

Investor Presentation

For the Quarter Ended – October 31, 2013

December 3 • 2013

Q4|13



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 may involve, but are not limited to, comments with respect to our objectives and priorities for 2014 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, U.S. and international 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, interest rate 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 and the effect of changes to accounting standards, rules and interpretations on these estimates; operational and infrastructure risks; changes to our credit ratings; 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; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; technological changes; and our ability to anticipate and effectively manage risks associated with all of the foregoing factors.

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 30 to 31 of BMO's 2013 annual MD&A, 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, as well as our strategic priorities and objectives, and may not be appropriate for other purposes.

Assumptions about the level of default and losses on default were material factors we considered when establishing our expectations regarding the future performance of the transactions into which our credit protection vehicle has entered. Among the key assumptions were that the level of default and losses on default will be consistent with historical experience. Material factors that were taken into account when establishing our expectations regarding the future risk of credit losses in our credit protection vehicle and risk of loss to Bank of Montreal included industry diversification in the portfolio, initial credit quality by portfolio, the first-loss protection incorporated into the structure and the hedges into which Bank of Montreal has entered.

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, 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. See the Economic Developments and Outlook section on page 32 of BMO's 2013 annual MD&A.

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 Fourth Quarter 2013 Earnings Release and Bank of Montreal's 2013 Management's Discussion and Analysis, 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; adjusted net income, revenues, provision for credit losses, specific provision for credit losses, expenses, earnings per share, effective tax rate, ROE, efficiency ratio and other adjusted measures which exclude the impact of certain items such as credit-related items on the acquired M&I performing loans, run-off structured credit activities, M&I integration costs, amortization of acquisition-related intangibles, decrease (increase) in collective allowance for credit losses and restructuring costs.

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

Strategic Highlights

For the Quarter Ended – October 31, 2013

December 3 • 2013

Bill Downe

Chief Executive Officer

Q4|13



F2013 Financial Highlights

Performance reflects a well-executed growth strategy and the benefits of a diversified business model

- Record year with \$4.3 billion in adjusted¹ earnings
 - Record EPS of \$6.30, up 5%
 - Revenues up to \$15.6 billion
 - ROE 15%

- Strong capital position with Basel III CET1 ratio of 9.9%
 - Announced dividend increase today, lifting annual declared dividend to \$3.04/share
 - F2013 dividend payout 47% and repurchased 10.7 million shares
 - Returned over 60% of earnings to common shareholders this year through a combination of dividends and share buybacks

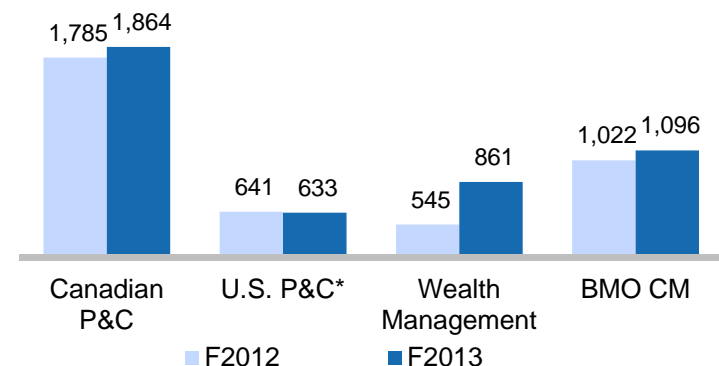
- Robust volume growth with loans up 8% and deposits up 11%

¹Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release
See slide 31 for adjustments to reported results.

Operating Group Performance

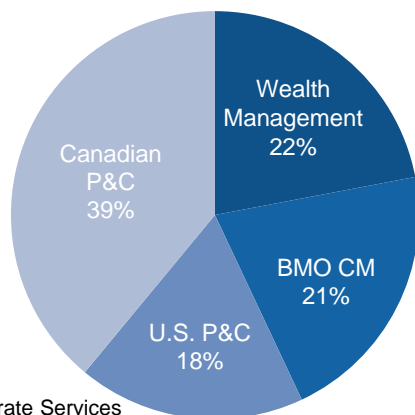
Clear opportunities for growth and good operating leverage across our U.S. businesses

Adjusted¹ Net Income (C\$MM)



* In U.S.\$MM

Adjusted¹ Revenue Contribution**



** Excludes Corporate Services

- Good operating group performance
 - Record earnings in Canadian P&C with robust volume growth and good momentum in revenue and earnings in the second half of 2013
 - Strong commercial banking performance in U.S. P&C
 - Record results in Wealth Management
 - A good year for BMO CM with improved contribution from the U.S.
- Good credit performance
- Adjusted ROE 15%

¹ Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release
For details on adjustments refer to slide 31. For details on reported results and growth rates by operating group refer to slide 30

Strategic Priorities

A clear vision: To be the bank that defines great customer experience



Strategic priorities

- 1** Achieve industry-leading customer loyalty by delivering on our brand promise.
- 2** Enhance productivity to drive performance and shareholder value.
- 3** Leverage our consolidated North American platform to deliver quality earnings growth.
- 4** Expand strategically in select global markets to create future growth.
- 5** Ensure our strength in risk management underpins everything we do for our customers.

Financial Results

For the Quarter Ended – October 31, 2013

December 3 • 2013

Tom Flynn

Chief Financial Officer

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F2013 - Financial Highlights

Record Net Income and Adjusted EPS, both up 5% Y/Y

Adjusted¹

	F2012	F2013
Net Income (C\$MM)	4,092	4,276
EPS (\$)	6.00	6.30
ROE (%)	15.5	15.0

Reported

Net Income (C\$MM)	4,189	4,248
EPS (\$)	6.15	6.26
ROE (%)	15.9	14.9
Basel III Common Equity Tier 1 Ratio (%)²	8.7	9.9

- Adjusted results for the year
 - EPS and Net Income up 5%
 - Revenue growth of 3%
 - PCL³ \$359MM compared to \$471MM a year ago
 - Effective tax rate⁴ 20.6% compared to 19.5% in F2012
 - ROE of 15.0%
- Basel III Common Equity Tier 1 ratio 9.9%
- Well positioned heading into F2014

¹ See slide 31 for adjustments to reported results

² F2013 Common Equity Tier 1 Ratios based on Basel III. F2012 based on pro forma Basel III

³ Reported PCL \$589MM, compared to \$765MM a year ago

⁴ Reported effective tax rate: F2012 18.3%; F2013 21.0%

Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release

Q4 2013 - Financial Highlights

Good income reflecting benefits of diversified business model

Adjusted¹

	Q4 12	Q3 13	Q4 13
Net Income (C\$MM)	1,125	1,136	1,102
EPS (\$)	1.65	1.68	1.64
ROE (%)	16.3	15.6	15.2

Reported

Net Income (C\$MM)	1,082	1,137	1,088
EPS (\$)	1.59	1.68	1.62
ROE (%)	15.6	15.6	15.0
Basel III Common Equity Tier 1 Ratio (%)²	8.7	9.6	9.9

- Adjusted EPS down 1 cent Y/Y
 - Continued good momentum in Wealth Management and Canadian P&C. Higher securities gains in Q4'13
 - Lower BMO CM results reflecting lower trading revenue and higher taxes
 - Above trend PCLs in both P&C businesses and lower PCI recoveries (Total Bank PCL³ - Q4'13 \$140MM; Q3'13 \$13MM; Q4'12 \$113MM)
- Revenue growth of 4% driven by Canadian P&C and Wealth Management
- Adjusted effective tax rate⁴ of 22.3% compared to 20.1% in Q3'13 and 17.9% in Q4'12
- ROE of 15.2%
- Basel III Common Equity Tier 1 ratio 9.9%

¹ See slide 31 for adjustments to reported results

² F2013 Common Equity Tier 1 Ratio based on Basel III. Q4'12 based on pro forma Basel III

³ Reported PCL: Q4'12 \$192MM; Q3'13 \$77MM; Q4'13 \$189MM

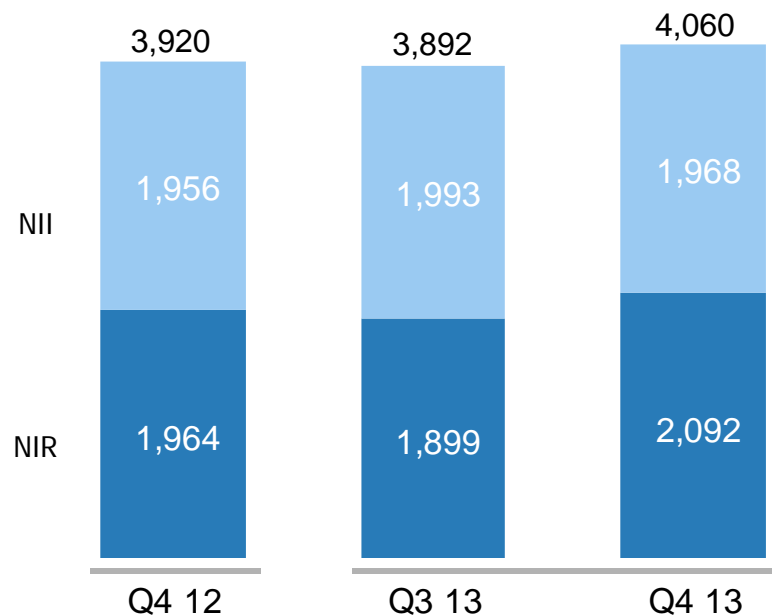
⁴ Reported effective tax rate: Q4'12 15.7%; Q3'13 20.6%; Q4'13 22.4%

Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release

Revenue

Good growth in Canadian P&C and high Wealth Management revenue

Total Bank Adjusted¹ Revenue (c\$MM)



- Y/Y adjusted revenue up 4%
 - NII up 1% with strong volume growth in Canadian P&C, continued loan growth in U.S. P&C and lower NIM
 - NIR up 6%
 - Strong Wealth Management reflecting a security gain and 12% increase in other wealth businesses. Growth in Canadian P&C
 - Trading revenue lower from strong results a year ago
- Q/Q adjusted revenue up 4%
 - NII down 1% reflecting low Trading NII in the current quarter and lower NIM
 - NIR up 10% driven by Wealth Management and higher securities gains
 - NIM² (excluding trading) of 191 bps, down 5 bps Q/Q
- Stronger U.S. dollar increased adjusted revenue by 2% Y/Y

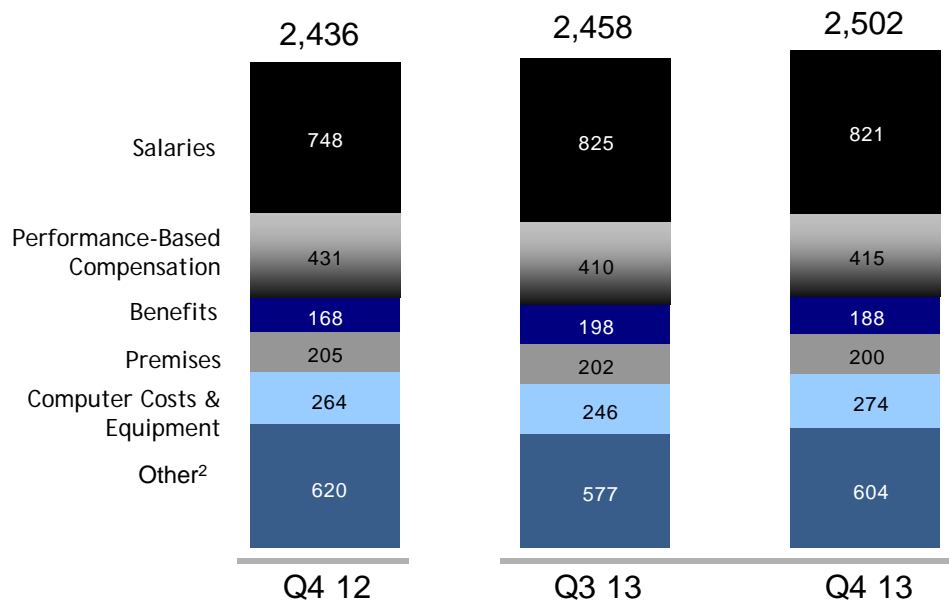
¹ Reported Revenue: Q4'12 \$4,176MM; Q3'13 \$4,050MM; Q4'13 \$4,188MM. Reported NII: Q4'12 \$2,145MM; Q3'13 \$2,146MM Q4'13 \$2,085MM. Reported NIR: Q4'12 \$2,031MM; Q3'13 \$1,904MM; Q4'13 \$2,103MM
² Reported NIM: 167 bps, down 8 bps Q/Q

Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release
 See slide 31 for adjustments to reported results

Non-Interest Expense

Select investment with disciplined expense management

Total Bank Adjusted Non-Interest Expense (C\$MM)



- Y/Y adjusted expenses up 3% and just 1% adjusting for stronger U.S. dollar
 - Higher employee-related costs, including pension and higher regulatory-related costs
 - Lower performance-based compensation
- Q/Q adjusted expenses up 2%
 - Higher technology and advertising expenses
- Adjusted efficiency ratio of 61.6%¹ compared to 63.2% in Q3'13 and 62.2% in Q4'12

¹ Reported efficiency ratio: Q4'12: 64.7%; Q3'13 62.8%; Q4'13 62.0%

² Consists of communications, business and capital taxes, professional fees, travel and business development and other

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See slide 31 for adjustments to reported results

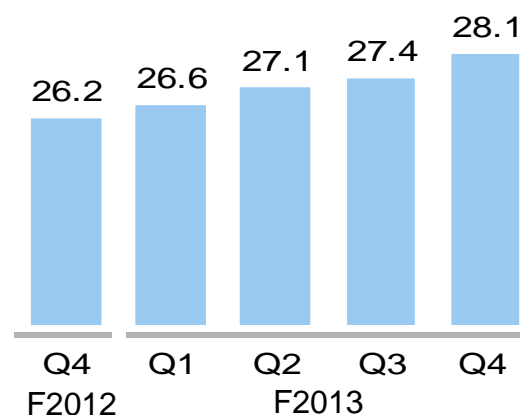
Capital & Risk Weighted Assets

Capital position is strong

Basel III	Q3 13	Q4 13
Common Equity Tier 1 Ratio (CET1) (%)	9.6	9.9
Tier 1 Capital Ratio (%)	11.2	11.4
Total Capital Ratio (%)	13.5	13.7
RWA (\$B)	214	215
Assets to Capital Multiple ¹	16.2	15.6

- Basel III CET1 Ratio strong at 9.9%, change in the Q/Q reflects:
 - CET1 increase due largely to retained earnings growth, partly offset by increased CET1 deductions
 - Basel III RWA consistent with prior quarter
 - 2.7 million common shares repurchased in Q4; 10.7 million common shares repurchased in F2013

Common Shareholders' Equity (\$B)

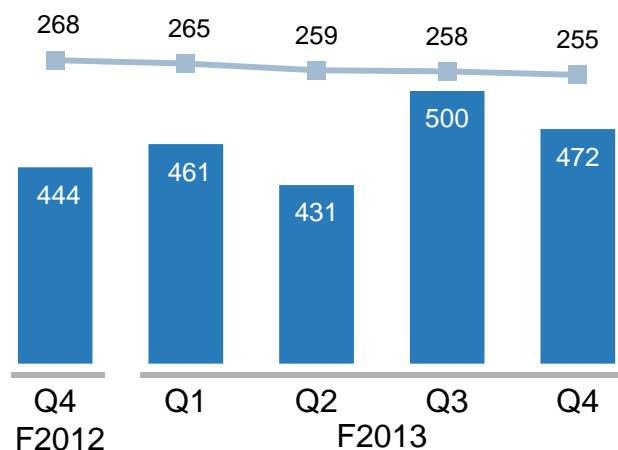


¹ The Assets-to-Capital Multiple is calculated by dividing total assets, including specified off-balance sheet items, by total capital calculated on a transitional basis, as set out in OSFI's 2013 CAR Guideline

Canadian Personal & Commercial Banking

Revenue growth and expense discipline drives 6% income growth and 2.7% operating leverage

As Reported (\$MM)	Q4 12	Q3 13	Q4 13
Revenue (teb)	1,558	1,620	1,626
PCL	146	126	166
Expenses	810	821	822
Net Income	442	497	469
Adjusted Net Income	444	500	472
Efficiency Ratio (%)	51.9	50.6	50.6



■ Adjusted Net Income (\$MM) — Net Interest Margin (bps)

¹ Excludes commercial cards

Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release
See slide 31 for adjustments to reported results

Annual Highlights

- Record net income of \$1.9B, up 4% with good momentum in second half of the year

Q4 Highlights

- Adjusted net income up 6% Y/Y. Down 6% Q/Q due to higher PCL
- Revenue growth of 4% Y/Y and up modestly Q/Q
 - Strong volume growth in both personal and commercial¹ with loans up 11% Y/Y and 3% Q/Q. Deposits up 9% Y/Y and 3% Q/Q
 - NIM of 255 bps down 3bps Q/Q due to mix
- PCL up Y/Y and Q/Q primarily due to one commercial account
- Expenses well managed, up just 2% Y/Y and flat Q/Q
- Operating leverage of 2.7% and efficiency ratio of 50.6%, 130 bps better Y/Y

U.S. Personal & Commercial Banking

Quarterly trend impacted by higher PCLs; continued momentum in Commercial Banking

As Reported (US\$MM)	Q4 12	Q3 13	Q4 13
Revenue (teb)	750	705	693
PCL	76	39	92
Expenses	467	448	451
Net Income	141	147	102
Adjusted Net Income	156	160	113
Adjusted Efficiency Ratio ¹ (%)	59.2	61.1	62.4

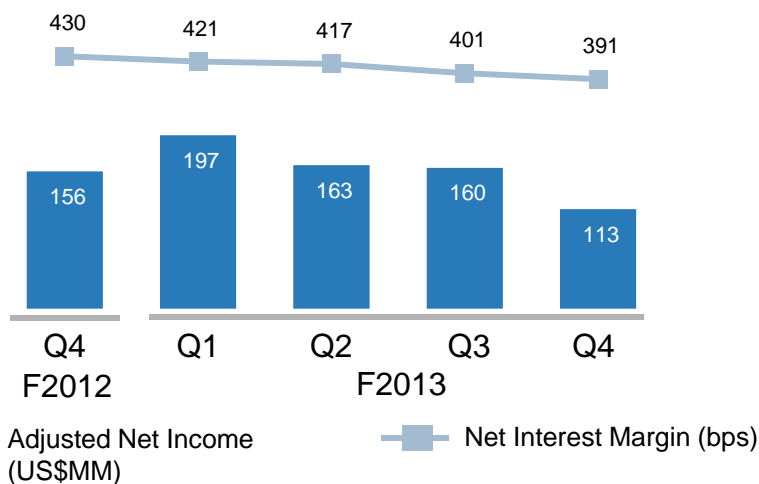
(Amounts in US\$MM)

Annual Highlights

- Adjusted net income of \$633MM, relatively flat Y/Y

Q4 Highlights

- Adjusted net income down Y/Y and Q/Q largely due to higher PCL
- PCL above trend in the quarter:
 - Q/Q consumer PCL up due to \$23MM adjustment and above trend commercial provisions
- Y/Y revenue down 8% as loan growth was more than offset by lower NIM and lower mortgage related NIR. Q/Q down largely due to lower mortgage related NIR
- Q/Q NII relatively unchanged as good loan growth was offset by lower NIM
 - Total loan growth of 3% Y/Y and 1% Q/Q. Strong commercial loan growth with C&I balances up 19% Y/Y and 3% Q/Q
- Y/Y expenses decreased reflecting synergy-related savings partially offset by selective investments in the business and higher regulatory-related costs



¹ Reported efficiency ratio: Q4'12 62.3%; Q3'13 63.7%; Q4'13 65.1%

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BMO Capital Markets

Good year with Q4 reflecting market uncertainty

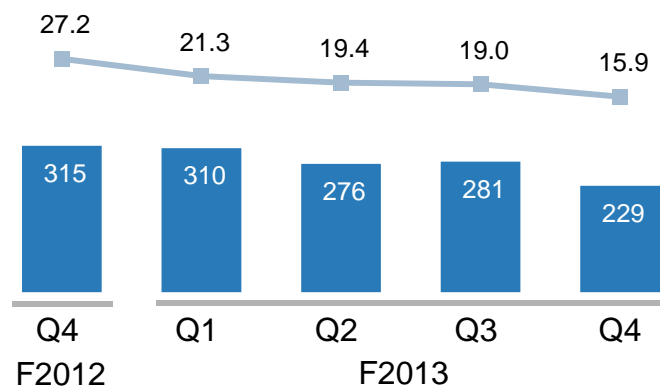
As Reported (\$MM)	Q4 12	Q3 13	Q4 13
Trading Products Revenue	589	569	486
Investment & Corp Banking Revenue	312	300	319
Revenue (teb)	901	869	805
PCL	(4)	2	(17)
Expenses	521	514	517
Net Income	314	280	229
Adjusted Net Income	315	281	229
Efficiency Ratio (%)	57.8	59.1	64.3

Annual Highlights

- Net income of \$1,094MM, up 7%; ROE of 18.9%

Q4 Highlights

- Adjusted net income down 27% from a strong Q4'12 that included strong trading revenue and low taxes; down Q/Q
- Y/Y revenue down from strong trading results a year ago reflecting market uncertainty associated with tapering of quantitative easing and U.S. Debt ceiling
- Q/Q revenue down 7% driven by lower trading revenue and equity underwriting fees
- Y/Y expenses down primarily due to lower performance-based costs, partly offset by increased technology costs related to a changing business and regulatory environment
- Q/Q expenses up reflecting increased technology costs offset in part by lower performance-based costs



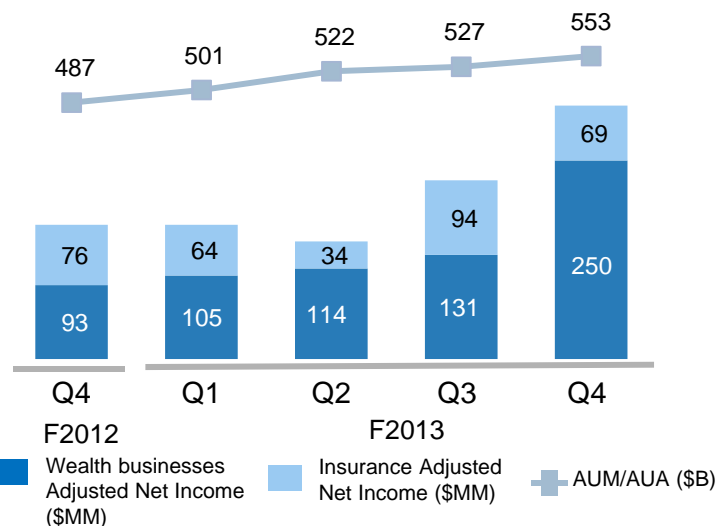
■ Adjusted Net Income (\$MM) —■— Return on Equity (%)

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Wealth Management

Earnings up significantly Y/Y driven by continued strong performance and security gain

As Reported (\$MM)	Q4 12	Q3 13	Q4 13
Revenue (teb)	785	869	1,041
PCL	11	(1)	1
Expenses	562	585	600
Net Income	164	218	312
Adjusted Net Income	169	225	319
Wealth businesses	93	131	250
Insurance	76	94	69
Adjusted Efficiency Ratio ¹ (%)	70.7	66.2	56.8



¹ Reported efficiency ratio: Q4'12 71.6%; Q3'13 67.3%; Q4'13 57.7%

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See slide 31 for adjustments to reported results

Annual Highlights

- Adjusted net income of \$861MM, up 58%; wealth up 55%; Insurance up 66%

Q4 Highlights

- Adjusted net income up 89% Y/Y and 42% Q/Q
- Strong wealth, adjusted net income more than doubled Y/Y and up 89% Q/Q
 - Strong performance reflecting a \$121MM after-tax security gain and a 38% increase in other wealth businesses
- Good Insurance results at \$69MM in the quarter
 - Interest rates reduced income by \$12MM in Q4'13, increased it by \$42MM in Q3'13, Q4'12 impact minor
- AUM/AUA up 14% Y/Y and 5% Q/Q driven by market appreciation, growth in new client assets and the stronger U.S. dollar
- Y/Y expenses up 7% primarily due to higher revenue-based costs and higher marketing spend to drive future revenue growth

Corporate Services

Adjusted results down Y/Y, flat Q/Q

Adjusted (\$MM)	Q4 12	Q3 13	Q4 13
Revenue (teb) ¹	(66)	(199)	(134)
PCL (recovery)	(115)	(154)	(106)
Expenses	115	104	124
Net Income	41	(35)	(36)

As Reported (\$MM)	Q4 12	Q3 13	Q4 13
Revenue (teb) ¹	190	(41)	(6)
PCL (recovery)	(36)	(90)	(57)
Expenses	346	156	188
Net Income	22	(11)	(28)

Annual Highlights

- Annual net income down driven primarily by lower revenue

Q4 Highlights

- Q4'13 adjusted net loss of \$36MM compared to net income of \$41MM a year ago
 - Lower revenues due to a decline in treasury-related items and a variety of other items, none of which were individually significant
 - Higher expenses primarily due to higher pension/benefit and regulatory-related costs, partially offset by lower technology costs
 - Lower PCL primarily due to recoveries on the purchased credit impaired loan portfolio
- Q/Q adjusted net results relatively unchanged
 - Adjusted revenues improved primarily due to lower group teb offset and a variety of other items, none of which were individually significant
 - Higher expenses primarily due to technology costs
 - Lower PCL primarily due to recoveries on the purchased credit impaired loan portfolio

See slide 31 for adjustments to reported results. All adjustments impact Corporate Services with the exception of amortization of acquisition-related intangible assets

¹ Operating group revenues, income taxes and net interest margin are stated on a taxable equivalent basis (teb). This teb adjustment is offset in Corporate Services, and total BMO revenue, income taxes and net interest margin are stated on a GAAP basis. The Group teb offset: Q4'12 \$(92)MM; Q3'13 \$(120)MM; Q4'13 \$(89)MM

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Risk Review

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Surjit Rajpal

Chief Risk Officer

Q4|13



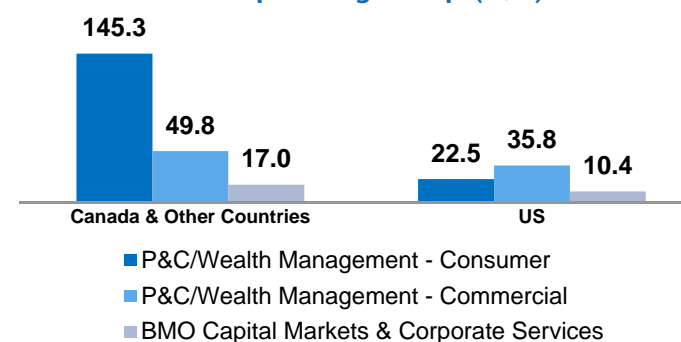
Loan Portfolio Overview

Canadian and US portfolios well diversified by industry

Gross Loans & Acceptances By Industry (C\$ B)	Canada & Other ¹	US	Total	% of Total
Residential Mortgages	88.6	7.7	96.3	34%
Personal Lending	49.3	14.3	63.6	23%
Credit Cards	7.4	0.5	7.9	3%
Total Consumer	145.3	22.5	167.8	60%
Financial	10.7	8.1	18.8	7%
CRE/Investor Owned Mortgages	11.4	6.8	18.2	6%
Services	10.2	6.6	16.8	6%
Manufacturing	4.5	6.3	10.8	4%
Retail	6.6	3.1	9.7	3%
Owner Occupied Commercial Mortgages	2.2	5.2	7.4	3%
Wholesale	3.2	3.8	7.0	2%
Agriculture	4.8	1.2	6.0	2%
Other Commercial & Corporate ²	13.2	5.1	18.3	7%
Total Commercial & Corporate	66.8	46.2	113.0	40%
Total Loans	212.1	68.7	280.8	100%

- 2% loan growth Q/Q, spread across Canada/US and the Consumer/Commercial portfolios
- Consumer portfolio represents the majority of loans, consistent with prior quarters

Loans by Geography and Operating Group (C\$B)



¹ Commercial & Corporate includes ~\$7.4B from Other Countries

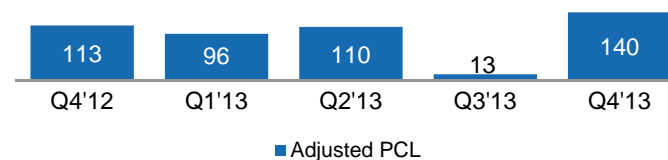
² Other Commercial & Corporate includes industry segments that are each <2% of total loans

Provision for Credit Losses (PCL)

PCL By Operating Group (C\$ MM)	F2012	F2013	Q3 13	Q4 13
Consumer – Canadian P&C	506	442	101	114
Commercial – Canadian P&C	109	132	25	52
Total Canadian P&C	615	574	126	166
Consumer – US P&C	222	166	40	55
Commercial – US P&C	52	57	-	41
Total US P&C	274	223	40	96
Wealth Management	22	3	(1)	1
Capital Markets	6	(36)	2	(17)
Corporate Services	63	5	(14)	(2)
Sub-Total	980	769	153	244
Purchased Credit Impaired Loans (PCI) ¹	(509)	(410)	(140)	(104)
Adjusted PCL	471	359	13	140
Purchased Performing Loans ¹	291	240	44	49
Specific PCL	762	599	57	189
Change in Collective Allowance	3	(10)	20	-
Total PCL	765	589	77	189

- Specific PCL up Q/Q due to higher P&C provisions in both Canada and the US and reduced recoveries on the PCI portfolio
 - Canadian P&C: Commercial increase primarily due to one account. Consumer provisions increased modestly from Q3
 - US P&C: Commercial provisions increased primarily due to a few accounts. Consumer provisions up from adjustment for loans where borrowers declared bankruptcy but continue to make payments
 - PCI recoveries are lower in line with reduced portfolio size

Quarterly Adjusted PCL² (C\$MM)



¹ Both PCI and Purchased Performing refer to loans acquired as a part of the M&I acquisition

² Reported Total PCL: Q4'12: \$192MM, Q1'13: \$178MM, Q2'13: \$145MM, Q3'13: \$77MM, Q4'13: \$189MM

Gross Impaired Loans (GIL) and Formations

By Industry (C\$ MM)	Formations			Gross Impaired Loans		
	Canada & Other ²	US	Total	Canada & Other ²	US	Total
Consumer	136	84	220	348	405	753
CRE/Investor Owned Mortgages	2	11	13	92	159	251
Owner Occupied Commercial Mortgages	7	7	14	33	138	171
Services	28	83	111	29	123	152
Financial	1	42	43	6	80	86
Agriculture	14	-	14	71	1	72
Manufacturing	1	1	2	46	15	61
Construction	2	-	2	34	3	37
Retail	-	1	1	17	20	37
Other Commercial & Corporate ¹	27	15	42	85	57	142
Commercial & Corporate	82	160	242	413	596	1,009
Total Bank (excluding Purchased Performing Portfolio)	218	244	462	761	1,001	1,762
Purchased Performing Portfolio	n.a.	152	152	n.a.	782	782
Total Bank	218	396	614	761	1,783	2,544

○ Total formations up slightly Q/Q

➤ Increase in US P&C offset with the decline in Canadian P&C and Purchased Performing portfolio

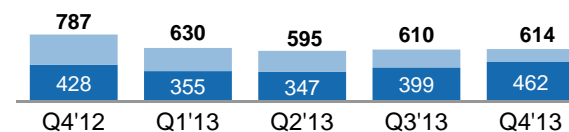
○ GIL down Q/Q

➤ Decline in Canadian commercial and Purchased Performing GIL

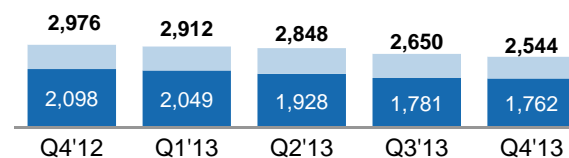
➤ Increase in US commercial GIL

➤ Consumer GIL largely flat

Formations (C\$MM)



Gross Impaired Loans (C\$MM)



■ Purchased Performing Portfolio
■ Total Bank excl. Purchased Performing Portfolio

Note: In this slide, Purchased Performing Portfolio refers to the M&I Acquisition

1 Other Commercial & Corporate includes industry segments that are each <1.5% of total GIL

2 Commercial & Corporate includes ~\$3MM formations and ~\$7MM GIL from Other Countries

Canadian Residential Mortgages

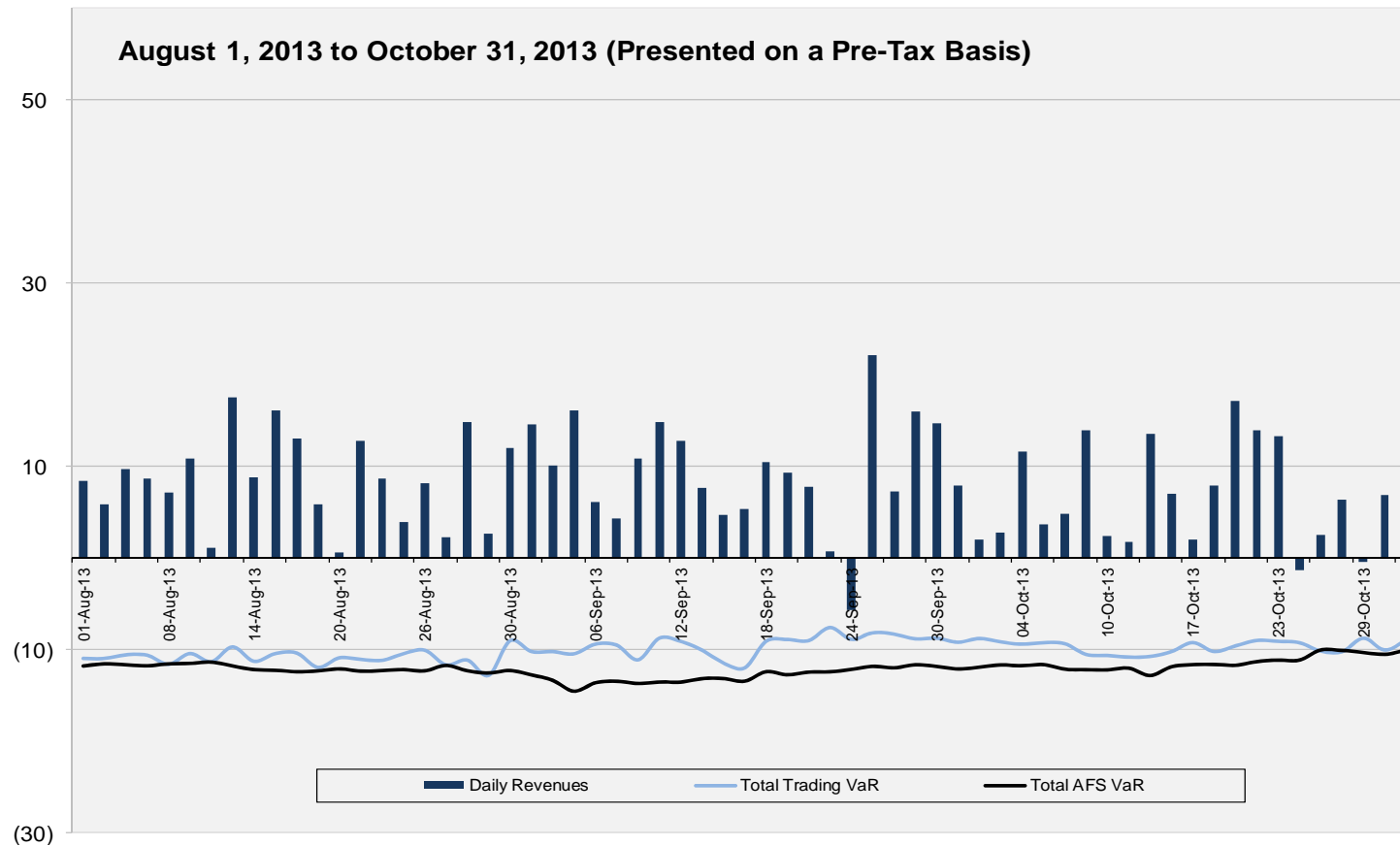
- Total Canadian residential mortgage portfolio at \$88.6B represents 43% of Canadian loans and acceptances and 32% of total loans and acceptances – smallest of the big five peer banks
 - 59% of the portfolio is insured
 - Loan-to-value (LTV)¹ on the uninsured portfolio is 59%²
 - 67% of portfolio has an effective remaining amortization of 25 years or less
 - Loss Rates for the trailing 4 quarter period were less than 1 bps
 - 90 day delinquency rates improved Y/Y and Q/Q
 - Condo mortgage portfolio is \$12.3B with 53% insured

Residential Mortgages by Region (C\$B)	Insured	Uninsured	Total	% of Total
Atlantic	3.5	1.7	5.2	6%
Quebec	8.0	5.1	13.1	15%
Ontario	21.6	15.0	36.6	41%
Alberta	9.7	4.4	14.1	16%
British Columbia	7.2	9.1	16.3	18%
All Other Canada	2.1	1.2	3.3	4%
Total Canada	52.1	36.5	88.6	100%

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

² To facilitate comparisons, the equivalent simple average LTV on uninsured mortgages in Q4 '13 was 51%

Trading Revenue vs. VaR



The largest daily P&L gains for the quarter are as follows:

- **August 13** – Primarily reflects normal trading activity and valuation adjustments, C\$17.5 million
- **September 25** – Primarily reflects normal trading activity, C\$22.1 million
- **October 21** – Primarily reflects normal trading activity and valuation adjustments, C\$17.1 million

Significant loss day in the quarter.

- **September 24** – Reflects normal trading activity and valuation adjustments, \$(6.8) million

APPENDIX

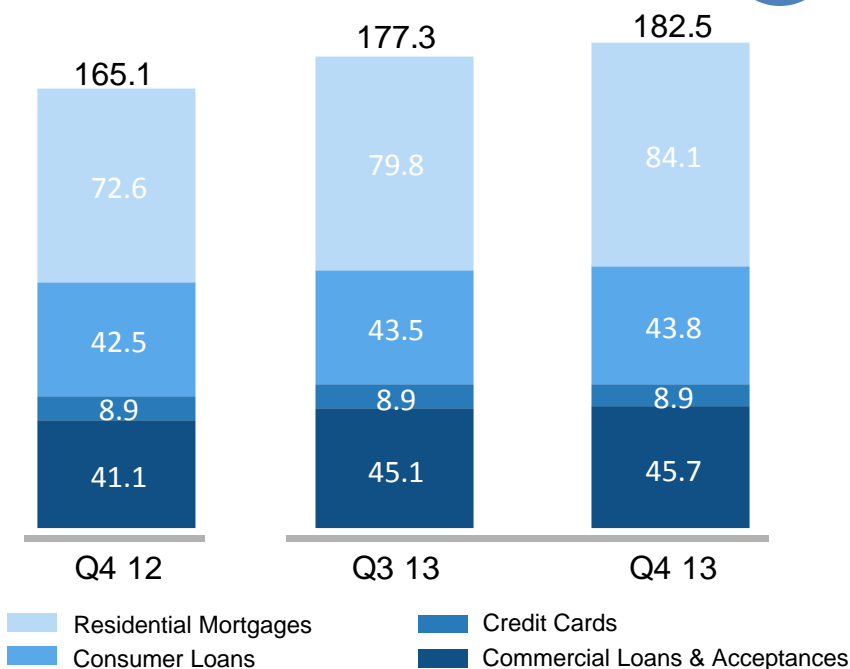
Canadian Personal & Commercial Banking – Loan Balances

Average Loans & Acceptances

(C\$B)

Y/Y Growth

11%



Personal

- Strong lending growth¹ with balances up 11% Y/Y and 4% Q/Q
- Mortgage balances up 16% Y/Y and 5% Q/Q
- Total personal lending¹ market share² up 22 bps Q/Q

Commercial

- Continued momentum in commercial lending with growth³ of 11% Y/Y and 1% Q/Q
- Commercial lending market share⁴ down 3 bps Q/Q

¹ Personal lending includes mortgages and consumer loans but excludes credit cards. Personal Cards balances approximately 83% of total credit card portfolio in each of Q4'12, Q3'13 and Q4'13

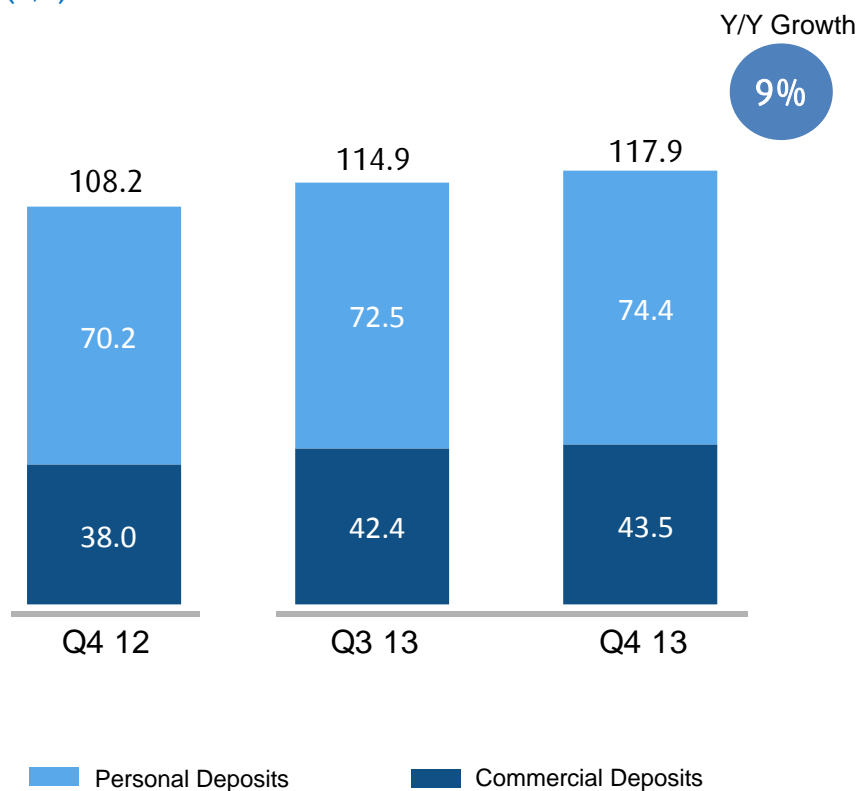
² Personal share issued by OSFI (one month lag basis (Q4 F13: Sep 2013)) ; Market share data sources: Consumer Loans and Residential Mortgages – OSFI

³ Commercial lending growth excludes commercial credit cards. Commercial cards balances approximately 17% of total credit card portfolio in each of Q4'12, Q3'13 and Q4'13

⁴ Business loan share (Banks) issued by CBA (one calendar quarter lag basis (Q3 F13: Jun 2013))

Canadian Personal & Commercial Banking – Deposit Balances

Average Deposits (C\$B)



Personal

- Deposit balances up 6% Y/Y and 2% Q/Q
 - Strong growth in retail operating deposits of 7% Y/Y and 1% Q/Q
- Personal deposit market share down 4 bps Q/Q

Commercial

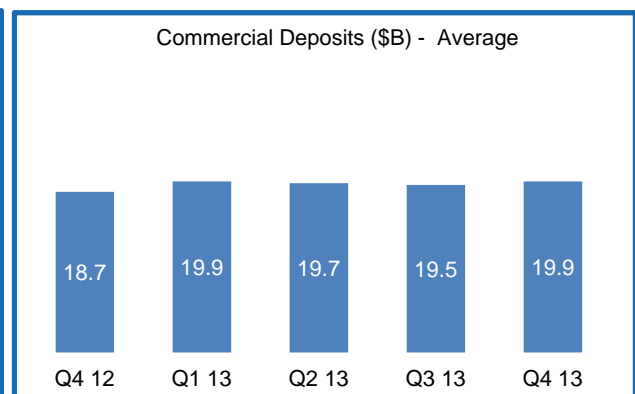
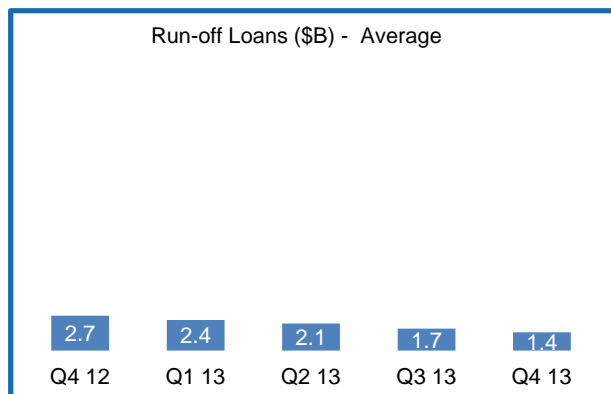
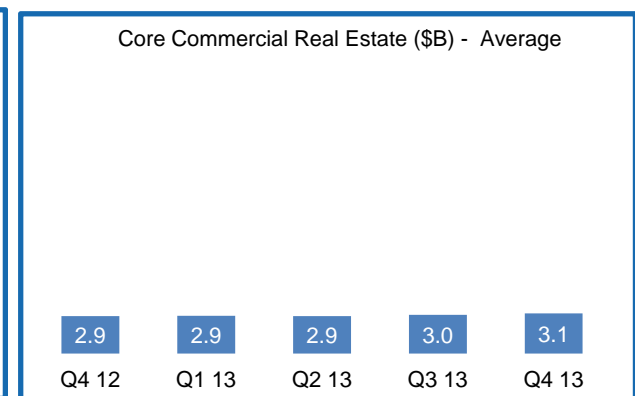
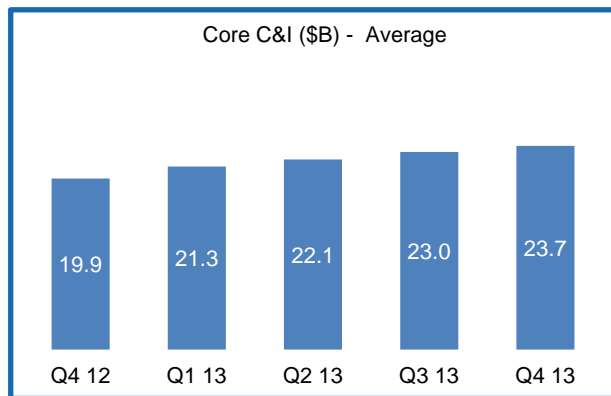
- Commercial deposit focus continues to result in strong growth of 14% Y/Y and 3% Q/Q
- Commercial deposit market share¹ up 16 bps Q/Q

¹ Business deposit share (Banks) issued by CBA (one calendar quarter lag basis (Q3 F13: Jun 2013))

U.S. Personal & Commercial Banking – Commercial Balances

All amounts in U.S. \$B

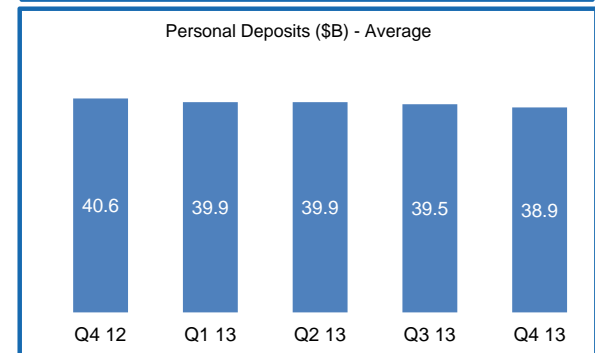
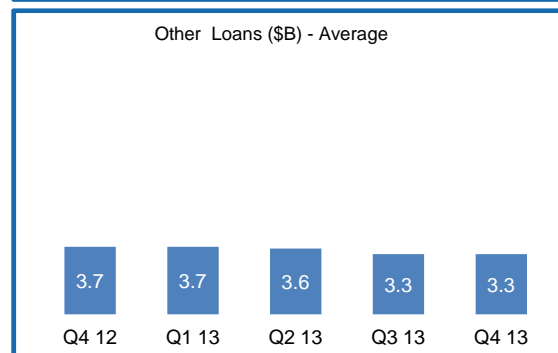
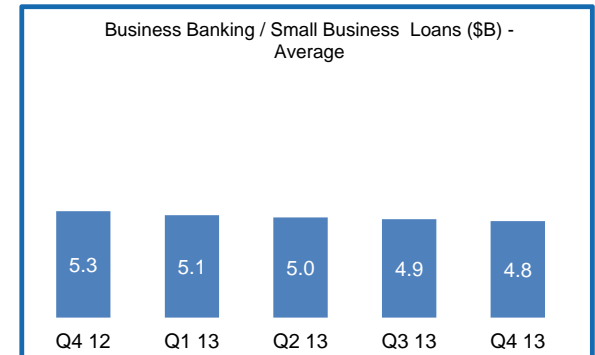
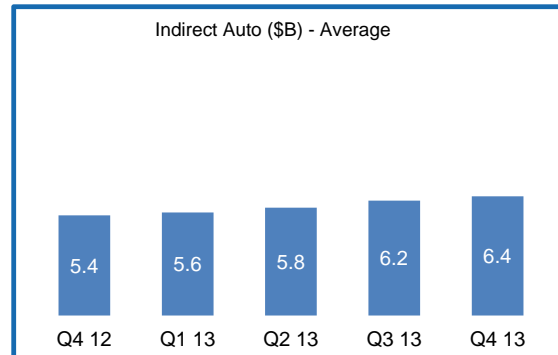
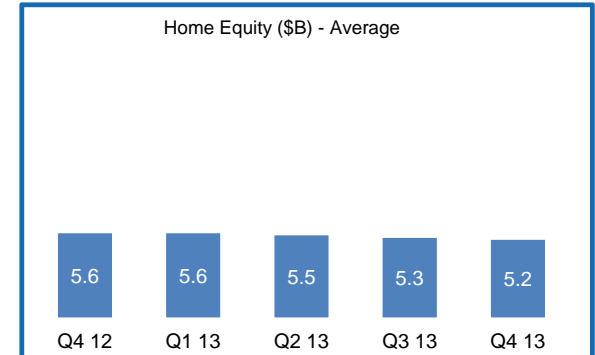
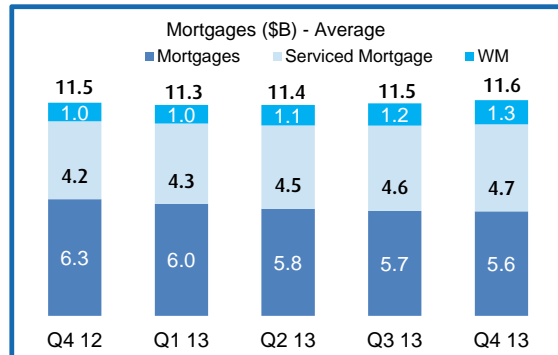
- Strong core C&I loan growth up 19% Y/Y and 3% Q/Q
- Growth in core C&I reflects increases across a number of businesses including Corporate Finance, Diversified Industries, Equipment Finance, and Financial Institutions
- Core Commercial Real Estate portfolio is gaining traction, new commitments of \$2.1B in 2013
- Commercial Real Estate Run-off portfolio continues to decline and not significant at this point
- Deposits increased \$1.2B or 6% Y/Y; and increased \$0.4B or 2% Q/Q



U.S. Personal & Commercial Banking – Personal Balances

All amounts in U.S. \$B

- Overall mortgage portfolio up slightly driven by growth in serviced portfolio. Serviced portfolio up 12% Y/Y and 2% Q/Q
- Home Equity origination improved through the year, offset by lower utilization and continued paydowns
- Business Banking pipeline increasing through continued focus on sales initiatives and effectiveness; however overall environment remains cautious
- Total deposits down as a result of planned reductions in higher cost deposits. Checking and savings increased 6% Y/Y
- Other loans include non-strategic portfolios such as wholesale mortgages, purchased home equity, and certain small business CRE, as well as credit card balances and other personal loans



Operating Groups – Q4 2013 Quick Facts

~80% of adjusted revenue and net income from retail businesses¹

Canadian P&C

- Revenue up 4% Y/Y and up modestly Q/Q with higher volumes and lower NIM
- Adjusted net income up 6% Y/Y
- Strong volume growth in personal and commercial² with loans up 11% Y/Y and 3% Q/Q; deposits up 9% Y/Y and 3% Q/Q
- Efficiency ratio 50.6%, improvement of 130bps Y/Y
- Operating leverage of 2.7%

U.S. P&C

- Adjusted net income³ down 28% Y/Y as benefit of lower expenses more than offset by lower revenue and above trend PCL
- Revenue down 8% Y/Y as loan growth more than offset by lower NIM and mortgage related NIR; down 2% Q/Q largely due to mortgage related NIR
- Continued momentum in core C&I loan portfolio, up 19% Y/Y and 3% Q/Q
- Adjusted expenses down 3% Y/Y

Wealth Management

- Revenue up 33% Y/Y; up 41% Y/Y excluding Insurance
- Adjusted net income⁴ of \$319MM, up 89% Y/Y
- Wealth businesses adjusted net income of \$250MM up \$157MM Y/Y; \$119MM Q/Q
 - Strong performance reflecting a \$121MM after-tax security gain and a 38% increase in other wealth businesses
- AUM/AUA of \$553B up \$66B or 14% Y/Y
 - AUM up 12% Y/Y

BMO Capital Markets

- Adjusted net income of \$229MM, down 27% from a strong Q4'12 that included strong trading revenue and low taxes
- Revenue down Y/Y from a strong trading results in Q4'12. Q/Q revenues impacted by lower trading revenue and equity underwriting fees
- ROE 15.9%

¹ Based on adjusted operating segment results; excludes Corporate Services

² Loan growth excludes personal cards and commercial cards

³ U.S. P&C reported net income down 28% Y/Y

⁴ Wealth Management reported net income of \$312MM, up 91% Y/Y

Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release
See slide 31 for adjustments to reported results.

Group Net Income

Net Income, Adjusted ¹ (\$MM)	F2012	F2013	Inc/(Dec)	
			\$	%
Canadian P&C	1,785	1,864	79	4%
U.S. P&C	644	646	2	-
Total P&C	2,429	2,510	81	3%
Wealth Management	545	861	316	58%
BMO Capital Markets	1,022	1,096	74	7%
Corporate Services	96	(191)	(287)	(+100%)
Total Bank	4,092	4,276	184	5%

Net Income, Reported (\$MM)	F2012	F2013	Inc/(Dec)	
			\$	%
Canadian P&C	1,775	1,854	79	4%
U.S. P&C	580	596	16	3%
Total P&C	2,355	2,450	95	4%
Wealth Management	524	834	310	59%
BMO Capital Markets	1,021	1,094	73	7%
Corporate Services	289	(130)	(419)	(+100%)
Total Bank	4,189	4,248	59	1%

¹ Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release. See slide 31 for adjustments to reported results.

Adjusting Items

Adjusting ¹ items – Pre-tax (\$MM)	Q4 12	Q3 13	Q4 13	F2012	F2013
Credit-related items on the M&I purchased performing loan portfolio	57	110	49	407	406
M&I integration costs	(153)	(49)	(60)	(402)	(251)
Amortization of acquisition-related intangible assets	(34)	(32)	(31)	(134)	(125)
Decrease/(increase) in the collective allowance for credit losses	49	(20)	-	82	2
Run-off structured credit activities	67	1	26	264	40
Restructuring costs	(74)	-	-	(173)	(82)
Adjusting items included in reported pre-tax income	(88)	10	(16)	44	(10)
Adjusting ¹ items – After-tax (\$MM)	Q4 12	Q3 13	Q4 13	F2012	F2013
Credit-related items on the M&I purchased performing loan portfolio	35	68	30	251	250
M&I integration costs	(95)	(30)	(37)	(250)	(155)
Amortization of acquisition-related intangible assets	(24)	(23)	(22)	(96)	(89)
Decrease/(increase) in the collective allowance for credit losses	27	(15)	(5)	53	(9)
Run-off structured credit activities	67	1	20	261	34
Restructuring costs	(53)	-	-	(122)	(59)
Adjusting items included in reported net income after tax	(43)	1	(14)	97	(28)
EPS (\$)	(0.06)	-	(0.02)	0.15	(0.04)

¹ All adjusting items are reflected in Corporate Services with the exception of the amortization of acquisition-related intangible assets, which is reflected across the Operating Groups. Adjusted measures are non-GAAP measures. See slide 2 of this document, page 34 of BMO's 2013 Annual MD&A and page 23 of BMO's Fourth Quarter 2013 Earnings Release

Investor Relations Contact Information

www.bmo.com/investorrelations

E-mail: investor.relations@bmo.com

Fax: 416.867.3367

SHARON HAWARD-LAIRD

Head, Investor Relations

416.867.6656

sharon.hawardlaird@bmo.com

ANDREW CHIN

Director, Investor Relations

416.867.7019

andrew.chin@bmo.com

