

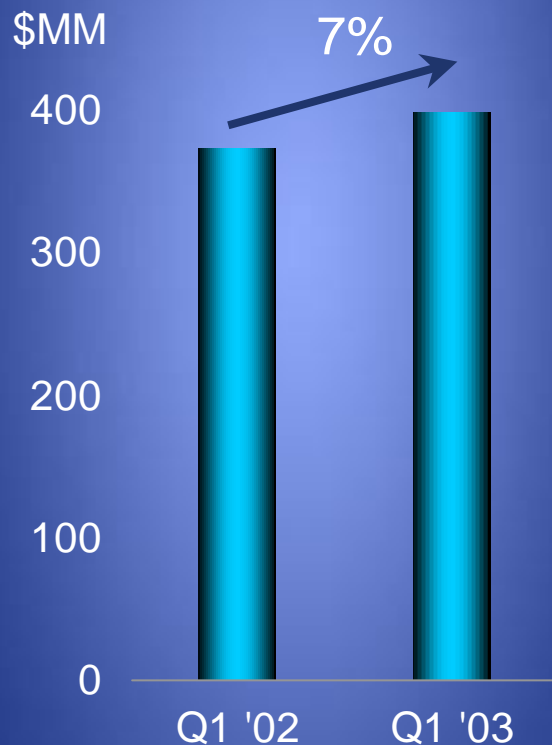


STRATEGIC HIGHLIGHTS **Q1 2003**

TONY COMPER
Chairman & CEO

Quarterly Investor Presentation
February 25, 2003

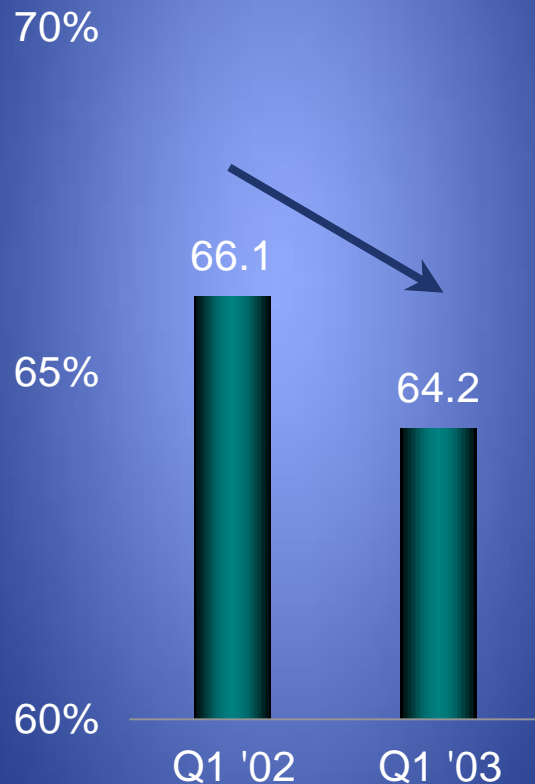
Overall Group Net Earnings



Earnings Rise Despite Challenging Environment

- Solid growth in personal and commercial volumes drive increased net income in Canada and the U.S.
- EPS of \$0.75 – up 6 percent
Cash EPS of \$0.79

Improved P&C Expense-to-Revenue Ratio

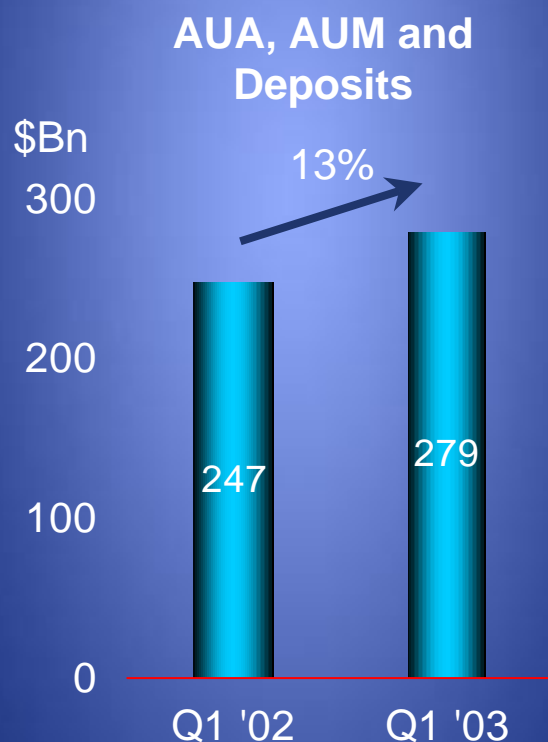


Strong Performance from Personal & Commercial Client Group

- 18% earnings growth and improved productivity in Canada and U.S.
- Canadian retail and business deposits grew 11% year-over-year
 - Increased market share in retail banking and business loans under \$5MM
 - Pathway Connect rollout completed
- U.S. loans increased 27% and deposits up 9% year-over-year

Top Online Broker

- Globe and Mail

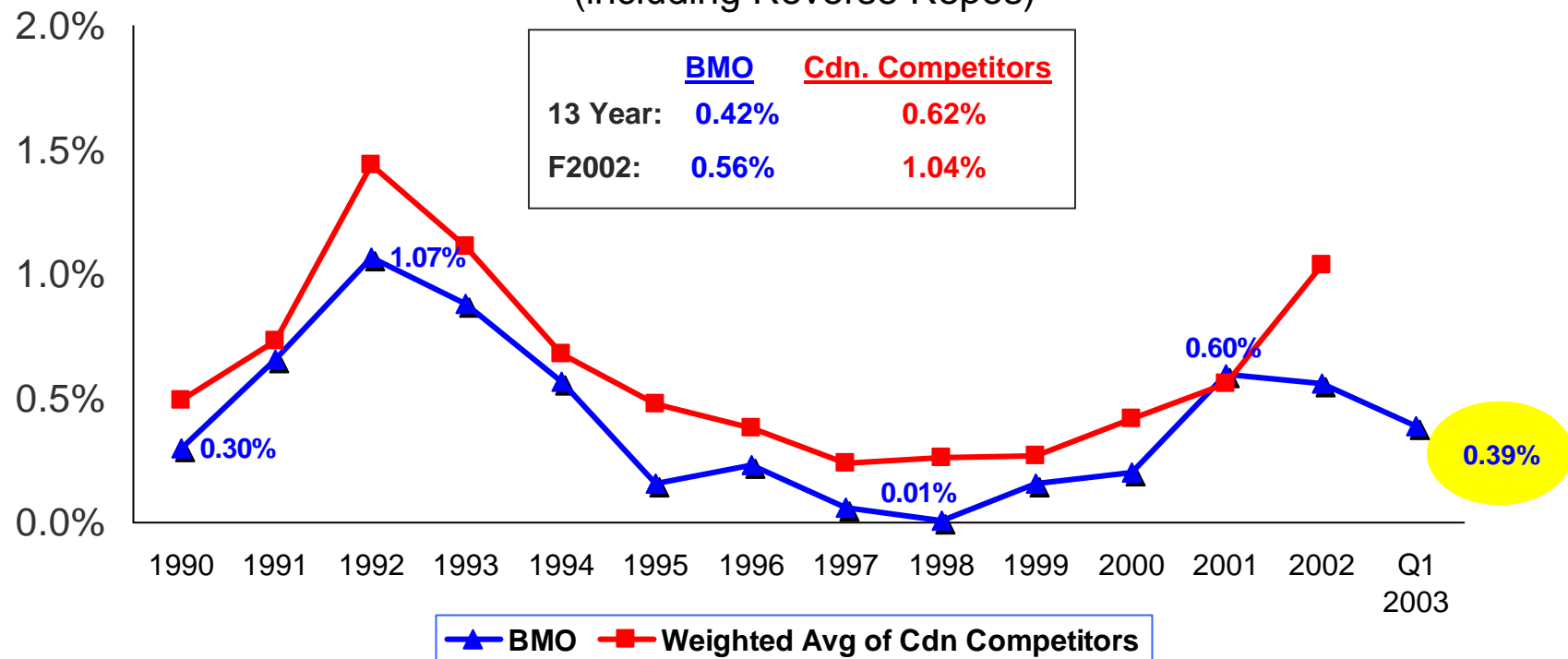


IBG and PCG Poised for Growth

- Steady contribution to profit year-over-year
- IBG improved bottom line over last quarter
 - Focused on decreasing volatility and increasing profitability
- PCG increased AUM, AUA and term deposits increased 13% year-over-year

Strong and Improving Asset Quality

Specific Provision for
Credit Losses As a Percentage
of Average Net Loans and Acceptances
(including Reverse Repos)



* BMO's Canadian Competitors include: Royal, BNS, CIBC, TD and National. Excluding TD's sectoral provisions, the F2002 Average for BMO's Canadian Competitors is 0.87%



2003 Priority: Improving Operational Efficiency

- Improving productivity is a key focus for 2003
- Strategic approach to expense management balances short- and long-term objectives
- Operating groups focused on productivity improvements
- Improved expense-to-revenue ratio to 67.9 from 68.3 in the previous quarter

Reaffirmed Commitments to 2003 Targets

Performance Measure	F2003 Target (ex. non-recurring items)
EPS Growth*	10 – 15% (Cash EPS 10 – 15%)
Return On Equity	14 – 15% (Cash ROE 15 – 16%)
Provision For Credit Losses	Maintain an annual PCL at or below the 2002 level (\$820MM) (Current estimate is \$700MM or below)
Tier 1 Capital	Minimum 8.0%

* Growth based on F2002 diluted EPS of \$2.76 and diluted cash EPS of \$2.91

Q1 2003

DIVIDENDS
DECLARED
\$0.33

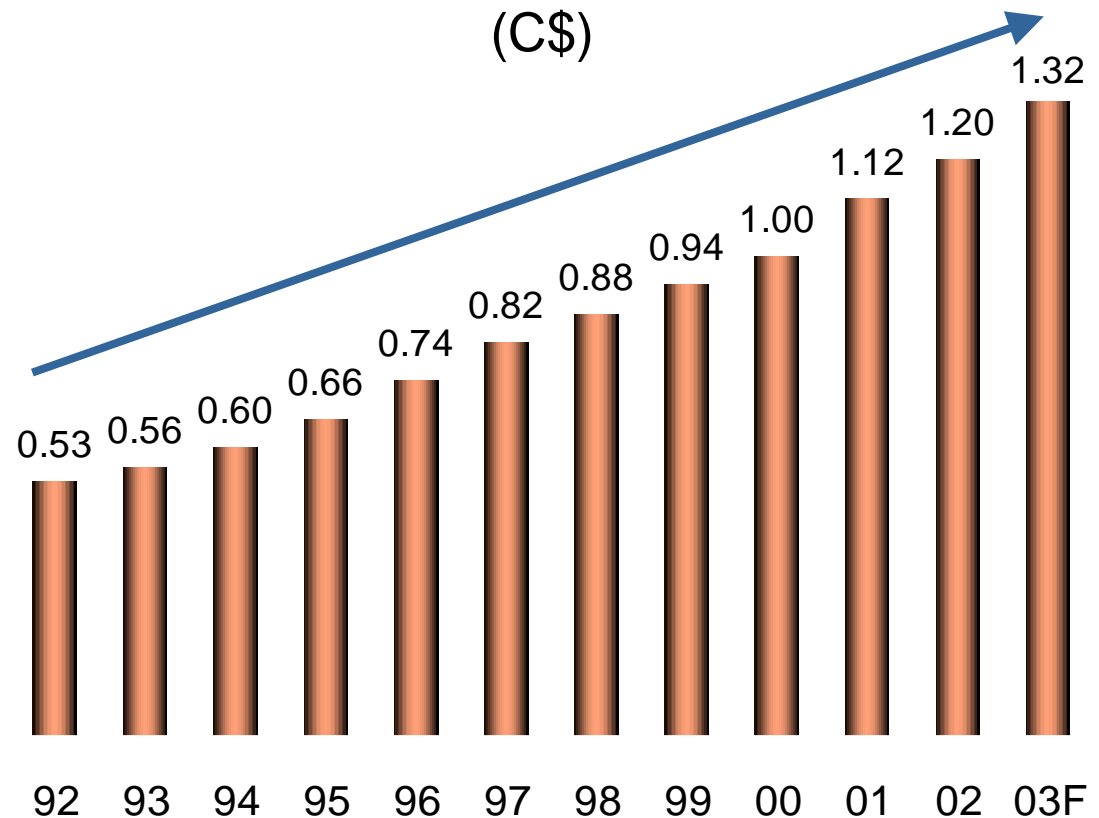
PAYOUT RATIO
43.2%

YIELD*
3.20%

*Based on 01/31/03 share price of \$41.30

Increased Dividend Payout Ratio

Dividends Declared Per Share
(C\$)





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Forward-Looking Statements

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

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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; 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.

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