



PORTLAND
INVESTMENT COUNSEL™

PORTLAND GLOBAL BANKS FUND
INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

MARCH 31, 2015

PORTFOLIO
MANAGEMENT TEAM

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Executive Vice President and Portfolio Manager

Management Discussion of Fund Performance Portland Global Banks Fund

This interim management report of fund performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-710-4242, by writing to us at 1375 Kerns Road, Suite 100, Burlington, ON L7P 4V7 or visiting our website at www.portlandic.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

The views of the portfolio management team contained in this report are as of March 31, 2015 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. For current information please contact us using the above methods. All references to performance relate to Series F units. The performance of other units may be different than that of the Series F units due to differing fees or as a result of varying inception dates.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objectives of the Portland Global Banks Fund (the "Fund") remain as discussed in the Prospectus. The Fund's objectives are to provide positive long-term total returns consisting of both income and capital gain by investing primarily in a portfolio of global bank equities. The investment strategies are to provide income and capital growth while moderating the volatility of equities by investing primarily in a globally diversified portfolio of equities / American Depositary Receipts, income securities, preferred shares, options and ETFs of, or that provide exposure to, banks located anywhere in the world.

RESULTS OF OPERATIONS

The Fund was a closed-end investment fund, the units of which were traded on the Toronto Stock Exchange. As at the close of business on December 13, 2013, the Fund restructured into an open-end mutual fund (the "Restructuring"). The Units outstanding prior to the Restructuring of the Fund were automatically converted to Series A2 Units upon the Restructuring. Prior to the Restructuring, Portland Global Banks Fund was named Copernican British Banks Fund. The Fund also offers Series A Units and Series F Units pursuant to a simplified prospectus of May 26, 2014. The Manager believes the Restructuring was in the best interests of the Fund as it provided, among other things: a broader investment mandate, a better opportunity to use existing tax losses and the reinstatement of a targeted distribution.

For the period September 30, 2014 to March 31, 2015, the Fund's benchmark indices, the MSCI World Banks Total Return Index and the MSCI World Total Return Index (the 'Indices') rose 10.2% and 16.9% respectively. For the same period, the Fund's Series F units had a return of 9.6%. For the full period since the launch of the Fund on December 17, 2013 to March 31, 2015, the MSCI World Banks Total Return Index and the MSCI World Total Return Index had annualized returns of 19.1% and 25.5% respectively. For the same period, the Fund had an annualized return of 16.1%. US-based JPMorgan Chase & Company and Citigroup Inc. contributed most to recent performance whereas Royal Bank of Scotland Group PLC and Standard Chartered PLC

detracted. Unlike the indices, the Fund's return is after the deduction of its fees and expenses. Currently, the Fund hedges approximately 22% of its non C\$ exposure, predominantly reflecting its exposure to the euro.

The Fund has a target of a 5% distribution per annum based on the opening net asset value of \$10.00 per unit which it has met since launch date as at December 17, 2013. The paid distributions were lower than the Fund's earnings from dividends, derivatives and net realized gains. An indicator that the Fund may continue to reach its 5% distribution target is the dividend yield (a financial ratio that shows how much a company pays out in dividends relative to its share price) of the equities of the Fund. Sourced from Thomson Reuters the equity component's trailing weighted average dividend yield was 1.9%.

During the period the Fund profitably reduced its holdings in BNP Paribas SA, JPMorgan Chase, Morgan Stanley and Credit Suisse Group AG. The Fund also significantly reduced its holding in HSBC Holdings PLC, Lloyds Banking Group PLC and Standard Chartered in order to initiate positions in Swiss-based UBS Group AG and US-based Fifth Third Bancorp and Citizens Financial Group Inc. and to increase its positions in Commerzbank AG, Goldman Sachs Group Inc., Bank of America Corporation and Sumitomo Mitsui Financial Group Inc. We believe these switches represent a reallocation of capital to relatively under-appreciated areas and franchises.

In our view, current bank prices reflect little improvement from the extremely harsh operating environment endured during the Great Recession from 2007 to 2012. Financial penalties issued by US regulators in particular throughout 2014, made it the most expensive year for banks since 2007, according to research by the Financial Times. Sourced from Thomson Reuters, the portfolio's current weighted average price/'book' ratio is 0.9x compared to the historic 15-year average of 1.4x, where 'book' represents the underlying net asset value of each bank. We believe, applying low value multiples to depressed earnings risk underestimating the long term value of quality bank franchises.

The Fund is also modestly invested in an exclusive Portland Private offering in renewable energy (Portland Global Energy Efficiency and Renewable Energy Fund LP).

The Fund's net assets decreased to \$10.1 million during the period from \$11.0 million at the end September 2014. The Manager does not believe the redemptions had a material impact upon the management of the Fund and every effort is made to fund redemptions in a manner that optimizes the Fund's composition and positions it for the future.

RECENT DEVELOPMENTS

Geopolitical concerns overshadow the near-term investment horizon. The shale gas 'revolution' in the US has made world energy markets less vulnerable to events in the Middle East but consequently more sensitive to oversupply with the resultant effect of lower oil prices akin to a tax cut to help stimulate consumer confidence and activity, particularly in the US.

We continue to believe the Central Banks of Europe and Japan are going to do whatever they think is necessary to reflate their economies. In June 2014, the European Central Bank (ECB) reduced the interest rate 'paid' to banks that deposit with it to an unprecedented negative 0.1%, thereafter increasing this to a negative rate of 0.2% in September

2014 when it also announced it would introduce Quantitative Easing measures (i.e. buying bonds) to tackle the risks of too prolonged of a period of low inflation. Conversely, the US Federal Reserve and Bank of England have withdrawn their bond buying stimulus efforts and are expected to raise interest rates later this year. Most of the banks in the Fund are geared to a US and/or UK recovery, are asset sensitive and should experience increased net interest margins as rates rise.

We believe the US and UK are therefore already well on the way through a long-term recovery plan and the economic prospects for the next decade look brighter. For Europe and the Eurozone, the Great Recession marked the beginning of Europe's own painful competitive adjustments with inflation at its lowest level in nearly 5 years and with the ECB determined to help smooth out economic bumps and create a stable employment backdrop. Similarly, Japan is now more rigorously pursuing stimulative measures, whereas China's future growth trajectory is more of a conundrum and Russia is adversely impacted by economic sanctions. Excluding Russia, global trade across developed world economies is recovering and the relatively cheaper euro is one of the most important ways more aggressive monetary easing could boost that region's economy. Should we achieve clarity on the recovery of the US and UK economies and European and Japanese economic policy remain accommodative to defeat deflation, then we believe there is ongoing demand for their risk assets. This demand could push equity values higher and so increase the value of the Fund, although the withdrawal of stimulus from the US and UK and a strengthening US dollar may provoke more volatility than experienced over the last few years.

Overall, we believe that the Fund is currently well positioned to meet its investment objective for the medium to long term. We will continue to evaluate opportunities that we believe may generate income, enhance returns and/or reduce risk wherever possible.

RELATED PARTY TRANSACTIONS

The Fund's manager is Portland Investment Counsel Inc. (the "Manager"). The Manager is responsible for the day-to-day operation of and for providing investment management services to the Fund. The Manager receives a fee for providing these services. This is calculated daily based on the net asset value of the Fund and paid monthly. During the period ended March 31, 2015, the Manager received \$90,689 in management fees from the Fund compared to \$160,902 for the period ended March 31, 2014.

Any administrative services paid for or provided by the Manager are charged to the Fund and are grouped and presented by expense type in the statements of operations. Depending on their nature, some expenditures are allocated to the Fund based upon the net asset value or actual costs incurred. During the period ended March 31, 2015, the Manager was reimbursed \$26,029 for operating expenses incurred on behalf of the Fund, including amounts paid to affiliates. This compares to \$84,406 for period ended March 31, 2014. In addition to the amounts reimbursed, the Manager absorbed \$61,480 of operating expenses during the period ended March 31, 2015 compared to \$nil during the period ended March 31, 2014.

Affiliates of the Manager provide administrative services associated with the day-to-day operations of the Fund. These affiliates of the Manager were reimbursed \$2,182 during the period ended March 31, 2015 by the Fund for such services, compared to \$2,093 during the period ended March 31, 2014.

The Manager received service fees from the Fund and facilitated the payment of such service fees to dealers whose advisors have clients who hold units of the Fund. Service fees were calculated daily based

on the net asset value of the Fund. Service fees paid by the Fund to the Manager for the twelve month period ended September 30, 2014 were \$28,653 compared to \$111,665 for the nine month period ended December 31, 2013. Following the conversion to an open-end mutual fund, such service fees were no longer applicable.

Redemption fees were paid to the Manager in the amount of \$1,350 during the year ended December 31, 2013. Such amounts were paid out of the redemption proceeds payable on Trust Units redeemed during the year and are not paid by the Fund. The Fund was restructured on December 13, 2013 (see Results of Operations section) and redemption fees are no longer applicable. As such, the Manager did not receive any redemption fees during the period ended March 31, 2015.

The Board of Directors of the Manager is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

The Fund, from time to time, entered into security trades with other investment funds managed by the Manager. These trades were executed under prevailing market terms and conditions available to any investor. The Fund relied on standing instructions regarding these related party trades approved by the Independent Review Committee ("IRC") through policies and procedures established by the Manager.

The Manager is required to advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect of a related party transaction: (a) is made by the Manager free from any influence by an entity related to the Manager and without taking into account any consideration relevant to the entity related to the Manager; and (b) represents the business judgment of the Manager acting in the best interests of the Fund.

As at March 31, 2015, the Fund did not hold any units of Portland Private Income Fund (September 30, 2014: 1,242) and held 2,478 units of Portland Global Energy Efficiency and Renewable Energy Fund LP (September 30, 2014: 2,478) which are managed by the same Manager as the Fund and were made in accordance with the standing instructions of the IRC.

As at March 31, 2015, the Manager held 313 Series A units and 314 Series F units of the Fund (306 Series A units and 209 Series F units as at September 30, 2014).

Notes

Certain statements included in this Management Discussion of Fund Performance constitute forward-looking statements, including those identified by the expressions "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent they relate to the Fund. These forward-looking statements are not historical facts, but reflect the current expectations of the portfolio management team regarding future results or events of the Fund. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. The portfolio management team has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.

Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

Summary of Investment Portfolio as at March 31, 2015

Top 25 Investments*

	% of Net Asset Value
Citigroup Inc.	16.1%
JPMorgan Chase & Company	15.9%
Barclays PLC	14.0%
ING Groep NV	8.2%
The Goldman Sachs Group Inc.	5.9%
Royal Bank of Scotland Group plc	5.7%
BNP Paribas SA	5.3%
Bank of America Corporation	5.3%
Commerzbank AG	3.9%
Credit Suisse Group AG	3.2%
Wells Fargo & Company	3.1%
State Street Corporation	3.0%
HSBC Holdings PLC	2.1%
Sumitomo Mitsui Financial Group, Inc.	1.9%
Morgan Stanley	1.6%
Portland Global Energy Efficiency and Renewable Energy Fund LP	1.4%
UBS AG - Registered	1.2%
Cash	1.0%
Fifth Third Bancorp	0.7%
Citizens Financial Group Inc.	0.5%
Nordea Bank AB	0.2%
Lloyds Banking Group plc	0.1%
Standard Chartered PLC	0.1%
Grand Total	100.4%

Total net asset value **\$10,158,442**

* Where the Fund holds less than 25 holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary does not add up to 100%.

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end by visiting www.portlandic.com or contacting us at 1-888-710-4242.

Portfolio Composition

Sector	
Diversified Banks	44.6%
Other Diversified Financial Services	37.3%
Institutional Brokerage	5.9%
Diversified Capital Markets	4.4%
Institutional Financial Services	3.0%
Investment Banking & Brokerage	1.6%
Independent Power Producers and Energy Traders	1.4%
Regional Banks	1.2%
Cash and Other Assets	0.5%
Forward Contracts	0.1%
Geographic Region	
United States	52.1%
Great Britain	22.0%
Netherlands	8.2%
France	5.3%
Switzerland	4.4%
Germany	3.9%
Japan	1.9%
Canada	1.4%
Cash and Other Assets	0.5%
Sweden	0.2%
Forward Contracts	0.1%

Cash and Other Assets refers to cash on hand plus all other assets and liabilities in the Fund excluding portfolio investments.

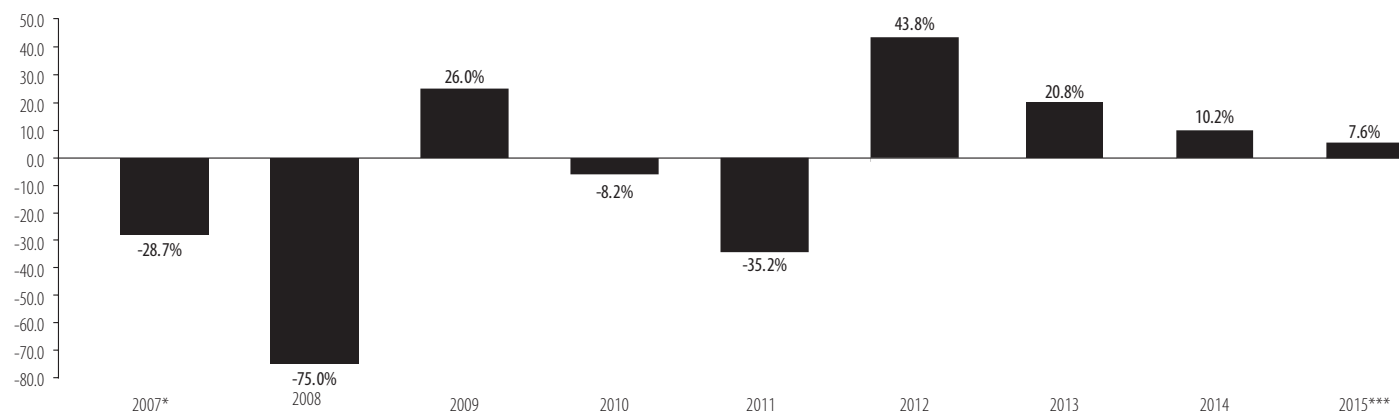
Past Performance

The past performance information shown in this section is calculated using the net asset value per unit and assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the investment fund. The past performance information does not take into account sales, redemptions, distribution or other optional charges or income taxes payable by the unitholder that would have reduced returns or performance. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Year-By-Year Returns

The graphs show the annual historical returns of the applicable series of units, which change each year. Annual return is the percentage change in the value of an investment from January 1 to December 31 for 2007 to 2013 and October 1 to September 30 for 2014 (unless otherwise stated). Note the Fund changed its fiscal year end from December 31 to September 30 in 2013.

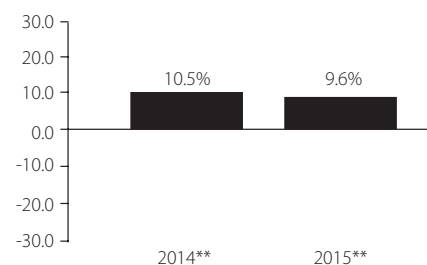
Series A2/Trust Units¹



Series A Units



Series F Units



1. Prior to December 13, 2013 the Fund operated as Copernican British Banks Fund, a closed-end fund listed on the Toronto Stock Exchange under the symbol CBB.UN. On December 13, 2013 CBB.UN was Restructured, became a multi-class open end mutual fund, and changed its investment objectives and strategies. If the Restructuring had not occurred and the investment objectives and strategies had remained the same, 2013 and 2014 performance may have been different.

*Return for 2007 represents a partial year from July 17, 2007 to December 31, 2007.

**Return for 2014 represents a partial year starting December 17, 2013 to September 30, 2014.

***Return for 2015 represents a partial year starting October 1, 2014 to March 31, 2015.

Management Fees

The Manager is responsible for the day-to-day management and administration of the Fund. The Manager monitors and evaluates the performance of the Fund, pays for the investment management services of the investment adviser and arranges for the administrative services required to be provided to the Fund. As compensation for its service, the Manager is entitled to receive a fee, payable monthly, calculated based on the daily net asset value of the Fund.

Series of Units	Management Fee (%)	Expenses Paid Out of the Management Fee (%)		
		Dealer compensation	General administration, investment advice and profit	Absorbed expenses
Series A	2.00%	100%	-	-
Series A2	1.75%	57%	32%	11%
Series F	1.00%	-	32%	68%

Financial Highlights

The following tables show selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past 5 years or, if shorter, the periods since inception of the Fund or a particular series of the Fund. For the current year, information in the table below is for the period from October 1, 2014 to March 31, 2015. In 2014, per unit information relates to the period outlined in footnote 1(b). In 2013 for Series A2 Units, the information in the table below is for the period from January 1 to September 30 and for all other years is for the period from January 1 to December 31.

Series A Units - Net Assets per unit^{1(a)}

For the periods ended	2015	2014
Net assets, beginning of the period	\$10.48	\$10.00 ^{1(b)}
Increase (decrease) from operations:		
Total revenue	0.17	0.13
Total expenses	(0.18)	(0.28)
Realized gains (losses)	(0.36)	0.70
Unrealized gains (losses)	1.12	0.66
Total increase (decrease) from operations ²	0.75	1.21
Distributions to unitholders:		
From income	-	-
From dividends	-	-
From capital gains	-	-
Return of capital	(0.25)	(0.46)
Total annual distributions ³	(0.25)	(0.46)
Net assets, end of period ⁴	\$11.17	\$10.48

Series A Units - Ratios/Supplemental Data

For the periods ended	2015	2014
Total net asset value	\$57,339	\$3,209
Number of units outstanding	5,132	306
Management expense ratio ⁵	2.79% *	2.84% *
Management expense ratio before waivers or absorptions	4.12% *	3.71% *
Trading expense ratio ⁶	0.10% *	0.28% *
Portfolio turnover rate ⁷	7.22%	62.02%
Net asset value per unit	\$11.17	\$10.48

Series A2 Units - Net Assets per unit^{1(a)}

For the periods ended	2015	2014	2013	2012	2011	2010
Net assets, beginning of the period	\$10.49	\$2.12 ^(b)	\$1.87	\$1.30	\$2.00	\$2.17
Increase (decrease) from operations:						
Total revenue	0.09	0.19	0.05	0.05	0.06	0.05
Total expenses	(0.15)	(0.29)	(0.05)	(0.05)	(0.06)	(0.07)
Realized gains (losses)	(0.39)	(10.79)	(0.22)	(0.16)	(0.68)	(0.35)
Unrealized gains (losses)	1.37	12.07	0.48	0.73	0.04	0.19
Total increase (decrease) from operations ²	0.92	1.17	0.26	0.57	(0.64)	(0.18)
Distributions to unitholders:						
From income	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.25)	(0.46)	-	-	-	-
Total annual distributions ³	(0.25)	(0.46)	-	-	-	-
Net assets, end of period ⁴	\$11.20	\$10.49	\$2.12	\$1.87	\$1.30	\$2.00

Series A2 Units - Ratios/Supplemental Data

For the periods ended	2015	2014	2013	2012	2011	2010
Total net asset value	\$9,978,330	\$10,944,650	\$25,912,804	\$22,828,506	\$15,859,376	\$30,593,423
Number of units outstanding	891,215	1,043,186	12,195,709	12,200,209	12,211,709	15,263,700
Management expense ratio ⁵	2.49% *	3.04%	3.33% *	3.18%	3.18%	3.01%
Management expense ratio before waivers or absorptions	3.79% *	3.58%	3.33% *	3.18%	3.18%	3.01%
Trading expense ratio ⁶	0.10% *	0.28%	0.11% *	0.03%	0.13%	0.07%
Portfolio turnover rate ⁷	7.22%	62.02%	7.87%	2.81%	10.90%	4.31%
Net asset value per unit	\$11.20	\$10.49	\$2.12	\$1.87	\$1.30	\$2.00

Series F Units - Net Assets per unit^(a)

For the periods ended	2015	2014
Net assets, beginning of the period	\$10.56	\$10.00 ^(b)
Increase (decrease) from operations:		
Total revenue	0.09	0.15
Total expenses	(0.11)	(0.19)
Realized gains (losses)	(0.41)	0.45
Unrealized gains (losses)	1.56	0.60
Total increase (decrease) from operations ²	1.13	1.01
Distributions to unitholders:		
From income	-	-
From dividends	-	-
From capital gains	-	-
Return of capital	(0.25)	(0.46)
Total annual distributions ³	(0.25)	(0.46)
Net assets, end of period ⁴	\$11.31	\$10.55

Series F Units - Ratios/Supplemental Data

For the periods ended	2015	2014
Total net asset value	\$122,773	\$84,269
Number of units outstanding	10,851	7,981
Management expense ratio ⁵	1.69% *	1.83% *
Management expense ratio before waivers or absorptions	2.99% *	2.68% *
Trading expense ratio ⁶	0.10% *	0.28% *
Portfolio turnover rate ⁷	7.22%	62.02%
Net asset value per unit	\$11.31	\$10.56

[†] Initial offering price

* Annualized

Explanatory Notes

1. a) The information for March 31, 2015 and September 30, 2014 is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements, respectively prepared in accordance with International Financial Reporting Standards ("IFRS"). The information for prior years is derived from the Fund's audited annual financial statements prepared based on Canadian GAAP. An explanation of the effect of the Fund's transition to IFRS can be found in the notes to the financial statements.

b) Copernican British Banks Fund was restructured on December 13, 2013 and became a multi-class open-end mutual fund and changed its name to Portland Global Banks Fund. As part of the restructuring, existing holders of trust units received 0.214028 Series A2 units valued at \$10.00 per unit for each trust unit held. If that occurred at the beginning of the period, the opening net asset value per unit would have been \$9.91.

Per unit information in 2014 relates to the following period of each series:

Series A Units	December 13, 2013- September 30, 2014
Series A2 Units	October 1, 2013- September 30, 2014
Series F Units	December 13, 2013- September 30, 2014

2. Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted daily average number of units outstanding over the financial period.

3. Distributions are paid out in cash/reinvested in additional units of the Fund, or both.

4. This is not a reconciliation of the beginning and ending net assets per unit. The information for years prior to September 30, 2014 is derived from the Fund's annual audited financial statements prepared based on Canadian GAAP. Prior to September 30, 2014, for the purpose of processing unitholder transactions, net assets were calculated based on the closing market price, while for financial statement purposes net assets were calculated based on bid/ask price. For the periods ended March 31, 2015 and

September 30, 2014 the information provided for processing unitholder transactions is consistent with the information provided for reporting purposes.

5. The management expense ratio ("MER") is based on total expenses (excluding foreign withholding taxes, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager may absorb certain expenses otherwise payable by the Fund. The amount of expenses absorbed is determined annually at the discretion of the Manager.

The Fund holds investments in other investment funds ("Underlying Funds") and the MER is calculated taking into consideration the expenses of the Fund allocated to the series including expenses indirectly attributable to its investment in the Underlying Funds divided by the average daily NAV of the series of the Fund during the period.

6. The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value of the Fund.

The TER is calculated taking into consideration the costs attributable to its investment in Underlying Funds.

7. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor 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 period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Portfolio turnover rate is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.



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Historical annual compounded total returns as at March 31, 2015 include changes in unit value and distributions reinvested and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Commissions, service fees, management fees and expenses may be associated with investment funds. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the prospectus before investing. PORTLAND, PORTLAND INVESTMENT COUNSEL and the Clock Tower Design are registered trademarks of Portland Holdings Inc. Used under licence by Portland Investment Counsel Inc.

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