2011

Investor Presentation

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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 harbour 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 2011 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 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; operational and infrastructure risks; 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; disruptions to public infrastructure, such as transportation, communications, power or water supply; and technological changes.

With respect to the M&I transaction, such factors include, but are not limited to: the possibility that the anticipated benefits from the transaction such as it being accretive to earnings and other impacts on earnings, expanding our North American presence and synergies are not realized in the time frame anticipated or at all as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations (including changes to capital requirements) and their enforcement, and the degree of competition in the geographic and business areas in which the combined businesses now operate; the ability to promptly and effectively integrate the businesses of M&I and BMO; reputational risks and the reaction of M&I's customers to the transaction; diversion of management time on integration and restructuring related issues; and increased exposure to exchange rate fluctuations. A significant amount of M&I's business involved making loans or otherwise committing resources to specific companies, industries or geographic areas. Unforeseen events affecting such borrowers, industries or geographic areas could have a material adverse effect on the performance of our integrated U.S. operations.

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 29, 30, 61 and 62 of BMO's 2010 Annual Report, 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 and 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 and regulatory capital ratios, we have assumed our interpretation of the proposed rules 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 BCBS and 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 are adopted as proposed by BCBS and OSFI. We also assumed that existing capital instruments that are non-Basel III compliant but are Basel II compliant can be fully included in such estimates. The full impact of the Basel III proposals has been quantified based on our financial and risk positions at July 31 or as close to July 31 as was practical. The impacts of the changes from IFRS are based on our analysis to date, as set out in Transition to International Financial Reporting Standards in the Future Changes in Accounting Policies – IFRS section in our 2010 Annual Report and later in this document. 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.

In determining the impact of reductions to interchange fees in the U.S. Legislative Developments section, we have assumed that business volumes remain consistent with our expectations and that certain management actions are implemented that will modestly reduce the impact of the rules on our revenues.

Assumptions about the performance of the Canadian and U.S. economies as well as overall market conditions and their combined effect on the bank's 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.

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 Third Quarter 2011 Report to Shareholders and 2010 Annual Report, all of which are available on our website at www.bmo.com/investorrelations.

Examples of non-GAAP amounts or measures include: productivity 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, earnings per share, ROE, productivity ratio and other adjusted measures which exclude the impact of certain items such as integration costs, amortization of acquisition related intangibles and charges for foreign exchange on hedges.

Bank of Montreal provides supplemental information on combined business segments to facilitate comparisons to peers.

Year-to-Date Financial Results

Momentum evident across all our businesses

C$ billions	YTD 2011	YTD 2010
Revenue	9.8	9.0
PCL	0.6	0.8
Expense	6.2	5.6
Net Income	2.4	2.1
EPS ($)	3.91	3.51
Common Equity Ratio (%)	9.11	10.27
Adjusted[1]		
EPS ($)	4.02	3.55
ROE (%)	16.1	14.9
Productivity Ratio (%)	61.5	61.7

- Adjusted revenue growth 10%[1]
- Adjusted net income growth 16%[1]
- Strong capital position
- Disciplined expense management
- Operating group YTD net income growth:
  - P&C Canada up 13%[2]
  - P&C US up 27%[2]
  - PCG up 13%
  - BMO CM up 28%

[1] 2011 Adjusted results exclude $78MM ($49MM after-tax) of costs for integration of the M&I acquisition, $36MM ($29MM after-tax) charge for amortization of acquisition-related intangible assets, $20MM ($14MM after-tax) of charges for the hedge of foreign currency risk on the purchase of M&I and $42MM ($30MM after-tax) decrease in the general allowance for credit losses. Non-GAAP measures, see page 28 of the Third Quarter 2011 Report to Shareholders; Q3 2011 YTD reported ROE 15.7%, productivity ratio 62.8%

[2] P&C Canada growth on actual loss basis; P&C US growth in source currency

North American Markets

	Canada			U.S.
	Western	Central	Atlantic	IL, WI, MN, KS, MO, IN
GDP ($B)	545.7	881.9	91.5	1,816.7
Population (millions)	10.6	21.3	2.3	39.2
Unemployment Rate (%)	6.2	7.4	10.3	8.4
Avg. Annual Earnings ($)	46,000	44,500	41,000	46,000

* Source: BMO Economics

- Total GDP $1.5 trillion for Western, Central and Atlantic Canada
- Well diversified economy and benefits from strong demand for natural resources from emerging markets
- Canada national unemployment rate of 7.2%

- U.S. national unemployment rate at 9.1%
- 78 Fortune 500 companies headquartered in our U.S. footprint, and thousands of small and medium-sized enterprises across a wide range of industries
- #1 in retail deposit market share in Wisconsin; #3 across our U.S. Midwest markets

Economic Outlook

Continue to believe moderate growth likely, notwithstanding economic environment in Europe

- Gradual resumption in growth expected in North America, driven by lower longer-term interest rates, strong demand in emerging-market economies, and continued healthy corporate balance sheets with ultimate renewal of business investment
- Elevated commodity prices will continue to provide an economic benefit in Canada

- Weaker currency, somewhat lower oil prices and improving financial health of consumers will also provide a boost to U.S. economy
- Fiscal consolidation restraining activity in both countries; Earlier in summer, revised our outlook for the North American economy - still reasonable basis for a recovery and growth

* Source: BMO Economics; Outlook as at August 26, 2011

Commercial Banking

Build on our strengths to become the premier banker for business

- True partners to business, providing clear, proactive guidance, expert advice and complete solutions
- Goal to be undisputed leader in the U.S. Midwest
- Harris and M&I individually strong in this part of the market; together, they're a powerhouse

- More opportunities to grow fee-based income
- Deposits another area to build share of wallet and gain share
- Ramping up specialized sales force in Canada; e.g. 150 new small business bankers in our branches by year-end
- Extensive local connections and deep knowledge and sector expertise in specific verticals

Lift from U.S. expansion

Transformation of our U.S. retail operations

- Marshall & Ilsley transaction closed July 5, 2011
- Acquisition adds:
  - ~$29B of loans and $34B of deposits
  - 2 million customers – primarily to U.S. P&C business
  - Increases total AUM/AUA to over $530B; AUM/AUA in U.S. wealth businesses almost tripled to US$239B
  - Q3 2011 BMO results included revenue of $117MM and adjusted net income of $32MM[1]
- Annual cost-related synergies expected to be in excess of US$300MM and fully captured in run-rate by end of F2013
- Exploring range of potential synergies on the revenue side leveraging our new U.S. retail brand

BMO Harris Bank

[1] Reported net loss of $10MM mainly due to integration costs of $53MM pre-tax ($32MM after-tax)

BMO Capital Markets U.S.

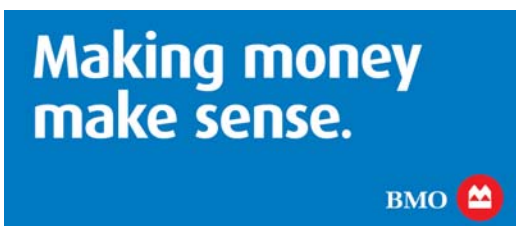
Taking a unified approach to client coverage; well positioned to take advantage of opportunities

- A stable and trusted universal bank, appropriately sized with clearly articulated strategy
- I&CB business refocused to concentrate on debt and equity financing and M&A
- Building out and expanding coverage of U.S. institutions with a renewed equity platform
- Long held leadership position in Canadian equity research and pursuing same goal in the U.S.; US Equity Research ranked 16th by Greenwich Associates, up from 20th a year ago
- Developing a U.S. fixed income platform focused on North American government markets and targeted corporate sectors with strengthened public finance and infrastructure offering

Personal & Commercial Banking Canada: Flagship Business

Foundation for our commitment to quality growth

- Delivering top-tier performance and the best possible customer experience
- Loyalty scores continue to rise
- Gains in number of products used by both personal and commercial customers
- Extended meaning of “making money make sense”, helping customers:
  - Control spending
  - Grow savings
  - Borrow smartly; and
  - Invest wisely
- Keep momentum by capitalizing on new opportunities

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