



Investor Day

Private Client Group
U.S.

GILLES OUELLETTE
*President and
Chief Executive Officer
Private Client Group*

JUNE 9 • 05

BMO  Financial Group



FORWARD-LOOKING STATEMENTS

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 presentation, and may be included in 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 the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may involve, but are not limited to, comments with respect to our objectives for 2005 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 and other forward-looking statements will not prove to be accurate. 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: global capital market activities; interest rate and currency value fluctuations; the effects of war or terrorist activities; the effects of disease or illness that impact on local, national or international economies; the effects of disruptions to public infrastructure, such as transportation, communications, power or water supply disruptions; industry and worldwide economic and political conditions; regulatory and statutory developments; the effects of competition in the geographic and business areas in which we operate; management actions; and technological changes. We caution that the foregoing list of factors is not exhaustive and that 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 statement, whether written or oral, that may be made, from time to time, by the organization or on its behalf.



OTHER REPORTING MATTERS

CAUTION REGARDING NON-GAAP MEASURES

Bank of Montreal uses both GAAP and non-GAAP measures to assess performance. Securities regulators require that companies caution readers 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 quarterly Press Release, MD&A and in its Annual Report to Shareholders.

Non-GAAP results or measures include revenue, taxes and productivity results and measures that use Taxable Equivalent Basis (teb) amounts, cash-based profitability and productivity measures, Net Economic Profit and results and measures that exclude significant items.

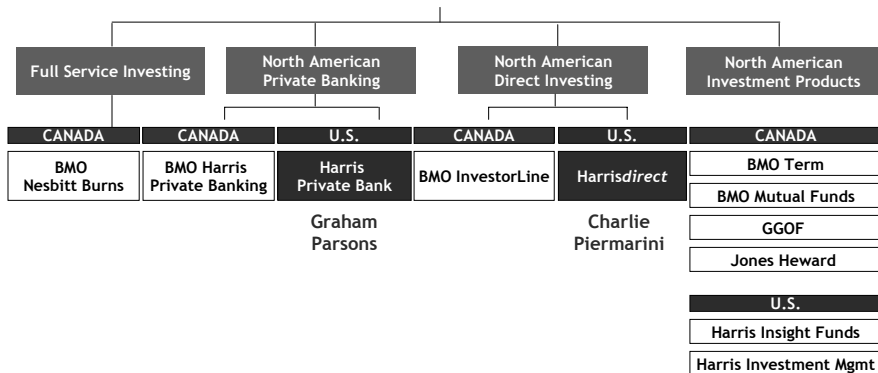
GAAP METHODOLOGY

Unless otherwise indicated, all GAAP measures are reported in accordance with Canadian GAAP. A reconciliation of Canadian GAAP to U.S. GAAP can be found in Bank of Montreal's quarterly Financial Statements and Supplementary Package and in its Annual Report to Shareholders.



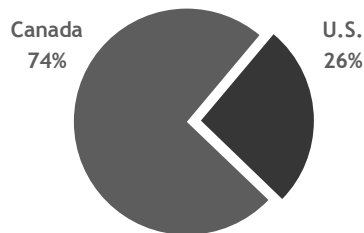
AGENDA

Private Client Group Gilles Ouellette



A NORTH AMERICAN WEALTH MANAGEMENT FRANCHISE

PCG Revenues
YTD Q2 2005



In Canada

- Established national franchise with award winning offering
 - BMO Nesbitt Burns: #1 research 24 years running
 - BMO InvestorLine: #1 ranking by Watchfire and Globe & Mail 11 surveys running
 - BMO Harris Private Banking: #1 ranking by Euromoney 2 years running
- Access to 7 million BMO clients

In the U.S.

- Prestigious Harris brand with a focused geographical footprint
 - Covering 12 top wealth markets, with a key foothold in Chicagoland
 - Harrisdirect: #3 ranking overall by Watchfire
 - Harris Private Bank: #7 ranking by Euromoney
- Access to 1 million Harris clients

SIGNIFICANT OPPORTUNITY FOR GROWTH IN THE U.S.

U.S. private banking & direct investing markets attractive

- High net worth assets forecast to grow 11% annually to 2008¹
- Online assets forecast to grow 20% annually to 2008²

Our advantage to compete

- Leveraging core capabilities of successful Canadian businesses to build-out direct investing and private banking franchises in the U.S.

Our opportunity for growth

- Our physical presence in U.S. markets covers more than 20% of households with >\$1MM in investable assets
- Chicago is one of the top wealth markets in the U.S., both in concentration of wealth and growth in wealthy households. We have a strong reputation and footing in the market.



¹ North American forecast, Cap Gemini Ernst & Young World Wealth Report, 2004
² U.S. forecast, Jupiter Research - January 2004

A DEFINED GROWTH STRATEGY

Vision

To be a leader in providing wealth management solutions in select North American markets, helping our clients to accumulate, protect and grow their assets

Strategic Focus

In Canada

- Continue to leverage our leadership position in client service and award-winning offerings
- Continuing to drive performance through sales force productivity and operational efficiencies

In the U.S.

- Accelerate share of wallet growth of our existing client base, with a focus on Chicagoland
- Leverage P&C expansion to introduce wealth offering in new markets
- Improve performance through sales force productivity and operational efficiencies



CLEAR FOCUS ON BUILDING AND RESTRUCTURING FOR PROFITABLE GROWTH

F1999

BUILT PLATFORM AND CAPABILITIES

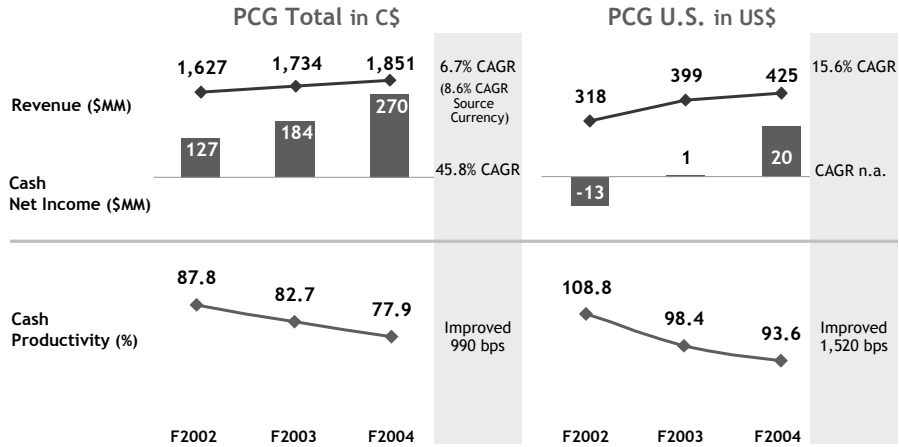
F2004

- Expanded through strategic acquisitions
 - 4 direct investing and 5 private banking acquisitions¹
 - Geographic footprint in 12 of the top wealth markets in the U.S.²
- Integrated businesses and refined business models
 - Consolidated acquisitions and full-service offering under unified Harris*direct* brand
 - Integrated and rolled-out myCFO's UHNW family service model and SBSB's financial planning model for holistic private banking offering
- Eliminated costs and improved operational efficiencies
 - Harris Private Bank reduced its direct expenses by approximately \$20MM; Harris Direct reduced its expenses by \$100MM
 - Consolidated call centers & back-office operations
 - Transferred support services to broader Bank platform
- Refocused sales force
 - Upgraded the quality of the existing sales force
 - Expanded the sales force
 - Aligned compensation and strengthened sales management to improve sales force productivity

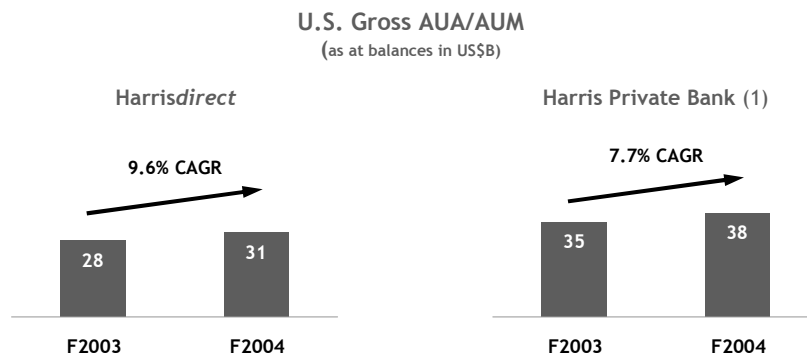


¹ Direct investing acquisitions: BCL (F1999), Freeman Welwood (F2000), CSFBdirect (F2002), Morgan Stanley Online (F2002).
 Private banking acquisitions: Village Bank of Naples (F2000), Century Bank (F2000), Northwestern Trust (F2002), myCFO (F2003), SBSB (F2003).
² Markets: Chicago, San Francisco, Los Angeles, Denver, Seattle, Phoenix/Scottsdale, Naples, Sarasota, Vero Beach, West Palm Beach, Atlanta, Mclean (VA/Washington D.C.).

STRONG CANADIAN PERFORMANCE SUPPORTING INVESTMENTS IN U.S. BUSINESSES



FOCUSING TODAY ON TWO BUSINESSES - HARRISdirect AND HARRIS PRIVATE BANKING



(1) Gross assets managed and administered excluding institutional assets

WELL POSITIONED TO ACCELERATE GROWTH



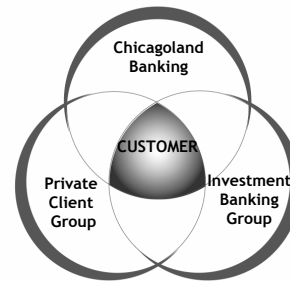
- Continue sales force productivity improvement
 - Targeting to double sales force productivity over the next 4 years for individual businesses to drive to best in class performance
- Pursue sales force expansion program
 - Recruiting top talent and expanding sales force
- Continue to enhance and differentiate client offerings
 - Guided Investing Model at *Harrisdirect*
 - Integrated team model at Harris Private Bank
- Focus on Chicago
 - Chicago is one of the top wealth markets in the U.S.
 - We have a strong reputation and established presence in the U.S.
 - Existing Bank client base represents significant untapped opportunity
- Leverage our Harris partners for client opportunities
 - Referral program on track
 - Integration with Harris network is key to growth strategy



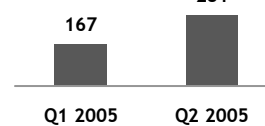
ONE HARRIS

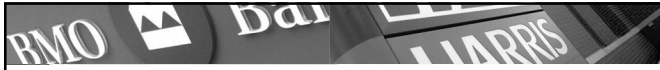
Formalized program that encourages collaboration across lines of business

- Provide exceptional customer service by leveraging the full capabilities of the organization to meet a broad range of customer needs
- Earn a larger share-of-wallet and drive revenue growth through increased referrals and cross-sell
- Established targets, incentives and performance tracking mechanisms
- Encouraging early results ahead of plan



One Harris
Total Intergroup
Cross-Sell
(Balances, US \$MM)





KEY MESSAGES

- Strong Canadian franchises; U.S. provides growth opportunity
- Built U.S. platform and capabilities
 - Expanded our offering through strategic acquisitions
 - Integrated our businesses through consolidation with our established brand
 - Streamlined operations by reducing costs
 - Improving sales force productivity
 - Focused strategy to accelerate growth
- Proven ability to deliver results in wealth management
 - Strong overall financial performance driven by Canadian businesses
 - Focused strategy and differentiated offering to deliver improved performance in the U.S. businesses
- Well Positioned to accelerate growth
 - Aggressive targets for sales force productivity
 - Continue to grow sales force
 - Leverage One Harris, an integrated delivery model
 - Focus on significant Chicagoland opportunity



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Harris Private Bank

GRAHAM PARSONS
Executive Vice-President



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EXECUTIVE SUMMARY

- Robust growth in high net worth individuals & assets projected to continue
- Competition is tough, but fragmented, providing significant opportunity for strong players
- Harris Private Bank (HPB) is well positioned among the array of wealth management providers
 - Distinctive breadth of capability
 - Truly integrated delivery model
 - Access to 1.6MM+ Chicagoland Banking, Harris Nesbitt and Harris*direct* clients
- HPB continues its practice of balancing expense management actions with revenue initiatives
- Solid foundation laid for profitable growth and enhancing market position



HARRIS PRIVATE BANK Strategy for building lasting client relationships

Attract and build client relationships by leveraging the strength of our integrated teams and the breadth of our wealth management capabilities to establish ourselves as:

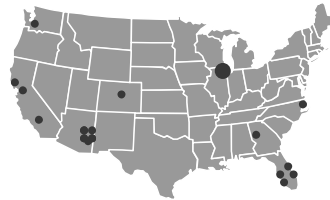
- Trusted advisors to client segments that value holistic, comprehensive advice and guidance
- Providers of high quality wealth management solutions to those client segments seeking to fill specific needs



HARRIS PRIVATE BANK PROFILE

Prime wealth locations, solid client franchise

- Operating through 29 locations in 12 of the top wealth markets in the U.S.
- Over 15,000 client relationships
- Average relationship tenure of 17 years (vs. 12 years industry average¹)
- Client retention rate of 94.9% (top quartile¹)

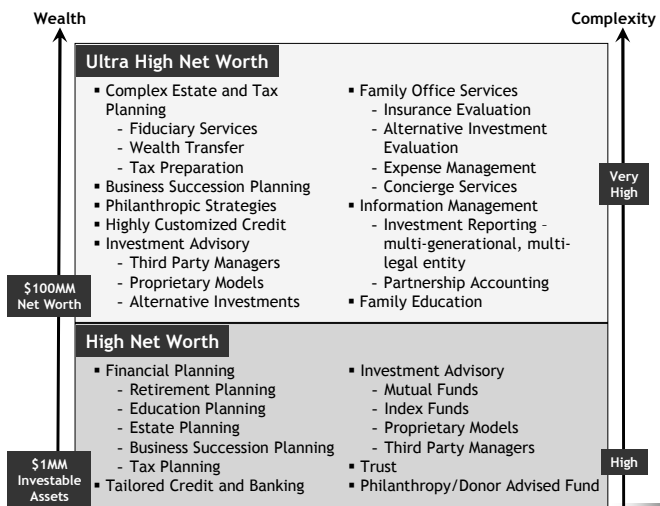


¹ Source: VIP Forum

HARRIS PRIVATE BANK MARKET APPROACH

Complete alignment of capabilities with client needs

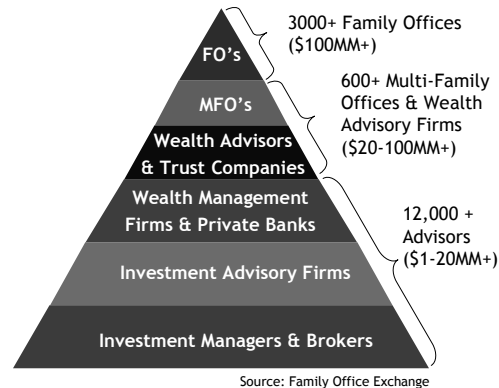
- Nationwide Ultra High Net Worth franchise focusing on the highly complex needs of individuals and families with >\$100MM in net worth
- High Net Worth franchise leveraging local community presence, focusing on the needs of wealthy individuals with >\$1MM in investable assets



COMPETITIVE LANDSCAPE

Competing within a diverse and fragmented marketplace

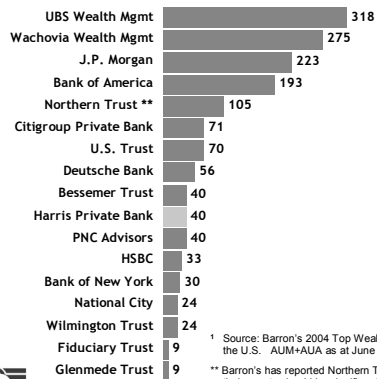
- Forecasts for market growth remain strong
- U.S. wealth management marketplace is diverse
- HPB competes with both traditional and non-traditional providers of wealth management services
- Industry growth is stronger among non-traditional firms, confirming client preference for trusted advisors providing objective advice and guidance



COMPETITIVE POSITION

HPB is well positioned

- 10th largest provider ranked by assets in Barron's 2004 survey of Top Wealth Managers in the U.S.
- 7th best private bank in the U.S. by the 2004 Euromoney peer poll



¹ Source: Barron's 2004 Top Wealth Managers in the U.S. AUM+AUA as at June 2004, US\$Bn.
^{**} Barron's has reported Northern Trust incorrectly – their assets should be significantly higher.

Nominated in 16 Categories, Including:

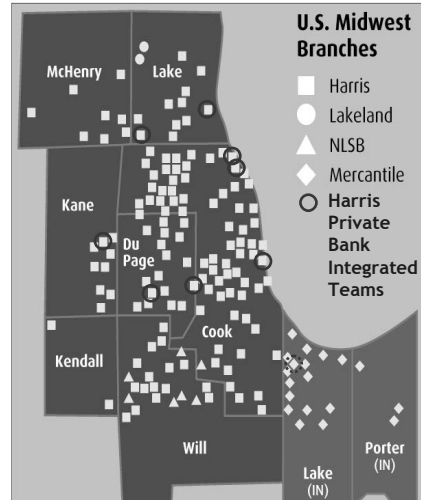
- Best Private Bank for \$1MM - \$10MM
- Best Private Bank for \$10MM - \$30MM
- Best Private Bank for Ultra High Net Worth
- Best at Relationship Management
- Best Family Office Services
- Best Philanthropy Services
- Best Provider to Corporate Executives
- Best Provider to Entrepreneurs
- Best Inheritance and Succession Planning
- Best Trust Services
- Best Portfolio Management - Equities
- Best Portfolio Management - Fixed Income



CHICAGO MARKETPLACE

Greatest opportunity is in our home market

- Chicago is one of the top wealth markets in the U.S., both in concentration of wealth and growth in wealthy households
- 1MM+ Chicagoland Banking, Harris Nesbitt and Harrisdirect clients
- Harris has a small share of its current clients' wallet for investment securities and mutual funds

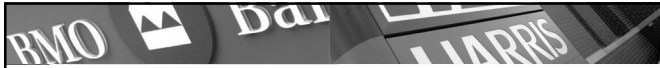


TOP PRIORITIES FOR 2005

Top line growth is primary focus

- Accelerating the pace of revenue growth
 - Building broader and deeper client relationships across the organization (One Harris)
 - Expanding the sales force and increasing sales force productivity
 - Focusing on selected specialty sectors
- Improving profitability by increasing operational efficiency
 - Leveraging Harris centralized utilities
- Building on our distinctive competitive position
 - Further extending the investment offering
 - Continuously recruiting top talent



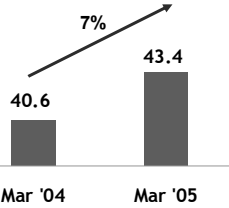


KEY MEASURES OF SUCCESS

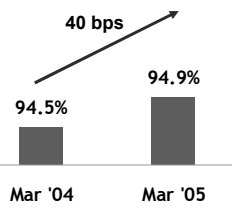
Execution will produce results

- Driving personal trust and investment assets under management and administration
- Increasing revenue per employee
- Further improving client retention
- Adding new client relationships

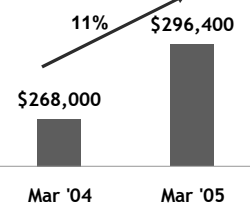
Assets Under Management and Administration * (US\$Bn)



Client Retention



Revenue Per Employee



* Excludes non-core institutional assets



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U.S.
Harrisdirect

CHARLIE PIERMARINI
*President and
Chief Executive Officer*



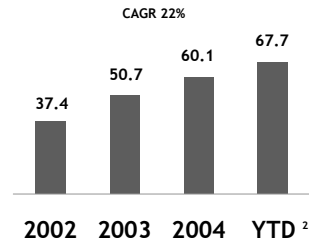
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WHO IS HARRISdirect?

- A leading provider of direct-investing, investment-advisory, and third-party institutional brokerage services
- Ranked 3rd overall for discount brokers by Watchfire – tied with E*Trade and ahead of Ameritrade, TD Waterhouse, Scottrade and 13 other competitors

Assets per Active Account
(US\$000's)



- Online Investing
 - Over 480,000 active accounts²
 - Over \$32 billion in AUA²
- Advisory Services
 - Full-service, fee-based approach
 - Fee-based assets exceed \$740 million³
- Institutional Brokerage Services
 - 40+ financial services firms
 - Over \$3.5 billion in AUA³



¹ Gomez-Watchfire, March 2005

² As of March 2005

³ As of March 2005 and included in Online totals

INTEGRATED WITH THE HARRIS NETWORK AND KEY PART OF BMO's U.S. GROWTH STRATEGY

HARRIS RETAIL BANK

- Harris Asset Manager
- "No Surprise" Mortgage
- One Harris referrals
- Harris WorldPoints Credit Card

HARRIS PRIVATE BANK

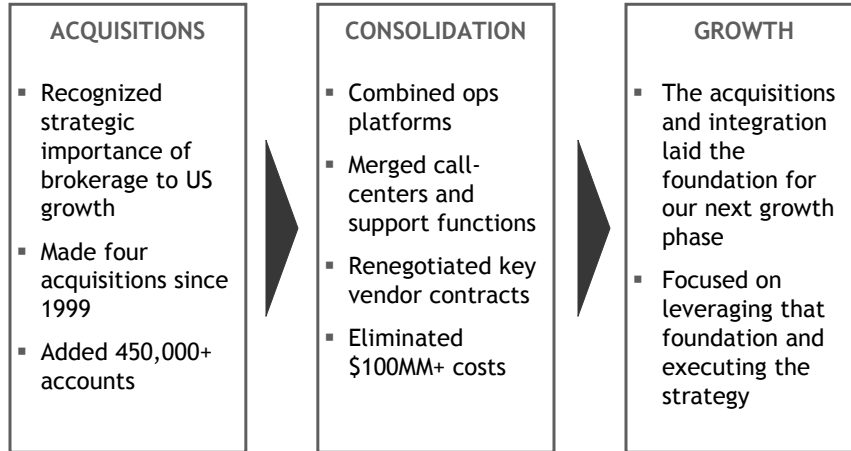
- Partnership with Harris myCFO Investment Advisory Services
- Service provider to Harris SBSB
- One Harris referrals

OTHER HARRIS UNITS

- Harris Insight Funds
- Corporate short-term investment alternatives
- New-Issue distribution / IPO Center
- Harris Nesbitt research



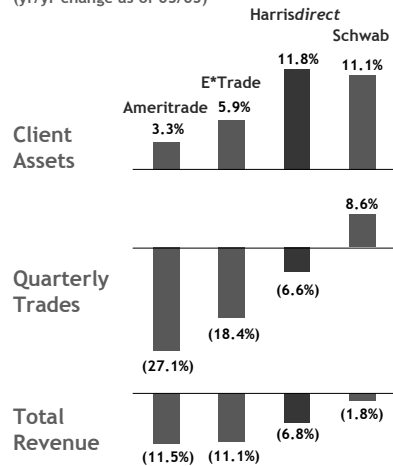
LEVERAGING A FOUNDATION FOR GROWTH



COMPETITIVE ADVANTAGES AND CHALLENGES

- Our Advantages
 - Award-winning service*
 - Value-leading pricing
 - Outstanding products
 - Strength of BMO and Harris franchises
- Our Challenges
 - Increase brand awareness
 - Rapid strategy implementation
 - Improve productivity ratio

Activity Per Active Account
(yr/yr change as of 03/05)



*Smart Money, August 2004 - Best in Customer Service in the Discount Broker Category.

KEY ELEMENTS OF OUR GROWTH STRATEGY

- Deliver a differentiated investing experience
 - The Guided Investing Model (G.I.M.)
- Deliver the investment expertise of the entire Harris organization
- Focus on our targeted client segments
- Support with strategic marketing
 - Target key client segments
 - Focused & creative
- Be a value leader
- Motivated leadership team



> Introducing Simplified Pricing
Only \$7.95 a Trade!

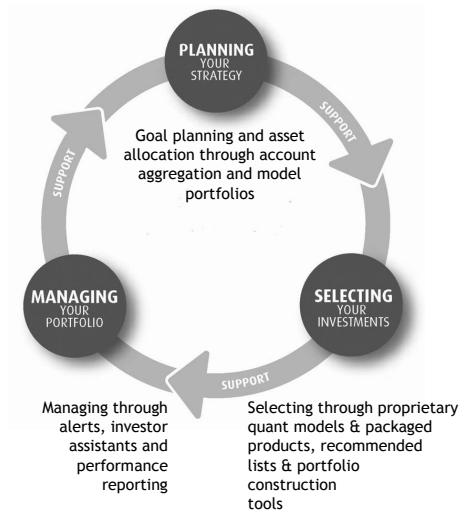
Open an account and get 20 free trades >

HARRISdirect
The Straight Stuff™



THE GUIDED INVESTING MODEL

- Leverages our successful Canadian experience
- Personalized and prompted
- Tailored - client chooses some or all depending on
 - Investment lifecycle
 - Planning needs
 - Decision-validation needs



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WHY THIS STRATEGY?

- 1 Evaluated industry, competition and internal capabilities
- 2 Identified key areas for competitive differentiation
- 3 Researched five client segments →
- 4 Developed strategy around best segment opportunities
- 5 Supported that strategy with resources

CLIENT SEGMENTATION (1)

	A	B	C	D	E
Relative Economic Value	●	◐	●	◐	◑
Relative Segment Size	◐	◑	◐	●	◑
Future Growth Potential	◐	●	◐	◑	◑
Appeal of G.I.M.	●	●	●	◐	◑
Use of Advice	●	●	◐	◑	●
Overall Appeal	●	●	◐	◑	◑

ACQUIRE
RETAIN

● High ◐ Medium ◑ Low

1 From Harrisdirect's proprietary attitudinal segment study (conducted by Russell Research, July 2004)

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TARGETED CLIENT SEGMENTS

ACQUISITION

Validators (A & B):

- Highest future growth
- Highest economic appeal
- Driven to accumulate wealth
- Highest need for advice
- Most likely to shift from full-service
- Highest use of online features
- G.I.M. resonated
 - Supports transition from full-service

RETENTION

Self Directed (C & D):

- Highest percentage of current clients
- High economic appeal
- Most financially secure
- Independent, highly self confident
 - Moderate need for advice
- Good growth potential
- Flexibility of G.I.M. tests well
 - Like to pick & choose features

CURRENT MIX

Validators (A&B) ■
Self Directed (C&D) ■
Hesitants (E) □

1 Clients with \$500,000 or more in total assets with Harrisdirect
2 Clients with \$100,000 or more in total assets with Harrisdirect

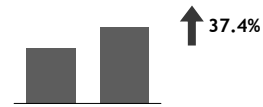
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KEY MEASURES OF SUCCESS

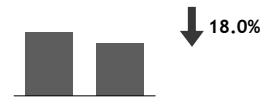
The primary focus of every employee at Harrisdirect is:

- Protecting and growing our clients' assets
- Improving upon our already award-winning customer service
- Adding new client relationships and retaining existing clients
- Improving our firm's productivity ratio

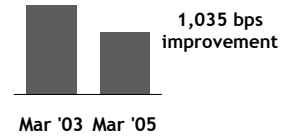
Client Assets



Active Accounts



Cash Productivity



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