

2011

Investor Presentation

Barclays Capital
Global Financial Services Conference

September 14 • 2011

The BMO logo is rendered in large, white, 3D block letters with black shadows, positioned on a blue grid floor that recedes into the distance under a blue sky with light clouds.

Tom Flynn
Chief Financial Officer
BMO Financial Group

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.

BMO Financial Group

- 4th largest bank¹ in Canada measured by total assets
- 9th largest bank¹ in North America measured by market capitalization
- 100% ownership of Chicago-based BMO Harris Bank

Listings NYSE, TSX (Ticker: BMO)		YTD Q3 F2011 Results²
Share Price¹ Sept 9/11: NYSE – US\$58.81 TSX – C\$58.60		Adjusted³ Revenue / Revenue C\$9.9B (US\$10.1B) / C\$9.8B (US\$10.1B)
Market Cap¹ Sept 9/11: C\$37 billion (US\$38 billion)		Adjusted³ Net Income / Net Income C\$2.4B (US\$2.5B) / C\$2.4B (US\$2.4B)
# of Employees 47,615		Adjusted³ ROE / ROE 16.1% / 15.7%
13 million personal, commercial, corporate and institutional customers		Adjusted³ EPS*/EPS C\$4.02(US\$4.11) / C\$3.91 (US\$4.00)
		PCL C\$567 million (US\$580 million)
	Average Assets C\$424 billion (US\$434 billion)	
	Capital Ratios (Basel II) Common Equity Ratio – 9.11% Tier 1 – 11.48%	

¹ Published by Bloomberg; Asset and market capitalization rankings as at Sept 9, 2011

² Balances reported in Canadian dollars. Cdn/U.S. exchange rate: Q3 YTD 2011 average \$0.9777

³ Items excluded from YTD 2011 results in the determination of adjusted results include integration cost for M&I of \$78 million (\$49 million after tax); charge to revenue for hedge of foreign currency risk on purchase of M&I of \$20 million (\$14 million after tax); amortization of acquisition-related intangible assets of \$36 million (\$29 million after tax); and decrease in the general allowance for credit losses of \$42MM (\$30MM after tax); Adjusted results and measures are Non-GAAP, see slide 1 and pages 3 and 28 of Bank of Montreal's Third Quarter 2011 Report to Shareholders.

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



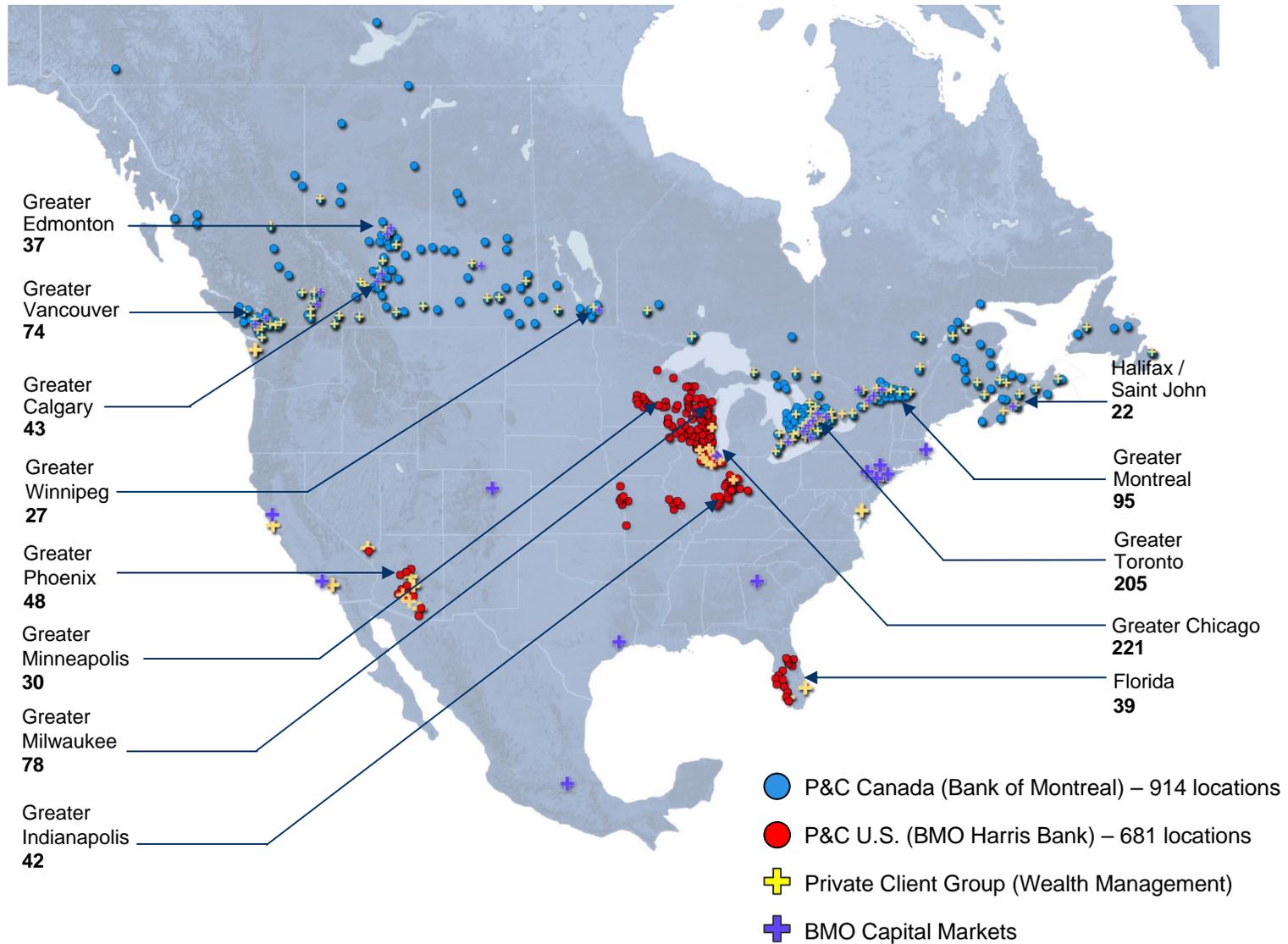
- Total GDP \$1.5 trillion for Western, Central and Atlantic Canada; Real GDP growth in Canada forecasted at 2.4% over the next 5 years
- Canada national unemployment rate of 7.3%
- Well diversified economy and benefits from strong demand for natural resources from emerging markets



- 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
- Retail deposit market share: #1 in Wisconsin, #3 in Chicago and across our U.S. Midwest markets
- Real GDP growth over the next 5 years forecasted at 2.7% in the U.S. and 3.4% in the US Midwest

Source: BMO Economics

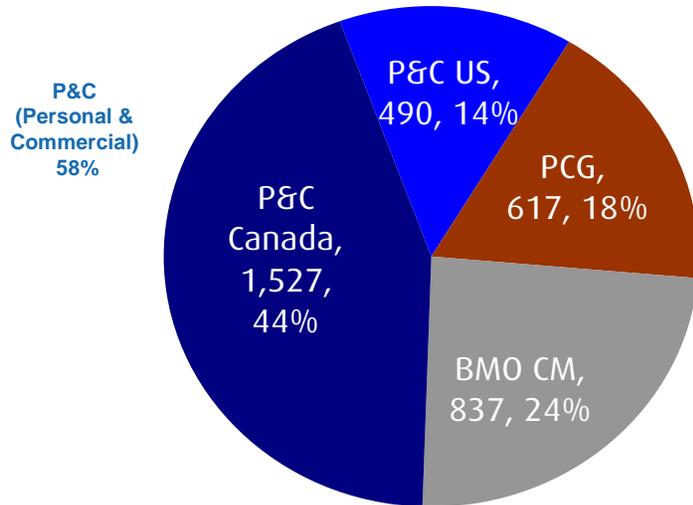
BMO's North American Footprint



Diversified Business Mix

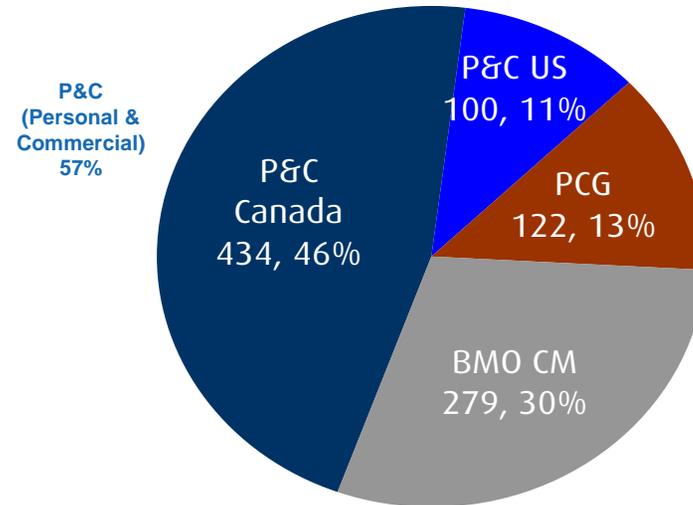
Over 75% of revenue and net income from retail businesses in Canada and the US (P&C and PCG), pro forma¹

Q3 11 Revenue (C\$MM) - \$3,471MM*



* Excludes Corporate Services revenue \$(197)MM

Q3 11 Adjusted² Net Income (C\$MM) - \$935MM*



* Excludes Corporate Services net loss \$92MM

Personal & Commercial Banking Canada

- Over 7 million customers; 900+ branches and 2,100+ automated banking machines

Personal & Commercial Banking U.S.

- Over 3 million customers; 680+ branches and 1,300+ automated banking machines

Private Client Group (PCG)

- Serves full range of client segments with full service and direct brokerage, mutual funds, institutional asset mgmt, private banking, ultra-high net worth and insurance

BMO Capital Markets (BMO CM)

- Provides full range of products and services to corporate, institutional and government clients

¹ Pro forma reflects full quarter adjusted run rate of M&I

² Non-GAAP measures, see slide 1 and page 28 of the Third Quarter 2011 Report to Shareholders

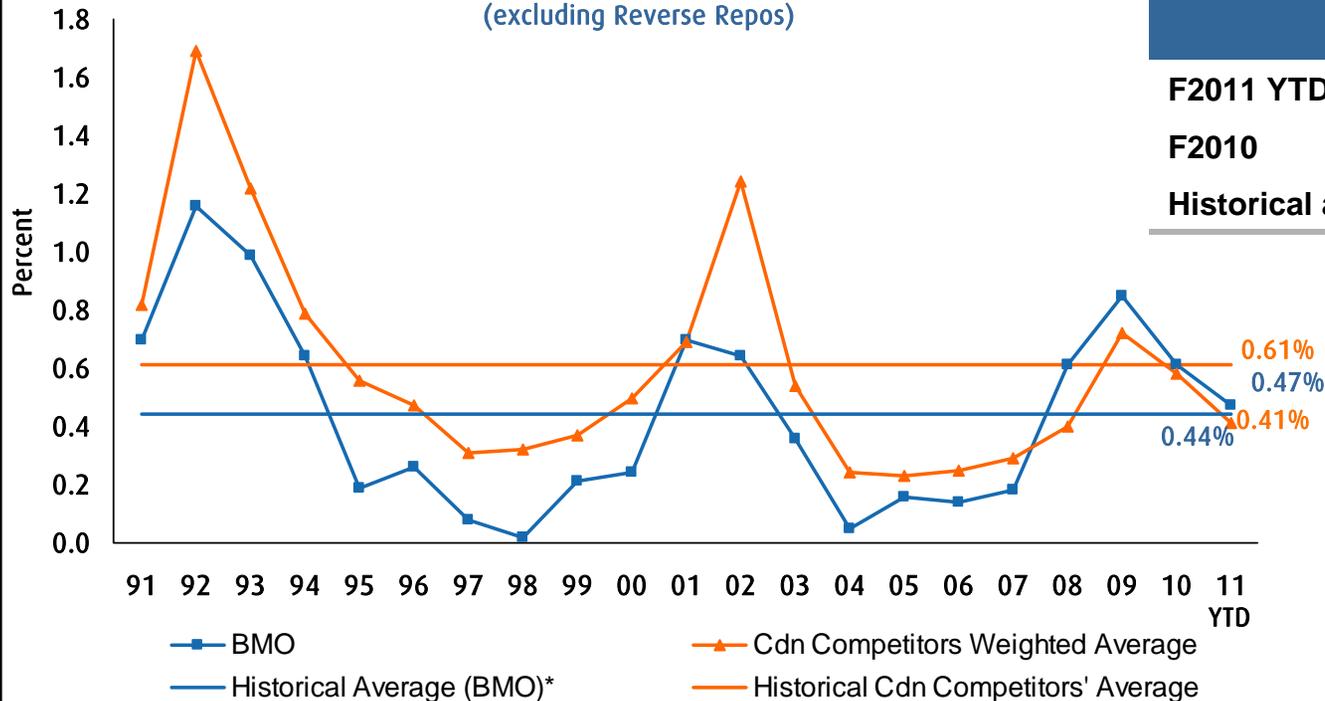
* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of BMO's 2010 Annual Report

Risk Management

History of strong credit performance

- Long-term average of PCL ratio better than peers
- Higher loss rate during the downturn reflects larger U.S. loan portfolio relative to Canadian peers
- Performed well relative to US Peers

Specific PCL as a % of Average Net Loans and Acceptances
(excluding Reverse Repos)



	BMO	Canadian Competitors
F2011 YTD	0.47	0.41
F2010	0.61	0.53
Historical avg.*	0.44	0.61

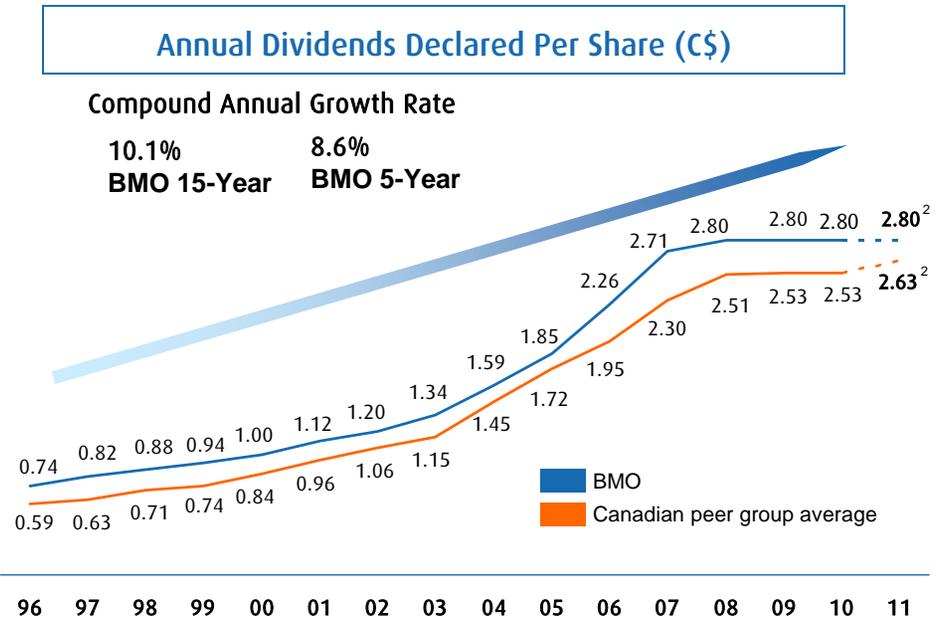
* Historical avg.: 1991 to 2010

- BMO's Canadian competitors include: BNS, CM, NA, RY, TD
- Competitor average excludes the impact of TD's sectoral provisions

Strong Capital Position

Disciplined capital management with consistent and prudent approach to deployment

- Longest running dividend payout record of any company in Canada
- Attractive dividend yield
- As of July 31, 2011:
 - Basel II Common Equity ratio of 9.1% and Tier 1 ratio of 11.5%
 - Pro forma for Basel III the Common Equity Ratio estimated at ~6.6%¹ and Tier 1 ratio at ~8.8%¹
- Remain confident in our ability to comfortably meet the Basel III 2019 requirements by 2013



¹ Estimates based on announced Basel III 2019 rules and the impact of adoption of IFRS. For further details regarding assumptions and factors used in our calculations refer to pages 5, 14 and 15 of Bank of Montreal's Third Quarter 2011 Report to Shareholders

² F2011 annual dividend based on Q1-Q3 actual dividend and declared dividend for Q4'11

Differentiated Levers to Growth

Commercial Lending a key differentiator; lift from U.S. initiatives

○ Commercial CAD & U.S.

- Commercial represents 32% of total loan portfolio
- 20% commercial lending market share in Canada
- Strong Midwest business
- Focused on actions to grow fee-based income



○ BMO Capital Markets U.S.

- Talent and distribution capabilities strengthened
- Concentration on specific sectors
- An ability to meet the needs of mid-cap clients with an integrated offer backed by a strong balance sheet



○ Lift from M&I Integration

- Transforms our U.S. retail operations
- Synergies in excess of US\$300MM pre-tax
- U.S. retail brand well received
- Medium-term aspiration: US\$1 billion in annual earnings from combined U.S. retail operations



M&I Integration

Major Integration Accomplishments

- ✓ Closed Transaction July 5, 2011
- ✓ Renamed Harris N.A. and opened for business on July 6 as BMO Harris Bank N.A.
- ✓ Rebranding of Harris Bank initiated
- ✓ 8,000 employees completed the orientation program
- ✓ Decisions made on key personal and commercial and online platforms and systems conversion plan.
- ✓ Top leadership in place at closing
- ✓ Workforce reduction identified

Integration Objectives

Update

Integrate businesses & people	Comprehensive orientation programs in place to ensure a smooth transition for all employees
Capture synergies	Plans in place; expect annual cost savings in excess of US\$300MM
Systems integration	Timelines being established for core system integration
Branding & branch conversion	New branding strategy defined Timeline for brand rollout across the network in place

Integration Time-Line

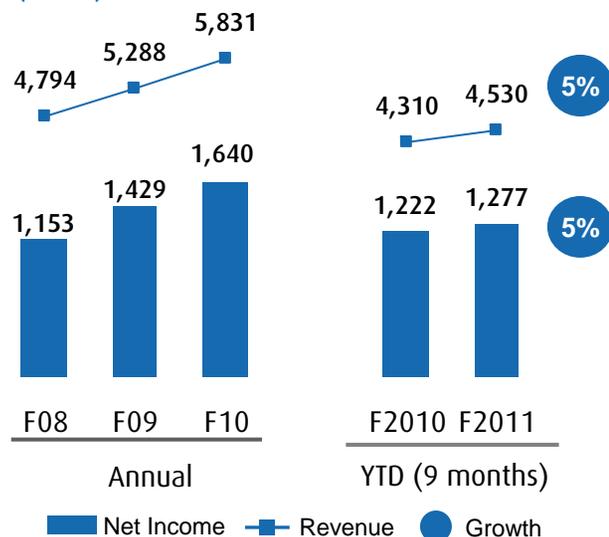


Personal & Commercial Banking Canada

Track record of strong performance

- Strong performance over the past two years, holding top tier positions in both revenue and net income growth.
- Building capacity by expanding specialized sales forces and distribution channels
- Improving processes and technology to free up front-line capacity and reduce operating costs
- Leveraging strengths and customer relationships to increase share of wallet

Revenue and Net Income** (C\$MM)



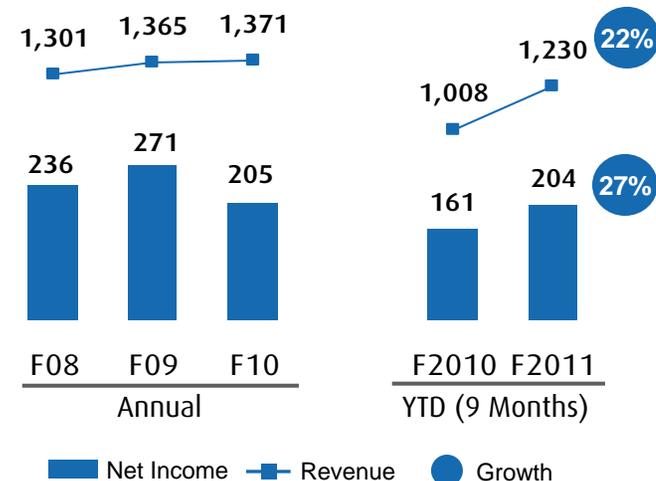
* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated

Personal & Commercial Banking U.S.

Competitive scale, focused on organic expansion within attractive markets

- Focused on integrating M&I taking the best of best from both organizations creating a much stronger bank; Integration on target
- Focused on managing sales productivity and costs and optimizing expanded distribution network
- Maintaining strong customer loyalty
- Goal to be the undisputed leader in commercial banking in the Midwest

Revenue and Net Income*
(US\$MM)



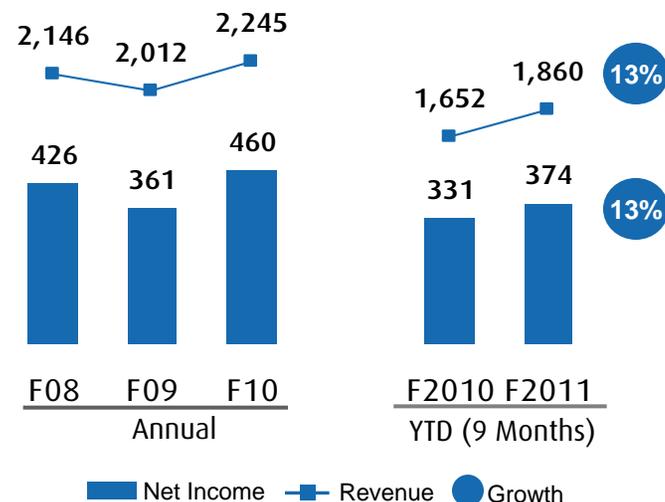
* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated: In Q3 2011, US\$2.5B of impaired real estate secured assets, comprised primarily of commercial real estate loans were transferred from P&C U.S. to Corporate Services to allow our businesses to focus on ongoing customer relationships and to leverage our risk management expertise in our special assets management unit

Private Client Group

Leveraging personal and commercial client base to drive growth in Canada and the U.S.

- Effectively partnering across business segments to maximize cross-sell opportunities
- Selectively investing to expand our business:
 - New ETF family recently surpassed \$3 billion in AUM
 - Increased # of investment advisors and private bankers
 - Enhanced insurance offering
- Net income from traditional wealth businesses up 35% Y/Y

Revenue and Net Income* (C\$MM)



Retirement Savings that last a lifetime.

Introducing BMO Lifetime Cash Flow.

Now you can retire with confidence. Our exclusive BMO Lifetime Cash Flow offers you:

- A guaranteed and predictable monthly cash flow for life
- Tax deferral for 25 years
- Investment growth opportunities

Visit a BMO branch and talk to an investment professional today to learn more about Lifetime Cash Flow and whether it's suitable for you. For more help, visit bmo.com/retireinvesting or call 1-877-CALL BMO (225-5266).

6%^{yr} guaranteed growth potential

BMO Bank of Montreal
Making money make sense™

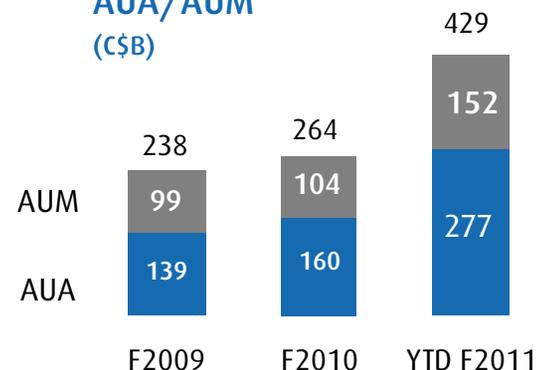
Stop worrying about outliving your retirement savings.

BMO Lifetime Cash Flow provides you with a steady source of retirement money that's guaranteed not to run out.

Ask us for details.

BMO Bank of Montreal
Making money make sense™

AUA/AUM (C\$B)



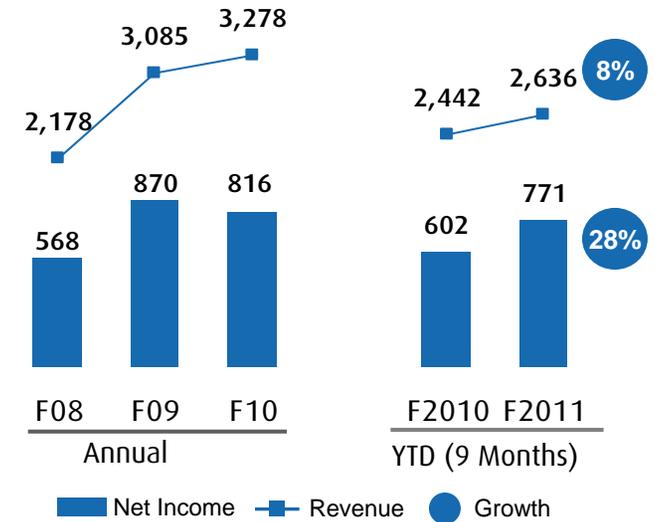
* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated

BMO Capital Markets

Established track record of success

- Aligning capital and capabilities with client opportunity
- Focus on strategic sectors
- Strengthen business in U.S. with strategic investments
- YTD ROE of 22.9%, up from 18.3% from last year

Revenue and Net Income* (C\$MM)



**Big,
really big**

As part of one of North America's biggest and most well capitalized universal banks*, we can help you do big things.

BMO  **Capital Markets***
Your ambition achieved.*

CAPITAL RAISING • MERGERS & ACQUISITIONS • RISK MANAGEMENT • RESEARCH • INSTITUTIONAL SALES & TRADING

**Another year,
another
\$200 billion**

Ranked as one of the world's top 20 investment banks by Bloomberg Markets*, we led more than 600 capital raising and M&A transactions in the last 12 months.

BMO  **Capital Markets***
Your ambition achieved.*

CAPITAL RAISING • MERGERS & ACQUISITIONS • RISK MANAGEMENT • RESEARCH • INSTITUTIONAL SALES & TRADING

**75 analysts,
no couches**

Covering more than 925 companies, BMO Capital Markets is named by clients as one of North America's best* in equity research.

BMO  **Capital Markets***
Your ambition achieved.*

CAPITAL RAISING • MERGERS & ACQUISITIONS • RISK MANAGEMENT • RESEARCH • INSTITUTIONAL SALES & TRADING

* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated

BMO – Moving With Our Customers

Strategic Priorities

1

Maximize earnings growth across all North American **personal and commercial banking businesses**, focusing on industry-leading customer experience and sales force productivity.

2

Accelerate the growth of our **wealth management business** through client-focused financial planning and by investing for future growth.

3

Deliver strong, stable returns in our **capital markets business** by providing highly targeted solutions to our core clients from a single integrated platform.

4

Develop our business in **select global markets** to grow with our clients, expand our capabilities and reach new customers.

5

Sustain a **culture** that focuses on customers, high performance and our people.

Relentless Customer Focus

- Remain focused on our strategy and our customers
- Concentrate on where customers are going and foster progressive innovation

Brand Underpins Customer Strategy

- Maximize the strength of our brand to drive growth

Sustain a Culture of Excellence

- Sustain a culture that supports our strategic agenda and is deeply rooted across the organization

Q & A

BNI



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The letters 'BMO' are rendered in a bold, white, 3D sans-serif font, casting a shadow on the grid below.

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