

Our Strengths and Distinctions

Our goal is to be a leading provider of investment research. BMO Capital Markets' research effort reflects a long tradition of independence and innovation.

Investors can expect us to:

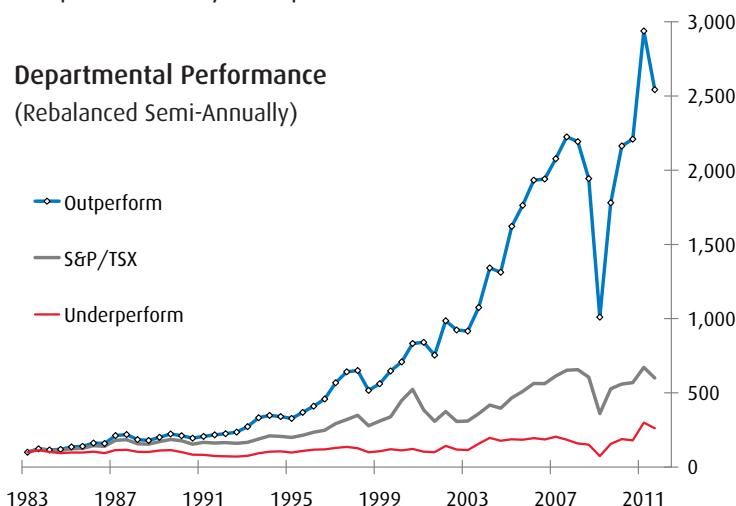
- Provide independent investment advice
- Cover more Canadian companies than any other firm
- Provide a diversified research product including coverage of U.S. and international stocks
- Be a front-runner in publishing research
- Measure the value-added of our recommendations
- Put forth creative/proprietary investment ideas
- Continue to be innovative in our approach to research.

With 61 analysts, we cover over 900 companies: over 500 in the U.S., just under 300 in Canada and the rest internationally.

Performance Measured

For 29 years, BMO Capital Markets has measured the performance of our stock recommendations on a semi-annual basis. We track the performance of all Outperforms (5- and 4-rated stocks in our prior rating system) based on the ratings and prices in our September and March *Red Books*. This creates a transparent and verifiable database to measure the department's value-added. This equal-weighted list of recommendations has outperformed the S&P/TSX Composite Index by 5.6% per annum since March 1983.

Departmental Performance (Rebalanced Semi-Annually)



Note: To September 2011; Analysis performed semi-annually based on March and September *Red Book* pricing dates. Source: BMO Capital Markets

March 2012

Ian de Verteuil
Global Head of Research

Paul Campbell
Co-Head Equity Research

R. Jackson Blackstock
Co-Head Equity Research

Starmine

This year, the *Globe and Mail* announced StarMine's 2011 top analysts in Canada. BMO Capital Markets had a total of 11 awards, including:

Industry Stock Pickers

- **Stephen Atkinson** ranked 2nd for Paper & Forest Products
- **Karine MacIndoe** ranked 1st for Real Estate
- **Thanos Moschopoulos** ranked 2nd for Software & IT Services
- **Atul Shah** ranked 1st for Financial Services
- **Peter Sklar** ranked 2nd for Auto Components

Earnings Estimates by Industry

- **Stephen Atkinson** ranked 1st for Paper & Forest Products
- **Tim Casey** ranked 1st for Media
- **Tom MacKinnon** ranked 3rd for Insurance
- **Thanos Moschopoulos** ranked 2nd for Software & IT Services
- **Atul Shah** ranked 3rd for Financial Services

The *Financial Times* in partnership with StarMine published an insert highlighting the top analysts and brokers in Europe, Asia and the United States. BMO Capital Markets collected a total of 10 awards for our stock picking and earnings estimates.

We placed third for earnings predictions in the 2011 U.S. survey, beating many of our larger U.S. rivals. Our North American research strategy has resulted in analysts from both Canada and the U.S. ranking highly in the U.S. survey, including:

Industry Stock Pickers

- **Karen Short** ranked 3rd for Food & Staples Retailing
- **Carl Kirst** ranked 1st for Gas Utilities
- **Jeffrey Logsdon** ranked 3rd for Hotels & Leisure
- **Daniel Salmon** ranked 1st for Media
- **Tony Robson** ranked 2nd for Metals & Mining
- **Wayne Hood** ranked 1st for Multiline Retail
- **Jeffrey Silber** ranked 2nd for Professional Services

Industry Earnings Estimators

- **Carl Kirst** ranked 2nd in Gas Utilities
- **Wayne Hood** ranked 2nd in Multiline Retail
- **Stephen Atkinson** ranked 2nd in Paper & Forest Products

To add a more global perspective to this year's StarMine results, *The Australian Financial Review* recognized BMO's David Haughton for placing third in earnings estimates for the Metals & Mining sector in the Australia-New Zealand region.

Greenwich

In the 2011 Canadian Greenwich Associates Quality Leaders ratings, BMO Capital Markets earned six Quality Leaders designations, including Canadian Equity Research and Analyst Service Quality.

Brendan Wood Survey

Our breadth of coverage is matched by the quality of the coverage. BWI has ranked our Canadian Research team #1 for 29 of the past 31 years. In its 2011 survey of institutional investors, independent consulting firm Brendan Wood International (BWI), BMO Capital Markets was awarded with the following All-Star rankings:

BWI All-Star Team Rankings

- **Agriculture, Chemicals & Fertilizers** ranked 2nd
- **Base Metals & Minerals** ranked 2nd
- **Diversified Financials** ranked 2nd
- **Index Analysis** ranked 2nd
- **Industrial Products** ranked 1st
- **Insurance** ranked 2nd
- **O&G Large Cap** ranked 1st
- **Precious Metals Small/Mid Cap** ranked 1st
- **Real Estate REITs** ranked 2nd
- **Small Cap Special Situations** ranked 2nd
- **Transportation & Environment** ranked 3rd
- **Economics** ranked 3rd

BWI All-Star Analyst Rankings

- **John Reucassel** ranked 2nd in Diversified Financials
- **Sherry Cooper** ranked 3rd in Economics
- **Mark Steele** ranked 2nd in Index Analysis
- **Fadi Chamoun** ranked 3rd in Industrial Products
- **Peter Sklar** ranked 2nd in Industrial Products
- **Tom MacKinnon** ranked 2nd in Insurance
- **Randy Ollenberger** ranked 1st in O&G Large Cap
- **Andrew Kaip** ranked 2nd in Precious Metals Small/Mid Cap
- **Karine MacIndoe** ranked 2nd in Real Estate REITs
- **Fadi Chamoun** ranked 3rd in Transportation

Institutional Investor

"All American Research Team"

In the 2011 poll, five BMO analysts rank among the top 10 within their specific industry groups. BMO ranked 16th overall, up two ranks from 18th the prior year, and driven by a score gain of over 12%. This was the sixth-largest gain among the top 20 firms. Carl Kirst (Natural Gas) and Jeff Silber (Business, Education, & Professional Services) were both ranked as "Published Leaders."

Best on the Street

In the 19th *Wall Street Journal* Best on the Street survey, BMO Capital Markets placed 5th overall with 43 qualifying analysts, and six total awards. In addition, we had three #1 finishes, which tied with two other firms as having the most #1 rankings. Our performance reinforces our excellence in quantitative analysis that we provide to our clients.

- **Dan Salmon** ranked 3rd of 22 analysts for Advertising & Publishing, his second appearance in the survey.
- **Jeff Logsdon** ranked 1st of 36 analysts for Hotels & Casinos, his ninth appearance in the survey.
- **Andrew Kaip** ranked 3rd of 93 analysts for Mining & Metals, his first appearance in the survey.
- **John D. Morris** ranked 4th of 59 analysts for Retailers: Broad Line & Apparel, his fourth appearance in the survey.
- **Karen Short** ranked 1st of 18 analysts for Retailers: Food & Drug, her first appearance in the survey.
- **Carl Kirst** ranked 1st of 67 analysts for Utilities, his first appearance in the survey.

The survey identifies the Top 5 analysts in each of 44 industries based on stock picking. Data were assembled by FactSet and identified more than 2,000 analysts at nearly 300 firms. To be eligible, analysts had to have followed at least five stocks in an industry sector during the year. The WSJ survey takes the stock-price performance on an absolute-return basis, and ranks winners according to portfolio performance.

Our consistent top ranking in this and other independent surveys confirms our excellence and commitment to industry-leading investment research.