

Investor Presentation

Q1 | 12

The letters 'B', 'N', and 'Y' are rendered in a 3D, white, sans-serif font with black outlines and shadows, positioned on a blue grid floor. The 'B' and 'N' are connected, and the 'Y' is separate.

March 12 • 2012

Forward Looking Statements & Non-GAAP Measures

Caution Regarding Forward-Looking Statements

Bank of Montreal's public communications often include written or oral forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbor" provisions of, and are intended to be forward-looking statements under, the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may involve, but are not limited to, comments with respect to our objectives and priorities for 2012 and beyond, our strategies or future actions, our targets, expectations for our financial condition or share price, and the results of or outlook for our operations or for the Canadian and U.S. economies.

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, forecasts, conclusions or projections will not prove to be accurate, that our assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. 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 in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which we operate; weak, volatile or illiquid capital and/or credit markets; interest rate and currency value fluctuations; changes in monetary, fiscal or economic policy; the degree of competition in the geographic and business areas in which we operate; changes in laws or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance; judicial or regulatory proceedings; the accuracy and completeness of the information we obtain with respect to our customers and counterparties; our ability to execute our strategic plans and to complete and integrate acquisitions; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; operational and infrastructure risks; changes to our credit ratings; general political conditions; global capital markets activities; the possible effects on our business of war or terrorist activities; disease or illness that affects local, national or international economies; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; technological changes; and our ability to anticipate and effectively manage risks associated with all of the foregoing factors.

With respect to the completed acquisition of Marshall & Ilsley Corporation (M&I), factors that may influence the future outcomes that relate to forward-looking statements include, but are not limited to: the possibility that the anticipated benefits from the transaction, such as expanding our North American presence, providing synergies, being accretive to earnings and resulting in other impacts on earnings, are not realized in the time frame anticipated, or at all, as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations (including changes to capital requirements) and their enforcement, and the degree of competition in the geographic and business areas in which the combined business now operates; our ability to effectively integrate the businesses of M&I and BMO on a timely basis; reputational risks and the reaction of M&I's customers to the transaction; diversion of management time to issues related to integration and restructuring; and increased exposure to exchange rate fluctuations. A significant amount of M&I's business involved making loans or otherwise committing resources to specific borrowers, industries or geographic areas. Unforeseen events affecting such borrowers, industries or geographic areas could have a material adverse effect on the performance of our integrated U.S. operations. Our anticipation that annual cost savings from the integration of M&I and BMO will exceed US\$300 million is based on the assumption that changes to business operations and support infrastructure and staffing will be consistent with our plans and that our expectations for business volumes are met.

We caution that the foregoing list is not exhaustive of all possible factors. Other factors could adversely affect our results. For more information, please see the discussion on pages 30 and 31 of BMO's 2011 annual MD&A, which outlines in detail certain key factors that may affect Bank of Montreal's future results. When relying on forward-looking statements to make decisions with respect to Bank of Montreal, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Bank of Montreal does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by the organization or on its behalf, except as required by law. The forward-looking information contained in this document is presented for the purpose of assisting our shareholders in understanding our financial position as at and for the periods ended on the dates presented, as well as our strategic priorities and objectives, and may not be appropriate for other purposes.

In calculating the pro-forma impact of Basel III on our regulatory capital, risk-weighted assets (including Counterparty Credit Risk and Market Risk) and regulatory capital ratios, we have assumed that our interpretation of the proposed rules and proposals announced by the Basel Committee on Banking Supervision (BCBS) as of this date, and our models used to assess those requirements, are consistent with the final requirements that will be promulgated by BCBS and the Office of the Superintendent of Financial Institutions Canada (OSFI). We have also assumed that the proposed changes affecting capital deductions, risk-weighted assets, the regulatory capital treatment for non-common share capital instruments (i.e. grandfathered capital instruments) and the minimum regulatory capital ratios are adopted by OSFI as proposed by BCBS. We have also assumed that existing capital instruments that are non-Basel III compliant but are Basel II compliant can be fully included in the January 31, 2012, pro-forma calculations. The full impact of the Basel III proposals has been quantified based on our financial and risk positions at quarter end or as close to quarter end as was practical. In setting out the expectation that we will be able to refinance certain capital instruments in the future, as and when necessary to meet regulatory capital requirements, we have assumed that factors beyond our control, including the state of the economic and capital markets environment, will not impair our ability to do so.

Assumptions about the level of asset sales, expected asset sale prices, net funding cost, credit quality, risk of default and losses on default of the underlying assets of certain structured investment vehicles were material factors we considered when establishing our expectations regarding the structured investment vehicles discussed in the interim MD&A, including whether the first-loss protection provided by the subordinated capital notes will exceed future losses. Key assumptions included that assets will continue to be sold with a view to reducing the size of the structured investment vehicles, under various asset price scenarios, and that the level of default and losses will be consistent with the credit quality of the underlying assets and our current expectations regarding continuing difficult market conditions. In determining amounts of asset maturities by year, we have made assumptions as to which issuers will or will not redeem subordinated debt prior to its maturity date, where permitted.

Assumptions about the level of default and losses on default were material factors we considered when establishing our expectations regarding the future performance of the transactions into which our credit protection vehicle has entered. Among the key assumptions were that the level of default and losses on default will be consistent with historical experience. Material factors that were taken into account when establishing our expectations regarding the future risk of credit losses in our credit protection vehicle and risk of loss to BMO included industry diversification in the portfolio, initial credit quality by portfolio, the first-loss protection incorporated into the structure and the hedges that BMO has entered.

In determining the impact of reductions to interchange fees in the U.S. Legislative and Regulatory Developments section of the First Quarter 2012 Report to Shareholders, we have assumed that business volumes remain consistent with our expectations and that certain management actions are implemented that will modestly reduce the impact of the rules on our revenues.

Assumptions about the performance of the Canadian and U.S. economies, as well as overall market conditions and their combined effect on our business, are material factors we consider when determining our strategic priorities, objectives and expectations for our business. In determining our expectations for economic growth, both broadly and in the financial services sector, we primarily consider historical economic data provided by the Canadian and U.S. governments and their agencies. See the Economic Outlook and Review section of this interim MD&A.

Non-GAAP Measures

Bank of Montreal uses both GAAP and non-GAAP measures to assess performance. Readers are cautioned that earnings and other measures adjusted to a basis other than GAAP do not have standardized meanings under GAAP and are unlikely to be comparable to similar measures used by other companies. Reconciliations of GAAP to non-GAAP measures as well as the rationale for their use can be found in Bank of Montreal's First Quarter 2012 Report to Shareholders and Bank of Montreal's 2011 Management's Discussion and Analysis, all of which are available on our website at www.bmo.com/investorrelations.

Examples of non-GAAP amounts or measures include: productivity and leverage ratios; revenue and other measures presented on a taxable equivalent basis (teb); amounts presented net of applicable taxes; adjusted net income, revenues, provision for credit losses, earnings per share, ROE, productivity ratio and other adjusted measures which exclude the impact of certain items such as credit-related items on the acquired M&I performing loans, run-off structured credit activities, M&I integration costs, amortization of acquisition-related intangibles, decrease (increase) in collective allowance for credit losses and restructuring costs.

Bank of Montreal provides supplemental information on combined business segments to facilitate comparisons to peers.

Bank of Montreal (BMO Financial Group)

- 4th largest bank¹ in Canada measured by total assets
- Top-ten North American Bank as measured by assets¹ (8th) and market capitalization¹ (9th)
- 100% ownership of Chicago-based BMO Harris Bank

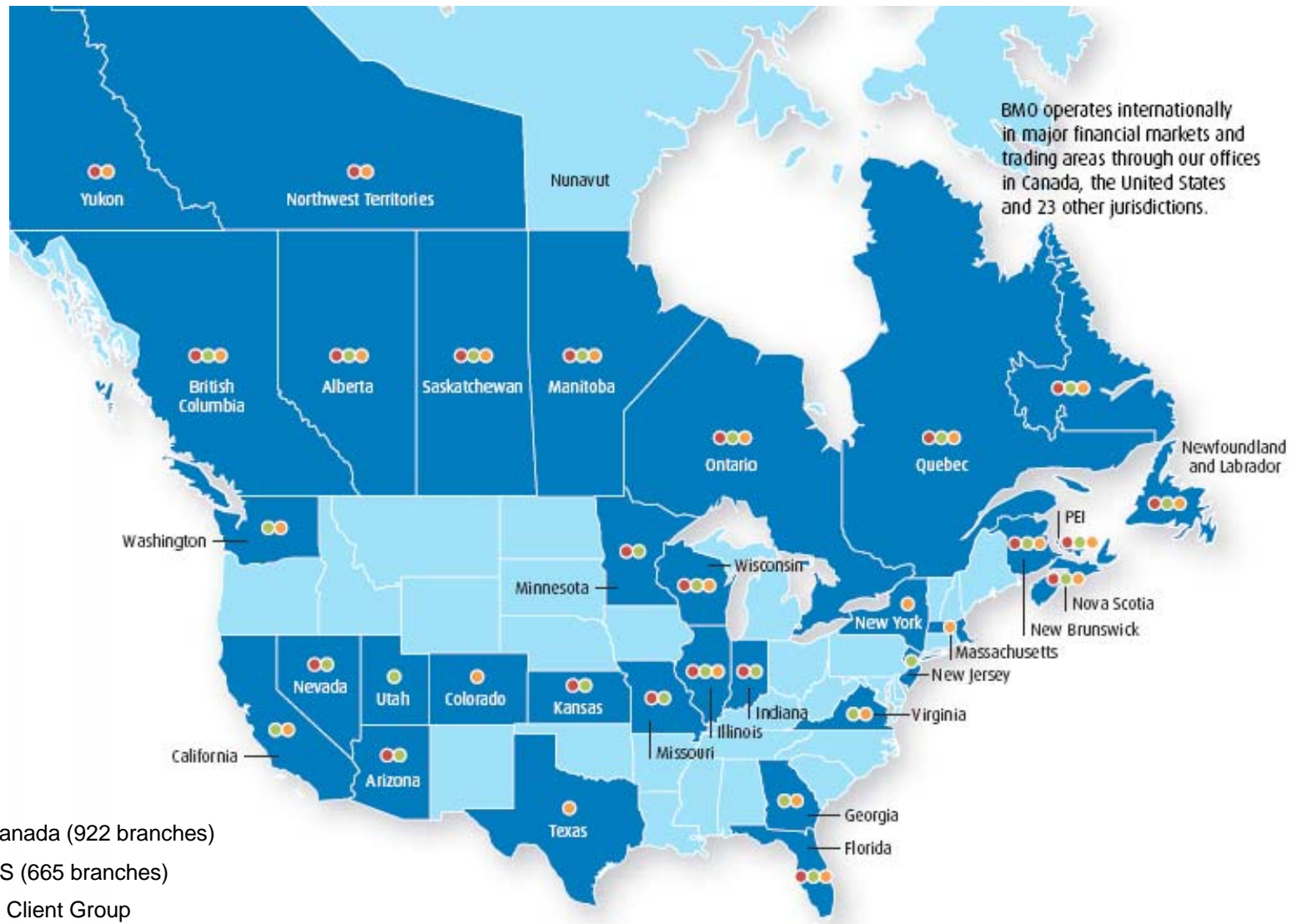
Listings NYSE, TSX (Ticker: BMO)		Q1 F2012 Results²
Share Price¹ Oct 31/11: NYSE – US\$59.17 (Fiscal Year-end) TSX – C\$58.89 Jan 31/12: NYSE – US\$58.12 TSX – C\$58.29		Adjusted³ Revenue / Revenue C\$3.7B (US\$3.7B) / C\$4.1B (US\$4.1B)
Market Cap¹ Oct 31/11: C\$38 billion (US\$38 billion) Jan 31/12: C\$37 billion (US\$37 billion)		Adjusted³ Net Income / Net Income C\$972MM (US\$959MM) / C\$1.1B (US\$1.1B)
# of Employees 47,060		Adjusted³ ROE / ROE 15.0% / 17.2%
Over 12 million personal, commercial, corporate and institutional customers		Adjusted³ EPS*/EPS C\$1.42(US\$1.40) / C\$1.63 (US\$1.61)
		PCL C\$141 million (US\$139 million)
		Average Assets C\$538 billion (US\$531 billion)
	Capital Ratios (Basel III)⁴ Common Equity Ratio – 7.2%	

¹ Published by Bloomberg; Asset and market capitalization rankings as at January 31, 2012. ² Balances reported in Canadian dollars. Cdn/U.S. exchange rate: Q1'12 average \$1.0133

³ Items excluded from first quarter 2012 results in the determination of adjusted results totalled \$137 million after tax, comprised of a \$114 million after-tax net benefit of credit-related items in respect of the acquired Marshall & Ilsley Corporation (M&I) performing loan portfolio; costs of \$70 million (\$43 million after tax) for the integration of the acquired business; a \$34 million (\$24 million after tax) charge for amortization of acquisition-related intangible assets on all acquisitions; the benefit of run-off structured credit activities of \$136 million (\$136 million after tax); and a restructuring charge of \$68 million (\$46 million after tax) to align BMO Capital Markets' cost structure with the current and future business environment. All of the adjusting items are reflected in results of Corporate Services except for the amortization of acquisition-related intangible assets, which is charged across the operating groups. Adjusted results and measures are non-GAAP for further details on adjusted results and non-GAAP measures, see pages 30-31 of BMO's First Quarter 2012 Report to Shareholders and see pages 94-95 of BMO's 2011 Management's Discussion & Analysis

⁴ Estimate based on announced Basel III 2019 rules and the impact of adoption of IFRS. For further details regarding assumptions and factors used in our calculations refer to pages 6 and 15 of BMO's First Quarter 2012 Report to Shareholders and the Enterprise-Wide Capital Management section on pages 61-65 in BMO's 2011 Management's Discussion & Analysis

BMO Financial Group – North American Footprint



BMO operates internationally in major financial markets and trading areas through our offices in Canada, the United States and 23 other jurisdictions.

Reasons to Invest in BMO

Clear and attractive investor proposition

○ Clear growth strategy

- ▶ Consistent and focused North American growth strategy
- ▶ Growing global presence to support our customers
- ▶ Commitment to our medium-term financial objectives

○ Well-positioned businesses in the current environment

- ▶ Good momentum supported by operating group performance
- ▶ Differentiated growth levers to support strong competitive performance

○ Strong financial position

- ▶ Basel II Common Equity Ratio and Tier 1 Ratio of 9.65% and of 11.69% respectively as at January 31, 2012
- ▶ Pro forma Basel III Common Equity Ratio 7.2%¹ at January 31, 2012
- ▶ Disciplined and balanced approach to capital management

○ Proactive risk management

- ▶ Independent risk oversight across the enterprise
- ▶ Disciplined credit risk management capabilities and processes

○ Commitment to stakeholders

- ▶ Clear brand promise that delivers real benefit for customers
- ▶ Consistent dividend payment and longest-running dividend payout record of any company in Canada
- ▶ Sound corporate governance

¹ Estimate based on announced Basel III 2019 rules and the impact of adoption of IFRS. For further details regarding assumptions and factors used in our calculations refer to pages 6 and 15 of BMO's First Quarter 2012 Report to Shareholders and the Enterprise-Wide Capital Management section on pages 61-65 in BMO's 2011 Management's Discussion & Analysis

Economic Outlook

Canada



- The Canadian economy continues to grow at a modest pace, held back by the strong Canadian dollar, elevated household debt and fiscal consolidation, but supported by low interest rates and firm commodity prices
- Modest GDP growth of 2.0% is expected in 2012, led by business investment
- Housing activity is expected to continue moderating amid tighter mortgage insurance rules and elevated household debt
- The unemployment rate is forecast to remain above 7% this year
- Inflation should recede due to steadier commodity prices and the strong Canadian dollar
- The Bank of Canada is expected to keep interest rates steady until late 2013
- The Canadian dollar should remain near parity against the U.S. dollar in 2012, supported by firm commodity prices and higher interest rates than in the U.S

United States



- The U.S. economy has improved on the back of firmer consumer spending, strong business investment and some stabilization in housing markets
- Despite fiscal restraint, economic growth should pick up to 2.4% in 2012, supported by low interest rates, improved household finances and strong business investment
- The unemployment rate will likely decline slowly in 2012
- The Federal Reserve is expected to keep interest rates near zero until late 2014
- The U.S. dollar is expected to remain firm until Europe's credit crisis abates later in 2012

Outlook as at February 28, 2012; Source: BMO Economics

Economic Indicators

North America forecast to grow modestly in 2012, with the U.S. outpacing Canada for first time in 7 years



	Canada			United States			Eurozone		
Economic Indicators (%) ¹	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E
GDP Growth	3.2	2.3	2.0	3.0	1.7	2.4	1.8	1.5	(1.0)
Inflation	1.8	2.9	2.4	1.6	3.1	2.2	1.6	2.7	2.1
Interest Rate (3mth Tbills)	0.6	0.9	0.8	0.1	0.1	0.0	0.7	1.3	0.7
Unemployment Rate	8.0	7.5	7.5	9.6	8.9	8.2	10.1	10.1	10.5
Current Account Balance / GDP*	(3.1)	(2.8)	(2.6)	(3.2)	(3.1)	(3.0)	0.2	0.1	0.6
Budget Surplus / GDP*	(2.1)	(1.8)	(1.6)	(8.9)	(8.7)	(7.0)	(6.3)	(4.0)	(2.9)

Sources: BMO Economics, Haver Analytics

¹Annual average

*Estimates As of February 28, 2012; Eurozone estimates provided by OECD

Systemic Differences Between Canadian & U.S. Banks

Canada

- Mature oligopoly: 6 chartered banks with a single regulator (OSFI)
- Almost no subprime in this market
- Governed by the Bank Act
- Foreign ownership limits in place
- Integrated business model: customers purchase multiple products from one institution
- Residential mortgages lower risk due to:
 - ▶ No lending with loan to value above 80% without government backed insurance
 - ▶ Shorter terms (i.e. 1-10 years)
 - ▶ Prepayment charges borne by the borrower
 - ▶ No Mortgage interest deductibility for income tax purposes (no incentive to take on higher levels of debt)
- New rules for government-backed insured mortgages and secured lines of credit:
 - ▶ All borrowers must meet the standards for five-year fixed rate mortgage, regardless of the mortgage chosen
 - ▶ Minimum 20% down payment required for rental properties
 - ▶ Maximum length amortization on insured mortgages lowered from 35 to 30 years, effective March 18, 2011
 - ▶ Maximum amount Canadians can withdraw when refinancing their mortgages lowered to 85 percent of the value of their homes, effective March 18, 2011
 - ▶ Withdrawal of government backed insurance for home equity secured lines of credit, effective April 18, 2011
- Current government not permitting bank mergers amongst big banks

U.S.

- Fragmented market
- Multiple regulators
- Choice of State vs. National Charter allows flexibility in choosing regulatory environment and structuring operations
- Bank Holding Companies provide flexibility in structuring business activities
- Branch restrictions in U.S. and various limits on interstate expansion
- Historically, more likely to securitize residential mortgages as prepayment penalties borne by the bank
- Consolidation continues

Operating Group - Overview

Personal and Commercial Banking - Canada

- Over 7 million customers
- Over 900 branches
- Access to over 2,100 automated banking machines

Personal and Commercial Banking – U.S.

- Over 2 million customers
- Over 650 branches
- Access to over 1,350 automated banking machines across eight states

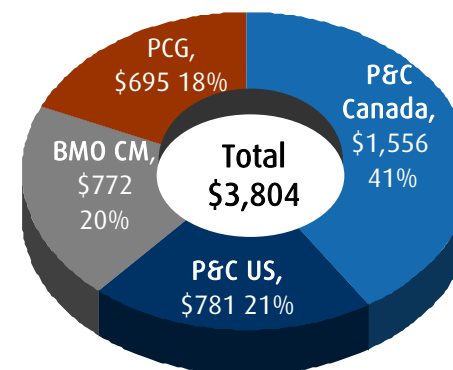
Private Client Group (PCG)

- BMO's group of wealth management businesses serve a full range of client segments from mainstream to ultra-high net worth, and institutional markets
- Broad offering of wealth management products and solutions including Insurance
- Operates in Canada and the United States, as well as in Asia and Europe

BMO Capital Markets (BMO CM)

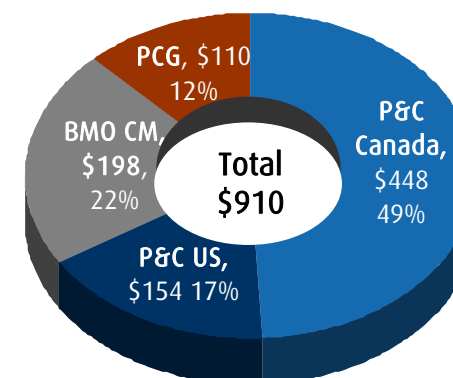
- Provides a broad range of products and services to help corporate, institutional and government clients achieve their ambitions
- Expertise in areas including equity and debt underwriting, corporate lending and project financing, M&A, foreign exchange, debt and equity research and institutional sales and trading
- 30 locations around the world, including 17 in North America

Q1 F2012 Adjusted¹ Revenue by Operating Group (C\$MM)



Excludes Corporate Services Adjusted Revenue \$(61)

Q1 F2012 Adjusted¹ Net Income by Operating Group (C\$MM)



Corporate Services Adjusted Net Income \$62

¹ Non-GAAP measures, see slide 1 and 10 and pages 30-31 of BMO's First Quarter 2012 Report to Shareholders

* BMO employs a methodology for segmented reporting purposes whereby expected credit losses are charged to the operating groups quarterly based on their share of expected credit losses. The difference between quarterly charges based on expected losses and required quarterly provisions based on actual losses, as well as changes in the general allowance are charged (or credited) to Corporate Services. See Note 26 on page 167 of BMO's 2011 audited annual consolidated financial statements

Q1 2012 - Financial Highlights

BMO Reports Very Strong First Quarter Net Income

	Revenue	Net Income	EPS	ROE	Productivity	Specific PCL	Common Equity Ratio (Basel II)
Reported Results	\$4,117MM	\$1,109MM	\$1.63	17.2%	62.0%	\$122MM	9.6%
Adjusted Results	\$3,743MM	\$972MM	\$1.42	15.0%	63.5%	\$91MM	9.6%

- Adjusted EPS up 7.6% Y/Y and 18% Q/Q
- Adjusted net income up 19% Y/Y
 - Business units executing on strategies
 - Adjusted revenue increased 8.5%
 - Good credit performance with specific PCLs of \$91MM, down \$226MM Y/Y including a \$142MM recovery on M&I purchased credit impaired loans
 - Insurance results in PCG reduced by \$47MM after-tax (\$0.07/share) due to negative impact of lower interest rates
 - M&I added \$215MM to adjusted net income
- Adjusted net income up 17% Q/Q
 - Adjusted revenue increased 2.0%
 - Adjusted operating leverage of 0.4% or 3.4% excluding performance-based compensation in respect of employees eligible to retire recorded in Q1 each year
 - Specific PCL down \$190MM
- Adjustments in the quarter were (all after tax):
 - Credit-related items in respect of the acquired M&I performing loan portfolio of \$114MM; run-off structured credit activities of \$136MM; restructuring charge related to BMO Capital Markets of \$(46)MM; acquisition integration costs of \$(43)MM and amortization of acquisition-related intangibles of \$(24)MM

Adjusted measures are non-GAAP measures. See slide 1 and 10 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 30-31 of BMO's First Quarter 2012 Report to Shareholders

Adjusting Items

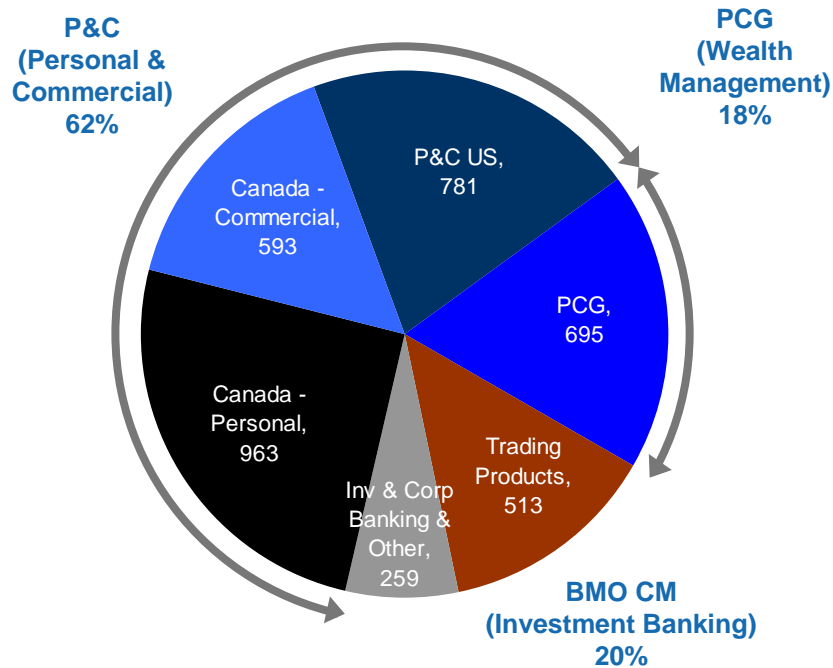
Adjusting items – Pre-tax (\$MM)	Q1 11	Q4 11	Q1 12
Credit-related items on the acquired M&I performing loan portfolio	-	173	184
Run-off structured credit activities	20	(119)	136
M&I integration costs	-	(53)	(70)
M&I acquisition-related costs	-	(4)	-
Amortization of acquisition-related intangible assets	(9)	(34)	(34)
Decrease (increase) in the collective allowance for credit losses	(6)	17	-
Restructuring costs	-	-	(68)
Reduction in pre-tax income due to adjusting items in reported results	5	(20)	148
Adjusting items – After-tax (\$MM)	Q1 11	Q4 11	Q1 12
Credit-related items on the acquired M&I performing loan portfolio	-	107	114
Run-off structured credit activities	20	(119)	136
M&I integration costs	-	(35)	(43)
M&I acquisition-related costs	-	(4)	-
Amortization of acquisition-related intangible assets	(8)	(25)	(24)
Decrease (increase) in the collective allowance for credit losses	(4)	12	-
Restructuring Costs	-	-	(46)
Adjusting items in net income	8	(64)	137
EPS (\$)	0.02	(0.09)	0.21

Adjusted measures are non-GAAP measures. See slide 1 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 30-31 of BMO's First Quarter 2012 Report to Shareholders

Diversified Business Mix

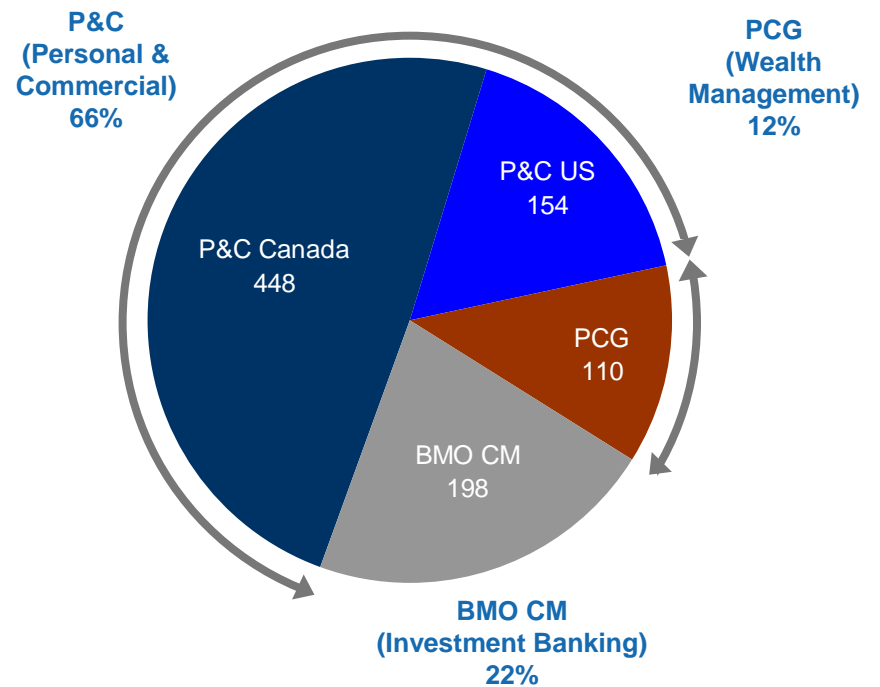
Over 75% of adjusted revenue and adjusted net income from retail businesses

Q1 12 Adjusted Revenue by Operating Group (c\$MM) - \$3,804MM*



¹ Corporate Services revenue \$(61)MM

Q1 12 Adjusted Net Income by Operating Group¹ (c\$MM) - \$910MM*



¹ Corporate Services net income \$62MM

Adjusted measures are non-GAAP measures. See slide 1 and 10 of this document, pages 94-95 of our 2011 Annual Report and pages 30-31 of BMO's First Quarter 2012 Report to Shareholders

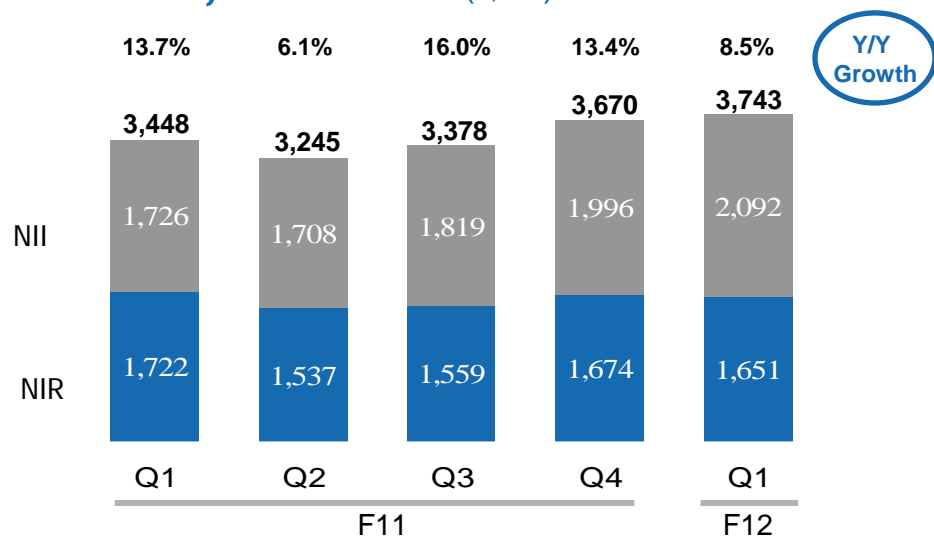
¹ Operating segment results reported on an Expected Loss (EL) basis

* Excludes Corporate Services results

Revenue

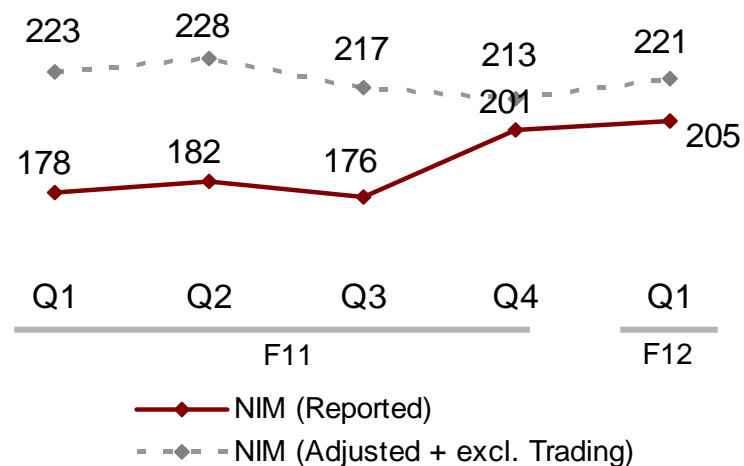
Y/Y revenue growth driven by M&I acquired business

Total Bank Adjusted Revenue (c\$MM)



- Q1 adjusted revenue up 8.5% Y/Y
 - P&C Canada revenue was flat excluding one-time gain on a sale of securities in 2011
 - P&C US growth strong given acquisition
 - PCG revenue growth of 3.9%; impacted by lower interest rates
 - BMO CM revenue down from strong Q1'11
- Q1 adjusted revenue up 2.0% Q/Q
 - BMO CM revenues up 11% driven by improved market conditions resulting in higher trading revenues and revenues from interest-rate sensitive businesses

Net Interest Margin (bps)



NIM Adjusted and excl. Trading

- Q/Q increased 8 bps due primarily to higher net interest income in PCG and Corporate. P&C Canada NIM at 290 bps relatively unchanged
- Y/Y declined 2 bps due to lower spreads in BMO CM and P&C Canada, partly offset by an increase in P&C U.S.

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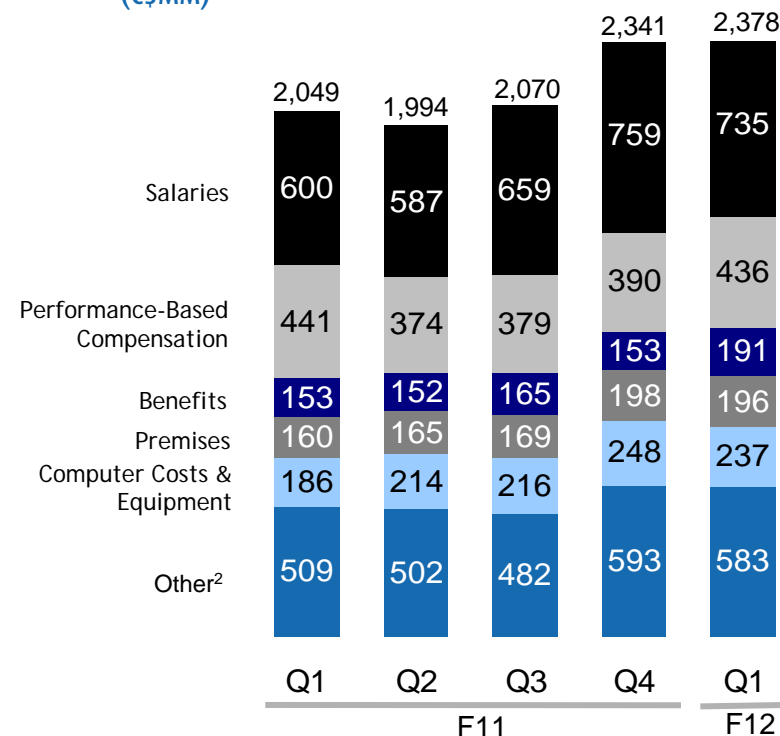
Non-Interest Expense

Y/Y growth largely reflects acquisitions; Q/Q growth modest

Non-Interest Expense (\$MM)	Q1 11	Q4 11	Q1 12	Q/Q B/(W)	Y/Y B/(W)
Reported	2,058	2,432	2,554	(5%)	(24%)
Adjusted	2,049	2,341	2,378	(2%)	(16%)

- Y/Y adjusted non-interest expense increase of \$329MM or 16%, largely due to acquisitions
 - Expense related to acquired businesses was \$317MM
- Q/Q adjusted expenses up 1.6%
 - Q/Q adjusted expenses declined 1% excluding \$71MM of performance-based compensation in respect of employees eligible to retire – operating leverage 3.4% on this basis
 - Productivity focus contributing to lower expense growth
- Adjusted productivity ratio¹ of 63.5% down from 63.8% in Q4

Total Bank Adjusted Non-Interest Expense (C\$MM)



Adjusted measures are non-GAAP measures. See slide 1 and 10 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 30-31 of BMO's First Quarter 2012 Report to Shareholders

¹ Reported productivity of 62.0%

² Consists of communications, business and capital taxes, professional fees, travel and business development and other

Update on the Acquired M&I Business

- Strong contribution from M&I with Q1'12 adjusted net income of \$215MM (Q4'11 \$149MM)
 - Operating Groups of \$100MM (Q4'11 \$124MM), including
 - P&C US \$90MM (Q4'11 \$112MM). As expected results reflect lower interchange fees, higher expected loss provisions as well as lower spreads
 - PCG \$11MM (Q4'11 \$10MM)
 - Corporate Services of \$115MM (Q4'11 \$25MM) includes a recovery on purchased credit impaired loans of \$88MM after-tax (Q4'11 nil)
- Reported net income of \$269MM* (Q4'11 \$199MM)
- Credit-related adjusting items in respect of acquired performing loans \$114MM after-tax (Q4'11 \$107MM); integration costs of \$(43)MM after-tax (Q4'11 \$(35)MM)
- Integration going well and on track

Credit-Related Adjusting Items on the Acquired M&I Performing Loan Portfolio (CDE \$MM)	Q4 11	Q1 12
Net Interest Income		
a) Portion of credit mark included in NII as increased yield on the portfolio	161	168
b) Portion of credit mark released through NII for loans repaid in full	110	66
Total Revenue Impact	271	234
Provision for credit losses		
c) Specifics taken on acquired loans	(18)	(31)
d) Increase in the collective allowance	(80)	(19)
Total PCL Impact	(98)	(50)
Pre-tax Impact	173	184
After-tax Impact	107	114

- a) A portion of the credit mark is included in NII over the life of the purchased performing loan portfolio. Higher yield over time expected to be approximately offset by credit provisions
- b) NII related to pay-downs reflects gains from being paid off at higher amount than loans carrying value. Revenue will vary quarter to quarter
- c) Specific provisions will be taken over time as losses emerge. Provisions are relatively low in the months subsequent to the acquisition given the scrutiny over the portfolio on close
- d) Collective allowance will be taken as appropriate

Adjusted measures are non-GAAP measures. See slide 1 and 10 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 30-31 of BMO's First Quarter 2012 Report to Shareholders

* Q1'12 Reported results include (all after-tax): credit-related items on acquired M&I performing loan portfolio \$114MM (Q4'11 \$107MM); integration costs \$(43)MM (Q4'11 \$(35)MM); acquisition-related costs nil (Q4'11 \$(4)MM); and amortization of intangibles \$(17)MM (Q4'11 \$(18)MM)

Capital & Risk Weighted Assets

Capital position strong

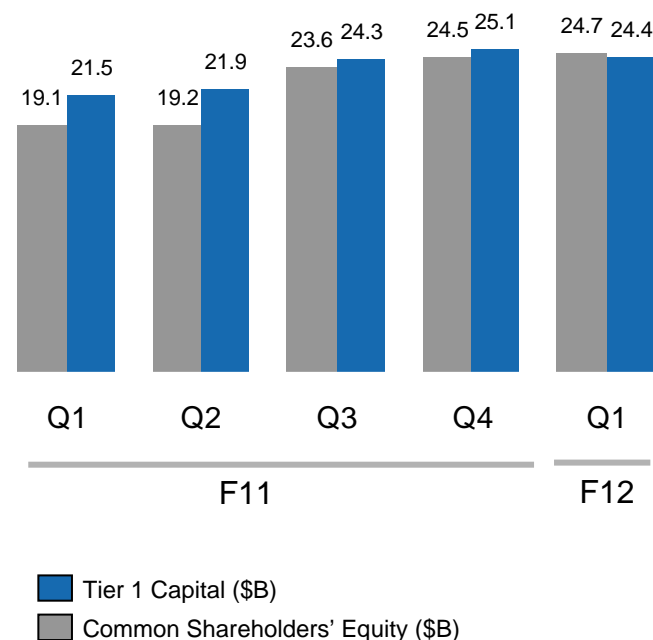
Basel II	Q1 11	Q4 11	Q1 12
Common Equity Ratio (%) ¹	10.2	9.6	9.6
Tier 1 Capital Ratio (%)	13.0	12.0	11.7
Total Capital Ratio (%)	15.2	14.9	14.6
RWA (\$B)	165	209	209
Assets to Capital Multiple	14.8	13.7	15.4

- Ratios remain strong
- Q/Q higher RWA from Basel 2.5 market risk amendment, offset primarily by lower RWA due to the transition to IFRS, improved risk assessments and lower Basel II market risk RWA
- IFRS impact on Tier 1 Capital Ratio of approx 6 bps in Q1'12

Basel III ² (pro forma as at January 31, 2012)	
Common Equity Ratio (%)	7.2
Tier 1 Capital Ratio (%)	9.1

- Well positioned to meet Basel III capital requirements
- Pro forma ratios reflect full impact of IFRS with no phase-in

Tier 1 Capital & Common Shareholders' Equity



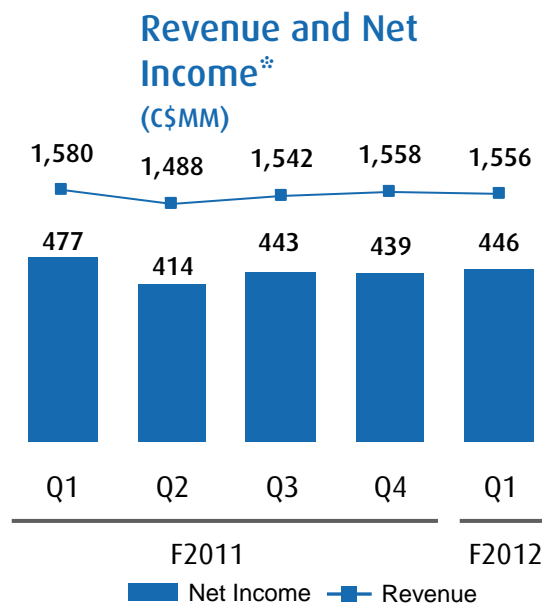
¹ Common equity ratio equals shareholders' common equity less Basel II capital deductions divided by RWA. This ratio is also referred to as the Tier 1 common ratio

² Estimates based on announced Basel III 2019 rules and the impact of adoption of IFRS

Personal & Commercial Banking Canada

Continue to innovate in execution of our customer focused strategy

- Q1'12 net income up 1.4% Q/Q; net income on an actual loss basis up 5.4%
- Continue to innovate in the execution of our strategy, achieving higher net promoter scores and increasing share of wallet
- Ranked #2 in Canadian business banking loan market share
- Mortgage of the Year Award for 2011 from Canadian Mortgage Trends
 - The award recognizes the mortgage product that has provided the greatest innovation, flexibility and/or cost savings to homeowners
- bmo.com public website awarded Best Overall Customer Experience, placing first in Brand Impact and Customer Satisfaction in 2011



* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 audited annual consolidated financial statements

Personal & Commercial Banking Canada – Product Balances & Market Share

Personal

- Y/Y total personal lending balances up 4.8% and personal deposit balances up 4.0%

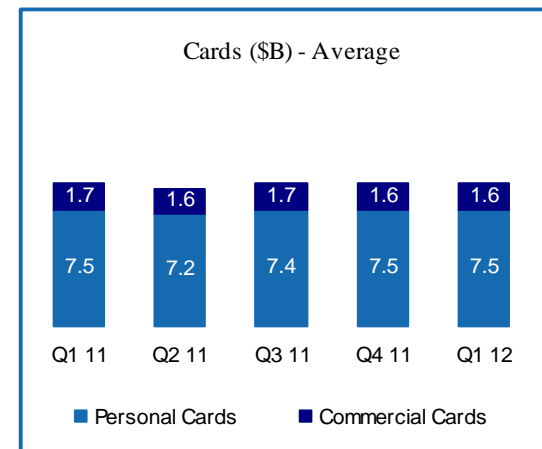
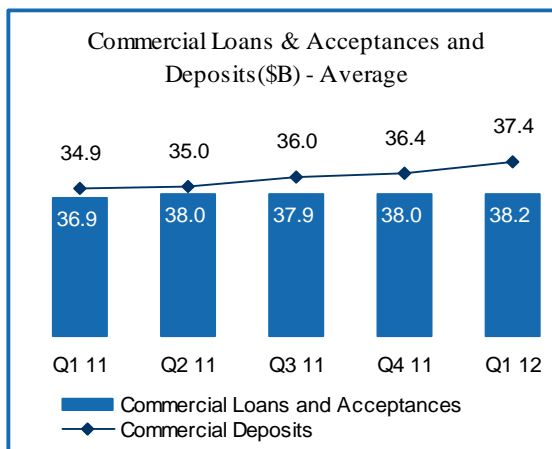
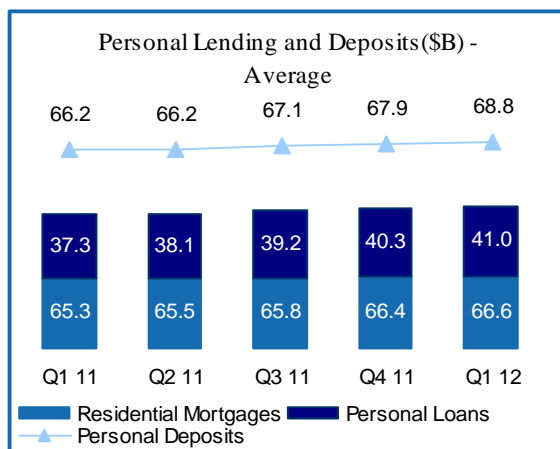
Commercial

- Commercial deposit balances increasing over the past 11 quarters, up \$2.6B or 7.4% Y/Y
- Y/Y total commercial loan and acceptance balances up \$1.3B or 3.5%.
- Maintained #2 market share position in Commercial loans, up 45bps Q/Q

Cards

- Y/Y Personal Cards balances up 0.9%
- Commercial Cards balances have declined 3.8% Y/Y but increased 1.9% Q/Q.
- Cards market share up 7bps Q/Q and up 11bps Y/Y, while balances remain stable

Market Share (%) ¹	Q1 11	Q2 11	Q3 11	Q4 11	Q1 12
Total Personal Lending ¹	11.0	11.0	10.9	10.9	10.8
Personal Deposits ¹	11.7	11.6	11.7	11.7	11.3
Mutual Funds ¹	13.4	13.5	13.4	13.4	13.3
Commercial Loans \$0 - \$5MM ^{2,3}	20.3	20.2	20.2	19.5	20.0
Cards (Balance) ⁴	9.8	9.6	9.7	9.8	9.9



Sources: Mutual Funds – IFIC; Consumer Loans, Residential Mortgages & Personal Deposits – OSFI (changed from previous source Bank of Canada)

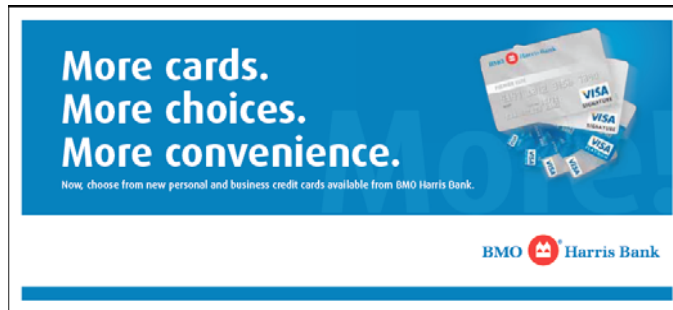
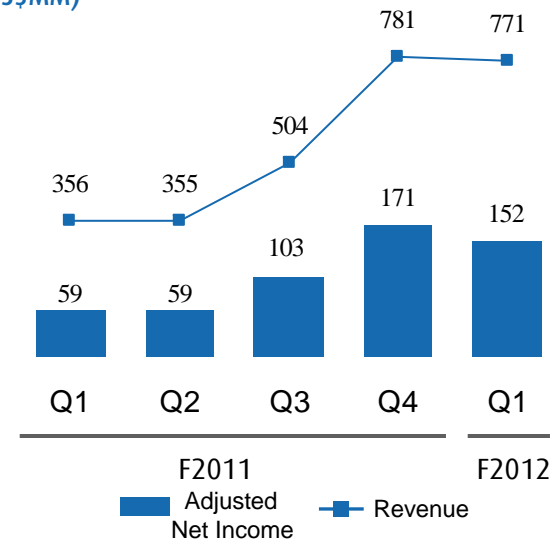
- Personal share issued by OSFI; Mutual Funds share issued by IFIC (two months lag basis (Q1 F12: Nov 2011)). IFRS balance sheet changes reflected
- Business loan share (Banks) issued by CBA (one calendar quarter lag basis (Q1 12: Sep 2011))
- Reclassification was done by the Bank in Q1 for commercial loans. The impact on market share was an increase of 61bps
- Cards market share issued by CBA and does not include Diners

Personal & Commercial Banking U.S.

Y/Y growth reflects benefit of acquisition and solid organic revenue growth

- Q1'12 revenue and net income more than doubled Y/Y
- Focused on sales productivity, effectively managing costs and optimizing expanded distribution network and capabilities
- Maintaining strong customer loyalty
- Enviable deposit market share positions in U.S. Midwest
- Continue to make steady progress on integration
- New suite of BMO Harris Bank credit cards launched

Revenue and Adjusted Net Income*
(US\$MM)



* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 audited annual consolidated financial statements
Reported Net income Q1'12 \$135MM; Q4'11 \$153MM; Q3'11 \$95MM; Q2'11 \$54MM; Q1'11 \$54MM
Note: Adjusted measures are non-GAAP measures, see slide 1 of this document and pages 94-95 of BMO's 2011 Annual Report and pages 30-31 of BMO's First Quarter 2012 Report to Shareholders

Personal & Commercial Banking U.S. – Product Balances

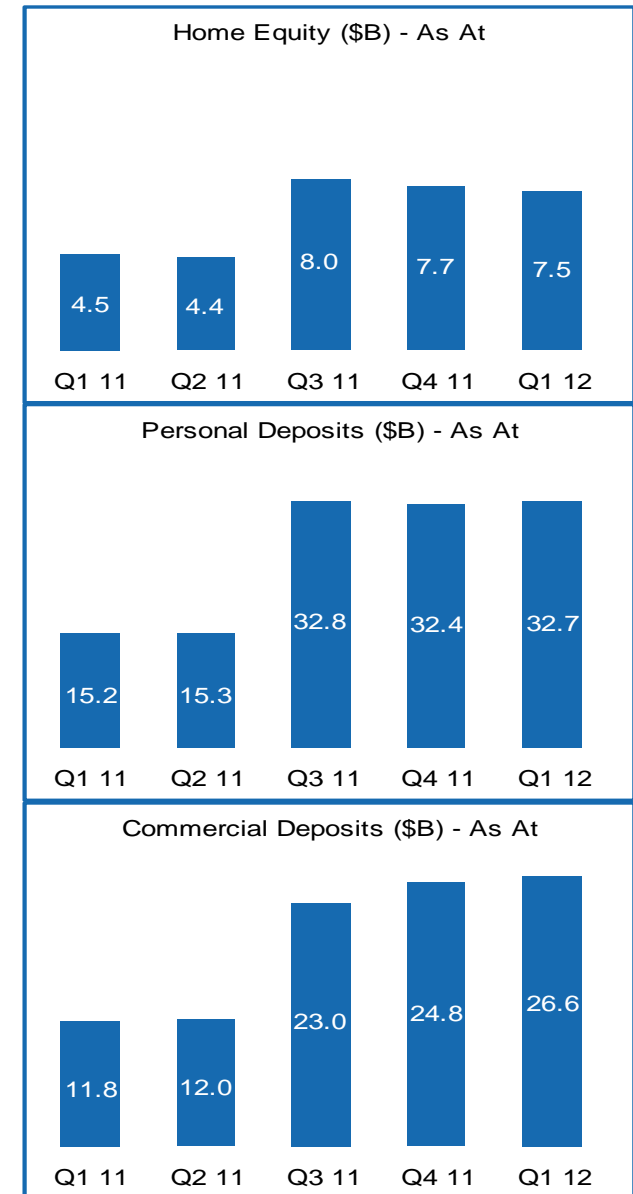
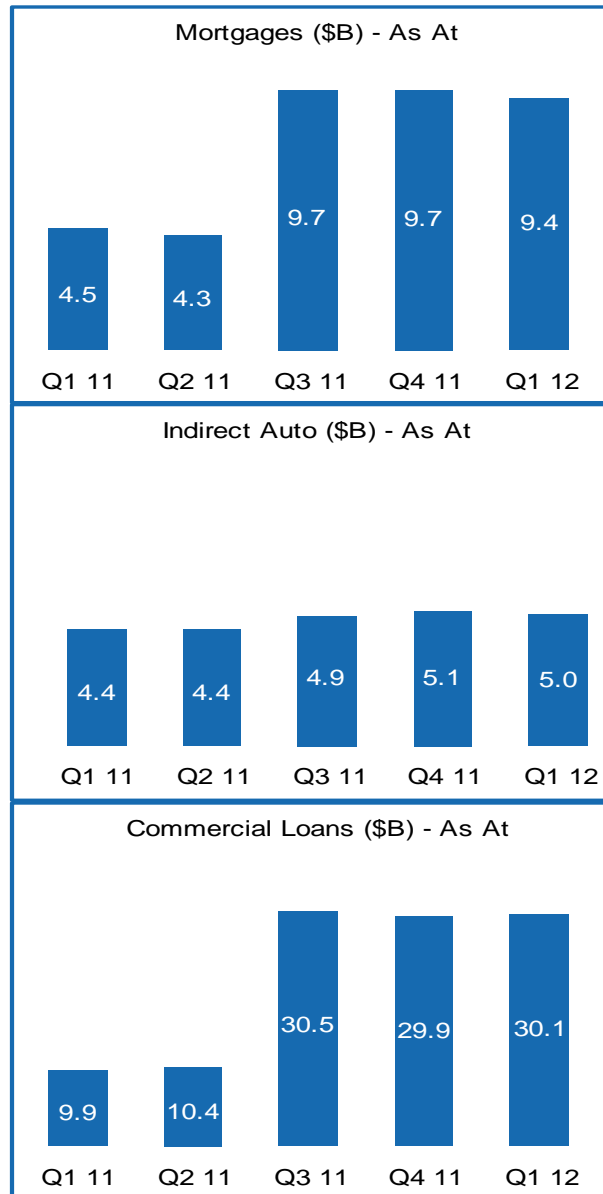
All amounts in U.S. \$B

Personal

- Y/Y product balances up significantly driven by M&I acquired business
- Q/Q personal loans down given environment and selling of mortgage originations to secondary market
- Q/Q personal deposits have been steady as core growth was offset by maturities on term deposits

Commercial

- Strong Y/Y loan and deposit growth driven by both M&I acquisition and organic growth
- Commercial banking business loan growth was \$1.1 billion Q/Q in key segments and this was partially offset by normal course paydowns and declines in CRE and run-off portfolios, as expected
- Q/Q deposit growth driven by the commercial mid-market and financial institutions segments



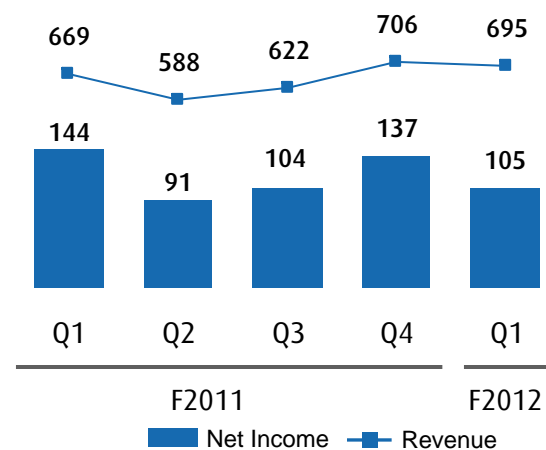
Private Client Group

Solid growth in traditional wealth businesses offset by unfavourable impact of long-term interest rates on Insurance

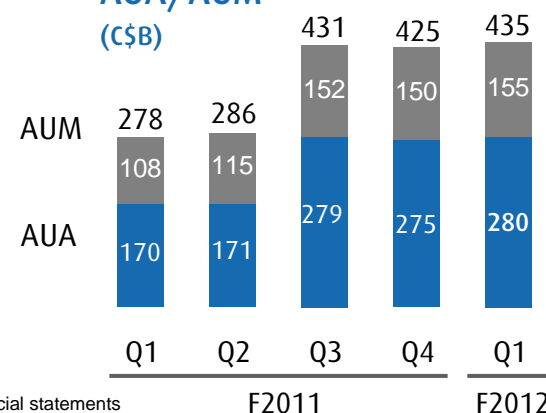
- Net income down 28% Y/Y and 24% Q/Q largely driven by the negative impact of unfavourable movements in long-term interest rates on Insurance
- Excluding Insurance net income up 27% Y/Y
- AUM / AUA of \$435 billion, up \$156 billion Y/Y primarily due to acquisitions; up \$10 billion or 2.3% Q/Q
- Expanding global wealth management capability with agreement to acquire the maximum allowable interest in COFCO Trust Co.
 - A subsidiary of COFCO Group, one of China's largest state-owned enterprises with operations across a variety of sectors, including agriculture and financial services
- BMO Investment Centre recognized for exceptional customer service with the Mutual Fund Service Award by DALBAR, Inc. for sixth consecutive year



Revenue and Net Income*
(C\$MM)



AUA/AUM
(C\$B)



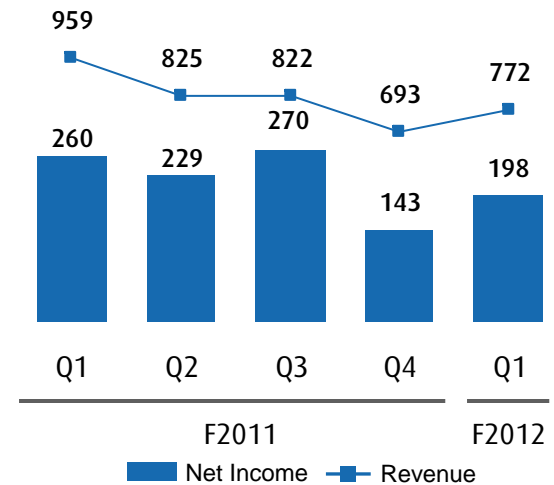
* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 audited annual consolidated financial statements

BMO Capital Markets

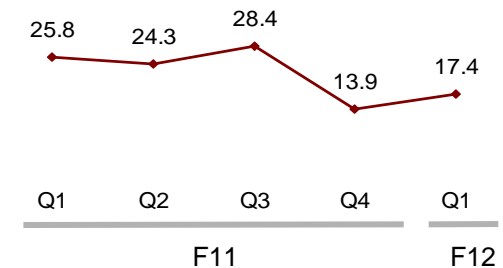
Q1 results reflect improved market environment; investment banking pipeline remains healthy

- Q/Q net income up 39% driven by higher revenues, mainly trading, as market conditions showed signs of improvement
- Q1'12 net income down Y/Y from very strong results of a year ago
- Expenses down 1% Q/Q and Y/Y
- Global Finance Magazine recently named BMO Capital Markets the “Best Investment Bank in Canada”, and for the third consecutive year, the “World's Best Metals and Mining Investment Bank”

Revenue and Net Income*
(C\$MM)



Return on Equity
(%)



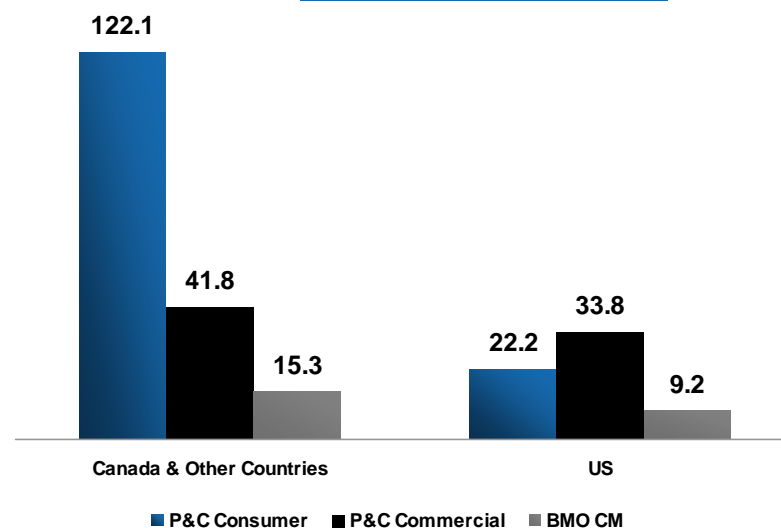
* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 audited annual consolidated financial statements

Loan Portfolio – Well Diversified by Segment and Business

- Canadian and US portfolios well diversified. The M&I loan portfolio contributes ~12% of total loans
- P&C business represents the majority of loans
 - ▶ Retail portfolios are predominantly secured – 87% in Canada and 97% in the US

By Segment (C\$B)	Canada & Other Countries ¹	US ²	Total	% of total
Residential Mortgages	68.7	8.0	76.7	31%
Personal Lending	46.0	13.7	59.7	24%
Cards	7.4	0.5	7.9	3%
Total Consumer	122.1	22.2	144.3	59%
CRE/Investor Owned Mortgages	9.9	10.1	20.0	8%
Financial Institutions	10.7	7.0	17.7	7%
Services	7.5	4.9	12.4	5%
Manufacturing	4.0	5.1	9.1	4%
Retail	5.5	2.1	7.6	3%
Owner Occupied Commercial Mortgages	2.0	5.0	7.0	3%
Other Commercial & Corporate ³	17.5	8.8	26.3	11%
Total Commercial & Corporate	57.1	43.0	100.1	41%
Total Loans	179.2	65.2	244.4	100%

By Line of Business



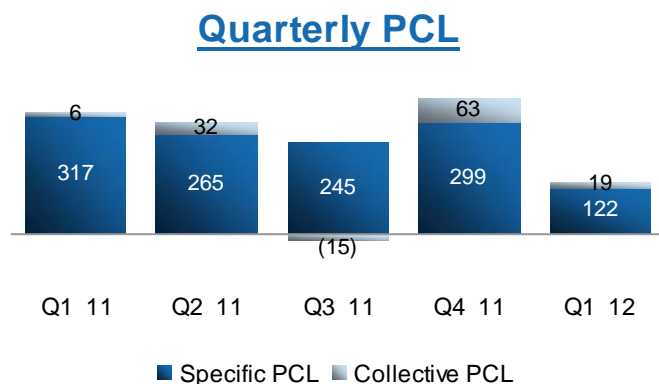
¹ Includes ~\$5B from Other Countries

² Includes ~\$29B from the M&I loan portfolio

³ Other Commercial & Corporate includes Portfolio Segments that are each <2% of total loans

Provision for Credit Losses

- Q1'12 Adjusted specific provisions at \$91MM are down from last quarter (Q4'11: \$281MM)
 - ▶ Main driver of the decrease is a \$142MM recovery related to the Purchased Credit Impaired Loans (PCIs)
- P&C Canada provisions at \$149MM are down quarter/quarter (Q4'11: \$172MM)
- Capital Markets has a net recovery of \$11MM
- Increase in the Collective Allowance of \$19MM is due to the M&I portfolio



Business Segment (By Business Line Segment) (C\$ MM)	Q1'11	Q4'11	Q1'12
Consumer – P&C Canada	136	134	125
Commercial – P&C Canada	24	38	24
Total P&C Canada	160	172	149
Consumer – P&C US	61	40	43
Commercial – P&C US	70	31	13
Total P&C US	131	71	56
PCG	3	2	4
Capital Markets	3	12	(11)
Corporate Services ¹	20	24	35
Sub-Total	317	281	233
Purchased Credit Impaired Loans	-	-	(142)
Adjusted Specific Provisions	317	281	91
Acquired Performing Loans ²	-	18	31
Specific Provisions	317	299	122
Change in Collective Allowance	6	63	19
Total PCL	323	362	141

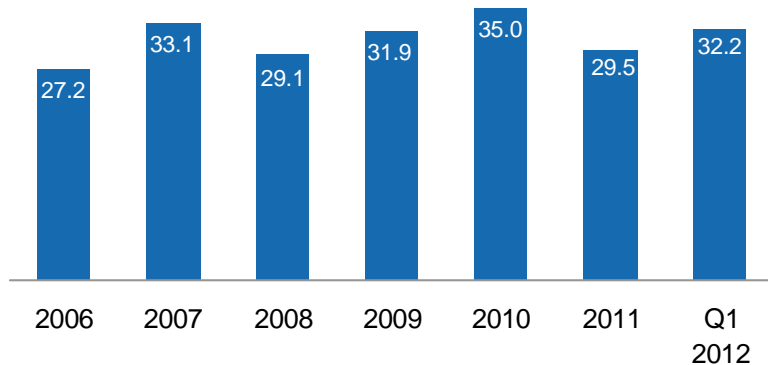
¹ Includes: Real estate secured assets transferred out of P&C US Commercial as of Q3'11 (prior periods not restated) and IFRS impact related to interest on impaired loans

² Q1'12 amount of \$31MM includes \$2MM from PCG and \$5MM from Corporate lines of business. Q4'11 amount of \$18MM includes \$(2)MM from Corporate line of business

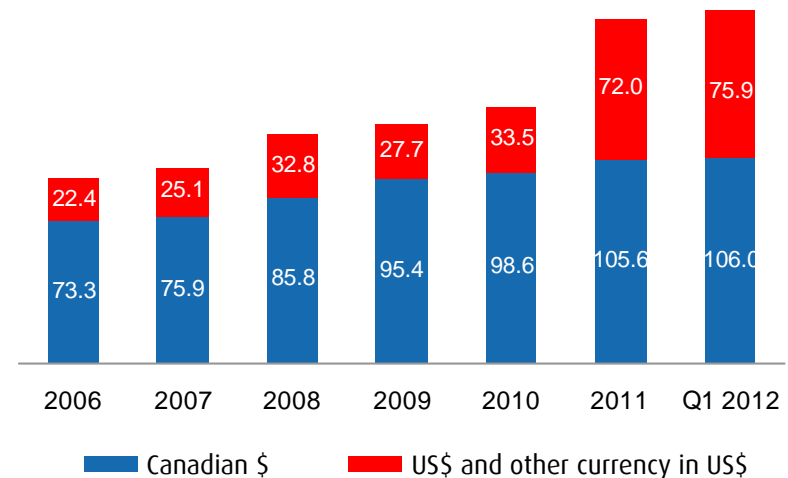
Liquidity and Funding Strategy

- BMO's large base of customer deposits, along with our strong capital base, reduces reliance on wholesale funding.
- Our wholesale funding principles seek to match the term of assets with the term of funding (e.g. to fund loans with longer term funds). In addition, our wholesale funding is diversified by customer, type, market, maturity term, currency and geographic region.

Liquidity Ratio (%)



Core Deposits (in billions)



- BMO's has access to diversified funding sources, including:

Programs:

- ▶ European Note Issuance Program: US\$20bn
- ▶ Canadian Base Shelf Program: \$8bn
- ▶ Global Covered Bond Program: €10bn
- ▶ US MTN Program: US\$15bn

Current program size:

Additional Sources:

- ▶ Securitization: Mortgages (Canada Mortgage Bond participation and MBS) and Credit Card ABS (\$3bn shelf)
- ▶ Canadian & US Senior (unsecured) deposits

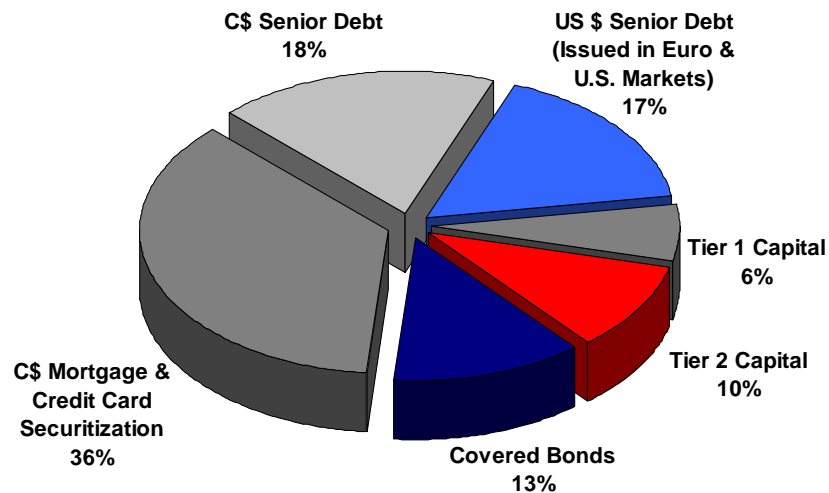
Diversified Wholesale Term Funding Mix

- BMO's wholesale funding principles seek to match the term of assets with the term of funding. Loans for example are funded with customer deposits and capital, with any difference provided by longer-term wholesale funding
- BMO has a well diversified wholesale funding platform across markets, products, terms, currencies and maturities

Credit Ratings			
Moody's	S&P	Fitch	DBRS
Aa2	A+	AA-	AA

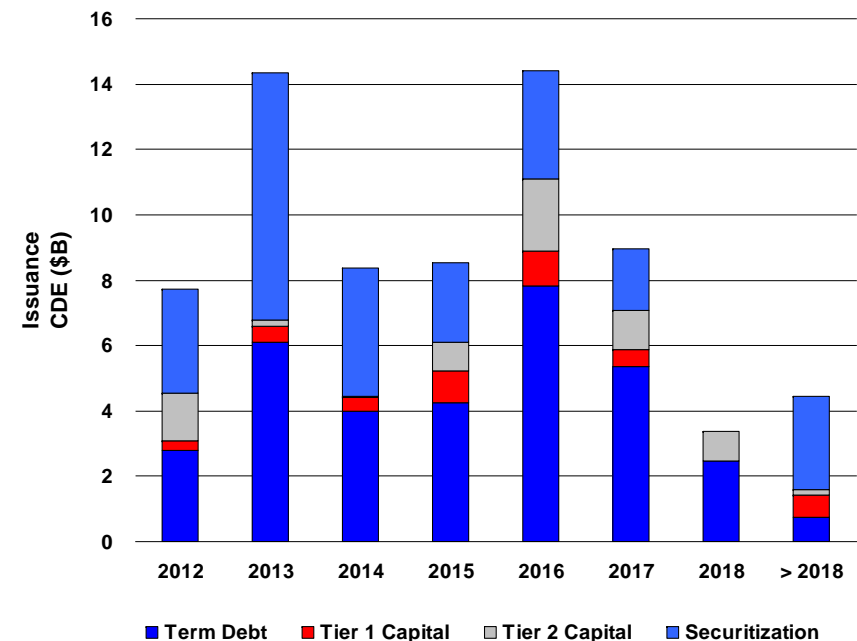
Wholesale Capital Market
Term Funding Composition
(Total \$70.2B)

As at Jan 31, 2012



Wholesale Capital Market
Term Funding Maturity Profile
(Total \$70.2B)

As at Jan 31, 2012



Corporate Governance

- Comprehensive code of business conduct and ethics, *FirstPrinciples*, guides conduct and ethical decision-making by our directors, officers and employees
- Governance practices reflect emerging best practices and BMO meets or exceeds legal, regulatory, TSX and NYSE requirements
- We have share ownership requirements to ensure directors' and executives' compensation is aligned with shareholder interests
- *The Globe and Mail's Board Games 2011* annual review of corporate governance practices in Canada ranked BMO 10th overall among 253 Canadian reporting issuers

Sustainability at BMO

Companies are judged by how well they manage the sustainability impacts that can affect performance. For a Financial Institution, these include:

- Corporate Governance
- Ethical Conduct
- Human Capital Development
- Access to Financial Services / Financial Literacy
- Environmental and Social Risks in Financing
- Capital for Sustainable Technologies

BMO's Response: Well-defined policies and programs in place position us to handle the impacts and manage any resulting reputational, business, or regulatory risk.

What are the outcomes?

In addition to sustained performance, our success in handling sustainability issues has earned us a position on several key sustainability indices, including:



Differentiated Customer-Focused Strategy

Strategic Priorities

1

Drive quality earnings growth across all North American **personal and commercial banking businesses** by focusing on industry-leading customer experience and enhancing operating and sales force productivity.

2

Accelerate the growth of our **wealth management businesses** by helping our broad range of clients meet all their wealth management needs and by continuing to invest in our North American and global operations.

3

Build deeper client relationships in our **capital markets business** to deliver growth in net income and strong ROE, while maintaining an appropriate risk / return profile.

4

Develop our business in **select global markets** to grow with our clients, expand our capabilities and reach new customers.

5

Sustain a **culture** that focuses on customers, high performance and our people.

Relentless Customer Focus

- Remain focused on our strategy and our customers
- Acquisitions contributed substantially to growing our customer base

Brand Underpins Customer Strategy

- Maximize the strength of our brand to drive growth
- Rebranded 237 legacy locations in the US as BMO Harris Bank in Q1'12

Sustain a Culture of Excellence

- Strengthened Leadership
- Sustain a culture that supports our strategic agenda and is deeply rooted across the organization

Looking Ahead...

We have the business platform, balance sheet and expertise to generate quality growth

- We're confident in our ability to perform strongly against peers through a number of differentiated growth levers:
 - ✓ **Continued successful integration of M&I;**
 - ✓ **Strength in commercial banking;**
 - ✓ **Expected return on investments we've made across our businesses in people, technology and distribution, including our US capital markets business; and**
 - ✓ **Continued success in our flagship P&C Canada business**

Investor Relations Contact Information

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The BMO logo is rendered in large, white, 3D block letters with black shadows, set against a blue grid background that recedes into the distance under a blue sky with light clouds.

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