

INVESTOR PRESENTATION

SCOTIA CAPITAL
FINANCIALS SUMMIT

Bill Downe
President and CEO

September 11 • 2007



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 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 harbor" 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 2007 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 conditions in the countries in which we operate; interest rate and currency value fluctuations; changes in monetary policy; the degree of competition in the geographic and business areas in which we operate; changes in laws; 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 market activities; the possible effects on our business of war or terrorist activities; disease or illness that impacts on local, national or international economies; disruptions to public infrastructure, such as transportation, communications, power or water supply; and technological changes.

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 28 and 29 of BMO's 2006 Annual Report, which outlines in detail certain key factors that may affect BMO'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 statement, whether written or oral, that may be made, from time to time, by the organization or on its behalf.

Assumptions about the future performance of the Canadian and U.S. economies and how that will affect our businesses were material factors we considered when setting our strategic priorities and objectives and in determining our financial targets, including provisions for credit losses. Key assumptions included that the Canadian and U.S. economies would expand at a moderate pace in 2007 and that inflation would remain low. We also assumed that interest rates in 2007 would remain little changed in Canada but decline in the United States and that the Canadian dollar would hold onto its value relative to the U.S. dollar. The Canadian dollar has strengthened relative to the U.S. dollar and interest rates have increased in the United States, but we believe that our other assumptions remain valid. We have continued to rely upon those assumptions and the views outlined in the following Economic Outlook in considering our ability to achieve our 2007 targets. 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. Tax laws in the countries in which we operate, primarily Canada and the United States, are material factors we consider when determining our sustainable effective tax rate.

Assumptions about the performance of the natural gas and crude oil commodities markets and how that will affect the performance of our commodities business were material factors we considered in making the forward-looking statements regarding the commodities portfolio set out in this document. Key assumptions included that commodities prices and implied volatility would be stable and our positions would continue to be managed with a view to lowering the size and risk level of the portfolio.

BMO Financial Group

NORTH AMERICAN GROWTH STRATEGY

	Build a superior Canadian personal banking business to ensure that we meet all of our customers' financial needs
	Further strengthen our commercial banking businesses to become a leading player everywhere we compete
	Grow our wealth management businesses, capturing an increasing share of this high-growth market
	Drive strong returns and disciplined growth in our North American investment banking business
	Improve our U.S. performance and expand our network to become the leading personal and commercial bank in the U.S. Midwest
	Build a high-performing, customer-focused organization supported by a world-class foundation of productive technologies, efficient processes, disciplined performance management, sound risk management and governance

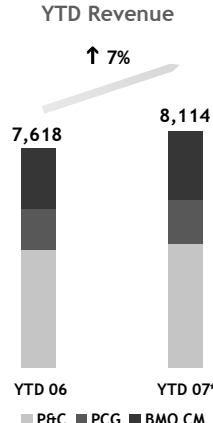
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BMO Financial Group

FINANCIAL MEASURES

	Q3 2007	YTD 2007*	YTD Δ
Net Income	\$660 MM	\$2,191 MM	↑ 11%
EPS	\$1.28	\$4.24	↑ 12%
Cash EPS	\$1.30	\$4.29	↑ 11%
ROE	18.0%	19.8%	↑ 60bps

YTD Revenue ↑ 7%



YTD 06: 7,618
YTD 07*: 8,114

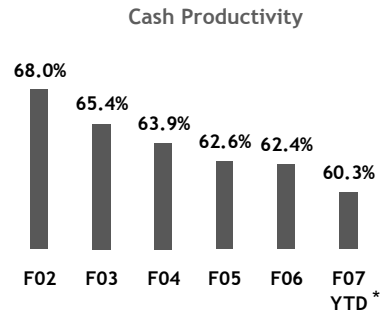
Legend: P&C, PCG, BMO CM

* Excludes restructuring charge of \$88MM after-tax and commodities losses of \$829MM or \$424MM after-tax.
Reported YTD 2007 Net Income \$1,679MM, EPS \$3.24, Cash EPS \$3.29, ROE 15.1% and Revenue \$7,285MM.

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EFFICIENCY & EFFECTIVENESS INITIATIVE

- Streamlining activities
 - ▶ Role clarity
 - ▶ Removing duplication between centre and line functions
 - ▶ Clear line-of-sight to customers and faster decision making
- Outcome
 - ▶ Faster to action
 - ▶ Focused on the customer
 - ▶ Reduce time of doing business with each other



* Excludes restructuring charge and commodities losses. Reported F07 YTD Cash Productivity 67.4%.

PERSONAL & COMMERCIAL BANKING - CANADA FOCUS ON THE CUSTOMER

- Leadership changes
 - ▶ Strong branch leaders who are closer to the customer
- Frequent new and better offers
- Investing in sales and distribution network
- Redesign core processes and better use of technology
- Single scorecard used across all branches



P&C CANADA

	Q3 2007	YTD 2007	YTD Δ
Revenue (\$MM)	1,254	3,629	↑ 6%
Expenses (\$MM)	670	1,974	↑ 3%
Net Income (\$MM)	350	966	↑ 11%
Cash Productivity (%)	53.3	54.2	179 bps improvement



A mortgage with free banking.
One less thing to pay for.

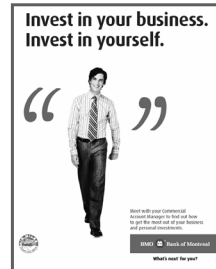
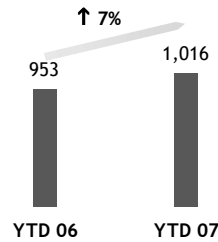
bmo.com/mortgages

BMO Bank of Montreal

P&C CANADA - COMMERCIAL BANKING

- Maintained #2 market position in business loans <\$5MM
 - ▶ Market share up 56bps Y/Y
- Good volume growth Y/Y in total commercial
 - ▶ Average loans and acceptances up 7.7%
 - ▶ Average deposits up 9.6%

Commercial Revenue (\$MM)



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P&C CANADA - CARDS PERFORMANCE

- Strong revenue growth Y/Y
- Volume growth of 12.4% Y/Y
- Greater focus on branch originated sales
- YTD 2007:
 - ▶ 40% increase in new card holders
 - ▶ 118% increase in branch applications

Cards Revenue (\$MM)

↑ 13%

YTD 06*	YTD 07
658	747

*excludes \$38MM gain on MasterCard IPO

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P&C CANADA PERSONAL BANKING -

- Personal loans volume up 11.6% Y/Y
- Opportunities:
 - ▶ Mortgages
 - Volume up 0.3% Y/Y
 - Focus on proprietary channels to grow residential mortgages
 - ▶ Personal Deposits
 - Volume down 1.1% Y/Y
 - Focus on accelerating growth in personal deposits through offerings (e.g. enhanced loyalty program)

Personal Revenues (\$MM)

↑ 5%

YTD 06	YTD 07
1,773	1,866

Personal
Personal includes Residential Mortgages, Personal Loans, Personal Deposits, Term, Mutual Funds, Insurance and Other.

NEW!
Debit any time.
Reward miles every time.

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PRIVATE CLIENT GROUP

- Industry leaders in private banking
- Annual improvements in net income
- Continue to invest in the business
- Top tier cash productivity of 68.4% in Q3 07

Net Income (\$MM)

↑ 11%

Period	Net Income (\$MM)
F05	314
F06	355
YTD F06	271
YTD F07	301



Successful investing starts here

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BMO CAPITAL MARKETS

- In Canada we will reinforce our leadership position
- In the U.S. the focus continues to be on mid-market clients providing them with full product offering and cross-border opportunities
 - ▶ Focused on key segments
 - ▶ Average number of products per client and revenue per coverage officer up Y/Y

Net Income (\$MM)
(Excluding Commodities Losses)

↑ 19%

Period	Net Income (\$MM)	Commodities Losses (\$MM)
YTD 06	672	-
YTD 07	377	424

801

THE COMPETITION WILL:

- KNOW MY NAME
- RESPECT MY NAME
- BE KNOWN BY MY NAME

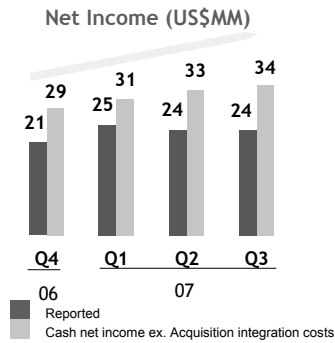
How ambitious are you?

BMO Capital Markets

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PERSONAL & COMMERCIAL BANKING - U.S.

- Environment remains competitive
- Acquisition integration expenses impacting bottom line
- Focus on business banking
- Continued expense management



U.S. GROWTH POTENTIAL

- Midwest U.S. an attractive market
- Harris is a well known brand in the U.S. Midwest
- Consistent acquisition criteria
 - ▶ Strategic fit
 - ▶ Cultural fit
 - ▶ Financial fit
- Opportunities may exist given current market conditions



ECONOMIC BACKDROP

- Modest growth forecasted in both Canada and the U.S.
 - ▶ Volatility and stress in financial markets may result in weaker growth
- Effects of recent volatility and the impact on capital markets, but ...
 - ▶ Headwinds in equity underwriting and M&A
 - ▶ Volatility and wider spreads may benefit trading and corporate loans
- Very little direct retail exposure with subprime characteristics



TAKING BMO TO THE NEXT LEVEL

"All of us at BMO have the same goal and the same aspiration. We will grow our business by focusing on the customer, with renewed attention to our retail and small business customers. We will do that by consistently putting their concerns and their time, first."

- Meeting customer needs
- Growing revenue
- Investing strategically and reallocating resources
- Maintaining strong capital base
- Maximizing shareholder return



BMO  Financial Group

Q&A



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