Investor Presentation

March 2020

BMO

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 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 in this document may include, but are not limited to, statements with respect to our objectives and priorities for fiscal 2020 and beyond, our strategies or future actions, our targets, expectations for our financial condition or share price, the regulatory environment in which we operate and the results of or outlook for our operations or for the Canadian, U.S. and international economies, and include statements of our management. Forward-looking statements are typically identified by words such as "will", "would", "should", "believe", "expect", "anticipate", "project", "intend", "estimate", "plan", "goal", "target", "may" and "could."

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. 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 – many of which are beyond our control and the effects of which can be difficult to predict – 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; the Canadian housing market and consumer leverage; weak, volatile or illiquid capital and/or credit markets; interest rate and currency value fluctuations; changes in monetary, fiscal, or economic policy and tax legislation and interpretation; the level of competition in the geographic and business areas in which we operate; changes in laws or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; judicial or regulatory proceedings; the accuracy and completeness of the information we obtain with respect to our customers and counterparties; failure of third parties to comply with their obligations to us; our ability to execute our strategic plans and to complete and integrate acquisitions, including obtaining regulatory approvals; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; operational and infrastructure risks, including with respect to reliance on third parties; changes to our credit ratings; political conditions, including changes relating to or affecting economic or trade matters; global capital markets activities; the possible effects on our business of war or terrorist activities; outbreaks of disease or illness that affect local, national or international economies; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; technological changes; information, privacy and cyber security, including the threat of data breaches, hacking, identity theft and corporate espionage, as well as the possibility of denial of service resulting from efforts targeted at causing system failure and service disruption; and our ability to anticipate and effectively manage risks arising from all of the foregoing factors.

We caution that the foregoing list is not exhaustive of all possible factors. Other factors and risks could adversely affect our results. For more information, please refer to the discussion in the Risks That May Affect Future Results section, and the sections related to credit and counterparty, market, insurance, liquidity and funding, operational, legal and regulatory, business, strategic, environmental and social, and reputation risk, in the Enterprise-Wide Risk Management section that begins on page 68 of BMO's 2019 Annual Report, and the Risk Management section in BMO's First Quarter 2020 Report to Shareholders, all of which outline certain key factors and risks that may affect our future results. Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. We do 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, as well as our strategic priorities and objectives, and may not be appropriate for other purposes.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the Economic Developments and Outlook section on page 18 of BMO's 2019 Annual Report and updated in the Economic Review and Outlook section set forth in BMO's First Quarter 2020 Report to Shareholders. Assumptions about the performance of the Canadian and U.S. economies, as well as overall market conditions and their combined effect on our business, are material factors we consider when determining our strategic priorities, objectives and expectations for our business. In determining our expectations for economic growth, we primarily consider historical economic data, past relationships between economic and financial variables, changes in government policies, and the risks to the domestic and global economy. Please refer to the Economic Review and Outlook section of BMO's First Quarter 2020 Report to Shareholders.

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, the rationale for their use, as well as the effects of changes in exchange rates on BMO's U.S. segment reported and adjusted results can be found on pages 6 and 7 of BMO's First Quarter 2020 Report to Shareholders and on pages 17 and 23 of BMO's 2019 Annual Report, all of which are available on our website at www.bmo.com/investorrelations.

Examples of non-GAAP amounts or measures include: efficiency and leverage ratios; revenue and other measures presented on a taxable equivalent basis (teb); amounts presented net of applicable taxes; results and measures that exclude the impact of Canadian/U.S. dollar exchange rate movements (i.e. constant currency basis or CCY), adjusted net income, revenues, non-interest expenses, earnings per share, effective tax rate, ROE, efficiency ratio, pre-provision pre-tax earnings, and other adjusted measures which exclude the impact of certain items such as, acquisition integration costs, amortization of acquisition-related intangible assets, reinsurance adjustment, restructuring costs, revaluation of U.S. net deferred tax asset as a result of U.S. tax reform and the remeasurement of an employee benefit liability as a result of an amendment to the benefits plan.

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

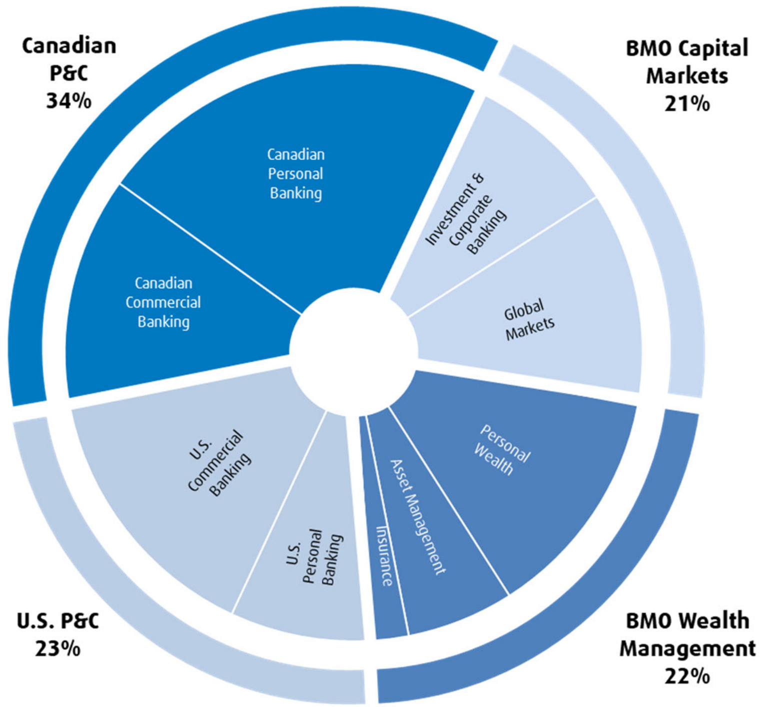
Strong operating momentum, balance sheet position

Strong foundation with diversified business mix

- Good operating performance in F2019 and Q1'20, with strong operating leverage of 4.6%
- Strong pre-provision pre-tax earnings[1] of $8.8B in F2019; $2.4B in Q1'20
- Balance sheet strength, strong capital and liquidity position; Q1'20 CET1 ratio 11.4%
- Capital and liquidity for BMO and the industry has been built significantly over last decade
- Interest rate positioning in-line with industry
- Strong credit culture as evidenced by superior performance

Diversified sources of revenue

% of Operating Groups Net Revenue – LTM



1 Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses. Adjusted measures are non-GAAP measures, see slide 2 for more information. See page 6 of BMO's Q1'20 Report to Shareholders for adjustments to reported results

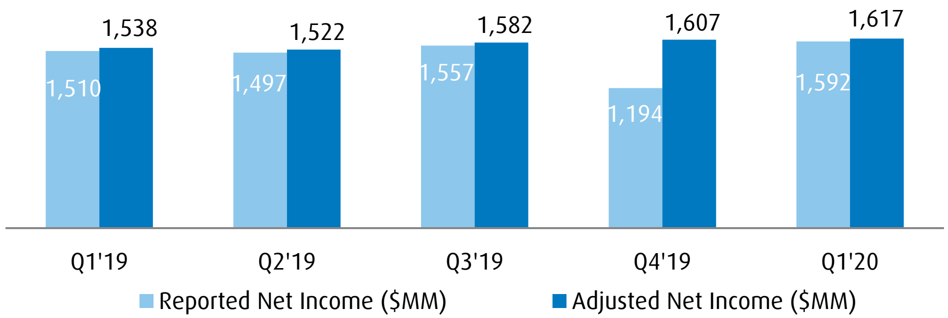
Q1 F2020 - Financial Highlights

Net income up 5% Y/Y; PPPT[5] up 16% Y/Y; adjusted[1] operating leverage[2] 4.6% with all Groups above 2.0%

- Adjusted[1] EPS $2.41, up 4% Y/Y, 5% CCY[6] (reported $2.37, up 4%)
- Adjusted[1] and reported net income up 5% Y/Y
- Adjusted[1] and reported PPPT[5] up 16% Y/Y
- Net revenue[2] up 8% Y/Y
- Adjusted[1] and reported expenses up 3% Y/Y
- Adjusted[1] efficiency ratio[2] 60.3% (reported 60.8%)
- Adjusted[1] operating leverage[2] 4.6% (reported 4.7%)
- Total PCL $349MM, up Y/Y from a low level (in part due to a recovery); up Q/Q
  - PCL on impaired loans $324MM; PCL on performing loans $25MM
  - Total PCL to average net loans and acceptances 31 bps
- Adjusted[1] ROE 13.5% (reported 13.3%)

	Reported			Adjusted[1]		
($MM)	Q1 20	Q4 19	Q1 19	Q1 20	Q4 19	Q1 19
Net Revenue[2]	**6,031**	5,752	5,591	**6,031**	5,777	5,591
Expenses[3]	**3,669**	3,987	3,557	**3,637**	3,463	3,520
PPPT[5]	**2,362**	1,765	2,034	**2,394**	2,314	2,071
Total PCL	**349**	253	137	**349**	253	137
Net Income	**1,592**	**1,194**	**1,510**	**1,617**	**1,607**	**1,538**
Diluted EPS ($)	**2.37**	1.78	2.28	**2.41**	2.43	2.32
ROE (%)	**13.3**	9.9	13.6	**13.5**	13.5	13.9
ROTCE[4] (%)	**15.7**	11.9	16.5	**15.8**	15.7	16.6
CET1 Ratio (%)	**11.4**	11.4	11.4			

Net Income[1] Trends



1 Adjusted measures are non-GAAP measures, see slide 2 for more information. See page 6 of BMO's Q1'20 Report to Shareholders for adjustments to reported results
2 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio based on net revenue. Reported gross revenue: Q1'20 $6,747MM; Q4'19 $6,087MM; Q1'19 $6,517MM. Reported net revenue in Q4'19 includes $25MM reinsurance adjustment in CCPB for the net impact of major reinsurance claims from Japanese typhoons that were incurred after our announced decision to wind down our reinsurance business
3 Q4'19 reported expenses include $484MM restructuring charge
4 Return on Tangible Common Equity (ROTCE)
5 Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses
6 Constant currency (CCY) refers to the impact of CAD/US exchange rate movements on the U.S. segment only. Measures presented on a CCY basis are non-GAAP measures, see slide 2 for more information

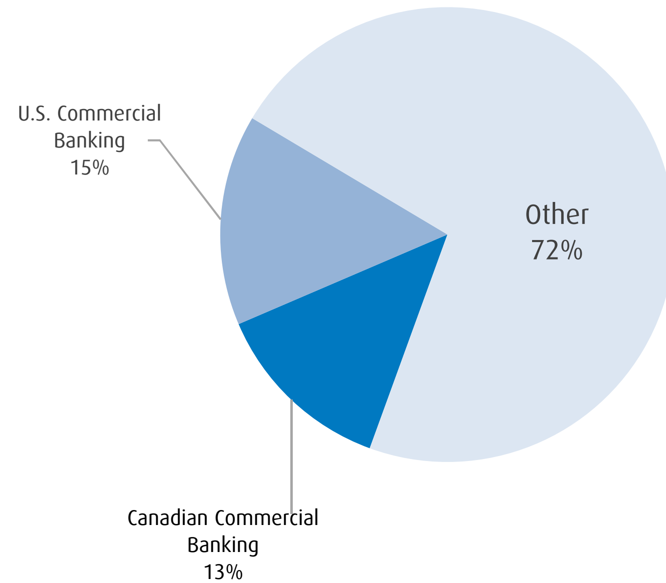
Reasons to Invest in BMO

- Diversified businesses that continue to deliver robust earnings growth and long-term value for shareholders
- Strong foundation built for growth and differentiating strengths that drive competitive advantage:
  - Large and growing North American commercial banking business with advantaged market share
  - Well-established, highly profitable flagship banking business in Canada
  - U.S. personal business successfully growing deposit base, with commitment to diversification and long-term performance
  - Award-winning wealth franchise with an active presence in markets across Canada, the United States, Europe and Asia, well positioned to accelerate growth
  - Competitively advantaged Canadian capital markets franchise with a scalable U.S. platform
- Well-capitalized with an attractive dividend yield
- Creating sustainable efficiency and reinvestment capacity through resource optimization, simplification and innovation
- Leading employee engagement and award-winning culture
- Innovative operating model where business and technology are completely integrated, driving efficiency, while also encouraging collaboration
- Adherence to industry-leading standards of corporate governance, including principles that ensure our strategic goals are aligned with managing our environmental and social impacts to deliver long-term sustainable growth for our stakeholders

Commercial business well-positioned for current environment

- A relationship-based bank: Commercial bankers partner with clients, anticipating their financial needs and sharing our expertise and knowledge to help clients grow and manage their businesses
  - In Canada: Top-tier commercial banking business, number two ranking in Canadian market share for business loans up to $25 million[1]
  - In the U.S.: large-scale, diversified national commercial business, supported by in-depth industry knowledge, best-in-class customer experience, and top-tier market share in our flagship markets
- Growth has been well-diversified, based on consistent risk appetite and underwriting practices. Risk profile of new commercial business better than existing business and WAPD of the portfolio has improved over time. Growth reflects:
  - Quality and reputation of the business
  - In Canada: diversification and capacity creation
  - In the U.S.: focused expansion of national specialty lending sectors; strength of business in traditional footprint
- Hotels and/or other forms of accommodation <1% of total loans
- Restaurants <1% of total loans
- Air transportation, <0.2% of total loans

Commercial Banking Revenue as % of Total Bank Revenue (LTM)

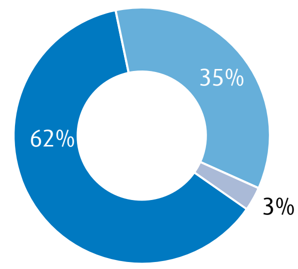


1 Canadian Bankers Association; loan market share $0-$25MM, as at June 2019

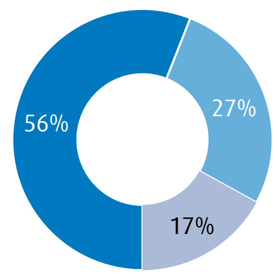
Loans are well-diversified by geography and industry

Gross Loans & Acceptances By Industry ($B, as at Q1 20)	Canada & Other[1]	U.S.	Total	% of Total
Residential Mortgages	113.4	11.0	124.4	27%
Consumer Instalment and Other Personal	56.4	12.2	68.6	15%
Cards	8.2	0.6	8.8	2%
Total Consumer	**178.0**	**23.8**	**201.8**	**44%**
Service Industries	22.4	24.4	46.8	10%
Financial	14.2	27.9	42.1	9%
Commercial Real Estate	22.7	14.6	37.3	8%
Manufacturing	8.1	20.5	28.6	6%
Retail Trade	13.8	9.4	23.2	5%
Wholesale Trade	5.6	11.5	17.1	4%
Agriculture	11.4	2.1	13.5	3%
Oil & Gas	5.9	7.0	12.9	3%
Transportation	3.0	9.2	12.2	3%
Other Business and Government[2]	11.3	10.3	21.6	5%
Total Business and Government	**118.4**	**136.9**	**255.3**	**56%**
Total Gross Loans & Acceptances	**296.4**	**160.7**	**457.1**	**100%**

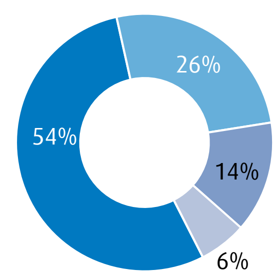
Loans by Geography[3]



Loans by Product[3]



Loans by Operating Group[5]

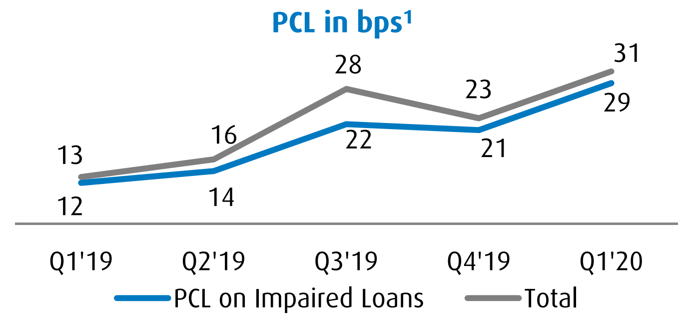


1 Includes ~$11.2B from Other Countries
2 Other Business and Government includes all industry segments that are each <2% of total loans
3 Gross loans and acceptances as of January 31, 2020
4 Including cards
5 Average gross loans and acceptances as of January 31, 2020

Provision for Credit Losses (PCL)

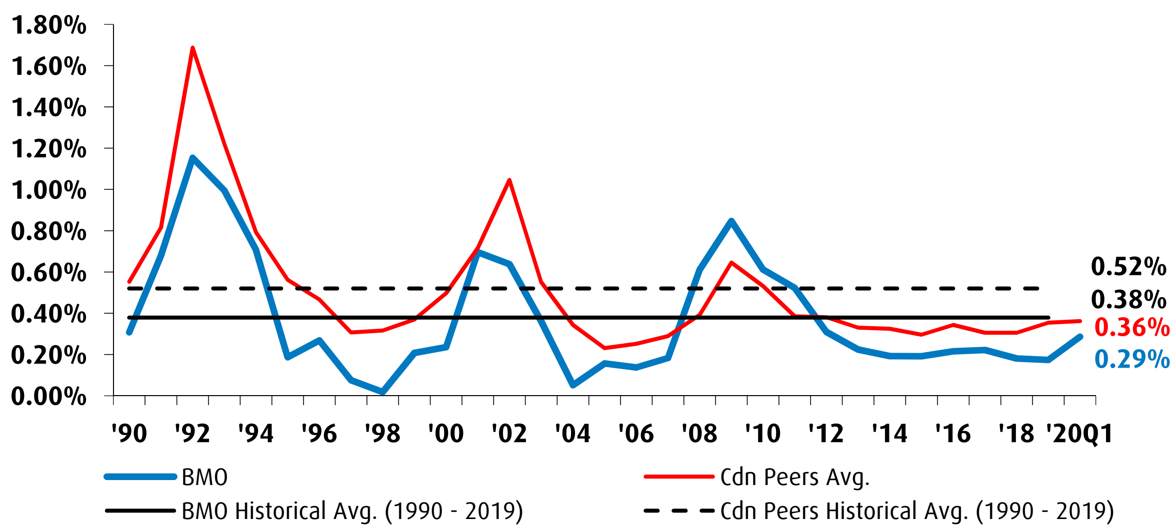
Loss rates lower than peer average over time reflecting strong risk culture and disciplines

PCL By Operating Group ($MM)	Q1 20	Q4 19	Q1 19
Total Canadian P&C	138	134	114
Total U.S. P&C	132	66	15
BMO Wealth Management	0	1	2
BMO Capital Markets	53	32	1
Corporate Services	1	(2)	(5)
PCL on Impaired Loans[1]	**324**	**231**	**127**
PCL on Performing Loans	**25**	**22**	**10**
Total PCL	**349**	**253**	**137**



PCL on Impaired Loans as a % of Average Net Loans & Acceptances

- BMO's PCL loss rates have been lower than peer average over time
- F2019 PPPT would cover PCL rate in excess of 200bps, higher than any time in at least 30 years, over five times average

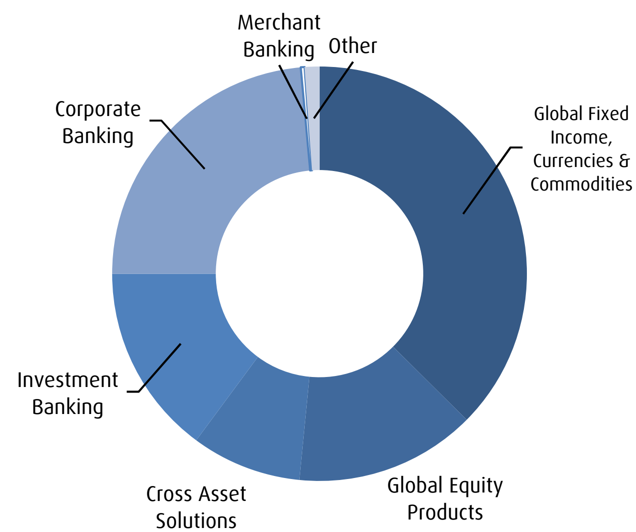


1 Q1'19 and Q2'19 PCL on Impaired Loans included large recoveries

BMO Capital Markets

- Well-diversified platform and business mix – by sector, geography, product and currency
- Strong results in Q1 across businesses and geographies
  - Strong contributions across the platform especially from equities, fixed income, including securitized products, rates and credit
  - Record performance from US Global Markets
- Global Markets business well-diversified and performing reasonably considering environment
- Investment Banking business slow but expect delayed transactions to close after markets have stabilized
- We are operational and committed to supporting our clients
- We continue to accelerate execution against client-driven priorities to deliver faster and better

Revenue by Product[1]



1 As a % of Q1'20 revenue

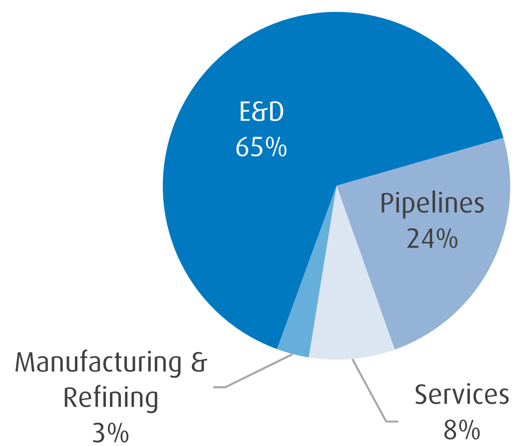
Oil and Gas Portfolio

Loans are well diversified and in-line with peer averages

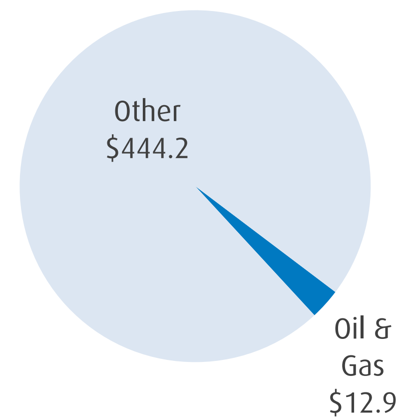
- O&G portfolio is not outsized:
  - 5.1% of Business and Government loans, in-line with peer average, below three banks
  - 2.8% of Total Loans, in-line with two other banks
- Loans diversified by geography and sub-segment. Pipelines 24% of total
- 50% of total O&G portfolio and 64% of U.S. is borrowing base
- E&D 65% of portfolio, approximately 3/4 is borrowing base lending
- O&G PCL ratio lower than peers over time
- Growth includes acquisition in 2018 which has performed well

Q1'20 Oil and Gas %	Of Business and Government Loans	Of Total Gross Loans & Acceptances
BNS	7.1%	2.7%
CIBC	6.6%	2.3%
NBF	6.5%	2.7%
BMO	5.1%	2.8%
TD	3.7%	1.3%
RBC	3.4%	1.2%
Sector Average	5.1%	2.0%

O&G Portfolio Breakdown



Total Loan Portfolio ($B)

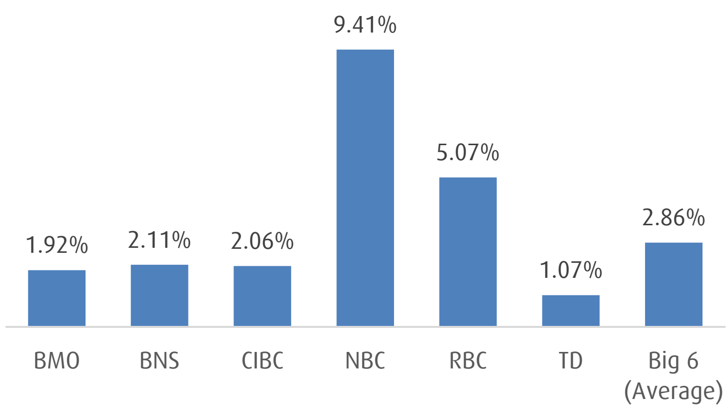


Oil and Gas Portfolio

High quality portfolio with proven history of strong credit performance over time

- Reputation as a strong through-the-cycle lender with solid performance during last energy downturn
- BMO's O&G portfolio outperformed peers through 2015 downturn reflecting prudent underwriting and structures

Cumulative O&G PCL Ratio (2015 to 2017)



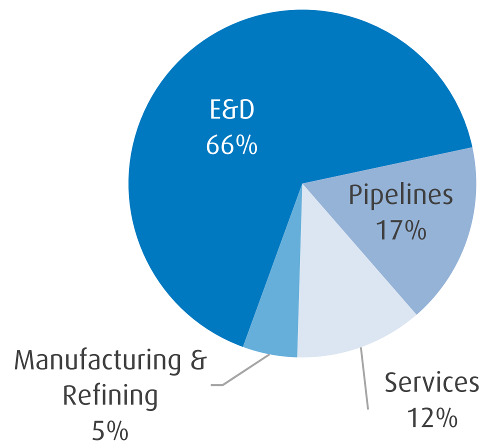
1 Cumulative provision taken against O&G portfolios Q1-15 through Q4-17

Oil & Gas Portfolio

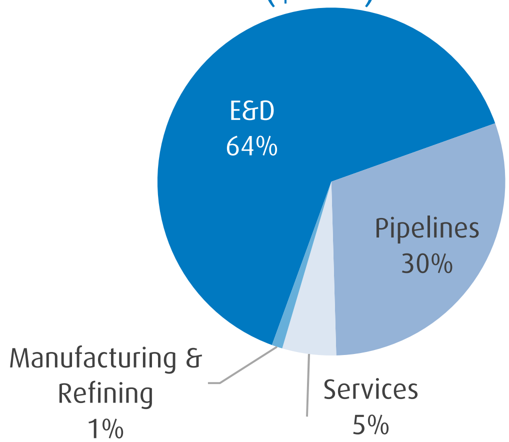
Clients experienced in managing through downturns

- Clients are prudent managers, experienced in managing through downturns
- Many borrowers have hedged production
  - Across our North American sub-investment grade E&D book, over 50% oil exposure is hedged in ‘20 at an average mid-50’s oil price, providing some protection against price drops in the short-term
- Experienced bankers, working with clients on a case by case basis as we go through this extraordinary environment
- U.S. E&D exposure of $4.5B, nearly all is borrowing base (19% investment grade)
  - Almost all sub-investment grade E&D exposure consists of secured, reserve based loans (RBL) that have structural priority over other debt
  - RBL structural features contribute to low LGD
  - Security, position in capital structure and structural protections produced good portfolio performance relative to peers in the past
- Acquired portfolio performing well
  - Normal quality bank loan performing portfolio, acquired at approximately par; extensive due diligence. $1.2B outstanding as of Q1’20
  - Provided diversification while complementary to existing portfolio with greater exposure to midstream and investment grade companies
  - Portfolio performing reasonably. With the exception of 3 of 48 borrowers, all have performed as expected and remain within the same classification (Investment Grade or Non-Investment) since acquisition

Canadian & Other O&G ($5.9B)

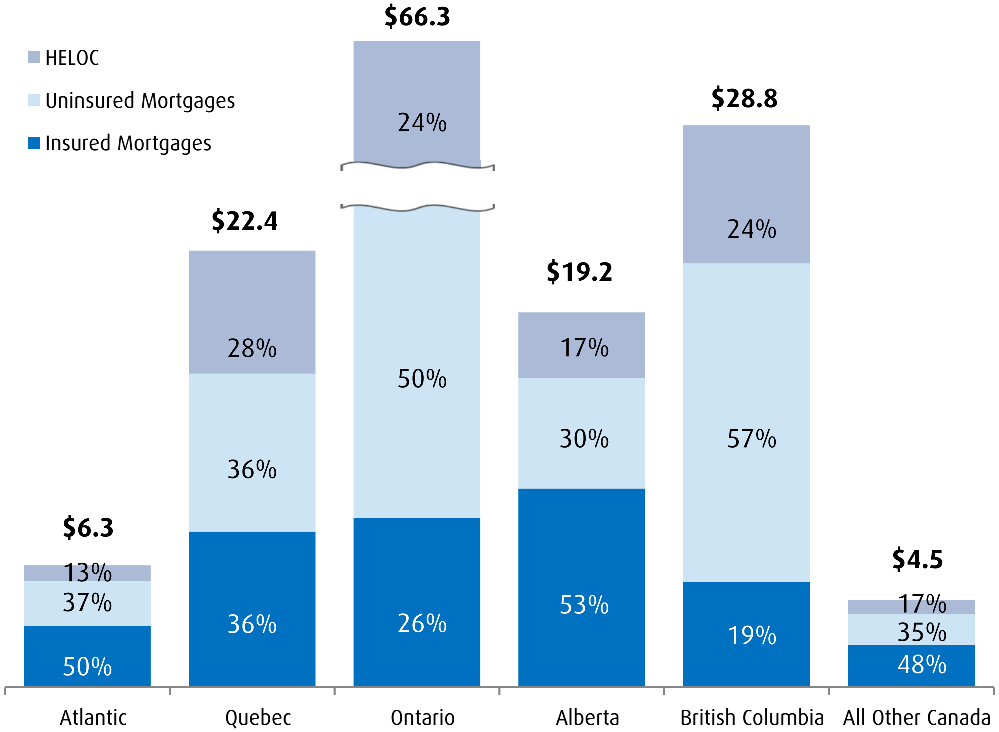


U.S. O&G ($7.0B)



Canadian Residential-Secured Lending

Q1'20 Residential-Secured Lending by Region ($147.5B)



Avg. LTV[1] Uninsured	Atlantic	Quebec	Ontario	Alberta	British Columbia	All Other Canada	Total Canada
Mortgage							
- Portfolio	59%	59%	55%	61%	50%	56%	55%
- Origination	74%	73%	68%	73%	66%	73%	68%
HELOC							
- Portfolio	49%	54%	44%	55%	42%	49%	47%
- Origination	68%	70%	60%	64%	58%	66%	61%

- Total Canadian residential-secured lending portfolio at $147.5B, representing 32% of total loans below peer average of approximately 46%
  - LTV[1] on uninsured of 51%
  - 90 day delinquency rate for RESL remains good at 21 bps; loss rates for the trailing 4 quarter period were 1 bp
- Residential mortgage portfolio of $113.4B
  - 41% of portfolio insured
  - LTV[1] on uninsured of 55%
  - 73% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- HELOC portfolio of $34.1B outstanding of which 60% is amortizing
- GTA and GVA portfolios demonstrate better LTV[1], delinquency rates and bureau scores compared to the national average

1 LTV is the ratio of outstanding mortgage balance or HELOC authorization to the original property value indexed using Teranet data. Portfolio LTV is the combination of each individual LTV weighted by the associated mortgage balance or HELOC authorization

Investor Relations

Contact Information

http://www.bmo.com/investorrelations
E-mail: investor.relations@bmo.com

JILL HOMENUK
Head, Investor Relations
416.867.4770
jill.homenuk@bmo.com

SUKHWINDER SINGH
Senior Manager, Investor Relations
416.867.4734
Sukhwinder.singh@bmo.com

BMO