AGF Master Limited Partnership

SECOND QUARTER REPORT
FOR THE SIX MONTHS
ENDED JUNE 30, 2005

What are you doing after work?

AGF Master Limited Partnership
Market Value of Distributed Securities
(Unaudited)

As at June 30, 2005

	Market Value (in thousands)
CANADIAN EQUITY FUNDS	
AGF Canadian Stock Fund	$ 183,131
AGF Canadian Large Cap Dividend Fund	152,531
AGF Canadian Growth Equity Fund Limited	136,391
AGF Canadian Small Cap Fund	16,560
AGF Canadian Real Value Fund	3,311
AGF Canada Class	2,119
AGF Monthly High Income Fund	680
AGF Diversified Dividend Income Fund	314
	495,037
INTERNATIONAL EQUITY FUNDS	
AGF International Value Fund	136,677
AGF European Equity Class	39,345
AGF RSP International Value Fund	21,877
AGF International Stock Class	21,360
AGF Asian Growth Class	15,168
AGF RSP European Equity Fund	8,220
AGF RSP World Companies Fund	7,804
AGF Japan Class	6,233
AGF Global Equity Class	5,140
AGF Emerging Markets Value Fund	3,655
AGF China Focus Class	2,960
AGF Aggressive Global Stock Fund	2,400
AGF International Value Class	1,590
AGF Germany Class	1,542
AGF RSP Japan Fund	1,059
AGF Global Perspective Class	931
AGF RSP Global Perspective Fund	259
AGF World Companies Fund	246
AGF Aggressive Japan Class	229
AGF World Opportunities Fund	76
	276,771
CANADIAN BALANCED AND ASSET ALLOCATION FUNDS	
AGF Canadian Real Value Balanced Fund	80,432
AGF Canadian Balanced Fund	74,578
	155,010

	Market Value (in thousands)
CANADIAN FIXED INCOME FUNDS	
AGF Canadian Bond Fund	$ 58,405
AGF Canadian Conservative Income Fund	33,328
AGF Canadian Money Market Fund	29,723
AGF Canadian High Yield Bond Fund	2,456
	123,912
SPECIALTY EQUITY FUNDS	
AGF Canadian Resources Fund Limited	33,326
AGF Precious Metals Fund	5,111
AGF Managed Futures Fund	948
AGF Global Health Sciences Class	703
AGF Global Financial Services Class	368
AGF Global Technology Class	303
AGF Global Real Estate Equity Class	157
AGF Global Resources Class	137
	41,053
U.S. EQUITY FUNDS	
AGF American Growth Class	14,943
AGF Aggressive Growth Fund	10,199
AGF RSP American Growth Fund	6,552
AGF Special U.S. Class	3,595
AGF U.S. Value Class	427
	35,716
INTERNATIONAL BALANCED AND ASSET ALLOCATION FUNDS	
AGF World Balanced Fund	23,090
AGF RSP World Balanced Fund	3,886
	26,976
INTERNATIONAL FIXED INCOME FUNDS	
AGF Global Government Bond Fund	9,139
AGF RSP Global Bond Fund	4,305
AGF Global High Yield Bond Fund	1,399
AGF Short–Term Income Class	877
	15,720
TOTAL DISTRIBUTED SECURITIES	$ **1,170,195**

AGF Master Limited Partnership
Management's Discussion and Analysis of
Financial Condition and Results of Operations

For the three and six months ended June 30, 2005

Management's Discussion and Analysis ("MD&A") presents an analysis of the financial condition of AGF Master Limited Partnership ("Master LP") as at June 30, 2005 compared with December 31, 2004, and the results of operations for the three and six months ended June 30, 2005 compared with the corresponding periods of 2004. This discussion should be read in conjunction with our 2004 annual MD&A and 2004 annual audited financial statements and notes. The financial information presented herein has been prepared on the basis of Canadian generally accepted accounting principles ("GAAP"). All dollar amounts are in Canadian dollars.

There have been no material changes to the information discussed in the following sections of the 2004 annual MD&A: 'Significant Accounting Policies', 'Corporate Governance' and 'Regulatory Filings'. Accordingly, readers should refer to our 2004 annual MD&A to gain an understanding of how these matters may impact the Master LP's operating results.

The MD&A includes forward-looking statements about Master LP. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", or negative versions thereof and similar expressions. The MD&A contains forward-looking statements that are based on current expectations and projections about future events and are inherently subject to, among other things, risks and uncertainties beyond Master LP's control. These risks and uncertainties include economic conditions, market fluctuations, interest rate and foreign exchange movements, political events, regulatory change and competitive developments. The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements. We are under no obligation (and expressly disclaim any such obligation) to update or alter the forward-looking statements whether as a result of new information, future events or otherwise. Actual results could differ materially from those contemplated by the forward-looking statements.

FORMATION AND BUSINESS OF AGF MASTER LIMITED PARTNERSHIP

Master LP was formed through the mergers of eleven AGF and 20/20 limited partnerships (the "Merging Partnerships").

The Merging Partnerships were formed for the purpose of arranging for the distribution of securities of certain of the AGF and 20/20 mutual funds, which were sold on a contingent deferred sales charge basis ("Distributed Securities"). The Merging Partnerships paid selling commissions to registered dealers ranging from 4% to 6% of the purchase price of such securities.

As at June 30, 2005, Master LP has total issued and outstanding units of 8,568,159. These units of Master LP are listed for trading on the Toronto Stock Exchange (the "Exchange") under the symbol AFP.UN. The units also qualify for investment by registered tax plans such as RSP and RIF although they did constitute "foreign property" subject to the foreign content limitation for tax purposes. Bill C-43 was approved on June 29, 2005 and became law which eliminated the foreign content limit retroactive to January 2005.

REVENUE

Master LP's primary sources of revenue are distribution fees and deferred sales charges (also referred to as "redemption fees") earned from the Distributed Securities to which it has distribution rights.

The following table illustrates the breakdown of distribution fee revenue, deferred sales charge revenue and interest revenue for the six months ended June 30, 2005 and 2004, respectively:

(in thousands) (Unaudited)	Three months ended June 30 2005	2004	% Change	Six months ended June 30 2005	2004	% Change
Distribution fees	$ 1,575.2	$ 2,069.0	(23.9)	$ 3,294.2	$ 4,298.8	(23.4)
Deferred sales charges	-	53.1	(100.0)	-	216.5	(100.0)
Interest	12.6	13.8	(9.1)	25.2	32.2	(22.0)

DISTRIBUTION FEES

Master LP receives from AGF Funds Inc. ("AGFFI"), a subsidiary of AGF Management Limited, a monthly distribution fee calculated at annual rates ranging from 0.50% to 0.90% of the net asset value of the Distributed Securities which remain outstanding. The net asset value of Distributed Securities is primarily affected by the market performance and redemptions of Distributed Securities. Distribution fees accounted for 99.2% and 94.5% of Master LP's total revenue in the six months ended June 30, 2005 and 2004, respectively.

Distribution fees amounted to $1.6 million for the three months ended June 30, 2005, a decrease of 23.9% from the comparable period in 2004. During the six months ended June 30, 2005, distribution fees declined 23.4% to $3.3 million from $4.3 million in the same period last year. The decreases were primarily attributable to the lower net asset value of Distributed Securities for the three and six months ended June 30, 2005 as compared to the respective year-ago periods.

The following is a summary of the changes in Distributed Securities during the three and six months ended June 30, 2005 and 2004:

(in millions) (Unaudited)	Three months ended June 30 2005	2004	Six months ended June 30 2005	2004
Market value of Distributed Securities, beginning of period	$ 1243.7	$ 1,626.4	$ 1,354.7	$ 1,694.7
Increase in market value of Distributed Securities, including reinvested distributions	18.9	2.2	32.5	64.9
Redemption of Distributed Securities	(92.4)	(107.5)	(217.0)	(238.5)
Market value of Distributed Securities, end of period	$ 1,170.2	$ 1,521.1	$ 1,170.2	$ 1,521.1

The annualized redemption rate during the six months ended June 30, 2005 based on the market value of Distributed Securities at the beginning of the year was 32.0% compared to 28.1% in 2004. Redemptions accounted for $217.0 million of the decline in the value of Distributed Securities during the six months ended June 30, 2005, offset by market appreciation and reinvested distributions totaling $32.5 million.

DISTRIBUTED SECURITIES COMPOSITION

The composition of Distributed Securities as at June 30, 2005 and 2004 are shown in the following table. The relative weighting of each asset class will change over time, based on performance, redemptions and unitholder switches between funds.

Composition of Distributed Securities based on market value as at June 30:

(Unaudited)	2005	2004
	%	%
Canadian Equity Funds	42	37
International Equity Funds	24	28
Canadian Balanced and Asset Allocation Funds	13	13
Canadian Fixed Income Funds	11	11
International Fixed Income Funds and Others	7	7
U.S. Equity Funds	3	4
Total	**100**	**100**

DEFERRED SALES CHARGES
As at December 31, 2004, all remaining assets are off the redemption schedule, accordingly no further revenues will be earned from deferred sales charges.

REVENUE TERMINATION DATES
Master LP is entitled to the same revenue streams, with the same termination dates, as the Merging Partnerships. The following table illustrates the expiry date applicable to the various pools of Distributed Securities in respect of which Master LP has the right to receive distribution fees:

Partnership	Distributed Securities (Market Value as at June 30, 2005) (Unaudited) (in thousands)	Annual Distribution Fee Rate	Distribution Fee Expiry Date (December 31)
Sunset America	$ 8,780	0.85%	2017
20/20 1989 LP	3,196	0.90%	2017
20/20 1991 LP	34,363	0.65%	2017
AGF LP No. 3	8,375	0.50%	2006
AGF LP 1992	76,133	0.50%	2007
AGF LP 1993	182,543	0.50%	2008
AGF LP 1994	174,813	0.50%	2009
AGF LP 1995	98,763	0.51%	2010
AGF LP No. 8	32,547	0.56%	2011
AGF LP 1996	252,899	0.55%	2011
AGF LP 1997	297,783	0.53%	2012
	$ 1,170,195		

Master LP will continue until March 31, 2018 unless procedures as specified in the Master LP partnership agreement for the dissolution of Master LP are commenced earlier upon the occurrence of certain events stated in the Master LP partnership agreement.

AMORTIZATION OF SELLING COMMISSIONS
For accounting purposes, selling commissions paid on the sales of Distributed Securities are recorded at cost and are amortized on a straight-line basis over a period which corresponds with the applicable deferred sales charge schedule (which ranges from six to ten years). In addition, when the deferred sales charges from the redemption of Distributed Securities are earned, the related unamortized selling commissions are expensed. The selling commissions were fully amortized and expensed by December 31, 2004.

OPERATING EXPENSES
Total operating expenses for the three months ended June 30, 2005 were $120,175, a decrease of 7.5% from $129,893 in 2004. During the six months ended June 30, 2005, total operating expenses amounted to $236,908, a decrease of 7.5% from $256,115 in the same period in 2004. The decreases were primarily attributable to the decrease in administration fees.

FINANCIAL CONDITION AND LIQUIDITY
Total assets were $3.6 million as at June 30, 2005 as compared to $8.2 million as at December 31, 2004. Assets as at June 30, 2005 consisted of cash and term-deposit totaling $3.5 million and receivables of $0.1 million. Assets as at December 31, 2004 were used primarily to finance the cash distribution of $0.9113 per limited partnership unit paid on January 28, 2005 to the limited partners of record on December 31, 2004.

As at June 30, 2005, the total amount of uncashed distribution cheques included in cash and distributions payable was $355,054.

The Merging Partnerships were formed to finance selling commissions during a fixed period of time, after which the Merging Partnerships collect the fees to which they are entitled with no significant ongoing financial obligation other than the ordinary operating expenses. Master LP distributes its income to limited partners on an annual basis and does not retain permanent investment assets.

FINANCIAL INSTRUMENTS
Master LP's financial instruments consist of cash and term-deposit, distribution fees and interest receivable, accounts payable and accrued liabilities, and distributions payable. Unless otherwise noted, it is management's opinion that the partnership is not exposed to significant interest rate, credit, or currency risks arising from these financial instruments.

CASH DISTRIBUTION AND TAXABLE INCOME
Master LP has adopted an annual distribution policy as a result of the adverse tax consequences which would have arisen for at least a significant majority of the limited partners who participated in the merger if distributions were made more frequently than annually. Master LP may reconsider the distribution frequency if changes in tax laws have the effect of eliminating such adverse tax consequences.

Master LP itself is not directly subject to income tax. Instead, Master LP's income or loss for tax purposes is calculated and flowed through to limited partners.

Distributable income earned during the six months ended June 30, 2005 was approximately $0.3597 per limited partnership unit and $0.5008 per limited partnership unit for the same period in 2004. The distributable income will be paid annually to limited partners of record on December 31, 2005 in January 2006.

Estimated taxable income for the six months ended June 30, 2005 was $0.3597 per limited partnership unit as compared to $0.4998 per limited partnership unit in the comparable period in 2004. Taxable income is allocated on an annual basis to limited partners of record on December 31 of a fiscal year.

RELATED PARTY TRANSACTIONS

AGF Partners No. Five Limited is the general partner and is responsible for the management of Master LP on a day-to-day basis. In consideration for its services, the general partner is entitled to 0.01% of the net distributable income of the partnership. It also receives a fee equal to 15% of the operating expenses of the partnership and has engaged AGF Management Limited ("AGF"), its parent company, to assist it in carrying out its management obligations to the partnership. These services are in the normal course of operations and are recorded at the amount of consideration agreed to by the parties. Administration fees for the three months ended June 30, 2005 amounted to $60,214 as compared to $70,840 in the comparable period in 2004. During the six months ended June 30, 2005, administration fees amounted to $120,428, a decrease of 15.0% from $141,680 for the same period in 2004.

SELECTED QUARTERLY INFORMATION

(in thousands, except per unit amounts) Three months ended (Unaudited)	**Jun. 30, 2005**	**Mar. 31, 2005**	**Dec. 31, 2004**	**Sep. 30, 2004**
Revenue	$ 1,587.8	$ 1,731.6	$ 1,849.9	$ 1,927.3
Net income for the period	1,467.6	1,614.8	1,233.4	1,315.1
Net income per limited partnership unit	0.17	0.19	0.15	0.15

(in thousands, except per unit amounts) Three months ended (Unaudited)	**Jun. 30, 2004**	**Mar. 31, 2004**	**Dec. 31, 2003**	**Sep. 30, 2003**
Revenue	$ 2,135.9	$ 2,411.6	$ 2,488.8	$ 2,542.1
Net income for the period	1,521.5	1,139.0	980.1	1,021.4
Net income per limited partnership unit	0.18	0.13	0.11	0.12

ADDITIONAL INFORMATION

Master LP's annual and interim financial reports, Annual Information Form ("AIF") and MD&As are available at the AGF website, www.agf.com and at the Canadian Securities Administrators' website, www.sedar.com.

AGF Master Limited Partnership

The following interim financial statements of AGF Master Limited Partnership for the three and six months ended June 30, 2005 have not been reviewed or audited by an auditor.

AGF Master Limited Partnership
Balance Sheets

		As at **June 30, 2005** (Unaudited)		As at **December 31, 2004** (Audited)
Assets				
Current assets:				
Cash and term-deposit	$	3,561,064	$	8,105,335
Distribution fees and interest receivable		62,633		100,623
Total assets	$	3,623,697	$	8,205,958
Liabilities and Partners' Equity				
Current liabilities:				
Accounts payable and accrued liabilities	$	186,182	$	43,228
Distributions payable (note 1)		355,054		8,162,730
		541,236		8,205,958
Partners' equity:				
General partner		2,510		2,510
Limited partners – 8,568,159 units		209,793,390		209,793,390
Issue and merger expenses		(18,069,356)		(18,069,356)
		191,726,544		191,726,544
Deficit		(188,644,083)		(191,726,544)
		3,082,461		-
Total liabilities and partners' equity	$	3,623,697	$	8,205,958

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

AGF Master Limited Partnership
Balance Sheets

	Three months ended June 30		Six months ended June 30	
	2005	**2004**	**2005**	**2004**
Operations				
Revenue:				
Distribution fees	$ 1,575,224	$ 2,068,991	$ 3,294,211	$ 4,298,799
Deferred sales charges	-	53,121	-	216,468
Interest	12,572	13,826	25,158	32,249
	1,587,796	2,135,938	3,319,369	4,547,516
Expenses:				
Amortization of selling commissions	-	484,536	-	1,630,854
Administration	60,214	70,840	120,428	141,680
Legal and audit fees	26,633	26,504	50,410	51,311
Transfer agent fees	23,253	26,727	46,645	49,319
Printing, reporting and mailing	10,075	5,822	19,425	13,805
	120,175	614,429	236,908	1,886,969
Net income for the period	$ 1,467,621	$ 1,521,509	$ 3,082,461	$ 2,660,547
Net income per limited partnership unit	$ 0.17	$ 0.18	$ 0.36	$ 0.31
Deficit				
Balance beginning of period	$ (190,111,704)	$ (187,987,582)	$ (191,726,544)	$ (189,126,620)
Net income for the period	1,467,621	1,521,509	3,082,461	2,660,547
Balance end of period	$ (188,644,083)	$ (186,466,073)	$ (188,644,083)	$ (186,466,073)

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

AGF Master Limited Partnership
Statements of Cash Flow

	Three months ended June 30		Six months ended June 30	
	2005	**2004**	**2005**	**2004**
Operating Activities:				
Net income for the period	$ 1,467,621	$ 1,521,509	$ 3,082,461	$ 2,660,547
Items not affecting cash				
Amortization of selling commissions	-	484,536	-	1,630,854
	1,467,621	2,006,045	3,082,461	4,291,401
Decrease in non-cash balances related to operations	58,849	61,944	180,944	158,448
	1,526,470	2,067,989	3,263,405	4,449,849
Financing Activities:				
Uncashed distribution cheques (note 1)	2,024	-	1,263	-
Distributions paid to partners	-	-	(7,808,939)	(9,784,102)
	2,024	-	(7,807,676)	(9,784,102)
Increase (decrease) in cash during the period	1,528,494	2,067,989	(4,544,271)	(5,334,253)
Cash beginning of period	2,032,570	2,318,264	8,105,335	9,720,506
Cash end of period	$ 3,561,064	$ 4,386,253	$ 3,561,064	$ 4,386,253

Note: Cash is defined as cash and term-deposit.
The accompanying notes are an integral part of the financial statements.

AGF Master Limited Partnership
Notes to Financial Statements
(Unaudited)

For the three and six months ended June 30, 2005 and 2004

These unaudited interim financial statements of AGF Master Limited Partnership ("Master LP") have been prepared in accordance with Canadian generally accepted accounting principles using the same significant accounting policies as Master LP's financial statements for the year ended December 31, 2004. These financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles for annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2004, as set out in Master LP's 2004 Annual Report.

1. **Uncashed Distribution Cheques**
   Uncashed distribution cheques as at June 30, 2005 were $355,054 (December 31, 2004 - $353,791). For accounting purposes, this amount has been classified as cash and distributions payable on the balance sheet.

AGF Master Limited Partnership

Head Office
P.O. Box 50
Toronto Dominion Centre
Toronto, ON M5K 1E9
Toll free: 1 800 268-8583

Transfer Agent
CIBC MELLON TRUST COMPANY
P.O. Box 7010, Adelaide Street Postal Station
Toronto, ON M5C 2W9
Telephone: 416 643-5500
Toll free: 1 800 387-0825
E-Mail: inquiries@cibcmellon.com
Website: www.cibcmellon.com

AGF

What are you doing after work?

AGF MUTUAL FUNDS | AGF TAILORED INVESTMENT PROGRAMS Harmony | AGF PRIVATE INVESTMENT MANAGEMENT | AGF TRUST

Vancouver Calgary Winnipeg Toronto Ottawa Montreal Halifax Dublin London Singapore Beijing Tokyo