

# Q3'20 Fact Sheet



## Who We Are

Established in 1817, BMO Financial Group is North America's eighth largest bank by assets<sup>1,2</sup>. BMO serves more than 12 million customers through three integrated operating groups providing personal and commercial banking, wealth management and investment services. Everywhere we do business, we're focused on building, investing and transforming how we work to drive performance and continue growing the good.

## Our Purpose:

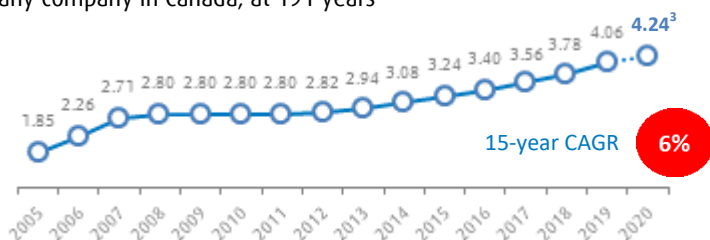
**Boldly Grow the Good in business and life**

## Our Strategic Priorities

- 1 Drive leading growth in priority areas by earning customer loyalty
- 2 Simplify, speed up, and improve productivity
- 3 Harness the power of digital and data to grow
- 4 Be leaders in taking and managing risk, consistent with our overall risk appetite
- 5 Activate a high-performance culture

## Dividends Declared (\$ per share)

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



## Shareholder Centre

(Ticker: BMO; exchanges: TSX, NYSE)

- Current declared quarterly dividend: \$1.06
- Target Dividend Payout Ratio: 40-50%
- Dividend Yield<sup>1</sup>: 5.8%
- Market Capitalization<sup>1</sup>: \$47.1B
- Common Shares Outstanding<sup>1</sup>: 642.8 million

## Proven Strategy; Strong, Resilient Earnings with Capital Strength

### Strong Foundation

- Diversification across businesses and jurisdictions, driving PPPT<sup>4</sup> of \$2,593MM
- Sustained capital strength
- Long-term track record of superior credit risk management, consistently applied

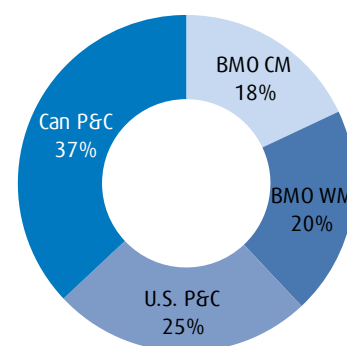
### Business and Operational Momentum

- Stable and resilient earnings power
- Disciplined expense management and efficiency improvement
- Momentum across businesses; good targeted share opportunities

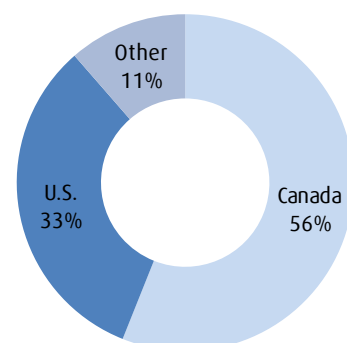
### Consistent Strategy

- Strategy tested and proven to deliver in all market environments
- Integrated and agile digital-first approach
- Activating a high-performance culture

## Adjusted Net Income by Operating Group — LTM<sup>1,4</sup>



## Adjusted Net Income by Geography — LTM<sup>1,4</sup>



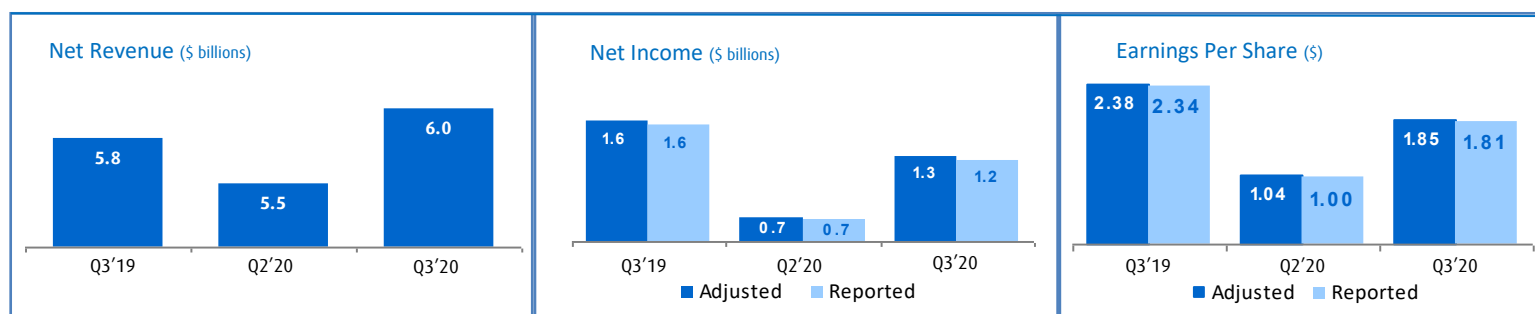
<sup>1</sup> As at July 31, 2020

<sup>2</sup> Source: Bloomberg

<sup>3</sup> Annualized based on Q4'20 declared dividend of \$1.06

<sup>4</sup> Adjusted measures are non-GAAP measures, see page 7 of BMO's Q3'20 Report to Shareholders; Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses; On a reported basis: Q3'20 Pre-provision Pre-tax (PPPT) earnings: \$2,556MM; Q3'20 net income over last twelve months (LTM) by operating group (excludes Corporate Services): Canadian P&C 38%, U.S. P&C 25%, BMO WM 19%, BMO CM 18%; by geography: Canada 57%, U.S. 32%, Other 11%

# Q3'20 Fact Sheet



Key Metrics — Q3'20				Credit Ratings (Senior Debt / Outlook)						
Balance Sheet (\$B)		Capital Ratios		Bank Information		Moody's	S&P	Fitch	DBRS	
Assets	974	CET1	11.6%	Employees	~44,000	Long term deposits /	Aa2	A+	AA	AA
Loans	449	Tier 1	13.1%	Branches	1,417	Senior debt <sup>3</sup>	A2	A-	AA-	AA (low)
Deposits	661	Total Capital	15.8%	ABMs	4,817	Outlook	Stable	Stable	Negative	Stable

## Operating Group Overview

### Canadian P&C

Provides financial products and services to eight million customers through a network of ~880 branches, contact centres, digital banking platforms and over 3,200 automated teller machines; strong and growing retail banking business, benefiting from steadily increasing digital sales penetration; top-tier commercial banking business—BMO ranks number two in Canadian market share for business loans up to \$25 million

#### Q3'20 Highlights

- YTD revenue up 2% and PPPT<sup>4,5</sup> up 1%
- Expenses flat Y/Y reflecting continued focus on expense management in the current environment

### BMO Wealth Management

Serves a full range of client segments, from mainstream to ultra-high net worth and institutional, with a broad offering of wealth management products and services including insurance; global business with an active presence in markets across Canada, the United States, EMEA and Asia

#### Q3'20 Highlights

- Net income<sup>5</sup> up 35% Y/Y, operating leverage<sup>5</sup> of 11.1%
- Good earnings growth in Traditional Wealth
- Customers continue to trust us with their investments and reward us with their business as reflected in record client loyalty scores

### U.S. P&C

Delivers a broad base of financial services to more than two million customers through over 520 branches, dedicated contact centres, digital banking platforms and nationwide access to more than 40,000 automated teller machines

#### Q3'20 Highlights

- YTD revenue up 3% and PPPT<sup>4,5</sup> up 10%
- New low efficiency ratio<sup>5</sup> of 52.8%; exceeding Investor Day target of mid-50s
- One of eight select U.S. banks to offer digital accounts managed via Google Pay

### BMO Capital Markets

North American-based financial services provider, with ~2,800 professionals in 33 locations around the world, offering a complete range of products and services to corporate, institutional and government clients; well-diversified platform and business mix

#### Q3'20 Highlights

- Strong quarter with net income<sup>5</sup> of \$435MM
- Record revenue in both Global Markets and I&CB
- Achieved Investor Day target of 45-50% revenue contribution from U.S. in Q3 and YTD

1 Adjusted measures are non-GAAP measures, see page 7 of BMO's Q3'20 Report to Shareholders

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

5 On an adjusted basis. On a reported basis: U.S. P&C efficiency ratio 53.7%; BMO Wealth Management net income growth 37%, operating leverage based on net revenue, operating leverage, net of CCPB 11.1%; BMO Capital Markets net income \$426MM

### Investor Relations

Email: [investor.relations@bmo.com](mailto:investor.relations@bmo.com)

<http://www.bmo.com/investorrelations>

### Contact Information

100 King Street West  
1 First Canadian Place—10th Floor  
Toronto, ON M5X 1A1