

BMO Monthly Income Fund (the "Fund")

For the six-month period ended March 31, 2015 (the "period")

Manager: BMO Investments Inc. (the "Manager" or "BMOI")

Portfolio manager: BMO Asset Management Inc., Toronto, Ontario (the "portfolio manager")

2015 Semi-Annual Management Report of Fund Performance

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the Fund. If the semi-annual financial statements of the Fund do not accompany the mailing of this report, you may obtain a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-665-7700, by writing to us at BMO Investments Inc., First Canadian Place, 100 King Street West, 43rd Floor, Toronto, Ontario, M5X 1A1 or by visiting our website at www.bmo.com/mutualfunds or SEDAR at www.sedar.com. You may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

During the period, the Fund's total net asset value increased from approximately \$3,650 million to approximately \$3,896 million. Series A units of the Fund returned 8.70%. Please see the *Past Performance* section for information on the performance returns of the Fund's other series.

During the period, Canadian equities, as represented by the S&P/TSX Composite Total Return Index ("S&P/TSX"), rose 1.1%, underperforming the strong returns of other major markets. Of particular note for the Canadian economy, was the significant fall in the Canadian dollar versus the U.S. dollar. The Canadian dollar fell sharply when the Bank of Canada ("BoC") lowered interest rates by 0.25% in January in an attempt to stimulate domestic economic activity to counter the dulling effect of sharply lower oil prices. Economic indicators pointed to a very weak first quarter and, in fact, the BoC Governor described Canada's economic performance in the quarter as "atrocious".

The best performing sectors in the Canadian equity market were Health Care and Information Technology. Valeant Pharmaceuticals International Inc., which represents 85% of the Health Care sector by market capitalization, was very strong, up nearly 71%, which alone contributed significantly to the returns of the S&P/TSX. The Information Technology sector was up 25.3% but, like Health Care, it is a very small component of the S&P/TSX. It is surprising that the S&P/TSX had a positive return at all given that two of its three "jumbo" sectors were negative in the period. Both Energy and Financials had negative returns, down 24.2% and 0.9%, respectively.

The Canadian fixed income market, as measured by the yield of the 10-year Government of Canada bond, experienced a fairly steady decline. The 10-year Canada bond started the period at about 2.10%, fell to a low of 1.24% at the beginning of February, and then generally traded between 1.60% and 1.30% for the rest of the period. Yields were lower across the entire yield curve. The three- to 30-year parts of the yield curve saw rates decline between 70 to 90 basis points.

The BoC and U.S. Federal Reserve Board ("Fed") continued to adjust their respective monetary policies. The Fed completed the exit from its quantitative easing program (i.e., monetary policy used by the Fed to increase money supply), and initially implied it would be looking for an opportunity to execute its first rate increase. However, despite removing the word "patient" from the March Federal Open Market Committee statement, the Fed was quick to add that that didn't mean it would be impatient. Further, the Fed's economic assessment was a bit more optimistic. Following its surprise interest rate cut, the BoC had left the impression that another rate cut was likely in the near future, but in March it hinted that it was willing to wait a bit longer as financial conditions were improving enough to "mitigate" the impact of the oil-price shock.

The Fund's holdings were positioned with the expectation that yields along the curve would not rise, which contributed to performance over the period. The Fund's corporate bond holdings, more concentrated in short- and medium-term bonds relative to the benchmark, also contributed to performance. Narrowing provincial bond spreads (the

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incremental yield on provincial bonds versus Government of Canada bonds of similar maturity) also contributed to the Fund's performance as provincial governments continued their efforts to eliminate fiscal deficits. Exposure to Utilities sector equities, non-bank stocks in the Financials sector and U.S. Health Care companies contributed to the Fund's performance. Significant individual contributors included Alimentation Couche-Tard Inc., on strong earnings and positive acquisitions, and Enbridge Income Fund Holdings Inc., whose drop down of assets from Enbridge Inc. was viewed positively by the markets.

At the beginning of the period, the Fund's interest rate sensitivity was positioned slightly lower than the benchmark's, which detracted from performance. The portfolio manager increased the Fund's interest rate sensitivity in light of persistently weak economic data and pressures from low oil prices. In terms of equities, a lack of exposure to the very strong Canadian Health Care sector detracted from the Fund's performance as mergers and acquisition drove returns upward. A lack of exposure to the Information Technology sector also detracted from relative performance. Significant individual detractors included holdings in Southwestern Energy Company and Gibson Energy Inc., both of which suffered from the drop in oil prices.

A new position in U.S. drug wholesaler AmerisourceBergen Corporation was initiated in the Fund for its strength in branded generics and health care services. The portfolio manager also increased the Fund's existing holdings in Apple Inc. for its strong dividends and growth. Holdings in Caterpillar Inc. were sold as a result of the company's weak earnings outlook given its commodities exposure, and the Fund's position in Enbridge Income Fund was trimmed.

The Fund distributes a fixed amount per unit each month, consistent with the Fund's stated objective of providing a stable cash flow to its unitholders. A portion of a distribution may consist of a return of capital. This portion may be significant, and will occur when the income earned by the Fund per unit is less than the fixed amount of the distribution. Distributions are expected to continue to include return of capital until there is a general improvement in the economy, an increase in interest rates, or there is a change in the fixed amount to be distributed.

The Manager confirms that the Fund did not borrow money during the period.

For information on the Fund's performance and composition, please refer to the Past Performance section and Summary of Investment Portfolio section of this report.

Recent Developments

The Canadian market continues to price in the possibility of a further interest rate cut in the coming year, responding to weak economic data, persistently low commodity prices and a strong U.S. dollar. Although the Fed continues to position the market for an interest rate increase in 2015, continued weakness in economic data raises the likelihood that such a hike may be delayed until 2016. The portfolio manager believes the Fund is well positioned to benefit from improved provincial bond spreads, as it is expected that, given the weak economic outlook, yields along the curve will not rise in the coming period.

From an equities perspective, the Fund's focus on providing stable income may cause it to underperform the broader market if commodity prices rally. The portfolio manager will maintain the Fund's overweight exposure to U.S. and EAFE (Europe, Australasia and the Far East) equities for their more attractive investment fundamentals and market performance expectations.

Significant Accounting Changes Resulting from our Adoption of IFRS

Effective October 1, 2014, the Fund adopted International Financial Reporting Standards ("IFRS") as its basis of accounting. The semi-annual financial statements for the period ended March 31, 2015 are the first set of financial statements prepared on an IFRS basis. The adjustments made to reflect the impact of the change from Canadian generally accepted accounting principles ("Canadian GAAP") to IFRS are presented in note 8 to the financial statements.

Key changes to the financial statements as a result of the implementation of IFRS are:

- Statement of Financial Position replaced the former Statement of Net Assets:
 - The Fund's unitholders investments in the units of the Fund did not qualify for equity classification under IFRS and have been classified as a financial liability for financial reporting purposes.
 - Classification of financial instruments: derivatives and short positions have been classified as held for trading while all other financial instruments have been designated as fair valued through profit and loss. Following adoption of IFRS by the Fund for financial reporting purposes, the Fund now fair values its investment securities traded on an exchange at close price, which is determined as the price within the bid ask range that represents the best estimate of fair value.

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- Statement of Comprehensive Income replaced Statement of Operations:
 - The Fund accounts for interest income using the effective interest rate method, rather than the coupon method previously used under Canadian GAAP.
- Statement of Changes in Net Assets Attributable to Holders of Redeemable Units replaced the Statement of Changes in Net Assets and the Fund now presents a Statement of Cash Flows.
- Other notable changes to the financial statement notes include additional or enhanced information in the notes to the financial statements including a more detailed note and reconciliation on the Fund's transition from Canadian GAAP to IFRS.

RELATED PARTY TRANSACTIONS

BMO Investments Inc., an indirect, wholly-owned subsidiary of Bank of Montreal ("BMO"), is the Manager of the Fund. From time to time, the Manager may, on behalf of the Fund, enter into transactions or arrangements with or involving other members of BMO Financial Group, or certain other persons or companies that are related or connected to the Manager (each a "Related Party"). The purpose of this section is to provide a brief description of any transaction involving the Fund and a Related Party.

Portfolio Manager

The Fund's portfolio manager is BMO Asset Management Inc. ("BMOAM"), an affiliate of the Manager. BMOAM provides portfolio management services to the Fund. BMOAM receives from the Fund a management fee based on assets under management, calculated daily and payable monthly.

Administration Fees and Operating Expenses

The Fund pays a fixed administration fee to the Manager in respect of each series other than Series I. The Manager in return pays the operating expenses of these series of the Fund, other than certain specified expenses that are paid directly by the Fund ("Fund Expenses"). Fund Expenses include interest or other borrowing expenses, costs and expenses related to the operation of the Fund's Independent Review Committee ("IRC"), including fees and expenses of IRC members, taxes to which the Fund is or might be subject, and costs associated with compliance with any new governmental or regulatory requirement introduced after December 1, 2007 (e.g., cost associated with the production of fund facts, filed in compliance with the relevant amendments to NI 81-101). Fund Expenses are allocated proportionately among the relevant series. If the Fund

Expenses are specific to a series, the Fund Expenses are allocated to that series. The fixed administration fee is calculated as a fixed annual percentage of the average net asset value of each relevant series of the Fund. Separate fees and expenses are negotiated and paid by each Series I investor. Further details about the fixed administration fee and/or Fund Expenses can be found in the Fund's most recent simplified prospectus at www.bmo.com/mutualfunds or www.sedar.com.

Buying and Selling Securities

Investing in Bank of Montreal Common Shares or Preferred Shares, Trades in Bank of Montreal Debt Securities in the Secondary Market, Investing in Bank of Montreal Debt Securities in a Primary Offering, Related-Party Underwritings, Trades in Debt Securities with a Related Entity, Trading as Principal and Conducting Inter-Fund Trades

During the Period, the Manager relied on an approval and standing instruction provided by the Fund's IRC with respect to the following related party transactions:

- (a) investments in common shares or preferred shares of BMO, an affiliate of the Manager;
- (b) investments in debt securities of BMO, an affiliate of the Manager, in the secondary market;
- (c) investments in debt securities of BMO, an affiliate of the Manager, in a primary offering;
- (d) investments in a class of non-government debt securities and/or equity securities of an issuer during the period of distribution of those securities to the public and/or the 60-day period following the distribution period where BMO Nesbitt Burns Inc., an affiliate of the Manager, acted as an underwriter in the distribution;
- (e) trades in debt securities in the secondary market with BMO Nesbitt Burns Inc. who is trading with the Fund as principal; and
- (f) inter-fund trades (each, a "Related Party Transaction").

In accordance with the IRC's approval and standing instruction, in making a decision to cause the Fund to make a Related Party Transaction, the Manager, as Manager and portfolio manager of the Fund, is required to comply with the Manager's written policies and procedures governing the Related Party Transaction and report periodically to the IRC, describing each instance that the Manager relied on the approval and standing instruction and its compliance or non-compliance with the governing policies and procedures. The governing policies and procedures are designed to

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ensure the Related Party Transaction (i) is made free from any influence of BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt Burns Inc. and without taking into account any considerations relevant to BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt Burns Inc., (ii) represents the business judgment of the Manager, uninfluenced by considerations other than the best interests of the Fund, and (iii) achieves a fair and reasonable result for the Fund.

Brokerage Commissions

The Fund pays standard brokerage commissions at market rates to BMO Nesbitt Burns Inc., an affiliate of the Manager, for executing a portion of its trades. The brokerage commissions charged to the Fund (excluding exchange and other fees) during the periods indicated, were as follows:

		Period ended Mar. 31, 2015 \$000	Period ended Mar. 31, 2014 \$000
Total brokerage commissions	\$	603	591
Brokerage commissions paid to BMO Nesbitt Burns Inc.	\$	31	37

Distribution Services

The Manager markets and distributes the Fund through Bank of Montreal branches and/or (depending on the series) through registered dealers and brokers, including BMO InvestorLine Inc. and BMO Nesbitt Burns Inc., both affiliates of the Manager. The Manager pays to these affiliates a service fee called a “trailing commission” based on the average daily value of the units and/or shares that are held in investor accounts. This service fee is paid monthly or quarterly and varies by purchase option and by series.

Management Fees

The Manager is responsible for the day-to-day management of the business and operations of the Fund. The Manager monitors and evaluates the Fund’s performance, pays for the investment advice provided by the Fund’s portfolio manager and provides certain administrative services required by the Fund. As compensation for its services, the Manager is entitled to receive a management fee payable monthly, calculated based on the daily net asset value of each series of the Fund at the maximum annual rate set out in the table below.

	Maximum Annual Management Fee Rate* %	As a Percentage of Management Fees	
		Dealer Compensation %	General Administration, Investment Advice and Profit %
Series A Units	1.30	5	95
Series T6 Units	1.30	1	99
Series F Units	0.55	0	100
Series D Units	0.80	24	76
Series I Units	—	—	—
Series R Units	1.30	5	95

* For Series I Units, separate Series I fees are negotiated and paid by each Series I investor. Because the Manager pays no distribution, service or trailing fees on Series I Units, Series I Units will have lower Series I fees than the management fees for Series A Units.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund’s financial performance for the periods indicated.

The Fund’s Net Assets per Unit ⁽¹⁾

Series A Units

		Period ended Mar. 31 2015	2014	Periods ended Sep. 30			2010
				2013	2012	2011	
Net assets, beginning of period	\$	7.59	7.05	7.28	7.57	8.09	8.25
Increase (decrease)							
from operations:							
Total revenue	\$	0.10	0.17	0.30	0.32	0.35	0.39
Total expenses ⁽²⁾	\$	-0.07	-0.12	-0.11	-0.12	-0.13	-0.12
Realized gains (losses)							
for the period	\$	0.36	0.41	0.68	0.23	0.05	-0.09
Unrealized gains (losses)							
for the period	\$	0.24	0.43	-0.53	0.00	-0.09	0.38
Total increase (decrease)							
from operations ⁽³⁾	\$	0.63	0.89	0.34	0.43	0.18	0.56
Distributions:							
From income							
(excluding dividends)	\$	0.00	0.08	0.07	0.05	0.14	0.17
From dividends	\$	0.08	0.10	0.12	0.09	0.14	0.14
From capital gains	\$	0.35	0.07	—	—	—	—
Return of capital	\$	0.06	0.09	0.35	0.58	0.44	0.41
Total Annual Distributions ⁽⁴⁾	\$	0.49	0.34	0.54	0.72	0.72	0.72
Net assets, end of period	\$	7.73	7.59	7.04	7.28	7.57	8.09

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Series T6 Units

	Period ended Mar. 31 2015	2014	Periods ended Sep. 30 2013 ⁽⁶⁾
Net assets, beginning of period	\$ 10.32	9.72	10.00*
Increase (decrease) from operations:			
Total revenue	\$ 0.14	0.24	0.21
Total expenses ⁽²⁾	\$ -0.09	-0.16	-0.08
Realized gains (losses) for the period	\$ 0.50	0.57	0.43
Unrealized gains (losses) for the period	\$ 0.30	0.52	-0.55
Total increase (decrease) from operations⁽³⁾	\$ 0.85	1.17	0.01
Distributions:			
From income (excluding dividends)	\$ 0.01	0.06	0.05
From dividends	\$ 0.10	0.16	0.06
From capital gains	\$ 0.41	0.11	—
Return of capital	\$ 0.19	0.28	0.19
Total Annual Distributions⁽⁴⁾	\$ 0.71	0.61	0.30
Net assets, end of period	\$ 10.47	10.32	9.71

Series F Units

	Period ended Mar. 31 2015	2014	Periods ended Sep. 30			
			2013	2012	2011	2010
Net assets, beginning of period	\$ 10.77	10.15	10.25	10.31	10.72	10.66
Increase (decrease) from operations:						
Total revenue	\$ 0.14	0.24	0.43	0.44	0.47	0.51
Total expenses ⁽²⁾	\$ -0.04	-0.08	-0.11	-0.11	-0.12	-0.11
Realized gains (losses) for the period	\$ 0.54	0.58	0.96	0.38	0.08	-0.10
Unrealized gains (losses) for the period	\$ 0.28	0.58	-0.72	-0.07	-0.37	1.35
Total increase (decrease) from operations⁽³⁾	\$ 0.92	1.32	0.56	0.64	0.06	1.65
Distributions:						
From income (excluding dividends)	\$ 0.06	0.26	0.13	0.15	0.20	0.24
From dividends	\$ 0.10	0.23	0.13	0.16	0.10	0.07
From capital gains	\$ 0.37	0.23	—	—	—	—
Return of capital	\$ 0.04	0.00	0.33	0.41	0.42	0.41
Total Annual Distributions⁽⁴⁾	\$ 0.57	0.72	0.59	0.72	0.72	0.72
Net assets, end of period	\$ 11.15	10.77	10.14	10.25	10.31	10.72

Premium Series Units

	Feb. 18, 2015 to Mar. 31, 2015
Net assets, beginning of period	\$ 10.00*
Increase (decrease) from operations:	
Total revenue	\$ 0.04
Total expenses ⁽²⁾	\$ 0.00
Realized gains (losses) for the period	\$ 0.13
Unrealized gains (losses) for the period	\$ -0.11
Total increase (decrease) from operations⁽³⁾	\$ 0.06
Distributions:	
From income (excluding dividends)	\$ —
From dividends	\$ —
From capital gains	\$ —
Return of capital	\$ —
Total Annual Distributions⁽⁴⁾	\$ —
Net assets, end of period	\$ 10.06

Series D Units

	Period ended Mar. 31 2015	2014 ⁽⁷⁾	Periods ended Sep. 30
Net assets, beginning of period	\$ 10.34	10.00*	
Increase (decrease) from operations:			
Total revenue	\$ 0.14	0.12	
Total expenses ⁽²⁾	\$ -0.06	-0.05	
Realized gains (losses) for the period	\$ 0.52	0.35	
Unrealized gains (losses) for the period	\$ 0.29	-0.05	
Total increase (decrease) from operations⁽³⁾	\$ 0.89	0.37	
Distributions:			
From income (excluding dividends)	\$ 0.02	0.06	
From dividends	\$ 0.10	0.03	
From capital gains	\$ 0.21	—	
Return of capital	\$ 0.06	0.06	
Total Annual Distributions⁽⁴⁾	\$ 0.39	0.15	
Net assets, end of period	\$ 10.86	10.34	

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Series I Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2015	2014	2013	2012	2011	2010
Net assets, beginning of period	\$ 9.41	8.81	8.87	8.93	9.28	9.23
Increase (decrease) from operations:						
Total revenue	\$ 0.12	0.22	0.37	0.38	0.41	0.44
Total expenses ⁽²⁾	\$ 0.00	0.00	0.00	0.00	—	—
Realized gains (losses) for the period	\$ 0.46	0.51	0.84	0.29	0.03	-0.10
Unrealized gains (losses) for the period	\$ 0.29	0.50	-0.70	-0.03	-0.23	0.53
Total increase (decrease) from operations⁽³⁾	\$ 0.87	1.23	0.51	0.64	0.21	0.87
Distributions:						
From income (excluding dividends)	\$ 0.09	0.25	0.18	0.23	0.28	0.30
From dividends	\$ 0.09	0.21	0.12	0.15	0.13	0.14
From capital gains	\$ 0.43	0.18	—	—	—	—
Return of capital	\$ 0.00	0.00	0.27	0.34	0.31	0.28
Total Annual Distributions⁽⁴⁾	\$ 0.61	0.64	0.57	0.72	0.72	0.72
Net assets, end of period	\$ 9.66	9.41	8.81	8.87	8.93	9.28

Series R Units

	Period ended		Periods ended Sep. 30
	Mar. 31 2015	2014	2013 ⁽⁵⁾
Net assets, beginning of period	\$ 6.99	6.87	7.25*
Increase (decrease) from operations:			
Total revenue	\$ 0.09	0.16	0.17
Total expenses ⁽²⁾	\$ -0.06	-0.11	-0.06
Realized gains (losses) for the period	\$ 0.33	0.39	0.35
Unrealized gains (losses) for the period	\$ 0.21	0.42	-0.45
Total increase (decrease) from operations⁽³⁾	\$ 0.57	0.86	0.01
Distributions:			
From income (excluding dividends)	\$ 0.01	0.04	0.04
From dividends	\$ 0.07	0.12	0.05
From capital gains	\$ 0.35	0.07	—
Return of capital	\$ 0.28	0.49	0.33
Total Annual Distributions⁽⁴⁾	\$ 0.71	0.72	0.42
Net assets, end of period	\$ 6.85	6.99	6.86

* Initial net assets.

⁽¹⁾ This information is derived from the Fund's audited and unaudited financial statements. The financial information presented for the periods ended March 31, 2015 and September 30, 2014 is derived from the financial statements determined in accordance with IFRS. Information for periods prior to October 1, 2013 is derived from prior period financial statements presented in accordance with Canadian GAAP. An explanation of these differences can be found in the notes to the Fund's financial statements.

⁽²⁾ Includes commissions and other portfolio transaction costs. Prior to October 1, 2013, withholding taxes were not included in expenses as they were included in revenue.

⁽³⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

⁽⁴⁾ Distributions were either paid in cash or reinvested in additional units of the Fund, or both. The allocation of the distributions from each of income, dividends, capital gains and return of capital is based on the Manager's estimate as at March 31 and September 30 of the period shown, which is the Fund's interim and financial year-end, respectively. However, the actual allocation of distributions is determined as at December 15, the Fund's tax year-end. Accordingly, the actual allocation among income, dividends, capital gains and return of capital may differ from these estimates.

⁽⁵⁾ The information shown in this column is for the period beginning March 11, 2013 (the series' launch date) and ending September 30, 2013.

⁽⁶⁾ The information shown in this column is for the period beginning April 1, 2013 (the series' launch date) and ending September 30, 2013.

⁽⁷⁾ The information shown in this column is for the period beginning April 8, 2014 (the series' launch date) and ending September 30, 2014.

Ratios and Supplemental Data

Series A Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2015	2014	2013	2012	2011	2010
Total net asset value (000's) ⁽¹⁾	\$ 3,093,698	2,843,924	2,749,174	4,572,861	4,808,496	4,899,785
Number of units outstanding (000's) ⁽¹⁾	400,113	374,575	390,196	627,199	634,733	605,339
Management expense ratio ⁽²⁾	% 1.57	1.57	1.57	1.57	1.57	1.51
Management expense ratio before waivers or absorptions	% 1.57	1.57	1.57	1.57	1.57	1.51
Trading expense ratio ⁽³⁾	% 0.04	0.03	0.03	0.03	0.02	0.02
Portfolio turnover rate ⁽⁴⁾	% 53.93	72.66	42.62	50.07	39.59	33.70
Net asset value per unit	\$ 7.73	7.59	7.05	7.29	7.58	8.09

Series T6 Units

	Period ended		Periods ended Sep. 30
	Mar. 31 2015	2014	2013 ⁽⁶⁾
Total net asset value (000's) ⁽¹⁾	\$ 57,140	48,834	29,880
Number of units outstanding (000's) ⁽¹⁾	5,459	4,734	3,075
Management expense ratio ⁽²⁾	% 1.59	1.59	1.58
Management expense ratio before waivers or absorptions	% 1.59	1.59	1.58
Trading expense ratio ⁽³⁾	% 0.04	0.03	0.03
Portfolio turnover rate ⁽⁴⁾	% 53.93	72.66	42.62
Net asset value per unit	\$ 10.47	10.32	9.72

Series F Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2015	2014	2013	2012	2011	2010
Total net asset value (000's) ⁽¹⁾	\$ 6,732	3,716	3,471	6,209	3,733	1,095
Number of units outstanding (000's) ⁽¹⁾	604	345	342	605	361	102
Management expense ratio ⁽²⁾	% 0.73	0.74	1.05	1.05	1.08	1.04
Management expense ratio before waivers or absorptions	% 0.73	0.89	1.06	1.05	1.08	1.04
Trading expense ratio ⁽³⁾	% 0.04	0.03	0.03	0.03	0.02	0.02
Portfolio turnover rate ⁽⁴⁾	% 53.93	72.66	42.62	50.07	39.59	33.70
Net asset value per unit	\$ 11.15	10.77	10.15	10.26	10.33	10.73

Premium Series Units

	Feb. 18, 2015 to Mar. 31, 2015	
	Feb. 18, 2015	to Mar. 31, 2015
Total net asset value (000's) ⁽¹⁾	\$ 1	
Number of units outstanding (000's) ⁽¹⁾	0	
Management expense ratio ⁽²⁾	% —	
Management expense ratio before waivers or absorptions	% 29.53	
Trading expense ratio ⁽³⁾	% 0.04	
Portfolio turnover rate ⁽⁴⁾	% 53.93	
Net asset value per unit	\$ 10.06	

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Series D Units

	Period ended		Periods ended Sep. 30	
	Mar. 31 2015	2014 ⁽⁷⁾	2013	2012
Total net asset value (000's) ⁽¹⁾	\$ 6,388	3,877		
Number of units				
outstanding (000's) ⁽¹⁾	588	375		
Management expense ratio ⁽²⁾	% 1.01	1.03		
Management expense ratio				
before waivers or absorptions	% 1.01	1.03		
Trading expense ratio ⁽³⁾	% 0.04	0.03		
Portfolio turnover rate ⁽⁴⁾	% 53.93	72.66		
Net asset value per unit	\$ 10.86	10.34		

Series I Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2015	2014	2013	2012	2011	2010
Total net asset value (000's) ⁽¹⁾	\$ 290,012	263,725	234,853	232,045	187,456	237,989
Number of units						
outstanding (000's) ⁽¹⁾	30,011	28,033	26,652	26,133	20,971	25,632
Management expense ratio ⁺	% —	—	—	—	—	—
Management expense ratio						
before waivers or absorptions ⁺	% —	—	0.02	0.00	—	—
Trading expense ratio ⁽³⁾	% 0.04	0.03	0.03	0.03	0.02	0.02
Portfolio turnover rate ⁽⁴⁾	% 53.93	72.66	42.62	50.07	39.59	33.70
Net asset value per unit	\$ 9.66	9.41	8.81	8.88	8.94	9.28

Series R Units

	Period ended		Periods ended Sep. 30	
	Mar. 31 2015	2014	2013 ⁽⁵⁾	2012
Total net asset value (000's) ⁽¹⁾	\$ 441,755	485,489	533,585	
Number of units				
outstanding (000's) ⁽¹⁾	64,462	69,435	77,711	
Management expense ratio ⁽²⁾	% 1.56	1.56	1.56	
Management expense ratio				
before waivers or absorptions	% 1.56	1.56	1.56	
Trading expense ratio ⁽³⁾	% 0.04	0.03	0.03	
Portfolio turnover rate ⁽⁴⁾	% 53.93	72.66	42.62	
Net asset value per unit	\$ 6.85	6.99	6.87	

⁺ Operating expenses are paid by BMOII and management fees are paid directly to BMOII as negotiated with the investor.

⁽¹⁾ This information is provided as at March 31 or September 30 of the period shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transactions costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁽⁵⁾ The information shown in this column is for the period beginning March 11, 2013 (the series' launch date) and ending September 30, 2013.

⁽⁶⁾ The information shown in this column is for the period beginning April 1, 2013 (the series' launch date) and ending September 30, 2013.

⁽⁷⁾ The information shown in this column is for the period beginning April 8, 2014 (the series' launch date) and ending September 30, 2014.

PAST PERFORMANCE

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

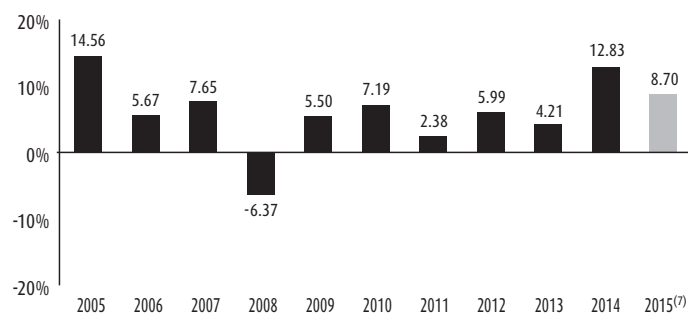
The performance information does not take into account sales, redemption, distribution or other optional charges that, if applicable, would have reduced returns or performance. Please remember that how the Fund has performed in the past does not indicate how it will perform in the future.

The returns of each series may differ from one another for a number of reasons, including if the series was not issued and outstanding for the entire reporting period and because of the different levels of management fees and expenses allocated and payable by each series.

Year-by-Year Returns

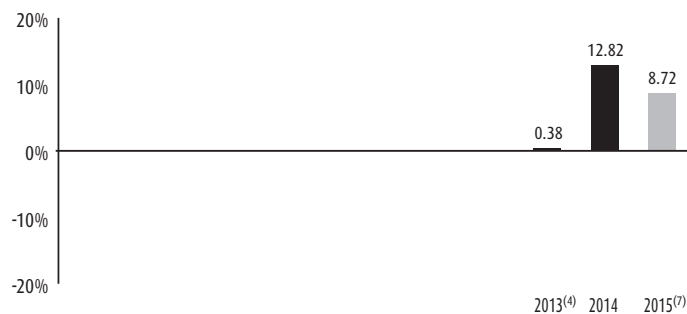
The following bar charts show the performance for each series of the Fund for each of the financial years shown and for the six-month period ended March 31, 2015. The charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.

Series A Units



BMO Monthly Income Fund

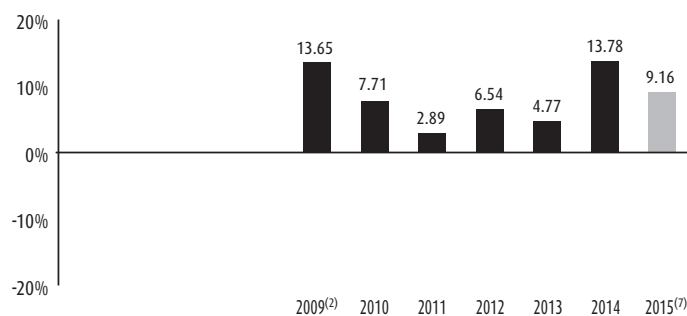
Series T6 Units



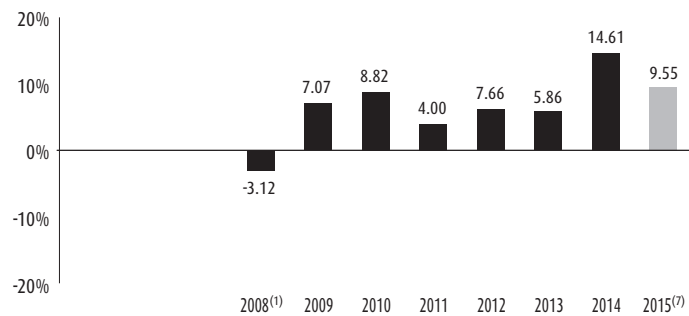
Series D Units



Series F Units



Series I Units



Premium Series Units



Series R Units



- ⁽¹⁾ For the period beginning March 5, 2008 to September 30, 2008.
- ⁽²⁾ For the period beginning November 3, 2008 to September 30, 2009.
- ⁽³⁾ For the period beginning March 11, 2013 to September 30, 2013.
- ⁽⁴⁾ For the period beginning April 1, 2013 to September 30, 2013.
- ⁽⁵⁾ For the period beginning April 8, 2014 to September 30, 2014.
- ⁽⁶⁾ The Premium Series has not been launched yet.
- ⁽⁷⁾ For the six-month period ended March 31, 2015.

BMO Monthly Income Fund

SUMMARY OF INVESTMENT PORTFOLIO

As at March 31, 2015

Portfolio Allocation	% of Net Asset Value
Bonds and Debentures	40.4
Canadian Equities	32.7
U.S. Equities	15.2
International Equity Fund	4.2
International Equities	3.6
U.S. Equity Fund	1.9
Money Market Investments	1.2
Cash/Receivables/Payables	0.8
Total Portfolio Allocation	100.0

Sector Allocation

Corporate Bonds	17.7
Financials	16.7
Provincial Bonds	11.5
Government Bonds	10.9
Utilities	8.5
Energy	7.1
Consumer Discretionary	5.9
Consumer Staples	4.6
International Equity Fund	4.2
Telecommunication Services	2.5
U.S. Equity Fund	1.9
Materials	1.9
Information Technology	1.7
Industrials	1.5
Money Market Investments	1.2
Health Care	1.1
Cash/Receivables/Payables	0.8
Asset-Backed Securities	0.1
Municipal Bonds	0.1
Mortgage-Backed Securities	0.1
Total Sector Allocation	100.0

Top 25 Holdings	% of Net Asset Value
Issuer	
BMO MSCI EAFE Hedged to CAD Index ETF ⁺	4.2
Government of Canada, 1.000% Aug 1, 2016	3.3
Government of Canada, Unsecured, 1.500% Mar 1, 2020	2.9
Government of Canada, 3.500% Dec 1, 2045	2.5
Province of Ontario, Unsecured, 3.450% Jun 2, 2045	2.4
BMO S&P 500 Index ETF ⁺	1.9
Toronto-Dominion Bank, The,	1.6
Royal Bank of Canada	1.6
Province of Ontario, Unsecured, Notes, 3.500% Jun 2, 2024	1.3
Province of Quebec, Unsecured, 3.500% Dec 1, 2045	1.2
Province of Quebec, Unsecured, Notes, 4.500% Dec 1, 2020	1.2
Government of Canada, 2.250% Jun 1, 2025	1.0
Province of British Columbia, Unsecured, Notes, 3.200% Jun 18, 2044	1.0
Province of Ontario, 3.150% Jun 2, 2022	0.9
Province of Newfoundland, Series 5X, 10.950% Apr 15, 2021	0.9
Province of British Columbia, Series BCCD-T, Senior, Unsecured, Notes, 9.000% Aug 23, 2024	0.9
Bank of Montreal	0.8
Cash/Receivables/Payables	0.8
Suncor Energy Inc.	0.8
BCE Inc.	0.8
Province of British Columbia, Debentures, 9.950% May 15, 2021	0.7
Brookfield Asset Management Inc., Class A	0.7
Brookfield Property Partners L.P.	0.7
Brookfield Infrastructure Partners L.P.	0.7
Northland Power Inc.	0.7
Top Holdings as a Percentage of Total Net Asset Value	35.5
Total Net Asset Value	\$3,895,726,192

⁺ The prospectus and other information about the underlying exchange traded funds held in the portfolio are available on the internet at www.sedar.com and, also at www.bmo.com/etfs.

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

www.bmo.com/mutualfunds and www.bmomutualfunds.com/advisor

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For more information please call BMO Investment Centre at 1-800-665-7700 (investors who purchased BMO Mutual Funds through a BMO Bank of Montreal branch or BMO Online Banking) or call Client Services toll-free at 1-800-668-7327 (investors who purchased BMO Mutual Funds through a full-service or discount broker) or at 1-800-361-1392 (investors who purchased Series NBA and NBF through a full-service or discount broker).



This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest in and the risks detailed from time to time in BMO Mutual Funds' simplified prospectus. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, BMO Investments Inc. does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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