

BMO  Bank of Montreal

BMO  Harris Private Banking

BMO  Mutual Funds

BMO  InvestorLine

BMO  Nesbitt Burns

BMO  Life

BMO  Financial Group

**PRIVATE CLIENT GROUP**

**Gilles Ouellette**  
*President & CEO*

*May 2nd, 2003*

# *BMO's* Private Client Group

- In 1999, mandated to grow wealth management franchise
- Canada offered organic growth with select acquisition opportunities
  - Entered advisor fund channel
- U.S. with larger, more fragmented market provided significant opportunity for both acquisition and organic growth
- Focusing on personal wealth segment with its attractive growth prospects
- Leveraging our longstanding strengths in private banking and brokerage to build an integrated wealth management offering



# PCG's U.S. Private Banking

- Private banking offers significant growth prospects in highly fragmented U.S. market
- Over 100 years experience as prestigious, recognized and trusted provider of affluent services
- Acquisitions provided growth beyond Chicago to serve other affluent, high-growth markets such as Seattle and Phoenix
- myCFO added capability for ultra high net worth target market and further locations in affluent markets





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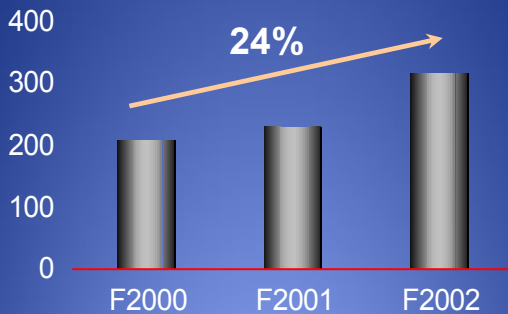
## PCG's U.S. Brokerage

- Brokerage offers equally attractive growth prospects for personal wealth management
- Significant brokerage experience with nearly 100 years in BMO Nesbitt Burns
- Built successful and award-winning direct investing platform with national footprint and access to 1MM clients through acquisition
- Created unique full-service, fee-based brokerage focused on attracting Harris Bank and Harris*direct* clients
  - Grew fee-based assets by approximately USD\$300 million in under 2 years

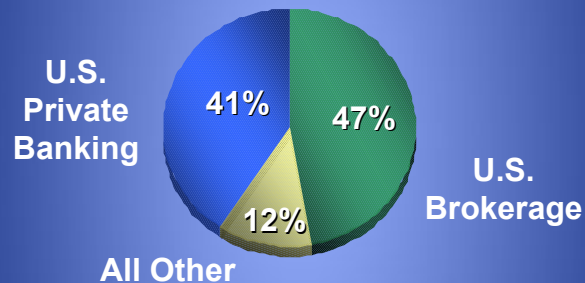
# *Successful* U.S. Execution in Challenging Market Conditions

- PCG's U.S. revenue growing at a 24% CAGR
- Brokerage and private banking now comprise over 85% of revenue
- Focus on cost management and business optimization initiatives improving direct cost to revenue trend

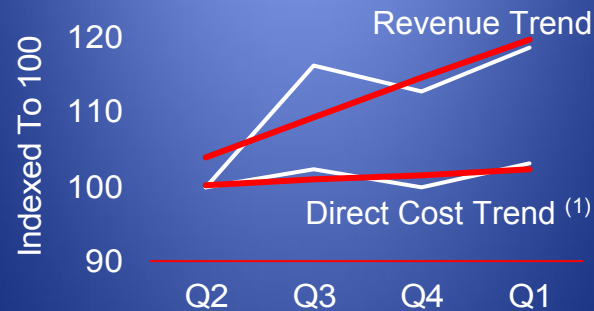
## U.S. Business Unit Revenue



## U.S. Revenue by Line of Business



## Harris Private Bank & Harrisdirect



(1) Excluding intangible amortization



## *Poised* for Market Turnaround

- Long-term growth prospects very positive despite current challenging conditions
- Maintain disciplined focus on improving productivity
- Round out strategic footprint through select “in-market” acquisitions and organic growth