BMO Financial Group

Investor Presentation

Q4 | 12

For the Quarter Ended – October 31, 2012

December 4th • 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 2013 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.

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 28 and 29 of BMO's 2012 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 amendments 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 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 will be adopted by OSFI as proposed by BCBS, unless OSFI has expressly advised otherwise. 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 October 31, 2012, pro-forma calculations. The full impact of the Basel III proposals has been quantified based on our financial and risk positions at year end or as close to year 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 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 Developments section on pages 30 of BMO's 2012 annual MD&A. Among the material factors that we considered when establishing our expectation of net interest margin changes in 2013 in the P&C Canada business, were assumptions about growth in and mix of loans and deposits, stable competitive pressures and an interest rate and economic environment as described on page 48 of BMO's 2012 annual 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 Fourth Quarter 2012 Earnings Release and Bank of Montreal's 2012 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: efficiency 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, specific provision for credit losses, expenses, earnings per share, effective tax rate, ROE, efficiency 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, hedge costs related to foreign currency risk on purchase of M&I, M&I integration costs, M&I acquisition-related 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.

BMO Financial Group

Strategic Highlights

For the Quarter Ended – October 31, 2012

Q4 | 12

December 4th • 2012

Bill Downe

President & Chief Executive Officer

Annual Financial Results

Strong finish to a pivotal year for the Bank

C$ Billions unless otherwise indicated

Adjusted[1]	F2012	F2011
Revenue	15.1	13.7
Net Income	4.1	3.3
EPS ($)	6.00	5.10
Efficiency Ratio (%)	63.1	61.5
Reported		
Revenue	16.1	13.9
PCL	0.77	1.2
Expense	10.2	8.7
Net Income	4.2	3.1
EPS ($)	6.15	4.84
ROE (%)	15.9	15.1

- Strong adjusted[1] results with net income up 25%
  - EPS up 18%
  - Revenue growth 10%
  - ROE 15.5%
- Strong capital position; pro forma Basel III common equity ratio of 8.7%[2]
- During the year, we:
  - Successfully completed the conversion of our core banking platform in the U.S.
  - Increased our dividend
  - Grew loans by 7.4% and deposits by 7.1%

[1] Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Q4 2012 Earnings Release. For details on adjustments refer to slide 14

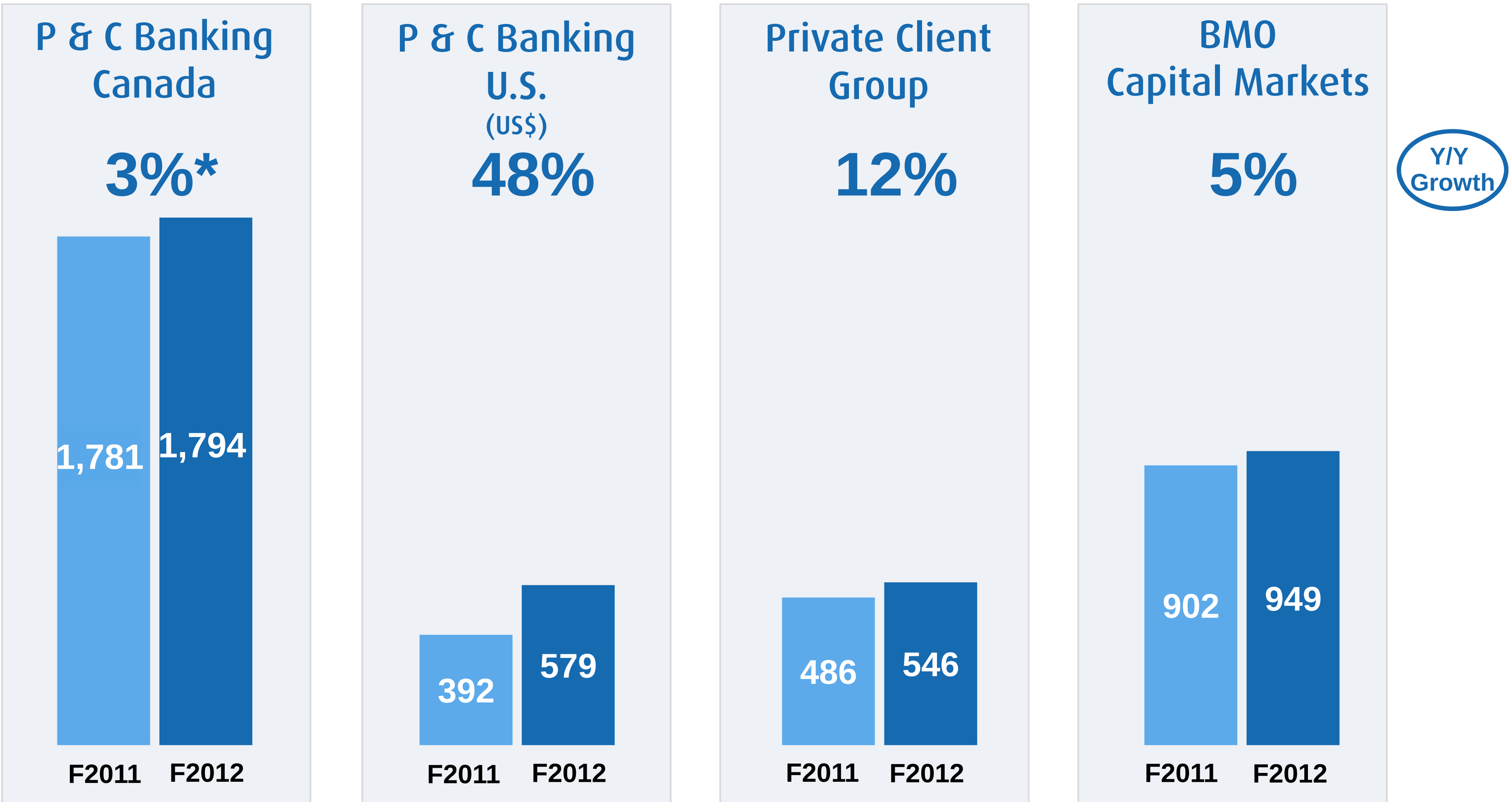
[2] Estimates based on announced Basel III 2019 rules and the impact of adoption of IFRS. For further details regarding assumptions and factors used in our calculations refer to pages 6 and 13 of BMO's Q4 2012 Earnings Release and the Enterprise-Wide Capital Management section on pages 60-64 in BMO's 2012 Annual MD&A

Operating Group Performance

Confident each of our businesses is positioned to deliver high quality sustained earnings growth

Annual Adjusted[1] Net Income

C$ millions unless otherwise indicated



* P&C Canada growth rate is on a reported, actual loss basis

[1] Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release; For details on adjustments refer to slide 14; Operating Group reported net income F2011 | F2012: P&C Canada $1,773 | $1,784; P&C US $356 | $516; PCG $476 | $525; BMO CM $902 | $948

Turning the page on M&I

Looking back 24 months since announcement, we've achieved what we said we would

Conversion of our core banking platform completed

- Completed on schedule in October and we've upgraded U.S. online, branch, core banking and mobile banking platforms at the same time

Rebranding completed

- Over 600 U.S. bank branches refreshed and over 1,300 bank machines were raised to a new standard

Income contribution has exceeded our business case

- Transaction accretive throughout F2012; well in advance of our target
- In F2012, acquired business contributed $647MM to reported net income and $730MM to adjusted net income

Credit performance better than anticipated

- Recoveries on the acquired impaired portfolio have offset integration costs

Cost synergy realization progressing well; target increased

- Expect annual cost savings will exceed US$400MM compared with original estimate of US$250MM at announcement

Maintain strong capital position

- Both our Basel II and III common equity ratios have been rebuilt to above pre-transaction levels

Looking Ahead…

We've created a much stronger business platform and have clear opportunities for organic growth

- Commercial Banking strength in Canada and the U.S.
- Wealth Management momentum with a strengthened U.S. market position in asset management and private banking
- Leveraging investments in Capital Markets
- In Personal Banking, driving growth by achieving industry-leading customer loyalty and delivering on our brand promise…

BMO Financial Group

Financial Results

For the Quarter Ended – October 31, 2012

Q4|12

December 4th • 2012

Tom Flynn

Executive Vice President
& Chief Financial Officer

Q4 2012 - Financial Highlights

Strong Performance with Adjusted Net Income of $1.1B, Increasing EPS by 38% from a Year Ago

	Revenue	Net Income	EPS	ROE	Efficiency	Specific PCL	Common Equity Ratio (Basel II)
Reported Results	**$4,176MM**	**$1,082MM**	**$1.59**	**15.6%**	**64.7%**	**$216MM**	**10.5%**
Adjusted Results	**$3,920MM**	**$1,125MM**	**$1.65**	**16.3%**	**62.2%**	**$113MM**	**10.5%**

- Adjusted EPS of $1.65 up 37.5% Y/Y, Reported up 43.2%
- Adjusted net income of $1.1B up 35.1% Y/Y
  - Adjusted revenue increased 6.8%
  - P&C Canada income up 6.4% on an actual loss basis
  - P&C U.S. income consistent with last quarter and down 13.8% from a very strong quarter a year ago
  - PCG income up 19.9% driven by Insurance
  - BMO CM income up $150MM as the market environment improved
  - Specific PCL of $113MM, down $168MM
  - Adjusted effective tax rate of 17.9%
- Adjusted revenue up 6.7% and net income up 11.1% Q/Q
  - Adjusted net income up in most operating groups
- See slide 14 for adjustments to reported results

Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release

F2012 - Financial Highlights

Strong Annual Performance with Adjusted Income of $4.1B, Increasing EPS by 18% from a Year Ago

	Revenue	Net Income	EPS	ROE	Efficiency	Specific PCL	Common Equity Ratio (Basel II)
Reported Results	**$16,130MM**	**$4,189MM**	**$6.15**	**15.9%**	**63.5%**	**$762MM**	**10.5%**
Adjusted Results	**$15,067MM**	**$4,092MM**	**$6.00**	**15.5%**	**63.1%**	**$471MM**	**10.5%**

- Adjusted EPS of $6.00 up 17.6% Y/Y, reported up 27.1%
- Adjusted revenue increased 9.7%
- Adjusted net income of $4.1B up 24.9% Y/Y
  - P&C Canada income up 3.4% on an actual loss basis
  - P&C U.S. income up 48.1% reflecting strong growth due to acquisition
  - PCG income up 12.1%
  - BMO CM income up 5.2%
- Adjusted Specific PCL of $471MM, down $637MM
- Adjusted effective tax rate of 19.5%
- Good adjusted ROE performance of 15.5%

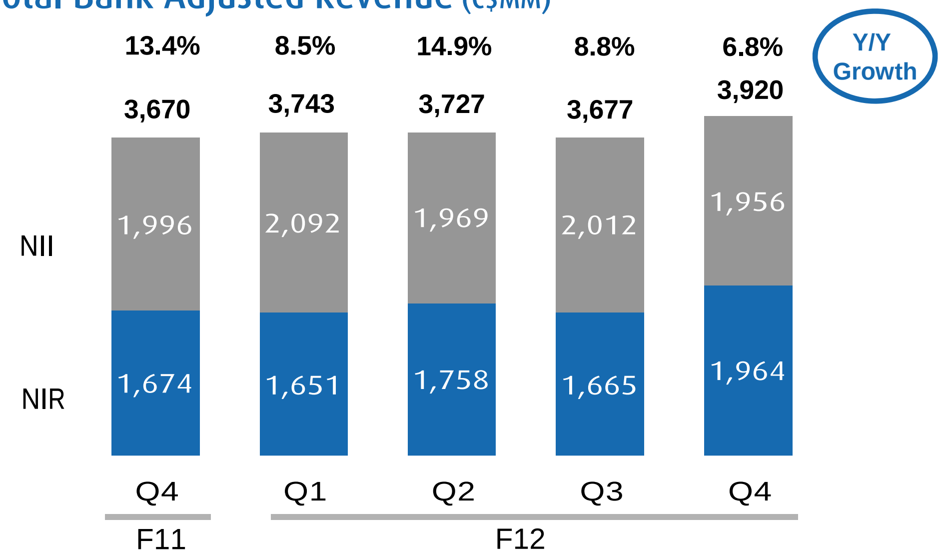
- See slide 14 for adjustments to reported results

Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release

Revenue

Revenue growth driven by strong BMO CM and PCG results

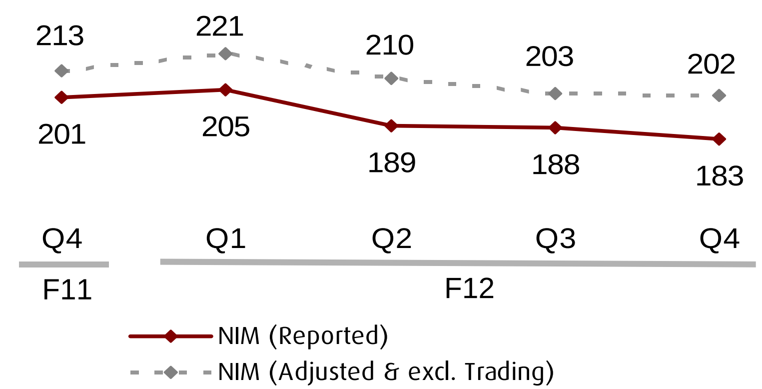
Total Bank Adjusted Revenue (C$MM)



- Q4 adjusted revenue up 6.8% Y/Y
  - NIR up 17.3% driven by strong growth in BMO CM and PCG
    - Significantly higher trading revenues in an improved market environment compared to a year ago
    - Insurance revenue benefited from actuarial adjustments and investment portfolio changes
  - NII down 2.0% as volume growth in P&C Canada and U.S. was more than offset by lower net interest margin
- Q4 adjusted revenue up 6.7% Q/Q
  - NIR up 17.9% reflecting strong growth in BMO CM and higher Insurance results in PCG
  - NII down 2.7% predominantly in BMO CM due to lower assets and reduced margin

Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release. For details on adjustments refer to slide 14

Net Interest Margin
(bps)



NIM Adjusted and excl. Trading

- Q/Q (1) bp change was relatively flat as decreases primarily in P&C businesses were offset by a positive contribution from Corporate reflecting a decline in lower yielding earning assets
- Y/Y (11) bps decline due to lower spreads across all operating groups, partially mitigated by a higher margin in Corporate. Decrease in P&C businesses primarily driven by lower deposit spreads and changes in mix in Canada and pricing pressures in the U.S. Capital Markets decline due to growth in low spread assets

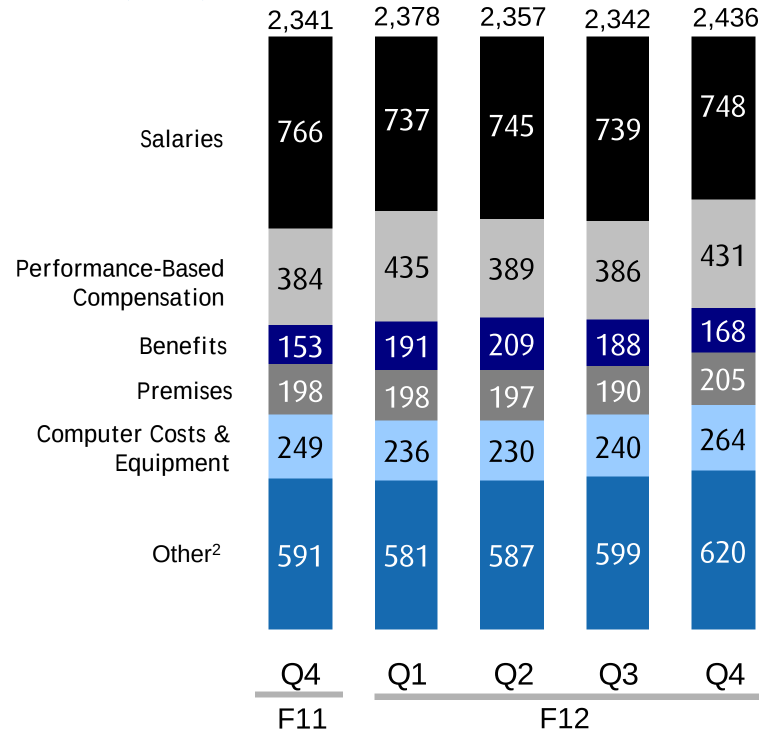
Non-Interest Expense

Focused on disciplined expense management

Non-Interest Expense ($MM)	Q4 11	Q3 12	Q4 12	Q/Q B/(W)	Y/Y B/(W)
Reported	2,432	2,484	**2,701**	(9)%	(11)%
Adjusted	2,341	2,342	**2,436**	(4)%	(4)%

- Adjusted operating leverage of 2.7% Y/Y and 2.6% Q/Q
- Y/Y and Q/Q adjusted non-interest expense increased 4%
  - Expense up due to higher revenue-driven costs given strong revenue growth in the quarter
  - Increased initiative and technology investment spend in Q4
  - The weaker U.S. dollar decreased expense growth by $15MM or 0.6% Y/Y and $23MM or 1.0% Q/Q
- Adjusted efficiency ratio of 62.2%[1] compared to 63.8% in Q4'11 and 63.7% in Q3'12

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



[1] Reported efficiency of 64.7% compared to 63.7% in Q4'11 and 64.1% in Q3'12
[2] Consists of communications, business and capital taxes, professional fees, travel and business development and other
Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release
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Capital & Risk Weighted Assets

Capital position strong

- Ratios remain strong
- Announced intention to seek approval to commence Normal Course Issuer Bid to repurchase up to 15 million common shares

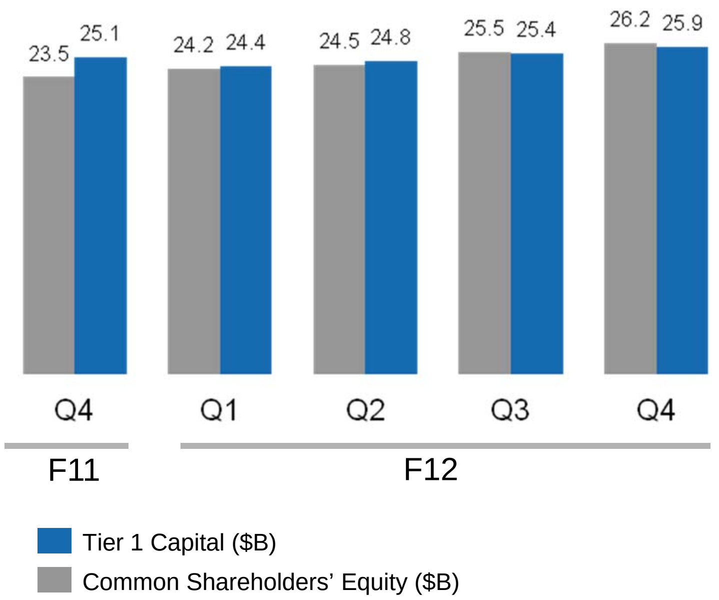
Basel II	F2011	F2012
Common Equity Ratio (%)[1]	9.6	10.5
Tier 1 Capital Ratio (%)	12.0	12.6
Total Capital Ratio (%)	14.9	14.9
RWA ($B)	209	205
Assets to Capital Multiple	13.7	15.2

- Q/Q capital ratios benefited from higher regulatory capital
- IFRS impact on Tier I Capital Ratio is approximately -47 bps to the end of Q4 and will be approximately -60 bps when fully phased in Q1 2013

Basel III [2] (pro forma as at October 31, 2012)	
Common Equity Ratio (%)	8.7
Tier 1 Capital Ratio (%)	10.5

- Well positioned for Basel III capital requirements
- Pro forma ratios reflect estimated full impact of Basel III and IFRS with no phase-in

Common Shareholders' Equity & Basel II Tier 1 Capital



[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. For further details regarding assumptions and factors used in our calculations refer to pages 6 and 13 of BMO's Fourth Quarter 2012 Earnings Release and the Enterprise-Wide Capital Management section on pages 60-64 in BMO's 2012 Annual MD&A

Adjusting Items

Adjusting[1] items – Pre-tax ($MM)	Q4 11	Q3 12	Q4 12	Annual F2011	Annual F2012
Credit-related items on the M&I purchased performing loan portfolio	173	76	**57**	173	**407**
Hedge costs related to foreign currency risk on purchase of M&I	-	-	**-**	(20)	**-**
M&I integration costs	(53)	(105)	**(153)**	(131)	**(402)**
M&I acquisition-related costs	(5)	-	**-**	(87)	**-**
Amortization of acquisition-related intangible assets	(33)	(33)	**(34)**	(70)	**(134)**
Decrease/(increase) in the collective allowance for credit losses	17	15	**49**	(6)	**82**
Run-off structured credit activities	(119)	(15)	**67**	(50)	**264**
Restructuring costs	-	-	**(74)**	-	**(173)**
Adjusting items included in reported pre-tax income	(20)	(62)	**(88)**	(191)	**44**

Adjusting[1] items – After-tax ($MM)	Q4 11	Q3 12	Q4 12	Annual 2011	Annual F2012
Credit-related items on the M&I purchased performing loan portfolio	107	47	**35**	107	**251**
Hedge costs related to foreign currency risk on purchase of M&I	-	-	**-**	(14)	**-**
M&I integration costs	(35)	(65)	**(95)**	(84)	**(250)**
M&I acquisition-related costs	(4)	-	**-**	(62)	**-**
Amortization of acquisition-related intangible assets	(25)	(24)	**(24)**	(54)	**(96)**
Decrease/(increase) in the collective allowance for credit losses	12	14	**27**	(4)	**53**
Run-off structured credit activities	(119)	(15)	**67**	(50)	**261**
Restructuring costs	-	-	**(53)**	-	**(122)**
Adjusting items included in reported after-tax net income	(64)	(43)	**(43)**	(161)	**97**
EPS ($)	(0.09)	(0.07)	**(0.06)**	(0.26)	**0.15**

[1] All adjusting items are reflected in Corporate Services with the exception of the amortization of acquisition-related intangible assets, which is reflected across the Operating Groups
Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release

Operating Groups – Q4 2012 Quick Facts

77% of adjusted revenue from retail businesses[1]

P&C Canada

- Net income up **6.2%** Y/Y on an actual loss basis
- Revenue relatively flat Y/Y and Q/Q with higher volumes across most products offset by lower margin
- Good loan growth Y/Y and Q/Q. Y/Y personal loans up **7.8%** and commercial loans up **8.1%**
- Net interest margin of **267 bps** - down 7 bps Q/Q; NIM remains above peer average
- Efficiency ratio **52.3%**

P&C U.S.

- Adjusted net income[2] of **US$147MM,** down from a strong quarter a year ago; up **$4MM** Q/Q
- Revenue down **US$38MM** Y/Y, reflecting reductions in certain loan portfolios and lower interchange fees
- Adjusted Efficiency ratio **59.7%**
- Strong commercial loan growth with core C&I up **15%** Y/Y

Private Client Group

- Adjusted net income[3] of **$171MM,** up **20%** Y/Y
- Revenue up **11%** Y/Y
- Insurance results up significantly
- AUA / AUM of **$465B** up **$40B** Y/Y due to market appreciation and new client assets

BMO Capital Markets

- Net income of **$293MM**, more than doubled Y/Y; up **26%** Q/Q
- Revenue up **30%** Y/Y reflecting significantly higher trading revenues in improved environment
- ROE **25.2%**
- Efficiency ratio **57.8%**

Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release
For details on adjustments refer to slide 14

[1] Based on adjusted operating segment results; excludes Corporate Services [2] P&C U.S. reported net income of US$132MM, down $21MM Y/Y and up $5MM Q/Q [3] PCG reported net income of $166MM, up 21% Y/Y

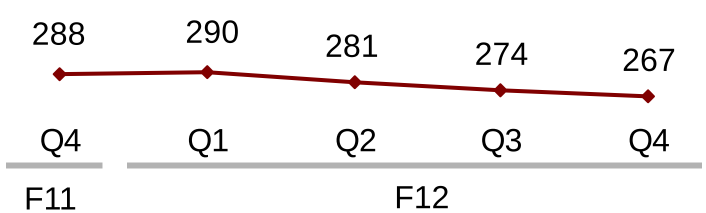
* BMO employs a methodology for segmented reporting purposes whereby expected credit losses are charged to the operating groups quarterly based on their share of expected credit losses. The difference between quarterly charges based on expected losses and required quarterly provisions based on actual losses, as well as changes in the collective allowance are charged (or credited) to Corporate Services

Personal & Commercial Banking – Canada

Strong loan growth and continued focus on actively managing expenses

As Reported ($MM)	Q4 11	Q3 12	Q4 12	Q/Q B/(W)	Y/Y B/(W)
Personal Revenue	970	963	**970**	1%	-
Commercial Revenue	588	593	**583**	(2)%	(1)%
Revenue	1,558	1,556	**1,553**	-	-
PCL	138	143	**145**	(1)%	(6)%
Expenses	808	795	**812**	(2)%	(1)%
Net Income	439	453	**439**	(3)%	-
Net Income (actual PCL)	415	454	**441**	(3)%	6%
Efficiency (%)	51.8	51.1	**52.3**	(1.2)	(0.5)

Net Interest Margin
(bps)



F2012 net income of $1.8B, up 3.4% on an actual loss basis, and 0.6% on a reported (EL) basis. Efficiency ratio of 51.7%

Q4 Highlights

- Net income up 6.2% Y/Y on an actual loan loss basis
- Y/Y and Q/Q revenue relatively unchanged as higher balances across most products offset by lower NIM
- Expenses actively managed while Q4 in part reflects higher initiative spend
- Good loan balance growth with Personal up 7.8% Y/Y and 3.1% Q/Q and Commercial up 8.1% Y/Y and 1.7% Q/Q
- Deposit balances increased 4.4% Y/Y and 1.7% Q/Q
- NIM down 7 bps Q/Q primarily due to:
  - Deposit spread compression in a low rate environment
  - Changes in mix including loan growth exceeding deposits growth
- P&C Canada NIM remains above peer average: Q3'12 NIM of 274 bps vs. 5 Canadian peer banks average Q3'12 NIM of 253 bps
- Rate of NIM decline expected to moderate in 2013

* 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 collective allowance are charged (or credited) to Corporate Services

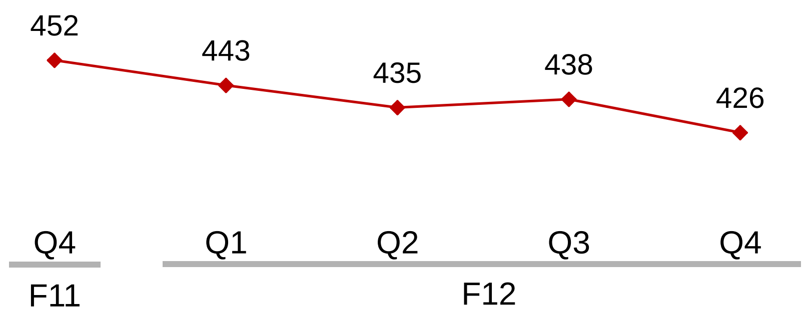
Personal & Commercial Banking - U.S.

Good momentum with second straight quarter of sequential adjusted net income growth

(Amounts in US$MM)

As Reported (US$MM)	Q4 11	Q3 12	Q4 12	Q/Q B/(W)	Y/Y B/(W)
Revenue	781	739	**743**	1%	(5)%
PCL	78	83	**83**	1%	(7)%
Expenses	472	468	**467**	-	1%
Net Income	153	127	**132**	3%	(14)%
Adjusted[1] Net Income	171	143	**147**	3%	(13)%
Adjusted[1] Efficiency (%)	57.1	60.2	**59.7**	0.5	(2.6)

Net Interest Margin
(bps)



[1] Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release. For details on adjustments refer to slide 14. Adjusted net income adjusts for the amortization of acquisition-related intangible assets

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F2012 adjusted net income of $579MM, up 48%

Q4 Highlights

- Adjusted net income of $147MM up 2.9% Q/Q
- Revenue increased Q/Q, primarily due to increased gains on sale of newly originated mortgages and continued strong commercial lending and deposit fees partly offset by lower NIM
- Strong commercial loan growth with core C&I balances up over $800MM or 4.3% from Q3'12 and 15% Y/Y
- Adjusted net income down Y/Y from strong results a year ago due primarily to a reduction in certain loan portfolios and regulatory changes that lowered interchange fees
- NIM down 26 bps Y/Y and 12 bps Q/Q primarily due to:
  - Deposit spread compression in a low rate environment
  - Decline in loan spreads due to competitive pressures

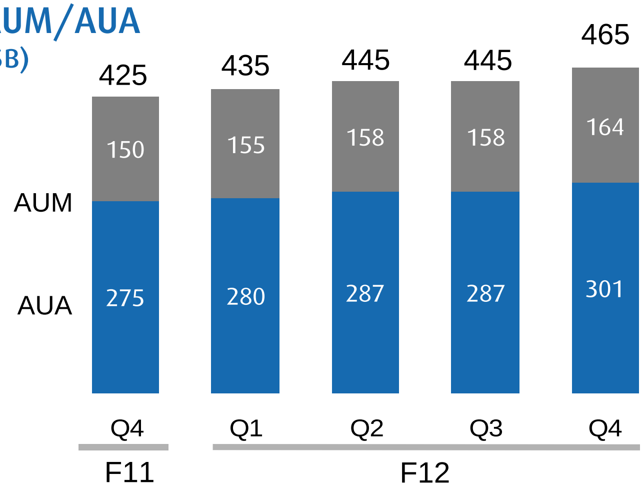
  Partly offset by:
  - Deposit growth exceeding loan growth for Y/Y
- Average quarterly NIM change in last two quarters is (5) bps
- Expenses well managed with some investment/ initiative spend

Private Client Group

Solid financial performance on higher revenues

As Reported ($MM)	Q4 11	Q3 12	Q4 12	Q/Q B/(W)	Y/Y B/(W)
Revenue	706	678	**783**	16%	11%
Expenses	534	544	**563**	(4)%	(5)%
Net Income	137	109	**166**	51%	21%
Adjusted[1] Net Income	143	115	**171**	48%	20%
Insurance Net Income	40	18	**76**	100+%	86%
PCG ex Insurance Net Income	103	97	**95**	(3)%	(7)%
Adjusted Efficiency (%)	74.8	79.2	**71.0**	8.2	3.8

AUM/AUA ($B)



F2012 adjusted net income of $546MM, up 12%; Ex. Insurance business up 9%; Insurance up 20%

Q4 Highlights

- Adjusted net income up 20% Y/Y
- Insurance results benefited from changes to investment portfolio to improve asset liability management and the annual review of actuarial assumptions
- Ex. Insurance revenue growth offset by higher strategic initiative spending
- AUM/AUA up $40B or 9% Y/Y and up $20B or 5% Q/Q due to market appreciation and new client assets

* 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 collective allowance are charged (or credited) to Corporate Services

[1] Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release
For details on adjustments refer to slide 14. Adjusted net income adjusts for the amortization of acquisition-related intangible assets

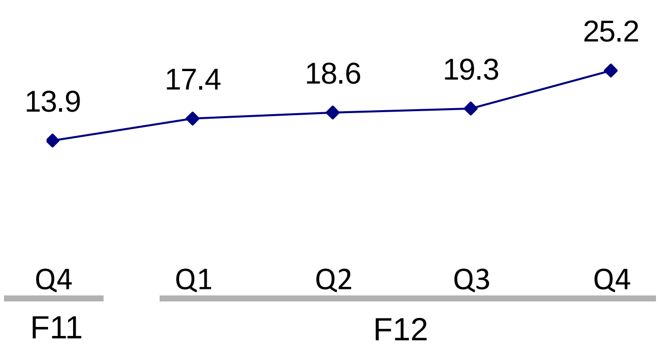
BMO Capital Markets

Strong Q4 results

As Reported ($MM)	Q4 11	Q3 12	Q4 12	Q/Q B/(W)	Y/Y B/(W)
Trading Products Revenue	436	488	**584**	20%	34%
Investment & Corp Banking Revenue	257	318	**314**	(1)%	22%
Revenue	693	806	**898**	11%	30%
PCL	30	25	**24**	1%	20%
Expenses	485	480	**519**	(8)%	(7)%
Net Income	143	232	**293**	26%	+100%
Efficiency Ratio (%)	70.0	59.6	**57.8**	1.8	12.2

Return on Equity

(%)



F2012 net income of $948MM, up 5%; with strong ROE of 20.1%

Q4 Highlights

- Y/Y net income more than doubled due to an increase in revenues as the market environment improved and a recovery of prior periods' income taxes in the current quarter
- Y/Y revenue higher mainly due to significantly higher trading revenues and to a lesser extent higher underwriting fees and corporate banking revenue
- Y/Y expenses up mainly due to higher variable compensation costs consistent with revenue performance, partially offset by lower professional fees
- Q/Q revenue higher mainly due to higher trading revenues as market conditions improved, higher equity underwriting fees and normalizing securities gains from low levels in Q3'12, partially offset by lower M&A and debt underwriting fees
- Q/Q expenses up consistent with strong revenue

* 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 collective allowance are charged (or credited) to Corporate Services

Corporate Services

Adjusted results up Y/Y and Q/Q

Adjusted ($MM)	Q4 11	Q3 12	Q4 12
Revenue (teb)	(74)	(114)	**(51)**
PCL – Specific	32	(140)	**(141)**
– Collective	--	--	**--**
Expenses	73	79	**114**
Net Income	(67)	65	**74**

As Reported ($MM)	Q4 11	Q3 12	Q4 12
Revenue (teb)	78	87	**205**
PCL – Specific	50	(28)	**(38)**
– Collective	63	8	**(24)**
Expenses	131	188	**345**
Net Income	(106)	47	**54**

- Y/Y adjusted net income higher by $141MM
  - Adjusted revenues increased $23MM due to a number of small items
  - Adjusted PCL improved $173MM consisting of a $132MM recovery of provisions on the M&I purchased credit impaired loan portfolio and $41MM lower provisions charged to Corporate Services under BMO's Expected Loss (EL) provisioning methodology
  - Expenses increased $41MM primarily due to higher technology investment spend and professional fees
- Q/Q adjusted net income higher by $9MM
  - Adjusted revenues increased $63MM from a low third quarter due to a number of small items
  - Adjusted PCL was flat as the increased recovery on the M&I purchased credit impaired loan portfolio ($14MM) was offset by higher provisions charged to Corporate Services under BMO's EL provisioning methodology
  - Expenses increased $35MM mainly as a result of higher technology investment spend
- See slide 14 for adjustments to reported results. All adjustments impact Corporate Services with the exception of amortization of acquisition-related intangible assets

[1] Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release

[2] 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 collective allowance are charged (or credited) to Corporate Services

Group Net Income

Strong adjusted net income growth of 25% with all Groups up

Net Income, Adjusted ($MM)	F2011	F2012	B/(W)	
			$	Y/Y
P&C Canada	1,781	**1,794**	13	1%
P&C U.S.	387	**581**	194	50%
Total P&C	2,168	**2,375**	207	9%
PCG	486	**546**	60	12%
BMO Capital Markets	902	**949**	47	5%
Corporate Services	(281)	**222**	503	+100%
Total Bank	3,275	**4,092**	817	25%

Net Income, Reported ($MM)	F2011	F2012	B/(W)	
			$	Y/Y
P&C Canada	1,773	**1,784**	11	1%
P&C U.S.	352	**517**	165	47%
Total P&C	2,125	**2,301**	176	8%
PCG	476	**525**	49	10%
BMO Capital Markets	902	**948**	46	5%
Corporate Services	(389)	**415**	804	+100%
Total Bank	3,114	**4,189**	1,075	35%

[1] Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 22-23 of BMO's Fourth Quarter 2012 Earnings Release
For details on adjustments refer to slide 14

Personal & Commercial Banking Canada – Product Balances & Market Share

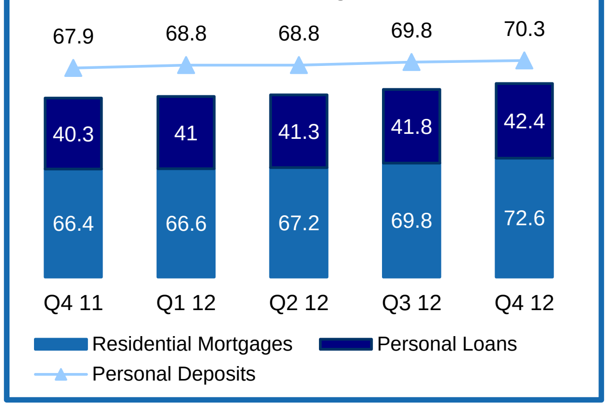
Personal

- Good lending growth with balances up 7.8% Y/Y and 3.1% Q/Q
- Deposit balances up 3.5% Y/Y and 0.7% Q/Q
- Total personal lending market share up 10 bps Q/Q and personal deposit market share down 7 bps Q/Q
- Mortgage balances up 9.4% Y/Y and 4.0% Q/Q

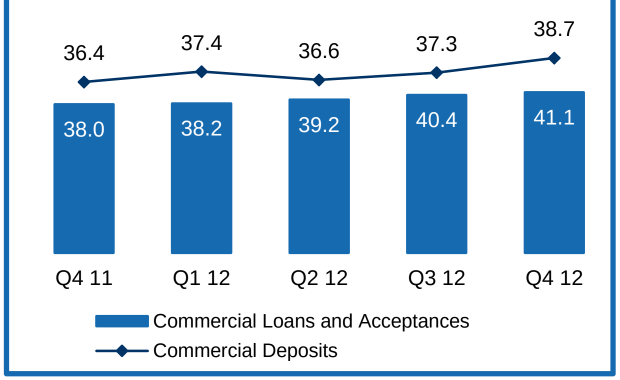
Commercial

- Commercial loans up 8.1% Y/Y and 1.7% Q/Q
- No. 2 market share position in small and medium sized loans. Commercial pipeline strong
- Commercial deposits up 6.2% Y/Y and 3.6% Q/Q

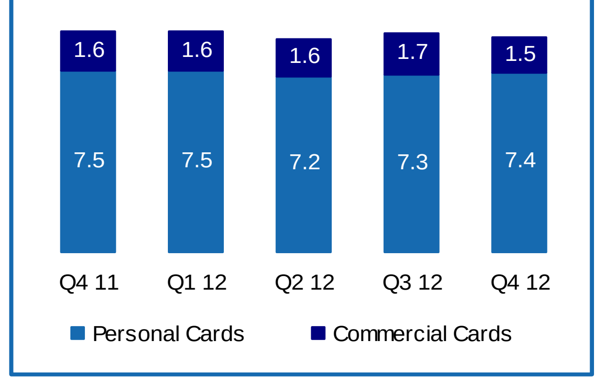
Market Share (%)	Q4 11	Q1 12	Q2 12	Q3 12	Q4 12
Total Personal Lending[1]	10.8	10.8	10.8	10.9	11.0
Personal Deposits[1]	11.6	11.3	11.2	11.2	11.1
Mutual Funds[2]	11.9	12.0	11.8	11.8	11.8
Commercial Loans $0 - $5MM[3]	20.0	19.9	19.9	19.6	N/A



Personal Lending and Deposits ($B) - Average



Commercial Loans & Acceptances and Deposits ($B) - Average



Cards ($B) - Average

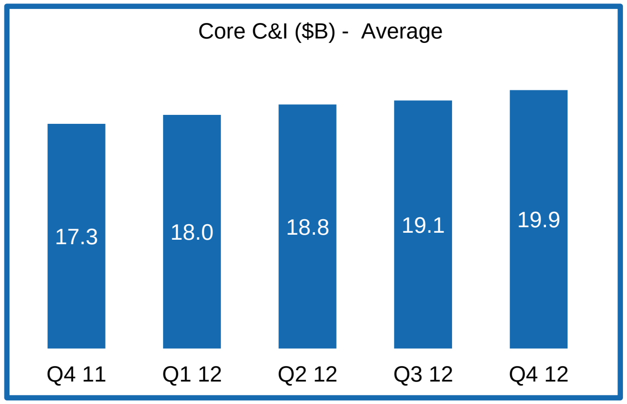
Sources: Mutual Funds – IFIC; Consumer Loans, Residential Mortgages & Personal Deposits – OSFI; Business Loans and Retail Cards – CBA

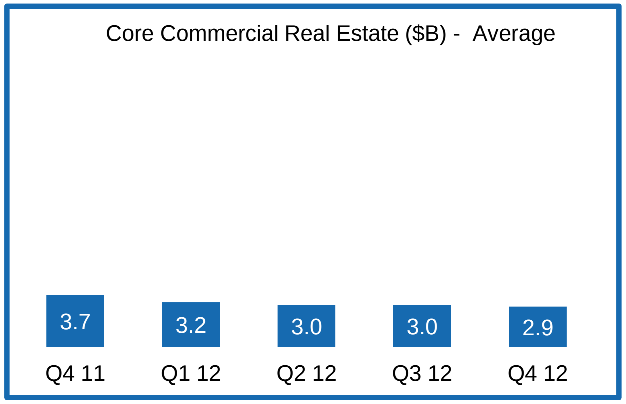
1. Personal share issued by OSFI (one month lag basis (Q4 F12: Sept 2012))
2. Mutual Funds share issued by IFIC (5 Bank, one month lag basis (Q4 F12: Sept 2012)). Previous quarters have been restated to reflect Scotia's acquisition of Dynamic Funds
3. Business loan share (Banks) issued by CBA (one calendar quarter lag basis (Q3 F12: Jun 2012))

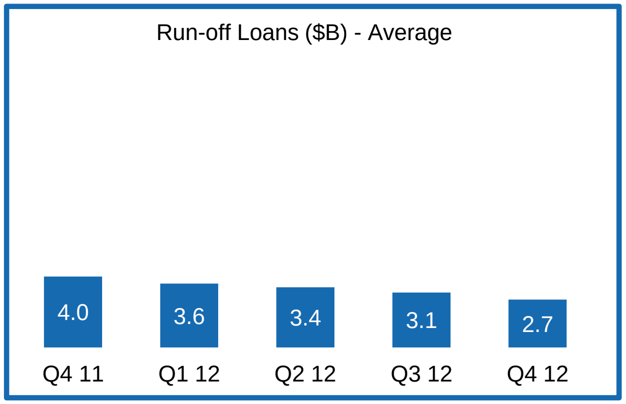
Personal & Commercial Banking U.S. – Commercial Balances

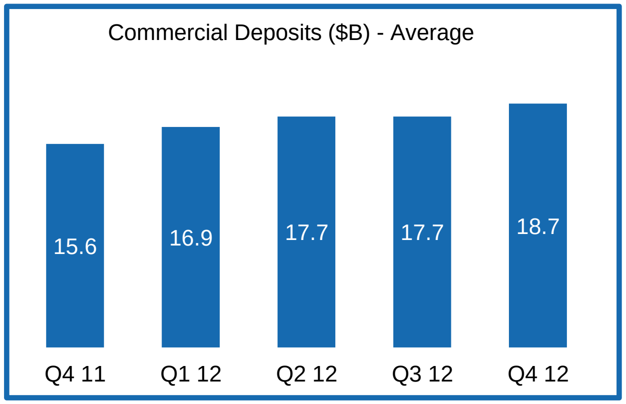
All amounts in U.S. $B

- Strong C&I loan growth, with Q4'12 being the 4th straight sequential quarter of growth; growth of 15% since Q4'11
- New client acquisitions strong, reflecting a significant number of completed transactions. Pipeline remains strong.
- Commercial Run-off portfolio continues to decline as expected
- Commercial deposits continue to be at high levels





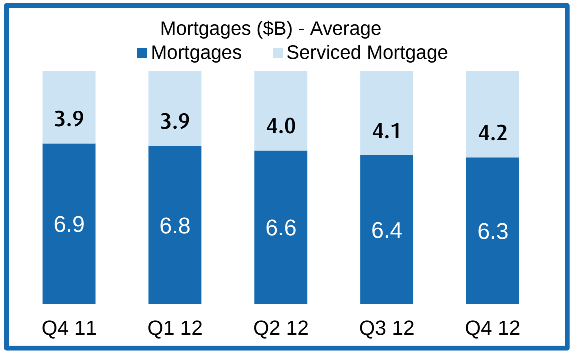


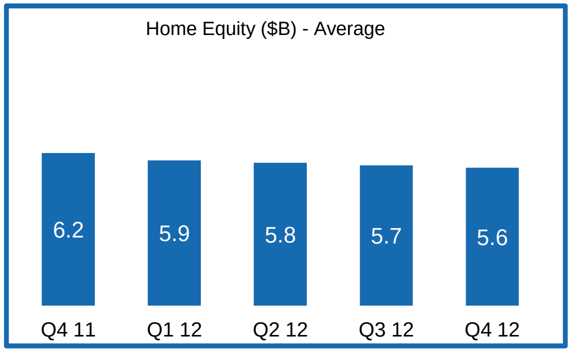


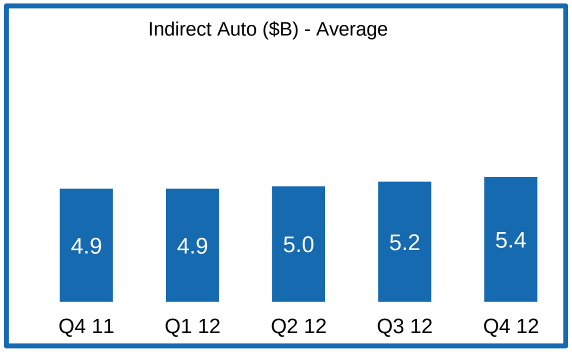
Personal & Commercial Banking U.S. – Personal Balances

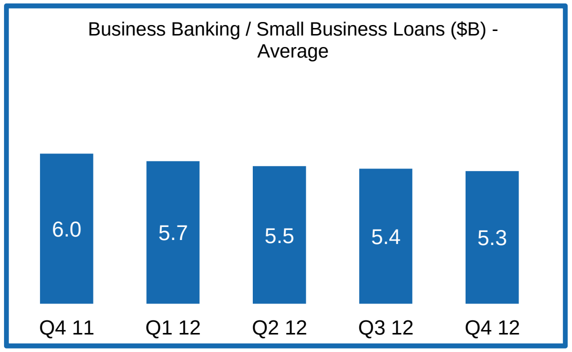
All amounts in U.S. $B

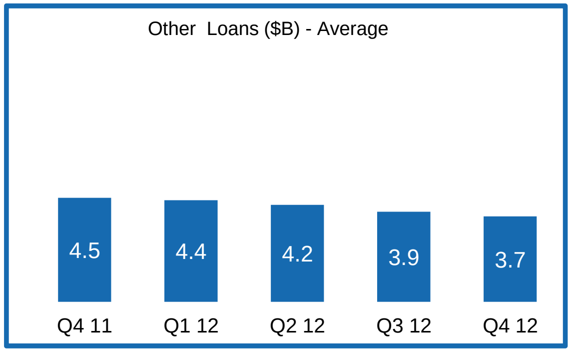
- Mortgage originations of $821MM up $33MM or 4.2% Q/Q and $271MM or 49% Y/Y
  - Mortgage portfolio declines as new originations are sold into the secondary market
  - Serviced portfolio up
- Home Equity portfolio continues to reflect consumer deleveraging
- Increased Indirect Auto originations lead to higher portfolio balances
- Business Banking environment remains cautious for new borrowings
- Deposit balances have declined during the year in money market and higher cost CD portfolios, as expected, which has more than offset growth in core deposits
- Other loans include non-strategic portfolios such as wholesale mortgages, purchased home equity, and certain small business CRE, as well as credit card balances and other personal loans

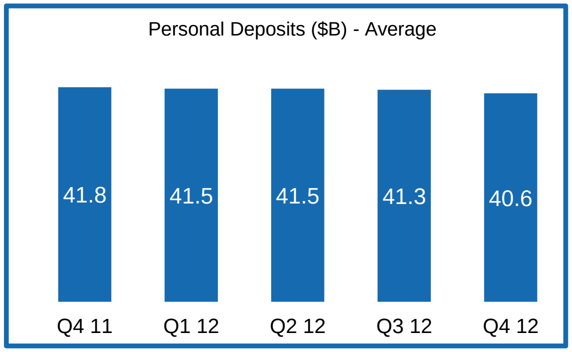












BMO Financial Group

Risk Review

For the Quarter Ended – October 31, 2012

Q4|12

December 4th • 2012

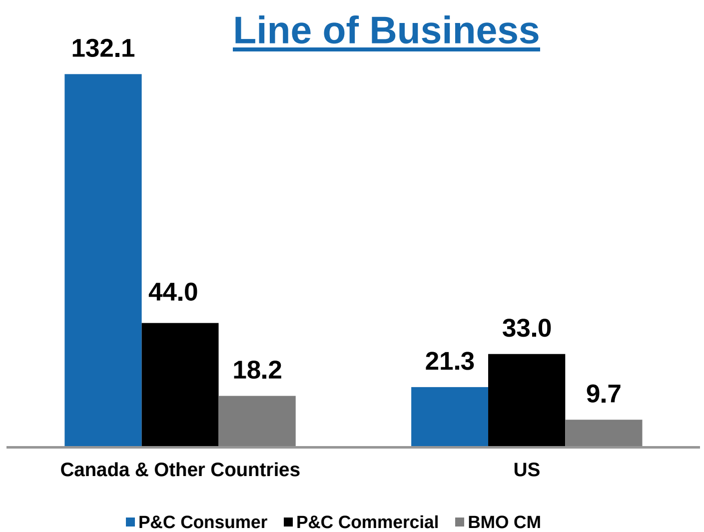
Surjit Rajpal
Executive Vice President
& Chief Risk Officer

Loan Portfolio Overview

Canadian and US portfolios are well diversified by industry

- P&C business represents the majority of loans
  - Retail portfolios are predominantly secured – 88% in Canada and 97% in the US

By Industry (C$ B)	Canada & Other Countries[1]	US	Total	% of total
Residential Mortgages	76.7	7.4	84.1	32%
Personal Lending	48.0	13.5	61.5	24%
Cards	7.4	0.4	7.8	3%
Total Consumer	**132.1**	**21.3**	**153.4**	**59%**
Financial Institutions	12.1	7.0	19.1	8%
CRE/Investor Owned Mortgages	10.2	8.3	18.5	7%
Services	8.4	5.1	13.5	5%
Manufacturing	4.0	5.4	9.4	4%
Retail	6.1	2.4	8.5	3%
Wholesale	3.0	3.4	6.4	3%
Owner Occupied Commercial Mortgages	2.0	4.3	6.3	2%
Agriculture	4.3	0.8	5.1	2%
Other Commercial & Corporate[2]	12.1	6.0	18.1	7%
Total Commercial & Corporate	**62.2**	**42.7**	**104.9**	**41%**
Total Loans	**194.3**	**64.0**	**258.3**	**100%**



1 Includes ~$5B from Other Countries
2 Other Commercial & Corporate includes Portfolio Segments that are each <3% of total loans

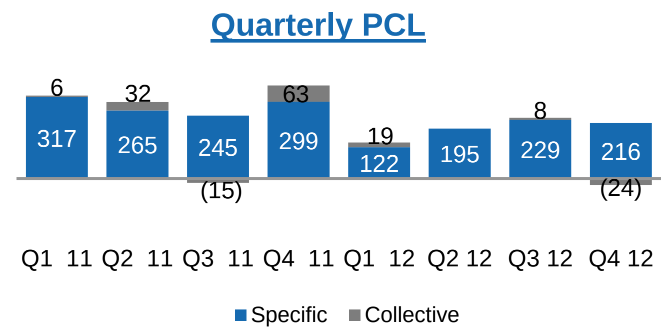
Provision for Credit Losses (PCL)

Down 19% q/q and 47% y/y

- Fiscal 2012 adjusted specific provisions are $471MM (Fiscal 2011: $1,108MM) and include $509MM in recoveries related to the Purchased Credit Impaired Loans (Fiscal 2011: $ nil)
- During the quarter US Consumer provisions have increased primarily due to US regulatory guidance, adding ~$33MM for P&C US and ~$38MM for M&I Purchased Performing Loans
- Q4 '12 adjusted specific provisions are $113MM (Q3 '12: $116MM)
  - Recovery related to the Purchased Credit Impaired Loans is $132MM (Q3 '12: $118MM)

Actual Losses By Business Line Segment (C$ MM)	Q4 11	Q3 12	Q4 12
Consumer – P&C Canada	134	122	121
Commercial – P&C Canada	38	19	21
Total P&C Canada	**172**	**141**	**142**
Consumer – P&C US	38	46	74
Commercial – P&C US	31	25	(5)
Total P&C US	**69**	**71**	**69**
PCG	2	4	10
Capital Markets	12	(1)	(5)
Corporate Services[1]	26	19	29
Sub-Total	**281**	**234**	**245**
Purchased Credit Impaired Loans	-	(118)	(132)
Adjusted Specific Provisions	**281**	**116**	**113**
P&C US	20	99	101
PCG	-	3	2
Corporate Services	(2)	11	-
Purchased Performing Loans	**18**	**113**	**103**
Specific Provisions	**299**	**229**	**216**
Change in Collective Allowance	63	8	(24)
Total PCL	**362**	**237**	**192**

1 Includes: Real estate secured assets transferred out of P&C US Commercial as of Q3'11 and IFRS impact related to interest on impaired loans



Specific Provision Segmentation – Legacy Portfolio

- Canadian provisions are $144MM (Q3 '12: $140MM)
- US Legacy provisions are $102MM (Q3 '12: $96MM)
- Other Countries provisions are recoveries of $1MM (Q3 '12 recoveries of $2MM)
- Consumer portfolio accounts for ~84% of legacy provisions in both the US and Canada

By Industry (C$ MM)	Canada & Other Countries	US (Legacy)	Total
Personal Lending	36	60	96
Cards	81	3	84
Residential Mortgages	4	23	27
Consumer	**121**	**86**	**207**
Manufacturing	12	4	16
Services	2	13	15
Owner Occupied Commercial Mortgages	1	10	11
Agriculture	3	0	3
Retail	2	1	3
Construction	0	2	2
Other[1]	2	-14	-12
Commercial and Corporate	**22**	**16**	**38**
Specific PCL	**143**	**102**	**245**

1 Other Commercial & Corporate includes Portfolio Segments that are each <1% of total specific PCL

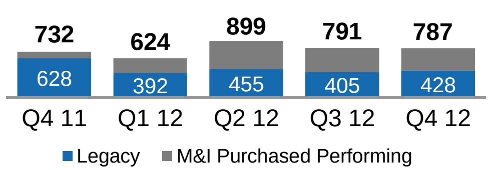
Impaired Loans and Formations

Legacy Impaired Loans and formations up slightly q/q but down y/y

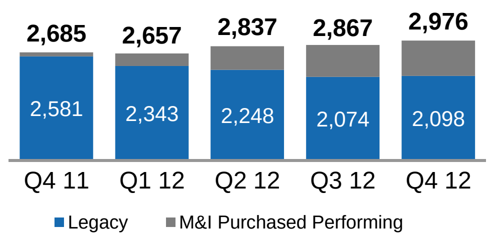
- During the quarter US Consumer formations have increased primarily due to US regulatory guidance issued requiring changes to impairment classification for certain loans in our P&C US portfolio, adding ~$75MM for P&C US and ~$67MM for M&I Purchased Performing
- Legacy portfolio formations (excluding M&I purchased performing portfolio) are $428MM (Q3 '12: $405MM)
  - M&I Purchased Performing loan formations are down for the quarter at $359MM (Q3 '12: $386MM). The potential for impairment and losses in this portfolio was adequately provided for in the credit mark
- Gross Impaired Loans (GIL) are $2,976MM (Q3 '12: $2,867MM) of which the Legacy portfolio is $2,098MM (Q3 '12: $2,074MM)

By Industry (C$ MM)	Formations			Gross Impaired Loans		
	Canada & Other Countries[2]	US	Total	Canada & Other Countries[2]	US	Total
Consumer	**139**	**137**	**276**	**338**	**395**	**733**
CRE/Investor Owned Mortgages	10	34	44	98	379	477
Owner Occupied Commercial Mortgages	2	7	9	17	165	182
Services	24	14	38	90	77	167
Manufacturing	26	5	31	133	23	156
Agriculture	10	-	10	93	3	96
Financial Institutions	-	1	1	8	63	71
Construction	1	3	4	44	7	51
Retail	3	5	8	26	25	51
Other Commercial & Corporate[1]	5	2	7	82	32	114
Commercial and Corporate	**81**	**71**	**152**	**591**	**774**	**1,365**
Total Legacy	**220**	**208**	**428**	**929**	**1,169**	**2,098**
M&I Purchased Performing	n.a.	359	359	n.a.	878	878

Formations



Gross Impaired Loans



1 Other Commercial & Corporate includes Portfolio Segments that are each <2% of total GIL
2 Includes ~$20MM formations and ~$43MM GIL from Other Countries

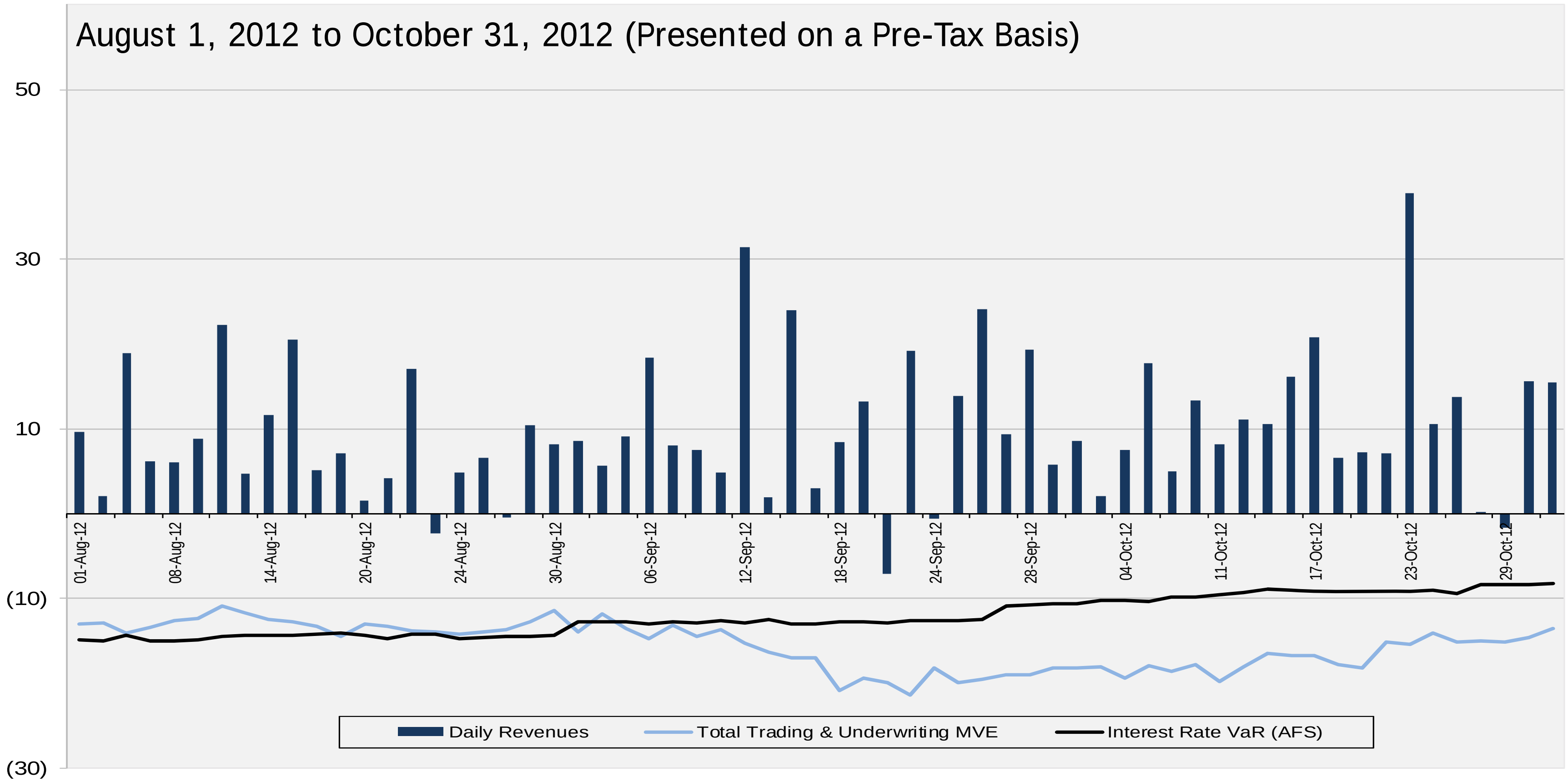
Canadian Residential Mortgages

- Total Canadian portfolio $76.7B (Q3 '12: $73.9B)
- ~64% of the portfolio is insured (Q3 '12: ~65%)
- Average LTV[1] of portfolio 62% (Q3 '12: 61%)
  - insured portfolio 64% (Q3 '12: 64%)
  - uninsured portfolio 58% (Q3 '12: 56%)

Residential Mortgages by Province (C$B)	Insured	Uninsured	Total	% of Total
Atlantic	3.3	1.3	4.6	6%
Quebec	7.5	3.8	11.3	15%
Ontario	20.4	10.6	31.0	40%
Alberta	8.7	3.5	12.2	16%
British Columbia	7.4	7.4	14.8	19%
All Other Canada	1.9	0.9	2.8	4%
Total Portfolio	**49.2**	**27.5**	**76.7**	**100%**

1 Loan to Value (LTV) adjusted for property values using the Housing Price Index

Trading & Underwriting Net Revenues vs. Market Value Exposure



The largest daily P&L gains for the quarter are as follows:

- **September 12 –** Primarily reflects normal trading activity and credit valuation adjustments, daily net revenue C$31.4 million
- **October 23 –** Primarily reflects normal trading activity, daily net revenue C$37.8 million

No significant loss days in the quarter.

BMO Financial Group

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