailed analysis of these changes.

At LGM we invest only in quality companies with defensive characteristics such as robust balance sheets, high returns on invested capital, stable or growing free cash flows, proven management teams and where we can identify a clear alignment of interest between majority and minority shareholders. This quality focus tends to create a bias in favour of consumer names and finance and service-related companies in the less developed parts of our region.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Investment Manager's Report cont/d**

#### **BMO LGM Asian Smaller Companies Fund cont/d**

Low penetration rates for goods and services in these markets create a favourable backdrop, with the potential for significant demand growth as disposable incomes rise. For us, market volatility simply provides the opportunity to build new positions and / or to add to existing holdings at more attractive valuations.

LGM Investments Limited  
August 2016

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Financial Position as at 30 June 2016**

		<b>BMO LGM Asian Growth and Income Fund USD</b>	<b>BMO LGM Frontier Markets Fund USD</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund USD</b>	<b>BMO LGM Greater India Fund USD</b>	<b>BMO LGM Asian Smaller Companies Fund USD</b>
<b>Note</b>	<b>Company Total USD</b>					
<b>Current Assets</b>						
Financial assets at fair value through profit or loss:						
	Transferable securities	4,561,801	584,729,519	233,201,456	1,927,798	9,132,979
	Financial derivative instruments	-	323,691	-	-	-
4	Cash and cash equivalents	1,167,727	12,647,188	9,688,416	32,450	355,705
	Other receivables	14,135	846,477	779,172	25,414	164,573
	<b>Total Current Assets</b>	<b>5,743,663</b>	<b>598,546,875</b>	<b>243,669,044</b>	<b>1,985,662</b>	<b>9,653,257</b>
<b>Current Liabilities</b>						
Creditors - amounts falling due within one year:						
	Other payables	(422,702)	(8,553,275)	(333,381)	(35,967)	(195,802)
	<b>Total Current Liabilities excluding net assets attributable to holders of redeemable participating shares</b>	<b>(422,702)</b>	<b>(8,553,275)</b>	<b>(333,381)</b>	<b>(35,967)</b>	<b>(195,802)</b>
	<b>Net assets attributable to redeemable participating shareholders</b>	<b>5,320,961</b>	<b>589,993,600</b>	<b>243,335,663</b>	<b>1,949,695</b>	<b>9,457,455</b>

*The accompanying notes form an integral part of these financial statements.*



## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Financial Position as at 31 December 2015**

		<b>BMO LGM Asian Growth and Income Fund USD</b>	<b>BMO LGM Frontier Markets Fund USD</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund USD</b>	<b>BMO LGM Greater India Fund* USD</b>	<b>BMO LGM Asian Smaller Companies Fund** USD</b>
<b>Note</b>	<b>Company Total USD</b>					
<b>Current Assets</b>						
Financial assets at fair value through profit or loss:						
	Transferable securities	684,007,243	7,133,720	547,402,528	118,445,071	7,826,950
	Financial derivative instruments	1,724	-	-	1,724	-
4	Cash and cash equivalents	17,606,092	231,345	9,939,480	5,969,608	1,235,106
	Other receivables	2,222,986	15,989	2,002,656	185,070	9,495
	<b>Total Current Assets</b>	<b>703,838,045</b>	<b>7,381,054</b>	<b>559,344,664</b>	<b>124,601,473</b>	<b>9,071,551</b>
<b>Current Liabilities</b>						
Creditors - amounts falling due within one year:						
	Financial derivative instruments	(2,703)	-	-	(2,703)	-
	Other payables	(5,104,329)	(28,514)	(2,117,889)	(2,816,439)	(30,524)
	<b>Total Current Liabilities excluding net assets attributable to holders of redeemable participating shares</b>	<b>(5,107,032)</b>	<b>(28,514)</b>	<b>(2,117,889)</b>	<b>(2,819,142)</b>	<b>(30,524)</b>
	<b>Net assets attributable to redeemable participating shareholders</b>	<b>698,731,013</b>	<b>7,352,540</b>	<b>557,226,775</b>	<b>121,782,331</b>	<b>9,041,027</b>

\*The BMO LGM Greater India Fund launched on 20 January 2015.

\*\*The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

*The accompanying notes form an integral part of these financial statements.*

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Comprehensive Income For the six months ended 30 June 2016**

		<b>Company Total USD</b>	<b>BMO LGM Asian Growth and Income Fund USD</b>	<b>BMO LGM Frontier Markets Fund USD</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund USD</b>	<b>BMO LGM Great India Fund USD</b>	<b>BMO LGM Asian Smaller Companies Fund USD</b>
<b>Income</b>	<b>Note</b>						
Investment income		16,846,065	70,329	13,468,782	3,211,049	11,448	84,457
Other income		68,798	22,551	-	-	44,176	2,071
Net gain on investment activities		38,792,120	310,102	18,784,961	19,151,320	143,711	402,026
<b>Total investment income</b>		<b>55,706,983</b>	<b>402,982</b>	<b>32,253,743</b>	<b>22,362,369</b>	<b>199,335</b>	<b>488,554</b>
<b>Expenses</b>							
Operating Expenses		(4,164,973)	(47,855)	(3,670,497)	(315,172)	(51,910)	(79,539)
<b>Net income</b>		<b>51,542,010</b>	<b>355,127</b>	<b>28,583,246</b>	<b>22,047,197</b>	<b>147,425</b>	<b>409,015</b>
<b>Finance Costs</b>							
Distributions	12	(17,078,319)	(36,492)	(14,549,329)	(2,441,463)	-	(51,035)
<b>Taxation</b>							
Capital gain tax	2	(3,070)	-	-	(3,070)	-	-
Withholding tax	2	(1,178,369)	(7,904)	(877,886)	(288,941)	-	(3,638)
<b>Net increase in net assets attributable to redeemable participating shareholders resulting from operations</b>		<b>33,282,252</b>	<b>310,731</b>	<b>13,156,031</b>	<b>19,313,723</b>	<b>147,425</b>	<b>354,342</b>

*Gains and losses arose solely from continuing operations. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.*

*The accompanying notes are an integral part of the financial statements.*

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Comprehensive Income For the six months ended 30 June 2015**

		<b>Company Total USD</b>	<b>BMO LGM Asian Growth and Income Fund USD</b>	<b>BMO LGM Frontier Markets Fund USD</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund USD</b>	<b>BMO LGM Greater India Fund* USD</b>	<b>BMO LGM Asian Smaller Companies Fund** USD</b>
<b>Income</b>	<b>Note</b>						
Investment income		16,723,111	133,769	14,342,313	2,159,777	6,705	80,547
Other income		54,651	6,070	-	-	48,581	-
Net loss on investment activities		(10,168,334)	(140,413)	(6,284,809)	(3,646,524)	(73,193)	(23,395)
<b>Total investment income/(expense)</b>		<b>6,609,428</b>	<b>(574)</b>	<b>8,057,504</b>	<b>(1,486,747)</b>	<b>(17,907)</b>	<b>57,152</b>
<b>Expenses</b>							
Operating Expenses		(3,195,965)	(63,434)	(2,765,834)	(248,863)	(60,953)	(56,881)
<b>Net income/expense</b>		<b>3,413,463</b>	<b>(64,008)</b>	<b>5,291,670</b>	<b>(1,735,610)</b>	<b>(78,860)</b>	<b>271</b>
<b>Finance Costs</b>							
Distributions paid	12	(16,633,580)	-	(13,963,598)	(2,669,982)	-	-
<b>Taxation</b>							
Capital gains tax	2	(96,602)	(219)	-	(96,154)	(229)	-
Withholding tax	2	(1,022,779)	(12,104)	(832,211)	(175,001)	-	(3,463)
<b>Net increase/(decrease) in net assets attributable to redeemable participating shareholders resulting from operations</b>		<b>(14,339,498)</b>	<b>(76,331)</b>	<b>(9,504,139)</b>	<b>(4,676,747)</b>	<b>(79,089)</b>	<b>(3,192)</b>

\*The BMO LGM Greater India Fund launched on 20 January 2015.

\*\*The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

*Gains and losses arose solely from continuing operations. There were no gains or losses other than those dealt with in the Condensed Statement of Comprehensive Income.*

*The accompanying notes are an integral part of the financial statements.*

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares For the six months ended 30 June 2016**

	Note	BMO LGM Asian Growth and Income Fund USD	BMO LGM Frontier Markets Fund USD	BMO LGM Global Emerging Markets Growth and Income Fund USD	BMO LGM Greater India Fund USD	BMO LGM Asian Smaller Companies Fund USD
<b>Net assets attributable to redeemable participating shareholders at beginning of period</b>		<b>7,352,540</b>	<b>557,226,775</b>	<b>121,782,331</b>	<b>3,328,340</b>	<b>9,041,027</b>
Net increase in net assets attributable to redeemable participating shareholders resulting from operations		310,731	13,156,031	19,313,723	147,425	354,342
Proceeds from the issuance of redeemable participating shares		995,517	20,641,113	99,978,983	-	11,051
Distributions reinvested	12	36,492	14,043,346	2,435,612	-	51,035
Anti – dilution levy		8,457	233,674	250,000	3,230	-
Cost of redeemable participating shares redeemed		(3,382,776)	(15,307,339)	(424,986)	(1,529,300)	-
Movement in net assets resulting from share transactions		(2,342,310)	19,610,794	102,239,609	(1,526,070)	62,086
<b>Net assets attributable to redeemable participating shareholders at end of period</b>		<b>5,320,961</b>	<b>589,993,600</b>	<b>243,335,663</b>	<b>1,949,695</b>	<b>9,457,455</b>

*The accompanying notes are an integral part of the financial statements.*

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares For the six months ended 30 June 2015**

	Note	BMO LGM Asian Growth and Income Fund USD	BMO LGM Frontier Markets Fund USD	BMO LGM Global Emerging Markets Growth and Income Fund USD	BMO LGM Greater India Fund* USD	BMO LGM Asian Smaller Companies Fund** USD
<b>Net assets attributable to redeemable participating shareholders at beginning of period</b>		<b>9,147,656</b>	<b>623,725,164</b>	<b>116,838,434</b>	-	-
Net movement in net assets attributable to redeemable participating shareholders resulting from operations		(76,331)	(9,504,139)	(4,676,747)	(79,089)	(3,192)
Proceeds from the issuance of redeemable participating shares		49,946	6,831,847	21,708,188	1,680,916	10,251,745
Distributions reinvested	12	-	13,251,215	2,664,390	-	-
Anti – dilution levy		2,500	258,714	51,500	-	-
Cost of redeemable participating shares redeemed		(1,000,000)	(25,027,743)	(807,438)	-	-
Movement in net assets resulting from share transactions		(947,554)	(4,685,967)	23,616,640	1,680,916	10,251,745
<b>Net assets attributable to redeemable participating shareholders at end of period</b>		<b>8,123,771</b>	<b>609,535,058</b>	<b>135,778,327</b>	<b>1,601,827</b>	<b>10,248,553</b>

\*The BMO LGM Greater India Fund launched on 20 January 2015.

\*\*The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

*The accompanying notes are an integral part of the financial statements*

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Cash Flow For the six months ended 30 June 2016**

	<b>Company Total USD</b>	<b>BMO LGM Asian Growth and Income Fund USD</b>	<b>BMO LGM Frontier Markets Fund USD</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund USD</b>	<b>BMO LGM Greater India Fund USD</b>	<b>BMO LGM Asian Smaller Companies Fund USD</b>
<b>Cash flows provided by operating activities</b>						
Net increase in net assets attributable to holders of redeemable participating shares	49,848,737	347,223	27,199,377	21,749,335	147,425	405,377
<b>Adjustments for:</b>						
Movement in financial assets at fair value through profit or loss	(149,546,310)	2,571,919	(37,326,991)	(114,756,385)	1,271,176	(1,306,029)
Unrealised movement on derivative assets and liabilities	(324,670)	-	(323,691)	(979)	-	-
<b>Operating cash flows before movements in working capital</b>	<b>(100,022,243)</b>	<b>2,919,142</b>	<b>(10,451,305)</b>	<b>(93,008,029)</b>	<b>1,418,601</b>	<b>(900,652)</b>
Movement in receivables	393,215	1,854	1,156,179	(594,102)	(15,638)	(155,078)
Movement in payables	4,436,798	394,188	6,435,386	(2,483,058)	(74,996)	165,278
<b>Cash inflow/(outflow) from operations</b>	<b>4,830,013</b>	<b>396,042</b>	<b>7,591,565</b>	<b>(3,077,160)</b>	<b>(90,634)</b>	<b>10,200</b>
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(95,192,230)</b>	<b>3,315,184</b>	<b>(2,859,740)</b>	<b>(96,085,189)</b>	<b>1,327,967</b>	<b>(890,452)</b>
<b>Cash flows from financing activities</b>						
Proceeds from subscriptions	122,122,025	1,003,974	20,874,787	100,228,983	3,230	11,051
Payment of redemptions	(20,644,401)	(3,382,776)	(15,307,339)	(424,986)	(1,529,300)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>101,477,624</b>	<b>(2,378,802)</b>	<b>5,567,448</b>	<b>99,803,997</b>	<b>(1,526,070)</b>	<b>11,051</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,285,394</b>	<b>936,382</b>	<b>2,707,708</b>	<b>3,718,808</b>	<b>(198,103)</b>	<b>(879,401)</b>
Cash and cash equivalents at the start of the period	17,606,092	231,345	9,939,480	5,969,608	230,553	1,235,106
<b>Cash and cash equivalents at the end of the period</b>	<b>23,891,486</b>	<b>1,167,727</b>	<b>12,647,188</b>	<b>9,688,416</b>	<b>32,450</b>	<b>355,705</b>
<b>Cashflows from operating activities include:</b>						
Taxation paid	(1,181,439)	(7,904)	(877,886)	(292,011)	-	(3,638)
Interest received	4,344	3,457	617	232	-	38
Interest paid	(1,233)	-	(232)	(1,001)	-	-
Dividends received	15,235,571	55,958	12,608,217	2,474,537	5,908	90,951
Dividends paid	(17,078,319)	(36,492)	(14,549,329)	(2,441,463)	-	(51,035)

*The accompanying notes are an integral part of the financial statements.*

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Condensed Statement of Cash Flow For the six months ended 30 June 2015**

	<b>Company Total USD</b>	<b>BMO LGM Asian Growth and Income Fund USD</b>	<b>BMO LGM Frontier Markets Fund USD</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund USD</b>	<b>BMO LGM Greater India Fund* USD</b>	<b>BMO LGM Asian Smaller Companies Fund** USD</b>
<b>Cash flows provided by/(used in) operating activities</b>						
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares	15,545,298	(76,331)	17,710,675	(2,006,765)	(79,089)	(3,192)
<b>Adjustments for:</b>						
Movement in financial assets at fair value through profit or loss	(18,577,060)	907,137	8,543,675	(17,794,446)	(1,567,151)	(8,666,275)
Unrealised movement on derivative assets and liabilities	(110)	-	-	-	-	(110)
<b>Operating cash flows before movements in working capital</b>	<b>(3,031,872)</b>	<b>830,806</b>	<b>26,254,350</b>	<b>(19,801,211)</b>	<b>(1,646,240)</b>	<b>(8,669,577)</b>
Movement in receivables	(195,757)	(21,115)	257,672	(365,245)	(54,172)	(12,897)
Movement in payables	557,007	2,022	432,465	29,927	54,208	38,385
<b>Cash inflow/(outflow) from operations</b>	<b>361,250</b>	<b>(19,093)</b>	<b>690,137</b>	<b>(335,318)</b>	<b>36</b>	<b>25,488</b>
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(2,670,622)</b>	<b>811,713</b>	<b>26,944,487</b>	<b>(20,136,529)</b>	<b>(1,646,204)</b>	<b>(8,644,089)</b>
<b>Cash flows from financing activities</b>						
Proceeds from subscriptions	40,837,134	52,446	7,092,339	21,759,688	1,680,916	10,251,745
Payment of redemptions	(26,835,238)	(1,000,000)	(25,027,800)	(807,438)	-	-
Distributions paid to shareholders	(13,969,190)	-	(13,963,598)	(5,592)	-	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>32,706</b>	<b>(947,554)</b>	<b>(31,899,059)</b>	<b>20,946,658</b>	<b>1,680,916</b>	<b>10,251,745</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,637,916)</b>	<b>(135,841)</b>	<b>(4,954,572)</b>	<b>810,129</b>	<b>34,712</b>	<b>1,607,656</b>
Cash and cash equivalents at the start of the period	20,068,015	362,055	16,487,031	3,218,929	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>17,430,099</b>	<b>226,214</b>	<b>11,532,459</b>	<b>4,029,058</b>	<b>34,712</b>	<b>1,607,656</b>
<b>Cashflows from operating activities include:</b>						
Dividends received	2,296,253	133,769	-	2,159,597	2,887	-

\*The BMO LGM Greater India Fund launched on 20 January 2015.

\*\*The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

*The accompanying notes are an integral part of the financial statements.*

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016**

#### **1. Significant Accounting Policies**

The principal accounting policies and estimation techniques applied in the preparation of these condensed interim unaudited financial statements are set out below.

##### **a) Basis of Preparation**

These condensed interim unaudited financial statements for the period ended 30 June 2016 have been prepared in accordance with IAS 34, 'Interim Financial Reporting' ("IAS 34") issued by the Financial Reporting Council and in accordance with the UCITS Regulations. These condensed interim unaudited financial statements, which are a condensed set of financial statements prepared in accordance with IAS 34, should be read in conjunction with the annual audited financial statements for the year ended 31 December 2015, which have been prepared under International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). The auditor's report in the audited year end financial statements as at 31 December 2015 was unqualified.

The accounting policies, presentation and methods of calculation applied are consistent with those of the previous financial year.

The condensed interim unaudited financial statements have been prepared on a going concern basis.

##### **Basis of accounting**

The condensed interim unaudited financial statements have been prepared on a historical cost basis except for those financial assets and financial liabilities that have been measured at fair value.

In preparing these condensed interim unaudited financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited financial statements for the year ended 31 December 2015.

##### **b) Functional and Presentation Currency**

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the relevant Fund operates (the "functional currency"). The functional currency of each Fund is USD. The Company also has adopted these functional currencies as the presentation currency of each of the Funds. The functional and presentation currency of the Company is USD. The majority of the Funds' investments and transactions are denominated in USD. Investor subscriptions and redemptions are determined based on the net asset value, and are received and paid in USD.

Transactions in foreign currencies are translated into USD at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into USD at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into USD at the exchange rate at the date on which fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss as net foreign exchange losses, except for those arising on financial instruments at fair value through profit or loss ("FVTPL"), which are recognised as a component of net gain from financial instruments at FVTPL.



## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **1. Significant Accounting Policies cont/d**

##### **c) Accounting Standards**

The accounting policies and methods of calculation applied in these condensed interim unaudited financial statements are consistent with those applied in the audited financial statements for the year ended 31 December 2015, except for the following changes in accounting policy, where applicable.

##### **(i) New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2016**

IFRS 7 "Financial Instruments: Disclosures" amendment was issued in September 2014 and became effective for periods beginning on or after 1 January 2016. Disclosure requirements regarding the offsetting of financial assets and financial liabilities are not specifically required in condensed interim financial statements that are prepared in accordance with IAS 34 "Interim Financial Reporting" for all interim periods. However, the additional disclosure is given when its inclusion would be required in accordance with the general principles of IAS 34. This amendment does not have any impact on the Company's financial position, performance or disclosures in its financial statements.

IAS 34 "Interim Financial Reporting" amendment was issued in September 2014 and became effective for periods beginning on or after 1 January 2016. The amendment clarifies the meaning of "elsewhere in the interim financial report" and states that information not included in the financial statements must be cross referenced from the interim financial statements to the location of this information within the interim financial report e.g. the Investment Manager Report. This amendment does not have any impact on the Company's financial position, performance or disclosures in its financial statements.

##### **(ii) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2016 and not early adopted**

There are no new standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

#### **2. Taxation**

The Directors have been advised that the Company is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997. The Company will not generally be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a "Relevant Period". A "Relevant Period" being an eight year period beginning with the acquisition of the shares by the Shareholder and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

A gain on a chargeable event does not arise in respect of:

(i) a shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company; or

(ii) certain exempted Irish resident investors who have provided the Company with the necessary signed statutory declarations; or

(iii) any transactions in relation to shares held in a recognised clearing system as designated by the order of the Revenue Commissioners of Ireland; or

(iv) an exchange of shares representing one Fund for another Fund of the Company; or

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **2. Taxation cont/d**

(v) an exchange of shares arising on a qualifying amalgamation or reconstruction of the Company with another company; or

(vi) certain exchanges of shares between spouses and former spouses.

In the absence of an appropriate declaration, the Company will be liable to Irish tax on the occurrence of a chargeable event.

There were no chargeable events during the period under review. The Company is exposed to tax risks with regard to the imposition of taxes in the jurisdictions in which it invests (including but not limited to capital gains tax and withholding tax), and has put in place a process for the identification of its obligations in this regard including periodic updates to its tax database and external, third party validation of this database at regular intervals.

Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its shareholders. The dividend withholding tax charge for the period ending 30 June 2016 was USD 1,178,369 (30 June 2015: USD 1,096,641). The capital gains tax charge for the period ending 30 June 2016 was USD 3,070 (30 June 2015: 96,602).

#### **3. Share Capital & Net Asset Value Per Share**

##### **Authorised**

The authorised share capital of the Company is five hundred billion (500,000,000,000) Shares of no par value and 300,000 redeemable non-participating shares of no par value. Redeemable non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Company. The Directors have the power to allot shares in the capital of the Company on such terms and in such manner as they may think fit.

##### **Redeemable Participating Shares**

Each of the shares (other than subscriber shares) entitles the holder to participate equally on a pro rata basis in the dividends (save in the case of dividends declared prior to becoming a shareholder) and net assets of the Company attributable to such shares. Each of the shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those shares. No class of shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other class of shares or any voting rights in relation to matters relating solely to any other class of shares. The Company's capital currently exceeds EUR 300,000, being the minimum capital required to establish a self-managed investment company under the UCITS Regulations.

##### **Subscriber shares**

As at period end two subscriber shares of €1 each were in issue. These subscriber shares were issued for the purposes of the incorporation of the Company, and are legally and beneficially owned by LGM Investments Limited and Drew Newman. The subscriber shares do not form part of the Net Asset Value of the Company and are thus disclosed in the condensed interim unaudited financial statements by way of this note only.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **3. Share Capital & Net Asset Value Per Share cont/d**

##### **Issued Share Capital**

	<b>BMO LGM Asian Growth and Income Fund Class B Income Shares* 30 June 2016</b>	<b>BMO LGM Asian Growth and Income Fund Class B Income Shares 31 December 2015</b>	<b>BMO LGM Asian Growth and Income Fund Class B Income Shares 30 June 2015</b>
Shares in issue at beginning of period	384,465	379,011	379,011
Shares issued	-	5,454	4,861
Shares redeemed	(384,465)	-	-
Shares in issue at end of period	-	384,465	383,872
Net Asset Value	-	USD 3,457,366	USD 3,816,892
Net Asset Value per Share	-	USD 8.9927	USD 9.9431
	USD	USD	USD
Subscriptions during the period	-	55,550	49,946
Redemptions during the period	(3,382,776)	-	-

\* The BMO LGM Asian Growth and Income Fund Class B income Shares terminated on 5 January 2016.

	<b>BMO LGM Asian Growth and Income Fund Class B Accumulating Shares 30 June 2016</b>	<b>BMO LGM Asian Growth and Income Fund Class B Accumulating Shares 31 December 2015</b>	<b>BMO LGM Asian Growth and Income Fund Class B Accumulating Shares 30 June 2015</b>
Shares in issue at beginning of period	425,904	519,613	519,613
Shares issued	101,000	-	-
Shares redeemed	-	(93,709)	(93,708)
Shares in issue at end of period	526,904	425,904	425,905
Net Asset Value	USD 5,320,961	USD 3,895,175	USD 4,306,879
Net Asset Value per Share	USD 10.0985	USD 9.1457	USD 10.1123
	USD	USD	USD
Subscriptions during the period	995,517	-	-
Redemptions during the period	-	(998,126)	(1,000,000)

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **3. Share Capital & Net Asset Value Per Share cont/d**

##### **Issued Share Capital cont/d**

	<b>BMO LGM Frontier Markets Fund Class A Income Shares 30 June 2016</b>	<b>BMO LGM Frontier Markets Fund Class A Income Shares 31 December 2015</b>	<b>BMO LGM Frontier Markets Fund Class A Income Shares 30 June 2015</b>
Shares in issue at beginning of period	98,683	245,822	245,822
Shares issued	603	9,820	9,820
Shares redeemed	(40,265)	(156,959)	(149,573)
Shares in issue at end of period	59,021	98,683	106,069
Net Asset Value	USD 977,831	USD 1,594,155	USD 1,894,962
Net Asset Value per Share	<u>USD 16.5676</u>	<u>USD 16.1543</u>	<u>USD 17.8654</u>
	USD	USD	USD
Subscriptions during the period	8,937	172,941	172,987
Redemptions during the period	(643,834)	(2,761,226)	(2,649,504)
	<b>BMO LGM Frontier Markets Fund Class B Income Shares 30 June 2016</b>	<b>BMO LGM Frontier Markets Fund Class B Income Shares 31 December 2015</b>	<b>BMO LGM Frontier Markets Fund Class B Income Shares 30 June 2015</b>
Shares in issue at beginning of period	2,565,257	2,755,958	2,755,958
Shares issued	721,728	32,950	12,974
Shares redeemed	(532,847)	(223,651)	(155,552)
Shares in issue at end of period	2,754,138	2,565,257	2,613,380
Net Asset Value	USD 40,377,299	USD 36,578,019	USD 41,146,340
Net Asset Value per Share	<u>USD 14.6606</u>	<u>USD 14.2590</u>	<u>USD 15.7445</u>
	USD	USD	USD
Subscriptions during the period	9,490,509	500,266	204,266
Redemptions during the period	(7,305,428)	(3,381,354)	(2,426,500)
	<b>BMO LGM Frontier Markets Fund Class B Accumulating Shares 30 June 2016</b>	<b>BMO LGM Frontier Markets Fund Class B Accumulating Shares 31 December 2015</b>	<b>BMO LGM Frontier Markets Fund Class B Accumulating Shares 30 June 2015</b>
Shares in issue at beginning of period	9,286,934	9,953,533	9,953,533
Shares issued	335,878	660,251	362,452
Shares redeemed	(467,612)	(1,326,850)	(1,146,887)
Shares in issue at end of period	9,155,200	9,286,934	9,169,098
Net Asset Value	USD 152,802,314	USD 149,383,201	USD 162,988,989
Net Asset Value per Share	<u>USD 16.6902</u>	<u>USD 16.0853</u>	<u>USD 17.7759</u>
	USD	USD	USD
Subscriptions during the period	5,184,471	11,513,289	6,454,594
Redemptions during the period	(7,358,077)	(22,894,628)	(19,951,739)

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **3. Share Capital & Net Asset Value Per Share cont/d**

##### **Issued Share Capital cont/d**

	<b>BMO LGM Frontier Markets Fund Class E Accumulating Shares 30 June 2016</b>	<b>BMO LGM Frontier Markets Fund Class E Accumulating Shares 31 December 2015</b>	<b>BMO LGM Frontier Markets Fund Class E Accumulating Shares 30 June 2015</b>
Shares in issue at beginning of period	28,501,317	28,501,317	28,501,317
Shares issued	480,001	-	-
Shares redeemed	-	-	-
Shares in issue at end of period	<u>28,981,318</u>	<u>28,501,317</u>	<u>28,501,317</u>
Net Asset Value	USD 395,836,156	USD 369,671,399	USD 403,504,767
Net Asset Value per Share	<u>USD 13.6583</u>	<u>USD 12.9703</u>	<u>USD 14.1574</u>
	USD	USD	USD
Subscriptions during the period	5,957,196	-	-
Redemptions during the period	-	-	-
	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class B Income Shares 30 June 2016</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class B Income Shares 31 December 2015</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class B Income Shares 30 June 2015</b>
Shares in issue at beginning of period	60,171	61,431	61,431
Shares issued	-	-	-
Shares redeemed	(57,199)	(1,260)	(1,260)
Shares in issue at end of period	<u>2,972</u>	<u>60,171</u>	<u>60,171</u>
Net Asset Value	USD 20,027	USD 479,128	USD 535,101
Net Asset Value per Share	<u>USD 6.7386</u>	<u>USD 7.9628</u>	<u>USD 8.8931</u>
	USD	USD	USD
Subscriptions during the period	-	-	-
Redemptions during the period	(424,986)	(11,835)	(11,835)

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **3. Share Capital & Net Asset Value Per Share cont/d**

##### **Issued Share Capital cont/d**

	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class B Accumulating Shares 30 June 2016</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class B Accumulating Shares 31 December 2015</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class B Accumulating Shares 30 June 2015</b>
Shares in issue at beginning of period	280,063	273,711	273,711
Shares issued	16,032	86,468	86,111
Shares redeemed	-	(80,116)	(59,222)
Shares in issue at end of period	<u>296,095</u>	<u>280,063</u>	<u>300,600</u>
Net Asset Value	USD 3,917,350	USD 3,265,741	USD 3,914,709
Net Asset Value per Share	<u>USD 13.2300</u>	<u>USD 11.6607</u>	<u>USD 13.0230</u>
	USD	USD	USD
Subscriptions during the period	203,983	1,163,891	1,159,688
Redemptions during the period	-	(1,033,633)	(795,603)
	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class E Accumulating Shares 30 June 2016</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class E Accumulating Shares 31 December 2015</b>	<b>BMO LGM Global Emerging Markets Growth and Income Fund Class E Accumulating Shares 30 June 2015</b>
Shares in issue at beginning of period	11,735,721	9,975,000	9,975,000
Shares issued	8,263,855	1,760,721	1,760,721
Shares redeemed	-	-	-
Shares in issue at end of period	<u>19,999,576</u>	<u>11,735,721</u>	<u>11,735,721</u>
Net Asset Value	USD 229,078,566	USD 118,037,826	USD 131,328,517
Net Asset Value per Share	<u>USD 11.4542</u>	<u>USD 10.0580</u>	<u>USD 11.1905</u>
	USD	USD	USD
Subscriptions during the period	89,775,000	20,460,464	20,548,500
Redemptions during the period	-	-	-

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **3. Share Capital & Net Asset Value Per Share cont/d**

##### **Issued Share Capital cont/d**

	<b>BMO LGM Global Emerging Markets Growth and Income Fund* Class S Accumulating Shares 30 June 2016</b>
Shares in issue at beginning of period	-
Shares issued	1,000,000
Shares redeemed	-
Shares in issue at end of period	<u>1,000,000</u>
Net Asset Value	USD 10,319,720
Net Asset Value per Share	<u><u>USD 10.3197</u></u>
	USD
Subscriptions during the period	10,000,000
Redemptions during the period	-

\* The BMO LGM Global Emerging Markets Growth and Income Fund Class S Accumulating Shares launched on 20 April 2016.

	<b>BMO LGM Greater India Fund Class B Income Shares*** 30 June 2016</b>	<b>BMO LGM Greater India Fund** Class B Income Shares 31 December 2015</b>	<b>BMO LGM Greater India Fund** Class B Income Shares 30 June 2015</b>
Shares in issue at beginning of period	181,440	-	-
Shares issued	-	181,440	168,205
Shares redeemed	<u>(181,440)</u>	<u>-</u>	<u>-</u>
Shares in issue at end of period	-	181,440	168,205
Net Asset Value	-	USD 1,547,868	USD 1,601,827
Net Asset Value per Share	<u>-</u>	<u>USD 8.5310</u>	<u>USD 9.5231</u>
	USD	USD	USD
Subscriptions during the period	-	1,793,125	1,680,916
Redemptions during the period	(1,529,300)	-	-

\*\* The BMO LGM Greater India Fund launched on 20 January 2015.

\*\*\* The BMO LGM Greater India Fund Class B income Shares terminated on 5 January 2016.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **3. Share Capital & Net Asset Value Per Share cont/d**

##### **Issued Share Capital cont/d**

	<b>BMO LGM Greater India Fund Class E Accumulating Shares 30 June 2016</b>	<b>BMO LGM Greater India Fund* Class E Accumulating Shares** 31 December 2015</b>
Shares in issue at beginning of period	181,120	-
Shares issued	-	181,120
Shares redeemed	-	-
Shares in issue at end of period	<u>181,120</u>	<u>181,120</u>
Net Asset Value	USD 1,949,695	USD 1,780,472
Net Asset Value per Share	<u>USD 10.7647</u>	<u>USD 9.8303</u>
	USD	USD
Subscriptions during the period	-	1,811,203
Redemptions during the period	-	-

\*The BMO LGM Greater India Fund launched on 20 January 2015.

\*\*The BMO LGM Greater India Fund Class E Accumulating Shares launched on 25 August 2015.

	<b>BMO LGM Asian Smaller Companies Fund Class B Accumulating Shares 30 June 2016</b>	<b>BMO LGM Asian Smaller Companies Fund*** Class B Accumulating Shares 31 December 2015</b>	<b>BMO LGM Asian Smaller Companies Fund*** Class B Accumulating Shares 30 June 2015</b>
Shares in issue at beginning of period	1,026,486	-	-
Shares issued	1,295	1,026,486	1,025,170
Shares redeemed	-	-	-
Shares in issue at end of period	<u>1,027,781</u>	<u>1,026,486</u>	<u>1,025,170</u>
Net Asset Value	USD 9,457,455	USD 9,041,027	USD 10,248,553
Net Asset Value per Share	<u>USD 9.2018</u>	<u>USD 8.8077</u>	<u>USD 9.9969</u>
	USD	USD	USD
Subscriptions during the period	11,051	10,264,226	10,251,745
Redemptions during the period	-	-	-

\*\*\*The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

#### **Share Rights**

The rights attaching to the Shares issued in any class or Fund may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-quarters of the issued Shares of that Class or Fund, or with the sanction of an ordinary resolution passed at a general meeting of the Shareholders of that Class or Fund.

A resolution in writing signed by all the shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held and if described as a special resolution shall be deemed to be a special resolution.



## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **3. Share Capital & Net Asset Value Per Share cont/d**

##### **Share Rights cont/d**

The rights attaching to the Shares shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or a Fund, be deemed to be varied by the creation, allotment or issue of any further Shares ranking pari passu with Shares already in issue.

Pursuant to the Prospectus, where the Company deems there to be large net subscriptions and net redemptions and to prevent any adverse effect on the value of the assets of a Fund, the Company may charge an anti-dilution levy for retention as part of the assets of the Fund. The levy will be calculated to cover the dealing costs and to preserve the value of underlying investments of the Fund. Such costs will include any dealing spreads, commissions, transfer taxes and other dealing costs relating to the acquisition or disposal of assets and to preserve the value of the underlying assets of a Fund in the event of receipt for processing of net subscription or net redemption requests.

If charged, such anti-dilution levy will be based on estimated actual costs up to a maximum of 0.5% of the value of any net subscription or net redemption of each Class of Shares of each Fund (other than BMO LGM Frontier Markets Fund in respect which the anti-dilution levy may be up to 1.25% of the value of any net subscription or net redemption of each Class of Shares of such Fund and the BMO LGM Greater India Fund in respect which the anti-dilution levy may be up to 1% of the value of any net subscription or net redemption of each Class of Shares of such Fund). Such Anti-Dilution Levy shall be added/deducted from the subscription amount and the redemption proceeds respectively.

##### **Redemption of Shares**

As detailed in the Prospectus, requests for a redemption received prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day (save during any period when the calculation of the NAV is suspended). Requests for a redemption received after the Dealing Deadline for any Dealing Day will be processed on the next Dealing Day, unless the Company in its absolute discretion determines otherwise.

#### **4. Cash and Cash Equivalents**

All cash and cash equivalents are held with State Street Bank and Trust Company. The State Street Time Deposit is an overnight facility. The long-term credit rating of State Street Bank and Trust Company as at 30 June 2016 was Aa1 as rated by Moody's rating agency (31 December 2015: Aa2).

#### **5. Efficient Portfolio Management**

The Company may, on behalf of each Fund, engage in techniques and instruments (such as in financial derivative instruments, repurchase/reverse repurchase and stocklending agreements and when issued/delayed delivery securities) for the purposes of efficient portfolio management, including as part of a cash management strategy and reduction of risk or cost or the generation of additional capital or income for each Fund with an appropriate level of risk, taking into account the risk profile of each Fund and the general provisions of the UCITS Directive. Such transactions may include foreign exchange transactions which alter the currency characteristics of transferable securities held by each Fund. There were no such derivatives held during the period ended 30 June 2016 or 30 June 2015. As at 30 June 2016 there was one forward foreign exchange currency contract held on BMO LGM Frontier Markets Fund with an unrealised gain of USD 323,691. As at 30 June 2015 there was one forward foreign exchange currency contract held on BMO LGM Asian Smaller Companies Fund with an unrealised gain of USD 110.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **6. Fees**

##### **Directors' Fees**

The Articles of Association authorise the Directors to charge a fee for their services at a rate determined by the Directors and which is not expected to exceed EUR 70,000. The Directors may be entitled to special remuneration if called upon to perform any special or extra services to the Company. All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties. Directors' fees charged for the period, ended 30 June 2016 were USD 18,880 (30 June 2015: USD 17,516) of which USD 8,599 (31 December 2015: USD 18,660) was outstanding at the period end.

##### **Administrator's Fees**

The Company pays to the Administrator out of the assets of the Company an annual fee, accrued at each Valuation Point and payable monthly in arrears at a rate which shall not exceed 0.07 per cent per annum of the Net Asset Value of each Fund subject to a minimum annual fee of USD 72,000 (plus VAT, if any thereon), which may be negotiated from time to time. Shareholders will be notified in advance of any proposed increase in the Administrator's annual fee. Administrator fee rates are detailed in the fee schedule effective 18 March 2016.

The Administrator is also entitled to be repaid out of the assets of the Company all of its reasonable out-of-pocket expenses incurred on behalf of a Fund.

The Administrator's fees charged during the period were USD 249,383 (30 June 2015: USD 231,593) of which USD 239,828 (31 December 2015: USD 77,272) was payable at the period end 30 June 2016.

##### **Depositary Fees**

The Depositary is entitled to receive out of the assets of the Company an annual fee, accrued at each Valuation Point and payable monthly in arrears, which shall not exceed 0.02% per annum of the average monthly Net Asset Value of each Fund thereon. The Depositary is also entitled to be repaid all of its disbursements out of the assets of the Funds, including couriers' fees and telecommunication costs and expenses and the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon. Depositary fee rates are detailed in the fee schedule effective 18 March 2016.

The Depositary's fees charged during the period were USD 974,569 (30 June 2015: USD 1,037,446) of which USD 947,081 (31 December 2015: USD 301,198) was payable at the period end 30 June 2016.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **6. Fees cont/d**

##### **Investment Manager's Fees**

The Investment Manager is entitled to receive the following annual investment management fees, out of the assets of the relevant Fund pursuant to the Prospectus.

<b>Fund</b>	<b>Share Class</b>	<b>Annual Fee</b>
BMO LGM Asian Growth and Income Fund	Class A Income Shares	1.00%
	Class A Accumulating Shares	1.00%
	Class B Income Shares	0.75%
	Class B Accumulating Shares	0.75%
	Class E Income Shares	0.00%
	Class E Accumulating Shares	0.00%
	Class S Income Shares	0.75%
	Class S Accumulating Shares	0.75%
	Class W Income Shares	1.50%
	Class W Accumulating Shares	1.50%
BMO LGM Frontier Markets Fund	Class A Income Shares	2.00%*
	Class A Accumulating Shares	2.00%*
	Class B Income Shares	1.50%*
	Class B Accumulating Shares	1.50%*
	Class E Accumulating Shares	0.00%
	Class E Income Shares	0.00%
BMO LGM Global Emerging Markets Growth and Income Fund	Class A Income Shares	1.00%
	Class A Accumulating Shares	1.00%
	Class B Accumulating Shares	0.75%
	Class B Income Shares	0.75%
	Class D Income Shares	0.75%
	Class D Accumulating Shares	0.75%
	Class E Income Shares	0.00%
	Class E Accumulating Shares	0.00%
	Class F Income Shares	0.75%
	Class F Accumulating Shares	0.75%
	Class S Accumulating Shares	0.75%
	Class S Income Shares	0.75%
	Class W Accumulating Shares	1.50%
	Class W Income Shares	1.50%

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **6. Fees cont/d**

##### **Investment Manager's Fees cont/d**

<b>Fund</b>	<b>Share Class</b>	<b>Annual Fee</b>
BMO LGM Greater India Fund	Class A Income Shares	1.50%
	Class A Accumulating Shares	1.50%
	Class B Income Shares	1.00%
	Class B Accumulating Shares	1.00%
	Class E Income Shares	0.00%
	Class E Accumulating Shares	0.00%
BMO LGM Asian Smaller Companies Fund	Class A Income Shares	1.50%
	Class A Accumulating Shares	1.50%
	Class B Income Shares	1.00%
	Class B Accumulating Shares	1.00%
	Class E Income Shares	0.00%
	Class E Accumulating Shares	0.00%

\*For these share classes, in addition to the investment management fees detailed above, the Investment Manager is also entitled to receive annual performance fees out of the assets of the Fund, as disclosed below.

Class E Income Shares and Class E Accumulating Shares are available only to investors who have entered into an investment agreement with the Investment Manager.

The Investment Manager's fees charged during the period were USD 1,489,539 (30 June 2015: USD 1,653,734) of which USD 521,931 (31 December 2015: USD 505,275) was payable at the period end 30 June 2016.

#### **Performance Fees**

The Investment Manager is entitled to receive a performance fee out of the assets of the Fund in respect of certain of the classes as listed in the table above (the "performance fee"). The performance fee is calculated in respect of each year ending 31 December (or the immediately preceding business day if it is not a business day) in each year (a "calculation period" with each end date being a "calculation day"). The first calculation period is the period commencing on the business day immediately following the close of the initial offer period and ending on 31 December of the same year. The performance fee accrues on each dealing day. The performance fee is normally payable to the Investment Manager in arrears within 14 days of the end of each calculation period. However, in the case of shares redeemed during a calculation period, the accrued performance fee in respect of those shares are payable within 14 days after the date of repurchase as though the date of redemption was the end of the relevant calculation period. The Depositary verifies the calculation of any performance fee paid to the Investment Manager.

The performance fee is payable at the rate of 20 per cent of the amount by which the net asset value per share on the calculation day without deduction of any accrued performance fee, exceeds the benchmark value. In order for a performance fee to be payable in respect of a calculation period, the net asset value per share on the relevant calculation date, without deduction of any accrued performance fee (the "final net asset value per share") must exceed the benchmark value. Where the benchmark value is exceeded, the performance fee payable per share is equal to 20 per cent of the amount by which the final net asset value per share exceeds the benchmark value.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **6. Fees cont/d**

##### **Performance Fees cont/d**

For the purpose of calculating the performance fee, the net asset value per share is calculated without accounting for the performance fee payable in respect of the relevant calculation period. If the determination of the net asset value per share is suspended on any calculation day, the calculation of the performance fee on that date is based upon the next available determination of the net asset value per share and the amount of any performance fee accrued is adjusted accordingly. Any underperformance of the benchmark index in preceding periods is claimed back (cleared) before a fee becomes due in subsequent periods.

If the Investment Manager receives a performance fee with respect to the performance of a Fund during a calculation period, and the relevant Fund suffers losses in a subsequent calculation period, the Investment Manager is under no obligation to, and will not, refund such performance fee.

If the investment management agreement is terminated during a calculation period, the performance fee in respect of the current calculation period will be calculated and paid as though the date of termination were the end of the relevant calculation period. Upon termination of the relevant Fund the Investment Manager will receive the performance fee for the calculation period in which the termination occurs. If the termination occurs prior to the end of a month, the Investment Manager shall receive the amount of the Investment Management fee prorated through the effective date of the termination of the Fund, as appropriate.

Where performance fees are payable by a Fund, these fees will be based on net realised and net unrealised gains and losses as at the end of each calculation period. As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

The performance fees charged during the period were USD 1,318,614 (30 June 2015: USD 93,425) of which USD 1,316,963 (31 December 2015: USD 996,057) was payable at period end 30 June 2016.

#### **7. Soft Commission and Direct Brokerage**

There were no soft commission or direct brokerage arrangements entered into in relation to any Fund by either the Company or the Investment Manager during the period ended 30 June 2016 or year ended 31 December 2015.

#### **8. Risks associated with Financial Instruments**

The Company's policies for managing risks associated with the use of financial instruments applied during the period under review are consistent with those disclosed in the Company's audited financial statements as at and for the year ended 31 December 2015.

##### **Fair Value Hierarchy**

IFRS 13, "Fair value measurement", requires the Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **8. Risks associated with Financial Instruments cont/d**

##### **Fair Value Hierarchy cont/d**

The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Furthermore, for those instruments which have significant unobservable inputs (Level 3), the amendment requires disclosures on the transfers into and out of Level 3, a reconciliation of the opening and closing balances, total gains and losses for the period split between those recognised in the Condensed Statement of Comprehensive Income and recognised through the statement of total recognised gains and losses, purchases, sales issues and settlements. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Funds. The Funds consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following tables analyses within the fair value hierarchy the Funds' financial assets and financial liabilities measured at fair value at 30 June 2016 and 31 December 2015.

##### **June 2016:**

<b>BMO LGM Asian Growth and Income Fund</b>	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	3,076,287	158,043	-	3,234,330
Participation notes	-	1,327,471	-	1,327,471
	<u>3,076,287</u>	<u>1,485,514</u>	<u>-</u>	<u>4,561,801</u>

<b>BMO LGM Frontier Markets Fund</b>	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	502,630,405	53,713,066	-	556,343,471
Participation notes	-	28,386,048	-	28,386,048
Financial Derivatives Instruments:				
Forward Foreign Currency Exchange Contracts	-	323,691	-	323,691
	<u>502,630,405</u>	<u>82,422,805</u>	<u>-</u>	<u>585,053,210</u>

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **8. Risks associated with Financial Instruments cont/d**

##### **Fair Value Hierarchy cont/d**

##### **BMO LGM Global Emerging Markets Growth and Income Fund**

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	226,390,190	6,601,473	-	232,991,663
Participation notes	-	209,793	-	209,793
	<u>226,390,190</u>	<u>6,811,266</u>	<u>-</u>	<u>233,201,456</u>

##### **BMO LGM Greater India Fund**

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	1,927,798	-	-	1,927,798
	<u>1,927,798</u>	<u>-</u>	<u>-</u>	<u>1,927,798</u>

##### **BMO LGM Asian Smaller Companies Fund**

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	7,480,968	-	-	7,480,968
Participation notes	-	1,652,011	-	1,652,011
	<u>7,480,968</u>	<u>1,652,011</u>	<u>-</u>	<u>9,132,979</u>

##### **December 2015:**

##### **BMO LGM Asian Growth and Income Fund**

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	4,982,529	149,433	-	5,131,962
Participation notes	-	2,001,758	-	2,001,758
	<u>4,982,529</u>	<u>2,151,191</u>	<u>-</u>	<u>7,133,720</u>

##### **BMO LGM Frontier Markets Fund**

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	458,089,281	57,959,957	-	516,049,238
Participation notes	-	31,353,290	-	31,353,290
	<u>458,089,281</u>	<u>89,313,247</u>	<u>-</u>	<u>547,402,528</u>

##### **BMO LGM Global Emerging Markets Growth and Income Fund**

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	113,424,745	4,821,963	-	118,246,708
Participation notes	-	198,363	-	198,363
Forwards	-	(979)	-	(979)
	<u>113,424,745</u>	<u>5,019,347</u>	<u>-</u>	<u>118,444,092</u>

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **8. Risks associated with Financial Instruments cont/d**

##### **Fair Value Hierarchy cont/d**

<b>BMO LGM Greater India Fund</b>	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	3,198,974	-	-	3,198,974
	<u>3,198,974</u>	<u>-</u>	<u>-</u>	<u>3,198,974</u>

<b>BMO LGM Asian Smaller Companies Fund</b>	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
Financial Assets:				
Equities	5,886,514	-	-	5,886,514
Participation notes	-	1,940,436	-	1,940,436
	<u>5,886,514</u>	<u>1,940,436</u>	<u>-</u>	<u>7,826,950</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, are for the Company, predominantly listed equities.

Financial instruments that are not listed but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. For the Company at the period end these are Participation Notes on the BMO LGM Asian Growth and Income Fund and BMO LGM Asian Smaller Companies Fund. For the BMO LGM Frontier Markets Fund and BMO LGM Global Emerging Markets Growth and Income fund it was Participation Notes and the equity Vietnam Dairy Products JSC which was fair valued in accordance with the Prospectus and with the approval of the Depository. Participation Notes are identified in the relevant Schedules of Investments.

There were no level 3 securities held on the Funds as at 30 June 2016 or 31 December 2015.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the period and are deemed to have occurred when the pricing source or methodology used to price an investment has changed which triggers a change in level as defined under IFRS 13. There were no movements of financial instruments between levels during the period ended 30 June 2016 and year ended 31 December 2015.

#### **9. Related Party Disclosures**

Page 3 discloses the Company's Directors and LGM Investments Limited as the Investment Manager and Distributor of the Company. Amounts earned by the Directors and amounts payable to the Directors are disclosed in note 6.

##### **Transactions with entities with significant influence**

As at 30 June 2016, Pyrford International Limited held 406,292 BMO LGM Asian Growth and Income Fund B Accumulating Class shares (31 December 2015: 406,292). Pyrford International Limited and LGM Investments Limited are wholly owned subsidiaries of Bank of Montreal and are therefore deemed to be related parties.

Investment Manager's fees and performance fees paid to the Investment Manager are disclosed in note 6.



## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **9. Related Party Disclosures cont/d**

##### **Transactions with key management personnel**

The interests of the Directors in related parties are as follows:

Diane Seymour-Williams, Barry McInerney and Drew Newman are or were Directors of the Investment Manager and Distributor, LGM Investments Limited and shall be deemed to be interested in any contract entered into by the Company with LGM Investments Limited. The Investment Manager charged USD 1,489,539 (30 June 2015: USD 1,653,734) during the period of which USD 521,931 (31 December 2015: USD 505,275) was payable at period end.

Diane Seymour-Williams, a former director, and connected parties of Diane Seymour-Williams have subscribed into the BMO LGM Frontier Markets Fund Class B Accumulating Shares under the nominee Smith & Williamson Nominees Limited.

##### **Connected party transactions**

Regulation 41(1) of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank Regulations") states that "a responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm's length; and b) in the best interest of the unit-holders of the UCITS".

As required under Regulation 78(4) of the Central Bank Regulations, the Directors are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 41(1) are applied to all transactions with a connected party; and all transactions with connected parties that were entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 41(1).

#### **10. Exchange Rates**

The rates of exchange ruling at 30 June 2016 and 31 December 2015 are as follows:

<b>30 June 2016</b>		<b>31 December 2015</b>	
<b>USD1 =</b>	<b>Rate</b>	<b>USD1 =</b>	<b>Rate</b>
AED	3.6731	AED	3.6730
BDT	78.3750	BDT	78.4750
BRL	3.2038	BRL	3.9563
BWP	10.8519	BWP	11.2486
CLP	662.0650	CLP	708.6000
COP	2,909.0000	COP	3,174.5000
CRC	546.6700	CRC	537.3000
EGP	8.8800	EGP	7.8301
EUR	0.9011	EUR	0.9206
GBP	0.7481	GBP	0.6785
GHS	3.9525	GHS	3.8100
HKD	7.7580	HKD	7.7502
HRK	6.7754	HRK	7.0337
IDR	13,212.5000	IDR	13,785.0000
INR	67.4950	INR	66.1563
KES	101.1000	KES	102.3000
KRW	1,151.8500	KRW	1,172.5500
LKR	145.6500	LKR	144.2500
MUR	35.6200	MUR	35.9000
MXN	18.4493	MXN	17.2712
MYR	4.0315	MYR	4.2935
NGN	282.7500	NGN	199.0500
OMR	0.3850	OMR	0.3851
PEN	3.2886	PEN	3.4145

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **10. Exchange Rates cont/d**

<b>30 June 2016</b>		<b>31 December 2015</b>	
<b>USD1 =</b>	<b>Rate</b>	<b>USD1 =</b>	<b>Rate</b>
PHP	47.0475	PHP	47.0550
PKR	104.7100	PKR	104.7350
RON	4.0708	RON	4.1623
SGD	1.3459	SGD	1.4187
THB	35.1400	THB	35.9850
TND	2.1904	TND	2.0389
TRY	2.8757	TRY	2.9189
TWD	32.2590	TWD	32.8470
VND	22,304.0000	VND	22,485.0000
XOF	590.4469	XOF	603.8452
ZAR	14.6450	ZAR	15.4955

#### **11. Segregated Liability**

The Company is an umbrella fund with segregated liability between the sub-funds and as such, as a matter of Irish law, the assets of a Fund will not be exposed to the liabilities of the Company's other Funds.

Segregated liability ensures that the liabilities incurred on behalf of a Fund will generally be discharged solely out of the assets of that Fund and there can generally be no recourse to the other Funds to satisfy those liabilities.

Each Fund will be responsible for paying its fees and expenses regardless of the level of profitability. Notwithstanding the foregoing there can be no guarantee or assurance that, should an action be brought against the Company in a court of another jurisdiction, that the segregated nature of the Funds would necessarily be upheld.

#### **12. Distributions**

The following distributions were declared by the Funds during the period ended 30 June 2016. The distributions relating to accumulating share classes were reinvested.

<b>BMO LGM Asian Growth and Income Fund</b>	<b>Value US\$</b>	<b>Per Share US\$</b>	<b>Ex-date</b>
Class B Accumulating Shares*	36,492	0.09	29 Jan 2016
<b>Total</b>	<b>36,492</b>		

  

<b>BMO LGM Frontier Markets Fund</b>	<b>Value US\$</b>	<b>Per Share US\$</b>	
Class A Income Shares	17,035	0.17	29 Jan 2016
Class B Accumulating Shares*	1,786,910	0.20	29 Jan 2016
Class B Income Shares	488,948	0.15	29 Jan 2016
Class E Accumulating Shares*	12,256,436	0.43	29 Jan 2016
<b>Total</b>	<b>14,549,329</b>		

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **12. Distributions cont/d**

<b>BMO LGM Global Emerging Markets Growth and Income Fund</b>	<b>Value US\$</b>	<b>Per Share US\$</b>	
Class B Accumulating Shares*	40,235	0.14	29 Jan 2016
Class B Income Shares	5,851	1.97	29 Jan 2016
Class E Accumulating Shares*	2,395,377	0.20	29 Jan 2016
<b>Total</b>	<b>2,441,463</b>		

<b>BMO LGM Asian Smaller Companies Fund</b>	<b>Value US\$</b>	<b>Per Share US\$</b>	
Class B Accumulating Shares*	51,035	0.05	29 Jan 2016
<b>Total</b>	<b>51,035</b>		

The following distributions were declared by the funds during the period ended 30 June 2015. The distributions relating to accumulating share classes were reinvested.

<b>BMO LGM Asian Growth and Income Fund</b>	<b>Value US\$</b>	<b>Per Share US\$</b>	<b>Ex-date</b>
Class B Accumulating Shares*	57,684	0.11	30 Jan 2015
Class B Income Shares	219	0.00	30 Jan 2015
<b>Total</b>	<b>57,903</b>		

<b>BMO LGM Frontier Markets Fund</b>	<b>Value US\$</b>	<b>Per Share US\$</b>	<b>Ex-date</b>
Class A Income Shares	7,635	0.03	30 Jan 2015
Class B Accumulating Shares*	798,952	0.08	30 Jan 2015
Class B Income Shares	333,481	0.12	30 Jan 2015
Class E Accumulating Shares*	12,823,530	0.45	30 Jan 2015
<b>Total</b>	<b>13,963,598</b>		

<b>BMO LGM Global Emerging Markets Growth and Income Fund</b>	<b>Value US\$</b>	<b>Per Share US\$</b>	
Class B Accumulating Shares*	36,661	0.13	30 Jan 2015
Class B Income Shares	5,592	0.09	30 Jan 2015
Class E Accumulating Shares*	2,627,729	0.26	30 Jan 2015
<b>Total</b>	<b>2,669,982</b>		

\*Dividends declared to accumulating shares were automatically re-invested to the Fund.

#### **13. Significant events during the period**

The UCITS V regulations became effective on 18 March 2016.

Effective 1 April 2016, the following Directors resigned as Directors of the Company: Anthony Cousins, Paul McNaughton and Diane Seymour-Williams. Effective the same date, the following appointments were made as Directors of the Company: Liam Miley, Hugh Moir and Lars Nielsen. Effective 13 June 2016, Barry McInerney resigned as Director of the Company.

There were no other significant events affecting the Company during the period.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **Notes to the condensed interim unaudited financial statements for the six months ended 30 June 2016 cont/d**

#### **14. Significant events since the period end**

There were no significant events affecting the Company since the period end.

#### **15. Approval of the condensed interim unaudited financial statements**

The condensed interim unaudited financial statements were approved by the Board of Directors on 22 August 2016 for filing with the Central Bank and for circulation to Shareholders.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM ASIAN GROWTH AND INCOME FUND**

#### **Schedule of Investments as at 30 June 2016**

<u>Holding</u>		<u>Fair Value USD</u>	<u>% of Fund</u>
	<b>Transferable securities</b>		
	<b>Equities (60.78%) (Dec 2015: 69.80%)</b>		
	<b>China (5.58%) (Dec 2015: 7.26%)</b>		
11,400	Tencent Holdings Ltd	258,772	4.86
54,000	Want Want Chingta Holdings Ltd	38,283	0.72
		<u>297,055</u>	<u>5.58</u>
	<b>Hong Kong (8.93%) (Dec 2015: 13.75%)</b>		
18,800	AIA Group Ltd	112,321	2.11
20,221	Dairy Farm International Holdings Ltd	136,289	2.56
182,000	NagaCorp Ltd	121,053	2.28
58,000	Vitasoy International Holdings Ltd	105,265	1.98
		<u>474,928</u>	<u>8.93</u>
	<b>Indonesia (12.89%) (Dec 2015: 13.42%)</b>		
348,800	Bank Mandiri Persero Tbk PT	251,453	4.73
144,700	Bank Rakyat Indonesia Persero Tbk PT	118,279	2.22
349,900	Hanjaya Mandala Sampoerna Tbk PT	100,633	1.89
1,037,700	Kalbe Farma Tbk PT	120,165	2.26
28,000	Unilever Indonesia Tbk PT	95,523	1.79
		<u>686,053</u>	<u>12.89</u>
	<b>Macau (2.01%) (Dec 2015: 1.77%)</b>		
32,000	Sands China Ltd	107,039	2.01
	<b>Malaysia (5.29%) (Dec 2015: 1.24%)</b>		
10,100	British American Tobacco Malaysia Bhd	132,028	2.48
31,100	Public Bank Bhd	149,656	2.81
		<u>281,684</u>	<u>5.29</u>
	<b>Philippines (7.12%) (Dec 2015: 9.52%)</b>		
40,241	Metropolitan Bank & Trust Co	77,279	1.45
1,185	Philippine Long Distance Telephone Co	54,153	1.02
55,910	Universal Robina Corp	247,181	4.65
		<u>378,613</u>	<u>7.12</u>
	<b>Singapore (2.39%) (Dec 2015: 2.97%)</b>		
4,688	Jardine Cycle & Carriage Ltd	127,136	2.39
	<b>South Korea (3.43%) (Dec 2015: 5.08%)</b>		
7,673	Halla Visteon Climate Control Corp	69,945	1.32
948	KT&G Corp	112,343	2.11
		<u>182,288</u>	<u>3.43</u>
	<b>Taiwan (3.80%) (Dec 2015: 5.69%)</b>		
15,000	President Chain Store Corp	116,712	2.19
17,000	Taiwan Semiconductor Manufacturing Co Ltd	85,635	1.61
		<u>202,347</u>	<u>3.80</u>
	<b>Thailand (3.55%) (Dec 2015: 7.07%)</b>		
10,300	Bangkok Bank PCL -F	47,484	0.89
28,800	Kasikornbank PCL -F	141,378	2.66
		<u>188,862</u>	<u>3.55</u>

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM ASIAN GROWTH AND INCOME FUND**

#### **Schedule of Investments as at 30 June 2016 cont/d**

<b>Holding</b>		<b>Fair Value USD</b>	<b>% of Fund</b>
	<b>Transferable securities cont/d</b>		
	<b>Equities (60.78%) (Dec 2015: 69.80%) cont/d</b>		
	<b>United States (2.82%) (Dec 2015: Nil)</b>		
1,656	Mead Johnson Nutrition	150,282	2.82
	<b>Vietnam (2.97%) (Dec 2015: 2.03%)</b>		
25,000	Vietnam Dairy Products JSC	158,043	2.97
	<b>Total Equities</b>	<b>3,234,330</b>	<b>60.78</b>
	<b>Participation Notes (24.95%) (Dec 2015: 27.22%)</b>		
	<b>India (24.95%) (Dec 2015: 27.22%)</b>		
4,960	Bata India Ltd due 23/02/2022 - Deutsche Bank AG (Participation Note)	40,113	0.75
766	Britannia Industries Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note)	31,311	0.59
10,092	Colgate-Palmolive India Ltd due 15/05/2017 - Morgan Stanley Asia Products (Participation Note)	137,336	2.58
3,095	Container Corp India Ltd 26/06/2017 - Morgan Stanley Asia Products (Participation Note)	65,598	1.23
4,274	Emami Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note)	69,672	1.31
6,320	Hindustan Unilever Ltd due 07/12/2016 - Morgan Stanley Asia Products Ltd (Participation Note)	84,137	1.58
3,594	Housing Development Finance Corp Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note)	66,752	1.25
2,173	Housing Development Finance Corp Ltd due 30/01/2017 - Deutsche Bank AG (Participation Note)	40,360	0.76
8,111	ICICI Bank Ltd due 12/02/2016 - Citigroup Global Markets Holdings (Participation Note)	28,907	0.54
30,850	ITC Ltd due 12/02/2016 - Citigroup Global Markets Holdings Inc (Participation Note)	168,385	3.17
35,361	Mahindra & Mahindra Financial Services Ltd due 13/03/2017 - Morgan Stanley Asia Products Ltd (Participation Note)	175,063	3.30
942	Nestle India Ltd due 12/06/2018 - Deutsche Bank AG (Participation Note)	90,611	1.70
6,178	Pidilite Industries Ltd due 13/03/2017 - Morgan Stanley Asia Products Ltd (Participation Note)	65,895	1.24
16,207	Titan Ltd due 30/06/2021 - Deutsche Bank AG (Participation Note)	97,549	1.83
10,107	Yes Bank Ltd due 12/08/2018 - Deutsche Bank AG (Participation Note)	165,782	3.12
	<b>Total Participation Notes</b>	<b>1,327,471</b>	<b>24.95</b>
	<b>Total Value of Investments in Transferable Securities (85.73%) (Dec 2015: 97.02%)</b>	<b>4,561,801</b>	<b>85.73</b>
	<b>Other Net Assets (14.27%) (Dec 2015: 2.98%)</b>	<b>759,160</b>	<b>14.27</b>
	<b>Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%)</b>	<b>5,320,961</b>	<b>100.00</b>

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM ASIAN GROWTH AND INCOME FUND**

#### **Schedule of Investments as at 30 June 2016 cont/d**

	<b><u>% of Total</u></b>
	<b><u>Assets</u></b>
<b><u>Analysis of Total Assets</u></b>	
Transferable securities admitted to an official stock exchange listing	56.31
Transferable securities dealt with in another regulated market (Participation Notes)	23.11
Current Assets	20.58
Total Assets	<u>100.00</u>

The counterparties for the Participation Notes are:

Citigroup Global Markets Holdings Inc (Moody's: Baa1; December 2015: Baa1)

Deutsche Bank AG (Moody's: A3; December 2015: A3)

Morgan Stanley Asia Products Ltd (Moody's: A3; December 2015: A3)

Country classifications are based upon country of incorporation and/or country of domicile.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM FRONTIER MARKETS FUND**

#### **Schedule of Investments as at 30 June 2016**

<b>Holding</b>		<b>Fair Value USD</b>	<b>% of Fund</b>
	<b>Transferable securities</b>		
	<b>Equities (94.30%) (Dec 2015: 92.61%)</b>		
	<b>Argentina (3.00%) (Dec 2015: 2.93%)</b>		
856,590	BBVA Banco Frances SA (ADR)*	17,671,452	3.00
	<b>Bangladesh (1.41%) (Dec 2015: 1.63%)</b>		
241,340	British American Tobacco Bangladesh Co Ltd	8,314,105	1.41
	<b>Botswana (1.30%) (Dec 2015: 1.55%)</b>		
33,440,335	Letshego Holdings Ltd	7,673,002	1.30
	<b>Cayman Islands (3.77%) (Dec 2015: Nil)</b>		
33,478,000	NagaCorp Ltd	22,267,027	3.77
	<b>Cambodia (Nil) (Dec 2015: 3.56%)</b>		
	<b>Colombia (2.35%) (Dec 2015: 1.84%)</b>		
1,460,921	Almacenes Exito SA	7,131,344	1.21
1,089,044,139	Bolsa de Valores de Colombia	6,738,671	1.14
		13,870,015	2.35
	<b>Costa Rica (3.48%) (Dec 2015: 2.54%)</b>		
14,844,810	Florida Ice & Farm Co SA	20,556,316	3.48
	<b>Croatia (1.80%) (Dec 2015: 1.70%)</b>		
7,391	Ledo dd	10,617,682	1.80
	<b>Egypt (9.93%) (Dec 2015: 11.55%)</b>		
8,839,777	Commercial International Bank Egypt SAE (GDR**)	31,443,087	5.33
801,617	Eastern Tobacco	16,249,085	2.76
297,358	Edita Food Industries SAE (GDR**)	2,140,978	0.36
11,194,059	Juhayna Food Industries	8,748,559	1.48
		58,581,709	9.93
	<b>Ghana (1.45%) (Dec 2015: 0.58%)</b>		
3,118,629	FAN Milk Ltd	6,706,729	1.14
856,600	Unilever Ghana Ltd	1,837,816	0.31
		8,544,545	1.45
	<b>Jamaica (Nil) (Dec 2015: 0.48%)</b>		
	<b>Kenya (5.49%) (Dec 2015: 6.06%)</b>		
46,297,420	Barclays Bank of Kenya Ltd	4,396,194	0.74
1,318,200	British American Tobacco Kenya Ltd	10,887,211	1.84
6,084,700	East African Breweries Ltd	16,731,420	2.84
14,058,020	Uchumi Supermarkets Ltd	403,247	0.07
		32,418,072	5.49
	<b>Mauritius (2.47%) (Dec 2015: 2.56%)</b>		
2,455,711	MCB Group Ltd	14,546,744	2.47
	<b>Nigeria (5.97%) (Dec 2015: 7.34%)</b>		
14,533,972	Cadbury Nigeria PLC	891,828	0.15
272,613,568	Guaranty Trust Bank PLC	22,426,142	3.80
1,347,129	Nestle Nigeria PLC	4,049,725	0.69
16,034,919	Nigerian Breweries PLC	7,826,061	1.33
		35,193,756	5.97



## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM FRONTIER MARKETS FUND**

#### **Schedule of Investments as at 30 June 2016 cont/d**

<u>Holding</u>		<u>Fair Value</u>	
		<u>USD</u>	<u>% of Fund</u>
	<b>Transferable securities cont/d</b>		
	<b>Equities (94.30%) (Dec 2015: 92.61%) cont/d</b>		
	<b>Oman (Nil) (Dec 2015: 2.36%)</b>		
	<b>Pakistan (4.65%) (Dec 2015: 2.76%)</b>		
2,451,500	Lucky Cement Ltd	15,183,099	2.57
7,267,900	United Bank Ltd	12,279,981	2.08
		<u>27,463,080</u>	<u>4.65</u>
	<b>Peru (5.27%) (Dec 2015: 2.97%)</b>		
9,636,024	Alicorp SAA	18,899,623	3.20
11,945,245	BBVA Banco Continental SA	12,204,778	2.07
		<u>31,104,401</u>	<u>5.27</u>
	<b>Philippines (3.39%) (Dec 2015: 2.90%)</b>		
4,519,890	Universal Robina Corp	19,982,722	3.39
	<b>Romania (1.85%) (Dec 2015: 2.14%)</b>		
61,290,330	Fondul Proprietatea SA	10,930,855	1.85
	<b>Senegal (3.48%) (Dec 2015: 4.04%)</b>		
529,774	Sonatel	20,546,851	3.48
	<b>South Africa (1.01%) (Dec 2015: Nil)</b>		
687,761	Famous Brands Ltd	5,964,196	1.01
	<b>Sri Lanka (2.04%) (Dec 2015: 1.37%)</b>		
704,508	Ceylon Tobacco Co PLC	5,078,842	0.86
8,290,667	Commercial Bank of Ceylon PLC	6,927,389	1.18
		<u>12,006,231</u>	<u>2.04</u>
	<b>Tunisia (1.27%) (Dec 2015: 1.55%)</b>		
1,304,775	Delice Holding	7,505,554	1.27
	<b>United Arab Emirates (5.20%) (Dec 2015: 5.89%)</b>		
34,763,969	Aramex PJSC	30,664,904	5.20
	<b>United Kingdom (6.25%) (Dec 2015: 5.30%)</b>		
778,235	BGEO Group PLC	27,277,836	4.62
2,478,218	Georgia Healthcare Group PLC	9,607,358	1.63
		<u>36,885,194</u>	<u>6.25</u>
	<b>United States (4.72%) (Dec 2015: 4.01%)</b>		
297,288	PriceSmart Inc	27,817,238	4.72
	<b>Vietnam (11.01%) (Dec 2015: 11.52%)</b>		
3,262,723	Phu Nhuan Jewelry JSC	11,263,884	1.91
8,496,569	Vietnam Dairy Products JSC	53,713,066	9.10
		<u>64,976,950</u>	<u>11.01</u>
	<b>Zimbabwe (1.74%) (Dec 2015: 1.48%)</b>		
15,284,881	Delta Corp Ltd	10,240,870	1.74
	<b>Total Equities</b>	<b>556,343,471</b>	<b>94.30</b>

# **BMO INVESTMENTS II (IRELAND) PLC**

## **BMO LGM FRONTIER MARKETS FUND**

### **Schedule of Investments as at 30 June 2016 cont/d**

<u>Holding</u>			<u>Fair Value USD</u>	<u>% of Fund</u>		
	<b>Participation Notes (4.81%) (Dec 2015: 5.63%)</b>					
	<b>Saudi Arabia (4.81%) (Dec 2015: 5.63%)</b>					
530,931	Herfy Foods due 06/07/2017 - HSBC Bank PLC (Participation Note)		10,988,636	1.86		
169,635	Jarir Marketing 02/03/2017 - Merrill Lynch International & Co (Participation Note)		5,322,689	0.90		
304,163	Saudi Dairy & Foodstuff due 04/06/2018 - HSBC Bank PLC (Participation note)		12,074,723	2.05		
	<b>Total Participation Notes</b>		<b>28,386,048</b>	<b>4.81</b>		
	<b>Total Value of Investments in Transferable Securities (99.11%) (Dec 2015: 98.24%)</b>		<b>584,729,519</b>	<b>99.11</b>		
	<b>Financial Derivative Instruments: (0.05%) (Dec 2015: Nil)</b>					
	<b>Forward Foreign Currency Exchange Contracts (0.05%) (Dec 2015: Nil)</b>					
<b>Settlement Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Gain USD</b>	<b>% of Fund</b>
01/07/2016	ZAR	85,219,946	USD	5,495,356	323,691	0.05
	<b>Net unrealised gain on forward foreign currency exchange contracts</b>				<b>323,691</b>	<b>0.05</b>
	<b>Total Value of Investments</b>				<b>585,053,210</b>	<b>99.16</b>
	<b>Other Net Assets (0.84%) (Dec 2015: 1.76%)</b>				<b>4,940,390</b>	<b>0.84</b>
	<b>Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%)</b>				<b>589,993,600</b>	<b>100.00</b>

\*American Depository Receipt

\*\*Global Depository Receipt

#### **Analysis of Total Assets**

	<u>% of Total Assets</u>
Transferable securities admitted to an official stock exchange listing	92.95
Transferable dealt with in another regulated market (Participation Notes)	4.74
Over the counter financial derivative instruments	0.05
Current Assets	2.26
<b>Total Assets</b>	<b>100.00</b>

The counterparties for the Participation Notes are:

HSBC Bank Plc (Moody's: Aa2; December 2015: Aa2)

Merrill Lynch International & Co (Moody's: Baa1; December 2015: Baa1)

The counterparty for the Forward Foreign Currency Exchange contract is State Street Bank.

Country classifications are based upon country of incorporation and/or country of domicile.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM GLOBAL EMERGING MARKETS GROWTH AND INCOME FUND**

#### **Schedule of Investments as at 30 June 2016**

<b> Holding</b>		<b> Fair Value</b>	<b> % of Fund</b>
		<b> USD</b>	
	<b>Transferable securities</b>		
	<b>Equities (95.75%) (Dec 2015: 97.10%)</b>		
	<b>Brazil (0.90%) (Dec 2015: 0.63%)</b>		
419,400	CCR SA	2,199,273	0.90
	<b>Chile (1.06%) (Dec 2015: 2.13%)</b>		
4,481,393	Aguas Andinas SA	2,569,847	1.06
	<b>China (0.96%) (Dec 2015: 1.09%)</b>		
3,292,000	Want Want China Holdings Ltd	2,333,864	0.96
	<b>Egypt (3.04%) (Dec 2015: 4.36%)</b>		
1,537,166	Commercial International Bank Egypt SAE (GDR*)	5,467,699	2.24
268,544	Edita Food Industries SAE (GDR*)	1,933,517	0.80
		7,401,216	3.04
	<b>Hong Kong (1.73%) (Dec 2015: 2.84%)</b>		
449,685	Dairy Farm International Holdings Ltd	3,030,877	1.24
2,590,000	Giordano International Ltd	1,191,848	0.49
		4,222,725	1.73
	<b>India (29.74%) (Dec 2015: 29.10%)</b>		
67,766	Bata India Ltd	548,042	0.22
230,916	Container Corp Of India Ltd	4,894,242	2.01
596,829	Emami Ltd	9,729,033	4.00
218,368	Housing Development Finance Corp Ltd	4,055,799	1.67
2,446,842	ICICI Bank Ltd	8,720,466	3.58
2,551,120	ITC Ltd	13,924,478	5.72
1,803,547	Mahindra & Mahindra Financial Services Ltd	8,928,887	3.67
47,026	Nestle India Ltd	4,523,435	1.86
345,012	Pidilite Industries Ltd	3,679,889	1.51
823,694	Titan Co Ltd	4,957,785	2.04
512,846	Yes Bank Ltd	8,412,057	3.46
		72,374,113	29.74
	<b>Indonesia (15.61%) (Dec 2015: 13.81%)</b>		
16,891,700	Bank Mandiri Persero Tbk PT	12,177,366	5.01
10,548,800	Bank Rakyat Indonesia Persero Tbk PT	8,622,671	3.54
19,252,325	Hanjaya Mandala Sampoerna Tbk PT	5,537,092	2.28
46,846,800	Kalbe Farma Tbk PT	5,424,833	2.23
1,821,200	Unilever Indonesia Tbk PT	6,213,100	2.55
		37,975,062	15.61
	<b>Kenya (0.82%) (Dec 2015: 0.86%)</b>		
729,300	East African Breweries Ltd	2,005,395	0.82
	<b>Macau (1.55%) (Dec 2015: 1.84%)</b>		
1,126,000	Sands China Ltd	3,766,420	1.55
	<b>Malaysia (1.16%) (Dec 2015: 0.74%)</b>		
586,200	Public Bank Bhd	2,820,856	1.16

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM GLOBAL EMERGING MARKETS GROWTH AND INCOME FUND**

#### **Schedule of Investments as at 30 June 2016 cont/d**

<u> Holding </u>		<u> Fair Value </u>	<u> % of Fund </u>
		<u> USD </u>	
	<b>Transferable securities cont/d</b>		
	<b>Equities (95.75%) (Dec 2015: 97.10%) cont//d</b>		
	<b>Mexico (7.96%) (Dec 2015: 8.27%)</b>		
2,183,410	Bolsa Mexicana de Valores SAB de CV	3,320,812	1.36
919,408	Grupo Financiero Banorte SAB de CV	5,109,026	2.10
888,570	Grupo Herdez SAB de CV	1,934,223	0.80
3,785,389	Wal-Mart de Mexico SAB de CV	9,009,387	3.70
		<u>19,373,448</u>	<u>7.96</u>
	<b>Nigeria (0.74%) (Dec 2015: 1.04%)</b>		
21,861,603	Guaranty Trust Bank PLC	1,798,412	0.74
	<b>Peru (1.29%) (Dec 2015: 2.68%)</b>		
20,360	Credicorp Ltd	3,142,159	1.29
	<b>Philippines (7.00%) (Dec 2015: 8.53%)</b>		
2,528,463	Metropolitan Bank & Trust Co	4,855,659	1.99
2,755,440	Universal Robina Corp	12,181,976	5.01
		<u>17,037,635</u>	<u>7.00</u>
	<b>Singapore (5.05%) (Dec 2015: 6.23%)</b>		
270,133	Jardine Cycle & Carriage Ltd	7,325,845	3.01
84,985	Jardine Matheson Holdings Ltd	4,955,475	2.04
		<u>12,281,320</u>	<u>5.05</u>
	<b>South Africa (2.93%) (Dec 2015: 3.01%)</b>		
502,669	Clicks Group Ltd	4,211,505	1.73
65,423	Discovery Ltd	547,239	0.23
956,471	Life Healthcare Group Holdings Ltd	2,364,237	0.97
		<u>7,122,981</u>	<u>2.93</u>
	<b>South Korea (1.07%) (Dec 2015: 1.39%)</b>		
21,881	KT&G Corp	2,593,008	1.07
	<b>Taiwan (1.20%) (Dec 2015: 0.83%)</b>		
374,000	President Chain Store Corp	2,910,010	1.20
	<b>Thailand (1.14%) (Dec 2015: 0.61%)</b>		
564,000	Kasikornbank PCL	2,768,640	1.14
	<b>Turkey (3.57%) (Dec 2015: 3.15%)</b>		
446,037	BIM Birlesik Magazalar AS	8,693,817	3.57
	<b>United States (4.52%) (Dec 2015: Nil)</b>		
121,212	Mead Johnson Nutrition Co	10,999,989	4.52
	<b>Vietnam (2.71%) (Dec 2015: 3.96%)</b>		
1,044,250	Vietnam Dairy Products JSC	6,601,473	2.71
	<b>Total Equities</b>	<b>232,991,663</b>	<b>95.75</b>
	<b>Participation Notes (0.09%) (Dec 2015: 0.16%)</b>		
	<b>United States (0.09%) (Dec 2015: 0.16%)</b>		
33,186	Vietnam Dairy Products JSC due 17/01/2017 Citigroup Global Markets Holdings (Participation Note)	209,793	0.09
	<b>Total Participation Notes</b>	<b>209,793</b>	<b>0.09</b>

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM GLOBAL EMERGING MARKETS GROWTH AND INCOME FUND**

#### **Schedule of Investments as at 30 June 2016 cont/d**

<u> Holding </u>	<u> Fair Value USD </u>	<u> % of Fund </u>
<b>Total Value of Investments in Transferable Securities (95.84%) (Dec 2015: 97.26%)</b>	<b>233,201,456</b>	<b>95.84</b>
<b>Other Net Assets (4.16%) (Dec 2015: 2.74%)</b>	<b>10,134,207</b>	<b>4.16</b>
<b>Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%)</b>	<b>243,335,663</b>	<b>100.00</b>

\*Global Depository Receipt

<u> Analysis of Total Assets </u>	<u> % of Total Assets </u>
Transferable securities admitted to an official stock exchange listing	95.62
Transferable securities dealt with in another regulated market (Participation Notes)	0.09
Current Assets	4.29
<b>Total Assets</b>	<b>100.00</b>

The counterparty for the Participation Note is:  
Citigroup Global Markets Holdings Inc (Moody's: Baa1; December 2015: Baa1)  
Country classifications are based upon country of incorporation and/or country of domicile.

# **BMO INVESTMENTS II (IRELAND) PLC**

## **BMO LGM GREATER INDIA FUND**

### **Schedule of Investments as at 30 June 2016**

<b> Holding </b>		<b> Fair Value USD</b>	<b> % of Fund</b>
	<b>Transferable securities</b>		
	<b>Equities (98.88%) (Dec 2015: 96.11%)</b>		
	<b>India (98.88%) (Dec 2015: 96.11%)</b>		
1,455	Bajaj Auto Ltd	57,988	2.97
6,858	Bajaj Corp Ltd	39,414	2.02
435	Bajaj Finance Ltd	51,538	2.64
4,750	Bata India Ltd	38,415	1.97
1,175	Britannia Industries Ltd	48,030	2.46
4,165	Colgate-Palmolive India Ltd	56,679	2.91
3,487	Container Corp Of India Ltd	73,907	3.79
5,167	Emami Ltd	84,228	4.32
18,243	Escorts Ltd	59,436	3.05
53,212	Federal Bank Ltd	45,411	2.33
5,439	HDFC Bank Ltd	94,803	4.86
3,165	Hindustan Unilever Ltd	42,135	2.16
5,761	Housing Development Finance Corp Ltd	107,000	5.49
19,565	ICICI Bank Ltd	69,729	3.58
4,312	IndusInd Bank Ltd	71,016	3.64
20,578	ITC Ltd	112,318	5.76
2,577	Jubilant Foodworks Ltd	43,371	2.23
4,343	Jyothy Laboratories Ltd	19,477	1.00
6,175	Kotak Mahindra Bank Ltd	69,838	3.58
16,600	Mahindra & Mahindra Financial Services Ltd	82,182	4.22
643	Nestle India Ltd	61,850	3.17
7,773	Pidilite Industries Ltd	82,907	4.25
118	Shree Cement Ltd	25,431	1.30
3,299	Shriram City Union Finance Ltd	80,660	4.14
3,353	Shriram Transport Finance Co Ltd	59,807	3.07
12,183	Titan Co Ltd	73,329	3.76
1,191	UltraTech Cement Ltd	60,190	3.09
1,657	United Spirits Ltd	61,379	3.15
6,616	Yes Bank Ltd	108,520	5.57
6,921	Zee Entertainment Enterprises Ltd	46,810	2.40
	<b>Total Equities</b>	<b>1,927,798</b>	<b>98.88</b>
	<b>Total Value of Investments in Transferable Securities (98.88%) (Dec 2015: 96.11%)</b>	<b>1,927,798</b>	<b>98.88</b>
	<b>Other Net Assets (1.12%) (Dec 2015: 3.89%)</b>	<b>21,897</b>	<b>1.12</b>
	<b>Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%)</b>	<b>1,949,695</b>	<b>100.00</b>
			<b>% of Total</b>
<b>Analysis of Total Assets</b>			<b>Assets</b>
Transferable securities admitted to an official stock exchange listing			97.09
Current Assets			2.91
Total Assets			<b>100.00</b>

Country classifications are based upon country of incorporation and/or country of domicile.

# **BMO INVESTMENTS II (IRELAND) PLC**

## **BMO LGM ASIAN SMALLER COMPANIES FUND**

### **Schedule of Investments as at 30 June 2016**

<b> Holding </b>		<b> Fair Value </b>	
		<b> USD </b>	<b> % of Fund </b>
	<b> Transferable securities </b>		
	<b> Equities (79.10%) (Dec 2015: 65.11%) </b>		
	<b> Bermuda (4.00%) (Dec 2015: 5.43%) </b>		
234,000	PAX Global Technology Ltd	204,201	2.16
455,520	Silverlake Axis Ltd	174,302	1.84
		<b> 378,503 </b>	<b> 4.00 </b>
	<b> Cayman Islands (6.19%) (Dec 2015: 9.71%) </b>		
5,935	iKang Healthcare Group (ADR*)	108,848	1.15
716,000	NagaCorp Ltd	476,229	5.04
		<b> 585,077 </b>	<b> 6.19 </b>
	<b> China (2.36%) (Dec 2015: Nil) </b>		
436,000	Cosmo Lady China Holdings Co Ltd	223,116	2.36
	<b> Hong Kong (1.88%) (Dec 2015: 2.52%) </b>		
98,000	Vitasoy International Holdings Ltd	177,861	1.88
	<b> India (13.04%) (Dec 2015: 5.98%) </b>		
64,266	Bajaj Corp Ltd	369,343	3.91
22,332	Credit Analysis & Research Ltd	328,983	3.48
55,000	Escorts Ltd	179,191	1.89
3,287	Jubilant Foodworks Ltd	55,321	0.58
29,727	Mahindra & Mahindra Financial Services Ltd	147,170	1.56
6,271	Shriram City Union Finance Ltd	153,326	1.62
		<b> 1,233,334 </b>	<b> 13.04 </b>
	<b> Indonesia (8.37%) (Dec 2015: 7.28%) </b>		
5,969,100	Ace Hardware Indonesia Tbk PT	417,894	4.42
3,307,300	Clipan Finance Indonesia Tbk PT	60,576	0.64
106,300	Mayora Indah Tbk PT	313,369	3.31
		<b> 791,839 </b>	<b> 8.37 </b>
	<b> Malaysia (10.34%) (Dec 2015: 5.77%) </b>		
27,900	Dutch Lady Milk Industries Bhd	404,849	4.28
84,200	Heineken Malaysia Bhd	316,207	3.34
539,400	Oldtown Bhd	256,889	2.72
		<b> 977,945 </b>	<b> 10.34 </b>
	<b> Singapore (8.27%) (Dec 2015: 5.60%) </b>		
72,300	Petra Foods Ltd	155,247	1.64
372,900	Sheng Siong Group Ltd	245,201	2.59
161,500	Singapore Post Ltd	176,391	1.87
334,900	Super Group Ltd	205,285	2.17
		<b> 782,124 </b>	<b> 8.27 </b>
	<b> South Korea (2.93%) (Dec 2015: 3.37%) </b>		
770	CJ O Shopping Co Ltd	117,253	1.24
2,720	Hotel Shilla Co Ltd	160,340	1.69
		<b> 277,593 </b>	<b> 2.93 </b>
	<b> Sri Lanka (3.65%) (Dec 2015: 1.24%) </b>		
23,261	Ceylon Tobacco Co PLC	167,690	1.77
212,145	Commercial Bank of Ceylon PLC	177,261	1.88
		<b> 344,951 </b>	<b> 3.65 </b>

# **BMO INVESTMENTS II (IRELAND) PLC**

## **BMO LGM ASIAN SMALLER COMPANIES FUND**

### **Schedule of Investments as at 30 June 2016 cont/d**

<b><u>Holding</u></b>		<b>Fair Value USD</b>	<b>% of Fund</b>
	<b>Transferable securities cont/d</b>		
	<b>Equities (79.10%) (Dec 2015: 65.11%) cont/d</b>		
	<b>Taiwan (8.49%) (Dec 2015: 6.47%)</b>		
21,680	Formosa International Hotels Corp	123,659	1.31
39,000	Giant Manufacturing Co Ltd	241,793	2.56
23,230	Poya International Co Ltd	257,799	2.73
8,000	St Shine Optical Co Ltd	179,299	1.89
		<b>802,550</b>	<b>8.49</b>
	<b>Thailand (9.58%) (Dec 2015: 11.74%)</b>		
1,448,500	Beauty Community PCL	340,072	3.60
230,500	Major Cineplex Group PCL	216,463	2.29
150,700	MK Restaurants Group PCL	210,139	2.22
2,024,200	Thai Reinsurance PCL	139,401	1.47
		<b>906,075</b>	<b>9.58</b>
	<b>Total Equities</b>	<b>7,480,968</b>	<b>79.10</b>
	<b>Participation Notes (17.47%) (Dec 2015: 21.46%)</b>		
	<b>India (17.47%) (Dec 2015: 21.46%)</b>		
39,608	Bata India Ltd due 23/02/2022 - Deutsche Bank AG (Participation Note)	320,320	3.39
16,935	Emami Ltd due 17/01/2017 Citigroup Global Markets Holdings (Participation Note)	276,061	2.92
257,880	Federal Bank Ltd due 17/01/2017 Citigroup Global Markets Holdings (Participation Note)	220,074	2.33
10,004	Jubilant Foodworks Ltd due 12/02/16 Citigroup Global Markets Holdings (Participation Note)	168,369	1.78
107,659	Jyothy Laboratories Ltd due 03/01/2018 Deutsche Bank AG (Participation Note)	482,827	5.10
37,239	Mahindra & Mahindra Financial Services Ltd due 13/03/2017 Morgan Stanley Asia Products Ltd (Participation Note)	184,360	1.95
	<b>Total Participation Notes</b>	<b>1,652,011</b>	<b>17.47</b>
	<b>Total Value of Investments in Transferable Securities (96.57%) (Dec 2015: 86.57%)</b>	<b>9,132,979</b>	<b>96.57</b>
	<b>Other Net Assets (3.43%) (Dec 2015: 13.43%)</b>	<b>324,476</b>	<b>3.43</b>
	<b>Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%)</b>	<b>9,457,455</b>	<b>100.00</b>

\*American Depository Receipt

#### **% of Total Assets**

#### **Analysis of Total Assets**

Transferable securities admitted to an official stock exchange listing	77.50
Transferable securities dealt with in another regulated market (Participation Notes)	17.11
Current Assets	5.39
<b>Total Assets</b>	<b>100.00</b>

The counterparties for the participation notes are:  
Citigroup Global Markets Holdings (Moody's: Baa1; December 2015: Baa1)  
Deutsche Bank AG (Moody's: A3; December 2015: A3)  
Morgan Stanley Asia Products Ltd (Moody's: A3; December 2015: A3)  
Country classifications are based upon country of incorporation and/or country of domicile.



## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM Asian Growth and Income Fund**

#### **Statement of Significant Changes on Composition of Portfolio for the six months ended 30 June 2016**

<b>Major Purchases</b>	<b>Shares</b>	<b>Cost USD</b>
British American Tobacco Malaysia Bhd	10,100	128,846
Mead Johnson Nutrition	1,656	124,691
Bank Mandiri Persero Tbk PT	169,400	119,765
Vitasoy International Holdings Ltd	58,000	107,454
Colgate-Palmolive India Ltd due 15/05/2017 - Morgan Stanley Asia Products (Participation Note)	7,349	92,820
Public Bank Bhd	20,000	91,148
Nestle India Ltd due 12/06/2018 - Deutsche Bank AG (Participation Note)	942	79,623
Emami Ltd due 17/01/2017 - Citigroup Global Markets Holdings (Participation Note)	4,274	64,534
Housing Development Finance Corp Ltd due 17/01/2017 - Citigroup Global Markets Holdings (Participation Note)	3,594	60,191
Kasikornbank PCL - F	11,500	58,472
Tencent Holdings Ltd	2,400	54,478
Kalbe Farma Tbk PT	409,700	47,169
Sands China Ltd	12,000	43,067
Housing Development Finance Corp Ltd due 30/01/2017 - Deutsche Bank AG (Participation Note)	2,173	40,671
NagaCorp Ltd	66,000	37,013
Hindustan Unilever Ltd due 07/12/2016 - Morgan Stanley Asia Products Ltd (Participation Note)	3,093	35,222
Britannia Industries Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note)	766	31,011
Emami Ltd due 07/05/2020 - Deutsche Bank AG (Participation Note)	1,799	27,940
Universal Robina Corp	6,240	25,514
Dairy Farm International Holdings Ltd	3,621	24,403
President Chain Store Corp	3,000	22,893
Hanjaya Mandala Sampoerna Tbk PT	69,900	20,343
Unilever Indonesia Tbk PT	4,300	14,790
Want Want China Holdings Ltd	19,000	14,121
<b>Major Sales</b>	<b>Shares</b>	<b>Proceeds USD</b>
Sino Biopharmaceutical Ltd	264,000	211,958
ITC Ltd due 12/02/2016 - Citigroup Global Markets Holdings (Participation Note)	38,870	188,889
Universal Robina Corp	44,660	175,187
Hanjaya Mandala Sampoerna Tbk PT	24,900	174,572
Yes Bank Ltd due 12/08/2018 - Deutsche Bank AG (Participation Note)	14,893	170,999
Metropolitan Bank & Trust Co	93,540	158,791
Tencent Holdings Ltd	8,100	154,373
Major Cineplex Group PCL	172,800	148,075
Hanon Systems	7,269	147,937
Advanced Info Service PCL	30,600	133,862
Mahindra & Mahindra Financial Services Ltd due 13/03/2017 - Morgan Stanley Asia Products Ltd (Participation Note)	36,203	130,388
Nestle India Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note)	1,527	127,730
Ping An Insurance Group Co of China Ltd	26,500	127,173
Taiwan Semiconductor Manufacturing Co Ltd	29,000	123,214

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM Asian Growth and Income Fund cont/d**

#### **Statement of Significant Changes on Composition of Portfolio for the six months ended 30 June 2016 cont/d**

<b>Major Sales (cont/d)</b>	<b>Shares</b>	<b>Proceeds USD</b>
Bank Mandiri Persero Tbk PT	161,300	109,813
Bank Rakyat Indonesia Persero Tbk PT	130,200	109,607
Unilever Indonesia Tbk PT	39,600	109,559
Jardine Cycle & Carriage Ltd	4,200	100,678
AIA Group Ltd	16,800	99,133
Stella International Holdings Ltd	39,500	97,874
Dairy Farm International Holdings Ltd	14,900	90,230
St Shine Optical Co Ltd	4,000	77,362
Titan Co Ltd due 30/06/2021 - Deutsche Bank AG (Participation Note)	14,573	75,806
KT&G Corp	852	75,544
Giordano International Ltd	152,000	68,977
NagaCorp Ltd	104,000	66,071
Kasikornbank PCL	15,600	63,146
Emami Ltd due 07/05/2020 - Deutsche Bank AG (Participation Note)	4,076	61,457
Sands China Ltd	18,000	60,535
President Chain Store Corp	10,000	60,147
ICICI Bank Ltd due 19/03/2018 - Morgan Stanley Asia Products Ltd (Participation Note)	15,660	56,450
ITC Ltd due 01/07/2016 - Morgan Stanley Asia Products (Participation Note)	11,960	55,976
Kalbe Farma Tbk PT	564,600	52,752
SJM Holdings Ltd	79,000	52,363
Pidilite Industries Ltd due 13/03/2017 - Morgan Stanley Asia Products Ltd (Participation Note)	5,555	46,863
Philippine Long Distance Telephone Co	1,065	45,079
Public Bank Bhd	10,000	42,155

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one per cent of the total value of sales for the period. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM Frontier Markets Fund**

#### **Statement of Significant Changes on Composition of Portfolio for the six months ended 30 June 2016**

<b>Major Purchases*</b>	<b>Shares</b>	<b>Cost USD</b>
United Bank Ltd	6,559,200	9,586,154
Alicorp SAA	5,442,573	8,975,655
Famous Brands Ltd	687,761	5,716,908
Commercial International Bank Egypt SAE (GDR)	1,332,731	4,876,582
Florida Ice & Farm Co SA	3,242,963	4,573,661
Ceylon Tobacco Co PLC	597,305	4,158,579
FAN Milk Ltd	1,443,529	2,806,288
Guaranty Trust Bank PLC	22,138,320	2,098,643
PriceSmart Inc	27,825	2,086,635
Unilever Ghana Ltd	856,600	1,938,450
Delta Corp Ltd	3,574,023	1,889,956
Universal Robina Corp	437,440	1,769,896
Bolsa de Valores de Colombia	337,212,308	1,672,259
NagaCorp Ltd	2,072,000	1,126,172
Georgia Healthcare Group PLC	465,702	1,026,091
Commercial Bank of Ceylon PLC	1,094,600	985,658
Aramex PJSC	132,434	110,661

  

<b>Major Sales*</b>	<b>Shares</b>	<b>Proceeds USD</b>
Vietnam Dairy Products JSC	1,200,080	7,224,276
Oman Telecommunications Co SAOG	1,849,111	7,042,565
Bank Muscat SAOG	4,606,880	4,965,714
Georgia Healthcare Group PLC	1,298,617	4,309,701
Lucky Cement Ltd	585,700	3,683,394
First Gulf Bank PJSC	875,310	2,776,966
BBVA Banco Continental SA	1,286,945	1,531,722
Saudi Dairy & Foodstuff due 04/06/2018 - HSBC Bank PLC (Participation note)	27,555	1,136,908
Sonatel	13,511	586,837
BGEO Group PLC	4,395	170,400

\* Represents total purchases and sales during the period.

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## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM Global Emerging Markets Growth and Income Fund**

#### **Statement of Significant Changes on Composition of Portfolio for the six months ended 30 June 2016**

<b>Major Purchases</b>	<b>Shares</b>	<b>Cost USD</b>
Mead Johnson Nutrition	121,212	9,987,468
ICICI Bank Ltd	2,157,151	7,584,594
Bank Mandiri Persero Tbk PT	9,685,800	7,079,592
Wal-Mart de Mexico SAB de CV	2,804,800	6,648,853
Bank Rakyat Indonesia Persero Tbk PT	6,752,800	5,529,851
ITC Ltd	1,098,259	5,423,359
Universal Robina Corp	1,144,450	5,317,331
Yes Bank Ltd	390,939	5,095,743
BIM Birlesik Magazalar AS	227,955	4,943,542
Housing Development Finance Corp Ltd	218,368	3,479,972
Emami Ltd	228,820	3,317,363
Jardine Cycle & Carriage Ltd	116,000	3,180,742
Mahindra & Mahindra Financial Services Ltd	815,688	3,113,697
Titan Co Ltd	585,039	3,072,619
Nestle India Ltd	34,706	3,059,998
Unilever Indonesia Tbk PT	764,800	2,521,098
Hanjaya Mandala Sampoerna Tbk PT	306,700	2,301,432
Metropolitan Bank & Trust Co	1,177,320	2,136,918
Pidilite Industries Ltd	226,301	2,079,196
Commercial International Bank Egypt SAE (GDR)	546,921	2,013,969
Container Corp Of India Ltd	103,873	2,006,904
Grupo Financiero Banorte SAB de CV	353,040	1,934,642
Clicks Group Ltd	270,829	1,875,411
Sands China Ltd	472,400	1,874,976
Want Want China Holdings Ltd	2,351,000	1,843,111
Public Bank Bhd	376,000	1,837,934
Kalbe Farma Tbk PT	17,147,800	1,832,855
Kasikornbank PCL	387,800	1,807,885
KT&G Corp	17,787	1,736,632
Vietnam Dairy Products JSC	263,604	1,726,931
Jardine Matheson Holdings Ltd	29,500	1,710,173
Credicorp Ltd	12,800	1,692,290
President Chain Store Corp	213,000	1,521,946
Dairy Farm International Holdings Ltd	227,585	1,380,784
Edita Food Industries SAE (GDR)	77,256	1,240,121
<b>Major Sales</b>	<b>Shares</b>	<b>Proceeds USD</b>
Yes Bank Ltd	439,853	6,540,158
Credicorp Ltd	26,000	3,373,448
Bata India Ltd	209,844	1,738,621
Nestle India Ltd	18,670	1,659,519
Pidilite Industries Ltd	166,608	1,625,871
KT&G Corp	14,955	1,576,548
Metropolitan Bank & Trust Co	894,510	1,402,985
Jardine Cycle & Carriage Ltd	46,700	1,334,056
Coca-Cola Embonor SA	582,002	978,988
Grupo Financiero Banorte SAB de CV	139,807	792,250
SJM Holdings Ltd	1,255,000	776,452
ITC Ltd	116,565	606,630

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM Global Emerging Markets Growth and Income Fund (cont/d)**

#### **Statement of Significant Changes on Composition of Portfolio for the six months ended 30 June 2016 cont/d**

<b>Major Sales (cont/d)</b>	<b>Shares</b>	<b>Proceeds USD</b>
Titan Co Ltd	112,928	602,787
Want Want China Holdings Ltd	833,000	595,785
Wal-Mart de Mexico SAB de CV	210,700	522,499
Cashbuild Ltd	16,388	321,056
Mahindra & Mahindra Financial Services Ltd	58,868	260,339
Universal Robina Corp	44,780	194,447
Vietnam Dairy Products JSC	26,064	157,708
Emami Ltd	881	14,024

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one per cent of the total value of sales for the period. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM Greater India Fund**

#### **Statement of Significant Changes on Composition of Portfolio for the six months ended 30 June 2016**

<b>Major Purchases*</b>	<b>Shares</b>	<b>Cost USD</b>
Britannia Industries Ltd	1,175	48,330
IndusInd Bank Ltd	2,019	24,679
Shriram City Union Finance Ltd	932	21,243
Jyothy Laboratories Ltd	4,343	20,185

  

<b>Major Sales</b>	<b>Shares</b>	<b>Proceeds USD</b>
Yes Bank Ltd	8,985	106,174
HDFC Bank Ltd	4,985	95,751
ITC Ltd	19,459	94,849
Bajaj Auto Ltd	2,408	88,672
UltraTech Cement Ltd	1,750	71,701
Pidilite Industries Ltd	8,030	69,469
ICICI Bank Ltd	17,860	68,547
Mahindra & Mahindra Financial Services Ltd	16,566	63,714
Housing Development Finance Corp Ltd	3,487	63,209
Container Corp Of India Ltd	3,165	62,407
Shriram Transport Finance Co Ltd	4,459	60,558
Jubilant Foodworks Ltd	2,612	54,930
Emami Ltd	3,127	46,813
Zee Entertainment Enterprises Ltd	7,479	45,505
United Spirits Ltd	1,003	44,265
Bata India Ltd	5,676	44,181
Kotak Mahindra Bank Ltd	3,737	40,208
Titan Co Ltd	7,374	38,413
Colgate-Palmolive India Ltd	2,521	36,787
HCL Technologies Ltd	2,868	36,221
Shriram City Union Finance Ltd	1,432	34,069
Nestle India Ltd	390	33,095
Infosys Ltd	2,006	32,291
Tata Consultancy Services Ltd	910	32,044
Escorts Ltd	11,043	28,036
Federal Bank Ltd	32,209	26,922
Bajaj Corp Ltd	4,151	26,900
Lupin Ltd	997	26,646
Hindustan Unilever Ltd	1,915	24,334
Dr Reddy's Laboratories Ltd	478	22,002

\* Represents total purchases during the period.

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## **BMO INVESTMENTS II (IRELAND) PLC**

### **BMO LGM Asian Smaller Companies Fund**

#### **Statement of Significant Changes on Composition of Portfolio for the six months ended 30 June 2016**

<b>Major Purchases*</b>	<b>Shares</b>	<b>Cost USD</b>
Dutch Lady Milk Industries Bhd	27,900	361,154
Credit Analysis & Research Ltd	22,332	331,831
Cosmo Lady China Holdings Co Ltd	436,000	316,218
Heineken Malaysia Bhd	84,200	315,681
Sheng Siong Group Ltd	372,900	230,261
Vitasoy International Holdings Ltd	98,000	186,359
Bajaj Corp Ltd	30,742	177,468
Ceylon Tobacco Co PLC	23,261	169,941
Shriram City Union Finance Ltd	6,271	154,044
St Shine Optical Co Ltd	8,000	137,728
PAX Global Technology Ltd	122,000	119,569
Commercial Bank of Ceylon PLC	95,449	85,794
Super Group Ltd	103,700	75,287
NagaCorp Ltd	108,000	62,028
Oldtown Bhd	145,200	54,301
Giant Manufacturing Co Ltd	6,000	36,677

  

<b>Major Sales*</b>	<b>Shares</b>	<b>Proceeds USD</b>
Dah Sing Financial Holdings Ltd	45,600	296,091
Dialog Group Bhd	595,400	244,659
Mahindra & Mahindra Financial Services Ltd due 13/03/2017 Morgan Stanley Asia Products Ltd (Participation Note)	48,401	222,568
Stella International Holdings Ltd	90,500	215,673
TICON Industrial Connection PCL	488,800	197,590
Tune Protect Group Bhd	511,900	168,158
Skyworth Digital Holdings Ltd	250,271	153,027
iKang Healthcare Group Inc (ADR)	7,200	136,547
OSIM International Ltd	98,200	101,025
Beauty Community PCL	278,200	66,489
Bata India Ltd	7,532	62,115
Emami Ltd due 17/01/2017 Citigroup Global Markets Holdings (Participation Note)	3,030	45,899

\* Represents total purchases and sales during the period.

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