

BMO Financial Group Investor Presentation

For the Quarter Ended July 31, 2019

August 27, 2019

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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 2019 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; 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 and cyber security, including the threat of 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 see 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, model, legal and regulatory, business, strategic, environmental and social, and reputation risk, in the Enterprise-Wide Risk Management section which begin on page 78 of BMO's 2018 Annual Report, and the Risk Management section in BMO's Third Quarter 2019 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.

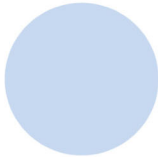
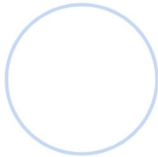
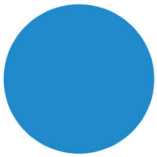
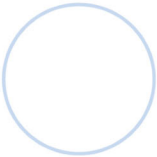
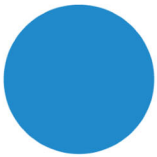
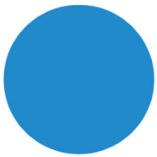
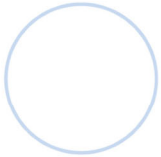
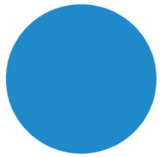
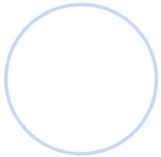
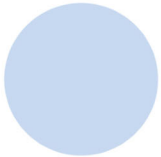
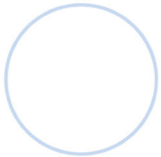
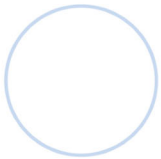
Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2018 Annual Report under the heading "Economic Developments and Outlook", as updated by the Economic Review and Outlook section in BMO's Third Quarter 2019 Report to Shareholders. Assumptions 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, both broadly and in the financial services sector, we primarily consider historical economic data provided by governments, historical relationships between economic and financial variables, and the risks to the domestic and global economy. See the Economic Review and Outlook section in BMO's Third Quarter 2019 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 as well as the rationale for their use can be found on page 4 of BMO's Third Quarter 2019 Report to Shareholders and on page 27 of BMO's 2018 Annual Report, all of which are available on our website at www.bmo.com/investorrelations.

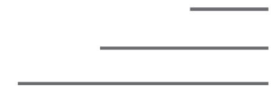
Examples of non-GAAP amounts or measures include: efficiency and leverage ratios; revenue and other measures presented on a taxable equivalent basis (teb); amounts presented net of applicable taxes; results and measures that exclude the impact of Canadian/U.S. dollar exchange rate movements, adjusted 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, decrease (increase) in collective allowance for credit losses, 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 plan.

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



Darryl White

Chief Executive Officer



Q3 2019 - Financial Highlights

	Adjusted ¹	Reported	
Net Income	\$1,582MM	\$1,557MM	<ul style="list-style-type: none"> Adjusted¹ PPPT² growth of 5% with good growth in our P&C businesses and Capital Markets
EPS	\$2.38	\$2.34	<ul style="list-style-type: none"> YTD Adjusted¹ EPS up 5% Y/Y
Operating Leverage³	0.5%	0.7%	<ul style="list-style-type: none"> Adjusted¹ efficiency ratio³ 59.9%
PCL – Impaired – Total	\$243MM/22bps \$306MM/28bps		<ul style="list-style-type: none"> YTD PCL ratio 19bps Portfolio credit quality remains strong
Capital	CET1 11.4%		<ul style="list-style-type: none"> Strong capital position with good organic business growth

¹ See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

On a reported basis: PPPT up 6% Y/Y; YTD EPS up 23% Y/Y; efficiency ratio 60.4%

² Pre-Provision Pre-Tax earnings (PPPT) is the difference between revenue and expenses

³ Operating leverage and efficiency ratio based on net revenue. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB)

U.S. Operations

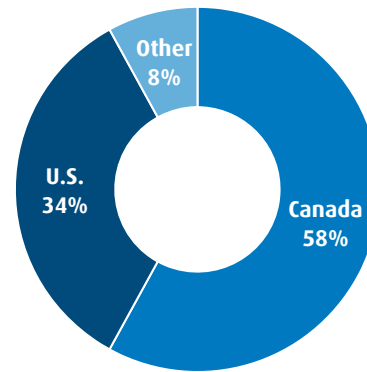
U.S. segment continuing to deliver strong results

Figures that follow are on a U.S. dollar basis

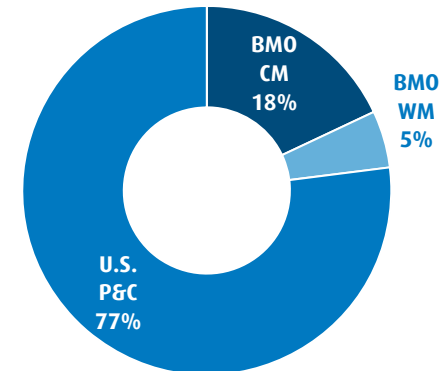
- U.S. segment adjusted¹ year-to-date earnings up 24%
 - Positive adjusted¹ operating leverage of 3.8%
- Contributed 34% of the bank's year-to-date adjusted¹ earnings
- Good diversified performance across U.S. P&C, U.S. Capital Markets and U.S. Wealth Management

U.S. Segment (US\$MM)	Reported			Adjusted ¹		
	Q3 19	Q2 19	Q3 18	Q3 19	Q2 19	Q3 18
Revenue (teb)	1,581	1,526	1,425	1,581	1,526	1,425
Total PCL Expenses	72	29	44	72	29	44
	1,045	1,048	974	1,027	1,030	953
Net Income	375	357	324	389	370	340

Adjusted¹ Net Income by Geography – YTD



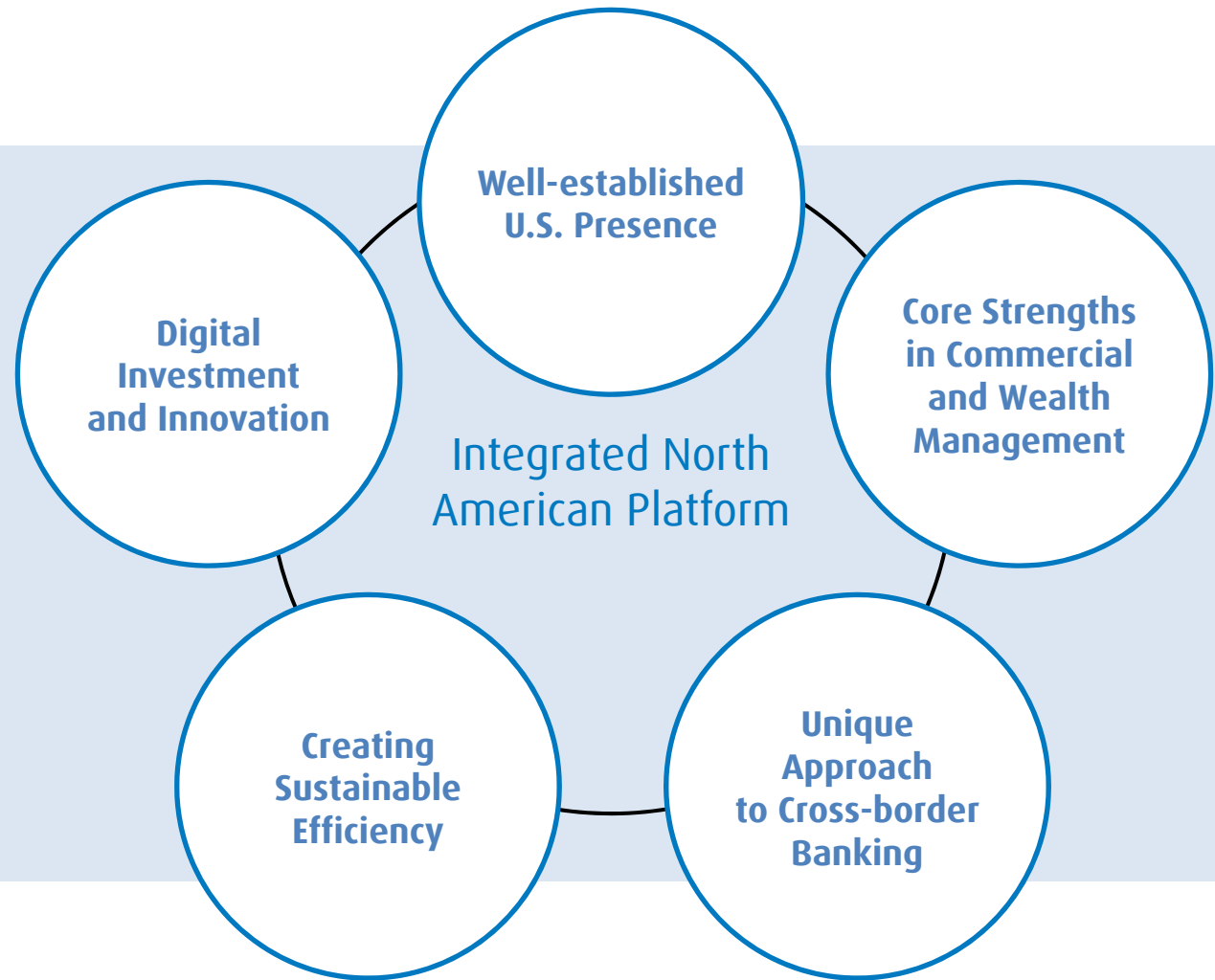
U.S. Segment Adjusted¹ Net Income by Operating Group – YTD

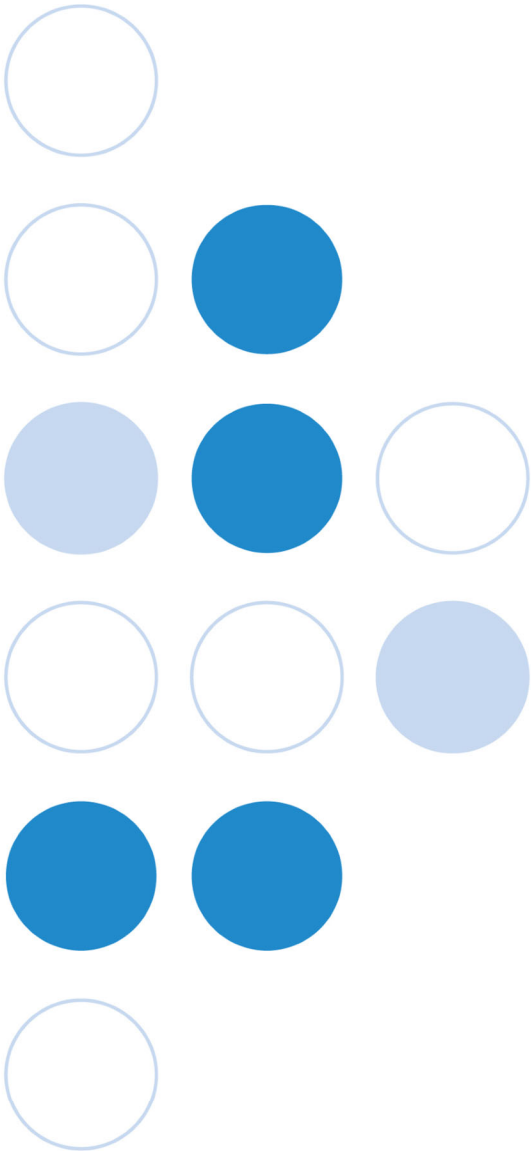


¹ See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

On a reported basis: U.S. segment Year-to-date (YTD) Q3'19 earnings up 109% Y/Y; Operating leverage 5.4%; YTD Q3'19 net income by geography: Canada 59%, U.S. 33%, Other 8%; YTD Q3'19 net income by operating group (excludes Corporate Services): U.S. P&C 78%, BMO CM 17%, BMO WM 5%

Differentiating strengths driving competitive advantage



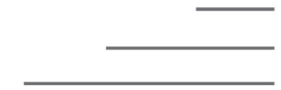


Financial Results

For the Quarter Ended July 31, 2019

Tom Flynn
Chief Financial Officer

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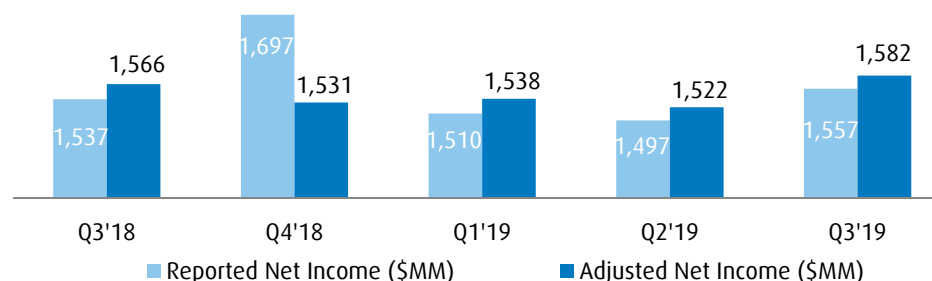
Q3 2019 - Financial Highlights

Strong PPPT⁴ growth in P&C businesses; positive total bank operating leverage

- Adjusted¹ EPS \$2.38, up 1% Y/Y (reported \$2.34, up 1%)
- Adjusted¹ and reported net income up 1% Y/Y
 - U.S. Segment adjusted¹ net income up 14% Y/Y (reported up 15%); 34% of bank net income YTD
- Net revenue² up 5% Y/Y, 4% excluding impact of stronger U.S. dollar
- Adjusted¹ and reported expenses up 4% Y/Y, 3% excluding impact of stronger U.S. dollar
- Adjusted¹ efficiency ratio² 59.9% (reported 60.4%)
- Adjusted¹ operating leverage² 0.5% (reported 0.7%)
- Total PCL of \$306MM, up \$120MM Y/Y; up \$130MM Q/Q
 - PCL on impaired loans \$243MM
 - PCL on performing loans \$63MM
- Adjusted¹ ROE 13.5% (reported 13.2%)

(\$MM)	Reported			Adjusted ¹		
	Q3 19	Q2 19	Q3 18	Q3 19	Q2 19	Q3 18
Net Revenue ²	5,779	5,652	5,525	5,779	5,652	5,525
Total PCL	306	176	186	306	176	186
Expenses	3,491	3,595	3,359	3,459	3,563	3,323
Net Income	1,557	1,497	1,537	1,582	1,522	1,566
Diluted EPS (\$)	2.34	2.26	2.31	2.38	2.30	2.36
ROE (%)	13.2	13.6	14.7	13.5	13.9	15.0
ROTCE ³ (%)	15.8	16.4	18.0	15.8	16.4	18.0
CET1 Ratio (%)	11.4	11.3	11.4			

Net Income¹ Trends



1 See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

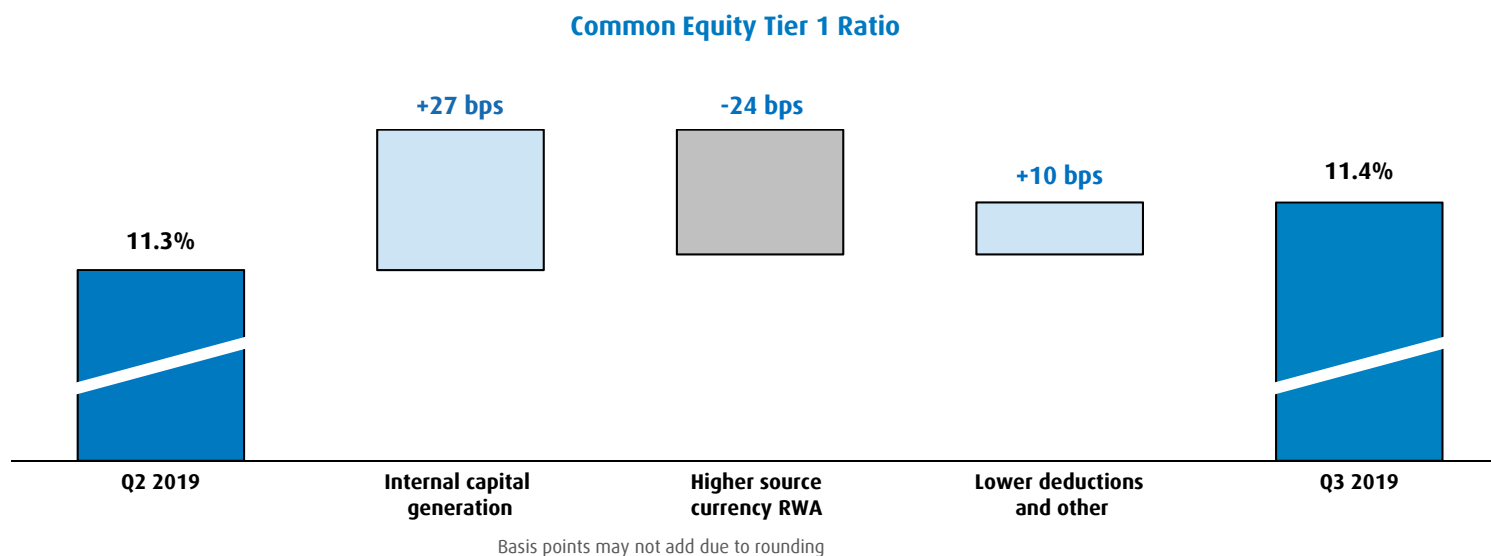
2 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio based on net revenue. Reported gross revenue: Q3'19 \$6,666MM; Q2'19 \$6,213MM; Q3'18 \$5,794MM

3 Adjusted Return on Tangible Common Equity (ROTCE) = (Annualized Adjusted Net Income avail. to Common Shareholders) / (Average Common shareholders equity less Goodwill and acquisition-related intangibles net of associated deferred tax liabilities). Numerator for Reported ROTCE is Annualized Reported Net Income avail. to Common Shareholders less after-tax amortization of acquisition-related intangibles

4 Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses

Strong Capital Position

Capital position strong with CET1 Ratio at 11.4%



- CET1 Ratio of 11.4% at Q3 2019, up from 11.3% at Q2 2019
 - Internal capital generation from retained earnings growth, lower deductions and other net positive changes, more than offset
 - Higher source currency RWA from business growth
- The impact of FX movements on the CET1 ratio largely offset
- Attractive dividend yield of ~4%¹; dividend increased ~7% from a year ago

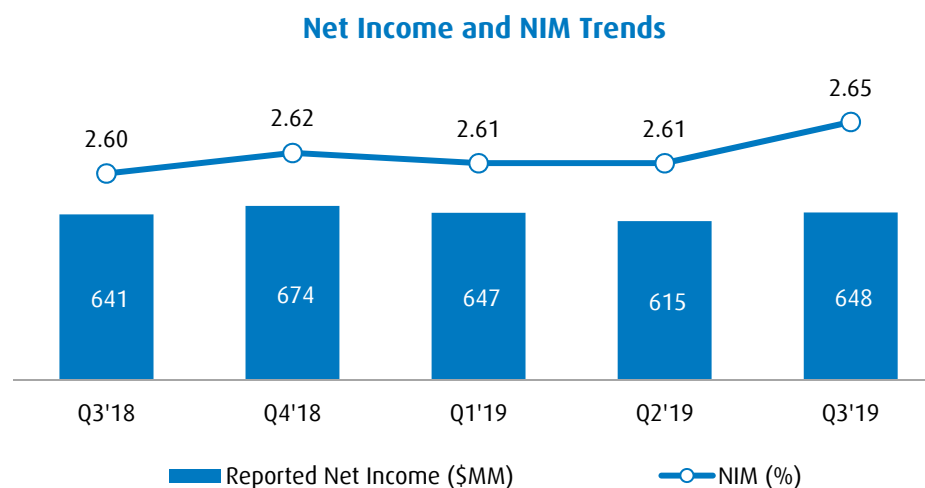
¹ Dividend yield based on closing share price as of July 31, 2019

Canadian Personal & Commercial Banking

Strong PPPT² growth with 1.9% operating leverage and continued balance momentum

- Adjusted¹ and reported net income up 1% Y/Y
- Strong adjusted¹ and reported PPPT² growth of 8% Y/Y
- Revenue up 6% Y/Y
 - Average loans up 6% Y/Y. Commercial³ up 16%; proprietary mortgages (including amortizing HELOC loans) up 4%
 - Average deposits up 11% Y/Y. Personal up 12%; Commercial up 9%
 - NIM up 5 bps Y/Y; up 4 bps Q/Q
- Expenses⁴ up 4% Y/Y
- Efficiency ratio⁴ 47.3%
- Operating leverage⁴ 1.9%
- Total PCL \$204MM, up \$67MM Y/Y; up \$66MM Q/Q
 - PCL on impaired loans \$174MM
 - PCL on performing loans \$30MM

(\$MM)	Reported			Adjusted ¹		
	Q3 19	Q2 19	Q3 18	Q3 19	Q2 19	Q3 18
Revenue (teb)	2,048	1,921	1,934	2,048	1,921	1,934
Total PCL	204	138	137	204	138	137
Expenses	970	952	932	969	952	932
Net Income	648	615	641	649	615	641



¹ See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

² Pre-Provision Pre-Tax earnings (PPPT) is the difference between revenue and expenses

³ Commercial loan growth excludes corporate and small business cards

⁴ Expense growth, efficiency ratio and operating leverage shown are on an adjusted and reported basis

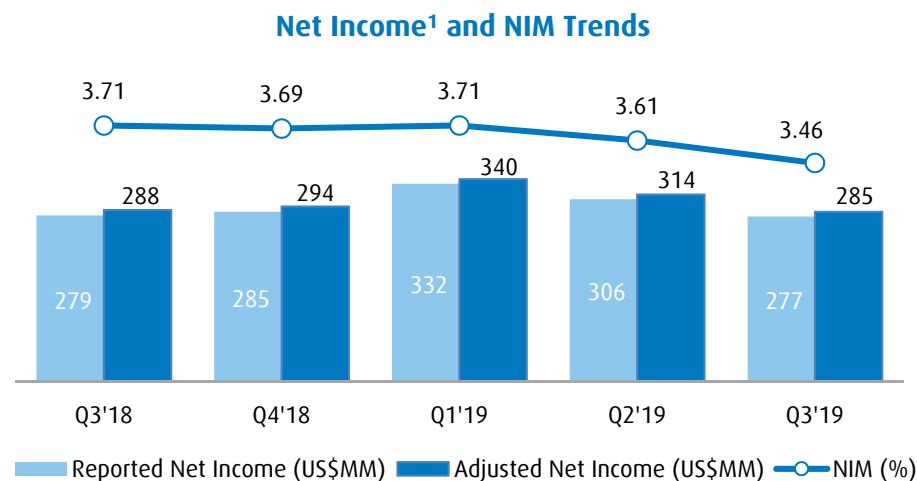
U.S. Personal & Commercial Banking

Strong PPPT³ growth and operating leverage

Figures that follow are in U.S. dollars

- Adjusted¹ and reported net income down 1% Y/Y on higher PCL
- Strong adjusted¹ PPPT³ up 9% Y/Y (reported up 10%)
- Revenue up 5% Y/Y
 - Average loans² up 13% Y/Y. Commercial up 16% and Personal up 4%
 - Average deposits up 14% Y/Y. Commercial up 19% and Personal up 11%
 - NIM down 25 bps Y/Y; down 15 bps Q/Q
- Adjusted¹ and reported expenses up 2% Y/Y
- Adjusted¹ efficiency ratio 57.9% (reported 59.0%)
- Adjusted¹ operating leverage 2.8% (reported 3.0%)
- Total PCL \$73MM, up \$42MM Y/Y; up \$56MM Q/Q
 - PCL on impaired loans \$45MM
 - PCL on performing loans \$28MM

(US\$MM)	Reported			Adjusted ¹		
	Q3 19	Q2 19	Q3 18	Q3 19	Q2 19	Q3 18
Revenue (teb)	1,029	990	976	1,029	990	976
Total PCL	73	17	31	73	17	31
Expenses	606	583	593	595	572	582
Net Income	277	306	279	285	314	288
Net Income (CDE\$)	368	406	364	379	417	376



¹ See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

² Average loan growth rate referenced above excludes Wealth Management mortgage balances; average loans up 13% including these balances

³ Pre-Provision Pre-Tax earnings (PPPT) is the difference between revenue and expenses

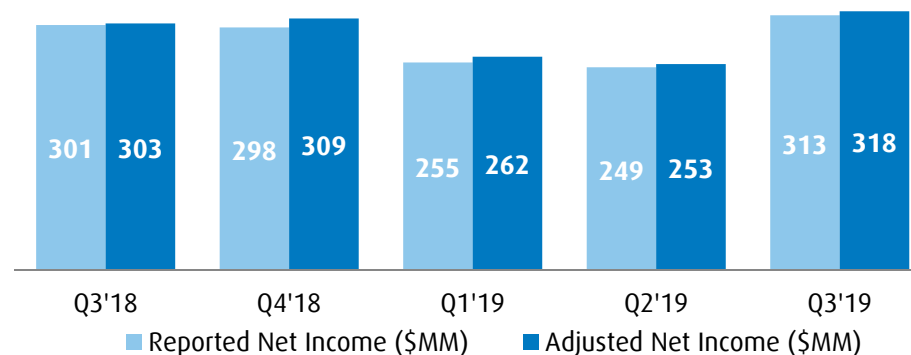
BMO Capital Markets

Continued strong performance from I&CB and U.S. segment

- Adjusted¹ net income up 5% Y/Y (reported up 4%)
- Revenue up 9% Y/Y, 8% excluding impact of stronger U.S. dollar
 - Investment and Corporate Banking up 15% Y/Y
 - Trading Products up 4% Y/Y
- Adjusted¹ and reported expenses up 13% Y/Y, 12% excluding impact of stronger U.S. dollar
 - KGS-Alpha acquisition accounted for almost half of the increase
- Total PCL \$10MM, up \$3MM Y/Y; down \$5MM Q/Q
 - PCL on impaired loans \$7MM
 - PCL on performing loans \$3MM
- U.S. business adjusted¹ net income of US\$83MM (reported US\$79MM) up Y/Y driven by increased Investment and Corporate Banking revenues

(\$MM)	Reported			Adjusted ¹		
	Q3 19	Q2 19	Q3 18	Q3 19	Q2 19	Q3 18
Trading Products	665	719	639	665	719	639
I&CB	535	510	466	535	510	466
Revenue (teb)	1,200	1,229	1,105	1,200	1,229	1,105
Total PCL	10	15	7	10	15	7
Expenses	794	887	701	788	881	699
Net Income	313	249	301	318	253	303

Net Income¹ Trends



¹ See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

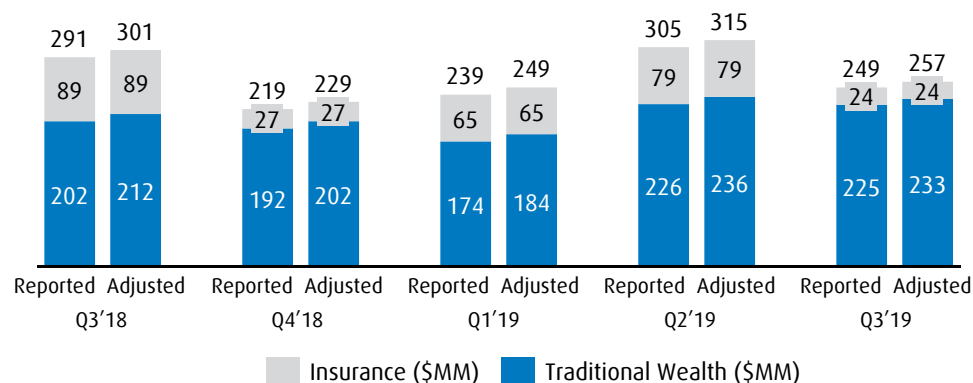
BMO Wealth Management

Results impacted by lower contribution from Insurance

- Adjusted¹ and reported net income down 14% Y/Y
- Adjusted¹ Traditional Wealth net income up 10% Y/Y (reported up 11%)
 - Legal provision in the prior year and benefit from higher net interest income with deposit growth of 5% and loan growth of 16%
- Insurance results down Y/Y due to lower reinsurance results including impact of higher claims and unfavourable market movements
- Net revenue² down 4% Y/Y; Traditional Wealth revenue up 2% Y/Y
- Adjusted¹ and reported expenses up 1% Y/Y
- AUM up 3% Y/Y; AUA down 1% Y/Y

(\$MM)	Reported			Adjusted ¹		
	Q3 19	Q2 19	Q3 18	Q3 19	Q2 19	Q3 18
Net Revenue ²	1,226	1,281	1,271	1,226	1,281	1,271
Total PCL (recovery)	(2)	(0)	4	(2)	(0)	4
Expenses	885	882	876	874	870	863
Net Income	249	305	291	257	315	301
Traditional Wealth NI	225	226	202	233	236	212
Insurance NI	24	79	89	24	79	89
AUM/AUA (\$B)	856	862	846	856	862	846

Net Income¹ Trends



¹ See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

² Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Gross revenue: Q3'19 \$2,113MM, Q2'19 \$1,842MM, Q3'18 \$1,540MM

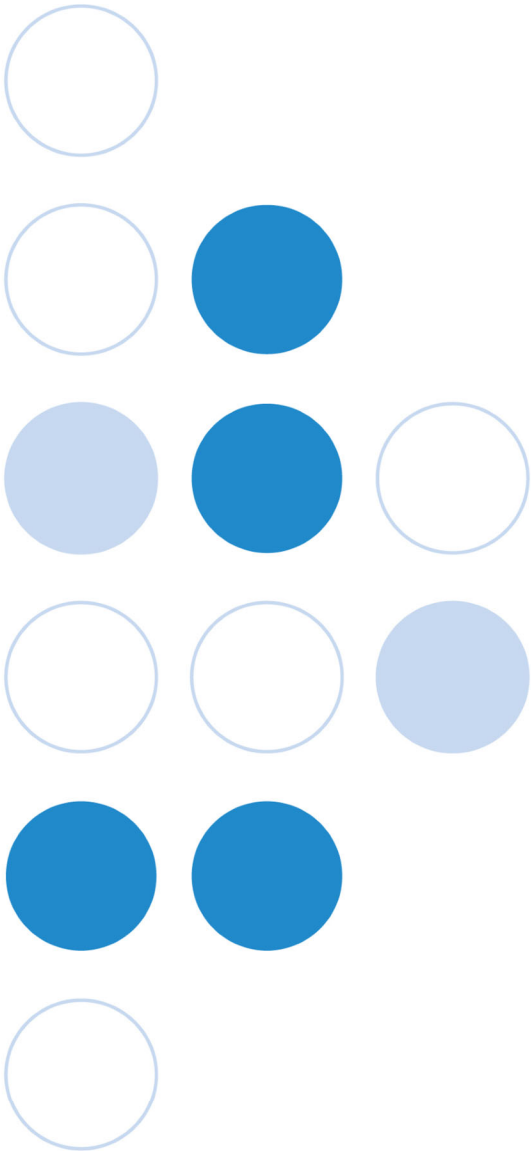
Corporate Services

- Reported and adjusted¹ net loss of \$21MM for the quarter compared with a reported net loss of \$60MM and adjusted¹ net loss of \$55MM in the prior year
- Results benefited from lower expenses, in part due to a gain from an office building sale, and higher revenue
- Reported results in the prior year include acquisition integration costs

(\$MM)	Reported ²			Adjusted ^{1,2}		
	Q3 19	Q2 19	Q3 18	Q3 19	Q2 19	Q3 18
Revenue	14	(17)	3	14	(17)	3
Group teb offset ²	(74)	(78)	(62)	(74)	(78)	(62)
Total Revenue (teb) ²	(60)	(95)	(59)	(60)	(95)	(59)
Total PCL (recovery)	(4)	(0)	(2)	(4)	(0)	(2)
Expenses	38	99	78	38	99	72
Net Loss	(21)	(78)	(60)	(21)	(78)	(55)

¹ See slide 24 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information

² Operating group revenue, 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

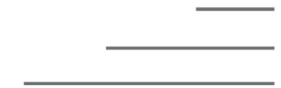


Risk Review

For the Quarter Ended July 31, 2019

Patrick Cronin
Chief Risk Officer

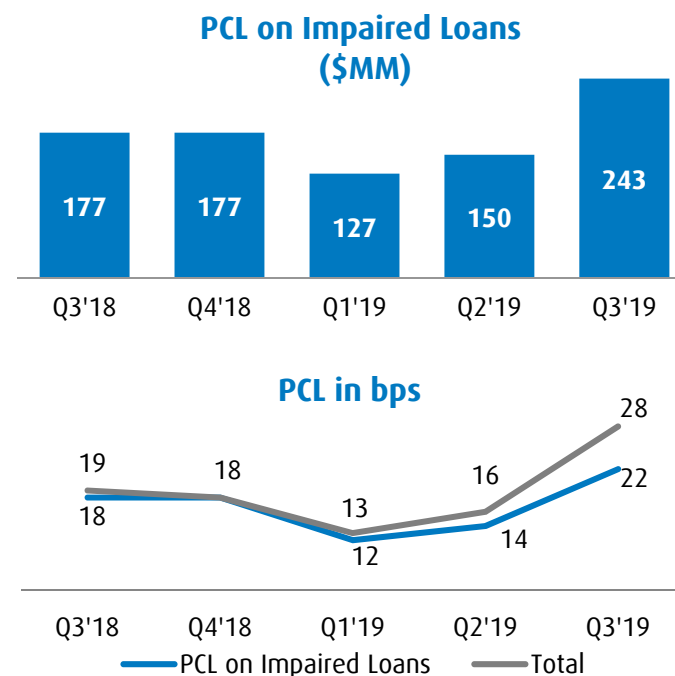
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Provision for Credit Losses (PCL)

PCL By Operating Group (\$MM)	Q3 19	Q2 19	Q3 18
Consumer – Canadian P&C	133	107	96
Commercial – Canadian P&C	41	15	24
Total Canadian P&C	174	122	120
Consumer – U.S. P&C	8	2	10
Commercial – U.S. P&C	53	16	44
Total U.S. P&C	61	18	54
Wealth Management	-	(1)	2
Capital Markets	7	12	3
Corporate Services	1	(1)	(2)
PCL on Impaired Loans	243	150	177
PCL on Performing Loans	63	26	9
Total PCL	306	176	186

- Q3'19 PCL ratio on Impaired Loans at 22 bps, up 8 bps Q/Q, (up 4 bps excluding the prior quarter's U.S. P&C Commercial recovery)
- Allowance for Credit Losses on Performing Loans increased PCL by \$63 million



Gross Impaired Loans (GIL) and Formations

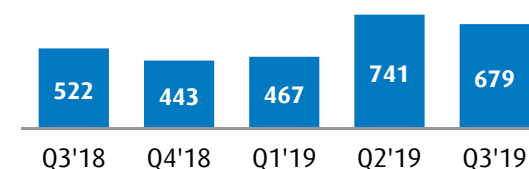
By Industry (\$MM, as at Q3 19)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other ¹	U.S.	Total
Consumer	217	91	308	516	398	914
Oil & Gas	0	141	141	10	314	324
Service Industries	58	44	102	107	207	314
Agriculture	13	28	41	54	244	298
Transportation	3	43	46	7	131	138
Manufacturing	7	12	19	26	85	111
Wholesale Trade	2	6	8	14	88	102
Commercial Real Estate	3	1	4	33	31	64
Retail Trade	3	1	4	27	33	60
Financial	1	0	1	15	25	40
Construction (non-real estate)	0	0	0	14	18	32
Other Business and Government ²	2	3	5	18	17	35
Total Business and Government	92	279	371	325	1,193	1,518
Total Bank	309	370	679	841	1,591	2,432

¹ Total Business and Government includes nil GIL from Other Countries

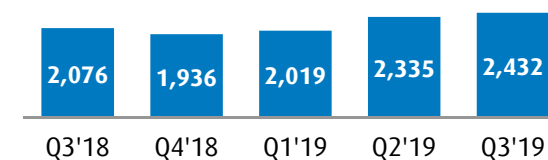
² Other Business and Government includes industry segments that are each <1% of total GIL

- GIL ratio 55 bps, up 2 bps Q/Q

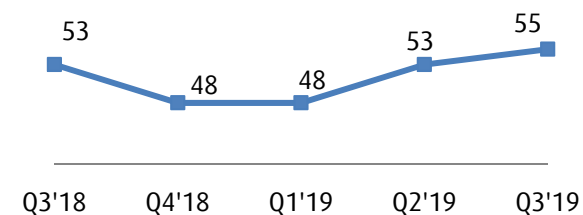
Formations (\$MM)



Gross Impaired Loans (\$MM)



GIL bps



Loan Portfolio Overview

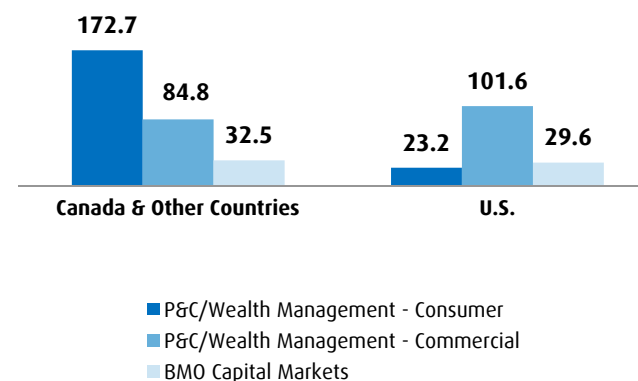
Gross Loans & Acceptances By Industry (\$B, as at Q3 19)	Canada & Other ¹	U.S.	Total	% of Total
Residential Mortgages	110.5	11.6	122.1	27%
Consumer Instalment and Other Personal	54.9	11.1	66.0	15%
Cards	8.2	0.5	8.7	2%
Total Consumer	173.6	23.2	196.8	44%
Service Industries	21.0	23.7	44.7	10%
Financial	14.8	23.9	38.7	9%
Commercial Real Estate	21.3	14.4	35.7	8%
Manufacturing	8.0	19.0	27.0	6%
Retail Trade	13.4	9.2	22.6	5%
Wholesale Trade	5.4	11.5	16.9	4%
Agriculture	10.9	2.3	13.2	3%
Oil & Gas	6.1	6.8	12.9	3%
Transportation	2.9	9.3	12.2	3%
Other Business and Government ²	12.6	11.1	23.7	5%
Total Business and Government	116.4	131.2	247.6	56%
Total Gross Loans & Acceptances	290.0	154.4	444.4	100%

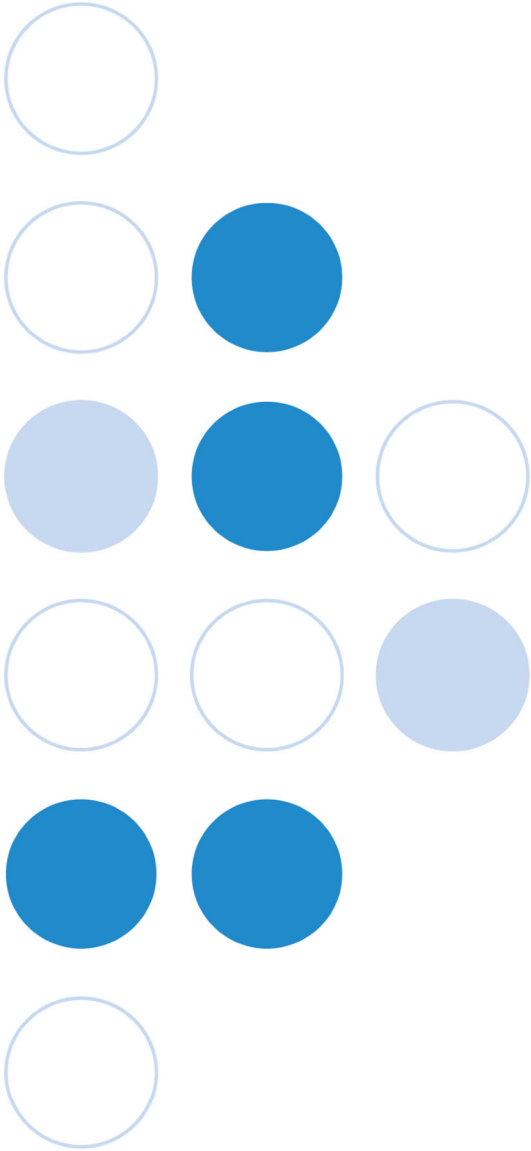
¹ Includes ~\$10.5B from Other Countries

² Other Business and Government includes all industry segments that are each <2% of total loans

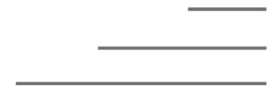
- Loans are well diversified by geography and industry

Loans by Geography and Operating Group (\$B)



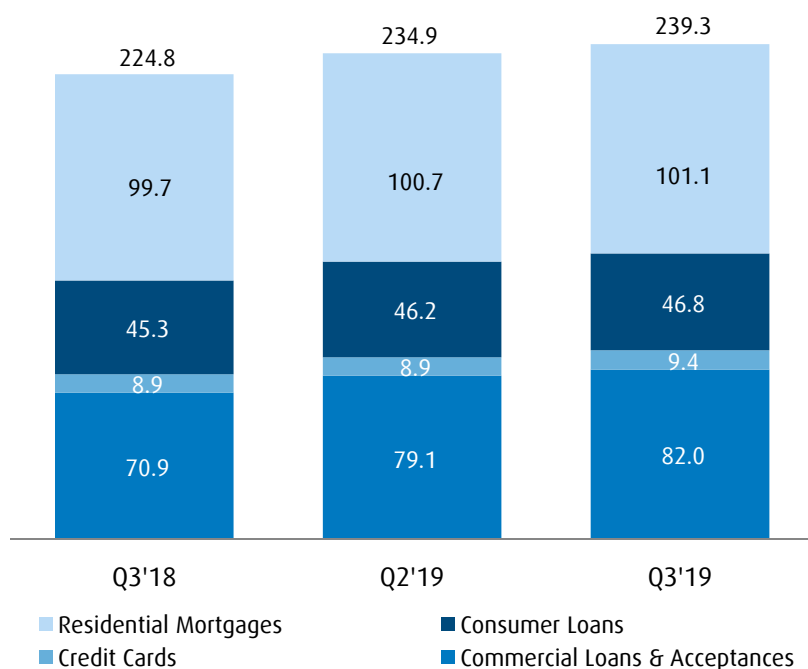


APPENDIX

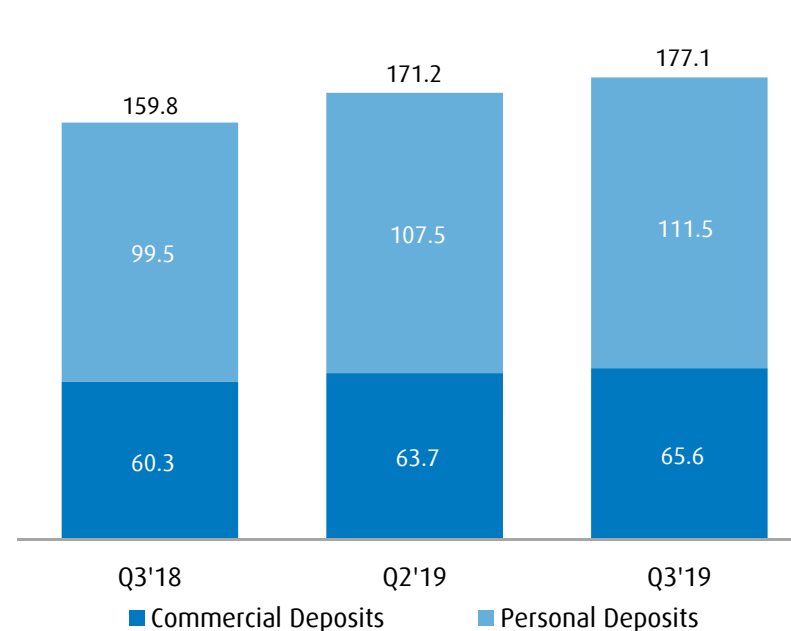


Canadian Personal and Commercial Banking - Balances

Average Gross Loans & Acceptances (\$B)



Average Deposits (\$B)



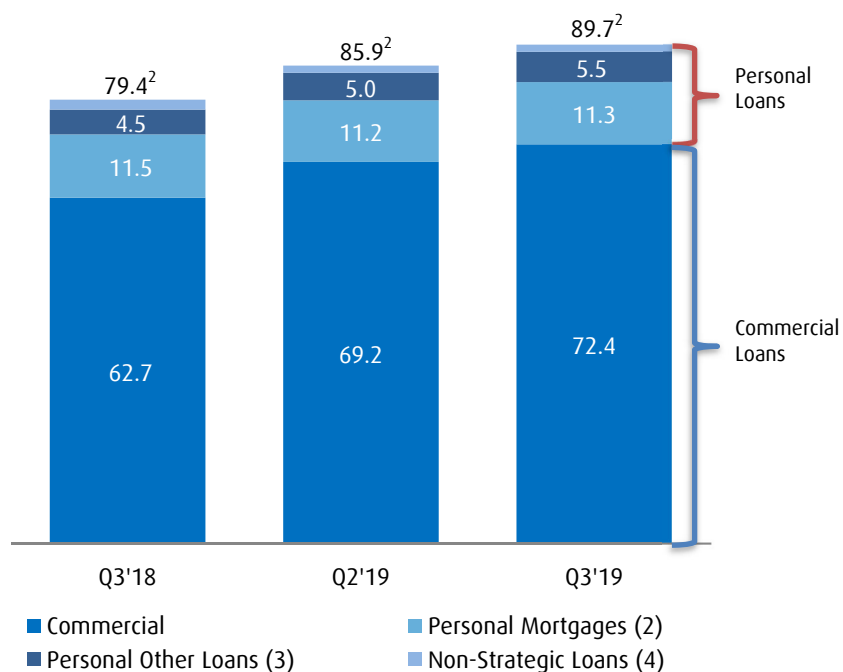
- Loans up 6% Y/Y
 - Proprietary channel residential mortgages and amortizing HELOC loans up 4%
 - Commercial loan balances¹ up 16%

- Deposits up 11% Y/Y
 - Personal deposit balances up 12%
 - Commercial deposit balances up 9%

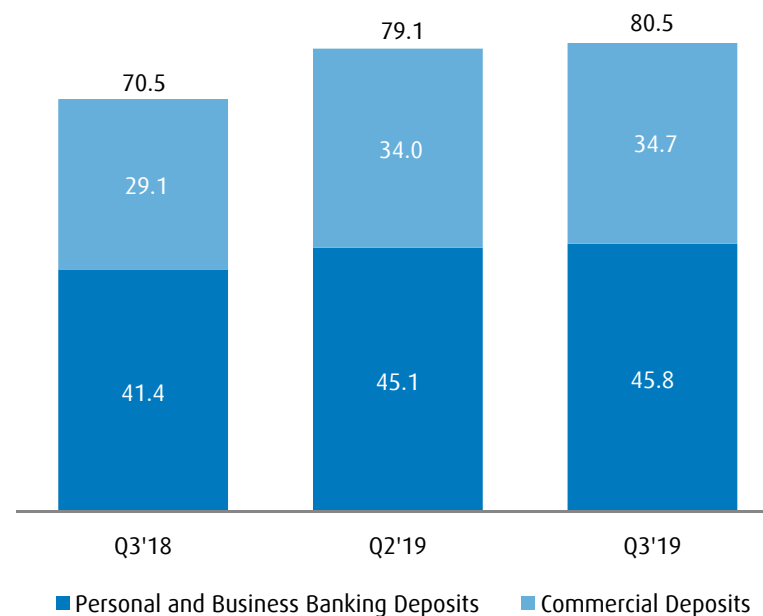
¹ Commercial lending excludes commercial and small business cards. Commercial and small business cards balances represented ~14% of total credit card portfolio in Q3'18, Q2'19 and Q3'19

U.S. Personal & Commercial Banking – Balances

Average Gross Loans & Acceptances¹ (US\$B)



Average Deposits¹ (US\$B)



- Commercial loans up 16% Y/Y
- Personal and Business Banking loans^{2,3,4} up 3% Y/Y

- Commercial deposits up 19% Y/Y
- Personal and Business Banking deposits up 11% Y/Y

¹ Certain loan and deposit balances have been re-classified from Personal to Commercial within U.S. P&C reflecting a re-alignment of our Business Banking segment

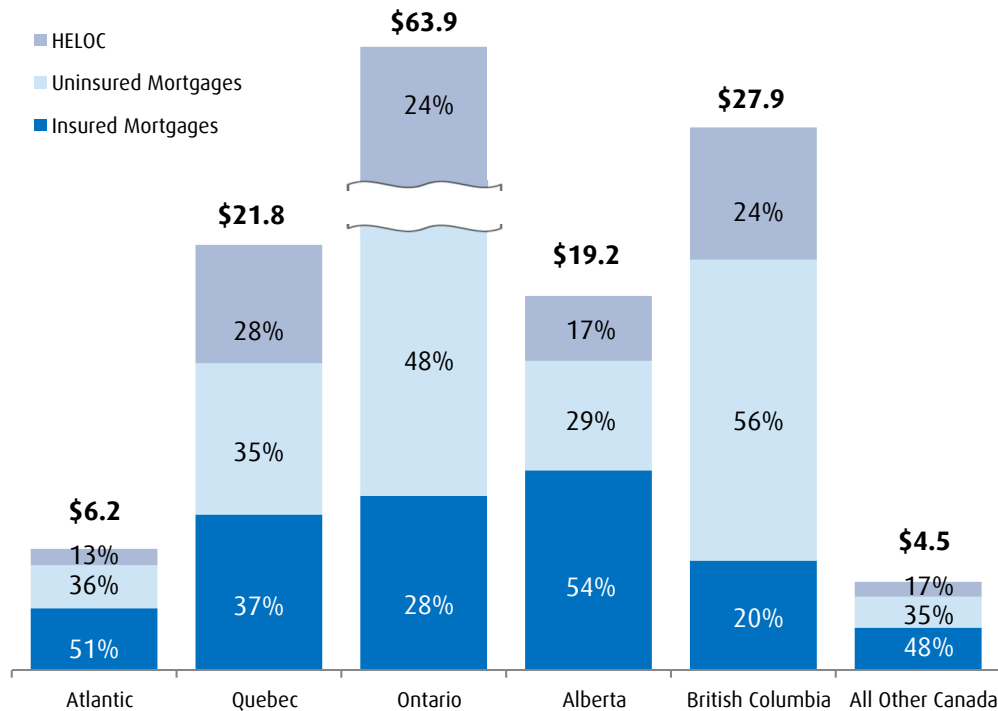
² Personal Mortgages includes Wealth Management Mortgages (Q3'19 \$2.1B, Q2'19 \$2.1B, Q3'18 \$2.1B) and Home Equity Loans (Q3'19 \$2.6B, Q2'19 \$2.6B, Q3'18 \$2.8B)

³ Personal Other Loans includes Business Banking, Indirect Auto, Credit Cards and other personal loans

⁴ Non-Strategic Loans includes portfolios such as wholesale mortgages, purchased home equity, CRE, and credit mark on certain purchased performing loans (Q3'19 \$0.5B, Q2'19 \$0.5B, Q3'18 \$0.7B)

Canadian Residential-Secured Lending (RESL)

Residential-Secured Lending by Region (\$143.5B)



	Avg. LTV ¹ Uninsured	Atlantic	Quebec	Ontario	Alberta	British Columbia	All Other Canada	Total Canada
Mortgage								
- Portfolio		59%	60%	55%	62%	49%	57%	55%
- Origination		73%	73%	69%	73%	65%	73%	69%
HELOC								
- Portfolio		50%	55%	43%	55%	41%	49%	46%
- Origination		65%	72%	61%	63%	57%	66%	63%

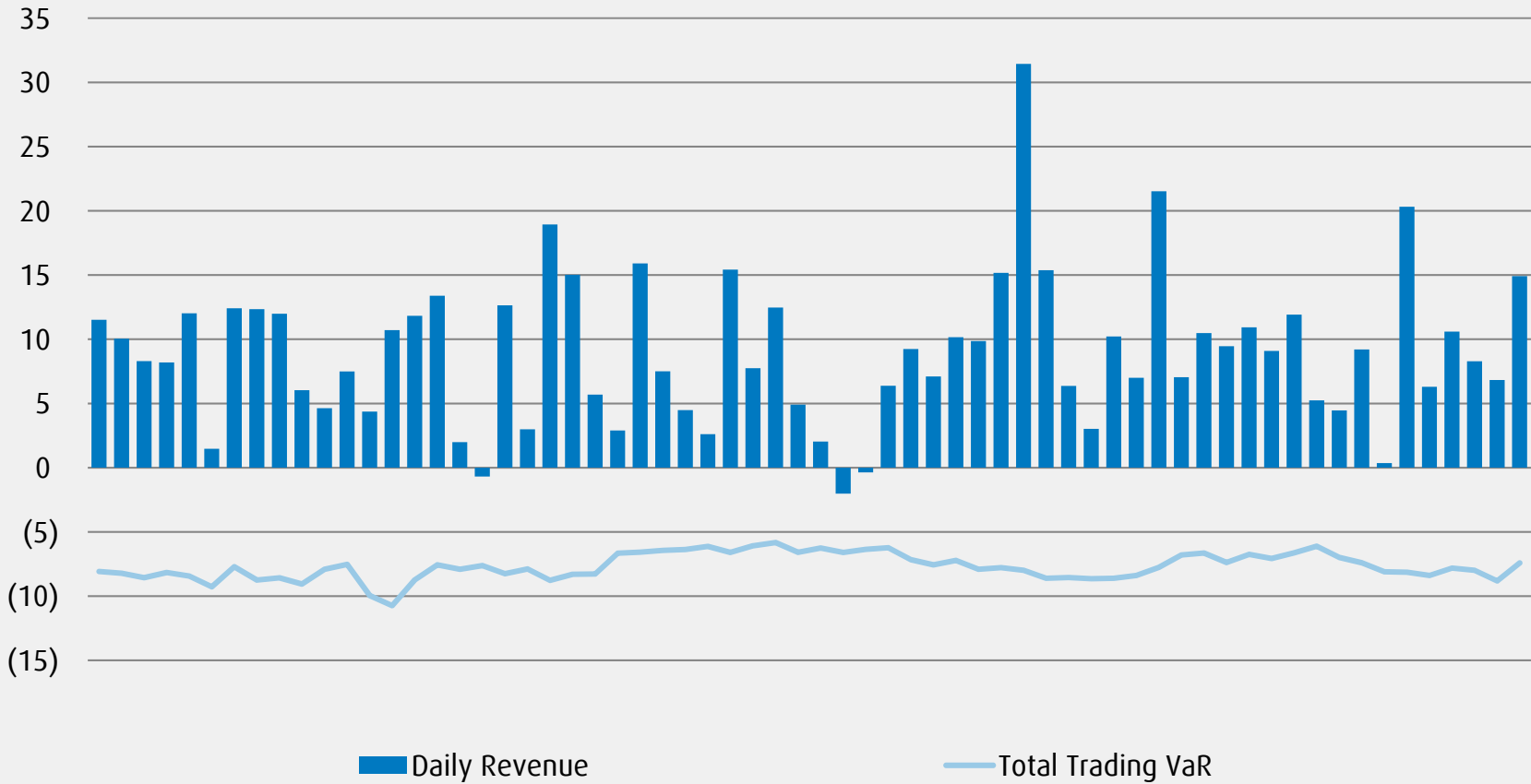
¹ LTV is the ratio of outstanding mortgage balance to the original property value indexed using Teranet data. Portfolio LTV is the combination of each individual mortgage LTV weighted by the mortgage balance

- Total Canadian residential-secured lending portfolio at \$143.5B, representing 32% of total loans
 - LTV¹ on uninsured of 51%
 - 90 day delinquency rate for RESL remains good at 22 bps; loss rates for the trailing 4 quarter period were 1 bp
- Residential mortgage portfolio of \$110.5B
 - 43% of portfolio insured
 - LTV¹ on uninsured of 55%
 - 71% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- HELOC portfolio of \$33.0B outstanding of which 57% is amortizing
- GTA and GVA portfolios demonstrate better LTV¹, delinquency rates and bureau scores compared to the national average

Trading-related Net Revenues and Value at Risk

May 1, 2019 to July 31, 2019

(pre-tax basis and in millions of Canadian dollars)



Adjusting Items

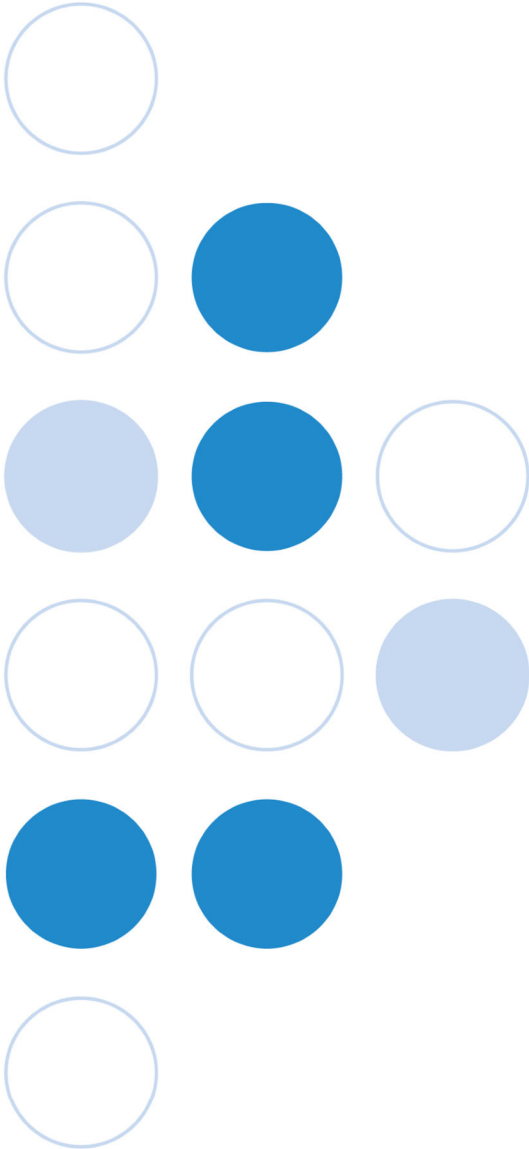
Adjusting items ¹ - Pre-tax (\$MM)	Q3 19	Q2 19	Q3 18	YTD Q3 19	YTD Q3 18
Amortization of acquisition-related intangible assets ²	(29)	(30)	(28)	(90)	(85)
Acquisition integration costs ²	(3)	(2)	(8)	(11)	(16)
Restructuring costs ³	-	-	-	-	(260)
Adjusting items included in reported pre-tax income	(32)	(32)	(36)	(101)	(361)
Adjusting items ¹ - After-tax (\$MM)	Q3 19	Q2 19	Q3 18	YTD Q3 19	YTD Q3 18
Amortization of acquisition-related intangible assets ²	(23)	(23)	(22)	(70)	(66)
Acquisition integration costs ²	(2)	(2)	(7)	(8)	(12)
Restructuring costs ³	-	-	-	-	(192)
U.S. net deferred tax asset revaluation ⁴	-	-	-	-	(425)
Adjusting items included in reported net income after tax	(25)	(25)	(29)	(78)	(695)
Impact on EPS (\$)	(0.04)	(0.04)	(0.05)	(0.12)	(1.07)

1 Adjusted measures are non-GAAP measures, see slide 2 for more information

2 Amortization of acquisition-related intangible assets reflected across the Operating Groups. Acquisition integration costs related to BMO TF are charged to Corporate; acquisition impacts both Canadian and U.S. P&C businesses. Acquisition integration costs related to KGS-Alpha are charged to Capital Markets. Acquisition integration costs are recorded in non-interest expense

3 In Q2'18 we recorded a restructuring charge of \$192 million after-tax (\$260 million pre-tax), primarily related to severance, as a result of an ongoing bank-wide initiative to simplify how we work, drive increased efficiency, and invest in technology to move our business forward. Restructuring costs are included in non-interest expense in Corporate Services

4 Charge due to the revaluation of our U.S. net deferred tax asset as a result of the enactment of the U.S. Tax Cuts and Jobs Act



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