

# Q2'19 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 \$830 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

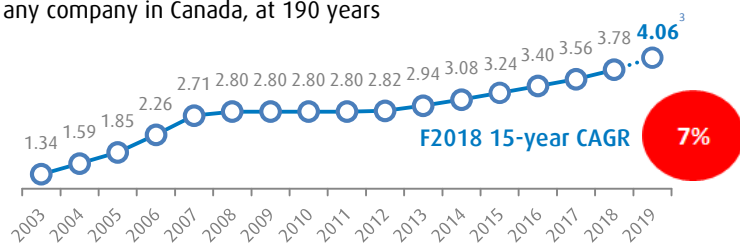
We aim to deliver top-tier total shareholder return and balance our commitments to financial performance, our customers and employees, the environment and the communities where we live and work

## 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 190 years



## Shareholder Centre

(Ticker: BMO; exchanges: TSX, NYSE)

- Current declared quarterly dividend: \$1.03; up 7% Y/Y
- Q2'19 Dividend Payout Ratio: 44.1%; Target: 40-50%
- Dividend Yield<sup>1</sup>: 3.78%
- Market Capitalization<sup>1</sup>: \$67.6B
- Common Shares Outstanding<sup>1</sup>: 638.8 million

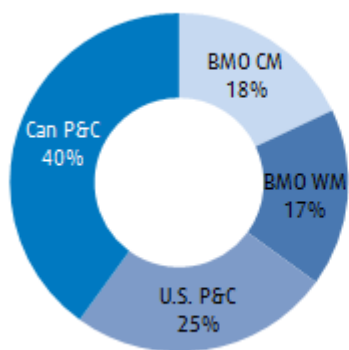
## Key Metrics<sup>1</sup> — Q2'19

Balance Sheet (\$B)		Capital Ratios		Bank Information	
Assets	830	CET1	11.3%	Employees	45,755
Loans	415	Tier 1	12.7%	Branches	1,473
Deposits	549	Total Capital	15.0%	ABMs	4,746

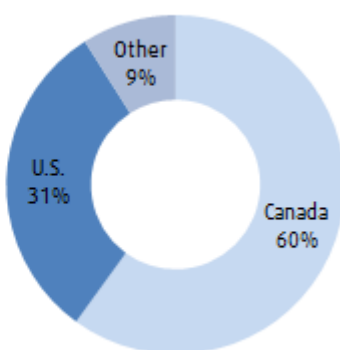
## Credit Ratings (Senior Debt / Outlook)

	Moody's	S&P	Fitch	DBRS
Long term deposits / legacy senior debt <sup>4</sup>	Aa2	A+	AA-	AA
Senior debt <sup>5</sup>	A2	A-	AA-	AA (low)
Outlook	Stable	Stable	Stable	Stable

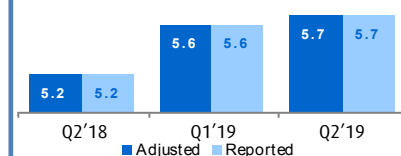
### Adjusted Net Income by Operating Group — LTM<sup>6</sup>



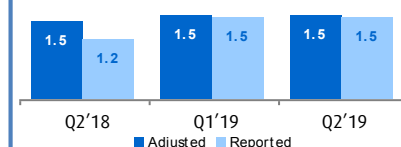
### Adjusted Net Income by Geography — LTM<sup>6</sup>



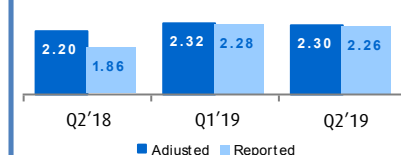
### Net Revenue (\$ billions)



### Net Income (\$ billions)



### Earnings Per Share (\$)



<sup>1</sup> As at April 30, 2019

<sup>2</sup> Source: Bloomberg

<sup>3</sup> Annualized based on Q3'19 declared dividend of \$1.03

<sup>4</sup> Long term deposits / legacy senior debt includes: (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the Bank Recapitalization (Bail-In) Regime.

<sup>5</sup> Subject to conversion under the Bank Recapitalization (Bail-In) Regime

<sup>6</sup> Reported net income last twelve months (LTM) by operating group (excludes Corporate Services): Canadian P&C 41%, U.S. P&C 25%, BMO WM 17%, BMO CM 17%; by geography: Canada 62%, U.S. 29%, Other 9%

# Operating Group Overview

# Q2'19 Fact Sheet

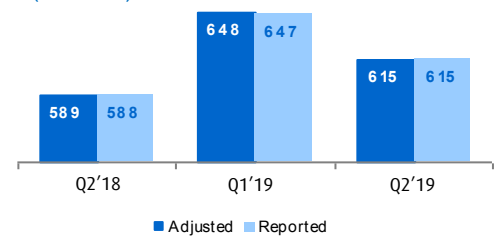
## Canadian P&C

- 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 strong 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

### Q2'19 Highlights

- Revenue growth of 5% reflecting continued good balance momentum
- Strong commercial loan growth of 15%
- Average deposits up 8%

Net Income  
(\$ millions)



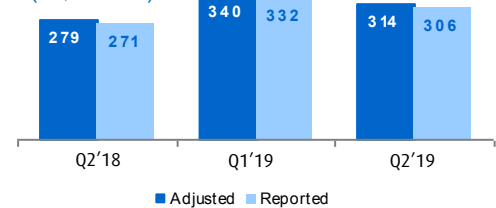
## U.S. P&C

- 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

### Q2'19 Highlights

- Revenue growth of 5% with strong loan and deposit volume growth
- Strong commercial loan growth of 15%
- Strong deposit growth of 13%; third consecutive quarter of double digit growth in both personal and commercial deposits

Net Income  
(US\$ millions)



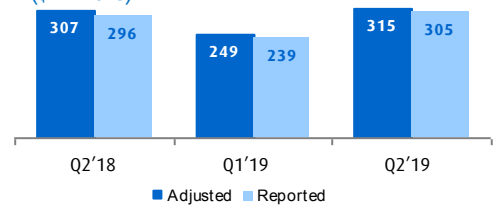
## BMO Wealth Management

- 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
- #2 share in the Canadian ETF market with a top ranking in net new asset growth for the 8th consecutive year
- Global business with an active presence in markets across Canada, the United States, EMEA and Asia

### Q2'19 Highlights

- Diversified business well-positioned to accelerate growth
- Assets under management and administration \$862B, up \$46B or 6% Q/Q and \$37B or 4% Y/Y
- Y/Y loans and deposits grew by 16% and 4% respectively, as we continue to diversify our product mix

Net Income  
(\$ millions)



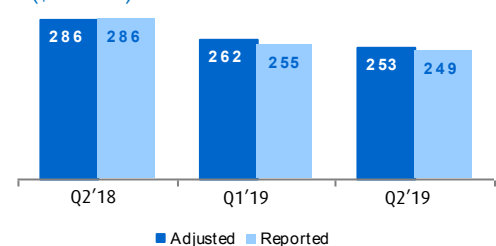
## BMO Capital Markets

- 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

### Q2'19 Highlights

- Continued strong I&CB and U.S. performance driving underlying business growth
- I&CB revenue up 21% reflecting loan growth and higher underwriting revenue
- U.S. contributing 1/3 of earnings up from ~25% in F18
- Q2 results absorbed a severance expense of \$90MM (after-tax)

Net Income  
(\$ millions)



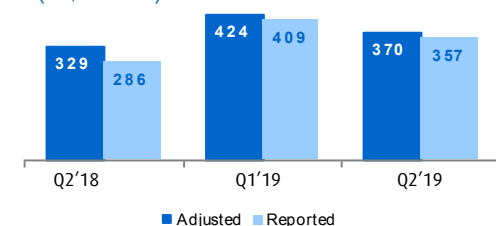
## U.S. Segment

- The U.S. continues to deliver strong results, representing 35% of the bank's earnings year-to-date
- Well-positioned to capture growth opportunities 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

### Q2'19 Highlights

- Net income up 29% year-to-date with strong growth in U.S. P&C and Capital Markets, driving PPPT growth of 20%
- Positive operating leverage of 3.9% and improved efficiency

Net Income  
(US\$ millions)



## Contact Information

### Investor Relations

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Corporate Service net income / (loss) - not included in Operating Group Net income:		
(C\$ millions)	Adjusted	Reported
Q2'19	(\$78)	(\$78)
Q1'19	(\$75)	(\$75)
Q2'18	(\$78)	(\$272)