

Citi U.S. Financial Services Conference

2013

Investor Presentation

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& Chief Financial Officer



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 below, 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.

Our first quarter 2013 regulatory capital, risk-weighted assets and regulatory capital ratios have been calculated pursuant to the Capital Adequacy Requirement (CAR) Guideline released by the Office of the Superintendent of Financial Institutions (OSFI) in December 2012 to implement the Basel III Accord in Canada. When 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 in prior periods, we assumed that our interpretation of OSFI's draft implementation guideline of rules and amendments announced by the Basel Committee on Banking Supervision (BCBS), and our models used to assess those requirements, were consistent with the final requirements that would be promulgated by OSFI. We 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 would be adopted by OSFI as proposed by BCBS, unless OSFI had expressly advised otherwise. We also assumed that existing capital instruments that are non-Basel III compliant but are Basel II compliant can be fully included in the relevant pro-forma calculations. We have not recalculated our pro-forma Basel III regulatory capital, risk-weighted assets or capital ratios based on the CAR Guideline and references to Basel III pro-forma items referred to these items as previously estimated. 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 Outlook and Review section in BMO's First Quarter 2013 Report to Shareholders.

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 2013 Report to Shareholders 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, 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.

BMO Financial Group

Top 10 North American bank¹; 2nd largest Canadian bank by retail branches in Canada and the U.S.

Who we are

Established in 1817, BMO Financial Group is a highly diversified financial services provider based in North America. With total assets of \$542 billion and 46,500 employees (as at January 31, 2013), BMO provides a broad range of retail banking, wealth management and investment banking products and services to more than 12 million customers. BMO Financial Group conducts business through three operating groups: Personal and Commercial Banking, Private Client Group and BMO Capital Markets.

| Q1 13 Results (C\$ billions) | Adjusted ² | Reported |
|---|-----------------------|----------|
| Revenue | 3.9 | 4.1 |
| PCL (actual loss basis) | 0.1 | 0.18 |
| Net Income | 1.0 | 1.0 |
| EPS (\$) | 1.52 | 1.53 |
| ROE (%) | 14.8 | 14.9 |
| Average Assets | 554 | 554 |
| Basel III Common Equity Tier 1 Ratio (%) ³ | 9.4% | 9.4% |

Other Information

| | |
|---|-------------------------|
| Listings | NYSE, TSX (Ticker: BMO) |
| Share Price (March 1, 2013) | |
| TSX | C\$64.08 |
| NYSE | US\$62.36 |
| Market Cap (March 1, 2013) | C\$42 billion |
| Employees | 46,500 |
| Customers (commercial, personal, corporate and institutional) | Over 12 million |

¹ As measured by market capitalization (9th) and assets (8th). Market cap as at March 1, 2013; ranking published by Bloomberg

² Adjusted measures are non-GAAP measures. See slides 2 and 28 of this document, pages 32, 98-99 of BMO's 2012 Annual Report and pages 31-32 of BMO's First Quarter 2013 Report to Shareholders

³ Basel III calculations are based on OSFI's 2013 CAR guideline, which requires Canadian deposit-taking institutions to meet the 2019 Basel III capital requirements, other than the phase-out of non-qualifying capital, (also referred to as the 'all-in' requirements) in 2013 and expects them to attain a target Basel III CET1 Ratio of at least 7% (4.5% minimum plus 2.5% capital conservation buffer) by January 31, 2013.

Strategic Footprint

BMO's strategic footprint is anchored by our core business in the heartland of the continental economy



Asia-Pacific Trading Corridor

BMO facilitates financing, investment and wholesale banking activities between our North American base and strategically located offices in the rapidly growing economies of Asia.

Natural Resources

Our significant and long-established presence throughout Canada and the U.S. includes regional economies fuelled by natural resources and agriculture. BMO's deep connections and historical presence in the energy sector extend from the oilfields of Western Canada southward through to Texas.

European Platform

Offices in four European countries and a regional representative office in the Middle East provide us with a strong distribution platform for our wholesale banking activities as well as a presence in key markets for institutional asset management and investment banking.



Core Retail Footprint*

Southern Market Presence

BMO's enlarged continental footprint is centred in the vital Great Lakes economy that connects six key U.S. Midwest states and the two largest Canadian provinces.

* BMO has retail banking branches across Canada and in the U.S. Midwest states of Illinois, Wisconsin, Indiana, Minnesota, Missouri and Kansas, as well as in Arizona and Florida

Operating Group Overview

Personal and Commercial Banking - Canada

- Over 7 million customers
- Over 900 branches and access to 2,658 automated banking machines
- #2 market share position in small and medium sized loans

Personal and Commercial Banking – U.S.

- Over 2 million customers
- Over 600 branches and access to 1,364 automated banking machines
- Strong deposit market share positions¹ in the U.S.: #2 in Chicago and Milwaukee, with 12% and 19% share respectively

BMO Capital Markets (BMO CM)

- Provides a broad range of products and services to help corporate, institutional and government clients achieve their ambitions
- Operating in Canada as bulge bracket firm, and with a mid-cap focus in the U.S.
- 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
- 29 locations around the world, including 16 in North America

Private Client Group (PCG)

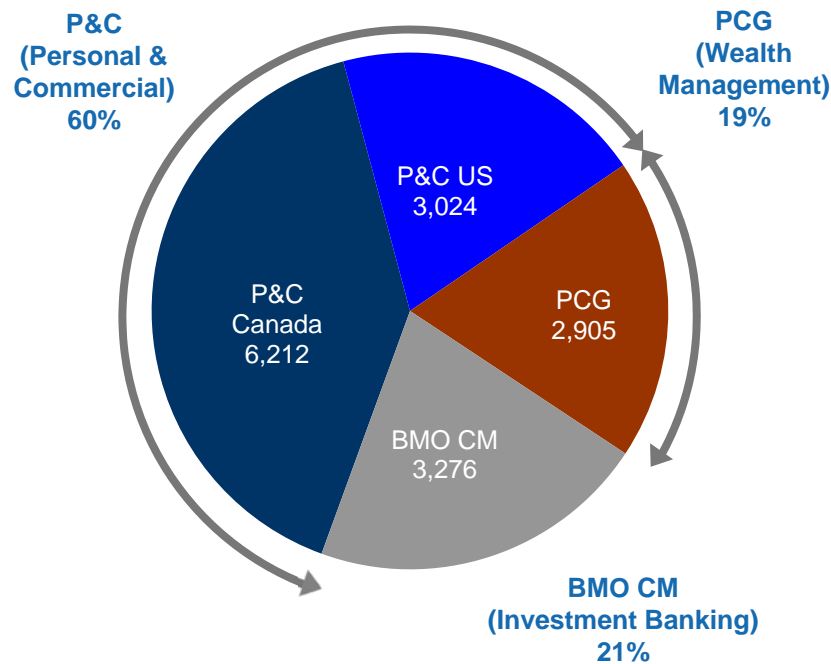
- Full range of client segments from mainstream to ultra-high net worth, and institutional markets
- Broad offering of wealth management products and solutions including Insurance
- Operates in Canada and the United States, as well as in Asia and Europe; China is a growth market for BMO
- Assets under management and administration of \$479B

¹ FDIC as at June 2012

Diversified Business Mix with Retail Focus

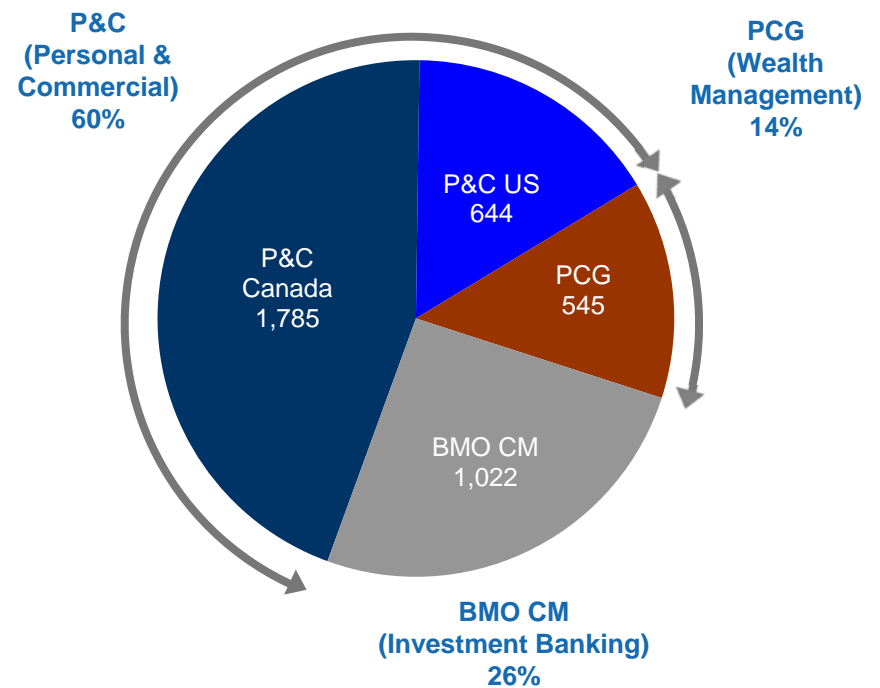
Over 75% of F2012 operating group adjusted revenue from personal, commercial and wealth businesses

F2012 Adjusted Revenue by Operating Group (c\$MM) - \$15,417MM



Excludes Corporate Services adjusted revenue \$(350)MM

F2012 Adjusted Net Income by Operating Group¹ (c\$MM) - \$3,996MM

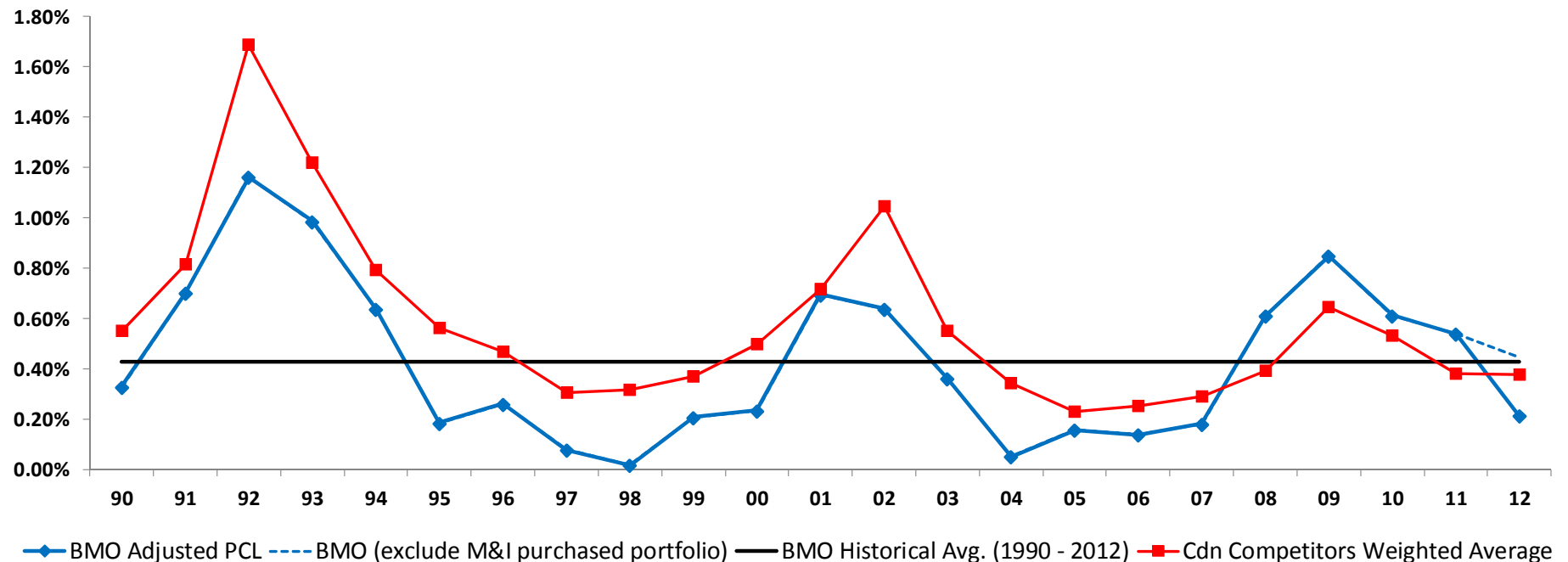


Excludes Corporate Services adjusted net income \$96MM

¹ Adjusted measures are non-GAAP measures. See slide 2 and 28 of this document, pages 32, 98-99 of BMO's 2012 Annual MD&A and pages 31-32 of BMO's First Quarter 2013 Report to Shareholders

Proactive and Disciplined Risk Management

Adjusted PCL to Average Net Loans & Acceptances



- Our approach is to provide appropriate and independent risk oversight, while working with all our businesses to generate sustainable shareholder returns within our risk appetite
- BMO's risk performance relative to peers remains strong over time

Strategic Priorities

A Clear Vision: to be the bank that defines great customer experience

1

Achieve industry-leading customer loyalty by delivering on our brand promise

2

Enhance productivity to drive performance and shareholder value

3

Leverage our consolidated North American platform to deliver quality earnings growth

4

Expand strategically in select global markets to create future growth

5

Ensure our strength in risk management underpins everything we do for our customers

Q1 2013 Financial Highlights

Strong Adjusted Net Income of \$1.04B, EPS up 7%

Adjusted¹

| (C\$MM) | Q1 13 | Q4 12 | Q1 12 |
|----------------------|-------|-------|-------|
| Net Income | 1,041 | 1,125 | 972 |
| EPS (\$) | 1.52 | 1.65 | 1.42 |
| ROE (%) ² | 14.8 | 16.3 | 15.0 |

Reported

| | | | |
|---|-------|-------|-------|
| Net Income | 1,048 | 1,082 | 1,109 |
| EPS (\$) | 1.53 | 1.59 | 1.63 |
| Basel III Common Equity Tier 1 Ratio (%) ³ | 9.4 | 8.7 | 7.2 |

- Adjusted EPS of \$1.52, up 7% Y/Y
- Adjusted net income up 7% Y/Y driven by performance in groups
 - P&C Canada income up 4%
 - P&C U.S. with good net income growth Q/Q and Y/Y
 - PCG income up 54% driven by normalization of Insurance
 - BMO CM income up 38% with good execution in an improved environment
- Group results reflect actual credit losses, a change from previous expected credit loss method, with prior periods restated
- Adjusted provisions⁴ for credit losses of \$96MM, compared to \$91MM a year ago
- ROE of 14.8% on very strong capital position
- Strong Basel III Common Equity Tier 1 ratio of 9.4% compared with 8.7% in Q4'12
- Adjusted effective tax rate⁵ of 19.9% compared to 17.9% in Q4'12 and 23.7% in Q1'12

¹ See slide 28 for adjustments to reported results

² Reported ROE: Q1'12 17.2%; Q4'12 15.6%; Q1'13 14.9%

³ Q1'13 based on Basel III. Comparatives based on pro forma Basel III

⁴ Reported PCL \$178MM, compared to \$141MM a year ago

⁵ Reported effective tax rate of 20.2%

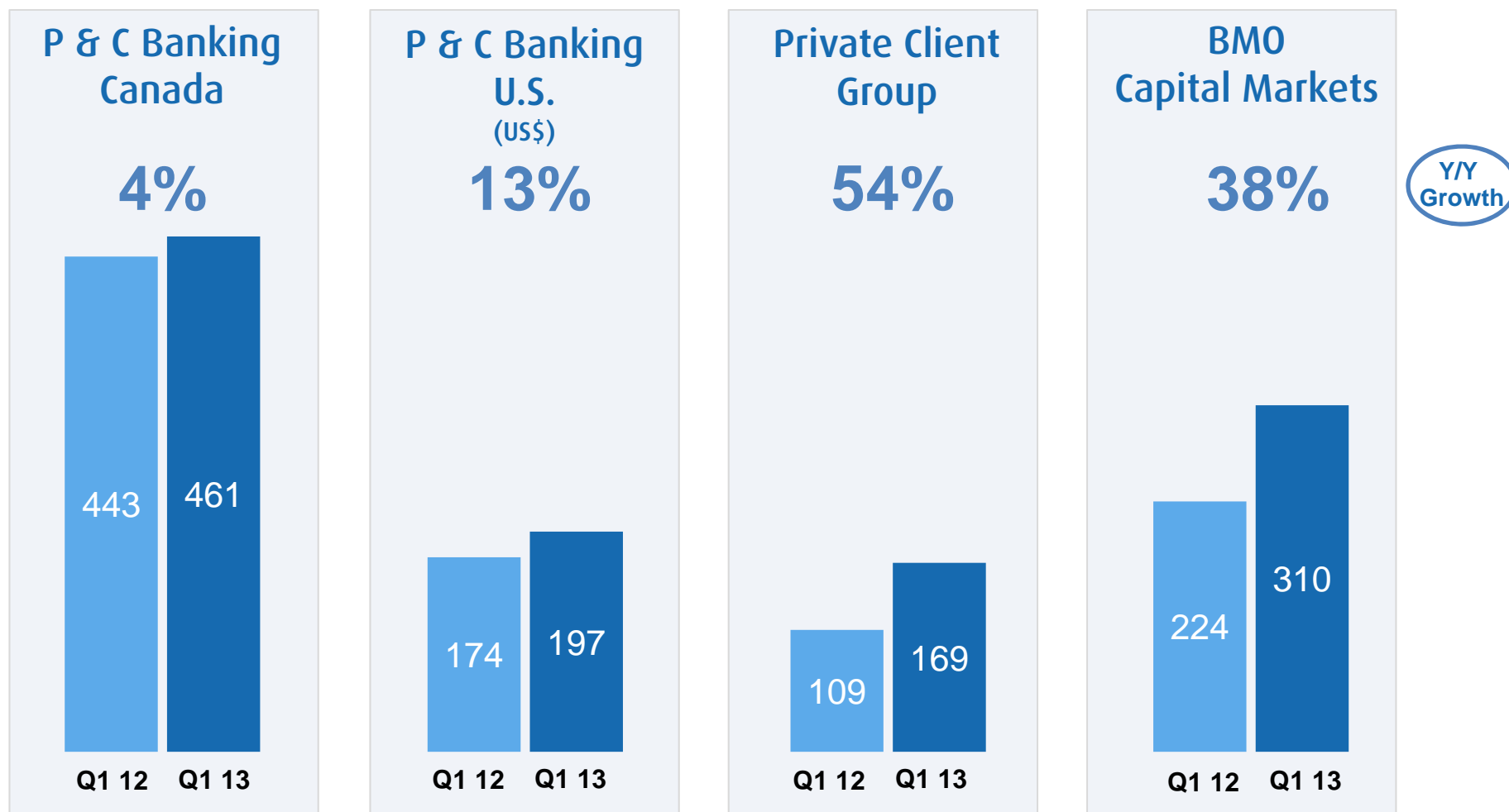
Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual Report and pages 31-32 of BMO's First Quarter 2013 Report to Shareholders

Operating Group Performance

Good operating group performance while advancing our strategic agenda

Adjusted¹ Net Income

C\$ millions unless otherwise indicated



¹ Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual Report and pages 31-32 of BMO's First Quarter 2013 Report to Shareholders. For details on adjustments refer to slide 28. For details on reported results and growth rates by operating group refer to slide 27

Reasons to invest in BMO

Well positioned to leverage our North American platform and deliver sustained earnings growth

- Proven strength in commercial banking across our North American platform
- Operating leverage from our expanded U.S. platform
- Strong capital position
- Well-diversified business mix with a retail focus
- Enhancing productivity to drive performance
- Focused on generating revenue growth by achieving industry-leading customer experience and loyalty

**Making money
make sense.**

BMO  Bank of Montreal

APPENDIX

BMO – A Strong Foundation

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

○ Diversified business mix with retail focus

- ▶ Over 75% of Q1 F2013 operating group revenue from retail businesses
- ▶ Commercial banking is a strength in Canada (#2 in lending) and the U.S.
- ▶ Top-tier deposit market share in key U.S. Midwest markets - #2¹ in Chicago and Milwaukee, with 12% and 19% share respectively
- ▶ Strong national presence in Canada, as well as strategic positioning in select high-growth U.S. and emerging wealth management markets
- ▶ North American Capital Markets business operating as bulge bracket firm in Canada with Mid-Cap focus in the U.S.

○ Strong capital position

- ▶ Basel III Common Equity Tier 1 Ratio of 9.4%² as at January 31, 2013
- ▶ 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

- ▶ Increased quarterly declared dividend by 3% to \$0.74 per share in Q1'13; longest-running dividend payout record of any company in Canada at 184 years
- ▶ Clear brand promise that delivers real benefit for customers
- ▶ Sound corporate governance

¹ FDIC as at June 2012

² Basel III calculations are based on OSFI's 2013 CAR guideline, which requires Canadian deposit-taking institutions to meet the 2019 Basel III capital requirements, other than the phase-out of non-qualifying capital, (also referred to as the 'all-in' requirements) in 2013 and expects them to attain a target Basel III CET1 Ratio of at least 7% (4.5% minimum plus 2.5% capital conservation buffer) by January 31, 2013.

North American Markets

| | Canada | | | US |
|----------------------------------|---------------|----------------|---------------|------------------------|
| | Western | Central | Atlantic | IL, WI, MN, KS, MO, IN |
| GDP (\$B) | 643.7 | 1,000.4 | 108.2 | 1,865.8 |
| Population (millions) | 10.9 | 21.6 | 2.4 | 39.4 |
| Unemployment Rate (%) | 5.2 | 7.5 | 10.7 | 7.3 |
| Avg. Annual Earnings (\$) | 48,700 | 45,500 | 43,100 | 42,900 |



- Total GDP \$1.75 trillion for Western, Central and Atlantic Canada; Real GDP growth in Canada forecasted at 2.1% over the next 5 years
- Canada national unemployment rate at 7.0% in January
- Well diversified economy and benefits from strong demand for natural resources from emerging markets



- US national unemployment rate at 7.9% in January
- 78 Fortune 500 companies headquartered in our US footprint, and thousands of small and medium-sized enterprises across a wide range of industries
- Real GDP growth over the next 5 years forecasted at 3.0% in both the US and in the six Midwest states with BMO branches

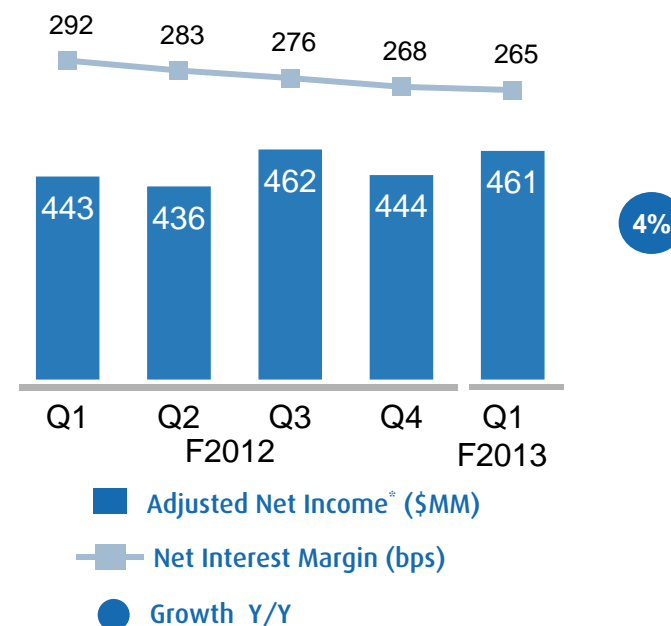
Source: BMO Economics, March 1, 2013

Personal & Commercial Banking Canada

Strong loan growth and continued focus on actively managing productivity

- Q1 net income up 4% Y/Y and 3% Q/Q
 - Results reflect the combination of good volume growth across most products, impact of lower net interest margin and lower provisions for credit losses
- Good credit performance in the quarter
- Results reflect good expense management as we continue to invest in the business; efficiency ratio of 52.0%
- Loan growth up 9% Y/Y and 2% Q/Q
- Deposit growth up 4% Y/Y and 2% Q/Q
- Ranked #2 in Canadian business banking loan market share for business loans \$5MM and below
- Expanded our network by opening or upgrading nine locations in the quarter; continued to invest in our online and mobile banking services
- Top-tier performance in customer loyalty, as measured by the net promoter score

Adjusted Net Income* and Net Interest Margin



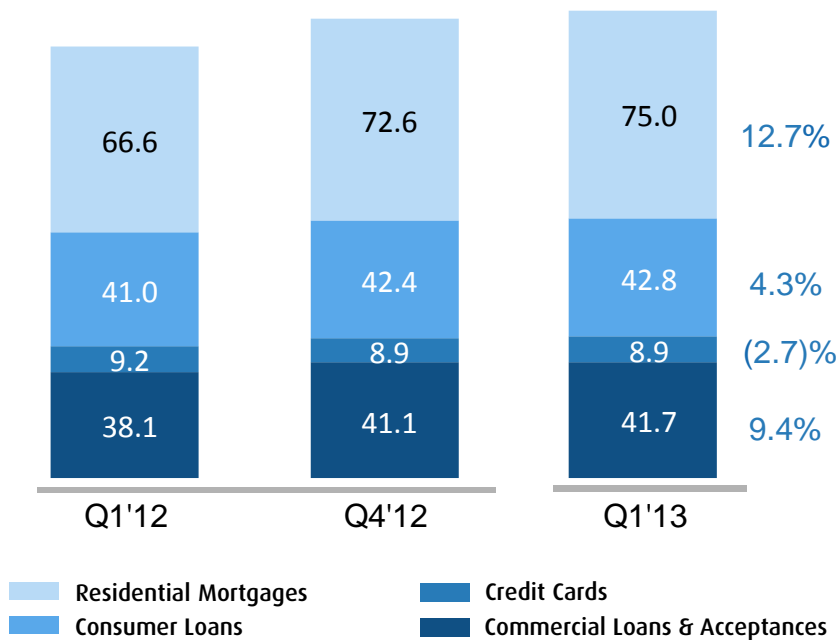
* Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual Report and pages 31-32 of BMO's First Quarter 2013 Report to Shareholders. See slide 28 for adjustments to reported results. Reported Net Income: Q1'12 \$441MM; Q2'12 \$433MM; Q3'12 \$459MM, Q4'12 \$442MM; Q1'13 \$458MM

Personal & Commercial Banking Canada – Loan Balances

Average Loans & Acceptances¹ (C\$B)

Y/Y Growth

9%



Personal

- Strong lending growth² with balances up 9.5% Y/Y and 2.4% Q/Q
- Mortgage balances up 12.7% Y/Y and 3.3% Q/Q
- Total personal lending² market share up 16 bps Q/Q excluding a competitor's acquisition⁴

Commercial

- Strong loan growth³ up 9.4% Y/Y and 1.5% Q/Q. Commercial pipeline strong
- #2 market share⁵ position in small and medium sized loans

¹ Average balances for each category of loans may not equal the corresponding percentage change due to rounding

² Personal lending includes mortgages and consumer loans but excludes credit cards

³ Commercial lending growth excludes commercial credit cards

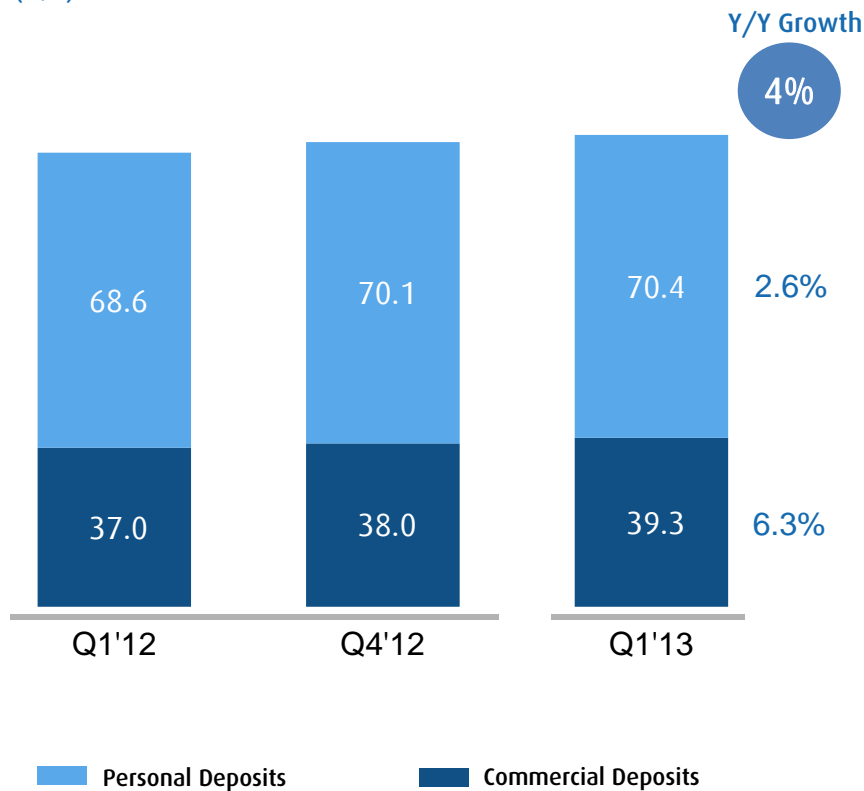
Market share data sources: Consumer Loans and Residential Mortgages – OSFI

⁴ Personal share issued by OSFI (one month lag basis (Q1 F13: Dec 2012)) and adjusted to exclude a competitor's acquisition. Personal lending share down 13bps Q/Q without adjusting for a competitor's acquisition

⁵ Business loan share (Banks) issued by CBA (one calendar quarter lag basis (Q4 F12: Sept 2012))

Personal & Commercial Banking Canada – Deposit Balances

Average Deposits¹ (C\$B)



Personal

- Deposit balances up 2.6% Y/Y and 0.5% Q/Q
- Deposit market share² down 13 bps Q/Q
- Retail operating deposit (excluding Term) market share up 3 bps Q/Q

Commercial

- Good momentum in commercial deposit growth, up 6.3% Y/Y and 3.4% Q/Q
- Commercial deposit market share³ unchanged Q/Q

¹ Average balances for each category of deposits may not equal the corresponding percentage change due to rounding

Sources: Personal Deposits – OSFI; Business Deposits – CBA

² Personal share issued by OSFI (one month lag basis (Q1 F13: Dec 2012))

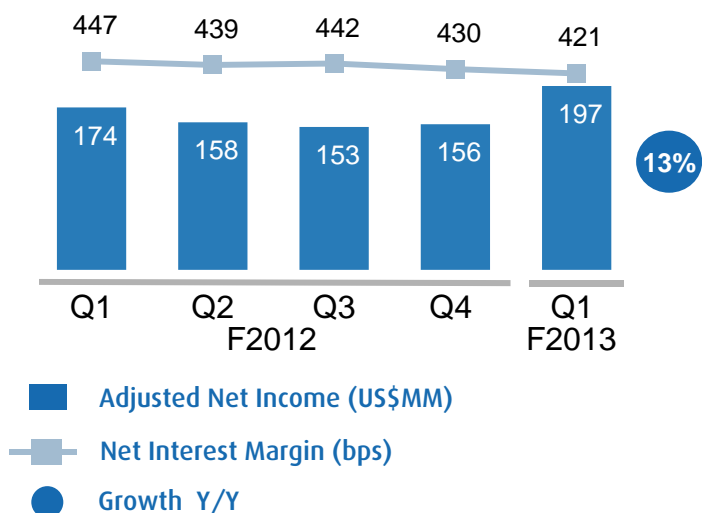
³ Business deposit share (Banks) issued by CBA (one calendar quarter lag basis (Q4 F12: Sept 2012))

Personal & Commercial Banking U.S.

Good net income growth and positive loan growth Q/Q

- Q1 adjusted net income¹ up 13% Y/Y and 25% Q/Q
- Lower PCL Y/Y reflects better credit conditions
- Expenses down Y/Y and Q/Q primarily due to synergies net of investments in the business
- Adjusted efficiency ratio 57.1%¹
- Strong commercial loan growth with core C&I balances up 18% Y/Y and 7% Q/Q
- Focused on sales productivity, effectively managing costs and optimizing expanded distribution network and capabilities
- Added 131 new commercial relationships during the quarter and continue to look for expansion opportunities in to new geographic areas and specialties that align with our growth strategy
- Added a seasoned team of bankers and launched a franchise finance specialty lending group

Adjusted Net Income* and Net Interest Margin



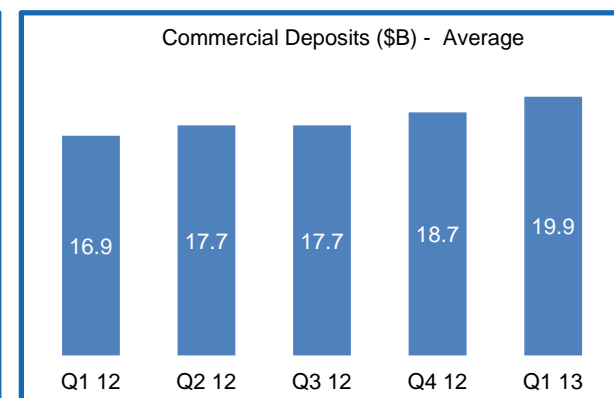
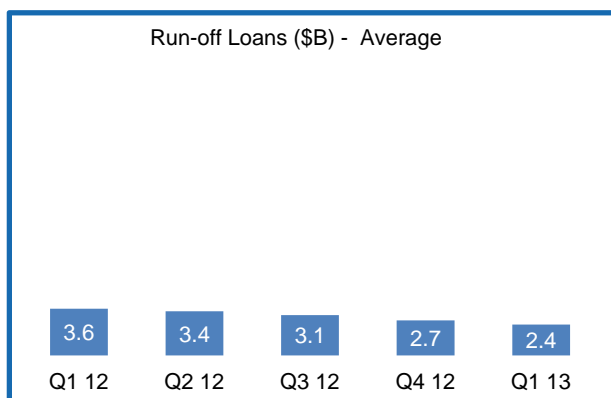
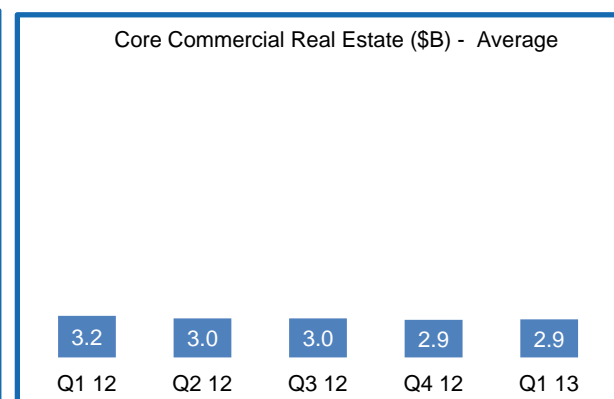
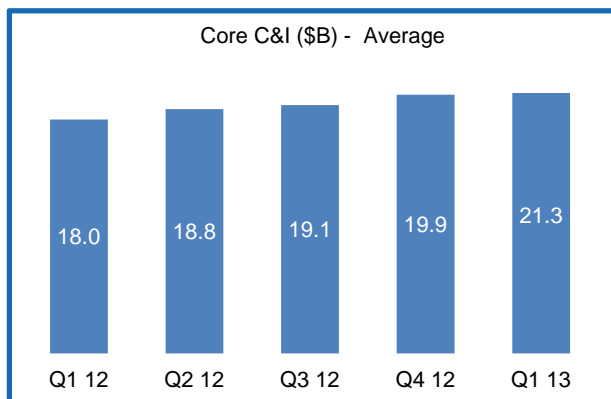
¹ Reported net income up 17% Y/Y and 30% Q/Q; reported efficiency ratio of 59.8%. Reported net income (US): Q1'12 \$157MM, Q2'12 \$143MM, Q3'12 \$137MM, Q4'12 141MM, Q1'13 \$183MM

* Adjusted measures are non-GAAP measures. See slide 2 of this document, page 32, 98-99 of BMO's 2012 Annual Report and page 31-32 of BMO's First Quarter 2013 Report to Shareholders. For details on adjustments refer to slide 28

Personal & Commercial Banking U.S. – Commercial Balances

All amounts in U.S. \$B

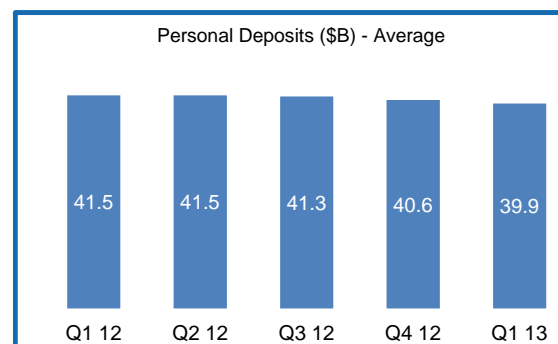
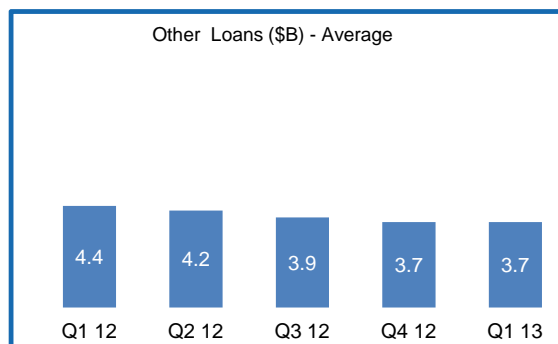
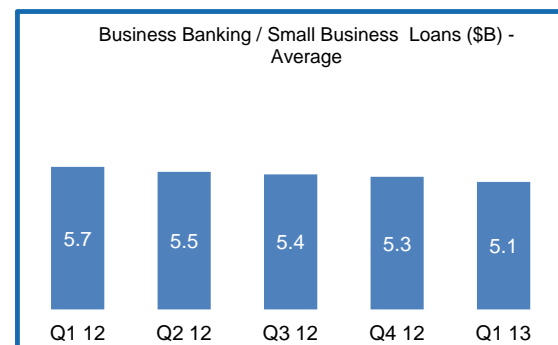
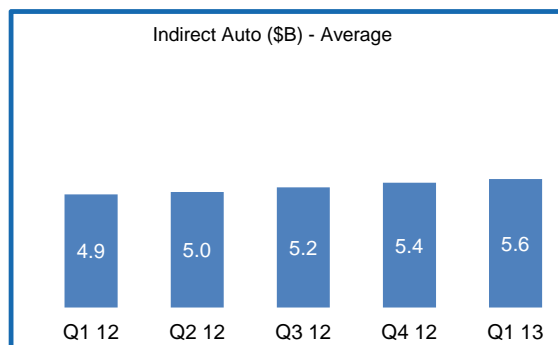
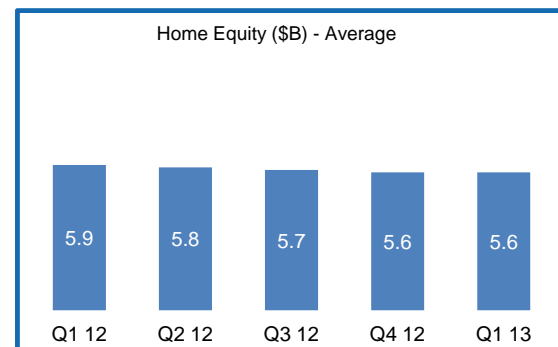
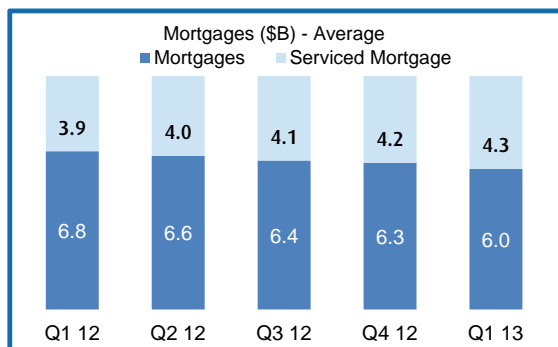
- Strong C&I loan growth, with Q1'13 being the 5th straight sequential quarter of growth; growth of 18% since Q1'12
- New client acquisition remains strong, reflecting a significant number of completed transactions. Pipeline continues to be strong
- Commercial real estate is starting to see traction in the pipeline
- 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 portfolio declined as new originations of long term fixed rate loans are sold into the secondary market. Serviced portfolio up. Number of applications increased 14% from prior year and 5% from last quarter
- Home Equity portfolio continues to reflect consumer deleveraging
- Indirect Auto portfolio continues to show good momentum and has been showing growth for the last five quarters. New originations increased 47% from prior year and 3% from last quarter
- Business Banking environment remains cautious for new borrowings
- Deposit balance declines reflect reductions in money market and higher cost CD portfolios, as expected. Core checking and savings continue to show modest growth
- 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

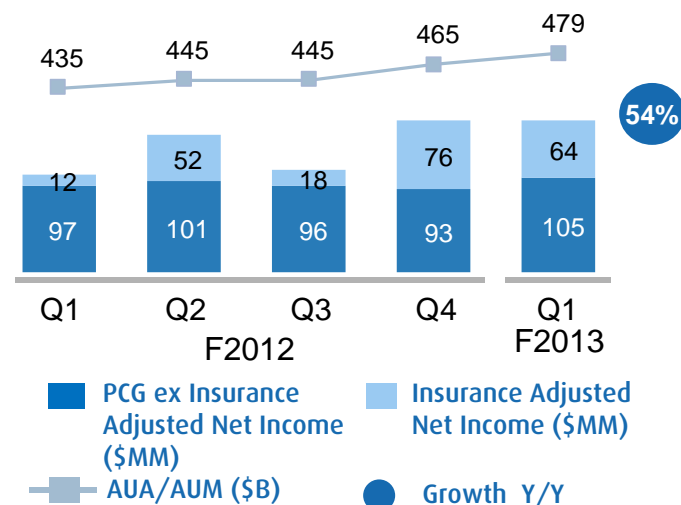


Private Client Group

Good financial performance on higher revenues and focused productivity

- Q1 2013 adjusted net income up 54%
 - Ex-Insurance net income up 8%
 - Insurance net income of \$64MM, up \$52MM, as revenues improved significantly due to the reduced impact of movements in long-term interest rates in the current quarter relative to a year ago and continued business growth in both the creditor and life insurance businesses
- Results reflect higher revenue, driven by growth in client assets, and focused cost management
- Adjusted efficiency ratio of 71.9%¹
- AUM / AUA up \$44 billion or 10% Y/Y due to market appreciation and new client assets
- Completed the acquisition of a Hong-Kong and Singapore-based wealth management services provider. Operating as BMO Private Bank in Asia, this acquisition will provide private banking services to high net worth individuals in the Asia-Pacific region
- BMO InvestorLine was named the top bank-owned online brokerage firm in Canada for the second consecutive year in the 14th annual Globe and Mail rankings of online brokers

Adjusted Net Income* and AUA/AUM



¹ Reported efficiency ratio of 73.0%. Reported net income: Q1'12 \$104MM, Q2'12 \$147MM, Q3'12 \$109MM, Q4'12 \$164MM, Q1'13 \$163MM

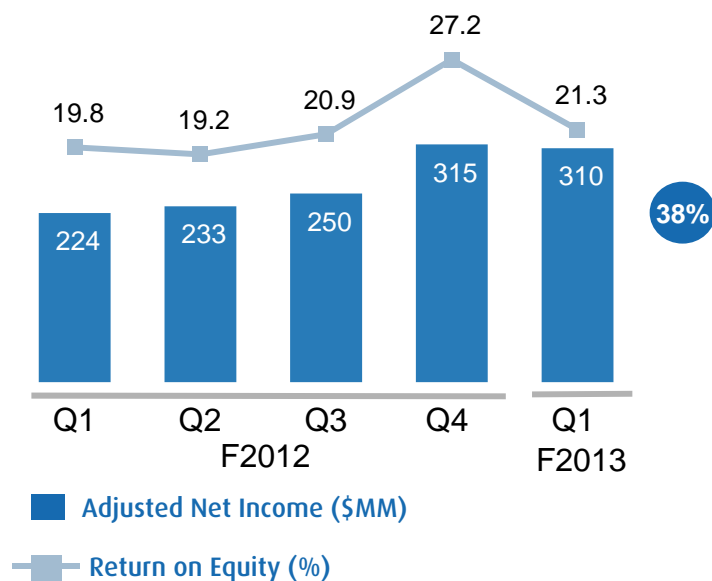
* Adjusted measures are non-GAAP measures. See slide 2 of this document, page 32, 98-99 of BMO's 2012 Annual Report and page 31-32 of BMO's First Quarter 2013 Report to Shareholders. For details on adjustments refer to slide 28

BMO Capital Markets

Very strong results Y/Y reflect good execution and a more favourable environment

- Q1 net income up 38% from a year ago
- Net income from US operations increased to \$84MM, more than doubled from the prior year
- Efficiency ratio of 56.9%
- Strong ROE of 21.3%
- Demonstrating our success at focusing on core clients, during the quarter BMO Capital Markets was named 2012 Best Equity House, Canada in *International Financing Review*, a Thomson Reuters Publication
 - This award is a testament to our ability to develop innovative solutions for our clients' most complex problems, while executing at a consistently high standard
- BMO Capital Markets Named Best Canadian Investment Bank, World's Best Metals & Mining Investment Bank in the *Global Finance* World's Best Investment Banks 2013 Awards

Adjusted Net Income* and Return on Equity



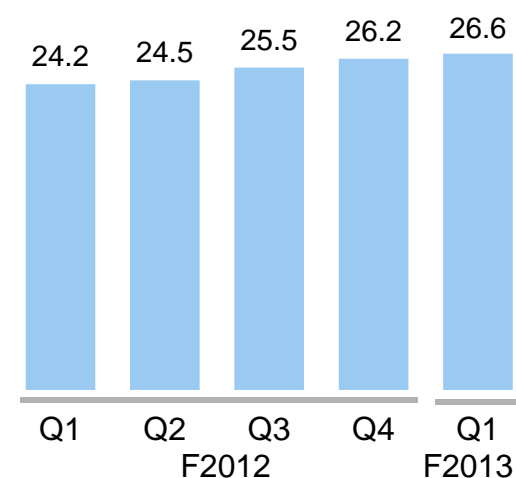
*Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual Report and pages 31-32 of BMO's First Quarter 2013 Report to Shareholders. See slide 28 for adjustments to reported results. Reported net income: Q1'12 \$224MM, Q2'12 \$233MM, Q3'12 \$250MM, Q4'12 \$314MM, Q1'13 \$310MM

Capital & Risk Weighted Assets

Capital position is strong

| Basel III | Q1 13 ⁽¹⁾ | Q4 12 ⁽²⁾ (pro forma) |
|---|----------------------|-------------------------------------|
| Common Equity Tier 1 Ratio (CET1) (%) | 9.4 | 8.7 |
| Tier 1 Capital Ratio (%) | 11.1 | 10.5 |
| Total Capital Ratio (%) | 13.4 | 12.9 |
| RWA (\$B) | 211 | 222 |
| Transitional Assets to Capital Multiple | 16.1 | 15.2 |

Common Shareholders' Equity (\$B)



- Basel III CET1 Ratio is 9.4%, up from 8.7% at Q4'12
- Basel III RWA decreased from last quarter due largely to OSFI's deferral of the effective date for the imposition of the Credit Valuation Adjustment (CVA) RWA (approximately 35 bps improvement in our BIII CET1 Ratio)
- Capital increased from last quarter due largely to retained earnings growth

¹ Basel III calculations are based on OSFI's 2013 CAR guideline, which requires Canadian deposit-taking institutions to meet the 2019 Basel III capital requirements, other than the phase-out of non-qualifying capital, (also referred to as the 'all-in' requirements) in 2013 and expects them to attain a target Basel III CET1 Ratio of at least 7% (4.5% minimum plus 2.5% capital conservation buffer) by January 31, 2013.

² Estimates based on the "all-in" impact of announced Basel III 2019 rules and the impact of adoption of IFRS, except Q4'12 Assets to Capital Multiple of 15.2 which is on a Basel II basis.

Loan Portfolio Overview

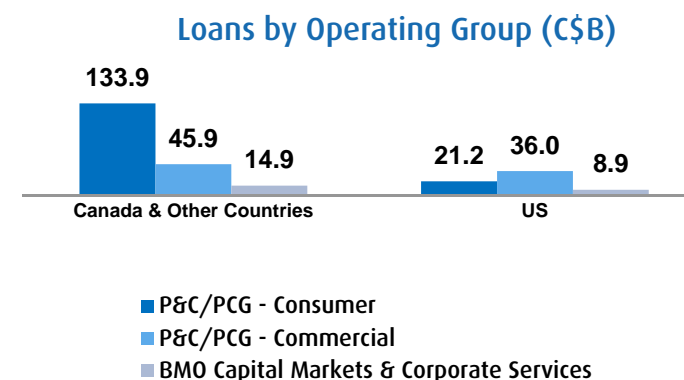
Canadian and US portfolios are well diversified by industry

| Gross Loans & Acceptances By Industry (C\$ B) | Canada & Other ¹ | US | Total | % of Total |
|---|--------------------------------|-------------|--------------|---------------|
| Residential Mortgages | 78.6 | 7.2 | 85.8 | 33% |
| Personal Lending | 48.1 | 13.5 | 61.6 | 24% |
| Credit Cards | 7.2 | 0.5 | 7.7 | 3% |
| Total Consumer | 133.9 | 21.2 | 155.1 | 60% |
| CRE/Investor Owned Mortgages | 10.4 | 7.6 | 18.0 | 7% |
| Financial | 8.8 | 7.6 | 16.4 | 6% |
| Services | 8.7 | 5.8 | 14.5 | 6% |
| Manufacturing | 5.1 | 5.6 | 10.7 | 4% |
| Retail | 6.4 | 2.8 | 9.2 | 4% |
| Wholesale | 3.1 | 3.4 | 6.5 | 2% |
| Owner Occupied Commercial Mortgages | 2.0 | 4.3 | 6.3 | 2% |
| Agriculture | 4.4 | 0.7 | 5.1 | 2% |
| Other Commercial & Corporate ² | 11.9 | 7.1 | 19.0 | 7% |
| Total Commercial & Corporate | 60.8 | 44.9 | 105.7 | 40% |
| Total Loans | 194.7 | 66.1 | 260.8 | 100% |

¹ Includes ~\$5B from Other Countries

² Other Commercial & Corporate includes industry segments that are each <3% of total loans

- Consumer portfolio represents the majority of loans
 - Consumer loans are 86% in Canada and 14% in the US
 - Portfolios are predominantly secured – 88% in Canada and 97% in the US
- Commercial portfolio is balanced with 58% in Canada in 42% in the US



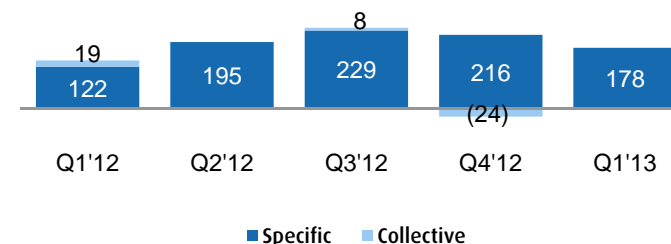
Provision for Credit Losses (PCL)

Lower provisions Q/Q

| PCL ¹ By Operating Group (C\$ MM) | Q1'13 | Q4'12 | Q1'12 |
|---|-------------|------------|------------|
| Consumer – P&C Canada | 109 | 123 | 127 |
| Commercial – P&C Canada | 19 | 23 | 28 |
| Total P&C Canada | 128 | 146 | 155 |
| Consumer – P&C US | 33 | 76 | 45 |
| Commercial – P&C US | (1) | (1) | 18 |
| Total P&C US | 32 | 75 | 63 |
| PCG | 2 | 11 | 5 |
| Capital Markets | (15) | (4) | (9) |
| Corporate Services² | 8 | 17 | 19 |
| Sub-Total | 155 | 245 | 233 |
| Purchased Credit Impaired Loans ³ | (59) | (132) | (142) |
| Adjusted Specific Provisions | 96 | 113 | 91 |
| Purchased Performing Loans ³ | 82 | 103 | 31 |
| Specific Provisions | 178 | 216 | 122 |
| Change in Collective Allowance | - | (24) | 19 |
| Total PCL | 178 | 192 | 141 |

- Adjusted and Total PCL down Q/Q by 15% and 7% respectively. Decrease due to:
 - Decline in new reservations
 - Higher recoveries and reversals
- Q4'12 PCL included regulatory guidance on certain performing consumer loans
- Q1'13 adjusted specific provisions are \$96MM (Q4'12: \$113MM)
 - Recovery related to the Purchased Credit Impaired Loans is \$59MM (Q4'12: \$132MM)

Quarterly PCL (C\$MM)



1 As of Q1'13, provisions related to interest on impaired loans are allocated to the operating groups, prior periods have been restated

2 Corporate Services includes the provisions in respect of loans transferred from P&C US in Q3'11

3 Both Purchased Credit Impaired and Purchased Performing, refer to loans acquired as a part of the M&I acquisition

Canadian Residential Mortgages

| Residential Mortgages by Region (C\$B) | Insured | Uninsured | Total | % of Total |
|--|-------------|-------------|-------------|-------------|
| Atlantic | 3.4 | 1.3 | 4.7 | 6% |
| Quebec | 7.5 | 4.1 | 11.6 | 15% |
| Ontario | 20.5 | 11.5 | 32.0 | 41% |
| Alberta | 8.8 | 3.7 | 12.5 | 16% |
| British Columbia | 7.3 | 7.7 | 15.0 | 19% |
| All Other Canada | 1.9 | 0.9 | 2.8 | 3% |
| Total Canada | 49.4 | 29.2 | 78.6 | 100% |

- Total Canadian portfolio \$78.6B (Q4'12: \$76.7B)
- ~63% of the portfolio is insured (Q4'12: ~64%)
- Average LTV¹ of portfolio 63% (Q4'12: 62%)
 - insured portfolio 65% (Q4'12: 64%)
 - uninsured portfolio 59% (Q4'12: 58%)

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

Group Net Income

Adjusted net income growth of 7% Y/Y

| Net Income, Adjusted (\$MM) | Q1 13 | Q4 12 | Q1 12 | Q/Q Inc/(Dec) | Y/Y Inc/(Dec) |
|-----------------------------|--------------|--------------|------------|---------------|---------------|
| P&C Canada | 461 | 444 | 443 | 3% | 4% |
| P&C U.S. | 195 | 156 | 176 | 26% | 11% |
| Total P&C | 656 | 600 | 619 | 9% | 6% |
| PCG | 169 | 169 | 109 | - | 54% |
| BMO Capital Markets | 310 | 315 | 224 | (2)% | 38% |
| Corporate Services | (94) | 41 | 20 | (+100)% | (+100)% |
| Total Bank | 1,041 | 1,125 | 972 | (7)% | 7% |

| Net Income, Reported (\$MM) | Q1 13 | Q4 12 | Q1 12 | Q/Q Inc/(Dec) | Y/Y Inc/(Dec) |
|-----------------------------|--------------|--------------|--------------|---------------|---------------|
| P&C Canada | 458 | 442 | 441 | 3% | 4% |
| P&C U.S. | 182 | 140 | 159 | 31% | 15% |
| Total P&C | 640 | 582 | 600 | 10% | 7% |
| PCG | 163 | 163 | 104 | - | 56% |
| BMO Capital Markets | 310 | 314 | 224 | (2)% | 38% |
| Corporate Services | (65) | 22 | 181 | (+100)% | (+100)% |
| Total Bank | 1,048 | 1,082 | 1,109 | (3)% | (5)% |

Adjusted measures are non-GAAP measures. See slide 2 of this document, pages 32, 98-99 of BMO's 2012 Annual Report and pages 31-32 of BMO's First Quarter 2013 Report to Shareholders. See slide 28 for adjustments to reported results

Adjusting Items

| Adjusting ¹ items – Pre-tax (\$MM) | Q1 13 | Q4 12 | Q1 12 |
|---|-------------|---------------|-------------|
| Credit-related items on the M&I purchased performing loan portfolio | 128 | 57 | 184 |
| M&I integration costs | (92) | (153) | (70) |
| Amortization of acquisition-related intangible assets | (31) | (34) | (34) |
| Decrease/(increase) in the collective allowance for credit losses | - | 49 | - |
| Run-off structured credit activities | 7 | 67 | 136 |
| Restructuring costs | - | (74) | (68) |
| Adjusting items included in reported pre-tax income | 12 | (88) | 148 |
| Adjusting ¹ items – After-tax (\$MM) | Q1 13 | Q4 12 | Q1 12 |
| Credit-related items on the M&I purchased performing loan portfolio | 79 | 35 | 114 |
| M&I integration costs | (57) | (95) | (43) |
| Amortization of acquisition-related intangible assets | (22) | (24) | (24) |
| Decrease/(increase) in the collective allowance for credit losses | - | 27 | - |
| Run-off structured credit activities | 7 | 67 | 136 |
| Restructuring costs | - | (53) | (46) |
| Adjusting items included in reported after-tax net income | 7 | (43) | 137 |
| EPS (\$) | 0.01 | (0.06) | 0.21 |

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

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