

Investor Presentation

August 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, our response to the COVID-19 pandemic and its expected impact on our business, operations, earnings, results and financial condition, including our capital and liquidity ratios and credit ratings, as well as its impact on our customers, competitors and trading exposure, including the potential from loss from higher credit, counterparty or mark-to-market losses, 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. The uncertainty created by the COVID-19 pandemic has heightened this risk given the increased challenge in making assumptions, 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 severity, duration and spread of the COVID-19 pandemic, its impact on local, national or international economies and its heightening of certain risks that may affect our future results the possible impact on our business and operations of outbreaks of disease or illness that affect local, national or international economies; the Canadian housing market and consumer leverage; 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; 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, and the Risk Management section on page 35 in BMO's Second Quarter 2020 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 Economic Developments and Outlook section on page 18 of BMO's 2019 Annual Report and updated in the Economic Review and Outlook section set forth in BMO's Second Quarter 2020 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, we primarily consider historical economic data, past relationships between economic and financial variables, changes in government policies, and the risks to the domestic and global economy. Please refer to the Economic Review and Outlook section of BMO's Second Quarter 2020 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, 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 7 and 8 of BMO's Second Quarter 2020 Report to Shareholders 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

\$987 billion
in total assets¹

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 third year in a row



Forbes Magazine: recognized BMO Harris Bank in its annual list of **America's best Employers for Diversity**



2020 Bloomberg Gender-Equality index

For the fifth 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 April 30, 2020

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>

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 (\$)

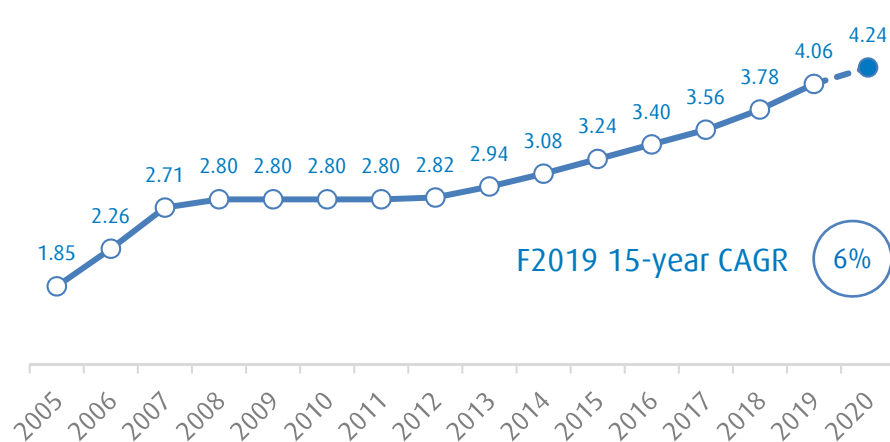
2-year CAGR 8%



Dividends Declared

(\$ per share)

- BMO has the longest-running dividend payout record of any company in Canada, at 191 years
- Dividend Yield¹: 5.8%



¹ As of July 31, 2020

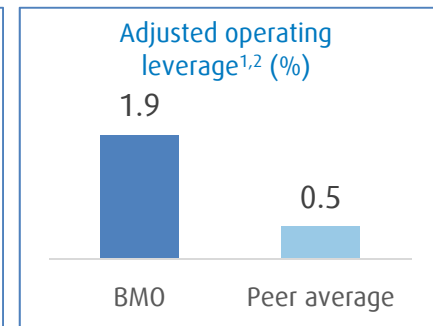
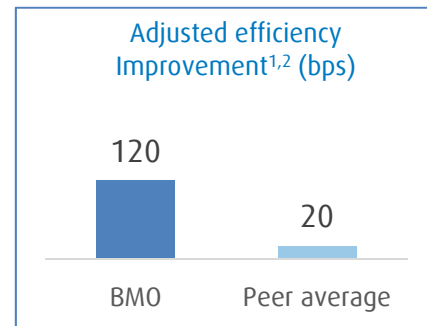
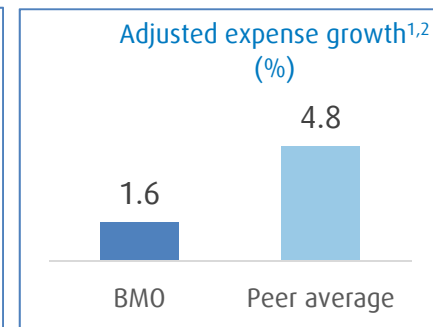
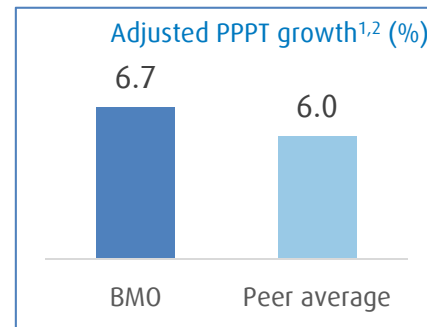
² Annualized based on Q2'20 dividend of \$1.06

Proven strategy, driving strong, resilient earnings with balance sheet strength

- Strategy proven to deliver in all market environments
- Outperforming peers with momentum across businesses
- Continued progress on efficiency improvement
- Long-term track record of superior credit risk management, consistently applied
- Strong balance sheet and capital
- Current valuation an attractive opportunity for long-term shareholders

Outperforming peers, clear operating momentum

- Above average LTM¹ performance on adjusted¹ PPPT growth, expense growth, efficiency improvement and operating leverage
- Canadian P&C performing at top of industry; gaining market share in loans and deposits
- U.S. P&C prudently maintaining good performance in commercial; deposit strategy delivering
- Early realization of tougher revenue environment; expenses flat YTD CCY³
- Intention to improve efficiency unchanged; 58% a marker on longer-term efficiency drive



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. Growth rates based on last twelve months (LTM): Q3'19 – Q2'20

² Peers: BNS, CIBC, NA, RBC, TD; peer average based on company disclosures and internal calculations for comparative purposes

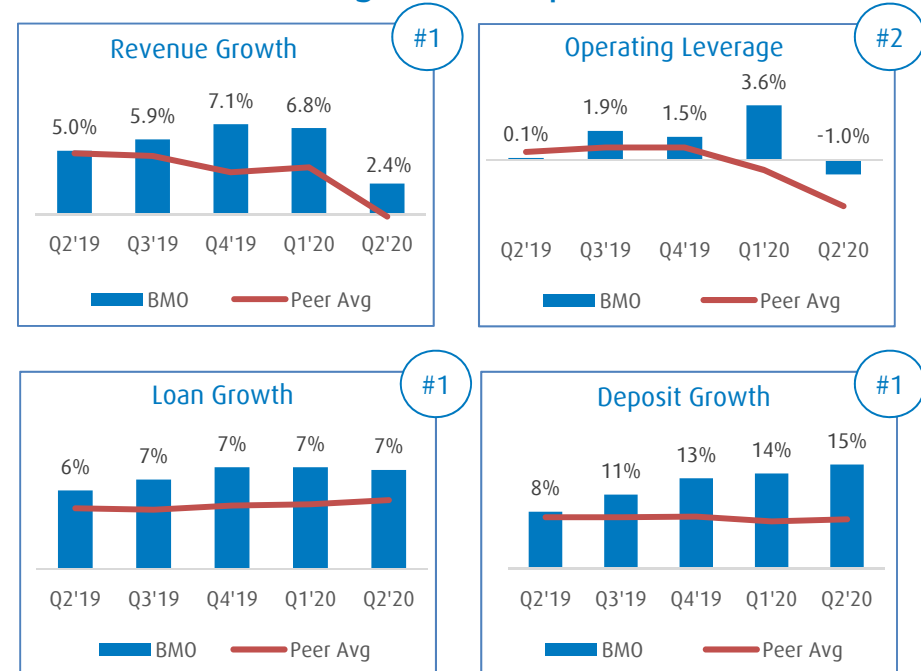
³ Constant currency (CCY) refers to the impact of CAD/US exchange rate movements on the U.S. segment only. Measures presented on a CCY basis are non-GAAP measures, see slide 2 for more information

Canadian P&C - Strong flagship business

Operating momentum; outperforming peers

- Flagship business contributing 35% of total bank net revenue¹ and 44% of adjusted² net income LTM
- Growth in commercial loans and deposits contributing to market share gains
- Personal strategy continuing to deliver with double-digit deposit growth and market share gains
- Strong growth in account acquisition via digital channels; #2 in digital sales⁴
- Continuing to invest in digital innovation, providing leading, customer-centric digital experiences

Peer³ leading financial performance



We are proud to be **ranked #1** in J.D. Power's Canadian Retail Banking Advice Study



Recognized as the **best commercial bank** in Canada for five consecutive years



Two Celent Model Bank Awards

- Innovation Enablement
- Emerging Payment Solutions

¹ Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB)

² Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 7 of BMO's Q2'20 Report to Shareholders; on a reported basis, net income contributed 48%

³ Peers: BNS, CIBC, NBF, RBC, TD; ranks based on Q2'20 last twelve month (LTM) performance

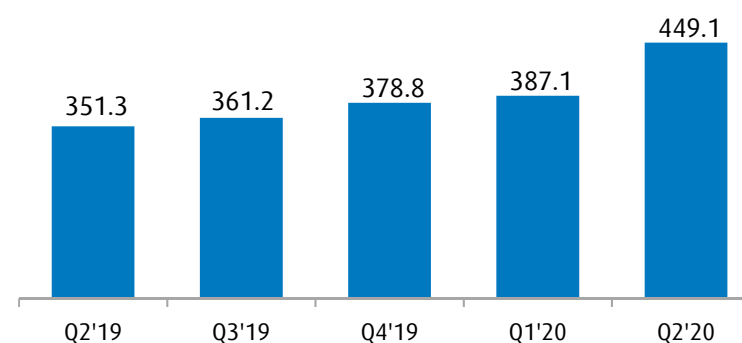
⁴ Percentage of sales contribution via digital channels, Q2 2020

Strong balance sheet and capital

- CET1 ratio of 11.0%; total capital ratio of 14.7%
- LCR of 147%
- Prudent balance sheet management
- Focused deposit strategy delivering double digit balance growth
 - Peer leading deposit growth of 15% in Canadian P&C
 - U.S. P&C deposits up 18%; deposit acquisition through digital channels up 40% since January, predominantly from outside core footprint

Q2'20	CET1 ratio	LCR
BMO	11.0%	147%
BNS	10.9%	132%
CIBC	11.3%	131%
NBF	11.4%	149%
RBC	11.7%	130%
TD	11.0%	135%
Peer Average	11.3%	135%

Customer Deposits¹ (\$B)

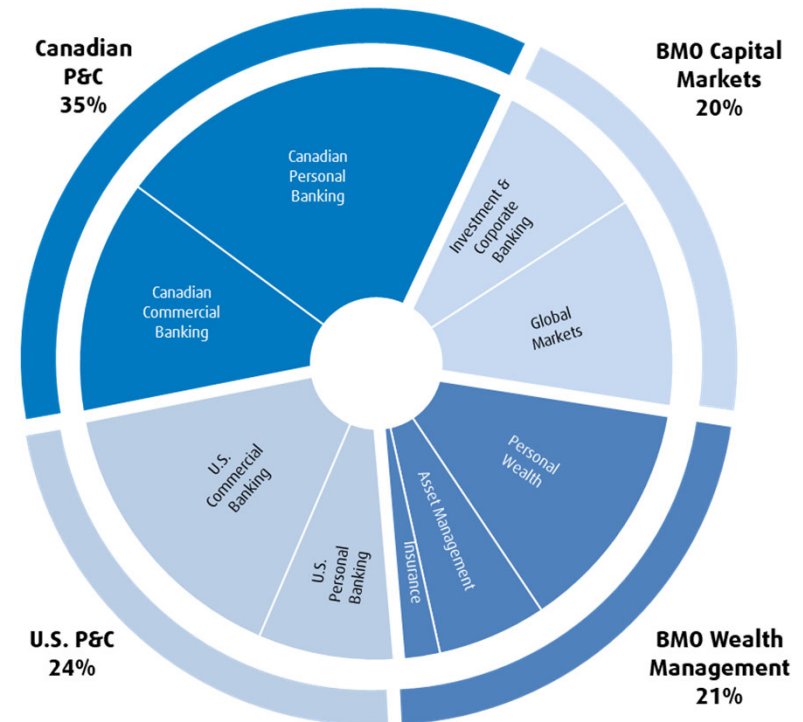


¹ Customer deposits are operating and savings deposits, including term investment certificates and retail structured deposits, primarily sourced through our retail, commercial, wealth and corporate banking businesses

Diversified business mix with strong, resilient profitability

- Significant business and geographic diversification contributes to resilience and growth
- Strong core profitability with YTD PPPT¹ of \$4.4B, up 5%
 - Adjusted expense growth flat CCY²
 - Positive operating leverage of 1.7%
- Leader in North American commercial banking; unparalleled history and experience in managing commercial/corporate business through the cycle
- Lower relative exposure to Canadian consumer
 - Canadian RESL at \$149B, 30% of total loans, lower than peer average of 44%
 - Canadian personal lending revenue represents less than 15% of total bank adjusted net revenue

Diversified sources of revenue
% of Operating Groups Net Revenue – LTM



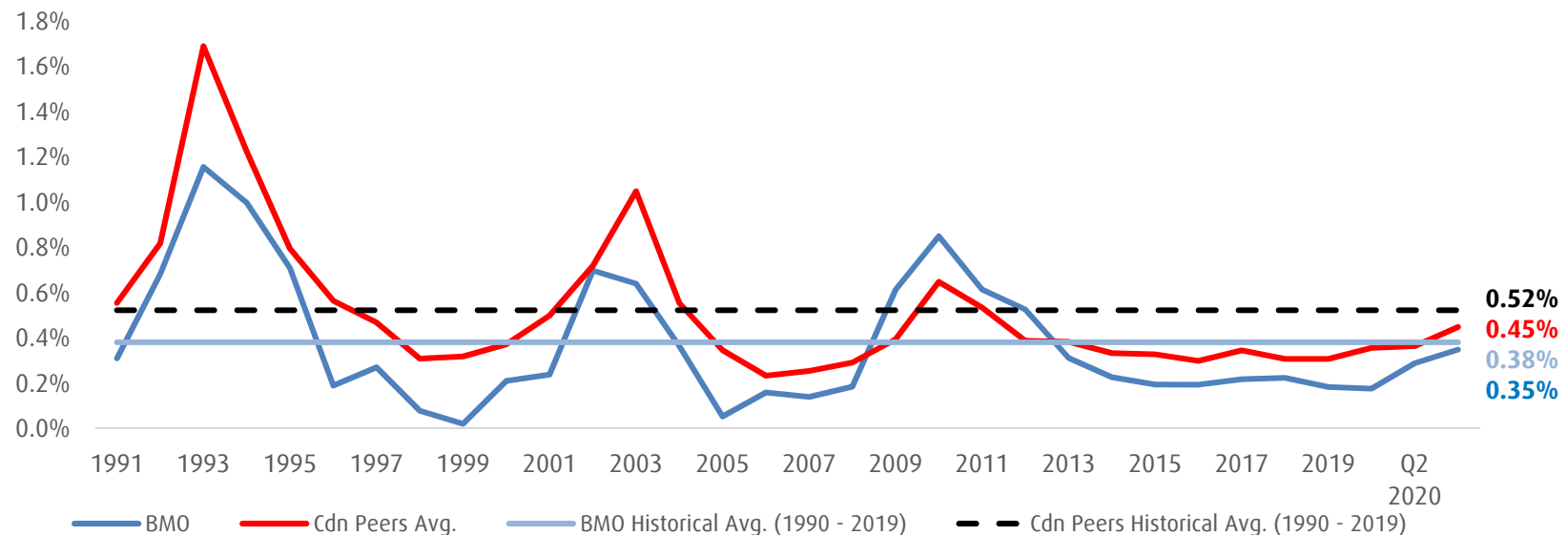
¹ Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses. Adjusted measures are non-GAAP measures, see slide 2 for more information. See page 7 of BMO's Q2'20 Report to Shareholders for adjustments to reported results

² 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

Leading track record in risk management

- Long track record of outperforming peers on credit
- PCL loss rates better than peer average over time
- PPPT earnings would cover PCL rate of ~190bps¹, higher than any time in at least 30 years, almost five times average
- Prudent underwriting, consistent approach, unparalleled expertise and industry knowledge, effectiveness of work-out process. Deep expertise across Risk and business teams
- Credit risk discipline will serve us well through expected stress period
- Credit allowances appropriately reflect diversification and underlying strength of portfolios

PCL on Impaired Loans as a % of Average Net Loans & Acceptances

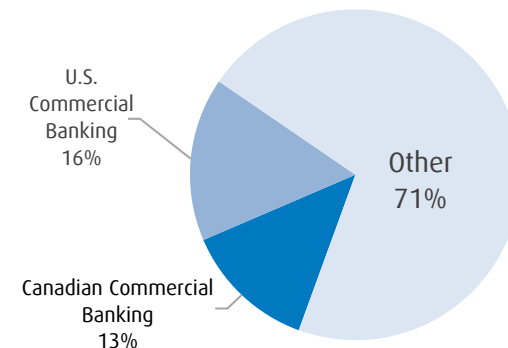


¹ Based on YTD Q2'20 pre-provision, pre-tax earnings annualized

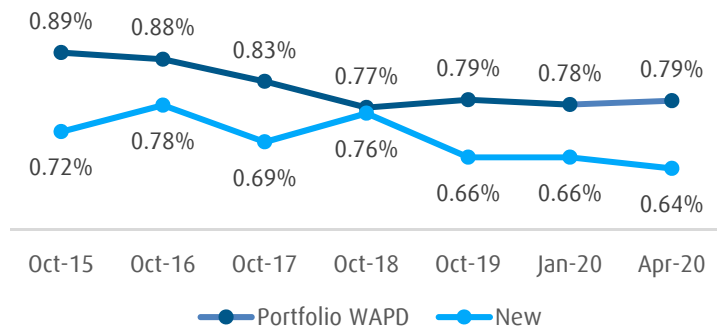
Proven strength in Commercial Banking with advantaged market share

- A relationship-based commercial bank; top 10 commercial lender³ in North America
 - In Canada: Top-tier commercial banking business, #2 market share for business loans up to \$25 million¹
 - In the U.S.: large, diversified national business, supported by industry knowledge, best-in-class customer experience, and top-tier share in flagship markets; #11 in U.S. commercial lending
- Growth diversified, consistent risk appetite and underwriting
- Risk profile of new commercial business better than existing business and portfolio strengthening over time. Growth reflects:
 - Quality and reputation of the business; deep industry expertise
 - In Canada: new sectors and capacity creation through technology
 - In the U.S.: focused expansion of national specialty lending sectors; strength in traditional footprint
- Commercial portfolio 82% secured

Commercial Banking Revenue as % of Total Bank Revenue (LTM)



No Change in Risk Appetite: WAPD² (Portfolio vs. New)



¹ Canadian Bankers Association; loan market share \$0-\$25MM, as at September 2019

² WAPD - Weighted Average Probability of Default

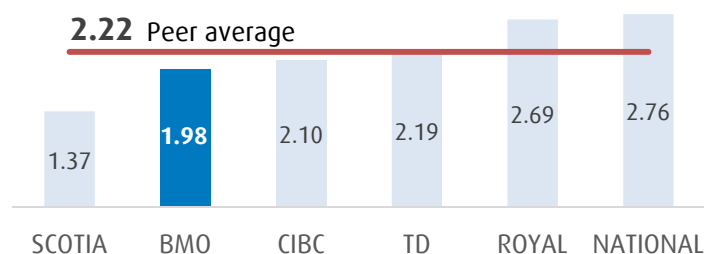
³ Based on internal analysis

Allowance for performing loans (APL) - sound process, large increase

- Significant increase in the allowance for performing loans; Q2 provision equal to 43% of the Q1 APL
- Allowance reflects:
 - Robust process that relies on a combination of economic forecasts and vetted models
 - Level tested against internal bottom-up forecast
 - Good allowance coverage on higher loss rate portfolios such as unsecured Canadian Consumer (~1.9x)
- APL coverage of trailing four quarters of impaired provisions in range of peers. Difference to peer average of 2.22x coverage is modest at ~\$290MM, or 12% of APL
- Below peer average exposure to credit cards, which has highest loss rate of any portfolio

Q2 Provision for Performing Loans / Q1 APL	
SCOTIA	28%
BMO	43%
TD	51%
NATIONAL	67%
CIBC	75%
ROYAL	80%

Q2 4Qtr Trailing Coverage:
Loan APL over 4 Qtr Impaired PCL



Q2'20 Credit Cards	(\$B)	% of Loans	Annualized PCL (\$B)	PCL Rate	APL Coverage
BMO	7.7	1.6%	0.3	3.5%	1.6
SCOTIA	16.0	2.5%	1.1	7.1%	1.3
CIBC	11.2	2.6%	0.4	3.6%	1.7
NATIONAL	1.9	1.2%	0.1	4.8%	2.2
ROYAL	17.0	2.4%	0.6	3.3%	2.0
TD	34.2	4.4%	1.5	4.3%	1.8
Peer Average	16.1	2.6%	0.7	4.6%	1.8

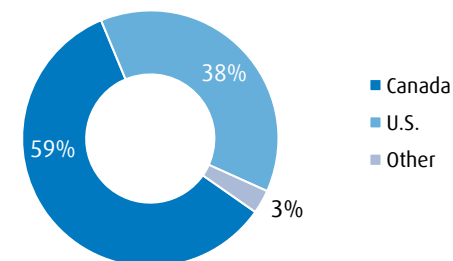
Our loans are well-diversified by geography and industry

Sectors of heightened focus represent ~5% of loans and in-range of peers

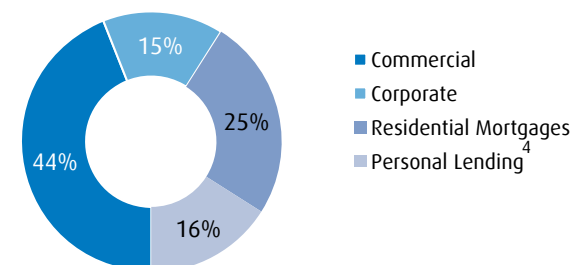
Gross Loans and Acceptances by Industry (\$B, as at Q2 20)	Canada & Other ¹	U.S.	Total	% of Total
Residential Mortgages	114.5	11.0	125.5	25.4%
Consumer Instalment and Other Personal	56.8	13.0	69.8	14.1%
Cards	7.2	0.5	7.7	1.6%
Total Consumer	178.5	24.5	203.0	41.1%
Service Industries	23.4	30.8	54.2	11.0%
Hotels	2.9	1.3	4.2	0.9%
Restaurants	1.8	2.9	4.7	1.0%
Amusement & Recreational	2.6	1.1	3.7	0.7%
Financial	13.9	29.4	43.3	8.8%
Commercial Real Estate	23.4	17.8	41.2	8.3%
Lodging REITS	-	1.0	1.0	0.2%
Retail REITS	0.7	1.4	2.2	0.4%
Retail Property Types	2.2	0.4	2.6	0.5%
Manufacturing	8.6	28.2	36.8	7.5%
Retail Trade	15.0	11.9	26.9	5.4%
Other Retail excl. Grocers & Pharmacies	3.3	4.7	8.0	1.6%
Wholesale Trade	5.8	13.1	18.9	3.8%
Agriculture	11.8	2.2	13.9	2.8%
Oil & Gas	6.6	8.3	15.0	3.0%
Transportation	3.6	9.8	13.4	2.7%
Airlines	0.3	0.3	0.6	0.1%
Other Business and Government ²	14.0	13.5	27.6	5.6%
Total Business and Government	126.1	165.1	291.2	58.9%
Total Gross Loans & Acceptances	304.6	189.6	494.2	100.0%

1 Includes ~\$12.7B 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 April 30, 2020
 4 Including cards
 5 Average gross loans and acceptances as of April 30, 2020

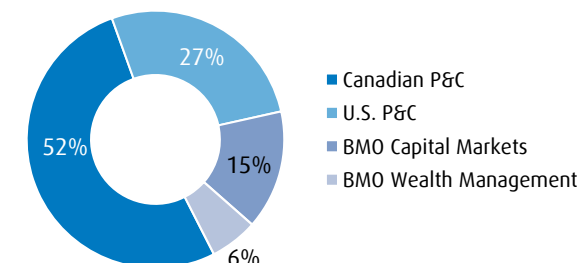
Loans by Geography³



Loans by Product³



Loans by Operating Group⁵



Sectors of heightened focus¹

Represent ~5% of total portfolio

Sector	% of Total Portfolio	Portfolio detail
Hotels	0.9%	Over 90% secured with real estate; further supported with specific recourse arrangements to ownership groups
Restaurants	1.0%	>60% of exposure is with Franchises backed by strong regional and national brands; in addition, 60% are Limited Service restaurants which are expected to fare better during shutdown with drive-thru and take out services
Amusement & Recreational	0.7%	Predominately Sports & Recreation and Motion Picture/Video Production, the latter of which is largely in Canada where episodic production financing is well structured with lending against contractual pay arrangements and tax credits
Lodging and Retail REITS	0.6%	Good liquidity in near term with access to capital markets; limited exposure in Lodging and Retail REITS are >95% grocery-anchored
Retail Property Types	0.5%	Reasonable Loan-to-Values (LTVs), diversified across geographies
Other Retail excl. Grocers & Pharmacies	1.6%	Diversified mix of retailers where Asset Based Lending is an important structural feature, particularly as risk profile increases
Airlines	0.1%	Exposure is very small, with limited lending to large airline carriers
Other	94.6%	Sectors of heightened focus represent ~5% of portfolio; in range of peer disclosures

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

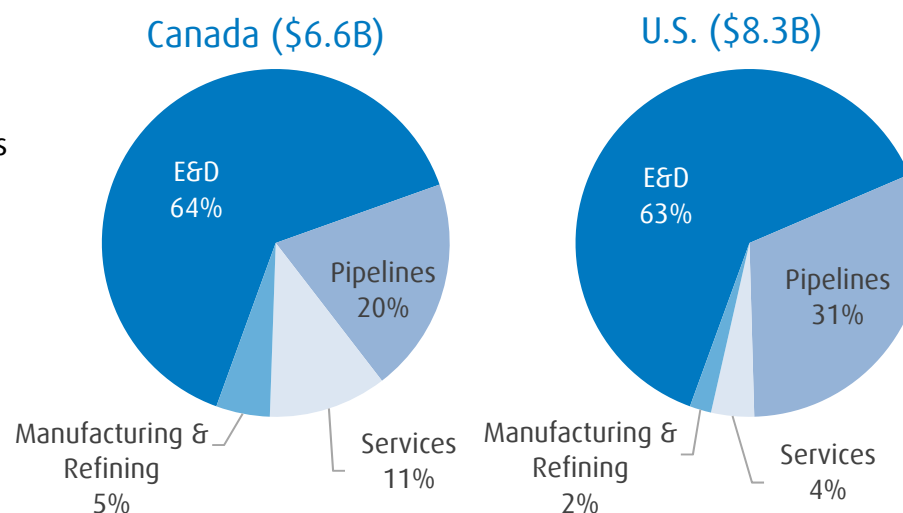
Oil and Gas portfolio

Well-reserved; high quality portfolio with proven history of strong credit performance over time

- O&G portfolio is not outsized:
 - 5.1% of Business and Government loans, below three banks
 - 3.0% of Total Loans, lower than two other banks
- Loans diversified by geography and sub-segment. Pipelines 26% of total; low exposure to Services segment
- 39% of O&G portfolio is investment grade
- E&D 63% of portfolio, approximately 3/4 is borrowing base lending
 - Over 90% of U.S. E&D loans are borrowing-base; almost all remaining exposure is investment grade
 - 56% of Canadian E&D loans investment grade
 - RBL structural features contribute to low LGD
- Security, position in capital structure and structural protections reduce risk
- Clients actively managing situation, experienced in downturns. Majority of non-investment grade borrowers actively hedge, providing a level of protection against short-term commodity price volatility
- Strong through-the-cycle lender with solid performance during last energy downturn; outperformed peers through 2015 downturn reflecting prudent underwriting
- O&G allowance on performing loans of \$357MM, or ~2.4% of the portfolio; 3.2% excluding Pipelines

Q2'20 Oil and Gas %	Of Business and Government Loans	Of Total Gross Loans & Acceptances
BNS	8.0%	3.3%
NBF	7.8%	3.3%
CIBC	6.8%	2.5%
BMO	5.1%	3.0%
TD	3.9%	1.6%
RBC	3.6%	1.3%
Average ¹	5.5%	2.3%

O&G Portfolio Breakdown



¹ Based on weighted average

Key Takeaways



Proven strategy



Resilient earnings power



Clear momentum across businesses



Superior credit risk management performance



Strong balance sheet and capital



Attractive shareholder opportunity

Q2 F2020 Highlights

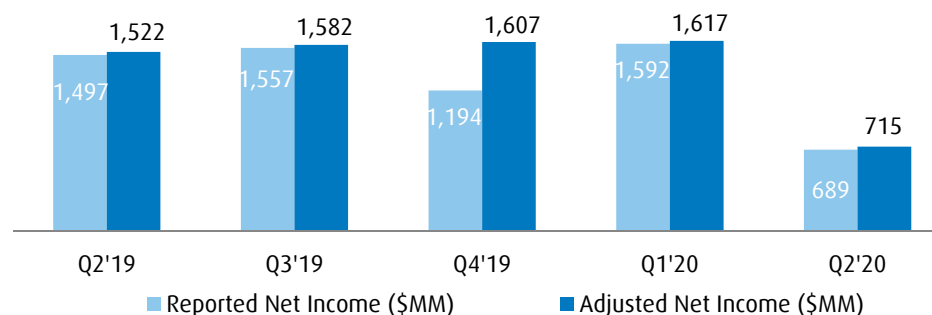
Q2 F2020 - Financial Highlights

Resilient PPPT⁴ earnings absorbed impact of higher PCLs

- Adjusted¹ EPS \$1.04 (reported \$1.00)
- Adjusted¹ net income \$715MM (reported \$689MM)
- Adjusted¹ PPPT⁴ \$1,978MM, down 5% Y/Y (reported \$1,945MM, down 5%)
- Net revenue² down 3% Y/Y, 5% CCY⁵
 - Revenue up in P&C banking and down in market sensitive businesses
- Adjusted¹ and reported expenses down 2% Y/Y, 4% CCY⁵
- Adjusted¹ efficiency ratio² 63.8% (reported 64.4%)
- Adjusted¹ and reported operating leverage² (1.2)%; YTD adjusted¹ and reported 1.7%
- Total PCL \$1,118MM, up primarily due to higher PCL on performing loans
 - PCL on impaired loans \$413MM; PCL on performing loans \$705MM
 - Total PCL to average net loans and acceptances 94 bps
 - PCL on impaired loans to average net loans and acceptances 35 bps

(\$MM)	Reported			Adjusted ¹		
	Q2 20	Q1 20	Q2 19	Q2 20	Q1 20	Q2 19
Net Revenue ²	5,461	6,031	5,652	5,461	6,031	5,652
Expenses	3,516	3,669	3,595	3,483	3,637	3,563
PPPT ⁴	1,945	2,362	2,057	1,978	2,394	2,089
Total PCL	1,118	349	176	1,118	349	176
Net Income	689	1,592	1,497	715	1,617	1,522
Diluted EPS (\$)	1.00	2.37	2.26	1.04	2.41	2.30
ROE (%)	5.3	13.3	13.6	5.5	13.5	13.9
ROTCE ³ (%)	6.4	15.7	16.4	6.4	15.8	16.4
CET1 Ratio (%)	11.0	11.4	11.3			

Net Income¹ Trends



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 7 of BMO's Q2'20 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: Q2'20 \$5,264MM; Q1'20 \$6,747MM; Q2'19 \$6,213MM

³ Return on Tangible Common Equity (ROTCE)

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

⁵ 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

Our response to the COVID-19 crisis

Protecting and supporting our employees and communities



Our Employees

- Enabled >90% of non-branch workforce to work remotely and optimized new collaboration tools
- Implemented protective health and safety practices at all work locations
- Providing flexible hours, financial support and paid leave for child/eldercare needs
- Access to 24/7 virtual healthcare



Our Community

- Donating over \$1.5 million to vulnerable communities in Canada and the United States
- Transformed BMO Institute for Learning into rest space for front-line healthcare workers
- Thanking essential workers who are BMO AIR MILES Mastercard cardholders with 950 Cash Miles
- Transformed BMO Field kitchens to prepare and deliver meals to those in need
- Signed Chicago Solidarity Pledge to address housing challenges created by the crisis
- Promoting mental health awareness through support for Kids Help Phone and WellCan

Our response to the COVID-19 crisis

Supporting the financial well-being of our customers and the economy



Our Customers

- Assisted customers experiencing financial hardship with flexible relief options including payment deferrals for over 200,000 retail and commercial clients, fee waivers, increases in operating lines and personalized advice
- Facilitating access to government relief programs including¹:
 - Funding over \$2 billion for ~56,000 businesses under the Canada Emergency Business Account program
 - Funding over US\$5 billion to ~20,000 borrowers under the SBA Paycheck Protection program
 - Participating in Business Development Bank of Canada and Export Development Canada relief programs
 - Direct deposits for government benefits
- Supporting clients with timely, reliable, fact-based information about the pandemic and financial advice with access to experts, market and sector research and online resource hubs
- Maintained access to call centres, ATMs and ~80% of retail branches; expanded digital self-serve options



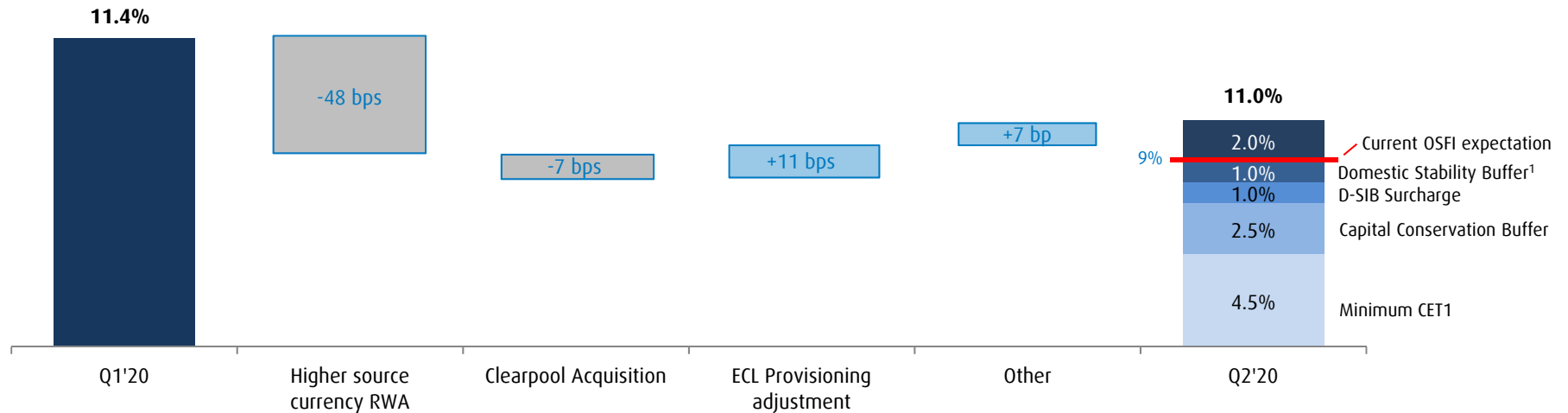
The Economy

- Proud to be selected as the asset manager for the Bank of Canada's Provincial Bond Purchase Program
- Joint lead manager for landmark World Bank US\$8 billion sustainable development bond issue
- Upheld our commitment to hire over 330 summer students

¹ As at May 18, 2020

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	Negative

- Quarterly common share dividend \$1.06
 - Attractive dividend yield of 5.8%⁴
- Sound Leverage and Liquidity Ratios
 - Leverage Ratio 4.6%
 - Liquidity Coverage Ratio 147%

¹ On March 13, 2020, OSFI announced a decrease of the Domestic Stability Buffer from 2.25% to 1% of total risk-weighted assets effective immediately, in order to support D-SIBs' ability to supply credit to the economy during an expected period of disruption related to COVID-19 and market conditions

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

⁴ As at July 31, 2020

Canadian Personal & Commercial Banking

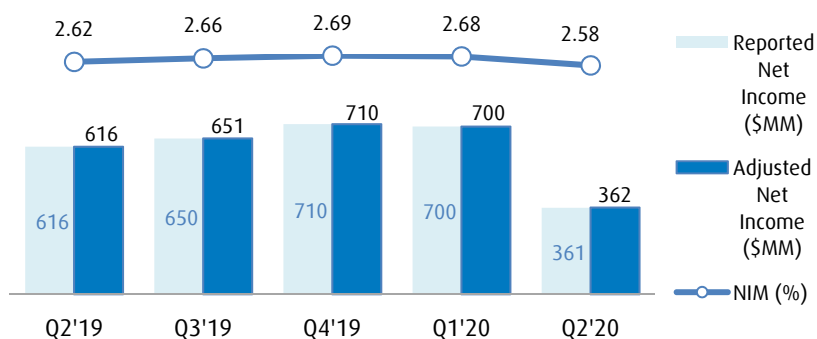
Strengths and Value Drivers

- 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

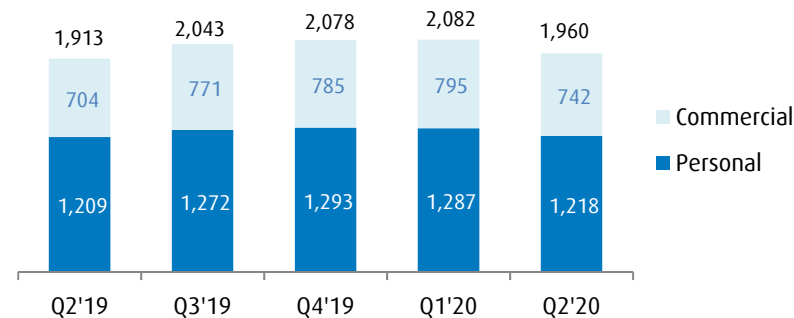
Q2'20 Highlights (Adjusted¹)

Net Income	\$362MM
Net Income Growth	(41)%
Revenue Growth	2%
PPPT ² Growth	1%
ROE	13.0%
Efficiency Ratio	49.8%
Operating Leverage	(1.0)%
Average Net Loans and Acceptances	\$250B

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 7 of BMO's Q2'20 Report to Shareholders
 On a reported basis, Q2'20: Net Income \$361MM; Net income growth (41)%; ROE: 13.0%; Efficiency ratio 49.8%; Operating leverage (1.0)%
² Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

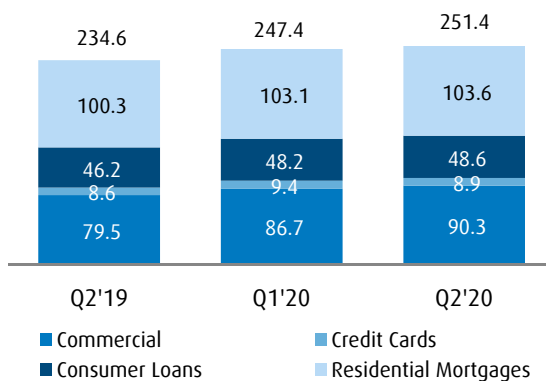
Canadian Personal & Commercial Banking

Strategic Priorities

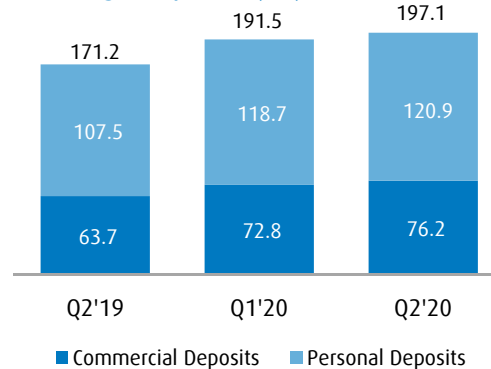
- Continue to improve customer loyalty by deepening primary relationships
 - In Personal Banking, deliver a leading customer experience by leveraging new digital channels and enhancing existing networks
 - In Commercial Banking, focus on maintaining our core strengths, while targeting opportunities for 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

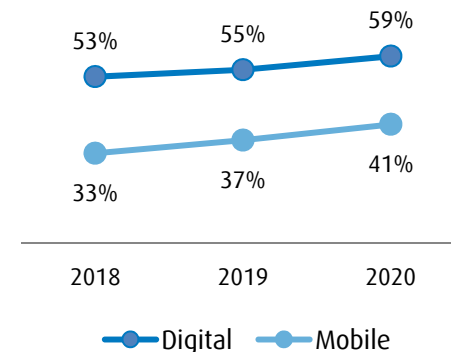
Average Gross Loans & Acceptances (\$B)



Average Deposits (\$B)



Digital Adoption¹



¹ Adoption is the percent of retail deposit customers that have logged in within the last 90 days; as at April 30 2018, 2019 and 2020

U.S. Personal & Commercial Banking

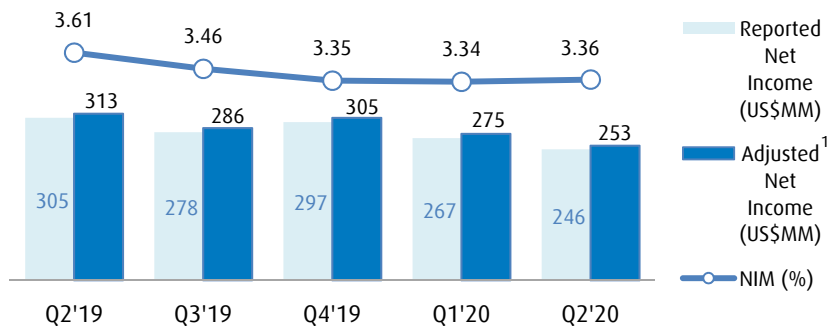
Strengths and Value Drivers

- 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

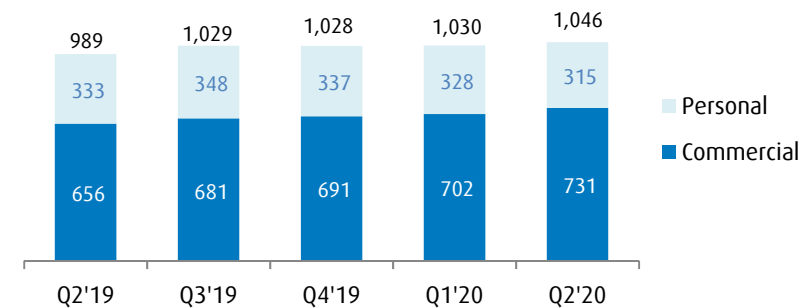
Q2'20 Highlights (Adjusted¹)

Net Income	US\$253MM
Net Income Growth (Y/Y)	(19)%
Revenue Growth	6%
PPPT ² Growth	11%
ROE	9.0%
Efficiency Ratio	55.6%
Operating Leverage	4.0%
Average Loans and Acceptances	US\$94B

Net Income 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 7 of BMO's Q2'20 Report to Shareholders
 On a reported basis: Net Income \$246MM; Net income growth (19)% PPPT Growth: 12%; ROE: 8.7%; Efficiency ratio 56.5%; Operating leverage 4.2%

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

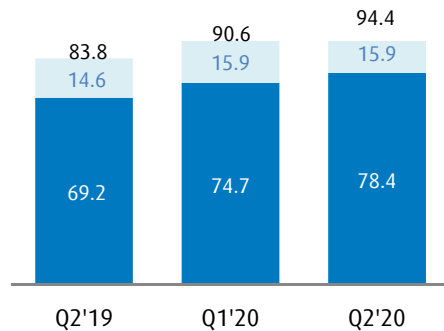
U.S. Personal & Commercial Banking

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

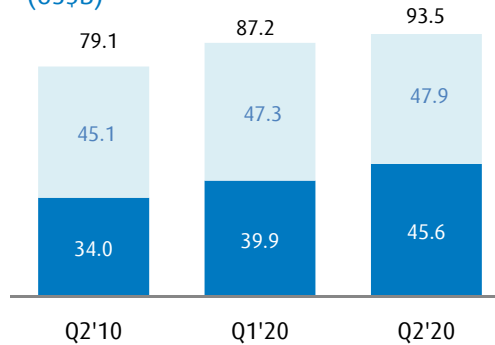
Performance

Average Gross Loans and Acceptances¹
(US\$B)



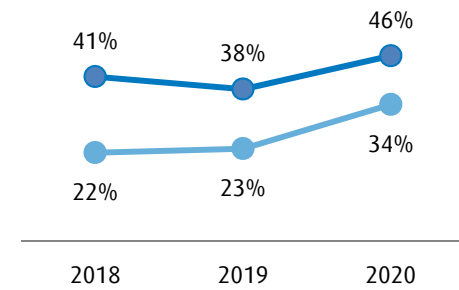
■ Commercial ■ Personal & Business Banking

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 April 30 2018, 2019, and 2020

BMO Wealth Management

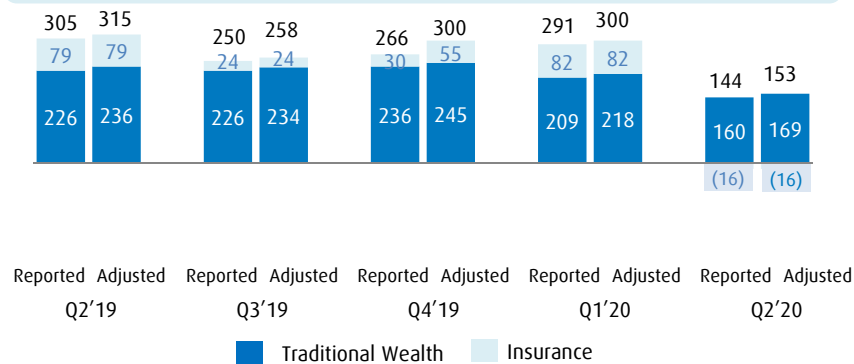
Strengths and Value Drivers

- 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

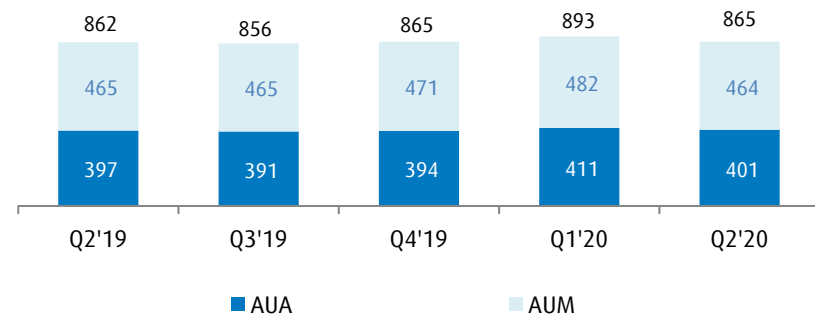
Q2'20 Highlights (Adjusted¹)

Net Income	\$153MM
Net Income Growth	(51%)
Revenue ² Growth	(15%)
PPPT ³ Growth	(49%)
ROE	9.5%
Efficiency Ratio ²	80.7%
Operating Leverage ²	(16.0%)
AUA / AUM	\$865B
Average Loans / Deposits	\$27B / \$43B

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 7 of BMO's Q2'20 Report to Shareholders. On a reported basis: net income \$144MM; net income growth (53%); Net Revenue Growth (15%); ROE: 8.9%; Efficiency ratio 81.8%; operating leverage (15.9%)

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

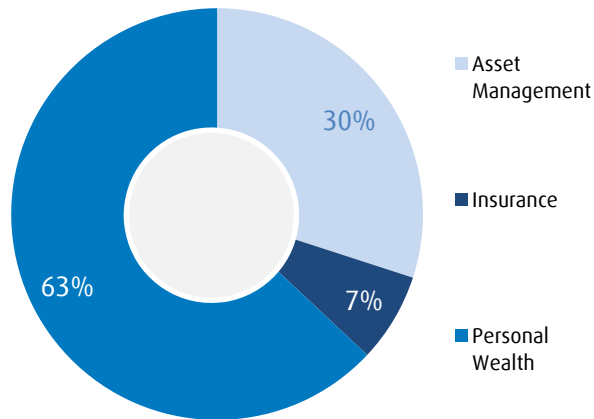
BMO Wealth Management

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

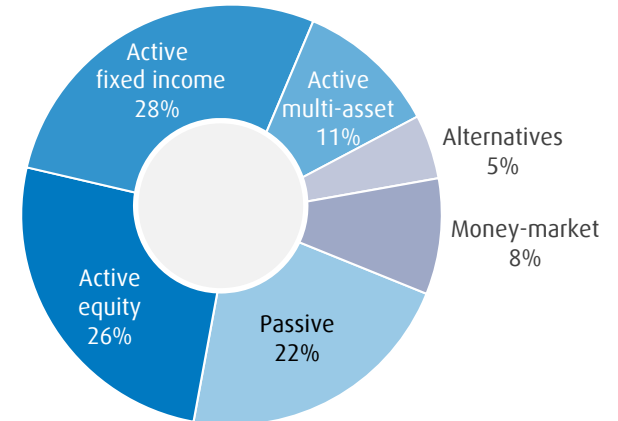
Net Revenue¹ by Business – LTM



>60%
Fee-based
Revenues²

ETF
leading net
new assets in
Canadian
market

BMO GAM Investment Type³



¹ Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB)

² % of Last twelve months total Wealth Management net revenue

³ Investment type as of F2019

BMO Capital Markets

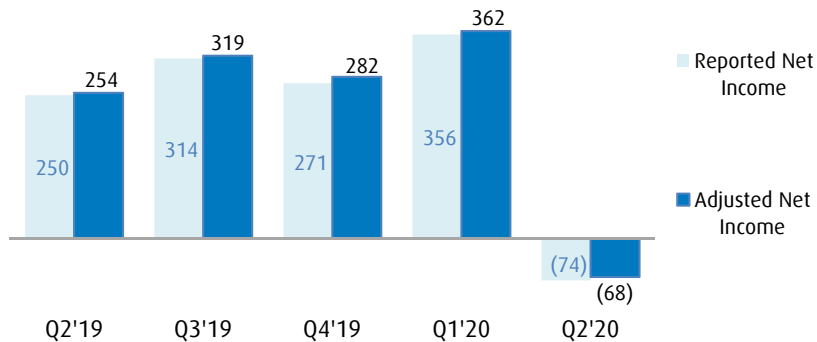
Strengths and Value Drivers

- 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

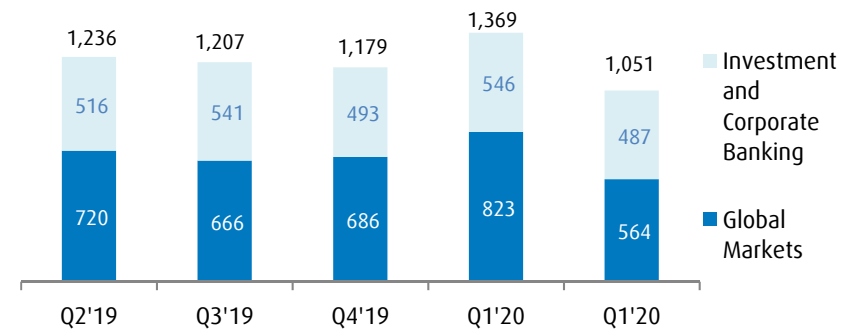
Q2'20 Highlights (Adjusted¹)

Net Income	(\$68MM)
Net Income Growth	(+100%)
Revenue Growth	(15%)
PPPT ² Growth	(14%)
Efficiency Ratio	71.4%
Operating Leverage	0.4%
Average Gross Loans and Acceptances	\$71B
Offices	33 globally, 19 in N.A.
U.S. Revenue Contribution	50%
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 7 of BMO's Q2'20 Report to Shareholders

On a reported basis for Q2'20: Net Income (\$74)MM; Net income growth (+100%); Efficiency ratio 72.1%; Operating Leverage 0.1%

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

³ Source: Dealogic as at April 30, 2020

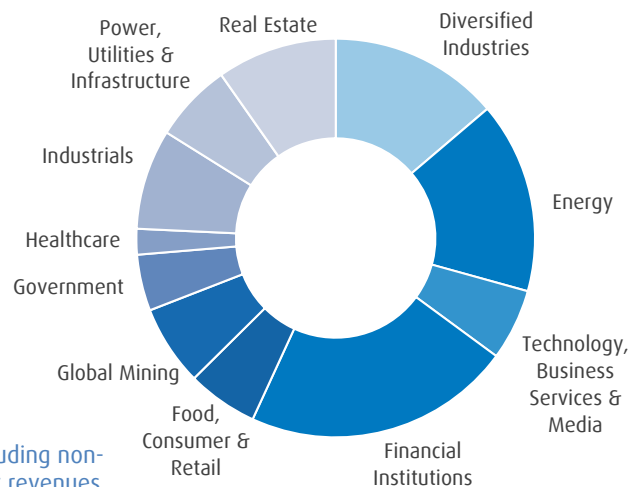
BMO Capital Markets

Strategic Priorities

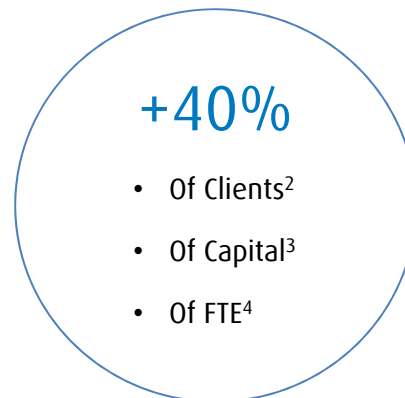
- Continue to earn leading market share in Canada by strengthening our client relationships and driving incremental market share growth
- Continue to leverage our key strategic investment to accelerate growth from our U.S. platform, and selectively expand our U.S. corporate bank where we are competitively 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

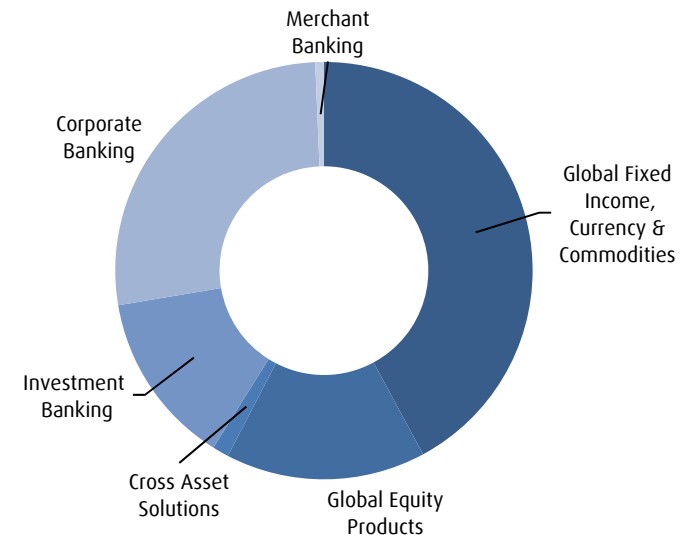
Revenue by Sector¹



U.S. Contribution



Revenue by Product⁵



*Excluding non-client revenues

1 As a % of last twelve months (LTM) revenue, excluding non-client revenues & investor-only clients
 2 % of revenue generating entities domiciled in the U.S. (as at April 30, 2020)
 3 U.S. Capital as a % of Total (LTM as of Q2'20)
 4 U.S. FTE as a % of Total (LTM as of Q2'20)
 5 As a % of LTM Q2'20 revenue excluding 'Other'

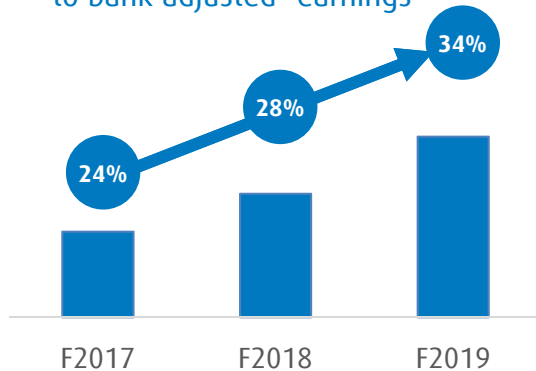
U.S. Operations

U.S. segment continuing to deliver strong results

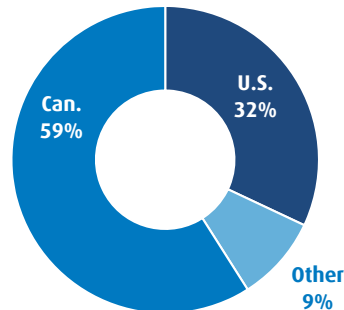
Figures that follow are on a U.S. dollar basis

- U.S. segment targeting 1/3 total bank 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 Q2'20 adjusted¹ PPPT up 11%
 - Delivered positive operating leverage of 4.0% and efficiency ratio of 55.6%
 - Good momentum in Personal Banking with strong deposit growth and enhanced profitability
 - Strong Commercial Banking business with double digit growth in loans and deposits
- Capital Markets delivering on strategy, providing growth and diversification

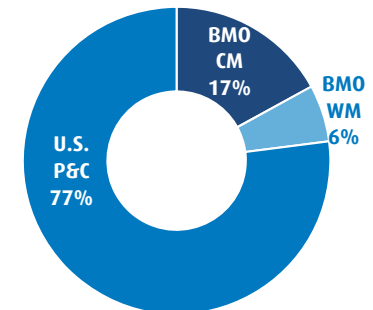
U.S. Segment contribution to bank adjusted¹ earnings



Total Bank Adjusted¹ Net Income by Geography - LTM



U.S. Segment Adjusted¹ Net Income by Operating Group - LTM



¹ Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 7 of BMO's Q2'20 Report to Shareholders

On a reported basis: U.S. segment Q2'20 PPPT up 11%; US P&C PPPT up 11%; U.S. P&C positive operating leverage of 4.2%; U.S. P&C Efficiency ratio of 56.5%

Total bank net income by geography Last Twelve months (LTM): Canada 59%, U.S. 31%, Other 10%; U.S. Segment net income by operating group (LTM): U.S. P&C 78%, BMO CM 17%, BMO WM 5%

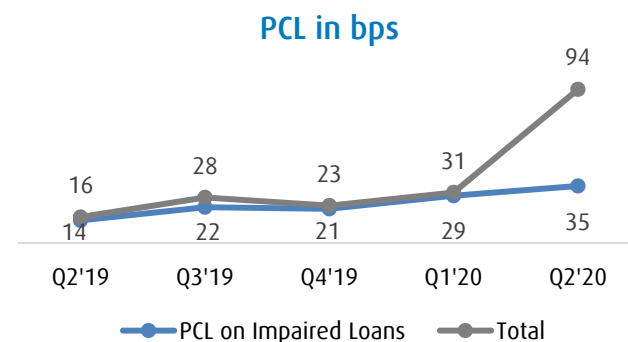
² Based upon publicly available U.S. regulatory filings (FR Y-9Cs and FFIEC 002s) and internal analysis

³ Core footprint includes Illinois, Kansas, Wisconsin, Missouri, Indiana and Minnesota

Risk Overview

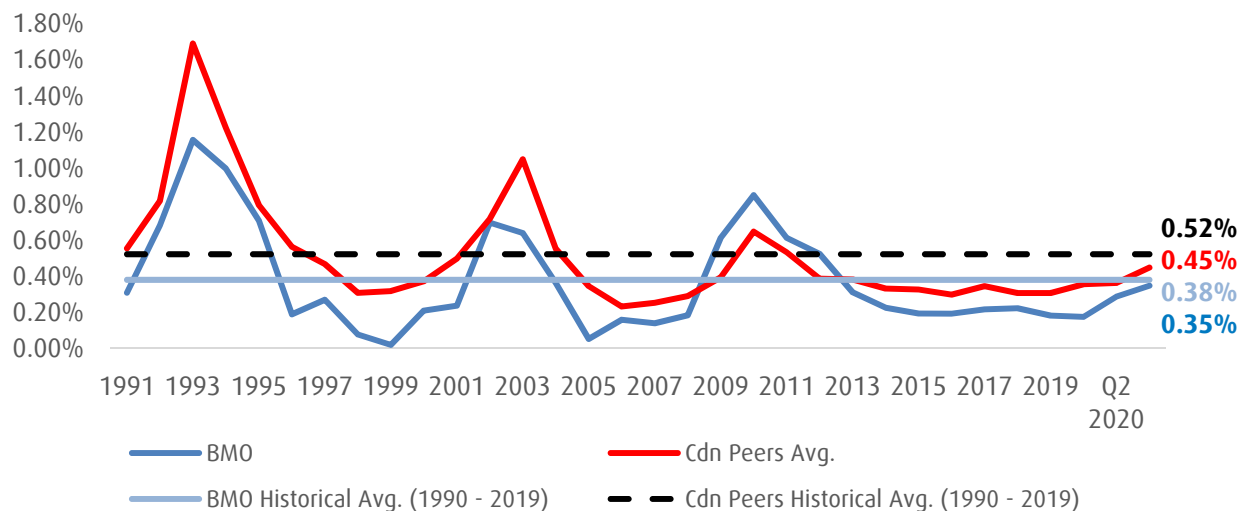
Provision for Credit Losses (PCL)

PCL By Operating Group (\$MM)	Q2 20		Q1 20		Q2 19	
	\$	bps	\$	bps	\$	bps
Total Canadian P&C	212	34	138	23	122	21
Total U.S. P&C	124	38	132	44	18	6
BMO Wealth Management	3	4	1	1	(1)	(1)
BMO Capital Markets	73	41	53	34	12	8
Corporate Services	1		1		(1)	
PCL on Impaired Loans¹	413	35	324	29	150	14
PCL on Performing Loans	705	59	25	2	26	2
Total PCL	1,118	94	349	31	176	16



PCL on Impaired Loans as a % of Average Net Loans & Acceptances

- BMO's PCL loss rates have been lower than peer average over time
- PPPT earnings would cover PCL rate of ~190bps², higher than any time in at least 30 years, almost five times average



¹ Q2'19 PCL on Impaired Loans included large recoveries

² Based on YTD Q2'20 pre-provision, pre-tax earnings annualized

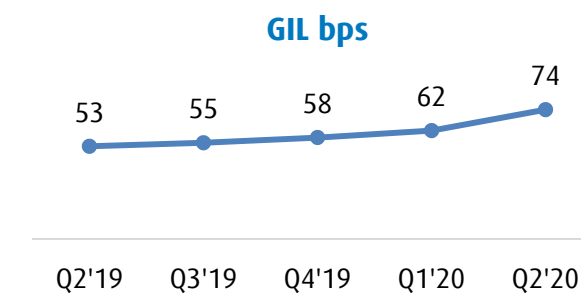
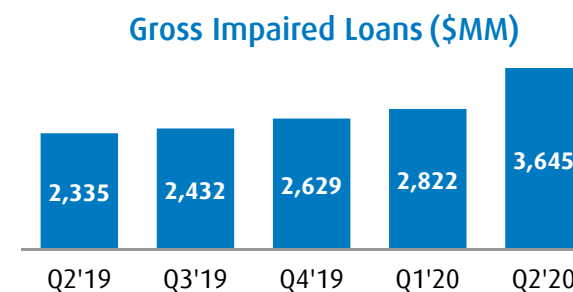
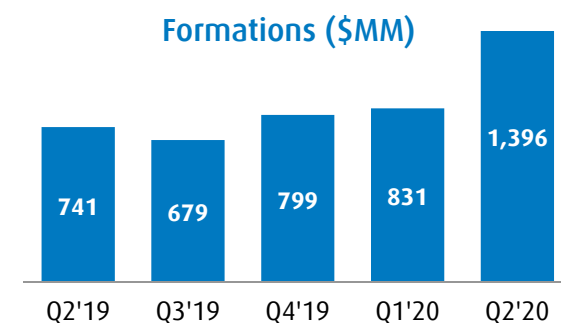
Gross Impaired Loans (GIL) and Formations

By Industry (\$MM, as at Q2 20)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other ¹	U.S.	Total
Consumer	203	42	245	463	383	846
Service Industries	61	115	176	127	372	499
Oil & Gas	44	245	289	102	514	616
Manufacturing	16	127	143	163	272	435
Agriculture	25	22	47	73	275	348
Transportation	1	71	72	8	181	189
Wholesale Trade	3	18	21	29	78	107
Retail Trade	266	50	316	308	89	397
Construction (non-real estate)	26	9	35	31	40	71
Commercial Real Estate	29	7	36	35	18	53
Financial	0	0	0	15	17	32
Other Business and Government ²	3	13	16	62	(10)	52
Total Business and Government	474	677	1,151	953	1,846	2,799
Total Bank	677	719	1,396	1,416	2,229	3,645

¹ Total Business and Government includes \$59MM GIL from Other Countries

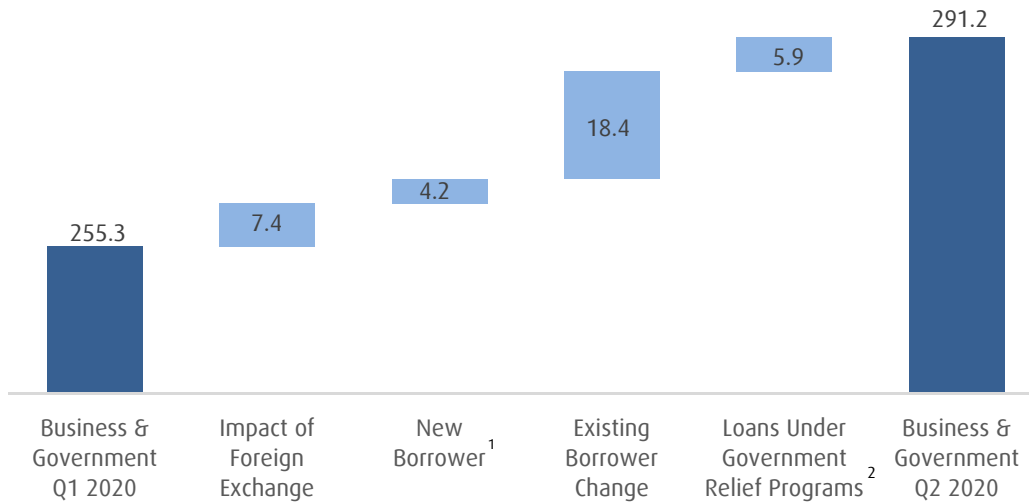
² Other Business and Government includes industry segments that are each <1% of total GIL

- GIL ratio 74 bps, up 12 bps Q/Q

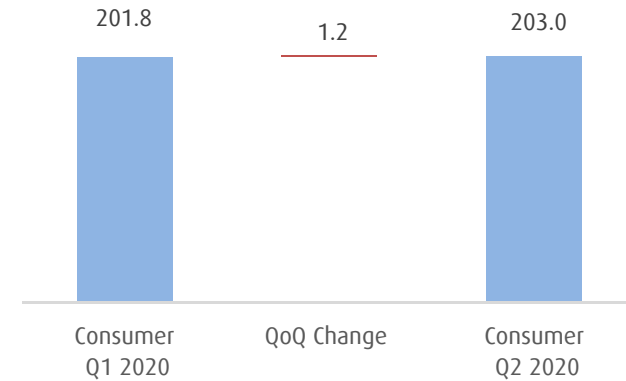


Loan portfolio growth

**Business & Government Loan Growth
Q1'20 vs Q2'20 (\$B)**



**Consumer Loan Growth
Q1'20 vs Q2'20 (\$B)**



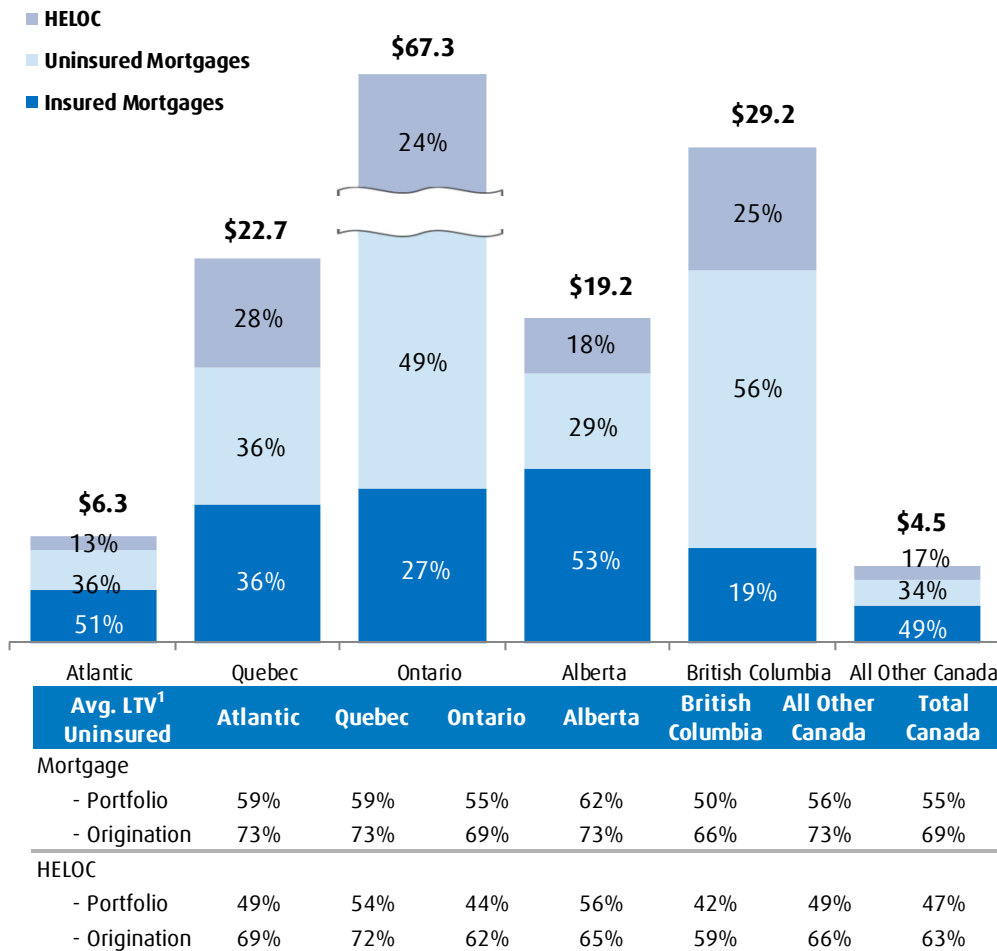
- Growth in Business & Government loans largely with existing borrowers
- Utilization levels have steadily reduced since their peak in late March

¹ New Borrowers are defined as new client relationships

² In addition, the Bank facilitated \$1.7B in funding under the Canadian Emergency Business Account Program (these loans are not recognized on the consolidated balance sheet)

Canadian Residential-Secured Lending

Residential-Secured Lending by Region (\$149.2B)



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

² Peers: BNS, CIBC, NA, RBC, TD

³ LTM: last twelve months, as at Q2'20

- Canadian residential-secured lending portfolio at \$149.2B as at Q2'20, representing 30% of total loans, lower than peer² average of 44%
 - LTV¹ on uninsured of 51%
 - 90 day delinquency rate for RESL remains good at 22 bps; LTM³ loss rate less than 1bp
- Residential mortgage portfolio of \$114.5B, or 23% of total loans, lower than peer average of 37%
 - 41% of portfolio insured
 - LTV¹ on uninsured of 55%
 - 79% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- HELOC portfolio of \$34.6B outstanding of which 61% is amortizing
- GTA and GVA portfolio demonstrate better LTV¹, delinquency rates and bureau score compared to the national average

Economic and Housing Market Overview

Economic outlook and indicators¹

Economic Indicators (%) ^{1, 2}	Canada			United States			Eurozone		
	2019	2020E ²	2021E ²	2019	2020E ²	2021E ²	2019	2020E ²	2021E ²
GDP Growth	1.7	(6.0)	6.0	2.2	(5.0)	4.0	1.3	(7.0)	6.0
Inflation	1.9	0.8	1.5	1.8	0.9	1.5	1.2	0.5	1.2
Interest Rate (3mth Tbills)	1.65	0.45	0.20	2.10	0.35	0.10	(0.39)	(0.35)	(0.39)
Unemployment Rate	5.7	9.5	8.0	3.7	8.9	7.0	7.6	8.7	7.9
Current Account Balance / GDP ³	(2.0)	(2.8)	(2.3)	(2.2)	(2.2)	(2.5)	2.7	2.6	2.7
Budget Surplus / GDP ³	(1.5)	(15.9)	(4.1)	(4.6)	(18.7)	(9.3)	(0.7)	(7.5)	(3.6)

Canada

- Canada's economy will contract sharply in the first half of the year due to the massive dislocations caused by the coronavirus and weak oil prices, before rebounding in the second half on pent-up demand and fiscal stimulus
- The unemployment rate has risen sharply, but is expected to ease later in the year
- After cutting rates 150 bps, the Bank of Canada is expected to keep policy rates steady until 2022

United States

- U.S. economic growth is expected to slide deeper into negative territory in the second quarter, though the recovery should begin in the second half of the year amid economic re-opening efforts
- The unemployment rate surged to a post-war high in April, though it is expected to ease in the second half of the year
- After slashing policy rates by 150 bps, the Federal Reserve is expected to keep rates near zero until 2022, while providing massive liquidity support to funding markets

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

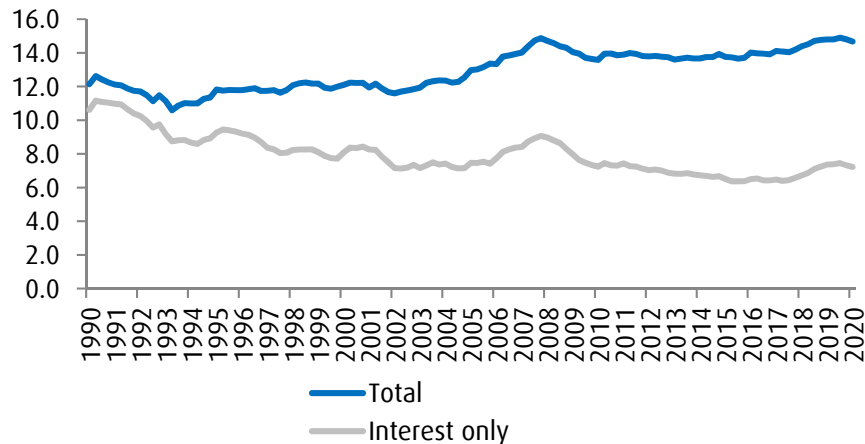
² Data is annual average. Estimates as of August 4, 2020

³ Eurozone estimates provided by IMF World Economic Outlook/Haver

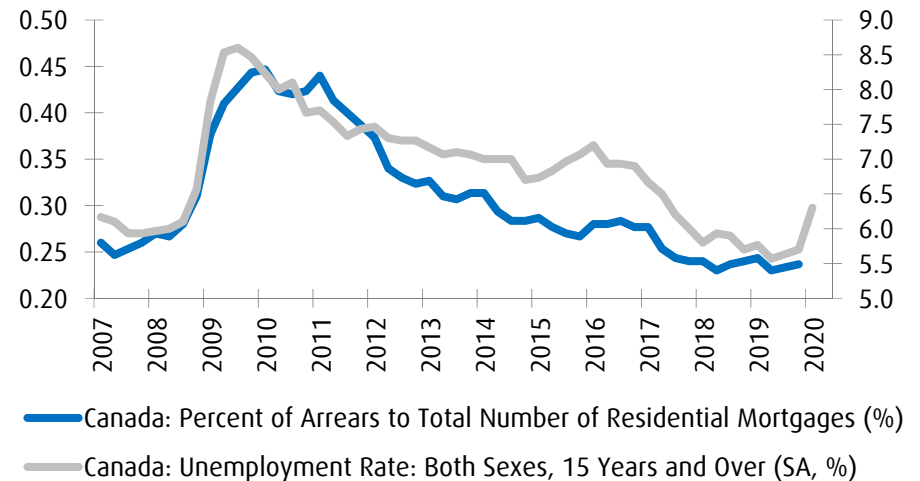
Canada's housing market is stable

- National existing home sales plunged 57% m/m in April to record lows as a result of the distancing measures to contain COVID-19
- Benchmark prices fell 0.6% m/m, reducing the yearly rate to 6.4%. The decline was tempered by a sharp drop in new listings
- While demand is expected to improve in the summer with support from low mortgage rates, elevated unemployment will suppress growth
- Substantial fiscal income-support and mortgage deferral programs will help limit forced selling and downward pressure on prices
- Mortgage arrears were near record lows before the pandemic, but are expected to rise due to elevated unemployment rates
- Debt servicing costs (relative to income) are at all-time highs, and, despite low interest rates, are likely to increase further due to job losses, weighing on consumer spending

Debt Service Ratio



Mortgage Delinquencies/Unemployment



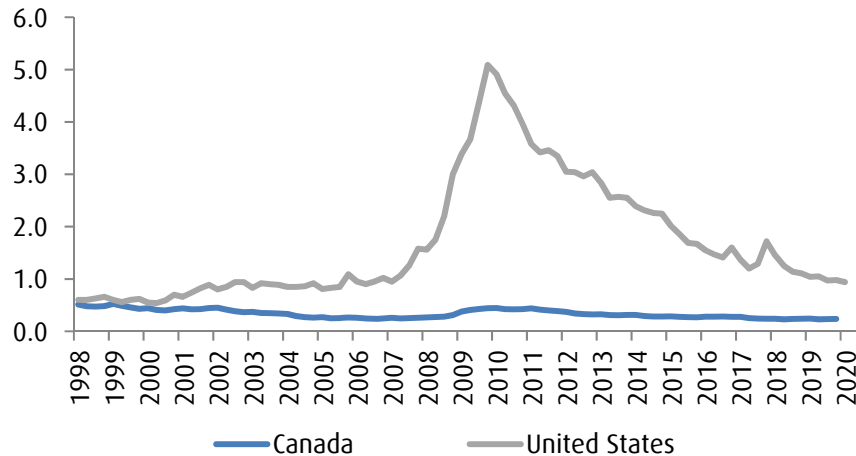
Source: BMO CM Economics and Canadian Bankers' Association as at June 12, 2020
This slide contains forward looking statements. See caution on slide 2

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

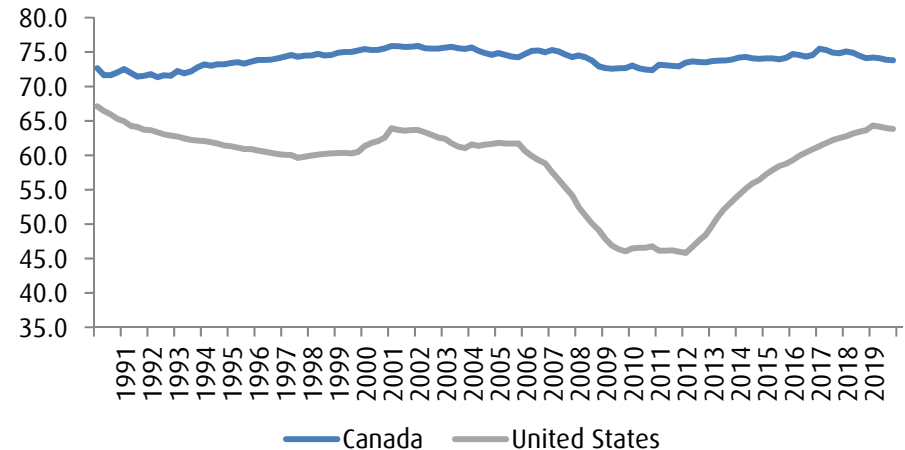
- Conservative lending practices, strong underwriting and documentation discipline have led to low delinquency rates
 - Over the last 30 years, Canada's 90-day residential mortgage delinquency rate has never exceeded 0.7% versus the U.S. peak rate of 5% in 2010
- Mandatory government-backed insurance 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 (%)

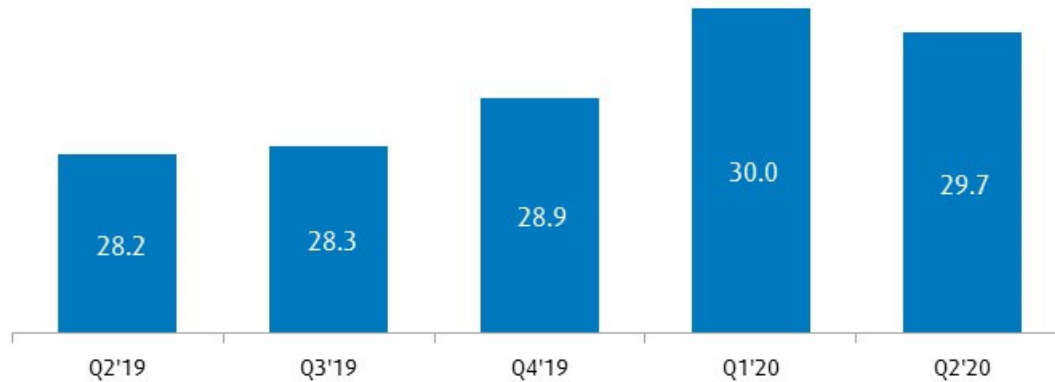


Source: BMO CM Economics and Canadian Bankers' Association as at June 12, 2020
 This slide contains forward looking statements. See caution on slide 2

Liquidity & Wholesale Funding Mix

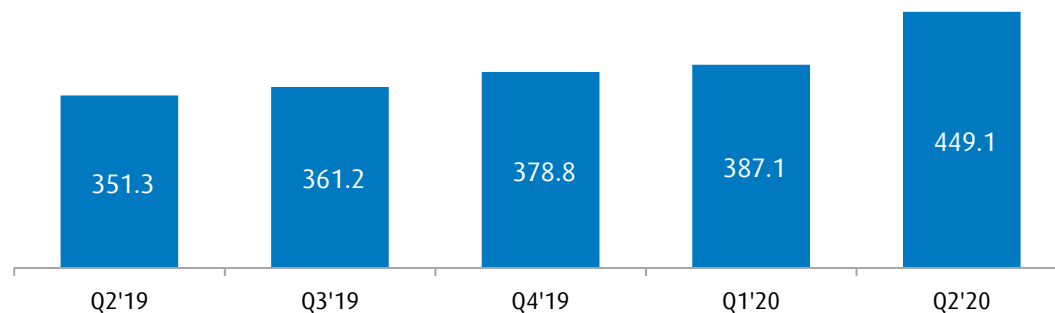
Liquidity and Funding Strategy

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)

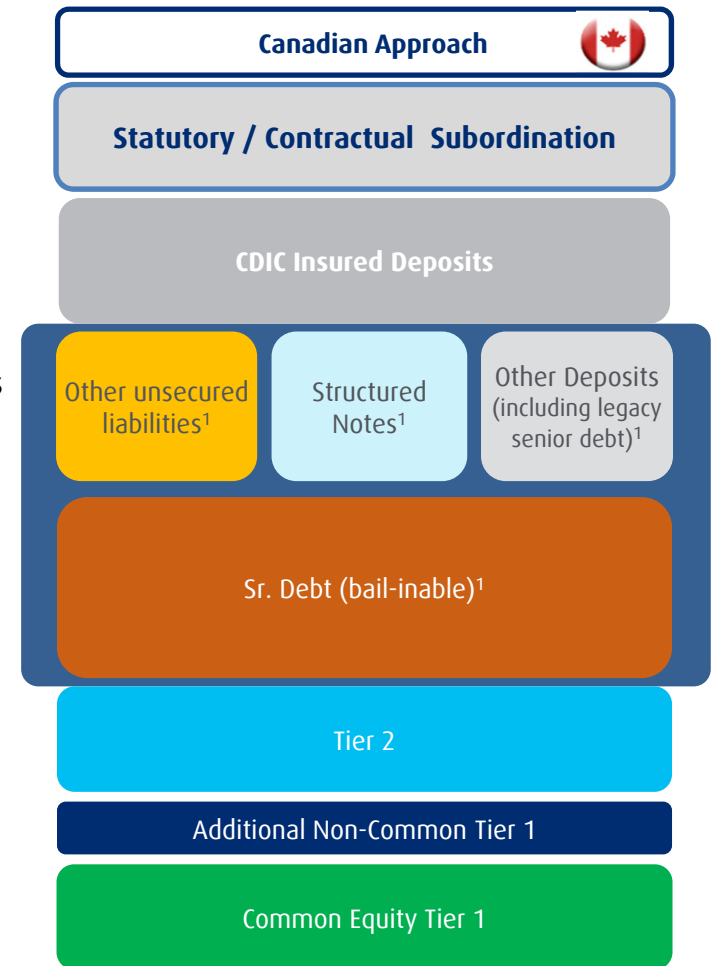


- BMO's large base of customer deposits, along with our strong capital base, reduces reliance on wholesale funding

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)

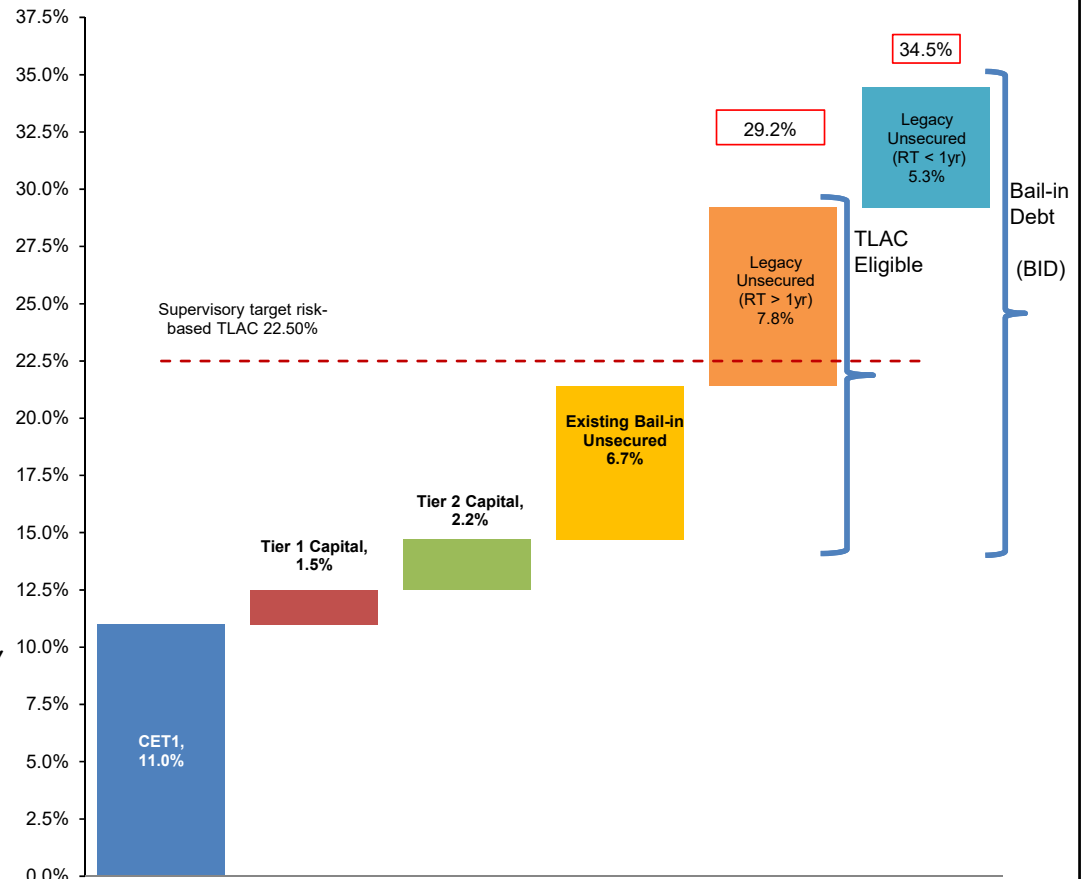


¹ Pari passu ranking in liquidation

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 22.5% (Minimum 21.5% of RWA TLAC ratio plus a Domestic Stability Buffer of 1.00% 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 April 30, 2020

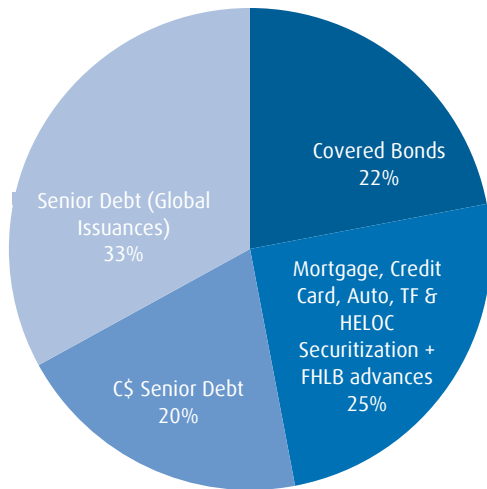


¹ On March 13, 2020, OSFI announced a decrease of the Domestic Stability Buffer from 2.25% (effective as at April 30, 2020) to 1% of total risk-weighted assets effective immediately, in order to support D-SIBs' ability to supply credit to the economy during an expected period of disruption related to COVID-19 and market conditions

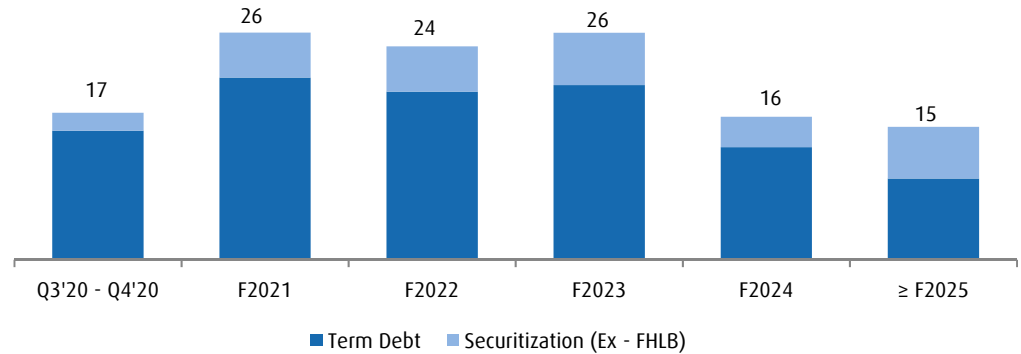
Diversified Wholesale Term Funding Program

- 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

Wholesale Capital Market Term Funding Composition¹ (\$130B) as at April 30, 2020



Wholesale Capital Market Term Funding Maturity Profile^{1,2} as at April 30, 2020



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, Transportation Finance)

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\$1.50 billion 5-yr Fixed Rate Senior Unsecured Notes at 2.37%
- 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\$605.21 million CPART Auto Securitization
- US\$524.593 million Transportation Finance Securitization
- US\$1.50 billion 3-yr Floating SOFR Rate Senior Unsecured Notes
- US\$1.50 billion 5-yr Fixed Rate Senior Unsecured Notes at 1.85%
- US\$500 million Rate-Reset Additional Tier 1 notes at 4.80%
- EUR€1.25 billion 3-yr Floating Rate Covered Bond
- CHF325 million 3.5-yr Fixed Rate Covered Bond at 0.096%
- CHF160 million 6-yr Fixed Rate Covered Bond at 0.035%
- AUD\$2.0 billion 3-yr Floating Rate Covered Bond

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

Investor Relations

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