Investor Presentation

October 2020

BMO

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 performance and condition, including our regulatory capital and liquidity ratios and credit ratings, as well as its impact on our customers, competitors, reputation and trading exposures, and the potential for loss from higher credit, counterparty and 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 in BMO's Third 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 and the Allowance for Credit Losses sections set forth in BMO's Third 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 and the Allowance for Credit Losses sections in BMO's Third 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 Third 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 assets

$974 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 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

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.

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND ECONOMIC GROWTH	Decent Work and Economic Growth	Promoting sustained growth and productive employment by creating opportunities for our employees, customers and communities, and by upholding human rights across our value chain.
10 REDUCED INEQUALITIES	Reduced Inequalities	Championing equal opportunity and working to reduce inequalities by removing barriers to social and economic inclusion faced by our customers, employees and communities.
5 GENDER EQUALITY	Gender Equality	Empowering women by championing diversity and inclusion in our workforce, and by supporting women entrepreneurs so they can participate fully in the economy.
11 SUSTAINABLE CITIES AND COMMUNITIES	Sustainable Cities and Communities	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.
13 CLIMATE ACTION	Climate Action	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.
7 AFFORDABLE AND CLEAN ENERGY	Affordable and Clean Energy	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.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Peace, Justice and Strong Institutions	Building effective and accountable institutions by upholding high standards of ethical and responsible conduct for ourselves and our partners.

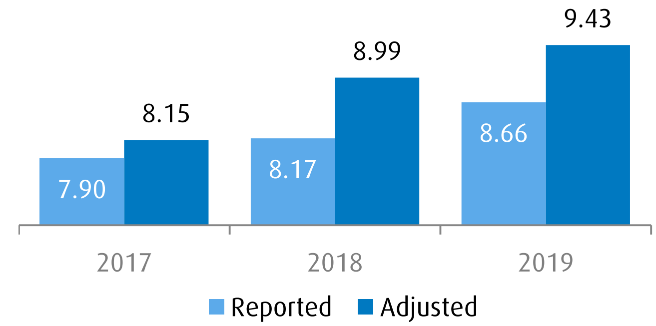
Strong financial performance and shareholder returns

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 ($)

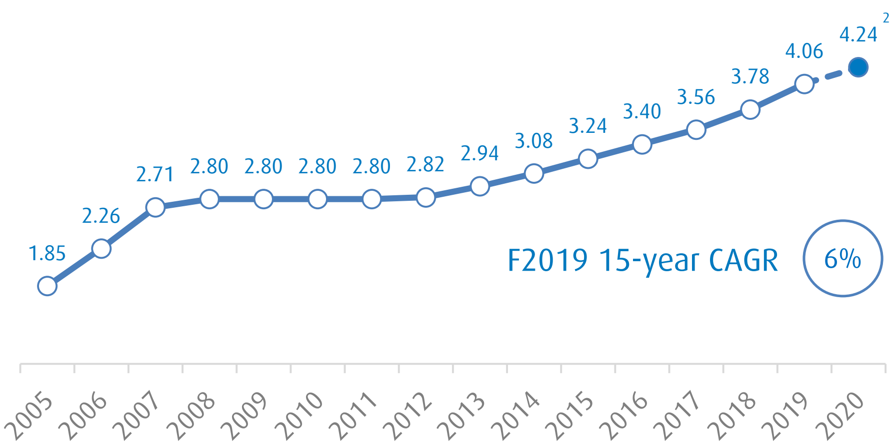
2-year CAGR 8%



Dividends Declared

($ per share)

- BMO has the longest-running dividend payout record of any company in Canada, at 191 years
- Dividend Yield[1]: 5.4%



1 As of September 30, 2020
2 Annualized based on Q4'20 dividend of $1.06

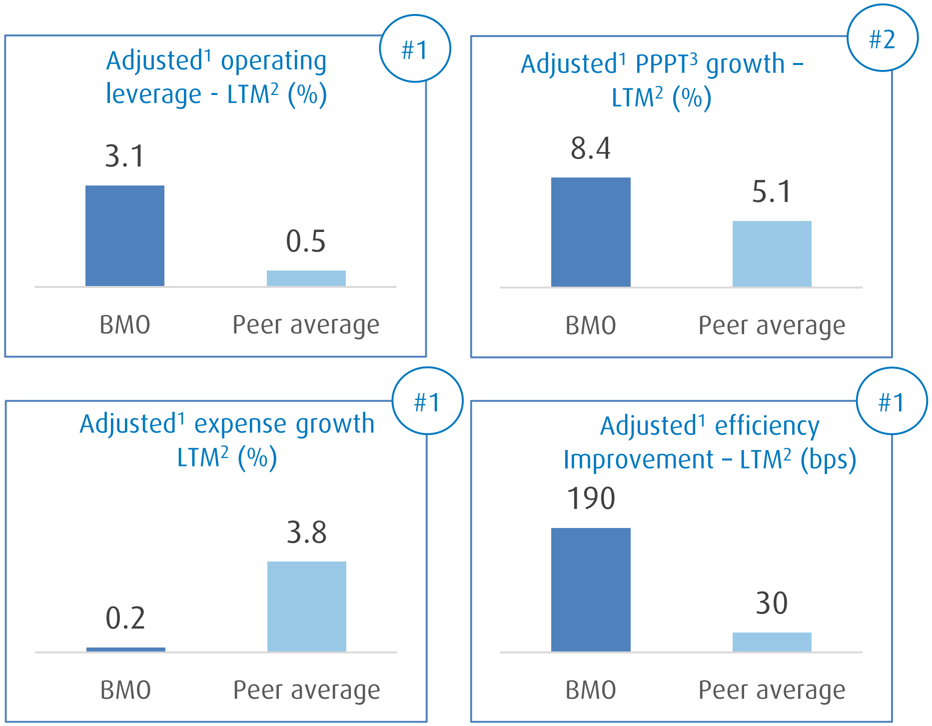
Well-positioned for uncertain environment with a proven strategy, resilient earnings and balance sheet strength

- Proven strategy and resilient earnings power; strong operating momentum across businesses
- Superior credit risk management performance, prudently provisioned
- Delivering on expense management and efficiency commitments
- Strong balance sheet and capital position; maintaining flexibility to invest and grow in areas of strategic importance
- Well positioned for current uncertain environment and eventual economic recovery

Outperforming peers, clear operating momentum

- Diversification driving financial strength and resiliency
- Above average performance on adjusted[1] PPPT[3] growth, expense growth, efficiency improvement and operating leverage
- Peer leading performance in Canadian P&C[2]; gaining market share in loans and deposits
- U.S. P&C PPPT[1,3] up 10% YTD with good expense management; deposit strategy delivering
- Early realization of tougher revenue environment; good expense management across operating groups with total bank expenses relatively flat LTM[1]
- Intention to improve efficiency unchanged; 58% a marker on longer-term efficiency drive

Peer leading financial performance[2]



1 Adjusted measures are non-GAAP measures, see slide 2 for more information. Growth rates based on last twelve months (LTM): Q4'19 – Q3'20
2 Based on last twelve months (LTM) performance. Peers: BNS, CIBC, NA, RBC, TD; peer average based on company disclosures and internal calculations for comparative purposes. Ranks based on Q3'20 last twelve month (LTM) performance
3 Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses; on a reported basis U.S. P&C YTD PPPT growth is 10%

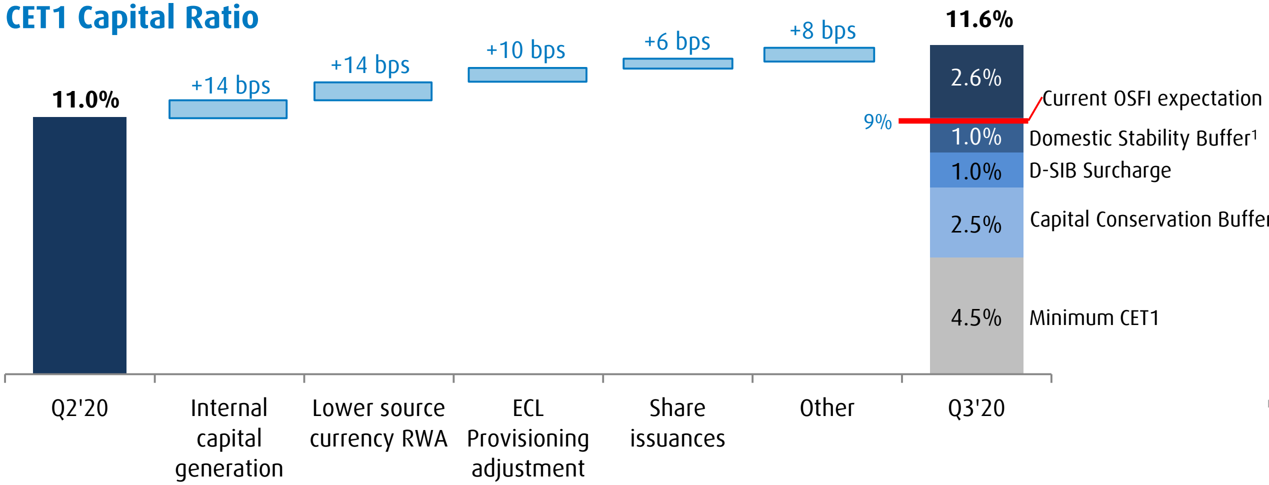
Strong balance sheet and capital position

CET1 ratio 11.6%, up 60bps Q/Q

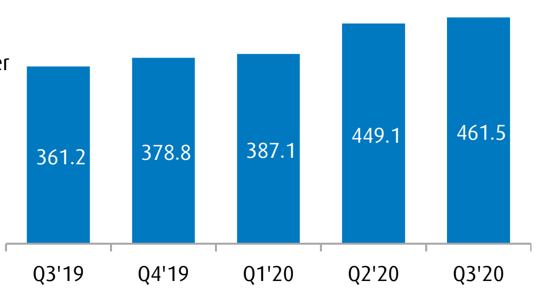
- CET1 ratio of 11.6%, up 60bps Q/Q; total capital ratio of 15.8%
- Sound leverage and liquidity ratios
  - Leverage Ratio 4.7%; Liquidity Coverage Ratio 147%
- Prudent balance sheet management
- Focused deposit strategy delivering double digit balance growth
  - Deposit growth of 20% Y/Y in Canadian P&C
  - U.S. P&C deposits up 32% Y/Y and 13% Q/Q; 40% of retail deposit growth in Q3 from digital channels, predominantly from outside core footprint
- Quarterly common dividend $1.06; attractive dividend yield of 5.4%[4]

Q3'20	CET1 ratio	LCR
BMO	11.6%	147%
BNS	11.3%	141%
CIBC	11.8%	150%
NBF	11.4%	161%
RBC	12.0%	154%
TD	12.5%	150%
Peer Average (ex. BMO)	11.8%	151%

CET1 Capital Ratio



Customer Deposits[5] ($B)



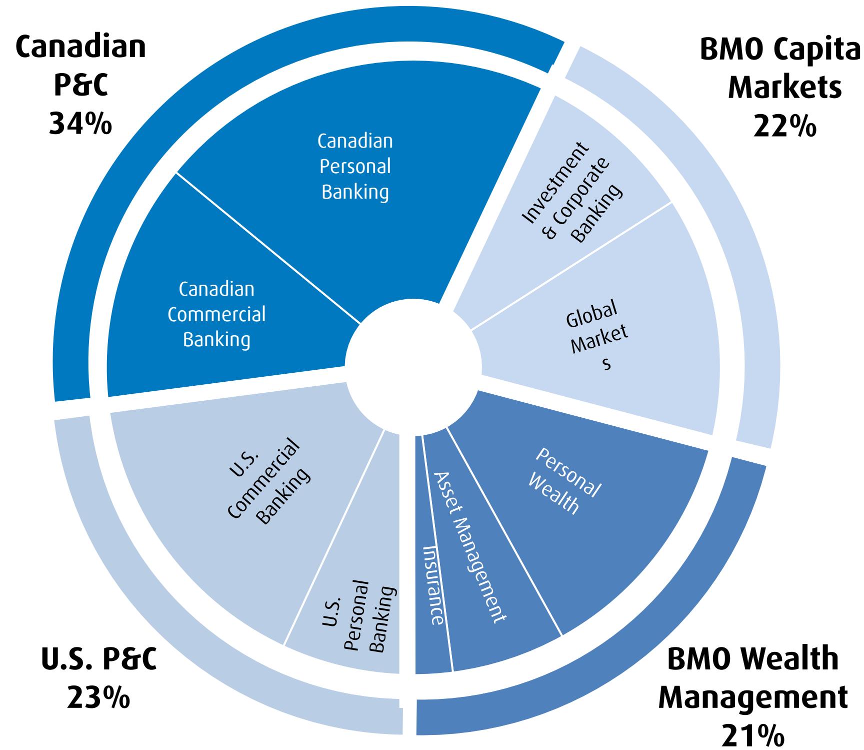
1 On March 13, 2020, OSFI announced a decrease of the Domestic Stability Buffer from 2.25% to 1% of total risk-weighted assets effective immediately, in order to support D-SIBs' ability to supply credit to the economy during an expected period of disruption related to COVID-19 and market conditions
2 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 September 30, 2020
5 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 PPPT[1] of $7.0B, up 7.5%
  - Adjusted[1] expense growth flat YTD
  - Positive operating leverage
- 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 $151B, 32% of total loans, lower than peer average of 46%
  - Canadian personal lending revenue represents less than 15% of total bank adjusted net revenue

Diversified sources of revenue

% of Operating Groups Net Revenue – LTM[3]

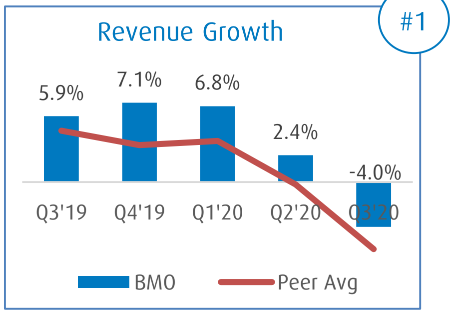


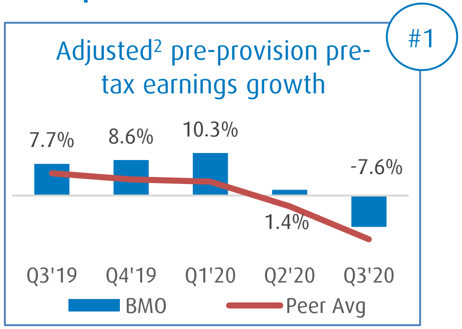
1 Adjusted measures are non-GAAP measures, see slide 2 for more information. Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses. See page 7 of BMO's Q3'20 Report to Shareholders for adjustments to reported results. On a reported basis, Q3'20: YTD PPPT $6.9B, up 7.6%; expenses flat YTD
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
3 Reported net revenue last twelve months (LTM) by operating group (excludes Corporate Services): Canadian P&C 34%, U.S. P&C 23%, BMO WM 21%, BMO CM 22%

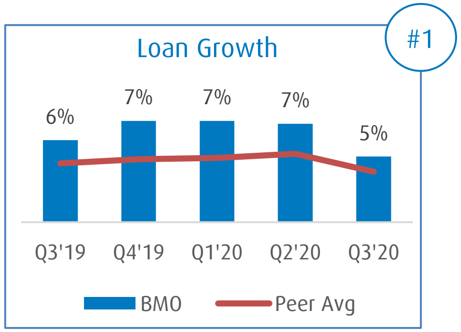
Canadian P&C - Strong flagship business

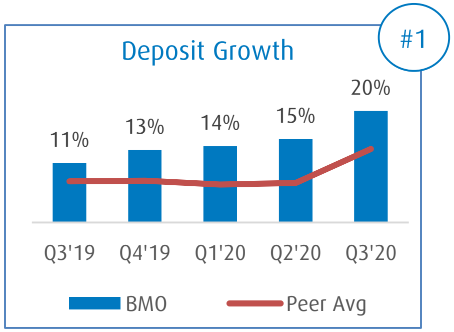
- Flagship business contributing 35% of total bank net revenue[1] and 40% of adjusted[2] net income LTM
- Good expense discipline with expenses flat Y/Y, down ~2% ex COVID costs
- Growth in commercial loans and deposits contributed to market share gains
- Personal strategy continuing to deliver with double-digit deposit growth and market share gains
- Continuing to invest in digital innovation, providing leading, customer-centric digital experiences

Peer[3] leading financial performance









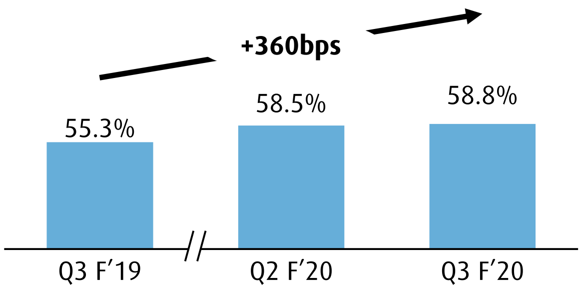
Recognized as the **best commercial bank** in Canada for six consecutive years

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 Q3'20 Report to Shareholders; on a reported basis, net income contributed 44%
3 Peers: BNS, CIBC, NBF, RBC, TD; ranks based on Q3'20 last twelve month (LTM) performance

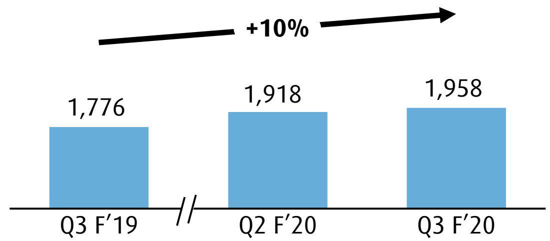
Progress on digital

Canadian Personal[1]

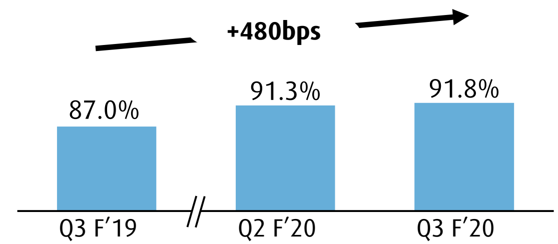
Digital Adoption Rate[2] (%)



Active Mobile Users[2] (000s)

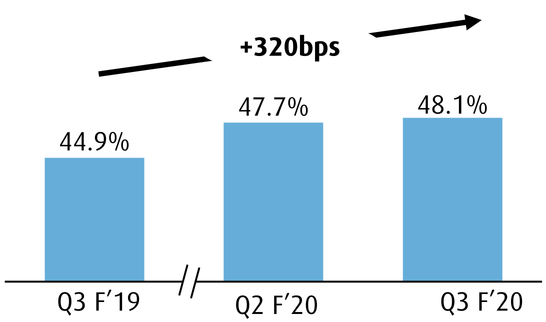


Self-Serve Transaction[3] (%)

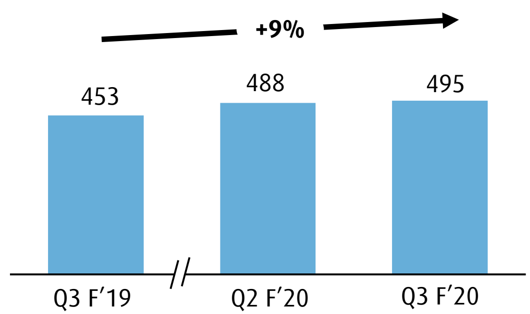


U.S. Personal[1]

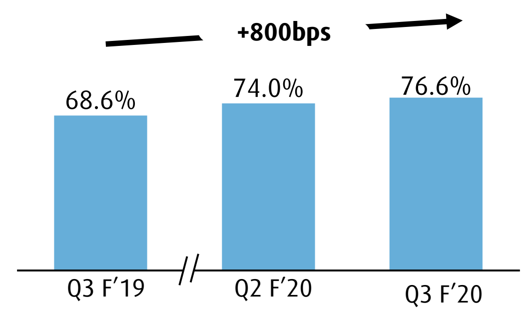
Digital Adoption Rate[4] (%)



Active Mobile Users[4] (000s)



Self-Serve Transaction[5] (%)

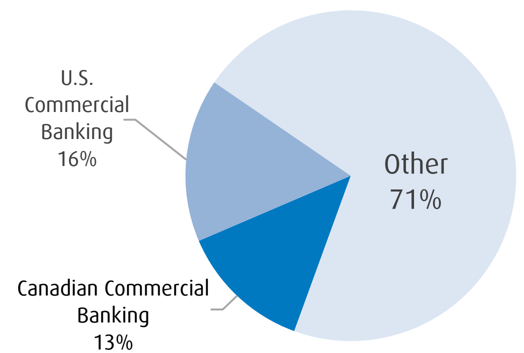


1 Canadian Personal based on Canadian Personal Banking, excludes Small Business Banking and Commercial Banking; U.S. Personal based on U.S. Personal Banking, excludes Small Business Banking and Commercial Banking
2 Digital adoption is percent of deposit customers that logged on in last 90 days. Active mobile users is number of deposit customers that logged into mobile in the last 90 days
3 Self-Serve Includes deposits, bill payments, internal funds transfers, withdrawals and e-transfers sent. Self-serve are ATM, Digital and IVR
4 Digital adoption is percent of retail deposit customers that logged on in last 90 days. Active mobile users is number of retail deposit customers that logged into mobile in the last 90 days
5 The % of retail transactions occurring in self-serve channels (Digital, ATM, IVR). Retail transactions includes: deposits, withdrawals, bill pay, internal funds transfers, account to account transfers (A2A) and person to person transfers sent (P2P)

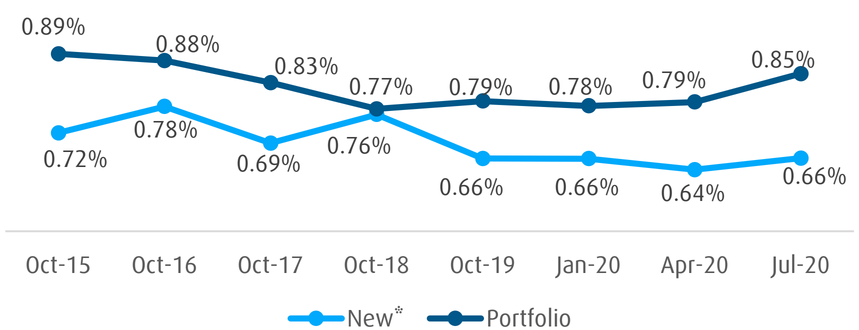
Proven strength in Commercial Banking with advantaged market share

- A relationship-based commercial bank; top 10 commercial lender[3] in North America
  - In Canada: Top-tier commercial banking business, #2 market share for business loans up to $25 million[1]
  - 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
- 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 81% secured

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



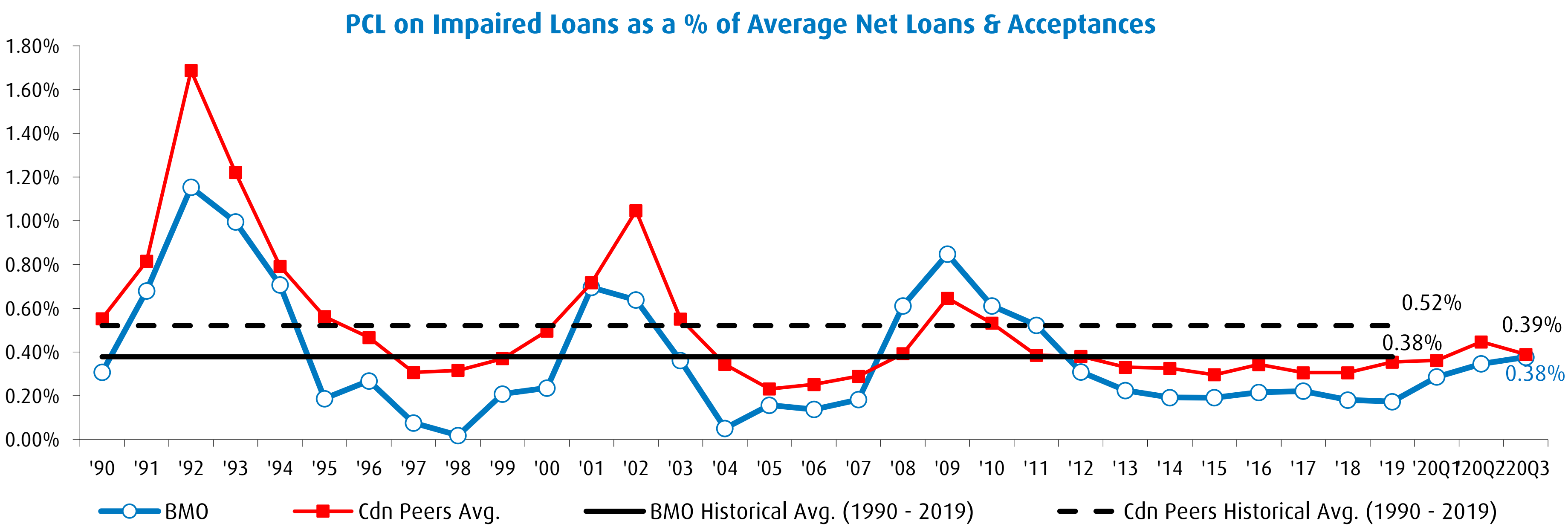
No Change in Risk Appetite: WAPD[2] (Portfolio vs. New)



1 Canadian Bankers Association; loan market share $0-$25MM, as at December 2019
2 WAPD – Weighted Average Probability of Default
3 Based on internal analysis

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 ~200bps[1], higher than any time in at least 30 years, over 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



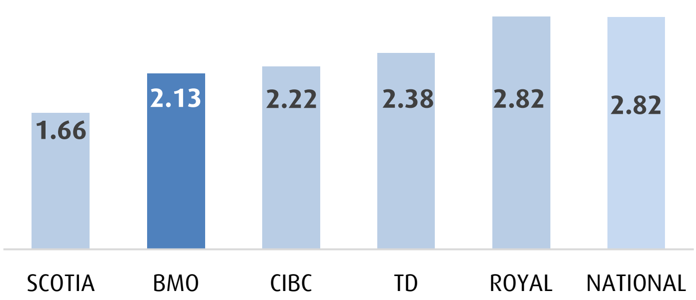
1 Based on YTD Q3'20 pre-provision, pre-tax earnings annualized

Allowance for performing loans (APL) – prudently provisioned

- Significant increase in the allowance for performing loans; Q3 provision equal to 25% of the Q2 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 (~2.0x)
- APL coverage of trailing four quarters of impaired provisions in range of peers. Difference to peer average of 2.38x coverage is modest at ~$350MM, or 12% of APL
- Below peer average exposure to credit cards, which has highest loss rate of any portfolio

Q3 Provision for Performing Loans / Q2 APL	
SCOTIA	28%
BMO	25%
TD	20%
NATIONAL	6%
CIBC	9%
ROYAL	6%
Peer Average (ex BMO)	14%

Q3 4Qtr Trailing Coverage:
Loan APL over 4Qtr Impaired PCL



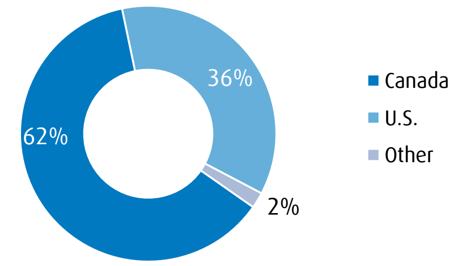
Credit Cards ($B, Q3 20)	GL&A	% of Loans	Annualized PCL	PCL Rate	APL Coverage
BMO	7.9	1.7%	0.3	3.4%	1.6
SCOTIA	15.4	2.4%	0.9	6.0%	2.0
CIBC	11.4	2.7%	0.2	1.7%	3.6
NATIONAL	2.0	1.3%	0.1	2.8%	3.8
ROYAL	17.7	2.6%	0.4	2.5%	2.8
TD	32.6	4.4%	1.4	4.1%	2.1
Peer Average (ex. BMO)	**15.8**	**2.6%**	**0.7**	**4.6%**	**2.9**

Our loans are well-diversified by geography and industry

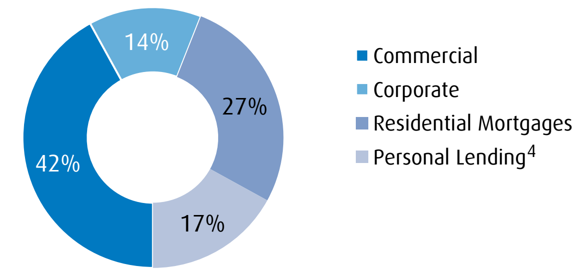
Gross Loans & Acceptances By Industry ($B, as at Q3 20)	Canada & Other[1]	U.S.	Total	% of Total
Residential Mortgages	116	10	126	27%
Consumer Instalment and Other Personal	57	12	69	15%
Cards	7	1	8	2%
Total Consumer	**180**	**23**	**203**	**43%**
Service Industries	22	28	50	11%
Commercial Real Estate	24	16	40	9%
Financial	14	27	41	9%
Manufacturing	8	22	30	6%
Retail Trade	12	9	21	5%
Wholesale Trade	5	11	16	3%
Oil & Gas	7	7	14	3%
Agriculture	12	2	14	3%
Transportation	3	10	13	3%
Other Business and Government[2]	13	12	25	5%
Total Business and Government	**120**	**144**	**264**	**57%**
Total Gross Loans & Acceptances	**300**	**167**	**467**	**100%**

1 Includes ~$12.2B 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 July 31, 2020
4 Including cards
5 Average gross loans and acceptances as of July 31, 2020

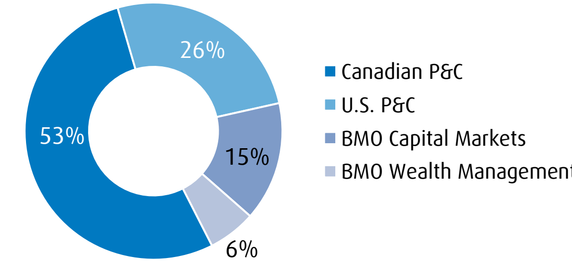
Loans by Geography[3]



Loans by Product[3]



Loans by Operating Group[5]



Sectors Impacted by COVID-19 Pandemic

By Industry of Heightened Focus ($B, as at Q3 20)	Gross Loans & Acceptances (GL&A)	% of Total GL&A
Hotels	4.2	0.9%
Restaurants	4.4	0.9%
Amusement & Recreational	3.4	0.7%
CRE – Lodging REITS	0.8	0.2%
CRE – Retail REITS	1.9	0.4%
CRE – Retail Property Types	2.6	0.6%
Retail Trade excl. Auto, Grocers & Pharmacies	5.9	1.3%
Airlines	0.6	0.1%
Total Industries of Heightened Focus	**23.8**	**5.1%**
Total Business & Government Gross Loans & Acceptances	**264.0**	**56.6%**
Total Gross Loans & Acceptances	**466.6**	**100%**

- Hotels ~90% secured with real estate; further supported with specific recourse arrangements to ownership groups. Formations since Q1 very low with no PCL
- Approximately 60% of Restaurant exposure is with franchises backed by strong regional and national brands; over 60% of initial payment relief has expired with only a small percentage past due or delinquent
- Credit profile of the CRE sub-sectors remains strong, with no impaired loan formations or PCL since the start of the pandemic
- Higher impaired loan formations in Retail Trade excl. Auto, Grocers & Pharmacies but modest PCL largely due to Asset Based Lending structures that are common in this sector

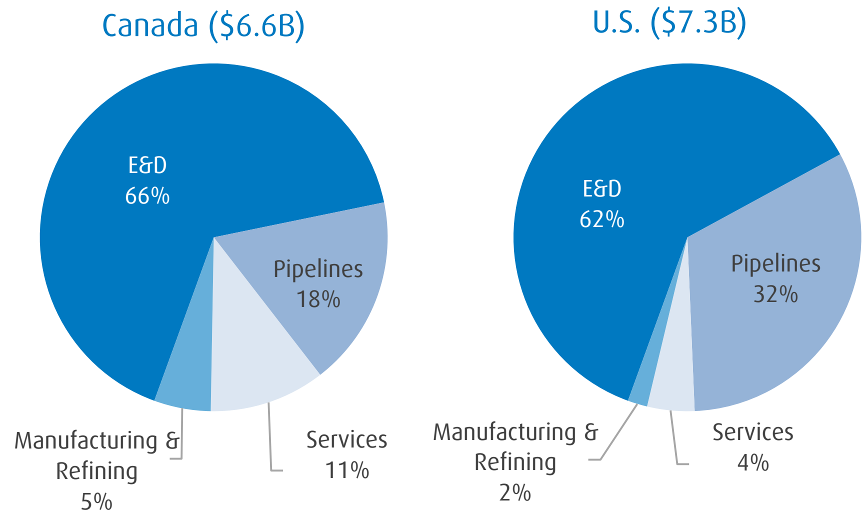
Oil and Gas portfolio

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

- O&G portfolio is not outsized:
  - $14B in loans, down $1B Q/Q
  - 5.3% of Business and Government loans, below three banks
  - 3.0% of Total Loans, lower than one bank
- Loans diversified by geography and sub-segment. Pipelines 25% of total; low exposure to Services segment
- 33% of O&G portfolio is investment grade
- E&D 64% of portfolio, approximately 72% is borrowing base lending
  - Over 95% of U.S. E&D loans are borrowing-base; half of the remaining exposure is investment grade
  - 54% 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 $297MM, or ~2.25% of the performing portfolio providing significant coverage; 3.1% excluding Pipelines

Oil and Gas % (as at Q3 20)	Of Business and Government Loans	Of Total Gross Loans & Acceptances
NBF	7.7%	3.2%
BNS	7.4%	2.9%
CIBC	6.6%	2.3%
BMO	5.3%	3.0%
TD	3.6%	1.4%
RBC	3.6%	1.3%
Average[1]	5.3%	2.1%

O&G Portfolio Breakdown



1 Based on weighted average

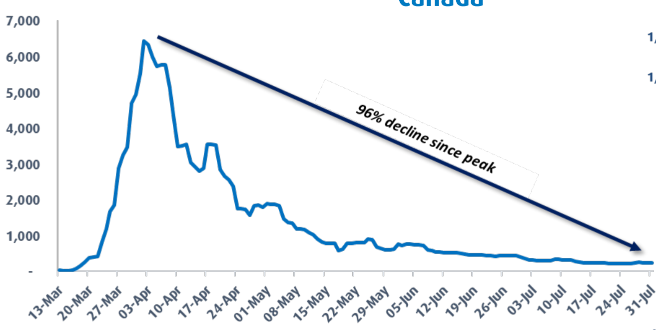
Payment Deferrals

Canada[2]	Q3'20 Accounts (000s)	Q3'20 Balances* (C$B)	Q3'20 % of Portfolio	Q2'20[1] Accounts (000s)	Q2'20[1] Balances* (C$B)	Q2'20[1] % of Portfolio
Mortgages (incl. amortizing HELOCs)	52.3	17.25	14%	55.0	17.16	14%
Credit Cards	38.5	0.34	5%	37.3	0.33	5%
All other personal lending	84.8	2.37	7%	89.1	2.43	7%
Total Retail - Canada	175.6	19.96	12%	181.4	19.92	13%
Commercial Banking (# of clients)	7.2	9.40	11%	7.4	15.08	17%
United States[3]	**Accounts (000s)**	**Balances* (US$B)**	**% of Portfolio**	**Accounts (000s)**	**Balances* (US$B)**	**% of Portfolio**
Mortgages	1.5	0.45	8%	2.0	0.57	10%
Indirect Auto	8.0	0.21	4%	14.2	0.32	6%
All other personal lending	4.0	0.14	3%	5.2	0.15	3%
Total Retail – United States	13.5	0.80	5%	21.4	1.04	6%
Commercial Banking (# of clients)	1.4	0.90	1%	1.1	3.62	4%

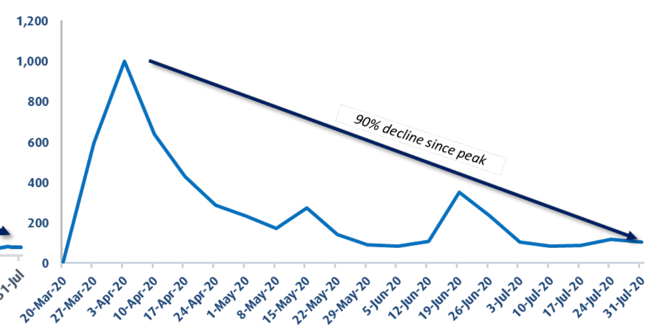
- Since March 13th BMO has provided payment deferral assistance to over 250K retail clients in Canada and the U.S.; deferral period up to 6 months in Canada, up to 3 months in the U.S.
- New deferral requests have declined substantially since the peak
- 89% of consumer deferred balances are RESL, large majority in Canada. Average LTV of deferred RESL balances is ~59% in Canada and ~55% in the U.S.; 34% of mortgages on deferral in Canada are insured
- A large share of customers continue to make payments through the relief period
- 25% or ~$4.4B of retail accounts in Canada matured during the quarter; 97% of them are current and making payments
- Commercial deferral balances have declined significantly since Q2 in both Canada and the U.S.; large majority of commercial clients previously on deferral have resumed payments
- Almost all of the consumer and commercial payment deferrals outstanding as at July 31, 2020 will expire in the fourth quarter; maturities are being closely monitored and actively managed

Trailing seven day average of daily payment deferrals granted

Canada



United States



*Outstanding balances for accounts/clients with payments deferred

1 Payment deferrals reflect as at balances at period end and minor recategorizations to align with Q3 2020 disclosures

2 In Canada mortgage deferrals were available for one to six months. Canadian personal mortgages exclude balances related to non-proprietary mortgages, consistent with an industry reporting definition established by the Canadian Bankers Association; there were approximately $2 billion in balances outstanding related to non-proprietary mortgages in deferral in both periods. For other retail loans and cards, deferral offer was one to six months until June 30, 2020, and one to three months beginning in July 2020. Commercial deferrals granted for three to six months

3 In the United States deferrals on consumer products were available for up to three months. Commercial deferrals granted for three months

Key Takeaways

- Proven strategy and resilient earnings power; strong operating momentum across businesses
- Superior credit risk management performance, prudently provisioned
- Delivering on expense management and efficiency commitments
- Strong balance sheet and capital position; maintaining flexibility to invest and grow in areas of strategic importance
- Well positioned for current uncertain environment and eventual economic recovery

Q3 F2020 Highlights

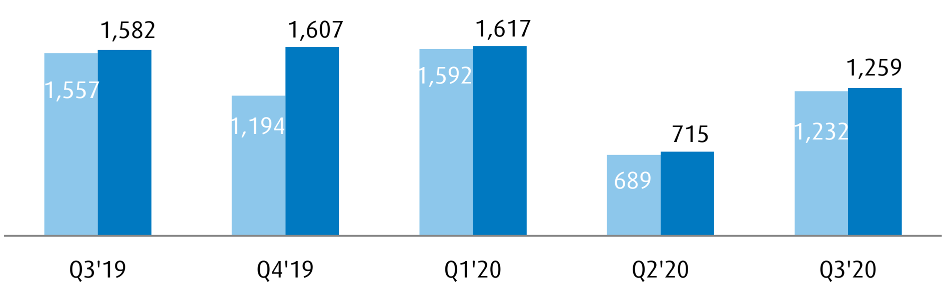
Q3 F2020 - Financial Highlights

Strong PPPT[4] earnings and operating leverage[2] absorbed higher provisions

- Adjusted[1] EPS $1.85 (reported $1.81)
- Adjusted[1] net income $1,259MM (reported $1,232MM)
- Adjusted[1] PPPT[4] $2,593MM, up 12% Y/Y, 11% CCY[5] (reported $2,556MM, up 12%)
- Net revenue[2] up 4% Y/Y, 3% CCY[5]
- Adjusted[1] expenses down 2% Y/Y (reported down 1%)
- Adjusted[1] efficiency ratio[2] 56.8% (reported 57.4%)
- Adjusted[1] operating leverage[2] 5.3% (reported 5.2%); YTD adjusted[1] and reported 2.9%
- Total PCL $1,054MM, up $748MM Y/Y; down $64MM Q/Q
  - PCL on impaired loans $446MM; PCL on performing loans $608MM
  - Total PCL to average net loans and acceptances 89 bps
  - PCL on impaired loans to average net loans and acceptances 38 bps

	Reported			Adjusted[1]		
($MM)	Q3 20	Q2 20	Q3 19	Q3 20	Q2 20	Q3 19
Net Revenue[2]	**6,000**	5,461	5,779	**6,000**	5,461	5,779
Expenses	**3,444**	3,516	3,491	**3,407**	3,483	3,459
PPPT[4]	**2,556**	1,945	2,288	**2,593**	1,978	2,320
Total PCL	**1,054**	1,118	306	**1,054**	1,118	306
Net Income	**1,232**	**689**	**1,557**	**1,259**	**715**	**1,582**
Diluted EPS ($)	**1.81**	1.00	2.34	**1.85**	1.04	2.38
ROE (%)	**9.4**	5.3	13.2	**9.6**	5.5	13.5
ROTCE[3] (%)	**11.1**	6.4	15.8	**11.1**	6.4	15.8
CET1 Ratio (%)	**11.6**	11.0	11.4			

Net Income[1] 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 Q3'20 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: Q3'20 $7,189MM; Q2'20 $5,264MM; Q3'19 $6,666MM
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

Canadian Personal & Commercial Banking

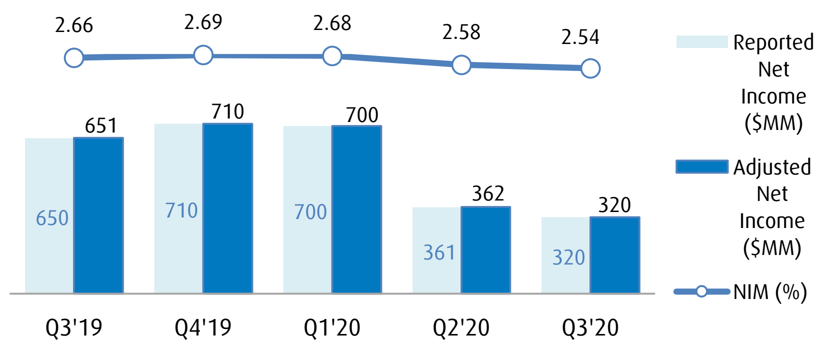
Strengths and Value Drivers

- 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

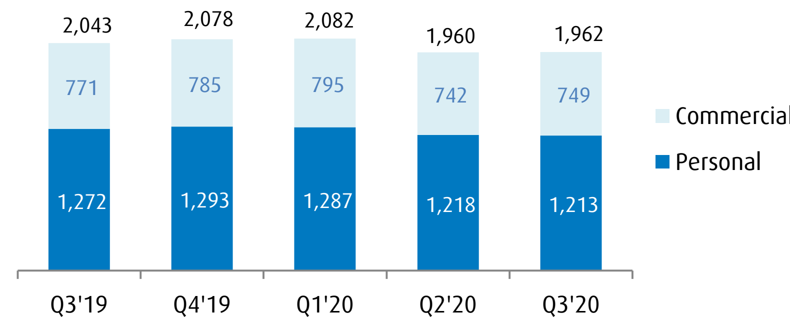
Q3'20 Highlights (Adjusted[1])

Net Income	$320MM
Net Income Growth	(51)%
Revenue Growth	(4)%
PPPT[2] Growth	(8)%
ROE	11.1%
Efficiency Ratio	49.0%
Operating Leverage	(4.0)%
Average Net Loans and Acceptances	$250B

Net Income[1] 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 Q3'20 Report to Shareholders
On a reported basis, Q3'20: Net Income $320MM; Net income growth (51)%; ROE: 11.0%; Efficiency ratio 49.0%; Operating leverage (4.0)%
2 Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

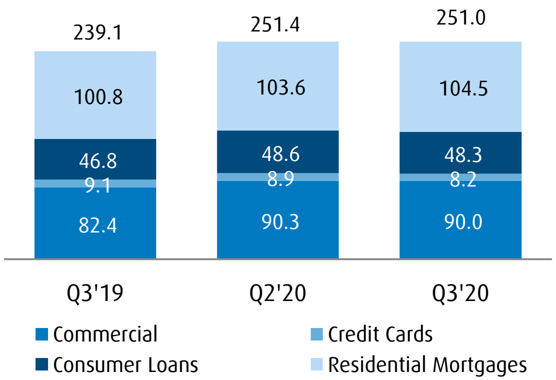
Canadian Personal & Commercial Banking

Strategic Priorities

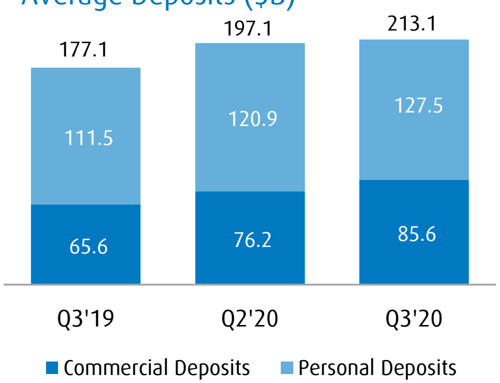
- Continue to improve customer loyalty by deepening primary relationships
  - In Personal Banking, deliver a leading customer experience by leveraging new digital channels and enhancing existing networks
  - In Commercial Banking, focus on maintaining our core strengths, while targeting opportunities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

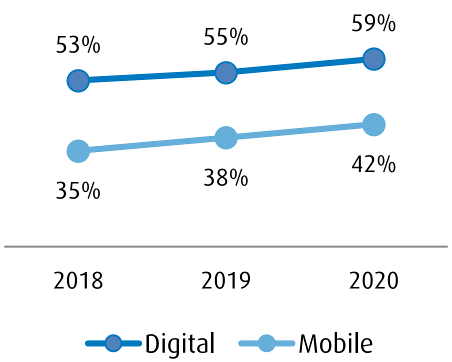
Average Gross Loans & Acceptances ($B)



Average Deposits ($B)



Digital Adoption[1]



1 Adoption is the percent of retail deposit customers that have logged in within the last 90 days; as at July 31 2018, 2019 and 2020

U.S. Personal & Commercial Banking

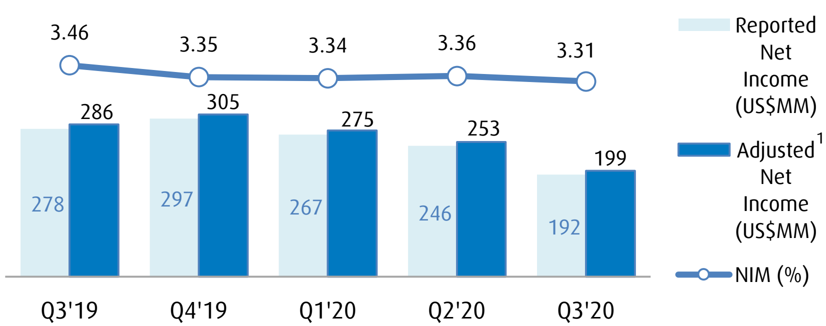
Strengths and Value Drivers

- 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

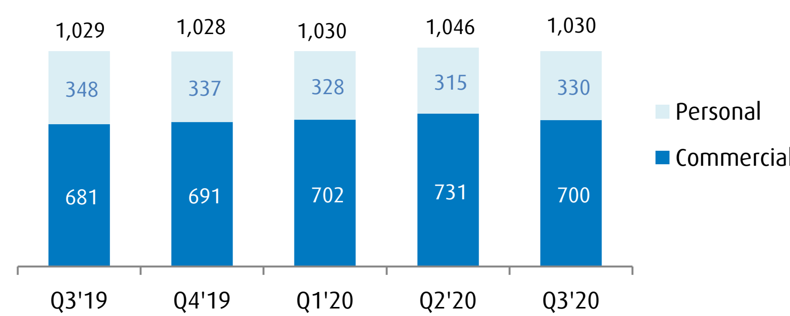
Q3’20 Highlights (Adjusted[1])

Net Income	US$199MM
Net Income Growth (Y/Y)	(30)%
Revenue Growth	0%
PPPT[2] Growth	12%
ROE	6.8%
Efficiency Ratio	52.8%
Operating Leverage	8.9%
Average Loans and Acceptances	US$93B

Net Income and NIM



Revenue (US$MM)



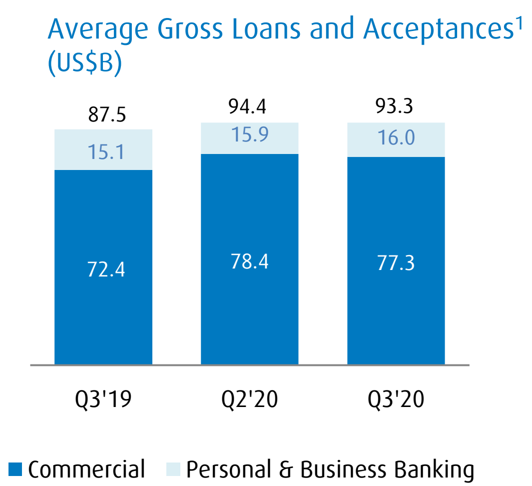
1 Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 7 of BMO’s Q3’20 Report to Shareholders
On a reported basis: Net Income $192MM; Net income growth (31)%; PPPT Growth 13%; ROE 6.6%; Efficiency ratio 53.7%; Operating leverage 8.9%
2 Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

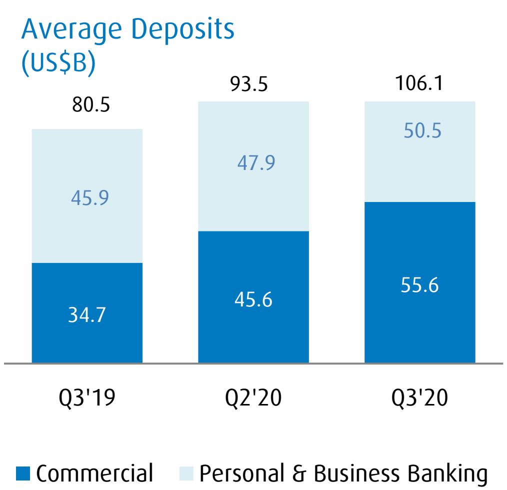
U.S. Personal & Commercial Banking

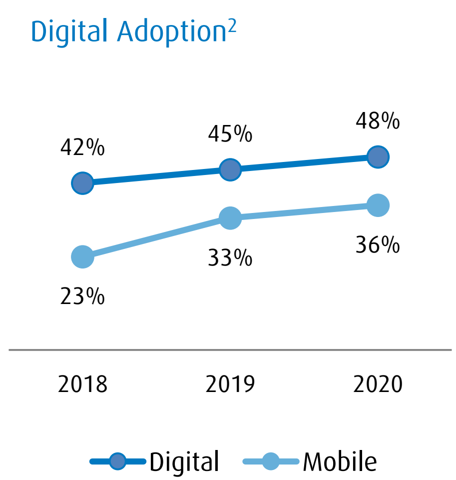
Strategic Priorities

- 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







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 July 31 2018, 2019, and 2020

BMO Wealth Management

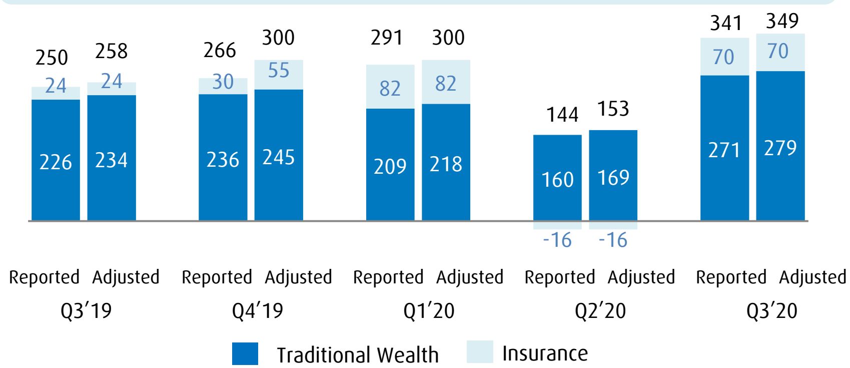
Strengths and Value Drivers

- 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

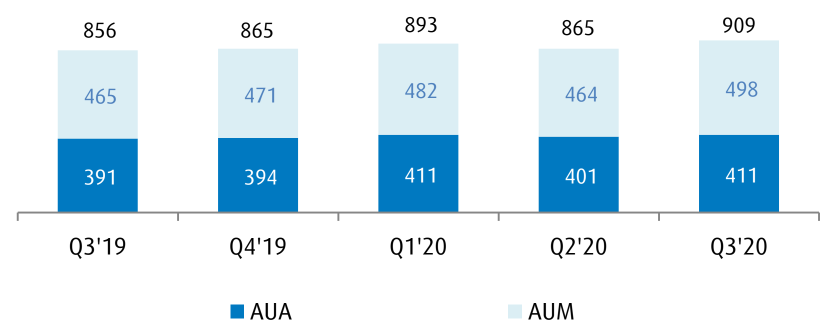
Q3’20 Highlights (Adjusted[1])

Net Income	$349MM
Net Income Growth	36%
Revenue[2] Growth	6%
PPPT[3] Growth	33%
ROE	21.6%
Efficiency Ratio[2]	63.7%
Operating Leverage[2]	11.1%
AUA / AUM	$909B
Average Loans / Deposits	$27B / $45B

Net Income[1] ($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 Q3’20 Report to Shareholders. On a reported basis: Net income $341MM; net income growth 37%; net revenue growth 6%; ROE: 21.1%; efficiency ratio 64.6%; operating leverage 11.1%

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

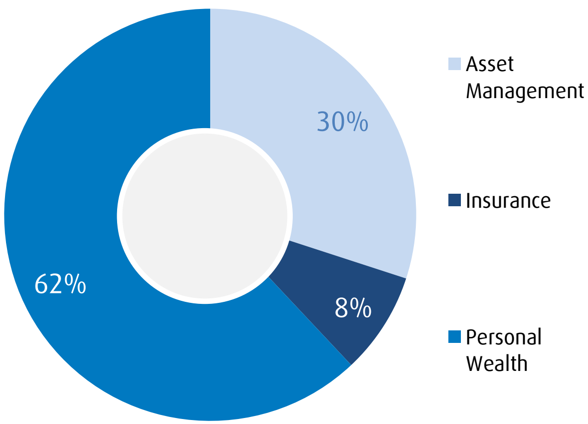
BMO Wealth Management

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

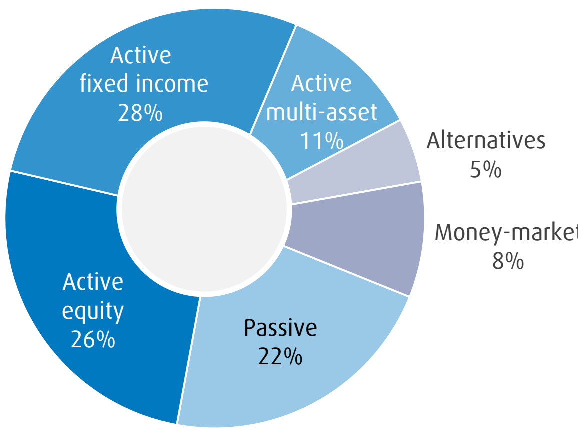
Net Revenue[1] by Business – LTM



>60%
Fee-based Revenues[2]

ETF
leading net new assets in Canadian market

BMO GAM Investment Type[3]



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

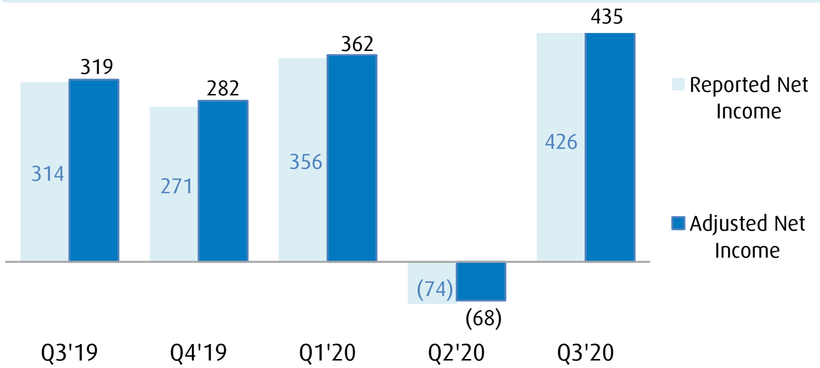
Strengths and Value Drivers

- 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-defense risk management and regulatory and compliance capabilities
- High performance culture with strong focus on diversity and inclusion

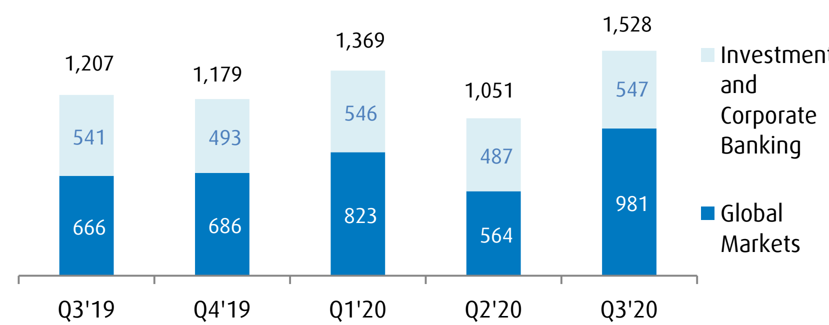
Q3’20 Highlights (Adjusted[1])

Net Income	$435MM
Net Income Growth	36%
Revenue Growth	27%
PPPT[2] Growth	73%
Efficiency Ratio	53.1%
Operating Leverage	24.1%
Average Gross Loans and Acceptances	$71B
Offices	33 globally, 19 in N.A.
U.S. Revenue Contribution	49%
U.S. IB market share[3]	#24

Net Income[1] ($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 Q3’20 Report to Shareholders
On a reported basis for Q3’20: Net income $426MM; net income growth 36%; efficiency ratio 54.0%; operating leverage 23.4%
2 Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses
3 Source: Dealogic as at July 31, 2020

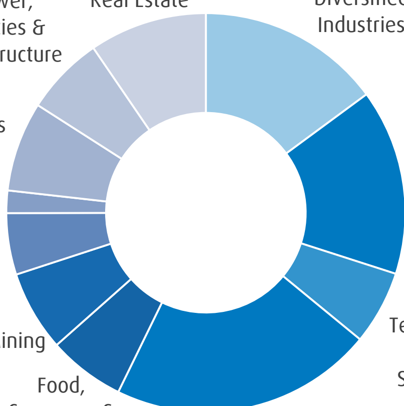
BMO Capital Markets

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 Sector[1]



*Excluding non-client revenues

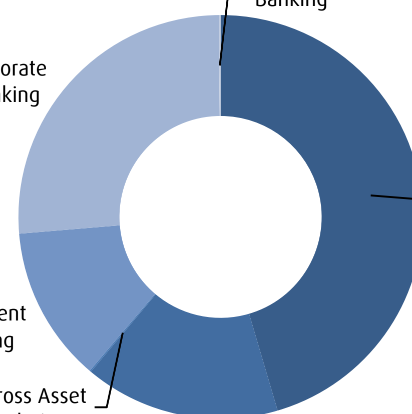
U.S. Contribution

>40% of Clients[2]

>50% of Capital[3]

>50% of FTE[4]

Revenue by Product[5]



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 July 31, 2020)
3 U.S. Capital as a % of Total (LTM as of Q3'20)
4 U.S. FTE as a % of Total (LTM as of Q3'20)
5 As a % of LTM Q3'20 revenue excluding 'Other'

U.S. Operations

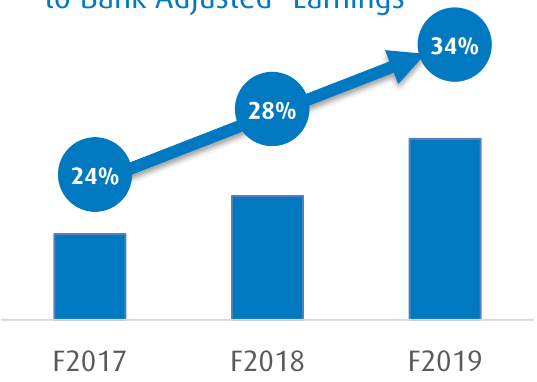
U.S. segment continuing to deliver strong results

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

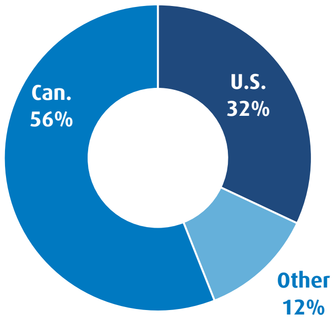
- U.S. segment targeting 1/3 total bank earnings
  - #11[2] in U.S. commercial lending
  - #3 deposit market share in our core footprint[3]; #2 in Chicago and Milwaukee
  - Businesses working together to provide integrated client offering

- U.S. P&C Q3'20 adjusted[1] PPPT up 12%
  - Delivered positive operating leverage of 8.9%; new low efficiency ratio of 52.8% exceeds Investor Day target of mid-50s
- Capital Markets delivering on strategy, providing growth and diversification
  - Achieved Investor Day target of 45-50% revenue contribution from U.S. in Q3 and YTD
  - U.S. Segment net income up 61% Y/Y

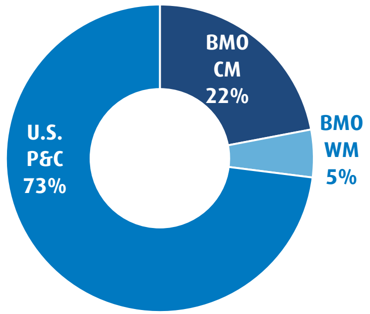
U.S. Segment Contribution to Bank Adjusted[1] Earnings



Total Bank Adjusted[1] Net Income by Geography – LTM



U.S. Segment Adjusted[1] Net Income by Operating Group – LTM

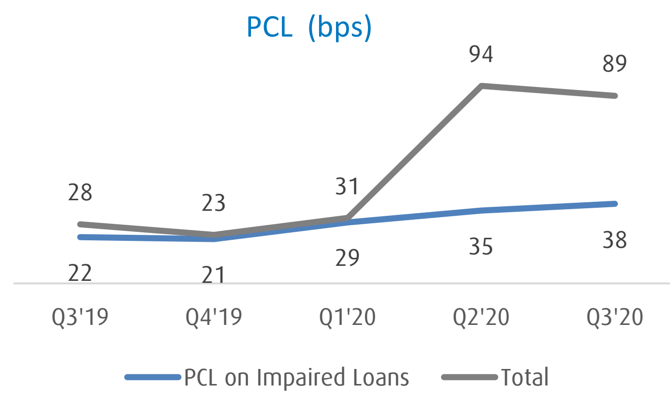


1 Adjusted measures are non-GAAP measures, see slide 2 for more information. For details on adjustments refer to page 7 of BMO's Q3'20 Report to Shareholders
On a reported basis: U.S. P&C PPPT up 13%; U.S. P&C positive operating leverage 8.9%; U.S. P&C efficiency ratio 53.7%
Total bank net income by geography Last Twelve months (LTM): Canada 57%, U.S. 32%, Other 11%; U.S. Segment net income by operating group (LTM): U.S. P&C 74%, BMO CM 21%, 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

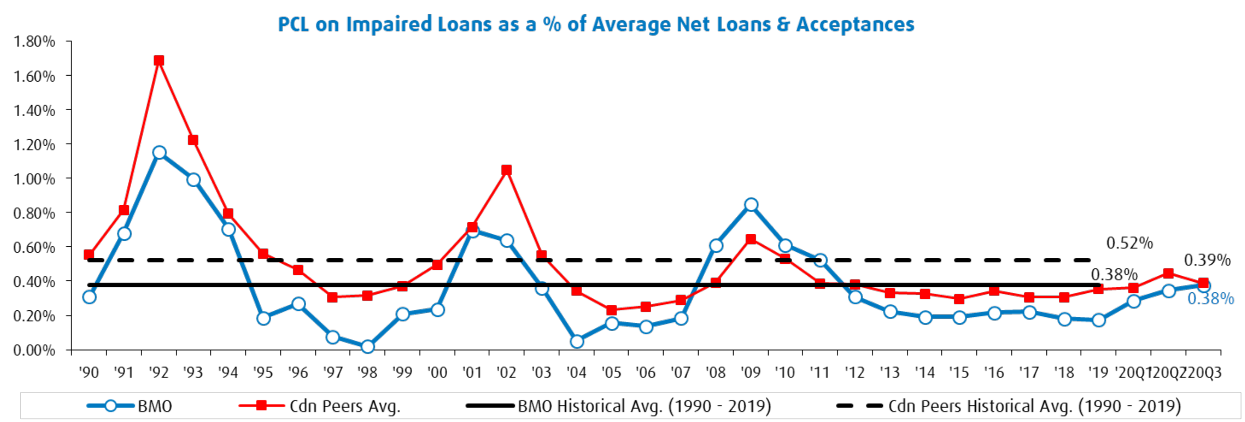
Provision for Credit Losses (PCL)

PCL By Operating Group ($MM)	Q3 20		Q2 20		Q3 19	
	$	bps	$	bps	$	bps
Total Canadian P&C	257	41	212	34	174	29
Total U.S. P&C	109	35	124	38	61	21
BMO Wealth Management	1	1	3	4	0	(1)
BMO Capital Markets	79	45	73	41	7	5
Corporate Services	0	n.m.	1	n.m.	1	n.m.
PCL on Impaired Loans	**446**	**38**	**413**	**35**	**243**	**22**
PCL on Performing Loans	**608**	**51**	**705**	**59**	**63**	**6**
Total PCL	**1,054**	**89**	**1,118**	**94**	**306**	**28**



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 ~200bps[1], higher than any time in at least 30 years, over five times average



1 Based on YTD Q3'20 pre-provision, pre-tax earnings annualized

Gross Impaired Loans (GIL) and Formations

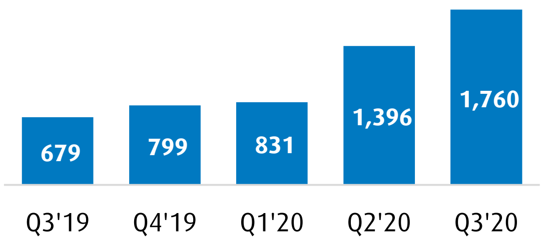
By Industry ($MM, as at Q3 20)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other[1]	U.S.	Total
Consumer	**211**	**28**	**239**	**514**	**349**	**863**
Oil & Gas	1	301	302	96	665	761
Service Industries	57	285	342	146	527	673
Retail Trade	56	170	226	310	250	560
Manufacturing	63	126	189	181	224	405
Agriculture	9	30	39	67	284	351
Financing Products	0	239	239	0	239	239
Transportation	6	53	59	13	176	189
Construction (non-real estate)	66	0	66	96	38	134
Wholesale Trade	9	9	18	31	83	114
Financial	2	25	27	12	40	52
Commercial Real Estate	10	2	12	7	14	21
Other Business and Government[2]	1	1	2	55	-4	51
Total Business and Government	**280**	**1,241**	**1,521**	**1,014**	**2,536**	**3,550**
Total Bank	**491**	**1,269**	**1,760**	**1,528**	**2,885**	**4,413**

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

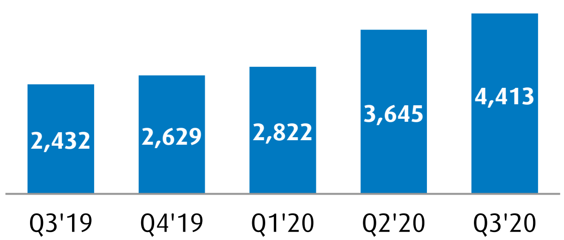
2 Other Business and Government includes industry segments that are each <1% of total GIL, with the exception of Commercial Real Estate, which is shown separately

- GIL ratio 95 bps, up 21 bps Q/Q

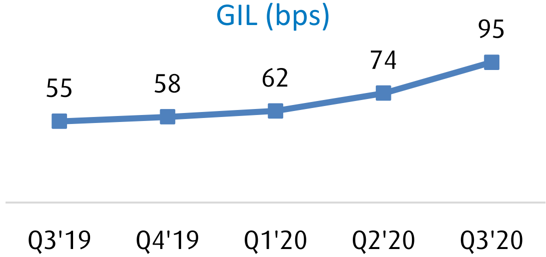
Formations ($MM)



Gross Impaired Loans ($MM)

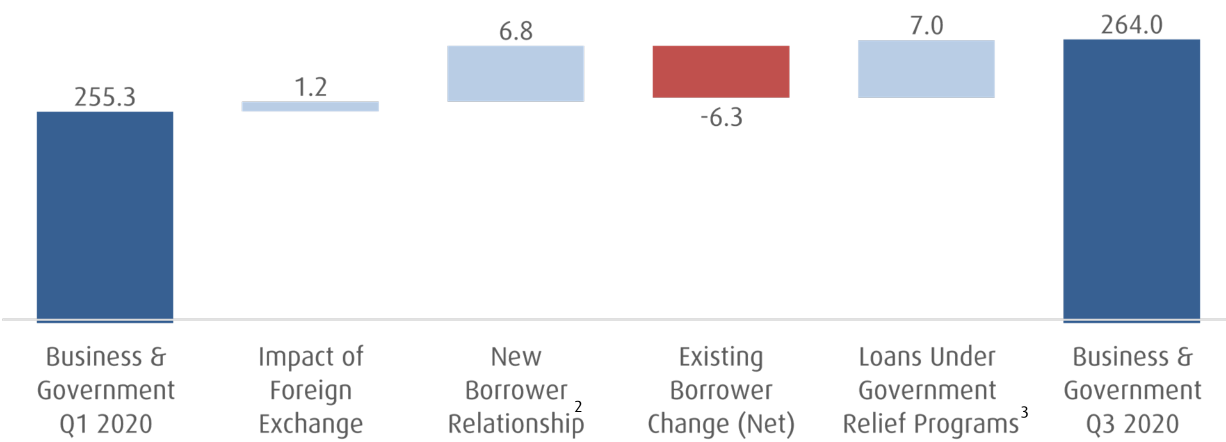


GIL (bps)

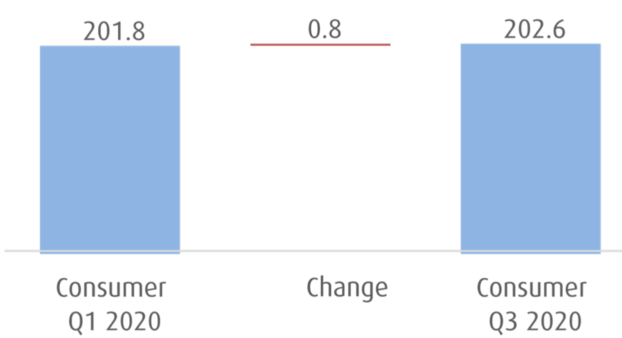


Loan portfolio growth

Change in Business and Government Loans[1] Q1'20 vs Q3'20 ($B)



Change in Consumer Loans[1] Q1'20 vs Q3'20 ($B)

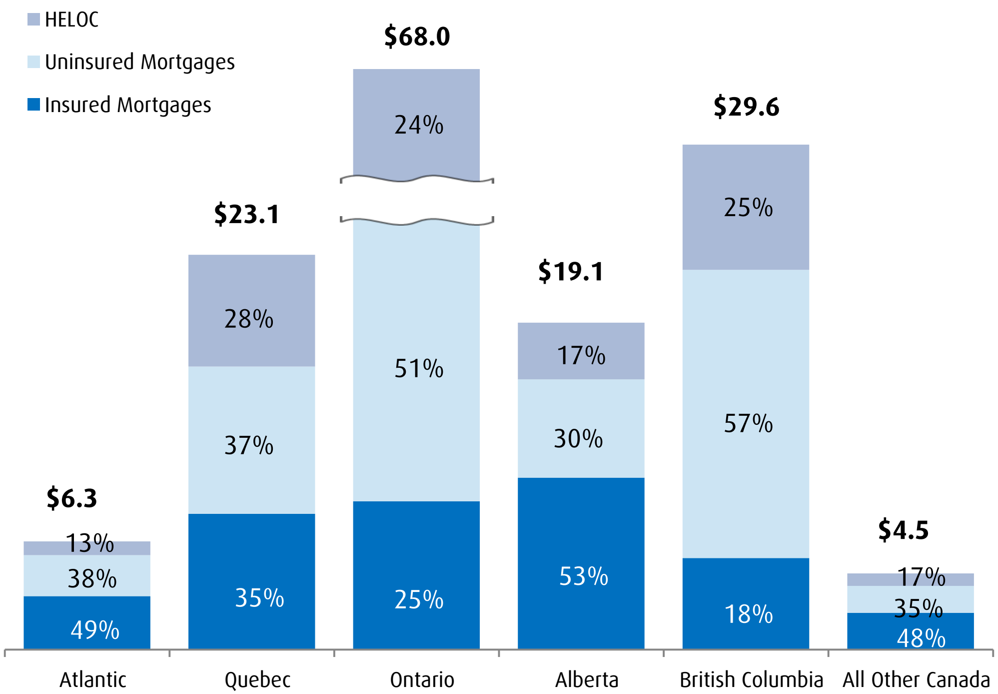


- Increase in Business & Government loans is primarily due to the new borrower relationships and loans under government relief programs which is partially offset by lower utilization with existing borrowers
- Business & Government loans up ~3.4% since Q1'20

1 Based on period end as at balances
2 New Borrowers are defined as new client relationships
3 In addition, the Bank facilitated $2.6B ($1.7B during Q2'20) 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 ($150.6B)



Avg. LTV[1] Uninsured	Atlantic	Quebec	Ontario	Alberta	British Columbia	All Other Canada	Total Canada
Mortgage							
- Portfolio	58%	58%	54%	62%	50%	56%	54%
- Origination	73%	73%	69%	72%	66%	73%	70%
HELOC							
- Portfolio	47%	53%	42%	56%	42%	47%	46%
- Origination	69%	73%	63%	68%	60%	67%	65%

- Total Canadian residential-secured lending portfolio at $150.6B, representing 32% of total loans, lower than peer average of 46%
  - LTV[1] on uninsured of 50%
  - 90 day delinquency rate for RESL remains good at 22 bps; loss rates for the trailing 4 quarter period were 1 bp
- Residential mortgage portfolio of $115.6B
  - 40% of portfolio insured
  - LTV[1] on uninsured of 54%
  - 80% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- HELOC portfolio of $35B outstanding of which 62% is amortizing
- GTA and GVA portfolios demonstrate better LTV, delinquency rates and bureau scores compared to the national average

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

Economic and Housing Market Overview

BMO

Economic outlook and indicators[1]

	Canada			United States			Eurozone		
Economic Indicators (%)[1, 2]	**2019**	**2020E[2]**	**2021E[2]**	**2019**	**2020E[2]**	**2021E[2]**	**2019**	**2020E[2]**	**2021E[2]**
GDP Growth	1.7	(5.6)	6.0	2.3	(4.0)	4.0	1.3	(7.0)	6.0
Inflation	1.9	0.6	1.4	1.8	1.2	2.0	1.2	0.3	0.9
Interest Rate (3mth Tbills)	1.65	0.45	0.15	2.10	0.40	0.10	(0.39)	(0.43)	(0.51)
Unemployment Rate	5.7	9.6	8.0	3.7	8.3	6.7	7.6	8.0	7.9
Current Account Balance / GDP[3]	(2.0)	(1.7)	(1.4)	(2.2)	(3.1)	(3.5)	2.7	2.6	2.7
Budget Surplus / GDP[3]	(1.5)	(15.9)	(4.1)	(4.6)	(16.0)	(8.6)	(0.7)	(7.5)	(3.6)

Canada

- Canada's economy contracted sharply in the first half of 2020 due to the dislocations caused by the coronavirus and weak oil prices, but it has rebounded quickly during the reopening, with support from fiscal and monetary stimulus
- The unemployment rate rose to postwar highs in the spring and, though falling, is expected to remain elevated in 2021
- The Bank of Canada is expected to keep policy rates steady until 2024 to support the recovery

United States

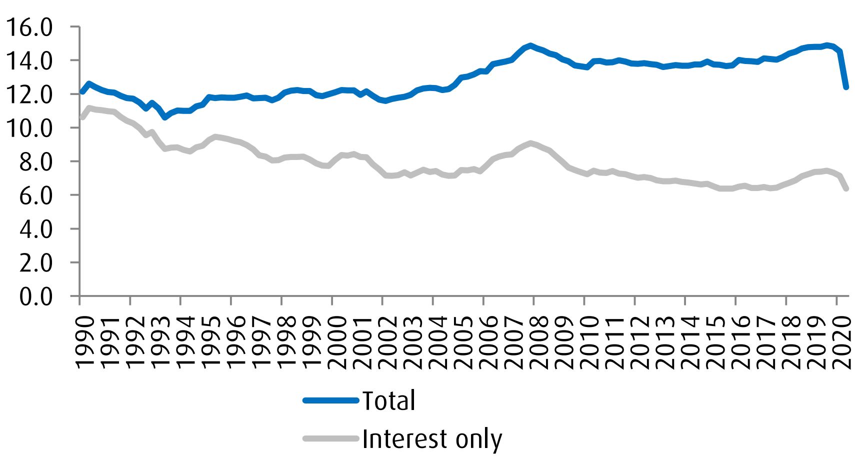
- U.S. GDP plunged in the first half of the year due to the pandemic, and is now rebounding. However, a recent resurgence in infections risks slowing the recovery
- The unemployment rate surged to a post-war high in April, but it has fallen sharply since then to 7.9% in September
- The Federal Reserve is expected to keep policy rates near zero until 2024, while providing substantial 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 October 2, 2020
3 Eurozone estimates provided by IMF World Economic Outlook/Haver

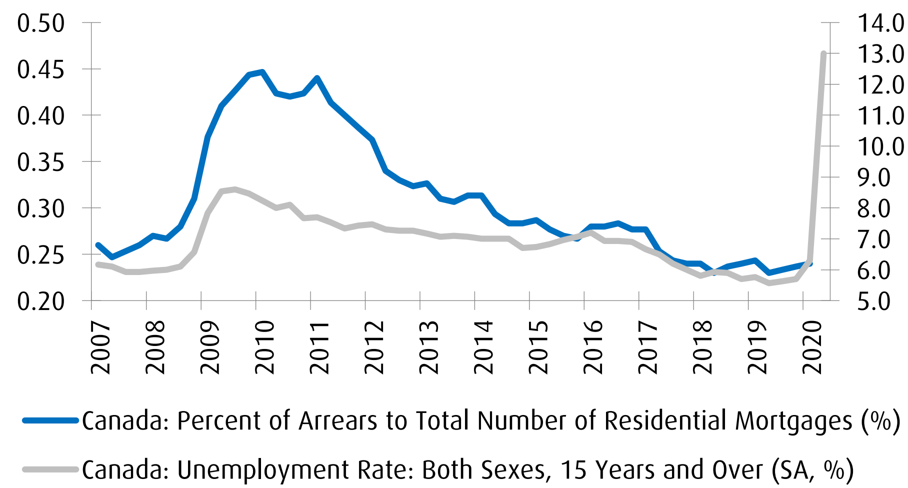
Canada's housing market is strong

- National existing home sales rebounded to record highs in recent months after plunging in the shutdowns. Record-low mortgage rates have supported the market
- Benchmark prices are up strongly in the past year, with demand surpassing supply
- While home sales are likely to remain elevated, growth will moderate due to high unemployment and less pent-up demand
- Substantial fiscal income-support and mortgage deferral programs have tempered forced sales and downward price pressure
- Mortgage arrears remain near record lows, but are expected to rise somewhat due to elevated unemployment
- Debt servicing costs (relative to income) are near all-time highs, weighing on consumer spending

Debt Service Ratio



Mortgage Delinquencies/Unemployment



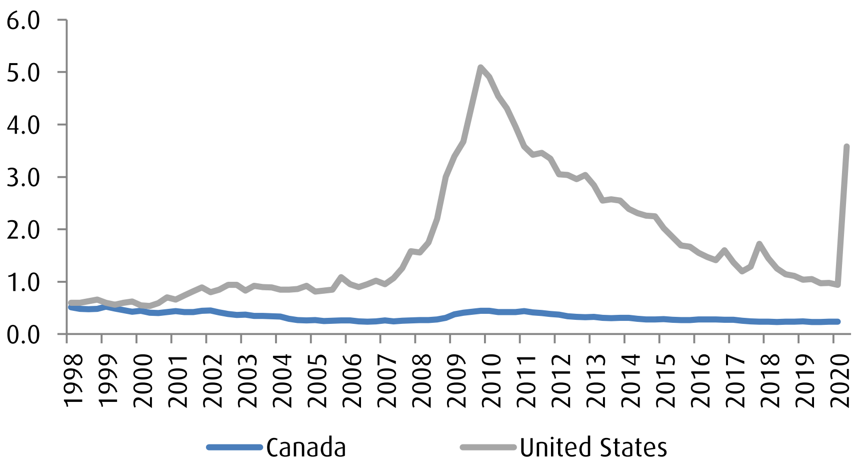
Source: BMO CM Economics and Canadian Bankers' Association as at October 2, 2020
This slide contains forward looking statements. See caution on slide 2

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

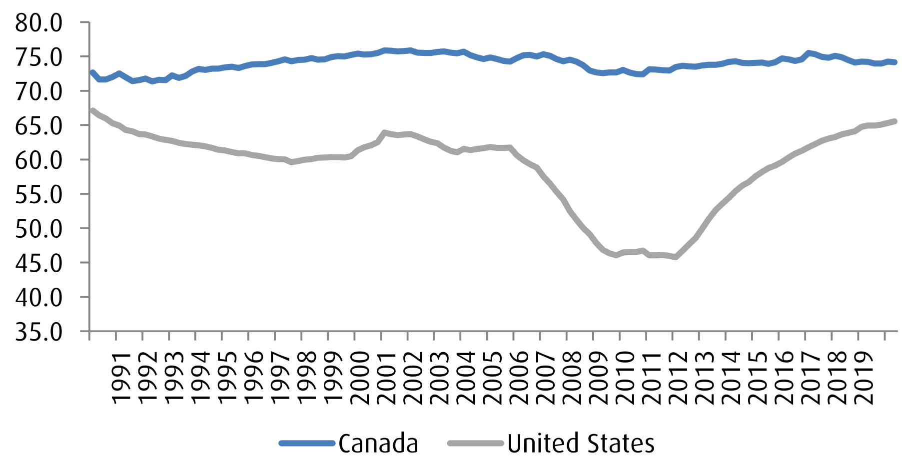
- Conservative lending practices, strong underwriting and documentation discipline have led to low delinquency rates
  - Over the last 30 years, Canada's 90-day residential mortgage delinquency rate has never exceeded 0.7% versus the U.S. peak rate of 5% in 2010
- Mandatory government-backed insurance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

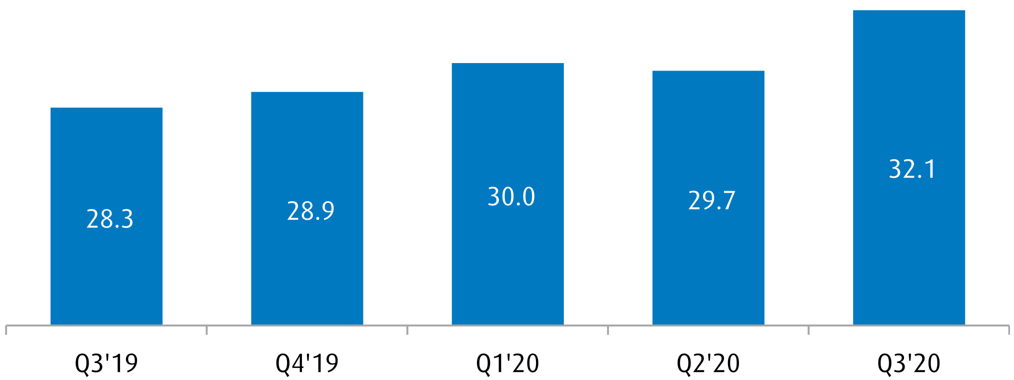


Source: BMO CM Economics and Canadian Bankers' Association as at October 2, 2020
This slide contains forward looking statements. See caution on slide 2

Liquidity & Wholesale Funding Mix

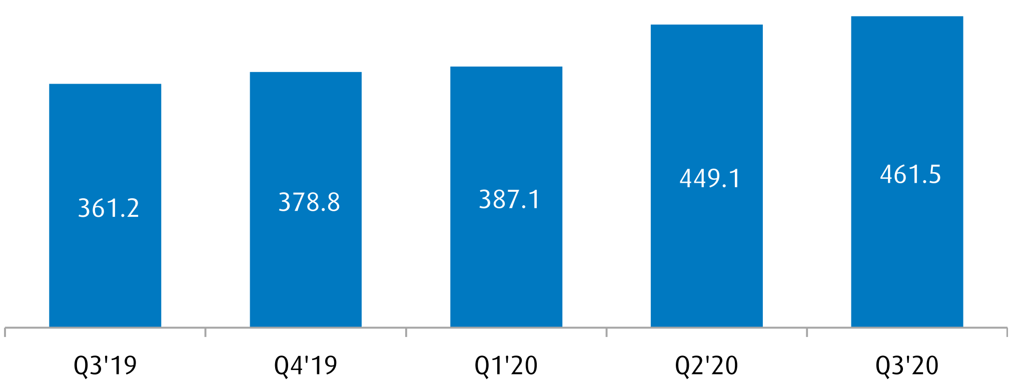
Liquidity and Funding Strategy

Cash and Securities to Total Assets Ratio (%)



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

Customer Deposits[1] ($B)

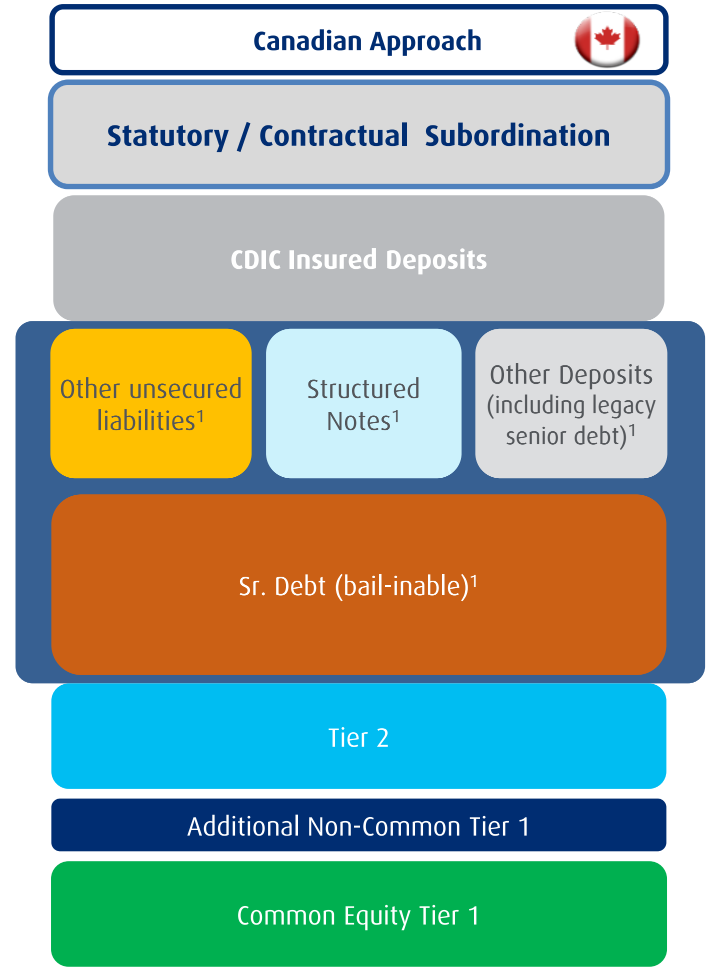


- BMO's large base of customer deposits, along with our strong capital base, reduces reliance on wholesale funding

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)

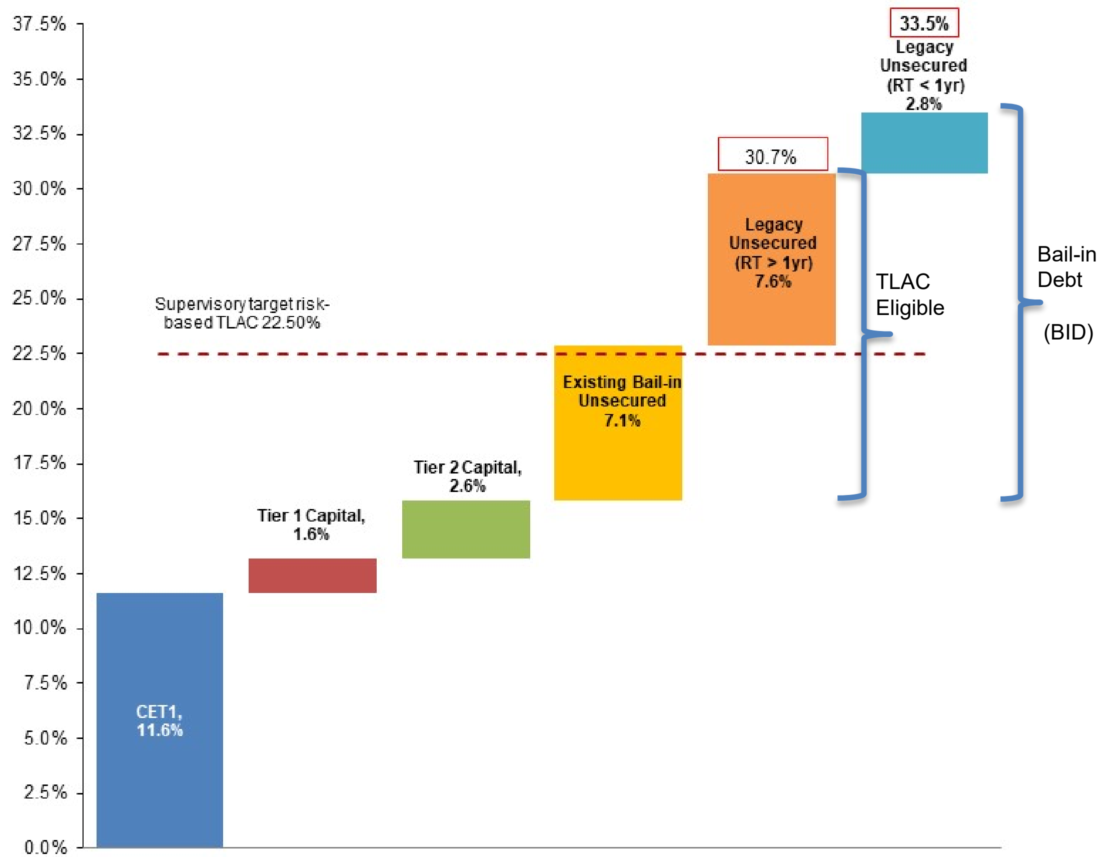


1 Pari passu ranking in liquidation.

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 July 31, 2020

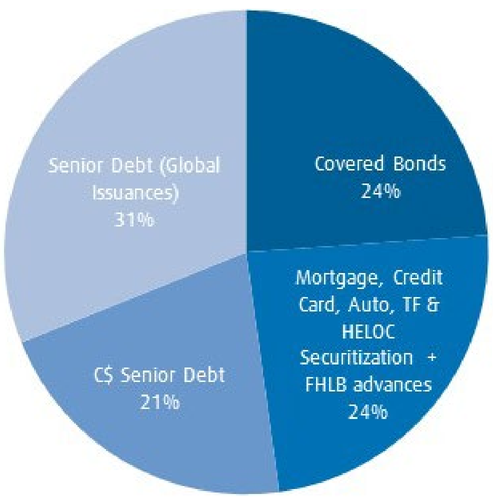


1 On March 13, 2020, OSFI announced a decrease of the Domestic Stability Buffer from 2.25% (effective as at April 30, 2020) to 1% of total risk-weighted assets effective immediately, in order to support D-SIBs' ability to supply credit to the economy during an expected period of disruption related to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

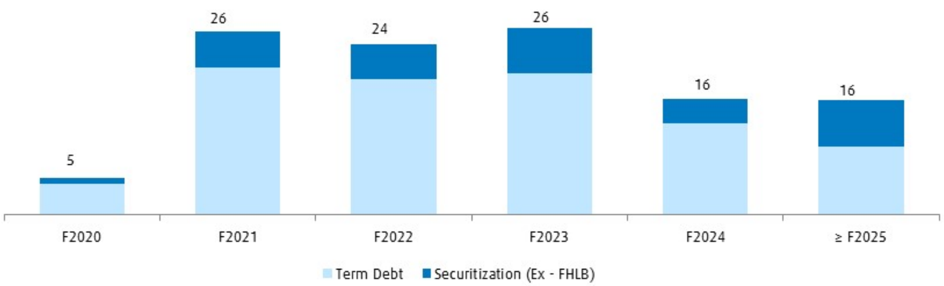
Diversified Wholesale Term Funding Program

- 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 Composition[1] ($114B) as at July 31, 2020



Wholesale Capital Market Term Funding Maturity Profile[1,2] as at July 31, 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

Canada[1]

- Canadian MTN Shelf (C$10B)
- 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 & Asia[1]

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

Recent Notable Transactions

- C$1.25 billion 10-year Fixed Rate NVCC Subordinated Notes at 2.077%
- 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

Credit ratings

	Moody's	S&P	DBRS	Fitch
Long term deposits / legacy senior debt[1]	Aa2	A+	AA	AA
Senior debt[2]	A2	A-	AA (low)	AA-
Outlook	Stable	Stable	Stable	Negative

1 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

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

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