

# F2018 Fact Sheet



## Who We Are

Established in 1817, BMO Financial Group is a highly diversified financial services provider based in North America. With total assets of \$774 billion and a team of diverse and highly engaged employees, BMO provides a broad range of personal and commercial banking, wealth management and investment banking products and services to more than 12 million customers. BMO is the 8th largest bank in North America as measured by assets <sup>1,2</sup>

## Our Guiding Principle

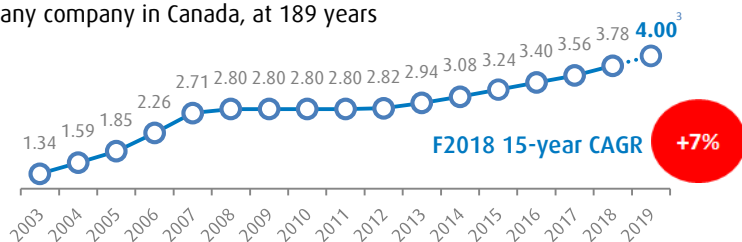
We aim to deliver top-tier total shareholder return and balance our commitments to financial performance, our customers and employees, the environment and the communities where we live and work

## Our Strategic Priorities

- 1 Drive leading growth in priority areas by earning customer loyalty
- 2 Simplify, speed up, and improve productivity
- 3 Harness the power of digital and data to grow
- 4 Be leaders in taking and managing risk, consistent with our overall risk appetite
- 5 Activate a high-performance culture

## Dividends Declared (\$ per share)

BMO has the longest running dividend payout record of any company in Canada, at 189 years



## Shareholder Centre

(Ticker: BMO; exchanges: TSX, NYSE)

- Current declared quarterly dividend: \$1.00; up 8% Y/Y
- F18 Dividend Payout Ratio: 46.2%; Target: 40-50%
- Dividend Yield<sup>1</sup>: 3.90%
- Market Capitalization<sup>1</sup>: \$62.9B
- Common Shares Outstanding<sup>1</sup>: 639.3 million

## Key Metrics<sup>1</sup> — F2018

### Balance Sheet (\$ billions)

Assets	774.0
Loans	385.6
Deposits	522.1

### Capital Ratios

CET1	11.3%
Tier 1	12.9%
Total Capital	15.2%

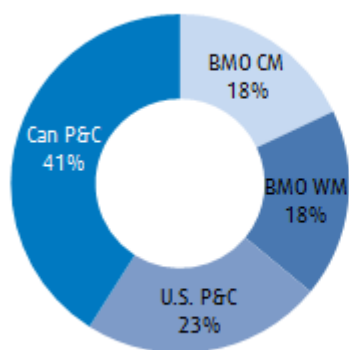
### Bank Information

Employees	45,454
Branches	1,483
ABMs	4,828

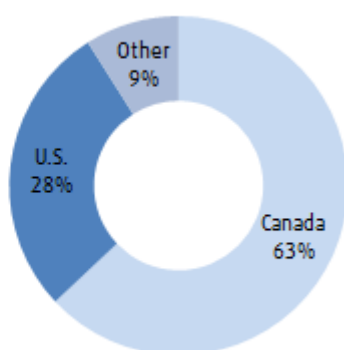
## Credit Ratings (Senior Debt / Outlook)

Moody's	S&P	Fitch	DBRS
Aa2	A+	AA-	AA
Stable	Stable	Stable	Stable

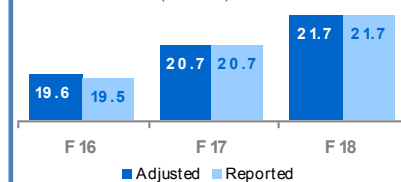
## Adjusted Net Income by Operating Group — F2018<sup>4</sup>



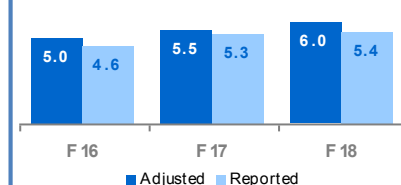
## Adjusted Net Income by Geography — F2018<sup>4</sup>



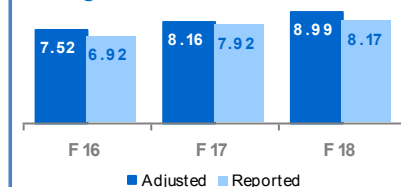
## Net Revenue (\$ billions)



## Net Income (\$ billions)



## Earnings Per Share (\$)



<sup>1</sup> As at October 31, 2018

<sup>2</sup> Source: Bloomberg

<sup>3</sup> Annualized based on Q1'19 declared dividend of \$1.00

<sup>4</sup> Reported net income by operating group (excludes Corporate Services): Canadian P&C 41%, U.S. P&C 23%, BMO WM 17%, BMO CM 19%; by geography: Canada 70%, U.S. 20%, Other 10%

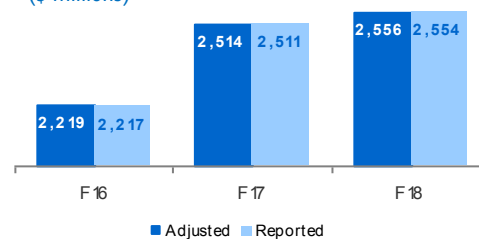
## Canadian P&C

- Provides a full range of financial products and services to eight million customers
- Helping customers make the right financial decisions as they do business with us across a network of 900 branches, contact centres, digital banking platforms and over 3,300 automated teller machines
- Strong and growing retail banking business, benefiting from nearly 50% year-over-year digital sales growth and 25% digital sales penetration
- Top-tier commercial banking business, as evidenced by BMO's number two ranking in Canadian market share for business loans up to \$25 million

### F2018 Highlights

- Good underlying performance in Canadian P&C with well-diversified balance growth
- Q4 Net income up 8% Y/Y with continued momentum in Commercial business and positive operating leverage

Net Income  
(\$ millions)



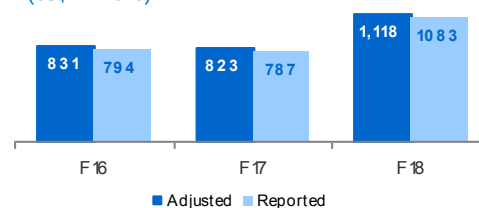
## U.S. P&C

- Delivers a broad base of financial services to more than two million customers through over 560 branches, dedicated contact centres, digital banking platforms and nationwide access to more than 43,000 automated teller machines
- Large-scale, diversified national commercial business, centred in the U.S. Midwest and supported by in-depth industry knowledge, best-in-class customer experience and top-tier market share in our flagship businesses
- Increasing momentum in personal banking, driven by a large and growing customer base, a broad suite of products and services and accelerated investment in digital capabilities

### F2018 Highlights

- Strong performance with F18 adjusted net income up 36% (Reported 37%), with revenue growth of 9% and positive operating leverage
- Good momentum in commercial and personal volumes with loan growth of 10% and deposit growth of 7%

Net Income  
(US\$ millions)



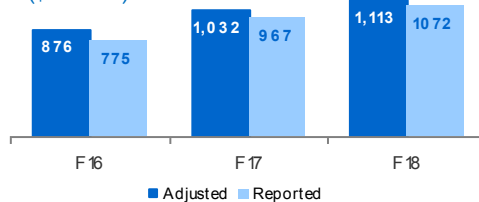
## BMO Wealth Management

- Serves a full range of client segments, from mainstream to ultra-high net worth and institutional, with a broad offering of wealth management products and services including insurance
- Global business with an active presence in markets across Canada, the United States, EMEA and Asia

### F2018 Highlights

- Adjusted net income up 8% (reported up 11%) with growth across our diversified businesses
- Assets under management \$438B, up \$9B or 2% and Assets under Administration \$383B, up \$23B or 6% driven by growth in client assets

Net Income  
(\$ millions)



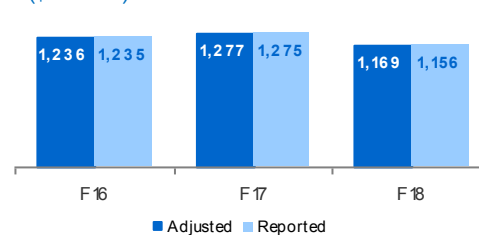
## BMO Capital Markets

- North American-based financial services provider offering a complete range of products and services to corporate, institutional and government clients
- Approximately 2,700 professionals in 33 locations around the world, including 19 offices in North America
- Well-diversified platform and business mix – by sector, geography, product and currency, including a strong, scalable and relevant U.S. business – positioning BMO well in several key markets and over the long term

### F2018 Highlights

- Completed the acquisition of KGS-Alpha Capital Markets (KGS-Alpha), a U.S. fixed income broker-dealer specializing in U.S. mortgage and asset-backed securities in the institutional investor market

Net Income  
(\$ millions)



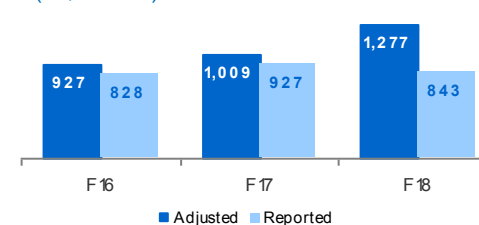
## U.S. Segment

- The U.S. continues to be a strategically important market for BMO, representing ~28% of the bank's earnings; diversified businesses are delivering strong growth and improving efficiency
- Built through strong organic growth and targeted acquisitions
- Expect continued good performance as we build on strength in commercial banking, accelerate growth in personal banking, drive more revenue in U.S. capital markets, and grow core personal wealth and asset management customers

### F2018 Highlights

- Net income was up 26%, led by strong growth in U.S. P&C and the benefit from U.S. tax reform

Net Income  
(US\$ millions)



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Corporate Service net income / (loss) - not included in Operating Group Net income:		
(C\$ millions)	Adjusted	Reported
F2018	(\$298)	(\$726)
F2017	(\$388)	(\$430)
F2016	(\$412)	(\$647)