

Investor Presentation

January 2020



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; 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, 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. 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.

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 5 and 7 of BMO's Fourth Quarter 2019 Earnings Release 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.

Who We Are

Established in 1817, BMO Financial Group is a highly diversified financial services provider based in North America

8th largest
bank in North America
by assets¹

\$852 billion
in total assets

Mobilizing
\$400 billion
for sustainable finance
by 2025

Three operating groups

**Personal and
Commercial Banking**

**BMO Wealth
Management**

**BMO Capital
Markets**

We serve:

12+ million
customers globally

8+ million
personal and commercial
customers in Canada

2+ million
personal, small business
and commercial customers
in the United States

Committed to
Sustainable
Performance:



Named One of the World's Most
Ethical Companies by the
Ethisphere Institute for the
second year in a row



America's Best Employers for
Women 2019

Forbes magazine recognized
BMO as an industry leader in
fostering diversity and inclusion



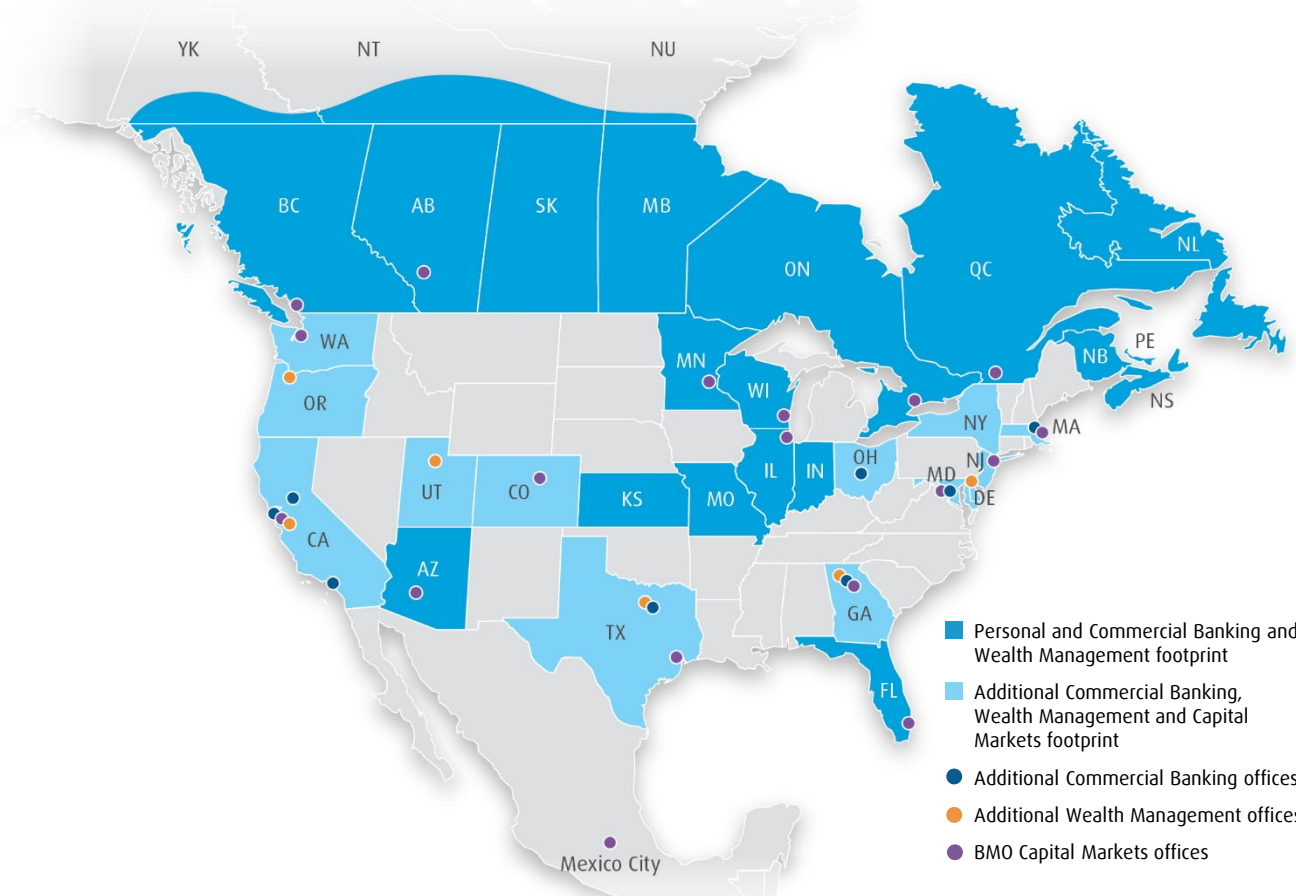
2019 Bloomberg Gender-Equality
index

For the fourth consecutive year,
BMO earned a place on this leading
global index

* All amounts in this presentation in Canadian dollars unless otherwise noted
1 - source: Bloomberg, as at October 31, 2019

BMO's Strategic Footprint

BMO's strategic footprint spans strong regional economies. Our three operating groups – Personal and Commercial Banking, BMO Capital Markets and BMO Wealth Management – serve individuals, businesses, governments and corporate customers across Canada and the United States with a focus on six U.S. Midwest states – Illinois, Indiana, Wisconsin, Minnesota, Missouri and Kansas. Our significant presence in North America is bolstered by operations in select global markets in Europe, Asia, the Middle East and South America, allowing us to provide all our customers with access to economies and markets around the world.



International Offices

BMO Capital Markets

Other Americas
Rio de Janeiro

Europe and Middle East
Abu Dhabi
Dublin
London
Paris
Zurich

Asia-Pacific
Beijing
Guangzhou
Hong Kong
Melbourne
Mumbai
Shanghai
Singapore
Taipei City

BMO Wealth Management

Europe and Middle East
Abu Dhabi
Amsterdam
Edinburgh
Frankfurt
Geneva
Lisbon
London
Madrid
Milan
Munich
Paris
Stockholm
Zurich

Asia-Pacific
Beijing
Guangzhou
Hong Kong
Shanghai
Singapore
Sydney

Strong financial performance and shareholder returns

Medium Term Financial Objectives (Adjusted basis)

EPS Growth	7% to 10% per year
Return on Equity	15% or more
Operating Leverage	2% or more
Capital	Maintain strong capital ratios that exceed regulatory requirements

Earnings per Share (\$)

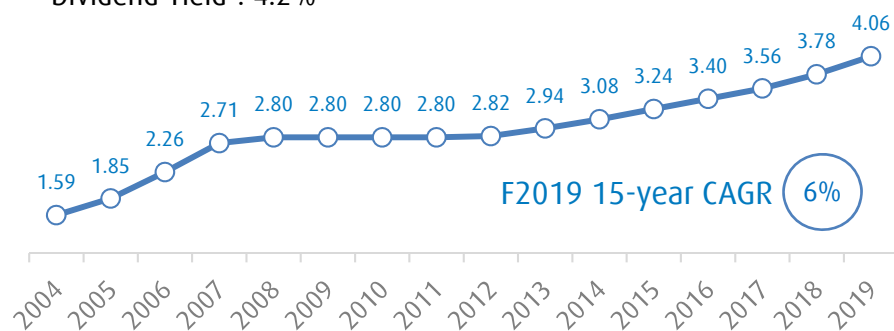
2-year CAGR **8%**



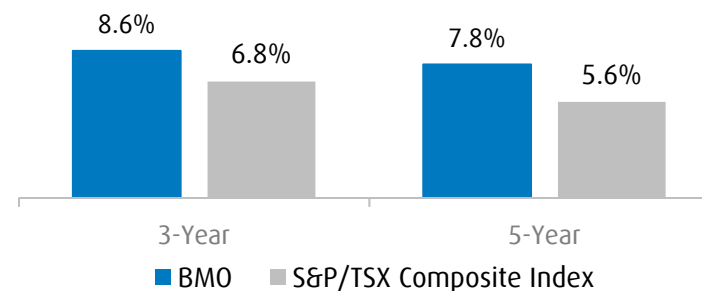
Dividends Declared (\$ per share)

BMO has the longest-running dividend payout record of any company in Canada, at 191 years

- Dividend Yield¹: 4.2%



Average Annual Total Shareholder Return¹(%)



¹ As of October 31, 2019

Progress on our Commitments



Efficiency Improvement

- 410 bps improvement since F2015
- Efficiency target of 58% in F2021



Digital Innovation

- Top Digital Innovation Award¹ for BMO QuickPay and Impact Innovation Award² for online business banking platform
- Business and technology integrated through Chief Information Officers



Diversity & Inclusion

- True Name feature on BMO Mastercard®
- True North Social Impact Award³ for the bank's meaningful social contributions

Our Purpose: Boldly Grow the Good *in business and life*

¹ Banking Technology Awards

² Aite Group 2019, for Cash Management and Payments for Digital Channel Capabilities

³ American Chamber of Commerce in Canada

F2019 - Financial Highlights

Good full year performance with momentum heading into 2020

- Adjusted¹ EPS \$9.43, up 5% Y/Y (reported up 6%)
- Adjusted¹ net income up 4% Y/Y (reported up 6%)
- Net revenue² up 6% Y/Y, 5% CCY⁶
- Adjusted¹ expenses up 5% Y/Y, 4% CCY⁶ (reported³ up 9%)
- Adjusted¹ PPPT⁵ up 7% Y/Y, 6% CCY⁶ (reported³ up 1%)
- Adjusted¹ operating leverage² 0.8% (reported (2.9)%)
- Adjusted¹ efficiency ratio² 61.4%, down 410 bps from 65.5% in 2015 (reported 64.2%; F2015 67.5%)
- Total PCL \$872MM, up \$210MM Y/Y
 - PCL on impaired loans \$751MM; performing loans \$121MM
- Adjusted¹ ROE 13.7% (reported 12.6%)

(\$MM)	Reported		Adjusted ¹	
	F2019	F2018	F2019	F2018
Net Revenue ²	22,774	21,553	22,799	21,553
Total PCL	872	662	872	662
Expense ³	14,630	13,477	14,005	13,344
Net Income	5,758	5,453	6,249	5,982
Diluted EPS (\$)	8.66	8.17	9.43	8.99
ROE (%)	12.6	13.3	13.7	14.6
ROTCE ⁴ (%)	15.1	16.2	16.1	17.5
CET1 Ratio (%)	11.4	11.3		

1 Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders

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: F2019 \$25,483MM; F2018 \$22,905MM. Reported net revenue 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 Reported expenses include \$484MM restructuring charge in F2019, \$277MM benefit from remeasurement of employee benefit liability and \$260MM restructuring charge in F2018

4 Return on Tangible Common Equity (ROTCE)

5 Pre-Provision Pre-Tax profit contribution; PPPT is the difference between net revenue and expenses

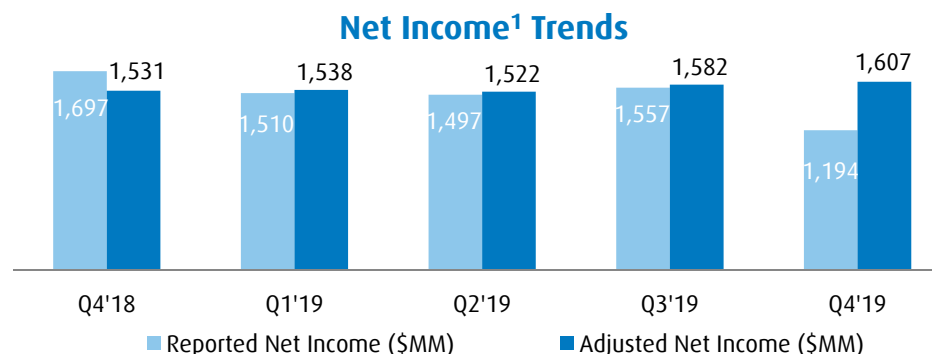
6 Constant currency (CCY) refers to the impact of CAD/US exchange rate movements on the U.S. segment only. Measures presented on a CCY basis are non-GAAP measures, see slide 2 for more information

Q4 F2019 - Financial Highlights

Good momentum; adjusted¹ EPS up 5%, PPPT⁵ up 11% with total bank and all Groups' operating leverage positive

- Adjusted¹ EPS \$2.43, up 5% Y/Y (reported \$1.78, down 31%)
- Adjusted¹ net income up 5% Y/Y (reported down 30%)
 - U.S. Segment adjusted¹ net income up 23% Y/Y (reported down 2%)
- Adjusted¹ PPPT⁵ up 11% Y/Y (reported³ down 24%); lower net income growth reflects higher PCL and taxes
- Net revenue² up 5% Y/Y, up 4% CCY⁶
- Adjusted¹ expenses up 1% Y/Y
 - Reported³ up 25% reflecting \$484MM (\$357MM after-tax) restructuring charge in quarter and benefit from remeasurement of employee benefit liability in prior year
- Adjusted¹ efficiency ratio² 60.0% (reported 69.3%)
- Adjusted¹ operating leverage² 3.8% (reported (20.4)%)
- Total PCL \$253MM, up \$78MM Y/Y; down \$53MM Q/Q
 - PCL on impaired loans \$231MM; performing loans \$22MM
- Adjusted¹ ROE 13.5% (reported 9.9%)

(\$MM)	Reported			Adjusted ¹		
	Q4 19	Q3 19	Q4 18	Q4 19	Q3 19	Q4 18
Net Revenue ²	5,752	5,779	5,503	5,777	5,779	5,503
Total PCL	253	306	175	253	306	175
Expenses ³	3,987	3,491	3,193	3,463	3,459	3,421
Net Income	1,194	1,557	1,697	1,607	1,582	1,531
Diluted EPS (\$)	1.78	2.34	2.58	2.43	2.38	2.32
ROE (%)	9.9	13.2	16.1	13.5	13.5	14.5
ROTCE ⁴ (%)	11.9	15.8	19.5	15.7	15.8	17.3
CET1 Ratio (%)	11.4	11.4	11.3			



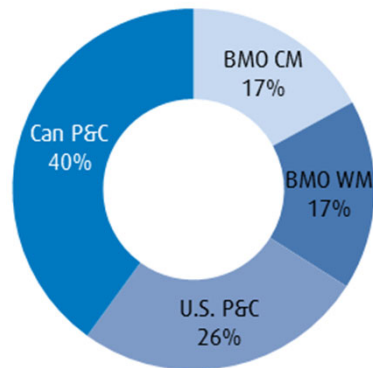
1 Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders
 2 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio based on net revenue. Reported gross revenue: Q4'19 \$6,087MM; Q3'19 \$6,666MM; Q4'18 \$5,893MM. Reported net revenue 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 Reported expenses include \$484MM restructuring charge in the current quarter and \$277MM benefit from remeasurement of employee benefit liability in Q4'18
 4 Return on Tangible Common Equity (ROTCE)
 5 Pre-Provision Pre-Tax profit contribution; 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

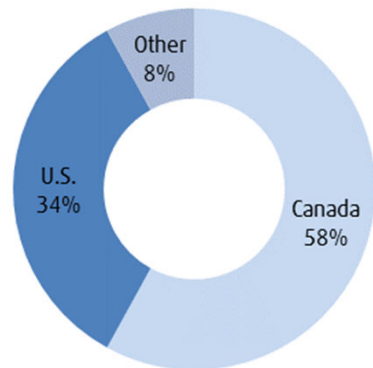
- Diversified businesses that continue to deliver robust earnings growth and long-term value for shareholders
- Strong foundation built for growth and differentiating strengths that drive competitive advantage:
 - Large and growing North American commercial banking business with advantaged market share
 - 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

Diversified businesses delivering resilient and robust earnings

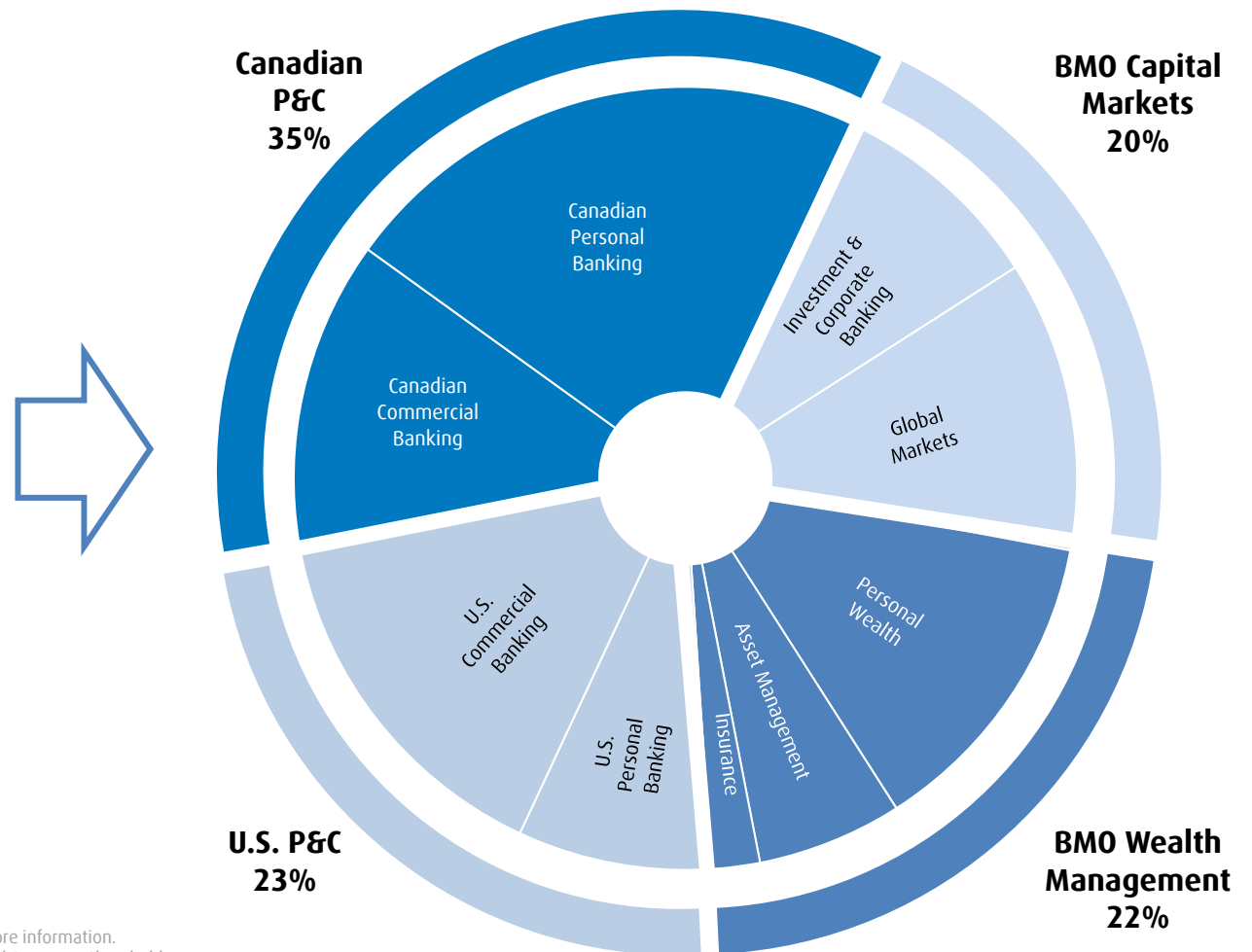
**Adjusted Net Income
by Operating Group - F2019¹**



**Adjusted Net Income
by Geography - F2019¹**



**Driven by diversified sources of revenue
% of Operating Groups Net Revenue - F2019**



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders. Reported F2019 net income by operating group (excludes Corporate Services): Canadian P&C 41%, U.S. P&C 25%, BMO WM 17%, BMO CM 17%; by geography: Canada 59%, U.S. 33%, Other 8%

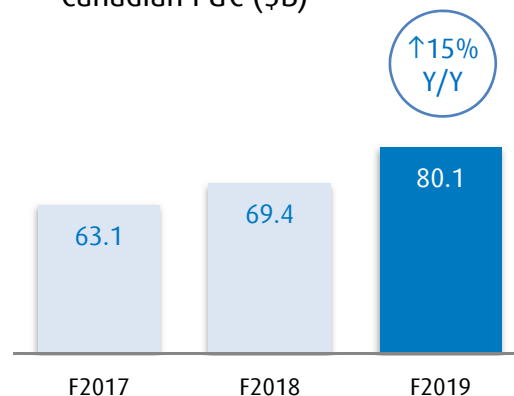
Large North American commercial banking business with advantaged market share

Canadian P&C

- #2 market share in business lending¹
- Top-tier in upper mid-market²
- #1 in Agriculture¹
- Leader in Indigenous Banking
- Strong cross-border capabilities
- Best Commercial Bank in Canada 2015-2019 by *World Finance*

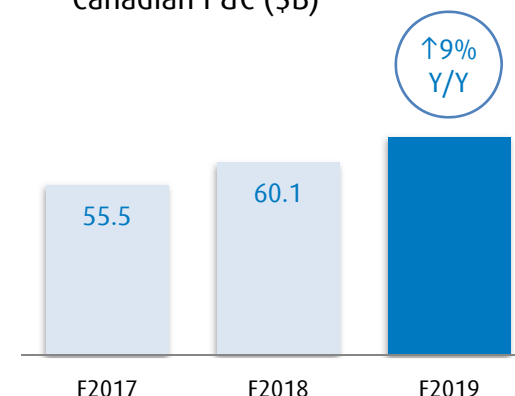
Commercial Loans and Acceptances

- Canadian P&C (\$B)



Commercial Deposits

- Canadian P&C (\$B)

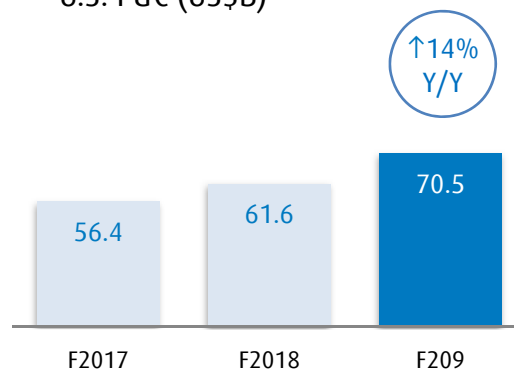


U.S. P&C

- Top 10 U.S. commercial lender³; two-thirds of new originations in segments served nationally
- Diversified growth beyond core mid-west footprint including national specialty businesses
- One of the largest Transportation Finance providers
- Strong cross-border capabilities

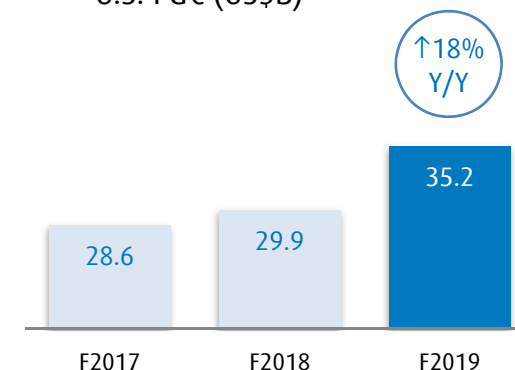
Commercial Loans and Acceptances

- U.S. P&C (US\$B)



Commercial Deposits

- U.S. P&C (US\$B)



* Based on average balance

¹ Canadian Bankers Association; loan market share \$0-\$25MM, as at December 31, 2018

² Canadian Bankers Association; loan market share \$25-\$100MM, as at December 31, 2018

³ Based upon publicly available U.S. regulatory filings (FR Y-9Cs and FFIEC 002s) and internal analysis.

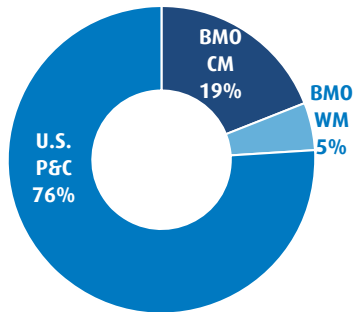
U.S. Operations

U.S. segment continuing to deliver strong results

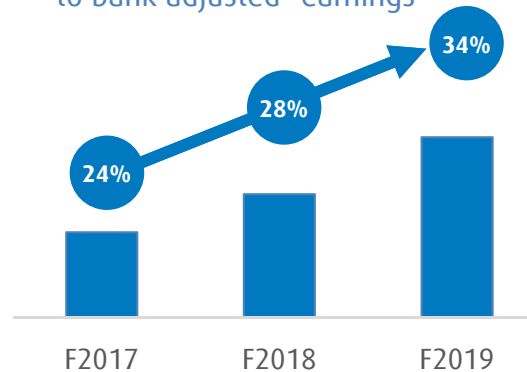
Figures that follow are on a U.S. dollar basis

- U.S. segment adjusted¹ earnings up 23% in F2019
 - Contributed 34% of total bank adjusted earnings
 - Top 10² commercial lender in the U.S.
 - #3 deposit market share in our core footprint³; #2 in Chicago and Milwaukee
 - Businesses working together to provide integrated client offering
- U.S. P&C adjusted¹ earnings up 11%
 - Good momentum in Personal Banking with strong deposit growth and enhanced profitability
 - Strong Commercial Banking business with double digit growth in loans and deposits
 - Deposit strategy supporting strong loan growth
- Capital Markets delivering on strategy, providing growth and diversification
 - 26% adjusted¹ net income CAGR in past 4 years

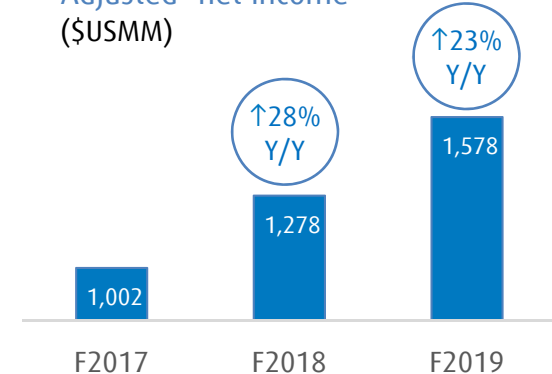
U.S. Segment Adjusted¹ Net Income by Operating Group – F2019



U.S. Segment contribution to bank adjusted¹ earnings



U.S. Segment Adjusted¹ net income (\$USMM)



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders; On a reported basis: U.S. segment F2019 earnings up 70% Y/Y; Contributed 33% of reported earnings; US P&C earnings up 12%; US Capital Markets CAGR 24% in past 4 years; U.S. segment F2019 net income by operating group (excludes Corporate Services): U.S. P&C 77%, BMO CM 18%, BMO WM 5%; U.S. Segment contribution to earnings: F2017: 22%, F2018: 20%, F2019: 33%
 U.S. segment net income F2017 \$920MM, F2018 \$844, F2019 \$1,432, F18 down 8%, F19 up 70%
² Based upon publicly available U.S. regulatory filings (FR Y-9Cs and FFIEC 002s) and internal analysis.
³ Core footprint includes Illinois, Kansas, Wisconsin, Missouri, Indiana and Minnesota

Strong and Consistent Delivery Across our Businesses

Canadian Personal & Commercial

- Solid earnings growth with prudent risk management
- Dominant position in commercial lending, adding targeted capacity that is driving incremental return
- Strong growth in both loans and deposits

BMO Wealth Management

- Good earnings growth in Traditional Wealth
- Record net new assets in BMO Nesbitt Burns, strong loan and deposit growth
- Leading net new asset growth in Canadian ETFs for 9th consecutive year

U.S. Personal & Commercial

- Increasing market share in core footprint and new markets
- Continued strength in commercial lending
- Strong and diversified deposit growth

BMO Capital Markets

- Investments driving strong revenue growth
- Investor Day target of 45-50% revenue contribution from U.S. achieved in both Q4 and F2019

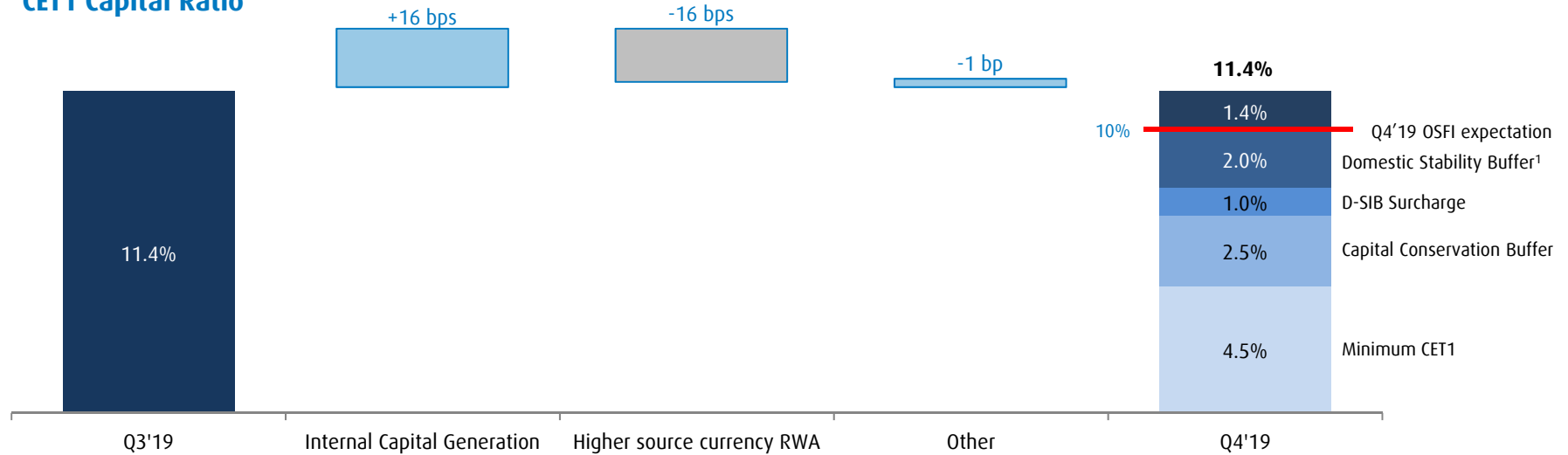


U.S. Segment Growth

- Over one-third of total bank earnings in F2019, exceeding Investor Day target
- Consistent contribution across all businesses

Strong Capital Position

CET1 Capital Ratio



Credit Ratings

	Moody's	S&P	DBRS	Fitch
Long term deposits / legacy senior debt ²	Aa2	A+	AA	AA
Senior debt ³	A2	A-	AA(low)	AA-
Outlook	Stable	Stable	Stable	Stable

- Quarterly common share dividend increased by 3 cents to \$1.06
 - Dividend increased ~6% from the prior year
 - Attractive dividend yield of ~4%
- Sound Leverage and Liquidity Ratios
 - Leverage Ratio 4.3%
 - Liquidity Coverage Ratio 138%

¹ On December 10, 2019, OSFI announced an increase of the Domestic Stability Buffer from 2.0% to 2.25% of total risk-weighted assets effective April 30, 2020

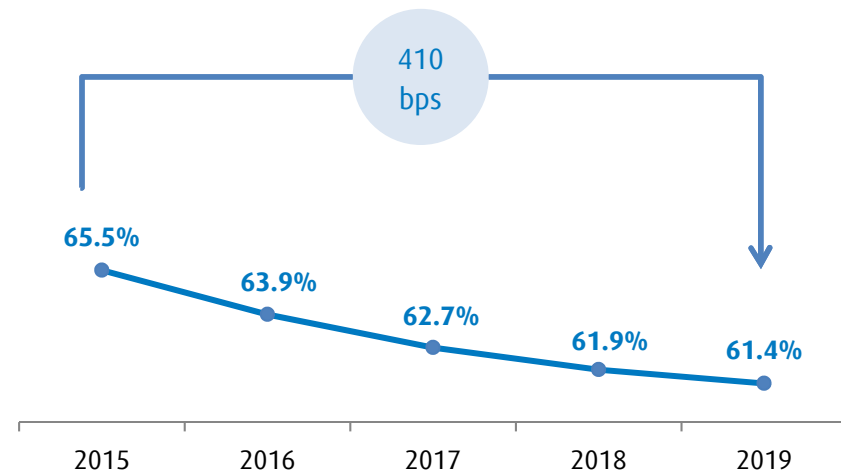
² Long term deposits / legacy senior debt includes: (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the Bank Recapitalization (Bail-In) Regime

³ Subject to conversion under the Bank Recapitalization (Bail-In) Regime

Creating sustainable efficiency: continuing good progress

- Target to achieve efficiency of 58% or better by F2021
- Q4'19 Adjusted¹ efficiency ratio: 60.0%
- Several bank-wide initiatives underway, including a restructuring charge announced in Q4 '19, to accelerate our momentum to achieve our efficiency objectives
 - Organizational redesign and simplification of the way we do business
 - Consolidating similar businesses
 - Reducing resources against lower value tasks
 - Automating business processes and digitizing activities
 - Moderating tech spend growth from 10%+ to mid-single digit

Adjusted¹ Efficiency Ratio Trend



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders
Reported Efficiency: F2015 67.5%, F2016 66.5%, F2017 64.1%, F2018 62.5%, F2019 64.2%, Q4'19 69.3%

Our Commitment to Sustainability

At BMO, our Purpose to **Boldly Grow the Good, in business and life** is inspired by the Sustainable Development Goals (SDGs), and they are shaping our business and sustainability activities. We believe we can have the greatest impact on the SDGs that align with our strategic priorities, and we focus our efforts on the seven SDGs shown here.



	<p>Decent Work and Economic Growth</p>	<p>Promoting sustained growth and productive employment by creating opportunities for our employees, customers and communities, and by upholding human rights across our value chain.</p>
	<p>Reduced Inequalities</p>	<p>Championing equal opportunity and working to reduce inequalities by removing barriers to social and economic inclusion faced by our customers, employees and communities.</p>
	<p>Gender Equality</p>	<p>Empowering women by championing diversity and inclusion in our workforce, and by supporting women entrepreneurs so they can participate fully in the economy.</p>
	<p>Sustainable Cities and Communities</p>	<p>Supporting the environmental and social sustainability of the communities in which we do business by managing our use of resources responsibly, and by partnering in community development initiatives.</p>
	<p>Climate Action</p>	<p>Raising awareness and building our capacity to address climate change across the enterprise by managing risks and opportunities, mobilizing capital in support of a lower-carbon economy, and partnering with others to advance analytical capabilities.</p>
	<p>Affordable and Clean Energy</p>	<p>Stimulating the growth of renewable energy by advising on and financing renewable energy projects, working with clients towards a green transition, and by purchasing renewable energy for our own operations.</p>
	<p>Peace, Justice and Strong Institutions</p>	<p>Building effective and accountable institutions by upholding high standards of ethical and responsible conduct for ourselves and our partners.</p>

Driving Value with Sustainable Solutions

Sustainable Finance

BMO announced a commitment to mobilize \$400B in sustainable finance by 2025 and in 2019 established a sustainable bond program in support of this commitment. BMO Capital Markets underwrote \$9.4B in sustainable bonds in fiscal 2019. For 30+ years, BMO GAM has invested responsibly. As at September 30, 2019 they held a total of US\$5.4B in ESG Specialist Strategies Funds and US\$161B in assets under advice through the Responsible Engagement Overlay (**reo**) service.

Climate Action

BMO has been carbon neutral since 2010 and we are taking concrete action to implement the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). We have published our 2019 Climate Report as a Special Supplement to our 2019 Sustainability Report.

Access to Banking and Financial Inclusion

In 2018, BMO committed \$3B in capital to women-owned businesses across Canada over 3 years. In 2019, BMO did \$2.7B worth of business Indigenous communities and provided \$233MM in loans to Indigenous communities through our On-Reserve Housing Loan Program.

Diversity and Inclusion

As at October 31, 2019, 35.7% of BMO's independent directors are women, 41.1% of senior leader roles are held by women and we have established goals for a more diverse workforce by 2020.

Community Building

BMO committed to drive inclusive economic development through a partnership with United Way of Greater Toronto and a \$10 million donation. In 2019, BMO Harris also committed \$10 million to the United Way to spur neighborhood development.

Awards and Recognition

Listed on *Dow Jones Sustainability Index* (North America) for 15 consecutive years

One of only 5 banks, and the only Canadian bank, to be named to the 2019 *World's Most Ethical Companies*® (*Ethisphere*® Institute)

2019 *Bloomberg Gender-Equality Index* for fourth year in a row

Best Places to work for LGBT Equality 2019 from Human Rights Campaign

2019 Disability Equality Index from American Association of People with Disabilities

2 Time *Catalyst Award* winner for accelerating diversity and inclusion

BMO GAM awarded an A+ rating by the UN Principles for Responsible Investment

2019 *Sustainalytics* ESG Rating in the 92nd percentile and MSCI ESG Rating AA. Awarded *ISS ESG Prime* status

Listed on *FTSE4Good Index Series*, *STOXX ESG Indices* and *Euronext Vigeo World 120*.

Awarded Best Employers for Diversity, and Best Employers for Women (United States) by Forbes

Best Workplaces in Canada by Great Place to Work® Institute

Awarded Lead Manager of the Year – Sustainability Bonds – SSA Category by Environmental Finance

Operating Groups

Canadian Personal & Commercial Banking

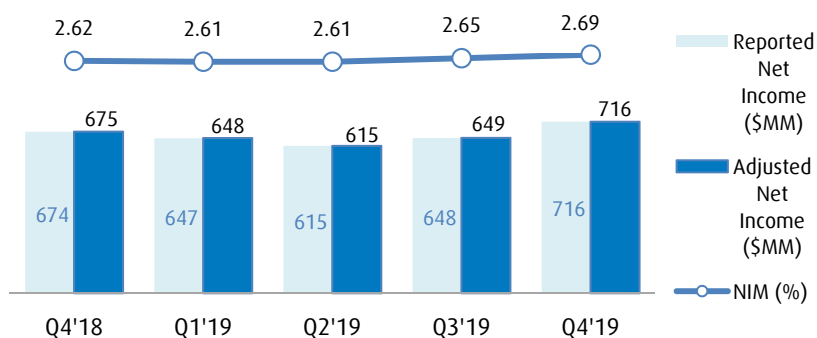
Strengths and Value Drivers

- Highly engaged team focused on providing a personalized banking experience, anticipating customers' needs and finding new ways to help
- Top-tier commercial banking business, number two ranking in Canadian market share for business loans up to \$25 million
- Strong and growing retail banking business, accelerating digital engagement and digital sales
- Largest Mastercard® card issuer in Canada
- Consistently applied credit risk management practices, providing reliable access to appropriate financing solutions

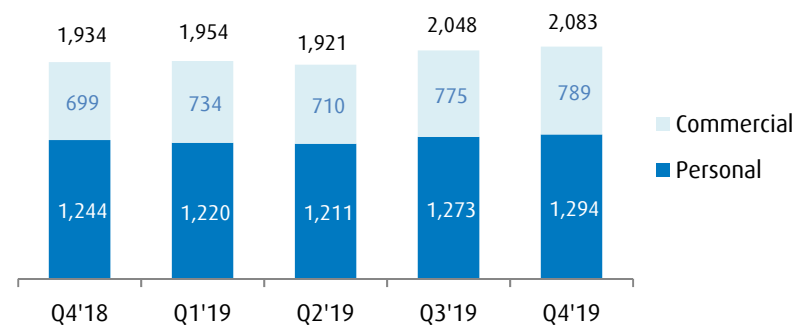
Highlights (Adjusted¹)

	F2019	Q4'19
Net Income	\$2,628MM	\$716MM
Net Income Growth	3%	6%
Revenue Growth	5%	7%
PPPT ² Growth	6%	10%
ROE	27.3%	28.6%
Efficiency Ratio	48.1%	46.6%
Operating Leverage	1.3%	2.7%
Average Net Loans and Acceptances	\$236B	\$243B

Net Income¹ and NIM



Revenue (\$MM)



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders; On a reported basis: Net Income F2019 \$2,626MM, Q4'19 \$716MM; Net income growth F2019 3%, Q4'19 6%; ROE: F2019 27.3%, Q4'19 28.6%; Efficiency ratio F2019 48.1%, Q4'19 46.7%; Operating Leverage F2019 1.3%, Q4'19 2.7%

² Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

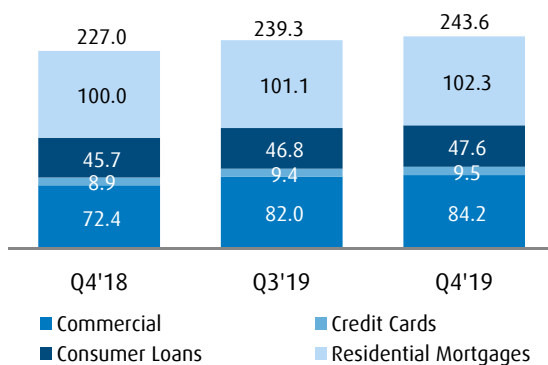
Canadian Personal & Commercial Banking

Strategic Priorities

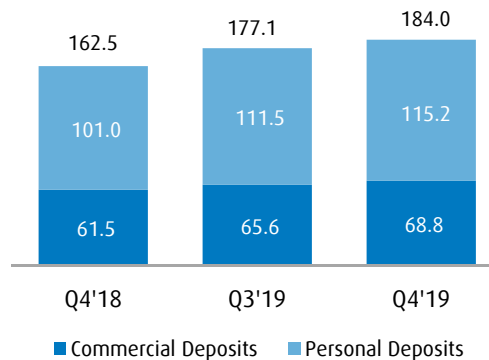
- Continue to improve customer loyalty by deepening primary relationships
 - In Personal Banking, deliver a leading customer experience by leveraging new digital channels and enhancing existing networks
 - In Commercial Banking, focus on maintaining our core strengths, while targeting opportunities for growth and diversification across high-value sectors and businesses
- Continue to enhance the digital experience through sales and service transactions
- Continue to build efficiencies in our business by streamlining operations, investing in digital capabilities and through cross-bank collaboration

Performance

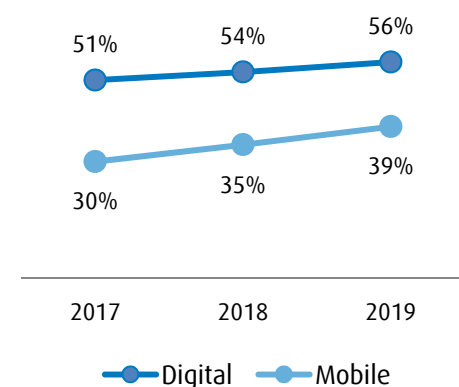
Average Gross Loans & Acceptances (\$B)



Average Deposits (\$B)



Digital Adoption¹



¹ Adoption is the percent of deposit customers that have logged in within the last 90 days; as at October 31 2017, 2018, and 2019

U.S. Personal & Commercial Banking

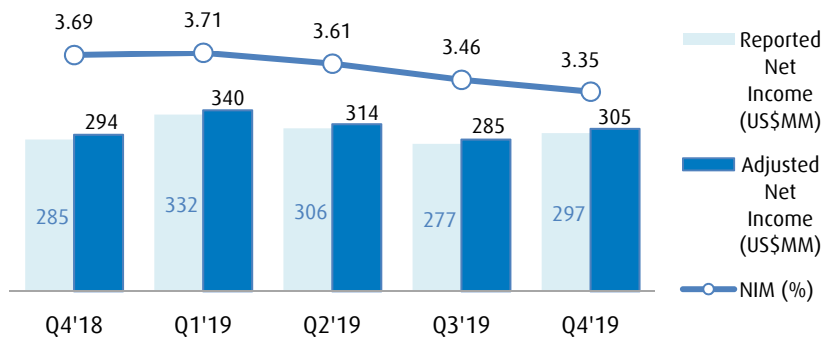
Strengths and Value Drivers

- Rich Midwestern heritage dating back to 1847, with a long-standing commitment to the success of our customers and communities
- 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 businesses
- Increasing momentum in personal banking: large and growing customer base, extensive branch network, broad suite of products and services, accelerated investment in digital capabilities
- Comprehensive, integrated control structure to actively manage risk and regulatory compliance

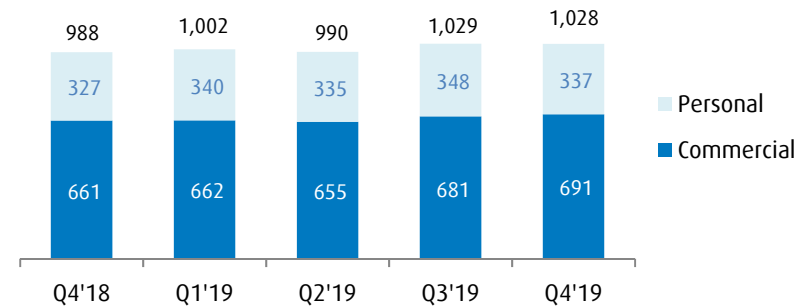
Highlights (Adjusted¹)

	F2019	Q4'19
Net Income	US\$1,244MM	US\$305MM
Net Income Growth (Y/Y)	11%	4%
Revenue Growth	6%	4%
PPPT ² Growth	10%	9%
ROE	11.3%	10.8%
Efficiency Ratio	57.3%	57.1%
Operating Leverage	2.9%	3.4%
Average Loans and Acceptances	US\$85B	US\$89B

Net Income¹ and NIM



Revenue (US\$MM)



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders; On a reported basis: Net Income F2019 \$1,212MM, Q4'19 \$297MM; Net income growth F2019 12%, Q4'19 4%; ROE: F2019 11.0%, Q4'19 10.5%; Efficiency ratio F2019 58.3%, Q4'19 58.1%; Operating leverage F2019 3.0%, Q4'19 3.5%

² Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

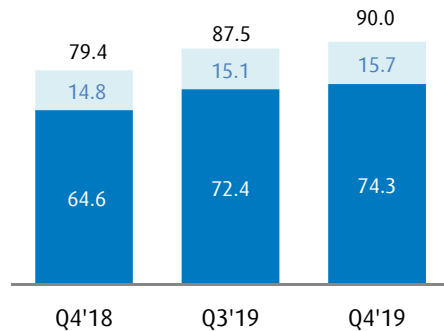
U.S. Personal & Commercial Banking

Strategic Priorities

- Continue to strengthen our competitive position by investing in key capabilities, such as digital and talent, while leveraging BMO's full suite of products, solutions and capabilities, and our unique cross-border advantage to deliver a great customer experience
 - In Personal Banking, continue to drive strong deposit growth, new customer acquisition, and a larger share of wallet through more holistic customer conversations and digital engagement
 - In Commercial Banking, continue to build our national presence through growth in high-potential geographies and specialty businesses, invest in digital and payment capabilities, and strengthen cross-bank collaboration
- Continue to focus on managing structural costs and expenses to improve productivity and strengthen our operating position

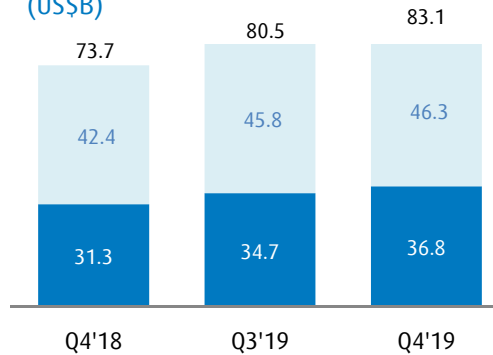
Performance

Average Loans and Acceptances¹
(US\$B)



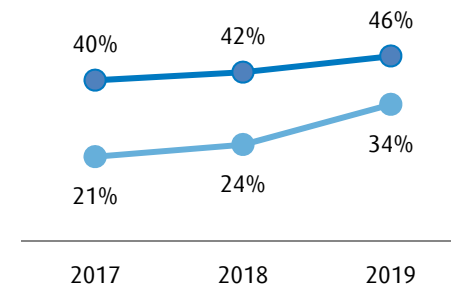
■ Commercial ■ Personal & Business Banking

Average Deposits
(US\$B)



■ Commercial ■ Personal & Business Banking

Digital Adoption²



● Digital ● Mobile

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 Adoption is the percent of deposit customers that have logged in within the last 90 days; as at October 31 2017, 2018, and 2019

BMO Wealth Management

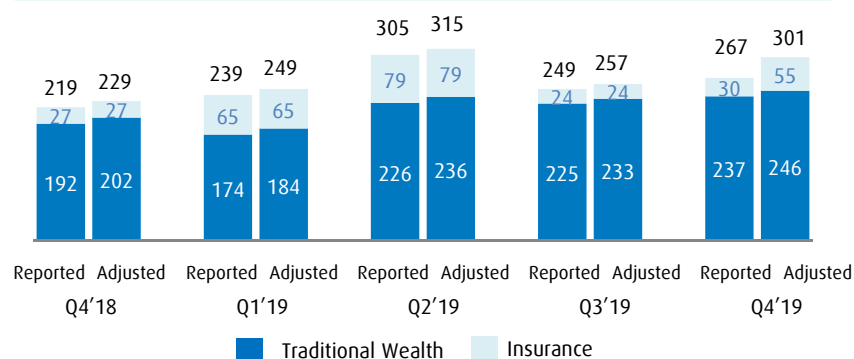
Strengths and Value Drivers

- Planning and advice-based approach that integrates investment, insurance, specialized wealth management and core banking solutions, offered by a team of highly skilled professionals
- Diversified portfolio of solutions, from self-directed online investment to integrated professional money management, banking and trust services for retail and institutional clients
- Global asset manager delivering innovative investment solutions to institutional and individual clients including mutual funds, exchange traded funds, and a commitment to responsible investing
- Robust risk management framework supporting alignment with heightened regulatory expectations

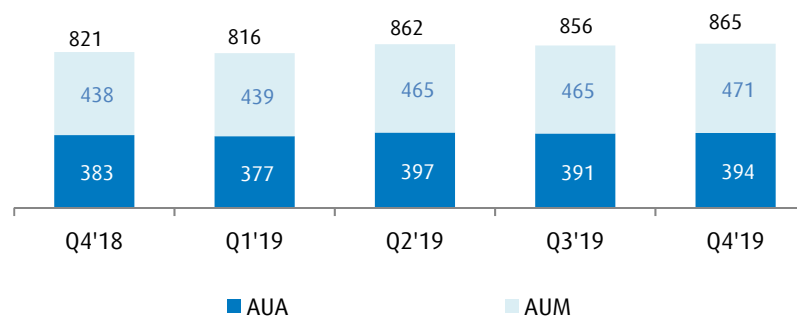
Highlights (Adjusted¹)

	F2019	Q4'19
Net Income	\$1,122MM	\$301MM
Net Income Growth	1%	31%
Revenue ² Growth	1%	7%
PPPT ³ Growth	1%	32%
ROE	17.7%	18.7%
Efficiency Ratio ²	69.8%	67.5%
Operating Leverage ²	0.3%	8.9%
AUA / AUM	\$865B	\$865B
Average Loans / Deposits	\$23B / \$36B	\$25B / \$38B

Net Income¹ (\$MM)



AUA / AUM (\$B)



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders;

On a reported basis: Net Income F2019 \$1,060MM, Q4'19 \$267MM; Net income growth F2019 (1)%, Q4'19 22%; Net Revenue F2019 \$4,953MM, Q4'19 \$1,232MM; Net Revenue Growth F2019 0%, Q4'19 4%; ROE: F2019 16.7%, Q4'19 16.6%; Efficiency ratio F2019 71.1%, Q4'19 69.8%; Operating leverage F2019 (0.1)%, Q4'19 7.0%

² Revenue, Efficiency ratio and operating leverage based on net revenue. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB)

³ Pre-Provision Pre-Tax profit contribution; PPPT is the difference between net revenue and expenses

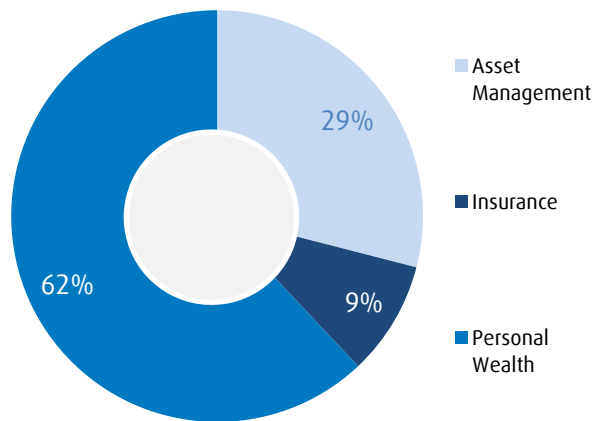
BMO Wealth Management

Strategic Priorities

- Deliver a differentiated client experience, providing outstanding support and working together to grow, protect and transition their wealth with confidence
- Extend our advantage as a solutions provider, delivering innovative asset management and insurance offerings that anticipate clients' evolving needs and exceed their expectations
- Build on our strong foundation and continue to evolve, simplify and streamline our businesses to drive value, efficiency and returns
- Continue to strengthen collaboration across BMO Wealth Management, the enterprise and borders to bring the best of BMO to all clients

Diversification

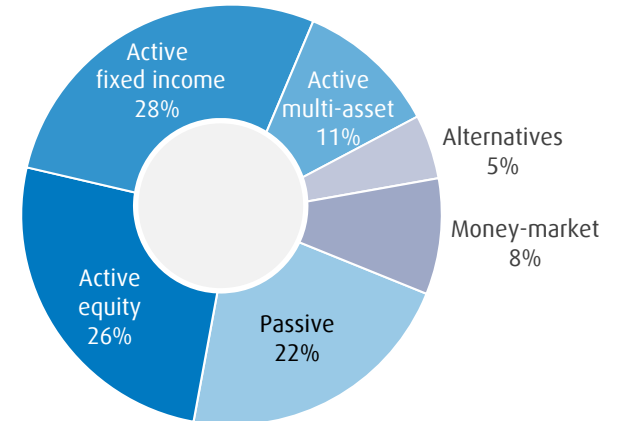
Net Revenue^{1,2} by Business – F2019



>60%
Fee-based
Revenues³

ETFs
#2
Share in
Canadian
market

BMO GAM Investment Type⁴



1 Adjusted measures are non-GAAP measures, see slide 2 for more information.
For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders;
On a reported basis: Personal Wealth 63% Asset Management 29% and Insurance 8%
2 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB)
3 % of F2019 total Wealth Management net revenue
4 Investment type as of F2018

BMO Capital Markets

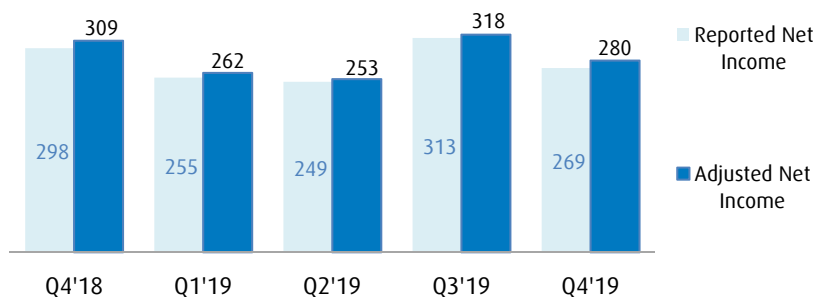
Strengths and Value Drivers

- Unified coverage and integrated distribution across our North American platform and complementary global footprint, delivering a seamless and exceptional client experience
- Well-diversified platform and business mix – by sector, geography, product and currency, including a strong and scalable U.S. business
- Strong first-line-of-defence risk management and regulatory and compliance capabilities
- High performance culture with strong focus on diversity and inclusion

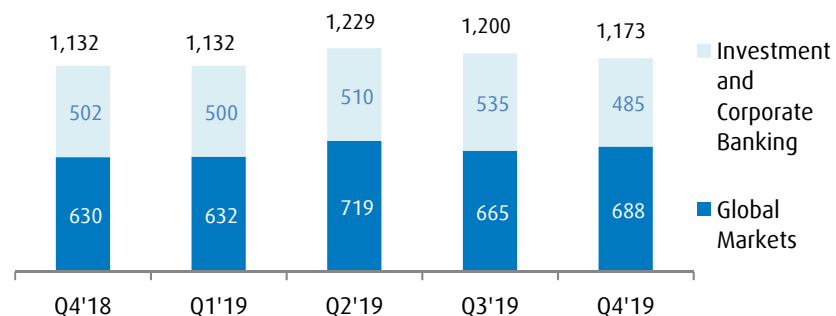
Highlights (Adjusted¹)

	F2019	Q4'19
Net Income	\$1,113MM	\$280MM
Net Income Growth	(5%)	(9%)
Revenue Growth	9%	4%
PPPT ² Growth	(1%)	5%
Efficiency Ratio	68.2%	66.0%
Operating Leverage	(5.0)%	0.5%
Average Gross Loans and Acceptances	\$60B	\$63B
Offices	33 globally, 19 in N.A.	
U.S. Revenue Contribution	45%	48%
U.S. IB market share ³	#17	

Net Income¹ (\$MM)



Revenue (\$MM)



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 17 of BMO's 2019 Annual Report to Shareholders;

On a reported basis: Net Income F2019 \$1,086MM, \$269MM; Net income growth F2019 (6%), Q4'19 (10%); Efficiency ratio F2019 68.9%, Q4'19 67.2%; Operating Leverage F2019 (5.6)%, Q4'19 0.6%

² Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

³ Source: Dealogic as at October 31 2019

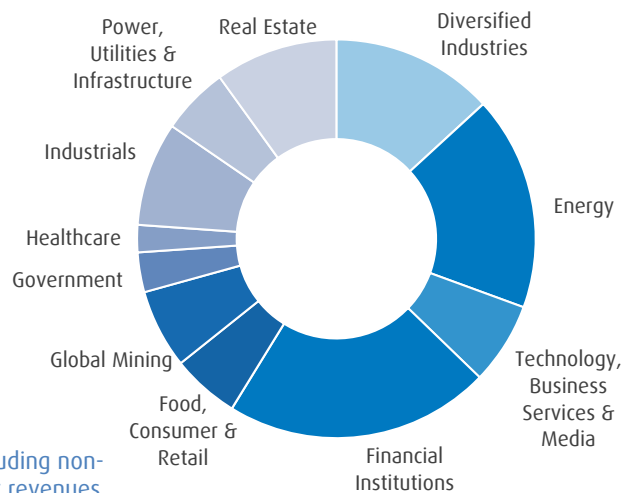
BMO Capital Markets

Strategic Priorities

- Continue to earn leading market share in Canada by strengthening our client relationships and driving incremental market share growth
- Continue to leverage our key strategic investment to accelerate growth from our U.S. platform, and selectively expand our U.S. corporate bank where we are competitively advantaged
- Continue to leverage our strong North American and global capabilities to grow our contribution from international markets
- Continue to focus on working smarter and simplifying how we do business to enhance overall efficiency

Diversification

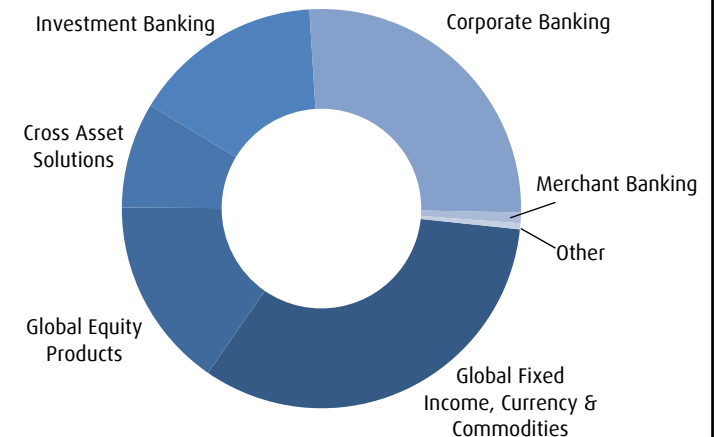
Revenue by Sector¹



U.S. Contribution



Revenue by Product⁵



*Excluding non-client revenues

1 As a % of F2019 revenue, excluding non-client revenues & investor-only clients
 2 % of revenue generating entities domiciled in the U.S. (as at October 31, 2019)
 3 U.S. Capital as a % of Total (F2019)
 4 U.S. FTE as a % of Total (F2019)
 5 As a % of F2019 revenue

Risk Overview

Our loans are well-diversified by geography and industry

Gross Loans & Acceptances By Industry (\$B, as at Q4 19)	Canada & Other ¹	U.S.	Total	% of Total
Residential Mortgages	112.5	11.2	123.7	27%
Consumer Instalment and Other Personal	55.9	11.8	67.7	15%
Cards	8.3	0.6	8.9	2%
Total Consumer	176.7	23.6	200.3	44%
Service Industries	21.8	24.0	45.8	10%
Financial	13.8	27.0	40.8	9%
Commercial Real Estate	21.8	14.9	36.7	8%
Manufacturing	7.9	18.7	26.6	6%
Retail Trade	13.6	9.5	23.1	5%
Wholesale Trade	5.5	11.5	17.0	4%
Oil & Gas	6.0	7.5	13.5	3%
Agriculture	11.1	2.2	13.3	3%
Transportation	3.1	9.3	12.4	3%
Other Business and Government ²	11.5	10.5	22.0	5%
Total Business and Government	116.1	135.1	251.2	56%
Total Gross Loans & Acceptances	292.8	158.7	451.5	100%

1 Includes ~\$10.7B from Other Countries

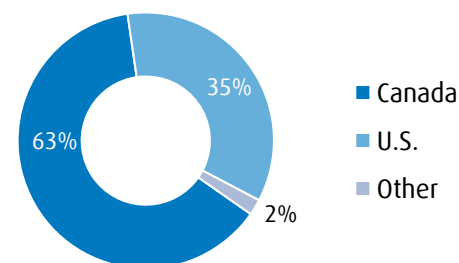
2 Other Business and Government includes all industry segments that are each <2% of total loans

3 Gross loans and acceptances as of October 31, 2019

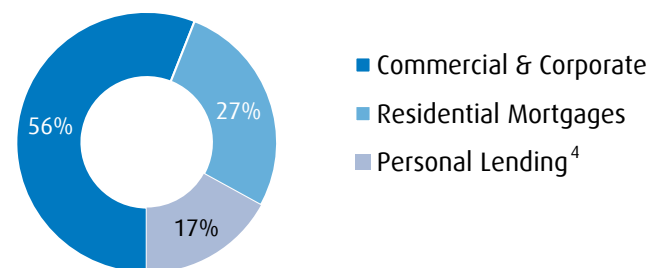
4 Including cards

5 Average gross loans and acceptances as of October 31, 2019

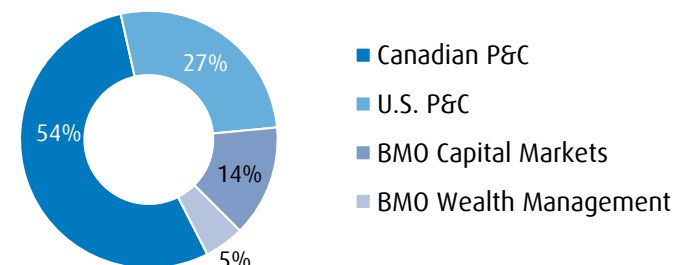
Loans by Geography³



Loans by Product³

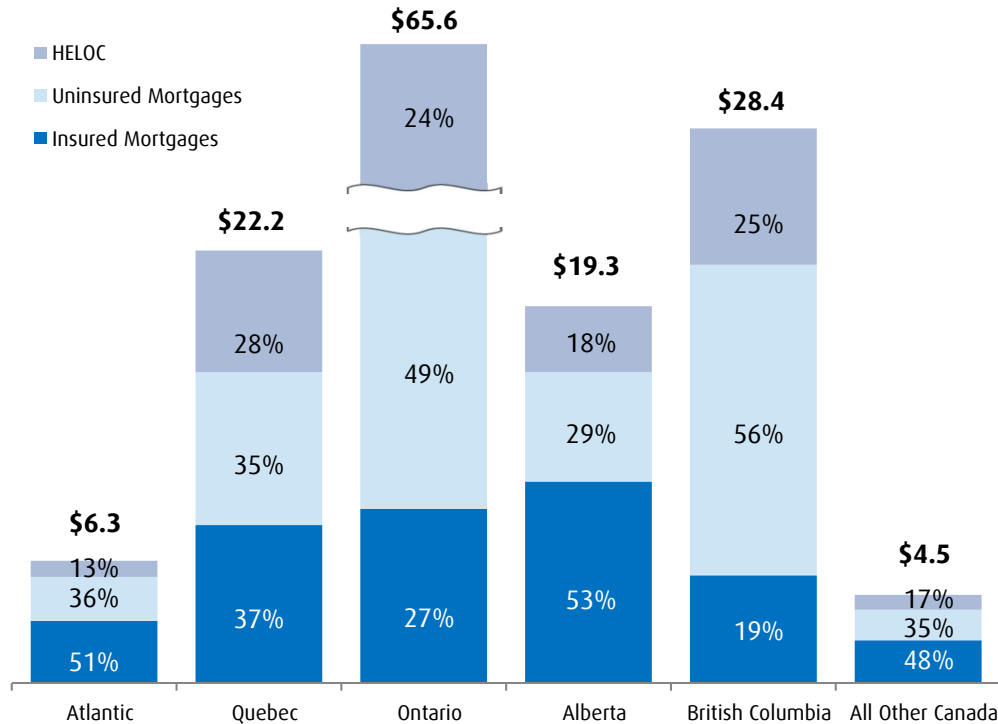


Loans by Operating Group⁵



Canadian Residential-Secured Lending (RESL)

Residential-Secured Lending by Region (\$146.3B)



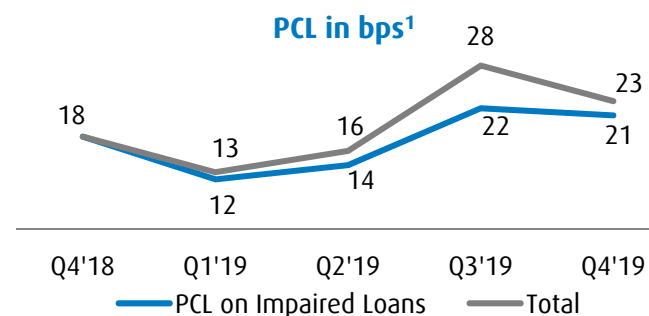
Avg. LTV ¹ Uninsured	Atlantic	Quebec	Ontario	Alberta	British Columbia	All Other Canada	Total Canada
Mortgage							
- Portfolio	59%	58%	55%	61%	50%	56%	55%
- Origination	73%	73%	68%	72%	65%	72%	69%
HELOC							
- Portfolio	49%	54%	43%	55%	42%	48%	46%
- Origination	69%	71%	61%	64%	58%	64%	62%

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

- Total Canadian residential-secured lending portfolio at \$146.3B, representing 32% of total loans below peer average of approximately 46%
 - LTV¹ 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 \$112.5B
 - 42% of portfolio insured
 - LTV¹ on uninsured of 55%
 - 72% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- HELOC portfolio of \$33.8B outstanding of which 59% is amortizing
- GTA and GVA portfolios demonstrate better LTV¹, delinquency rates and bureau scores compared to the national average

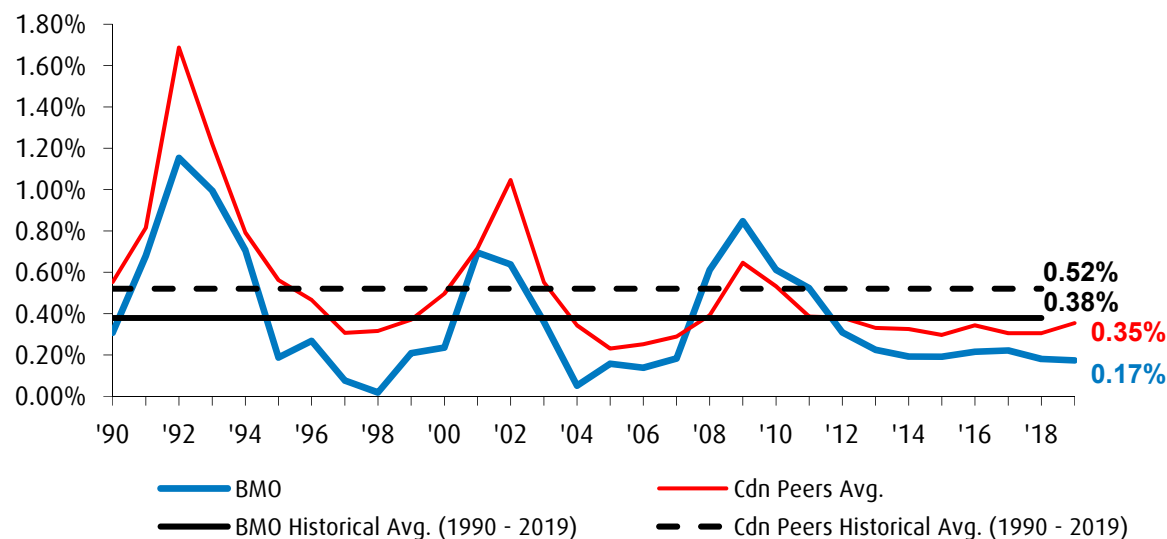
Provision for Credit Losses (PCL)

PCL By Operating Group (\$MM)	Q4 19	Q3 19	Q4 18
Total Canadian P&C	134	174	118
Total U.S. P&C	66	61	61
BMO Wealth Management	1	-	2
BMO Capital Markets	32	7	(3)
Corporate Services	(2)	1	(1)
PCL on Impaired Loans	231	243	177
PCL on Performing Loans	22	63	(2)
Total PCL	253	306	175



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

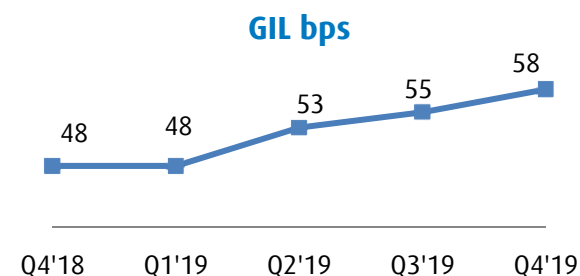
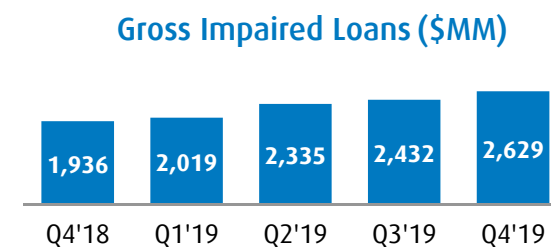
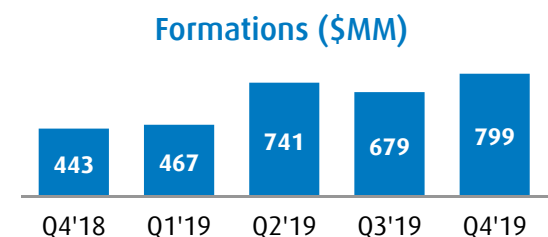
Gross Impaired Loans (GIL) and Formations

By Industry (\$MM, as at Q4 19)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other ¹	U.S.	Total
Consumer	213	46	259	497	385	882
Oil & Gas	24	158	182	33	371	404
Service Industries	12	41	53	108	211	319
Agriculture	30	18	48	72	241	313
Manufacturing	46	77	123	66	160	226
Transportation	1	49	50	5	144	149
Wholesale Trade	18	28	46	30	98	128
Retail Trade	1	14	15	22	45	67
Commercial Real Estate	16	1	17	45	13	58
Financial	0	2	2	10	21	31
Construction (non-real estate)	0	1	1	11	18	29
Other Business and Government ²	1	2	3	15	8	23
Total Business and Government	149	391	540	417	1,330	1,747
Total Bank	362	437	799	914	1,715	2,629

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 58 bps, up 3 bps Q/Q



Economic and Housing Overview

Economic Outlook and Indicators¹

Economic Indicators (%) ^{1, 2}	Canada			United States			Eurozone		
	2018 ²	2019E ²	2020E ²	2018 ²	2019E ²	2020E ²	2018 ²	2019E ²	2020E ²
GDP Growth	2.0	1.7	1.8	2.9	2.3	1.8	1.9	1.2	1.1
Inflation	2.3	2.0	1.9	2.4	1.8	2.2	1.8	1.2	1.2
Interest Rate (3mth Tbills)	1.37	1.65	1.70	1.97	2.10	1.60	(0.36)	(0.39)	(0.44)
Unemployment Rate	5.8	5.7	5.8	3.9	3.7	3.6	8.2	7.6	7.6
Current Account Balance / GDP ³	(2.5)	(1.9)	(1.8)	(2.4)	(2.4)	(2.3)	3.6	3.2	3.1
Budget Surplus / GDP ³	(0.6)	(1.2)	(1.2)	(3.9)	(4.5)	(4.6)	(0.5)	(0.8)	(0.9)

Canada

- Canada's economic growth is expected to pick up slightly to 1.8% in 2020 in response to past declines in interest rates and some fiscal stimulus
- Continued, albeit more moderate, job growth should keep the unemployment rate below 6% in 2020
- With inflation close to the target, the Bank of Canada is expected to keep policy rates steady

United States

- U.S. economic growth is projected to grow at a moderate rate of 1.8% in 2020 amid worker shortages, though supported by consumer spending
- The unemployment rate is expected to remain near half-century lows
- After reducing rates three times in 2019, the Federal Reserve is expected to hold policy rates steady, barring an escalation in the trade war

¹ This slide contains forward looking statements. See caution on slide 2

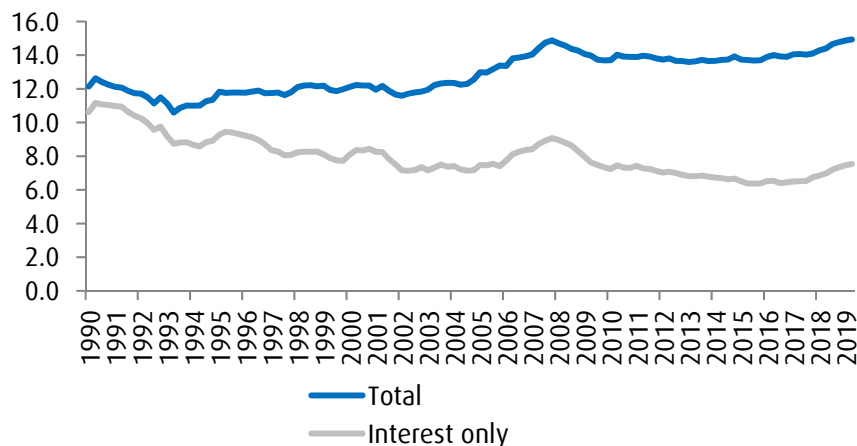
² Data is annual average. Estimates as of December 20, 2019

³ Eurozone estimates provided by the IMF

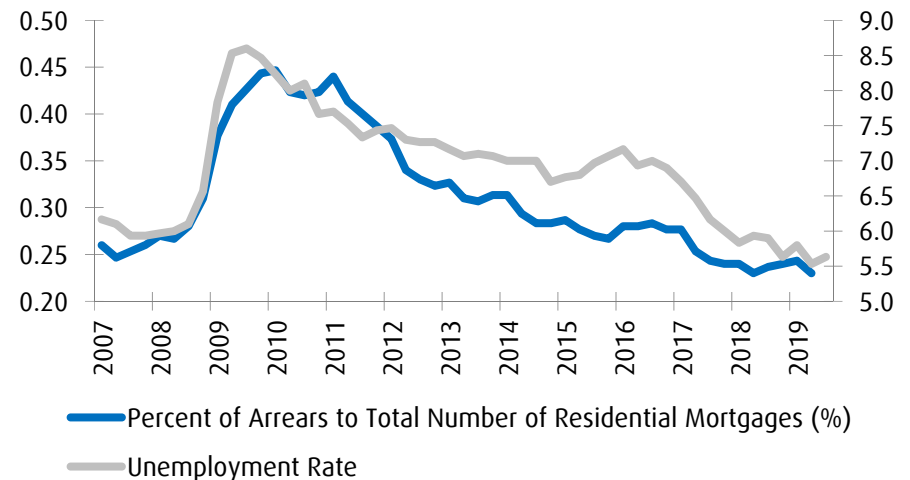
Canada's housing market is stable

- Lower mortgage rates and rapid population growth led to a strong rebound in Canadian existing home sales in 2019
- We expect real estate activity across the country to increase more moderately in 2020
- The Toronto market is firming due to steady demand from international migrants and millennials and strong job growth
- Vancouver's market is showing signs of stabilizing with sales rebounding from earlier depressed levels
- Mortgage arrears remain near record lows, despite some upturn in Alberta and Saskatchewan
- The household debt-to-income ratio, though elevated, has steadied in the past year amid a slower rate of borrowing
- Debt servicing costs are at all-time highs, weighing on consumer spending

Debt Service Ratio



Mortgage Delinquencies/Unemployment



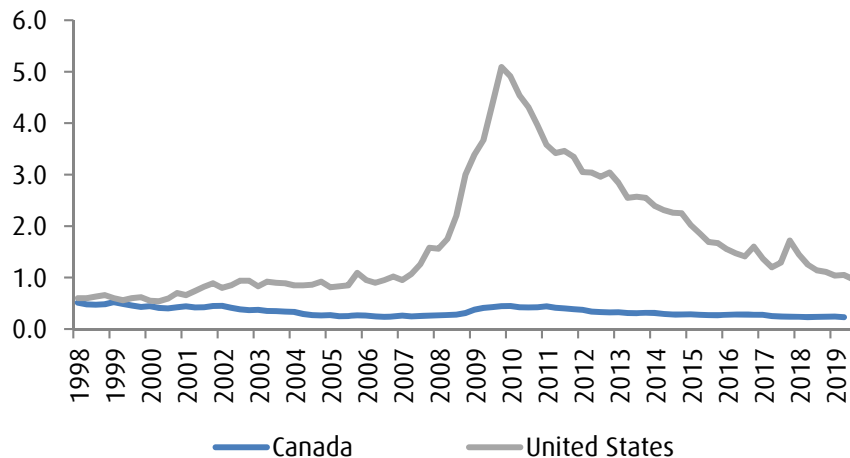
Source: BMO CM Economics and Canadian Bankers' Association as at December 20, 2019
 This slide contains forward looking statements. See caution on slide 2

Structure of the Canadian residential mortgage market with comparisons to the United States

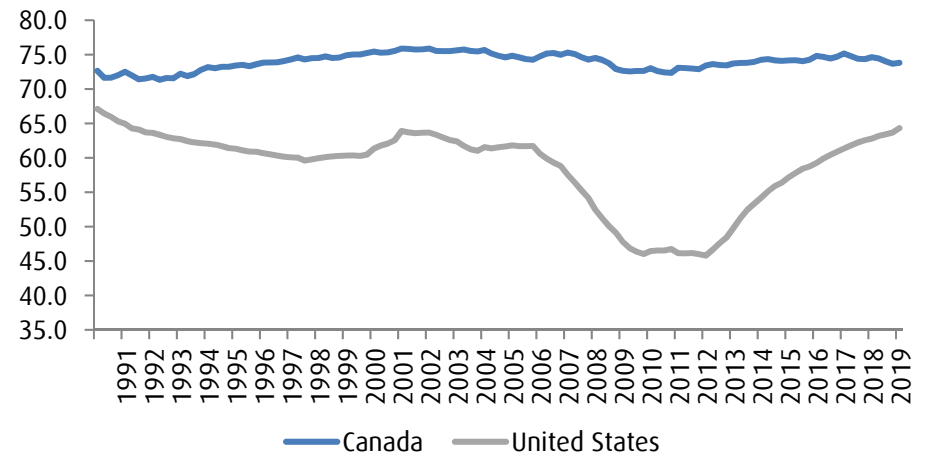
- Conservative lending practices, strong underwriting and documentation discipline have led to low delinquency rates
 - Over the last 30 years, Canada's 90-day residential mortgage delinquency rate has never exceeded 0.7% versus the U.S. peak rate of 5% in 2010
- Mandatory government-backed insurance for high loan to value (LTV >80%) mortgages covering the full balance
- Government regulation including progressive tightening of mortgage rules to promote a healthy housing market
- Shorter term mortgages (avg. 5 years), renewable and re-priced at maturity, compared to 30 years in the U.S. market
- No mortgage interest deductibility for income tax purposes (reduces incentive to take on higher levels of debt)
- In Canada mortgages are held on balance sheet; in the U.S. they may be sold or securitized in the U.S. market
- Recourse back to the borrower in most provinces
- Prepayment penalties borne by the borrower whereas U.S. mortgages may be prepaid without penalty

Mortgage Delinquencies

Arrears to Total Number of Residential Mortgages (%)



Equity Ownership (%)

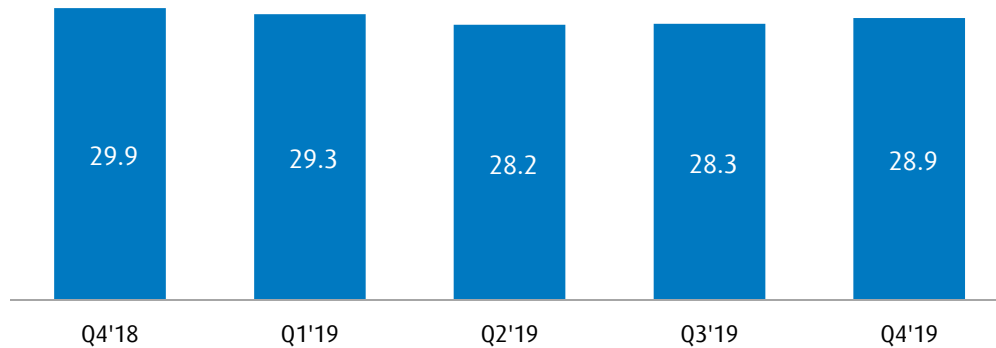


Source: BMO CM Economics and Canadian Bankers' Association as at December 20, 2019
 This slide contains forward looking statements. See caution on slide 2

Liquidity & Wholesale Funding Mix

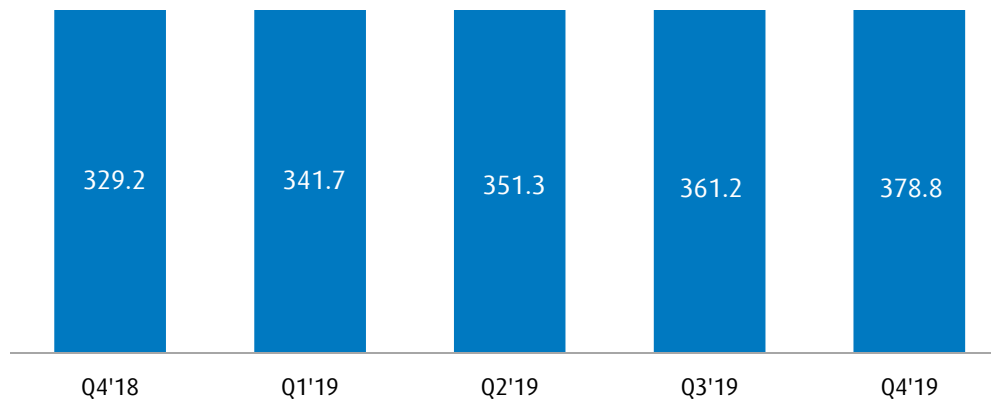
Liquidity and Funding Strategy

Cash and Securities to Total Assets Ratio (%)



- BMO's Cash and Securities to Total Assets Ratio reflects a strong and stable liquidity position

Customer Deposits¹ (\$B)



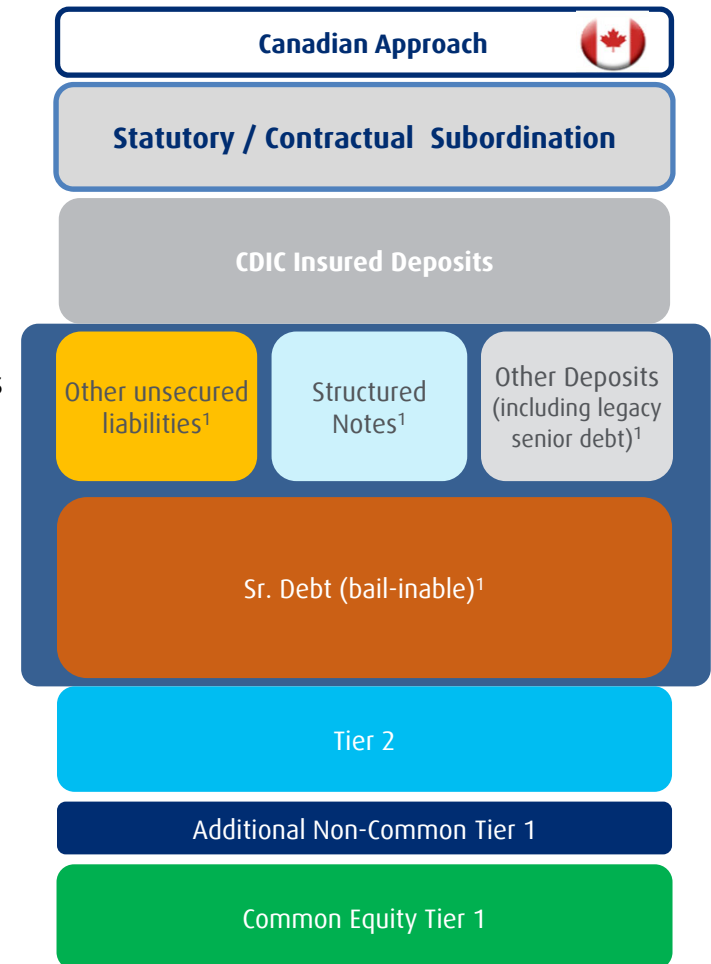
- BMO's large base of customer deposits, along with our strong capital base, reduces reliance on wholesale funding

¹ Customer deposits are operating and savings deposits, including term investment certificates and retail structured deposits, primarily sourced through our retail, commercial, wealth and corporate banking businesses.

Canadian Bail-in Regime

- Canadian bail-in regime effective since September 23, 2018 (implementation date)
- Bail-in eligible senior unsecured debt that is issued after the implementation date will be subject to conversion in a resolution scenario
 - Bail-in eligible debt includes senior unsecured debt issued by the parent bank with an original term >400 days and marketable (with a CUSIP/ISIN)
- Key exclusions are Covered bonds, structured notes, derivatives and consumer deposits
- Bail-in eligible debt will be issued under existing programs (US MTN, EMTN, AMTN etc.) governed by local laws, with the exception of bail-in conversion requirements which will be governed by Canadian law
- Bail-in eligible debt has a statutory conversion feature that provides the Canada Deposit Insurance Corporation (CDIC) the power to trigger conversion of bail-in securities into common shares of the bank (no write-down provision)
- The statutory conversion supplements the existing Non-Viable Contingent Capital (NVCC) regime which contractually requires the conversion of subordinated debt and preferred equity into common equity upon the occurrence of certain trigger events
- The notional amount of bail-in securities to be converted and the corresponding number of common shares issued in a resolution scenario will be determined by CDIC at the time of conversion (unlike NVCC securities, where the calculation for the number of shares issued is already defined). Any outstanding NVCC capital must be converted, in full, prior to conversion of bail-in securities
- Conversion maintains the creditor hierarchy (no creditor worse off principle is respected)

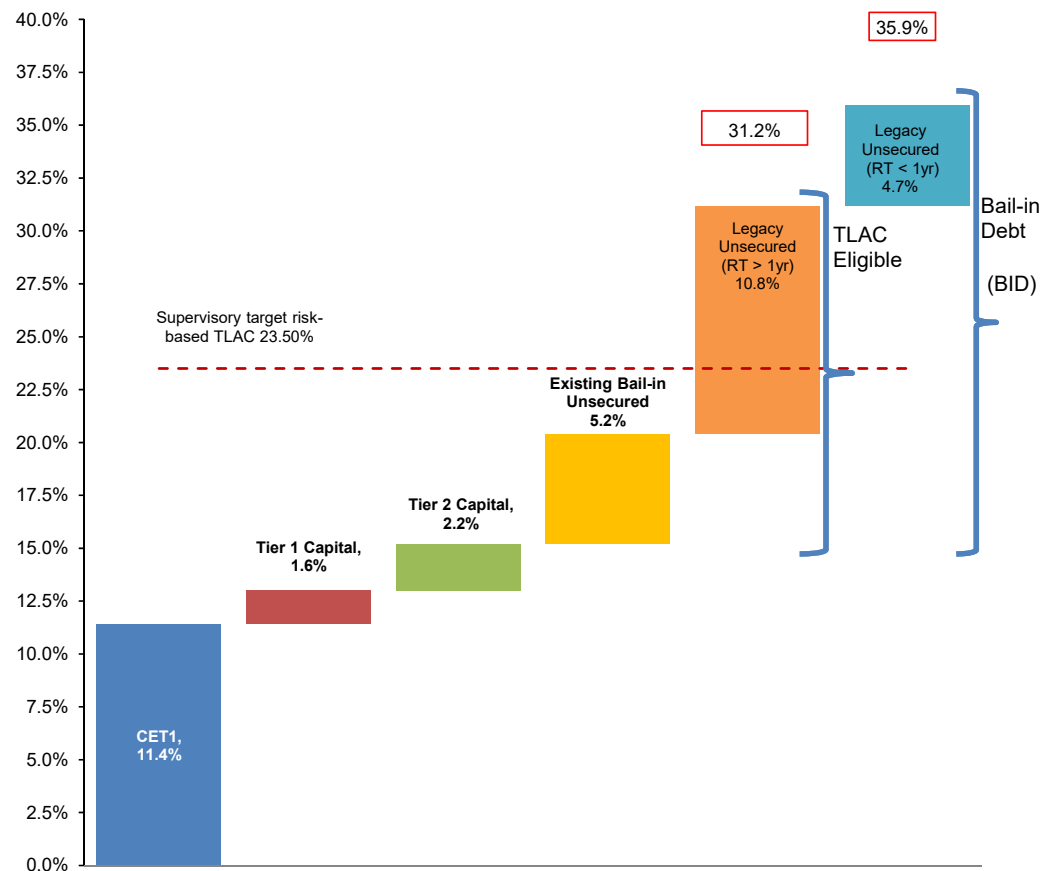
¹ Pari passu ranking in liquidation.



Manageable TLAC Requirements and no incremental funding

- Canadian D-SIBs will be required to meet a Supervisory Target ratio by November 1, 2021
 - Risk-based TLAC ratio of 23.5% (Minimum 21.5% of RWA TLAC ratio plus a Domestic Stability Buffer of 2.00% of total RWA) ¹
 - Minimum TLAC Leverage ratio of 6.75%
- TLAC eligible securities will have a minimum remaining term of 365 days
- No incremental funding required to meet the TLAC obligations
- BMO will only be issuing one class of medium and long term senior debt that will over time replace the legacy senior debt outstanding
- Similar to US TLAC securities, Canadian bail-in securities will retain the clause regarding acceleration of payments, subject to a minimum 30-business-day cure period, in case of events of default relating to non-payment of scheduled principal and/or interest
- TLAC eligible debt will be issued at the parent bank operating company level whereas US FIs issue TLAC debt at the holding company level

Funding Profile as at October 31, 2019

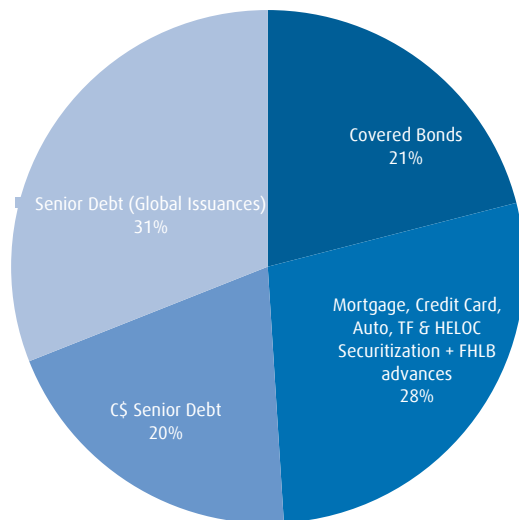


¹ On December 10, 2019, OSFI announced an increase of the Domestic Stability Buffer from 2.0% to 2.25% of total risk-weighted assets effective April 30, 2020, hence Risk-based TLAC ratio would be 23.75%

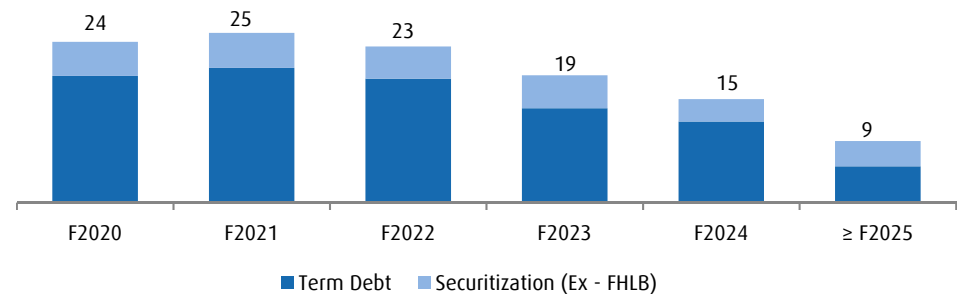
Diversified Wholesale Term Funding Program

- BMO's wholesale funding principles seek to match the term of assets with the term of funding. Loans for example are funded with customer deposits and capital, with any difference funded with longer-term wholesale funding
- BMO has a well diversified wholesale funding platform across markets, products, terms, currencies and maturities
- We do not expect a significant change to BMO's funding strategy following the implementation of the bail-in regime

Wholesale Capital Market Term Funding Composition¹ (\$124B) as at October 31, 2019



Wholesale Capital Market Term Funding Maturity Profile^{1,2} as at October 31, 2019



¹ Wholesale capital market term funding primarily includes non-structured funding for terms greater than or equal to two years and term ABS. Excludes capital issuances.

² BMO term debt maturities includes term unsecured and Covered Bonds

Diversified Wholesale Funding Platform

- Programs provide BMO with diversification and cost effective funding

Canada¹

- Canadian MTN Shelf (C\$8B)
- Fortified Trust (C\$5B)
- Other Securitization (RMBS, Canada Mortgage Bonds, Mortgage Backed Securities)

U.S.¹

- SEC Registered U.S. Shelf (US\$25B)
- Global Registered Covered Bond Program (US\$30B)
- Securitization (Credit cards, Auto)

Europe, Australia & Asia¹

- Note Issuance Programme (US\$20B)
- Australian MTN Programme (A\$5B)
- Global Registered Covered Bond Program (US\$30B)²

Recent Notable Transactions

- C\$1.75 billion 5-yr Fixed Rate Senior Unsecured Notes at 2.28%
- C\$350 million 5-yr Rate-Reset Preferred Shares at 5.10%
- C\$509.890 million Fortified HELOC Securitization
- US\$500 million 3-yr Fixed Rate Senior Unsecured Sustainable Notes at 2.05%
- US\$529.10 million Master Credit Card Trust II Notes
- US\$561.95 million CPART Auto Securitization
- US\$524.593 million Transportation Finance Securitization
- US\$1.75 billion 3-yr Fixed Rate Covered Bond at 2.10%
- US\$500 million Rate-Reset Additional Tier 1 notes at 4.80%
- EUR€1.25 billion 5-yr Fixed Rate Covered Bond at 0.25%
- GBP£500 million long 5-yr Fixed Rate Senior Unsecured Notes at 1.50%
- AUD\$0.75 billion 5-yr Floating and Fixed Rate Senior Unsecured Notes

¹ Indicated dollar amounts beside each wholesale funding program denotes program issuance capacity limits.

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