Semi-annual Management Report of Fund Performance

June 30, 2008

Galileo Money Market Fund

Management Discussion of Fund Performance

INVESTMENT OBJECTIVE AND STRATEGIES

The Fund's objective is to provide maximum income while preserving capital and liquidity. It invests primarily in Canadian money market instruments such as Canadian treasury bills.

RISK

The Fund currently holds all of its net assets in cash and cash equivalents. The cash equivalents consist of Bankers Acceptances and Bearer Deposit Notes.

RESULTS OF OPERATIONS

The Fund performance for the first half of 2008 was 1.59% as compared to the Fund's benchmark, the DEX 91 Day T-Bill Index, which had a return of 1.80%.

RECENT DEVELOPMENTS

There were no recent developments for this Fund.

RELATED PARTY TRANSACTIONS

Galileo Funds Inc., the Fund's Manager and Trustee, is a wholly owned subsidiary of Galileo Global Equity Advisors Inc., which is the Fund's Portfolio Advisor. Galileo Funds Inc. receives management fees based on the average net assets of the Fund. The management fees are used to pay for sales and commissions, the investment management of the Fund and other general administration. For the period ended June 30, 2008, the total management fees charged by Galileo Funds Inc. to the Fund was $6,718 (2007 - $1,167).

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 past 3 periods. This information is derived from the Fund's interim financial statements.

Net Assets per Unit
Calculated in accordance with GAAP

Class A	6/30/2008	12/31/2007	12/31/2006
Net assets, beginning of period (1)	**$ 10.00**	**$ 10.00**	**$ 10.00**
Increase (decrease) from operations:			
Total revenue	0.20	0.46	0.05
Total expenses	(0.03)	(0.06)	-
Realized gains (losses) for the period	-	-	-
Unrealized gains (losses) for the period	-	-	-
Total increase (decrease) from operations(1)	**0.17**	**0.40**	**0.05**
Distributions:			
From income (excluding dividends)	0.16	0.40	0.05
From dividends	-	-	-
From capital gains	-	-	-
Return of capital	-	-	-
Total annual distributions(2)	**0.16**	**0.40**	**0.05**
Net assets, end of period	**$ 10.00**	**$ 10.00**	**$ 10.00**

(1) Net assets and distributions are based on 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.

(2) Distributions were reinvested in additional units of the Fund.

FINANCIAL HIGHLIGHTS (cont'd)
Ratios and Supplemental Data
Calculated based on Transactional NAV

Class A	6/30/2008	12/31/2007	12/31/2006
Net assets(1)	$ 1,848,092	$ 4,295,972	$ 225,932
Number of units outstanding(1)	184,809	429,597	22,593
Management expense ratio(2)	0.64%	0.64%	0.13%
Management expense ratio before waivers/absorptions	2.36%	2.67%	36.71%

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

(2) Management expense ratio for each class of units is based on the total expenses of the Fund, incurred by or allocated to that class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

MANAGEMENT FEES

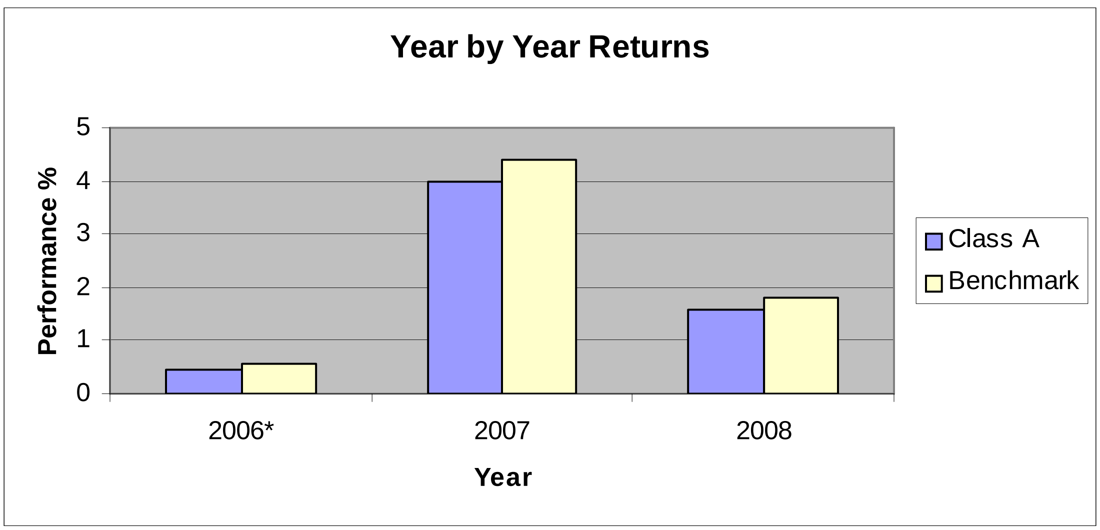
The Fund pays an annual fee of 0.50% of the net asset value of the Fund to Galileo Funds Inc. in consideration for the provision of management, distribution and Fund advisory services. This management fee is calculated as a percentage of the Fund's net asset value and is calculated and credited daily. The Fund is required to pay Goods and Services Tax (GST) on the management fee.

PAST PERFORMANCE

The performance information shown below assumes that all distributions made by the Fund in the period shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. It is important to note that the past performance of the Fund does not tell you how the Fund will perform in the future.

Year-by-year Returns

The following bar chart indicates the Fund's historical annual returns, which will vary from period to period. It shows the percentage change in value of an investment from the first day to the last day of each fiscal period, as applicable.



* Return is for a partial year starting November 14th, 2006 (the date the Fund first became eligible for purchase via simplified prospectus).

Annual Compound Returns

The following table shows the Fund's historical average annual compound returns compared with its benchmark the Scotia Capital 91 Day T-Bill Index for the periods shown ended June 30, 2008.

	1-year	Since Inception
Class A	3.58%	3.71%
DEX 91 T-Bill	4.12%	4.17%

SUMMARY OF INVESTMENT PORTFOLIO
Portfolio breakdown as at June 30, 2008

Top 25 Positions	% of Net Assets*
Cash & cash equivalents	100.0%

Sector	% of Net Assets*
Cash & cash equivalents	100.0%

* calculated as a percent of the net asset value of the Fund at June 30, 2008.

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a quarterly basis.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. Such statements are generally identifiable by the terminology used, such as “plan”, “anticipate”, “believe”, “intent”, “expect”, “estimate” or other similar wording.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. We do not undertake, and specifically disclaim, any obligation to update or revise any forward-looking information, whether as a result of new information, future developments or otherwise.

Galileo Funds

Galileo Absolute Return Fund
Galileo Canadian Active/Passive Fund
Galileo Fund
Galileo Global Active/Passive Fund
Galileo Money Market Fund
Galileo Money Market Fund
Galileo Small/Mid Cap Fund

Additional information about the Galileo Funds is available in the Funds' Prospectus, Annual Information Form and Annual and Semi Annual Financial Statements.

You can get a copy of any of these documents and other information about the Galileo Funds, such as information circulars and material contracts, are also available on our website at www.galileofunds.ca or at www.sedar.com. Some of this information is available on our website in English only.

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