Investor Presentation

April 2021

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 2021 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, as well as its impact on our customers, competitors, reputation and trading exposures, 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: 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; general economic and market conditions in the countries in which we operate; 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; changes in monetary, fiscal, or economic policy, and tax legislation and interpretation; interest rate and currency value fluctuations, as well as benchmark interest rate reforms; technological changes and technology resiliency; political conditions, including changes relating to or affecting economic or trade matters; the Canadian housing market and consumer leverage; climate change and other environmental and social risks; weak, volatile or illiquid capital or credit markets; 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 proposed acquisitions or dispositions, 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; 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; 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, strategic, environmental and social, and reputation risk, in the Enterprise-Wide Risk Management section that starts on page 73 of BMO's 2020 Annual Report, and the Risk Management section in BMO's First Quarter 2021 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 2020 Annual Report and updated in the Economic Review and Outlook section set forth in BMO's First Quarter 2021 Report to Shareholders, as well as in the Allowance for Credit Losses section on page 114 of BMO's 2020 Annual Report and the Allowance for Credit Losses section set forth in BMO's First Quarter 2021 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 Allowance for Credit Losses sections in BMO's First Quarter 2021 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 First Quarter 2021 Report to Shareholders and on pages 17 and 23 of BMO's 2020 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 and restructuring costs. Bank of Montreal provides supplemental information on combined business segments to facilitate comparisons to peers.

About Us

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

8th largest	$973 billion	12+ million
bank in North America by assets[1]	in total assets	customers globally

Operating Groups | **Personal & Commercial Banking** | **BMO Wealth Management** | **BMO Capital Markets**

Our Purpose

Boldly Grow the Good
in business and life

- For a sustainable future
- For a thriving economy
- For an inclusive society

Our Strategic Priorities

- **World-class** client loyalty and growth
- **Winning culture** driven by alignment, empowerment and recognition
- **Digital first** for speed, efficiency and scale
- **Simplify** work and **eliminate complexity**
- **Superior management** of **risk** and **capital** performance

Our Values

- Integrity
- Empathy
- Diversity
- Responsibility

1 Source: Bloomberg GICS screen of largest North American banks by total assets
2 Medium term financial objectives (adjusted basis). Adjusted measures are non-GAAP measures, see slide 2 for more information

Our Purpose

BOLDLY GROW THE GOOD

IN BUSINESS AND LIFE

For a sustainable future

- Ranked top bank in North America on Corporate Knights' 2021 Global 100
- Among first Canadian banks to sign UN Principles for Responsible Banking
- Joined the Partnership for Carbon Accounting Financials (PCAF)
- BMO Global Asset Management launches MyESG™ to help align investments and beliefs
- Announced BMO's Climate Ambition, a focused commitment to drive economic transformation toward a net zero world

For a thriving economy

- Launched BMO EMpower, a 5-year, US$5B commitment to address key barriers faced by minority businesses, communities and families in the United States
- BMO Business Xpress small business onboarding platform delivered over $1B in credit authorizations, helping more than 20,000 Canadian small businesses access capital faster
- Continuing to support customers with access to government relief programs and payment deferrals helping bridge to financial recovery, including the expanded CEBA, PPP and new HASCAP programs

For an inclusive society

- Recognized as one of the World's Most Ethical Companies for the 4th consecutive year by the Ethisphere Institute
- Recognized for the 6th consecutive year on the Bloomberg Gender-Equality Index
- BMO Harris Bank earned a perfect score on the 2021 Corporate Equality Index (CEI) for the 4th consecutive year

CEBA: Canadian Emergency Business Assistance
PPP: U.S. Paycheck Protection Program
HASCAP: Highly Affected Sectors Credit Availability Program

Reasons to Invest in BMO

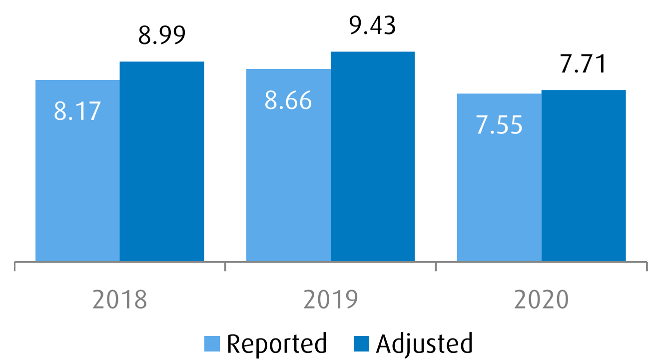
- Diversified businesses that continue to deliver resilient and robust earnings growth and long-term value for shareholders
- Strong foundation built for growth and differentiating strengths that drive competitive advantage:
  - Top 10 commercial lender in North America with advantaged market share in Canada and the U.S.
  - Well-established, highly profitable flagship banking business in Canada
  - Strong U.S. deposit market share, top 3 in our core footprint with a digital banking platform that extends nationally
  - Diversified, high-return wealth franchise with a strong client focus and competitive position
  - Competitively advantaged Canadian capital markets franchise with an integrated North American platform
- Well-capitalized with an attractive dividend yield
- Leading momentum in operating leverage and efficiency improvement through resource optimization, simplification and digitization
- Leading employee engagement and winning culture
- Digital first operating model where business and technology are completely integrated, driving efficiency, speed and scale
- Purpose-driven commitment to sustainability, applying industry-leading approaches to seize opportunities and manage risks in key areas such as sustainable finance, climate change, human rights, and diversity and inclusion

Strong financial performance

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

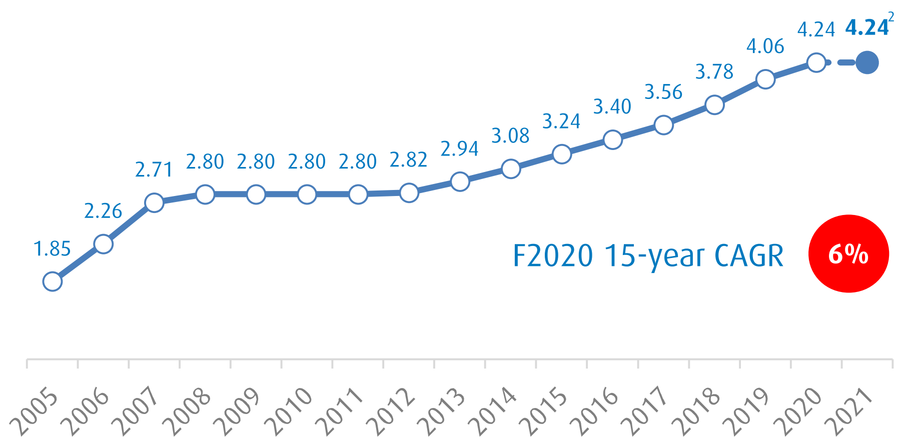
Earnings per Share ($)



Dividends Declared

($ per share)

- BMO has the longest-running dividend payout record of any company in Canada, at 192 years
- Dividend Yield[1]: 3.8%

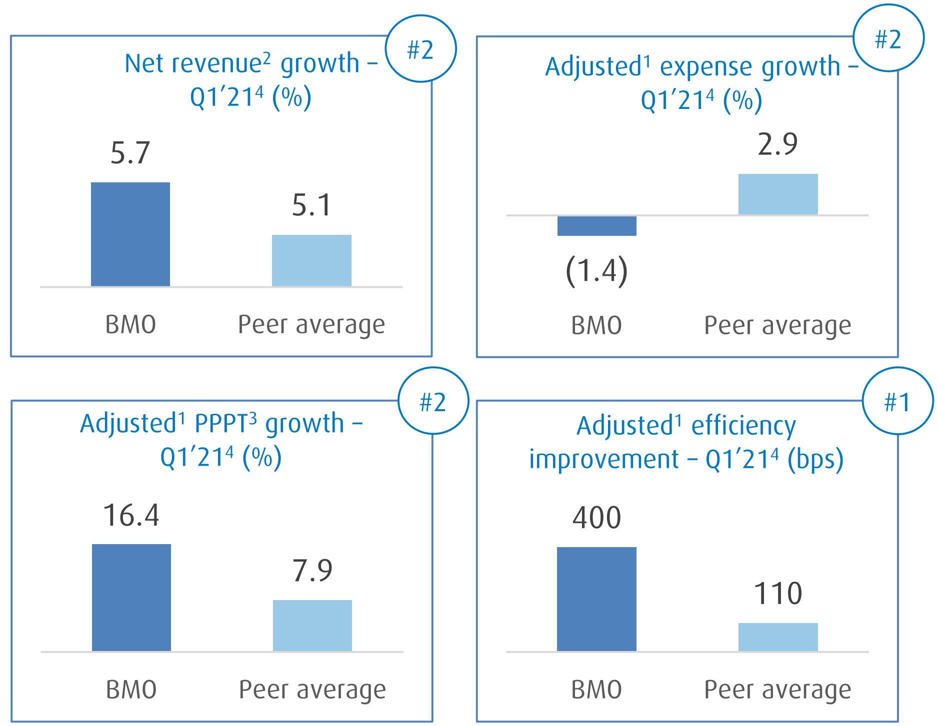


1 As at March 31, 2021
2 Based on Q1'21 dividend of $1.06 annualized

Continued operating momentum across our businesses

- Advantaged and diversified business mix positioned for resilience and growth
- Leading efficiency[1] improvement; above average net revenue[2] growth, expense[1] growth, and PPPT[1,3] growth
- Peer-leading PPPT[1,3] growth in Canadian P&C
- U.S. P&C PPPT[1,3] up 24% with strong revenue growth and expense management
- Record earnings in Wealth and Capital Markets
- Very strong credit performance reflecting portfolio quality and strength in risk management
- Continued progress on efficiency[1], improved to 56.3% with a 1% decline in expenses[1]

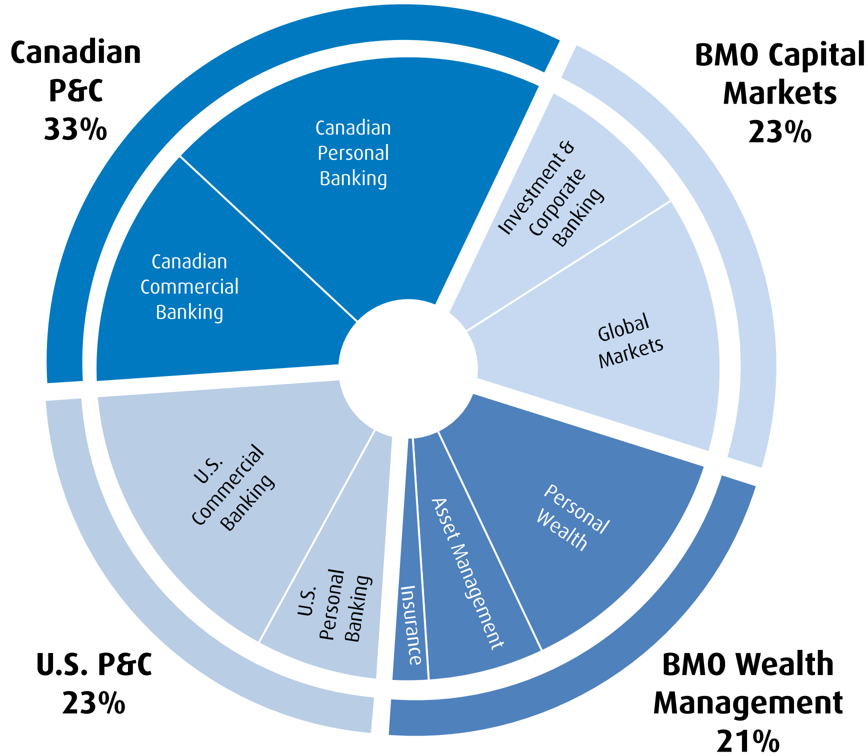
Top tier financial performance[4]



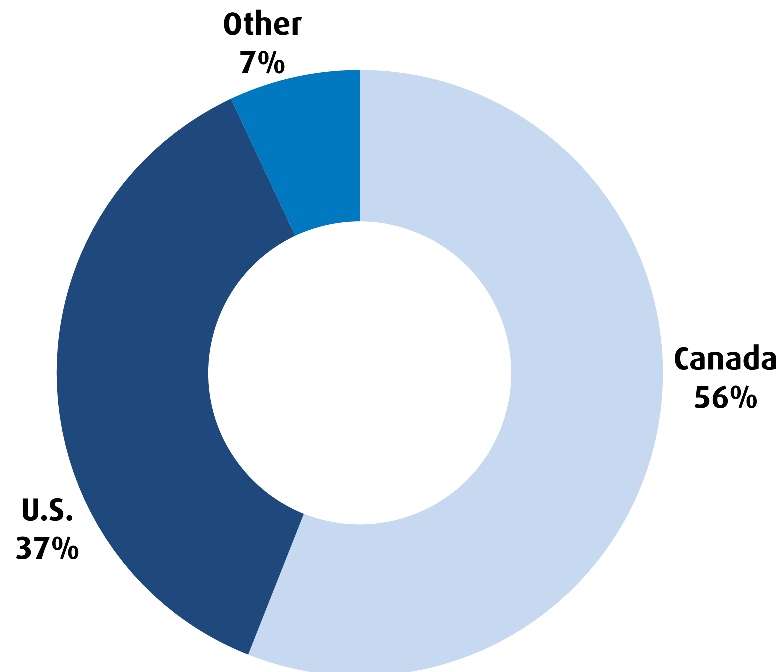
1 On an adjusted basis. Adjusted measures are non-GAAP measures, see slide 2 for more information
2 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB)
3 Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses
4 Based on Q1'21 performance. Peers: BNS, CIBC, NA, RBC, TD; peer average based on company disclosures and internal calculations for comparative purposes

Diversified business mix with strong, resilient profitability

Diversified by business
% of Operating Groups Net Revenue – LTM[1]



Diversified by geography
% of Net Revenue by Geography – LTM[1]

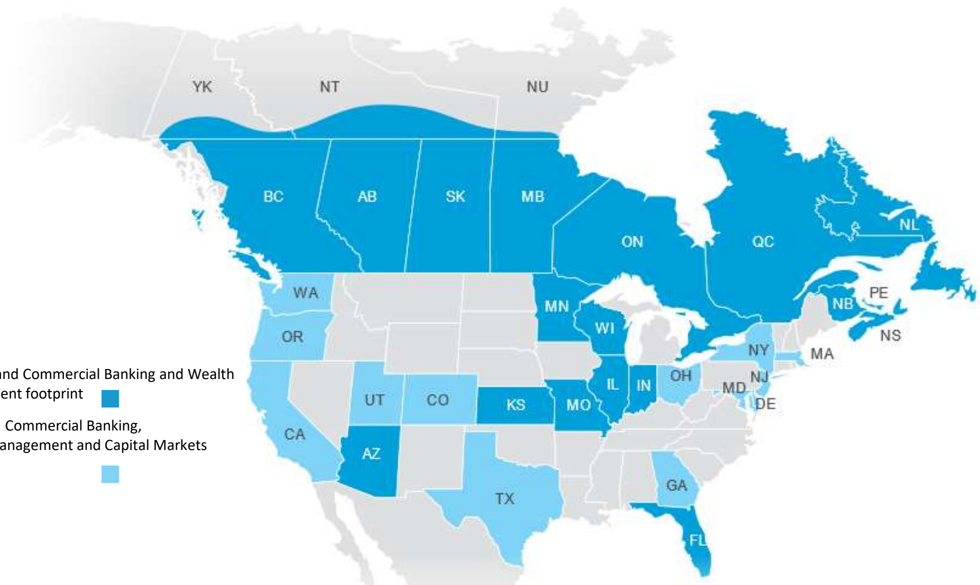


1 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB).

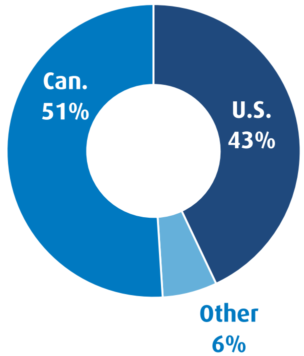
U.S. segment continuing to deliver strong results

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

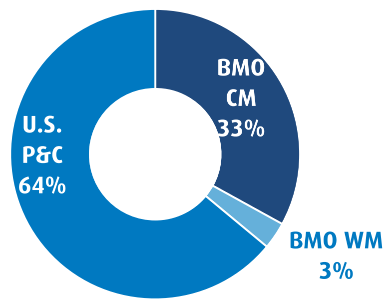
- U.S. segment adjusted[1] PPPT[1] up 48% Y/Y; contributed over 40% of total bank adjusted earnings[1]
- Adjusted[1] efficiency of 53.5% and adjusted[1] operating leverage of 18.7%
- #11[2] in U.S. commercial lending; top-tier market position in flagship U.S. markets
- #3 deposit market share[3] in our core footprint[3]; #2 in Chicago and Milwaukee
- Leveraging strong integration and collaboration across businesses to provide integrated client offering



Total Bank Adjusted[1] Net Income by Geography – Q1'21



U.S. Segment Adjusted[1] Net Income by Operating Group[4] – Q1'21

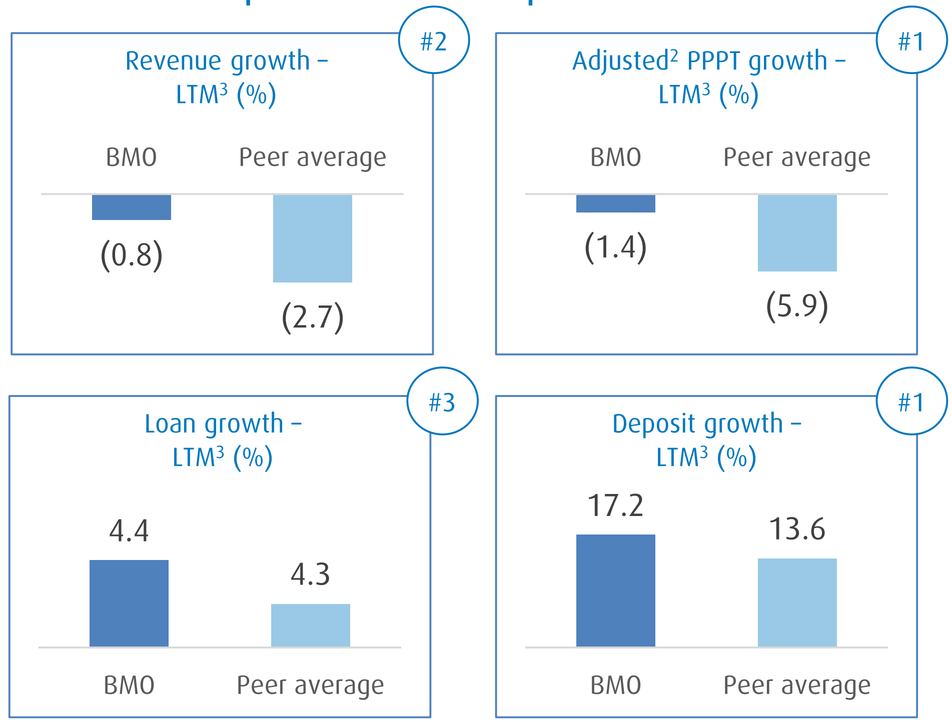


1 Adjusted measures are non-GAAP measures, see slide 2 for more information. Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses. On a reported basis: U.S. Segment PPPT growth 50% Y/Y, contributed 43% of total bank earnings, efficiency 54.3%, operating leverage 18.9%; Total bank reported net income by geography for Q1'21: Canada 51%, U.S. 43%, Other 6%; U.S. Segment reported net income by operating group for Q1'21: U.S. P&C 64%, BMO CM 33%, BMO WM 3%
2 Based upon publicly available U.S. regulatory filings (FR Y-9Cs and FFIEC 002s) and internal analysis
3 Based on FDIC deposit share data; core footprint includes Illinois, Kansas, Wisconsin, Missouri, Indiana and Minnesota
4 Excludes Corporate Services

Canadian P&C - Strong flagship business

- Flagship business contributing 34% of total bank net revenue[1] and 37% of adjusted[2] net income over LTM
- Good expense discipline; Q1 expenses down 3% Y/Y
- Commercial loans up 1% Y/Y; Proprietary channel residential mortgages and amortizing HELOC loans up 9% Y/Y
- Commercial deposits up 28% Y/Y; Personal deposits up 7% Y/Y
- Continuing to invest in digital innovation, providing leading, customer-centric digital experiences

Top tier[3] financial performance



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

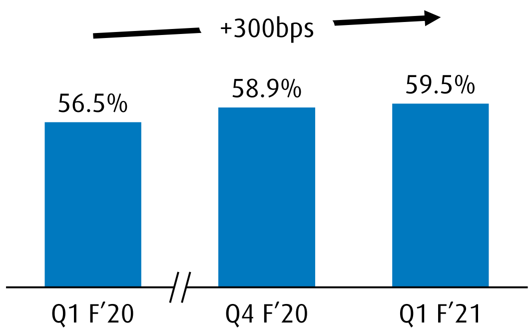
Awarded **first place** in J.D. Power's 2020 Canada Retail Banking Advice Study

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 Q1'21 Report to Shareholders; on a reported basis, net income contributed 37%
3 Peers: BNS, CIBC, NBF, RBC, TD; ranks based on LTM performance

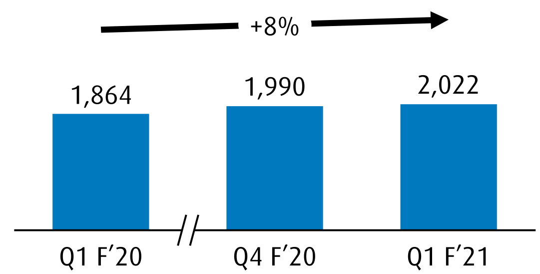
Advancing our digital experience in-line with customer preferences

Canadian Personal

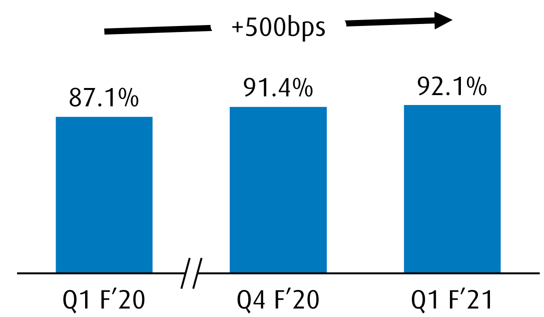
Digital Adoption Rate[1] (%)



Active Mobile Users[1] (000s)

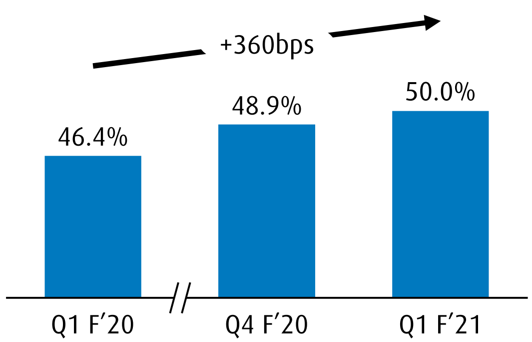


Self-Serve Transaction [2] (%)

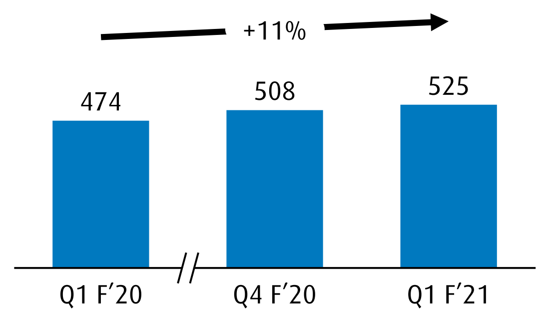


U.S. Personal

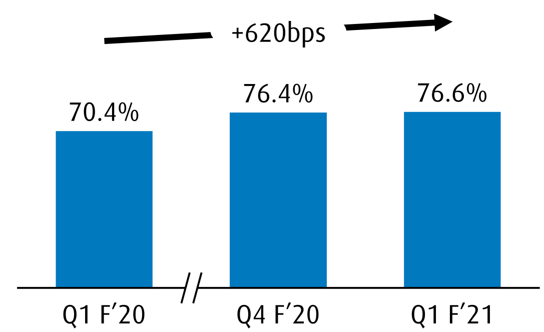
Digital Adoption Rate[3] (%)



Active Mobile Users[3] (000s)



Self-Serve Transaction[4] (%)

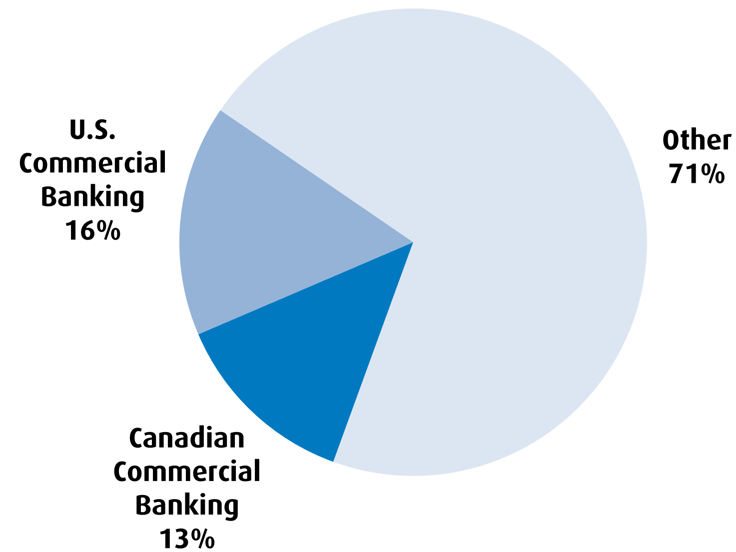


1 Digital adoption is percent of deposit customers that logged on in last 90 days. Active mobile users is number of deposit customers that logged into mobile in the last 90 days
2 Self-Serve Includes deposits, bill payments, internal funds transfers, withdrawals and e-transfers sent. Self-serve are ATM, Digital and IVR
3 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
4 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[1] in North America
  - In Canada: Top-tier commercial banking business, #2 market share for business loans up to $25 million[2]
  - 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[3]
- Sole or lead position on ~90% of relationships
- Diversified growth, consistent risk appetite and underwriting
  - 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 ~80% secured

Commercial Banking Revenue as % of Total Bank Revenue – LTM

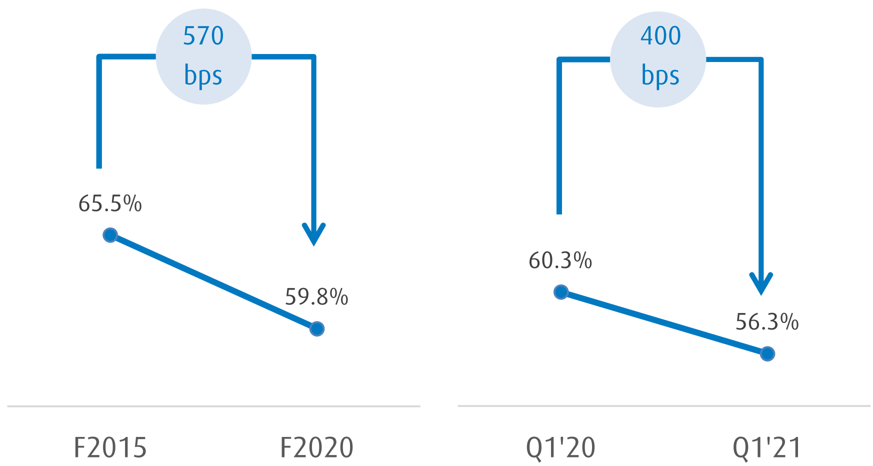


1 Based on internal analysis
2 Canadian Bankers Association; loan market share $0-$25MM, as at September 2020
3 Based upon publicly available U.S. regulatory filings (FR Y-9Cs and FFIEC 002s) and internal analysis

Creating sustainable efficiency – continuing good progress

- Continuing to make progress against our efficiency commitments
  - Organizational redesign and simplification of the way we do business
  - Reducing resources against lower value tasks
  - Automating business processes and digitizing activities

Adjusted[1] Efficiency Ratio Trend



1 Adjusted measures are non-GAAP measures, see slide 2 for more information. Reported Efficiency: F2015 67.5.%, F2020 60.4% , Q1'20 60.8%,Q1'21 56.7%

Strong balance sheet and capital position

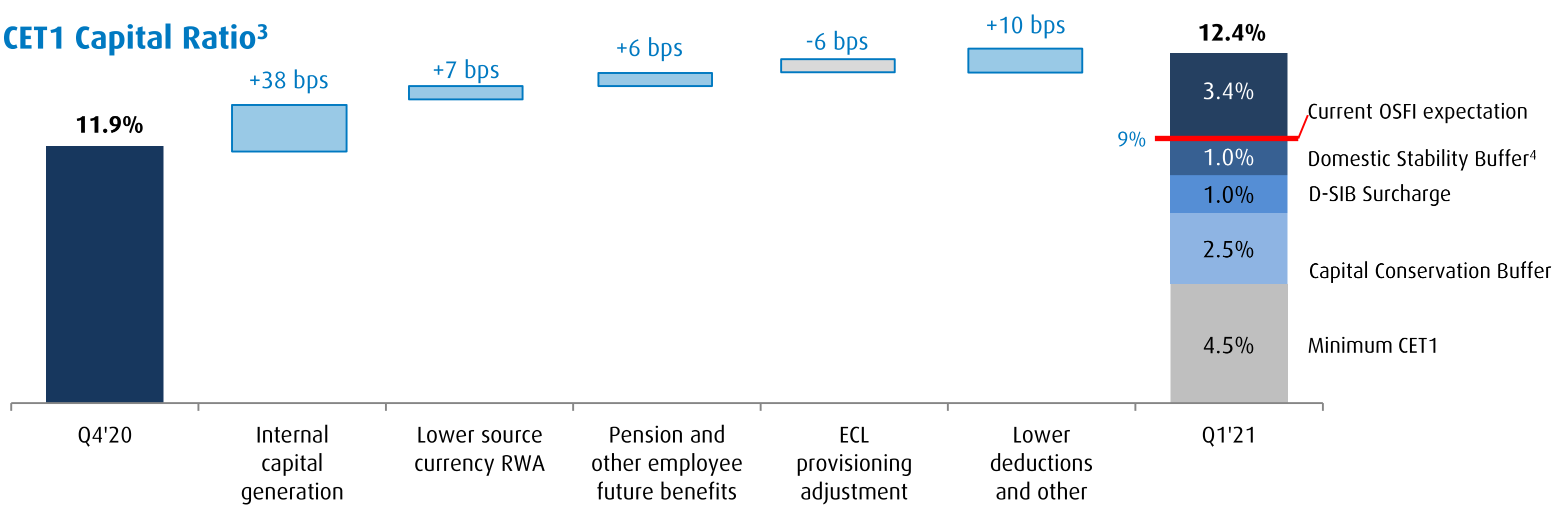
CET1 ratio 12.4%, up 50bps Q/Q

- CET1 ratio of 12.4%, up 50bps Q/Q; total capital ratio of 16.6%
- Sound leverage and liquidity ratios
  - Leverage Ratio 4.8%; Liquidity Coverage Ratio 130%
- Prudent balance sheet management

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

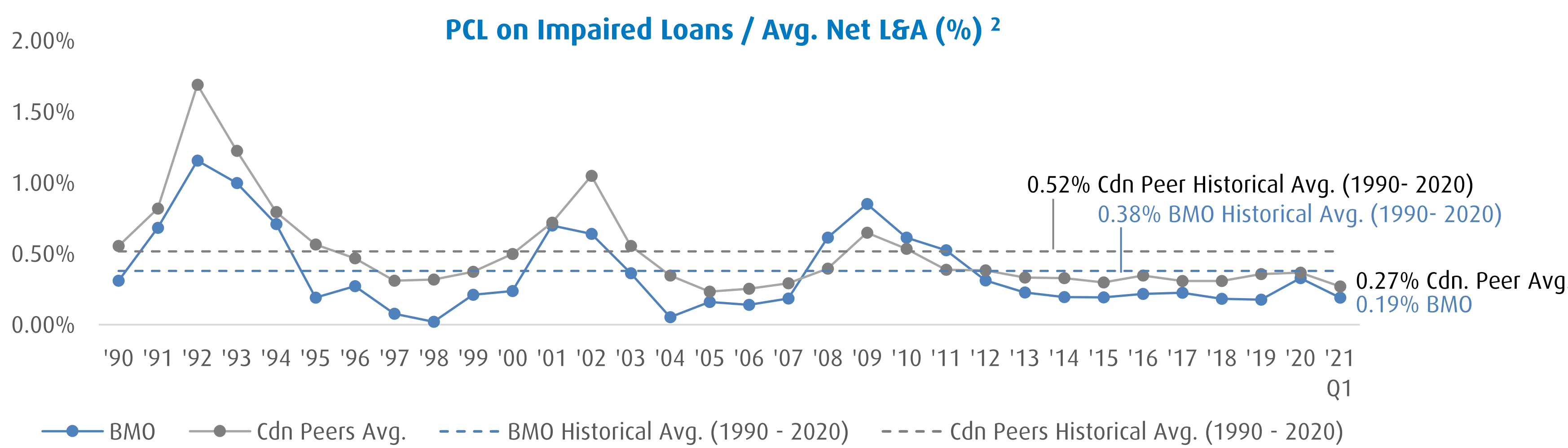
CET1 Capital Ratio[3]



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
3 Chart is not to scale
4 On December 8, 2020, OSFI announced that the Domestic Stability Buffer will remain at 1.0%, unchanged from the level set on March 13, 2020

Leading track record in risk management

- Long track record of outperforming peers on credit, with 20-year historical average loss rates well below peer banks
- PPPT earnings would cover PCL rate of ~240bps[1], higher than any time in at least 30 years, over six 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 stress period
- Credit allowances appropriately reflect diversification and underlying strength of portfolios



1 Based on Q1'21 pre-provision, pre-tax earnings annualized
2 To conform with current period presentation, historical balances used for bps calculations have been reclassified to reflect transfer of metal lease assets from Other Assets into Loans

Q1 F2021 Highlights

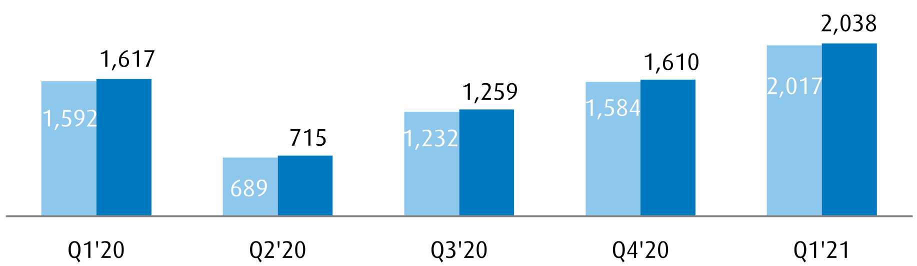
Q1 F2021 - Financial Highlights

Strong performance with good revenue growth, and lower credit provisions and expenses

- Adjusted[1] EPS $3.06, up 27% Y/Y (reported $3.03, up 28%)
- Adjusted[1] net income up 26% (reported up 27%)
- Adjusted[1] PPPT[4] up 16% Y/Y (reported up 17%)
- Net revenue[2] up 6% Y/Y reflecting growth across all operating Groups
- Adjusted[1] expenses down 1% Y/Y (reported down 2%) reflecting good cost management
- Adjusted[1] efficiency ratio[2] 56.3%, improved 400 bps Y/Y (reported 56.7%, improved 410 bps); good improvement across all Groups
- Adjusted[1] operating leverage[2] 7.1% (reported 7.2%); all Groups with adjusted[1] and reported operating leverage[2] of 4.0% or higher
- Adjusted[1] ROE 15.8%, improved 230 bps Y/Y (reported 15.7%, improved 240 bps)
- Total PCL $156MM, down $193MM Y/Y; down $276MM Q/Q
  - PCL on impaired loans $215MM or 19 bps; recovery on performing loans $59MM
  - Total PCL to average net loans and acceptances 14 bps

	Reported			Adjusted[1]		
($MM)	Q1 21	Q4 20	Q1 20	Q1 21	Q4 20	Q1 20
Net Revenue[2]	**6,374**	5,986	6,031	**6,374**	5,986	6,031
Expenses	**3,613**	3,548	3,669	**3,585**	3,515	3,637
PPPT[4]	**2,761**	2,438	2,362	**2,789**	2,471	2,394
Total PCL	**156**	432	349	**156**	432	349
Net Income	**2,017**	**1,584**	**1,592**	**2,038**	**1,610**	**1,617**
Diluted EPS ($)	**3.03**	2.37	2.37	**3.06**	2.41	2.41
ROE (%)	**15.7**	12.4	13.3	**15.8**	12.6	13.5
ROTCE[3] (%)	**18.2**	14.5	15.7	**18.2**	14.5	15.8
CET1 Ratio (%)	**12.4**	11.9	11.4			

Net Income[1] Trends



1 See slide 30 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information
2 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio based on net revenue. Reported gross revenue: Q1'21 $6,975MM; Q4'20 $5,986MM; Q1'20 $6,747MM
3 Return on Tangible Common Equity (ROTCE)
4 Pre-Provision Pre-Tax earnings (PPPT) is the difference between net revenue and expenses

Canadian Personal & Commercial Banking

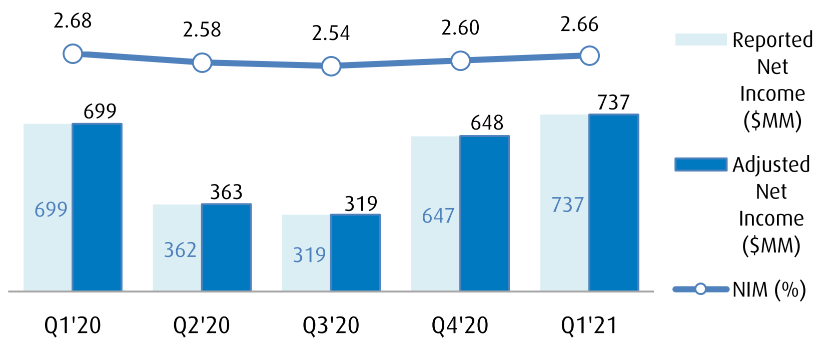
Strengths and Value Drivers

- 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

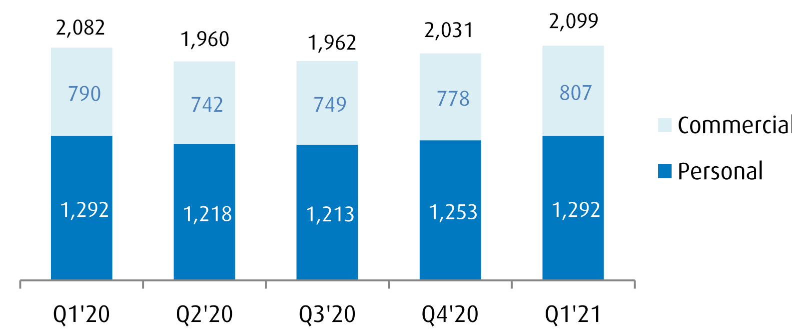
Q1'21 Highlights (Adjusted[1])

Net Income	$737MM
Net Income Growth (Y/Y)	5%
Revenue Growth (Y/Y)	1%
PPPT[2] Growth (Y/Y)	4%
ROE	25.9%
Efficiency Ratio	45.4%
Operating Leverage	4.0%
Average Loans and Acceptances	$254B
Average Deposits	$220B

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 Q1'21 Report to Shareholders
Q1'21 on a reported basis: Net Income $737MM; Net Income Growth 5%; PPPT Growth 4%; ROE: 25.9%; Efficiency Ratio 45.4%; Operating Leverage 4.0%
2 Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

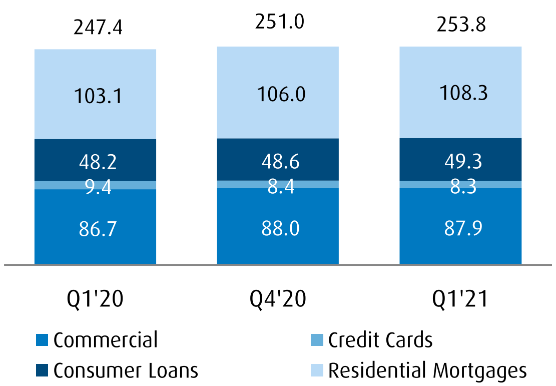
Canadian Personal & Commercial Banking

Strategic Priorities

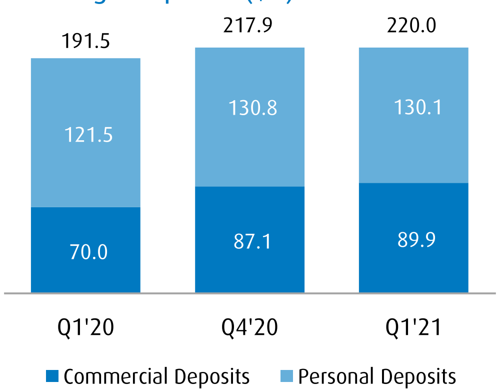
- Continue to improve customer loyalty by deepening primary relationships
  - In Personal Banking, deepen primary relationships, enhance digital capabilities and deliver a leading customer experience
  - In Commercial Banking, focus on maintaining core strengths, target opportunities for growth and diversification across high-value sectors and businesses, invest in digital and payment capabilities, and continue to leverage cross-bank collaboration
- Support customers, employees and the broader community to alleviate the adverse impact of the COVID-19 pandemic
- Drive efficiencies by simplifying and streamlining operations, investing in digital capabilities and through cross-bank collaboration

Performance

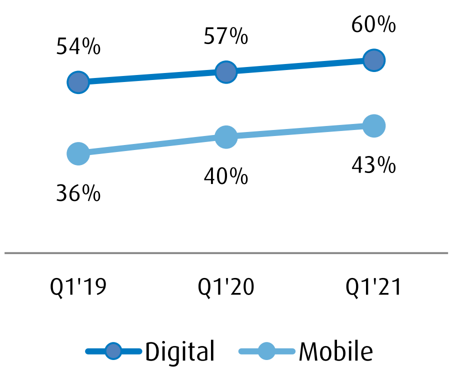
Average Gross Loans & Acceptances ($B)



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 January 31, 2019, 2020 and 2021

U.S. Personal & Commercial Banking

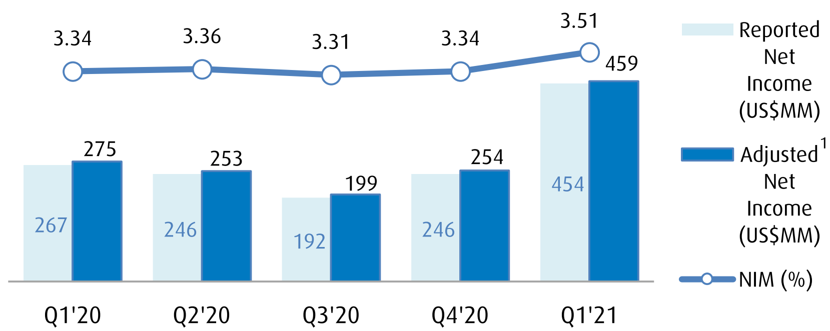
Strengths and Value Drivers

- 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 core footprint
- Continued momentum in personal banking with a large and growing customer base, top-tier deposit market share and accelerating digital engagement
- Comprehensive, integrated control structure to actively manage risk and regulatory compliance

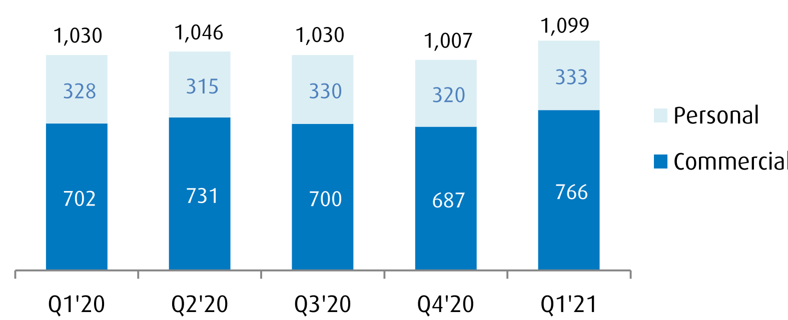
Q1’21 Highlights (Adjusted[1])

Net Income	US$459MM
Net Income Growth (Y/Y)	67%
Revenue Growth (Y/Y)	7%
PPPT[2] Growth (Y/Y)	24%
ROE	16.4%
Efficiency Ratio	47.9%
Operating Leverage	14.0%
Average Loans and Acceptances	US$91B
Average Deposits	US$108B

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 Q1’21 Report to Shareholders
Q1’21 on a reported basis: Net Income $454MM; Net Income Growth 70%; PPPT Growth 25%; ROE 16.3%; Efficiency Ratio 48.5%; Operating Leverage 14.5%
2 Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses

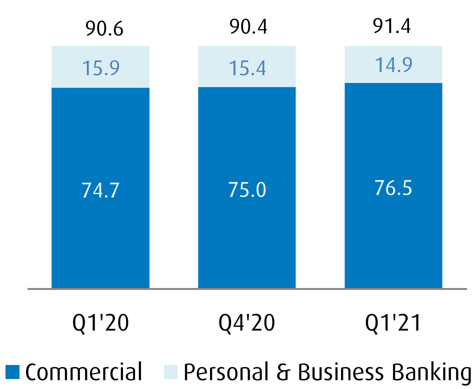
U.S. Personal & Commercial Banking

Strategic Priorities

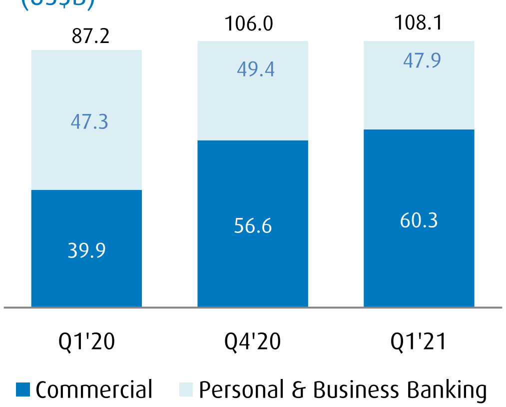
- Deliver a great experience for customers and employees, while adapting to the new operating environment, and continue to build a base of loyal customers
  - In Personal Banking, continue to drive new customer acquisition, maintain robust deposit growth, improve profitability in consumer lending, build a flagship franchise in Small Business Banking and increase digital engagement
  - In Commercial Banking, strengthen core market presence and continue to build share of wallet, strengthen digitization and digital capabilities, drive growth and enhance return on equity, while continuing to manage risk prudently
- Drive efficiencies by simplifying and streamlining operations, investing in digital capabilities and through cross-bank collaboration

Performance

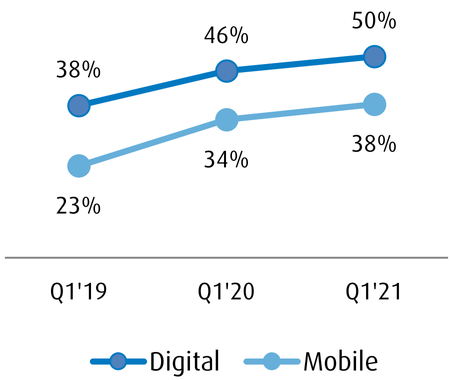
Average Gross Loans and Acceptances[1] (US$B)



Average Deposits (US$B)



Digital Adoption[2]



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 January 31, 2019, 2020, and 2021

BMO Wealth Management

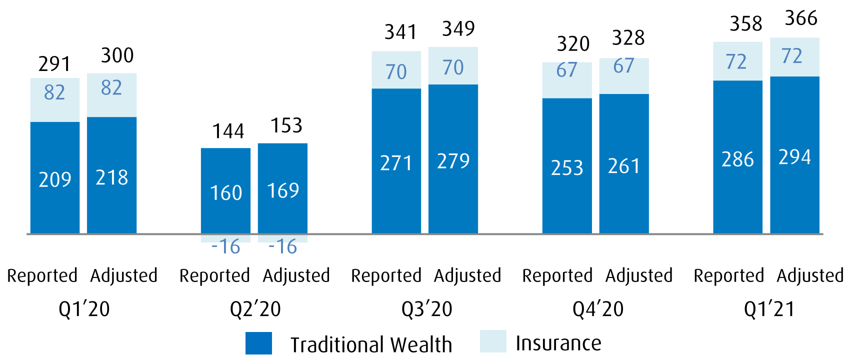
Strengths and Value Drivers

- 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 products and services, from digital investing to integrated full-service investment management, banking and wealth advisory services for retail, business and institutional clients
- Global asset manager with a commitment in responsible investing delivering innovative investment solutions to institutional and individual clients including BMO Mutual Funds and BMO Exchange Traded Funds across a range of channels
- Robust risk management framework supporting alignment with heightened regulatory expectations

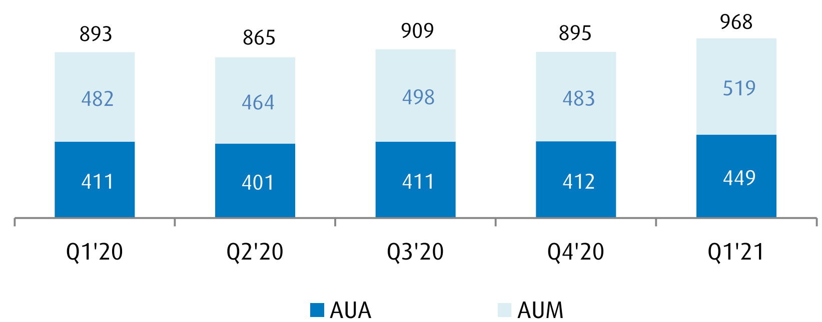
Q1'21 Highlights (Adjusted[1])

Net Income	$366MM
Net Income Growth (Y/Y)	22%
Revenue[2] Growth (Y/Y)	5%
PPPT[3] Growth (Y/Y)	18%
ROE	22.9%
Efficiency Ratio[2]	65.1%
Operating Leverage[2]	5.7%
AUA / AUM	$968B
Average Loans / Deposits	$28B / $49B

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 Q1'21 Report to Shareholders
Q1'21 on a reported basis: Net Income $358MM; Net Income Growth 23%; PPPT Growth 19%; ROE 22.4%; Efficiency Ratio 65.8%; Operating Leverage 5.9%
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

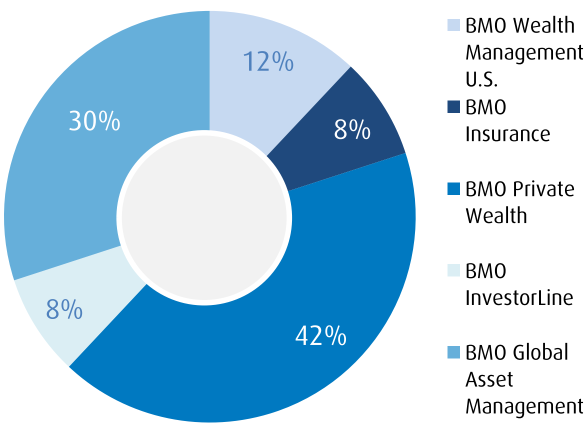
BMO Wealth Management

Strategic Priorities

- Deliver a differentiated client experience, providing outstanding support and working together to plan, 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 a strong foundation and continue to evolve, simplify and streamline businesses to drive value, efficiency and returns
- Activate and drive an inclusive, high-performance culture, focused on strong collaboration and alignment across the enterprise and a commitment to building diverse and inclusive teams to bring the best of BMO to all clients

Diversification

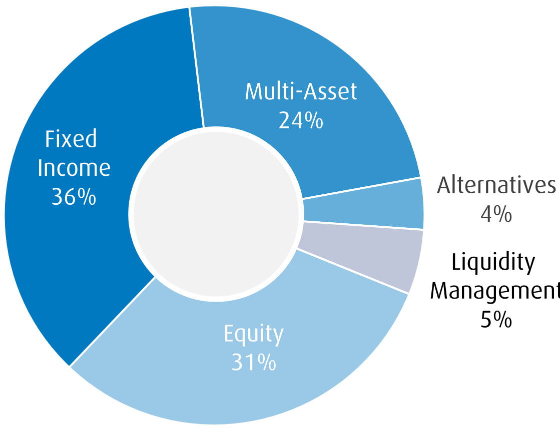
Net Revenue[1] by Business – LTM



~65%
Fee-based Revenues[2]

ETF
#1 in net new assets in Canadian market[4]

BMO GAM Investment Asset Class[3]



1 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB)
2 % of F2020 total Wealth Management net revenue
3 Investment Asset Class as of October F2020
4 Net new assets as of F2020

BMO Capital Markets

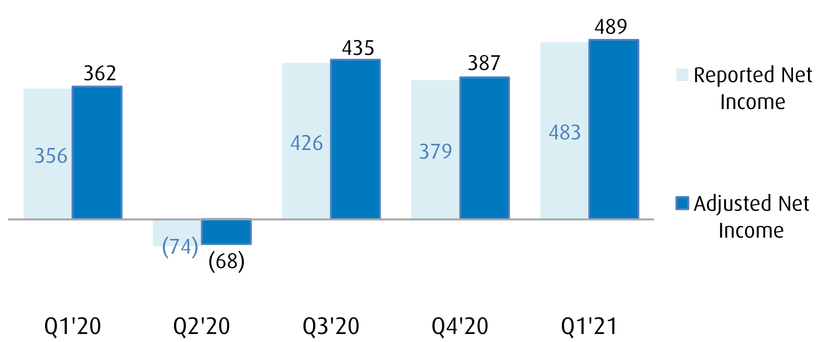
Strengths and Value Drivers

- A valued financial partner to our clients; leveraging our people, innovative solutions and capital to help them overcome their challenges and achieve their goals
- Unified coverage and integrated North American platform, 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

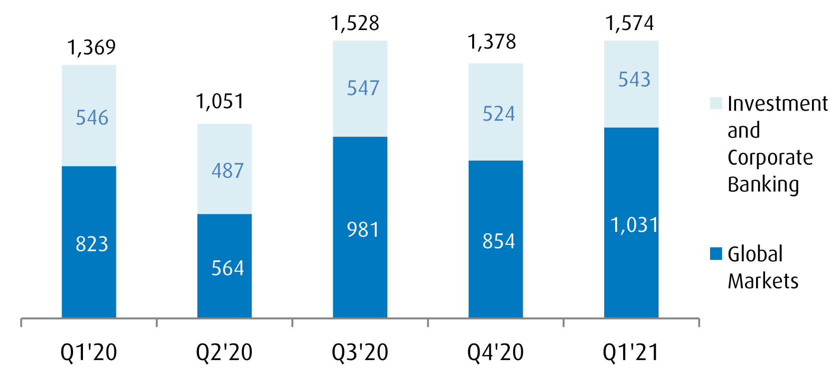
Q1'21 Highlights (Adjusted[1])

Net Income	$489MM
Net Income Growth (Y/Y)	35%
Revenue Growth (Y/Y)	15%
PPPT[2] Growth (Y/Y)	34%
Efficiency Ratio	55.3%
Operating Leverage	11.9%
Average Gross Loans and Acceptances	$63B
U.S. Revenue Contribution[3]	51%

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 Q1'21 Report to Shareholders
Q1'21 on a reported basis: Net Income $483MM; Net Income Growth 36%; PPPT Growth 35%; Efficiency Ratio 55.9%; Operating Leverage 11.8%
2 Pre-Provision Pre-Tax profit contribution; PPPT is the difference between revenue and expenses
3 U.S. Revenue as a % of Total
4 Source: Dealogic as at October 31, 2020

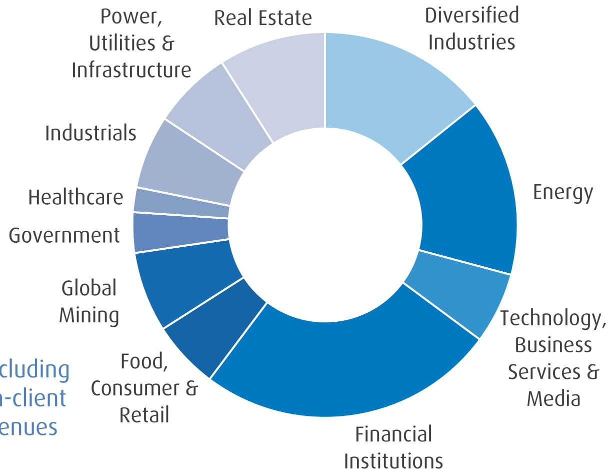
BMO Capital Markets

Strategic Priorities

- Continue to invest where we have the strength and capabilities to deliver value-added solutions and meet client needs
- Build on a foundation to work smarter and simplify how we do business, to enhance efficiency and return on equity with a particular focus on digitization
- Activate and drive an inclusive, high performance culture – focused on urgency and accountability to clients, strong partnership and alignment across the enterprise, and a commitment to eliminate barriers to diversity and inclusion
- Continue to be prudent managers of capital and risk for clients, employees and shareholders

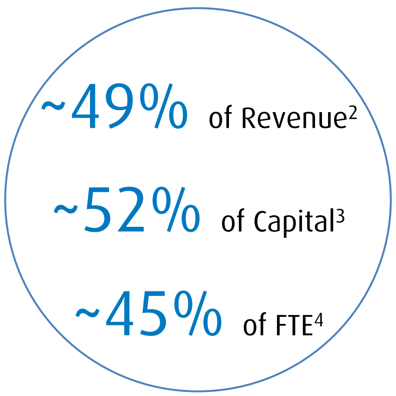
Diversification

Revenue by Sector[1]

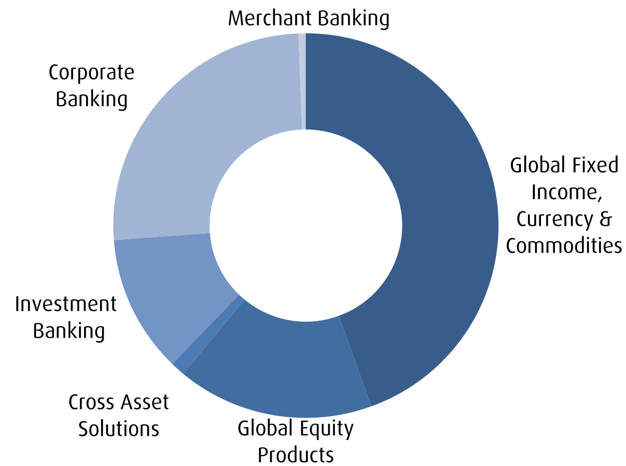


*Excluding non-client revenues

U.S. Contribution



Revenue by Product[5]



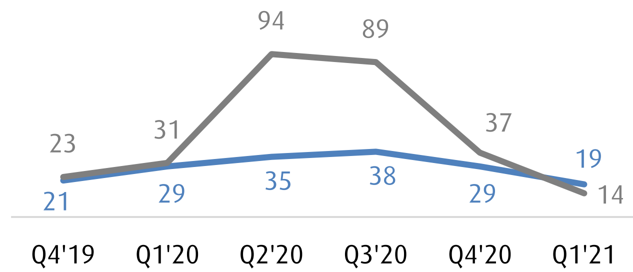
1 As a % of last twelve months (LTM) revenue as at October 31, 2020, excluding non-client revenues & investor-only clients
2 U.S. Revenue as a % of Total (LTM as of Q1'21)
3 U.S. Capital as a % of Total (LTM as of Q1'21)
4 U.S. FTE as a % of Total (LTM as of Q1'21)
5 As a % of LTM Q1'21 revenue excluding 'Other'

Risk Overview

Provision for Credit Losses (PCL)

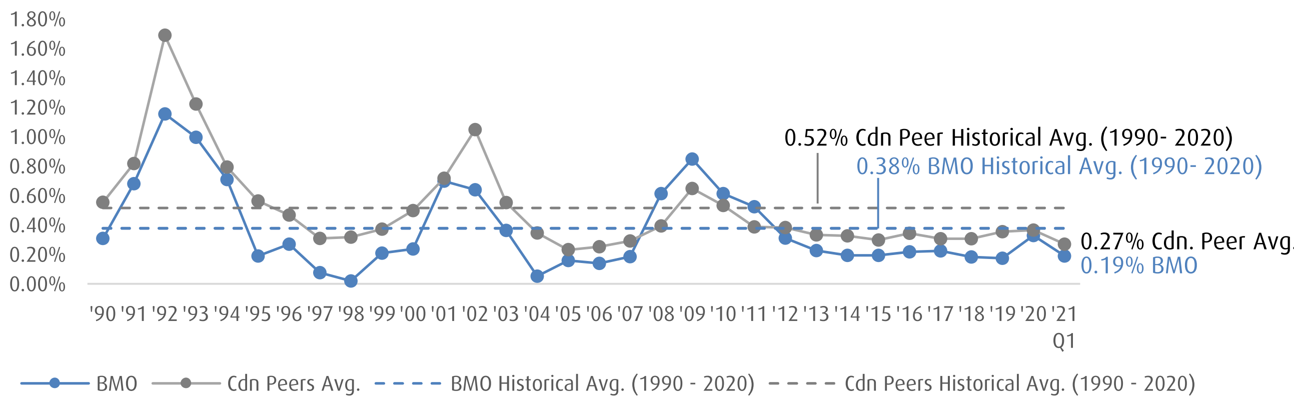
PCL By Operating Group ($MM)	Q1'21		Q4'20		Q1'20	
	$	bps	$	bps	$	bps
Total Canadian P&C	149	24	180	29	138	23
Total U.S. P&C	20	7	53	18	132	44
BMO Wealth Management	2	2	0	0	0	1
BMO Capital Markets	45	29	105	64	53	33
Corporate Services	(1)	n.m.	1	n.m.	1	n.m.
PCL on Impaired Loans	215	19	339	29	324	29
PCL on Performing Loans	(59)	(5)	93	8	25	2
Total PCL	156	14	432	37	349	31

PCL in bps[1]



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

- BMO's PCL loss rates have been lower than peer average over time



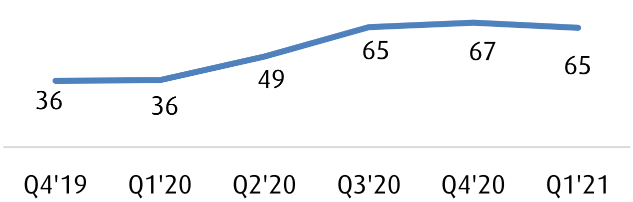
1 To conform with current period presentation, historical balances used for bps calculations have been reclassified to reflect transfer of metal lease assets from Other Assets into Loans

Allowance and Provision on Performing Loans

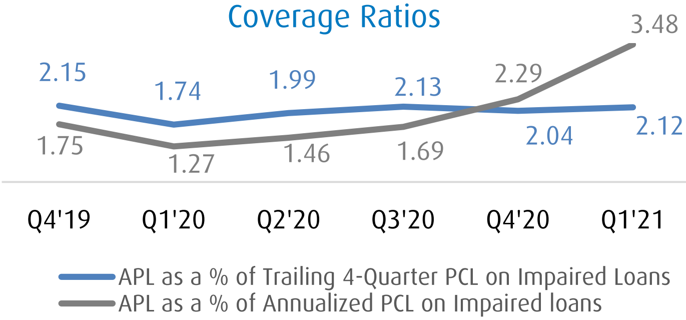
Allowance on Performing Loans (APL) and PCL on Performing Loans (PCL) By Operating Group ($MM) [2]	Q4 20 APL[1]	Q1 21 PCL	Q1 21 Foreign Exchange	Q1 21 APL[1]	APL to Performing Loans (bps)
Consumer – Canadian P&C	958	(36)	–	922	56
Commercial – Canadian P&C	485	34	(4)	515	59
Total Canadian P&C	**1,443**	**(2)**	**(4)**	**1,437**	**57**
Consumer – U.S. P&C	180	(32)	(6)	142	83
Commercial – U.S. P&C	899	(19)	(33)	847	81
Total U.S. P&C	**1,079**	**(51)**	**(39)**	**989**	**82**
BMO Wealth Management	**49**	**(4)**	**(2)**	**43**	**15**
BMO Capital Markets	**526**	**(2)**	**(5)**	**519**	**85**
Corporate Services	**3**	**–**	**–**	**3**	**nm**
Total	**3,100**	**(59)**	**(50)**	**2,991**	**65**

- The APL decreased $109MM to $2,991MM, jointly driven by a reduction in PCL on performing loans and foreign exchange impact
- The $59MM reduction in PCL on performing loans reflects an improving economic outlook and positive credit migration, largely offset by the impact of the uncertain environment on credit conditions, including an increased adverse scenario weight

Allowance for Performing Loans (bps)[3]



Coverage Ratios



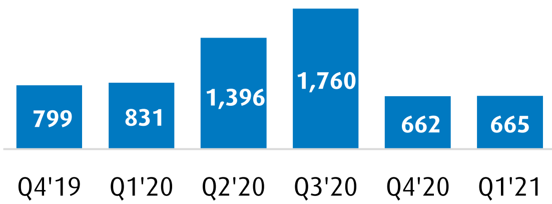
1 Q4'20 and Q1'21 includes APL on Other Assets of $25MM and $19MM respectively, and excludes APL on Securities of $5MM and $4MM
2 Q1'21 PCL includes PCL on Other Assets of $(6)MM and excludes PCL on Securities of $(1)MM
3 To conform with current period presentation, historical balances used for bps calculations have been reclassified to reflect transfer of metal lease assets from Other Assets into Loans

Gross Impaired Loans (GIL) and Formations

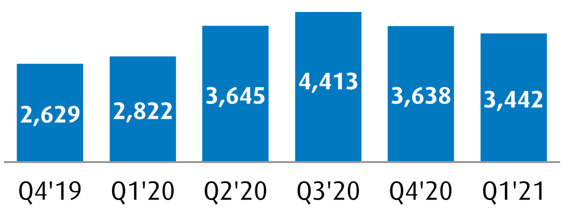
By Industry ($MM, as at Q1 21)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other[1]	U.S.	Total
Consumer	**229**	**68**	**297**	**490**	**354**	**844**
Service Industries	32	76	108	172	325	497
Oil & Gas	28	4	32	115	346	461
Retail Trade	51	6	57	333	86	419
Agriculture	22	9	31	76	236	312
Manufacturing	52	2	54	208	71	279
Transportation	2	21	23	13	121	134
Financing Products	0	0	0	0	117	117
Wholesale Trade	16	3	19	39	57	96
Commercial Real Estate	36	3	39	67	28	95
Construction (non-real estate)	2	1	3	42	31	73
Mining	0	0	0	0	35	35
Financial	1	0	1	17	15	32
Other Business and Government[2]	0	1	1	40	8	48
Total Business and Government	**242**	**126**	**368**	**1,122**	**1,476**	**2,598**
Total Bank	**471**	**194**	**665**	**1,612**	**1,830**	**3,442**

- GIL ratio 74 bps, down 4 bps Q/Q

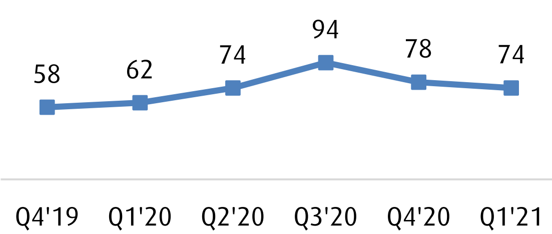
Formations ($MM)



Gross Impaired Loans ($MM)



GIL (bps)[3]

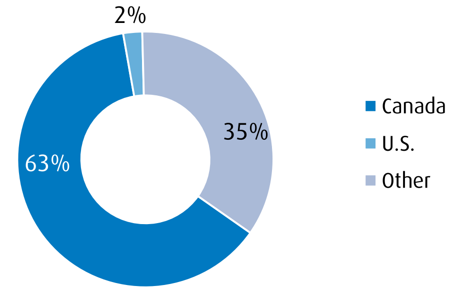


1 Total Business and Government includes $71MM GIL from Other Countries
2 Other Business and Government includes industry segments that are each <1% of total GIL
3 To conform with current period presentation, historical balances used for bps calculations have been reclassified to reflect transfer of metal lease assets from Other Assets into Loans

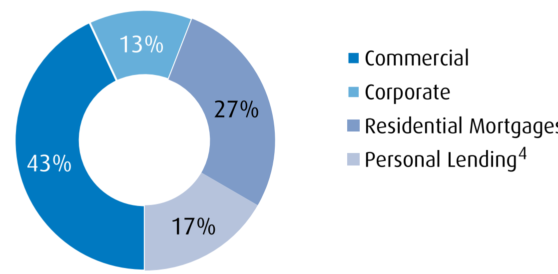
Our loans are well-diversified by geography and industry

Gross Loans & Acceptances By Industry ($B, as at Q1 21)	Canada & Other[1]	U.S.	Total	% of Total
Residential Mortgages	119.8	8.4	128.2	27%
Consumer Instalment and Other Personal	58.7	12.1	70.8	15%
Cards	6.9	0.4	7.3	2%
Total Consumer	**185.4**	**20.9**	**206.3**	**44%**
Financial	12.9	39.5	52.4	11%
Service Industries	22.8	23.5	46.3	10%
Commercial Real Estate	24.7	15.0	39.7	9%
Manufacturing	7.9	18.7	26.6	6%
Retail Trade	11.9	7.8	19.7	4%
Wholesale Trade	4.8	10.0	14.8	3%
Agriculture	12.0	1.5	13.5	3%
Transportation	3.6	8.8	12.4	3%
Oil & Gas	6.2	5.4	11.6	2%
Other Business and Government[2]	10.9	12.7	23.6	5%
Total Business and Government	**117.7**	**142.9**	**260.6**	**56%**
Total Gross Loans & Acceptances	**303.1**	**163.8**	**466.9**	**100%**

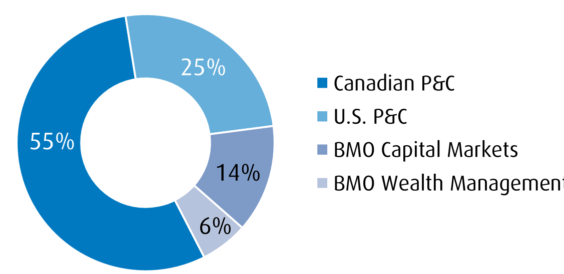
Loans by Geography[3]



Loans by Product[3]



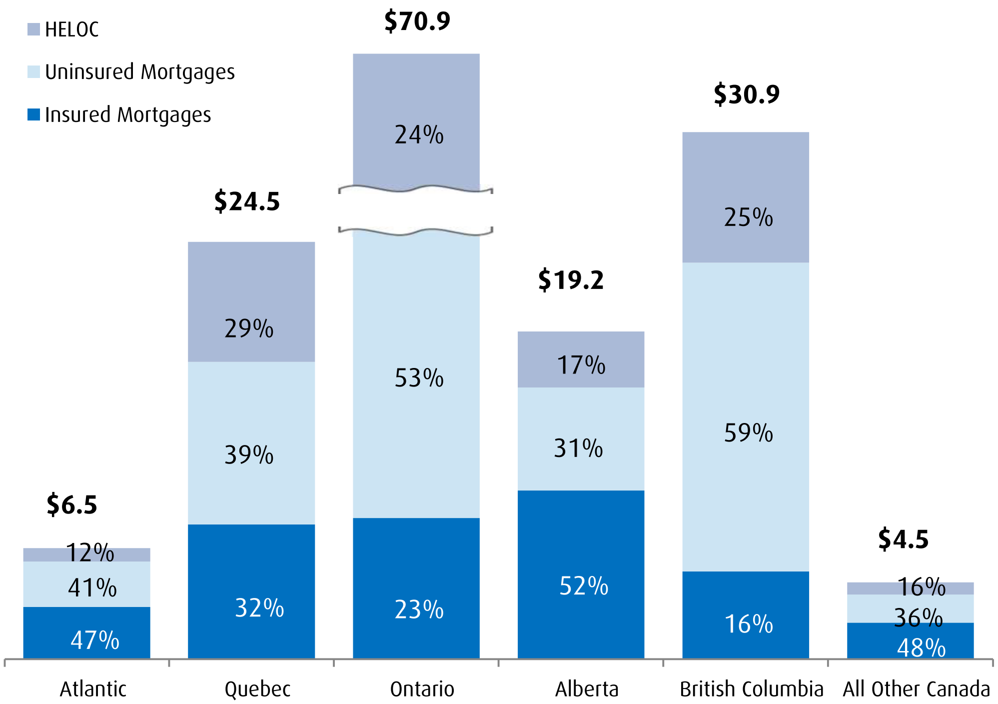
Loans by Operating Group[5]



1 Includes ~$11.3B 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 Jan. 31, 2021
4 Including cards
5 Average gross loans and acceptances as of Jan 31, 2021

Canadian Residential-Secured Lending

Residential-Secured Lending by Region ($156.5B)



Avg. LTV[1] Uninsured	Atlantic	Quebec	Ontario	Alberta	British Columbia	All Other Canada	Total Canada
Mortgage							
- Portfolio	57%	56%	53%	61%	50%	55%	54%
- Origination	74%	73%	69%	73%	67%	74%	70%
HELOC							
- Portfolio	47%	51%	44%	56%	43%	47%	46%
- Origination	72%	74%	65%	67%	62%	67%	66%

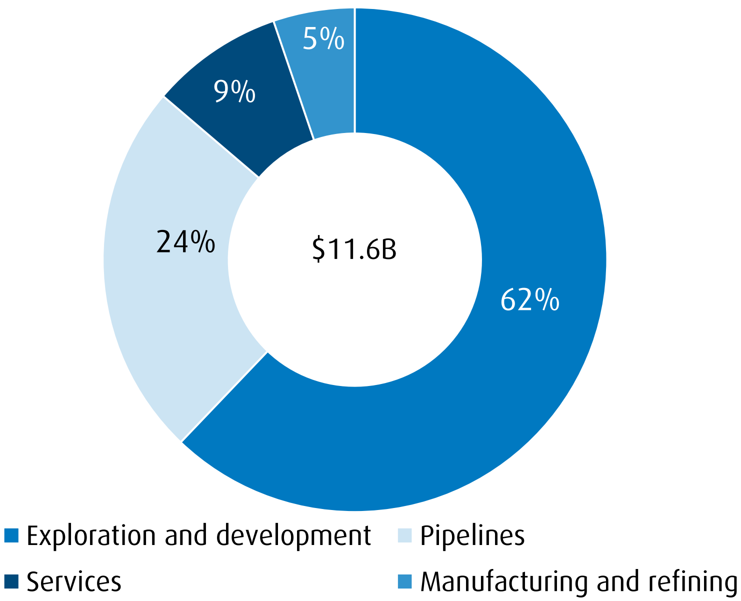
- Total Canadian residential-secured lending portfolio at $156.5B, representing 34% of total loans
  - LTV[1] on uninsured of 50%
  - 90-day delinquency rate for RESL remains good at 21 bps; loss rates for the trailing 4 quarter period were 1 bp
- Residential mortgage portfolio of $119.8B
  - 37% of 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 $36.7B outstanding of which 65% is amortizing
- GTA and GVA portfolios demonstrate better LTV[1], 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

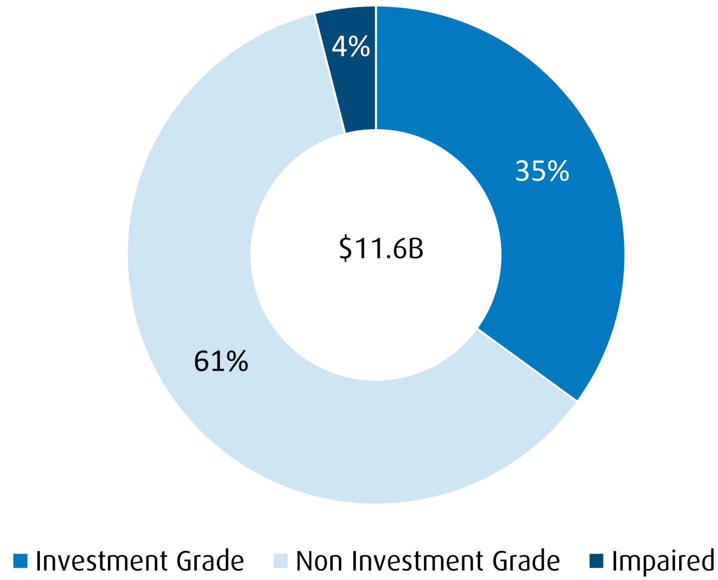
Oil and Gas Portfolio Overview

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

Industry by Sub-sector



Industry by Risk Rating



- The Oil and Gas portfolio is geographically well-diversified with 46% in the U.S., 44% in Canada and the remaining in other geographies
- Of the $7.2B in Exploration and Development (E&D) gross loans and acceptances, 69% is borrowing-base lending
  - 96% of U.S. E&D loans and 46% of E&D loans in Canada and other countries are borrowing-base. 75% of non-borrowing base E&D loans in Canada and other countries are investment grade
- Security, position in capital structure and structural protections reduce risk
- Allowance on performing loans related to industry at $233MM, or 210 bps, providing significant coverage

Sectors Impacted by COVID-19 Pandemic

By Industry of Heightened Focus ($B, as at Q1 21)	Gross Loans & Acceptances (GL&A)	% of Total GL&A
Hotels	4.2	0.9%
Restaurants	4.2	0.9%
Amusement & Recreational	3.4	0.7%
CRE – Lodging REITS	0.8	0.2%
CRE – Retail REITS	1.7	0.4%
CRE – Retail Property Types	2.5	0.5%
Retail Trade excl. Auto, Grocers & Pharmacies	4.9	1.1%
Airlines	0.4	0.1%
Total Industries of Heightened Focus	**22.1**	**4.8%**
Total Business & Government Gross Loans & Acceptances	**260.6**	**55.8%**
Total Gross Loans & Acceptances	**466.9**	**100.0%**

- Hotels: Well secured by real estate with overall reasonable loan-to-value averages. Majority of exposure is concentrated in Canada, focusing on well known banners, further support through recourse arrangements to ownership groups
- Restaurants: Managed by a speciality group, with majority of exposure concentrated in strong national and regional franchise brands, focusing on the quick service segment, which continues to fare well during the pandemic
- Retail Trade excl. Auto, Groceries & Pharmacies: Exposures remain diversified. Higher impaired loan formations since the start of the pandemic but low loss rate relative to formations, largely due to Asset Based Lending structures that are common in this sector
- CRE sub-sectors: Credit profile of the CRE sub-sectors remains consistent, with modest impaired loan formations and no PCL since the start of the pandemic

Economic and Housing Market Overview

Economic outlook and indicators[1]

	Canada			United States			Eurozone		
Economic Indicators (%)[1, 2]	**2020**	**2021E[2]**	**2022E[2]**	**2020**	**2021E[2]**	**2022E[2]**	**2020**	**2021E[2]**	**2022E[2]**
GDP Growth	(5.4)	6.5	4.0	(3.5)	6.5	4.5	(6.8)	4.0	4.5
Inflation	0.8	2.3	2.2	1.2	2.6	2.2	0.3	1.3	1.0
Interest Rate (3mth Tbills)	0.44	0.10	0.10	0.37	0.10	0.10	(0.44)	(0.55)	(0.55)
Unemployment Rate	9.6	7.8	6.3	8.1	5.4	4.1	7.9	8.1	7.0
Current Account Balance / GDP[3]	(1.9)	(0.8)	(1.0)	(3.1)	(3.8)	(3.9)	3.0	3.4	3.5
Budget Surplus / GDP[3]	(17.5)	(5.2)	(2.1)	(14.9)	(15.4)	(6.2)	(8.6)	(6.5)	(4.1)

Canada

- After contracting sharply in 2020 due to the coronavirus and weak oil prices, Canada's economy has rebounded on support from fiscal and monetary stimulus. Rising resource prices, wide-scale vaccinations and pent-up demand will drive stronger growth in 2021
- The unemployment rate has fallen sharply from peak pandemic levels and will continue to decline, but it will remain well above pre-virus levels for some time
- The Bank of Canada is expected to keep policy rates steady for at least a couple of years amid low inflation

United States

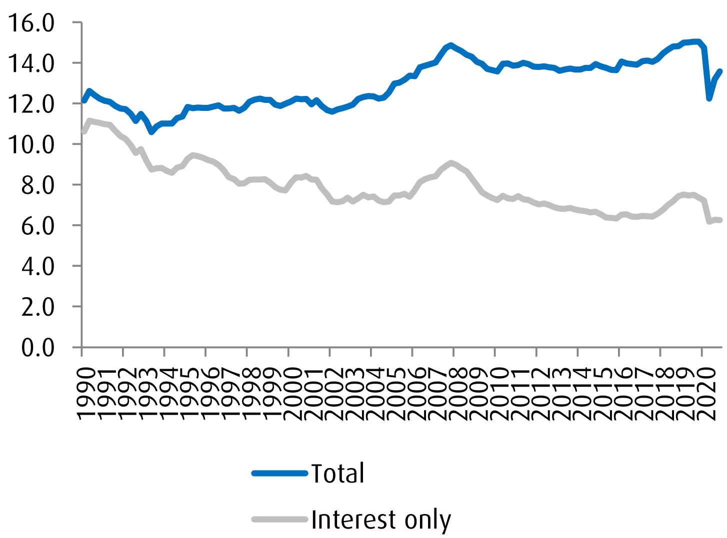
- Additional fiscal stimulus will support a strong recovery of the U.S. economy in 2021, with growth expected to be the fastest since 1984
- After surging to a post-war high last spring, the unemployment rate has fallen to 6.2% in February and will decline further this year
- The Federal Reserve is expected to keep policy rates near zero for two more years, while purchasing debt securities to prevent longer-term interest rates from rising too quickly

1 This slide contains forward looking statements. See caution on slide 2
2 Data is annual average. Estimates as of April 1, 2021
3 Eurozone estimates provided by OECD

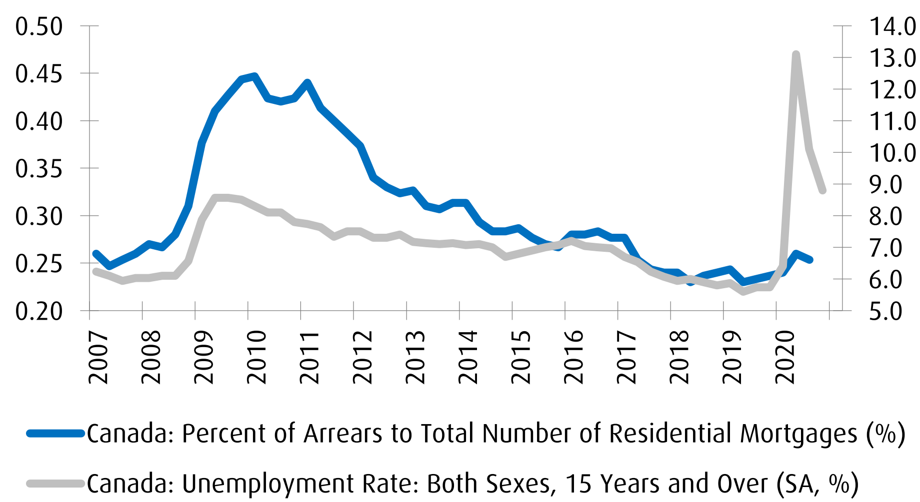
Canada's housing market is strong

- National existing home sales rose 39% Y/Y in February 2021 to record highs. Record-low mortgage rates and shifts in demand arising from remote working have supported the market
- Benchmark prices have accelerated 17.3% in the past year amid the leanest supply on record
- Home sales could moderate amid less pent-up demand in 2021, but prices should continue to rise
- Substantial fiscal income-support and mortgage deferral programs have kept foreclosure rates low
- Mortgage arrears remain near record lows, though they could rise moderately due to elevated unemployment
- Debt servicing costs (relative to income) have eased from all-time highs

Debt Service Ratio



Mortgage Delinquencies/Unemployment



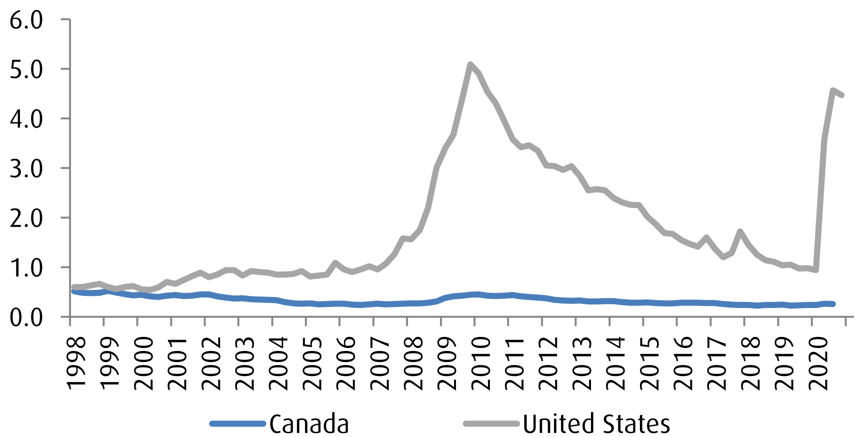
Source: BMO CM Economics and Canadian Bankers' Association as at April 1, 2021
This slide contains forward looking statements. See caution on slide 2

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

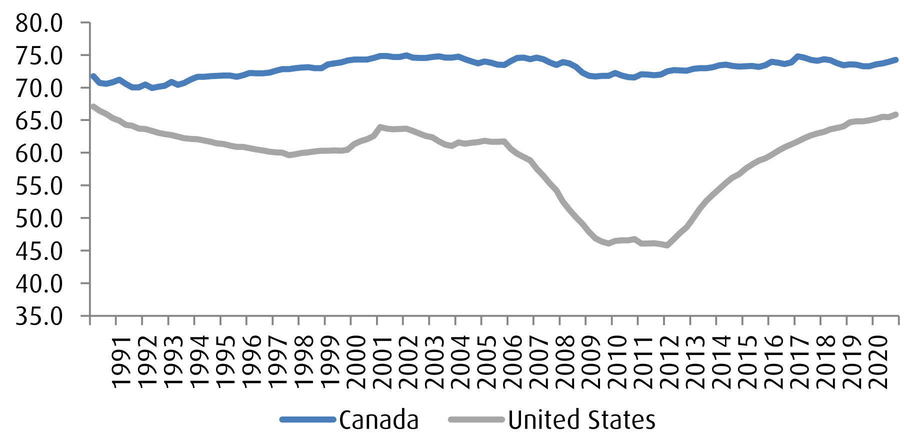
- Conservative lending practices, strong underwriting and documentation discipline have led to low delinquency rates
  - Over the last 30 years, Canada's 90-day residential mortgage delinquency rate has never exceeded 0.7% versus the U.S. peak rate of 5% in 2010
- Mandatory government-backed insurance 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 March 12, 2021

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

Environmental, Social and Governance

BMO

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 SDGs shown here.

SUSTAINABLE DEVELOPMENT GOALS

BMO's **2020 Sustainability Report** is available on our website.

BMO has designed products and services tailored to underrepresented segments including women and Indigenous communities.

BMO promotes economic growth by creating fair employment opportunities in our own operations and in the broader economy through our support of small businesses and entrepreneurs. We take steps to address forced labour, modern slavery and human trafficking through our approach to human rights, and encourage our peers and value chain partners to do the same.

BMO has adopted policies and practices that aim to remove barriers to social and economic inclusion among our employees. For our customers, we have designed products and services tailored to underrepresented segments, and we are partnering with charitable organizations on initiatives focused on inclusive local economic opportunity.

BMO is a champion of diversity and inclusion in our workforce. We also support women-owned businesses by providing access to financial services, and actively support initiatives aimed at empowering women and girls.

BMO manages our environmental impact and resource use, and we partner with our customers to build more sustainable buildings and promote community development initiatives.

We are raising awareness, building our capacity to manage climate change risks and opportunities, and mobilizing capital in support of a lower-carbon economy. We are actively partnering with industry peers to advance climate-related analytical methodologies.

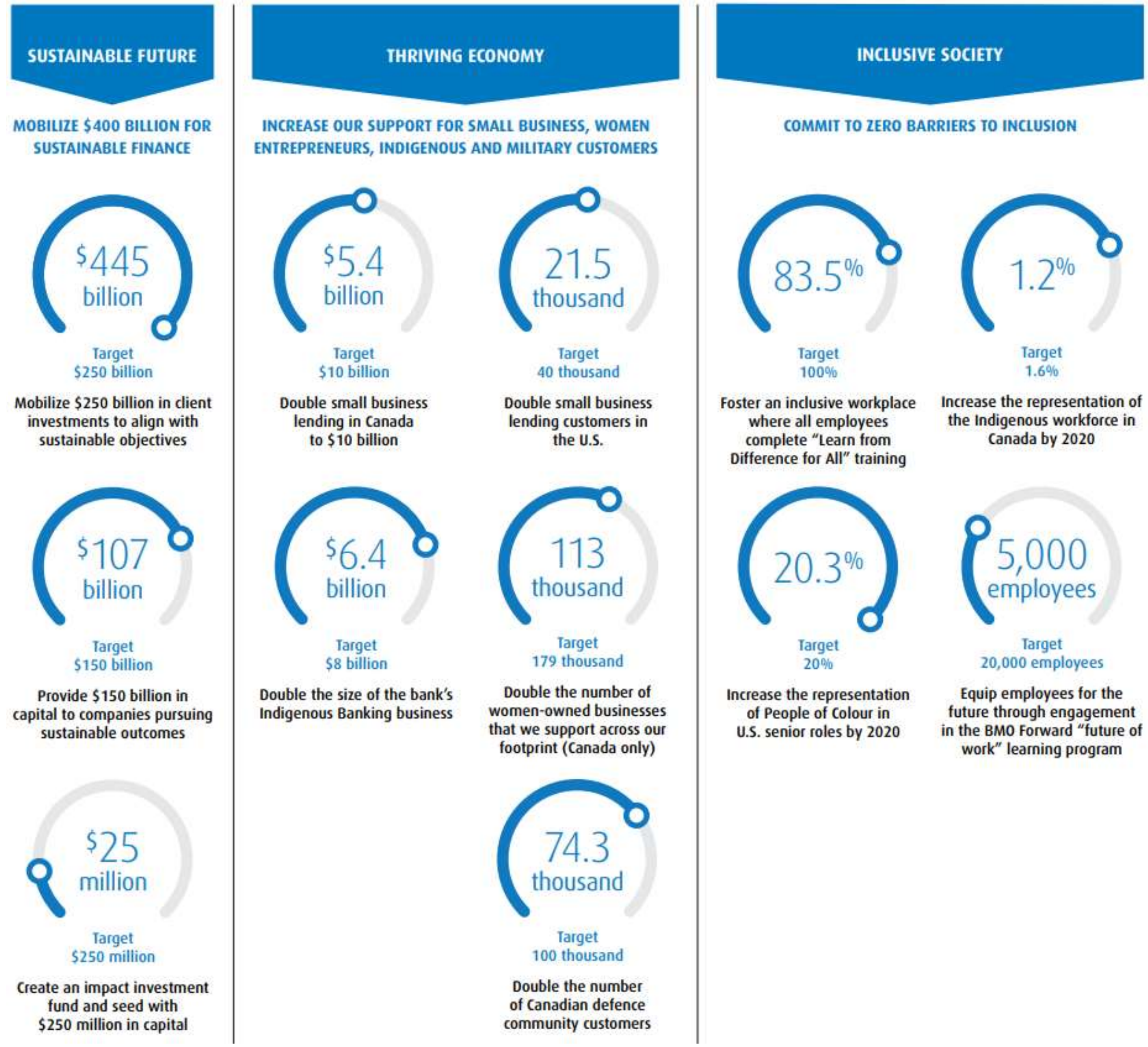
BMO advises on, finances, and invests in renewable energy projects and clean energy technologies. We are also committed to stimulating market demand and driving industry growth by purchasing renewable energy equivalent to our global electricity use.

BMO upholds high standards of ethical and responsible conduct for ourselves, our customers and our partners to enhance the effectiveness and accountability of institutions.

BMO is committed to playing a role as a convener and catalyst of efforts to achieve the SDGs through partnerships that mobilize and share knowledge, expertise, technology and financial resources in support of the goals.

Progress against Our Purpose commitments

Since the beginning, BMO has been guided by a sense of purpose: to be a champion of progress and a catalyst for change. Grounded in BMO's values of integrity, empathy, diversity and responsibility, our Purpose to **Boldly Grow the Good *in business and life*** drives everything we do. Our Bold Commitments to a more sustainable future, an inclusive society and to helping the economy thrive are our direct response to today's most pressing challenges.



BMO's Net Zero Ambition

Be our Clients' Lead Partner in the Transition to a Net Zero World

Commitment

Building on our Purpose commitment to a sustainable future, BMO makes a new, focused commitment to drive economic transformation toward a net zero world.

- Align greenhouse gas emissions from our operations and our financing with the ambition of a net zero world by 2050
- Set intermediate (2030) and long term (2050) targets with our clients
- Commit to transparency in emissions measurement and performance

Capabilities

BMO Climate Institute provides thought leadership at the intersection of climate adaptation and finance, allowing us to be the premier advisor to clients and partners on climate risk and opportunity.

- Leverage BMO's sophisticated capabilities to analyze climate change
- Provide climate insights for our business, clients and partners to enhance climate resilience
- Provide thought leadership informed by data-driven research and expertise

Client Partnership

We are committed to helping our clients adapt to climate change impacts and contribute to the transition to a net zero global economy with tailored products and services.

- Engage with customers to advance climate adaptation strategies
- Enable our clients' net zero transitions with a tailored suite of green advisory, investment and lending products
- Be a 'One-stop-shop' for clients to meet full range of ESG needs

Convening for Climate Action

As a global leader, BMO will drive insights and bring together industry, government, academia and investors to unlock solutions that advance climate transition and enhance resilience.

- Unite individuals and equip them with information to encourage meaningful climate policy and business decisions
- Focus on climate solutions for climate sensitive sectors in North America
- Explore the synergies between climate and social justice goals

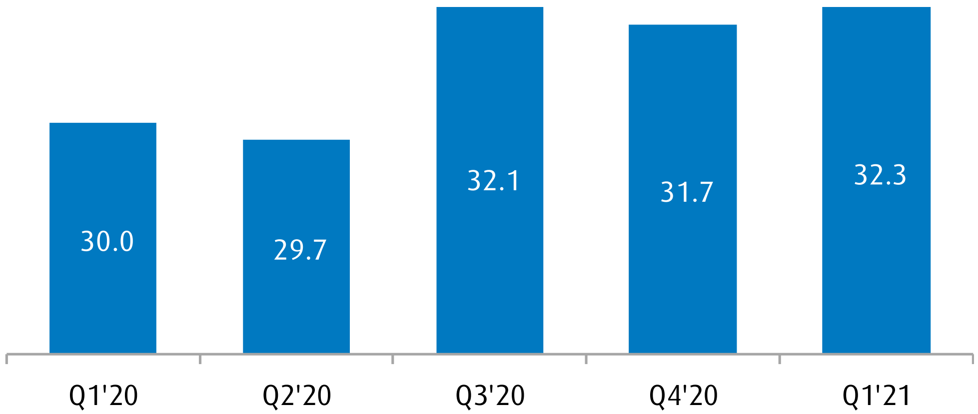
BOLDLY GROW THE GOOD

IN BUSINESS AND LIFE

Liquidity & Wholesale Funding Mix

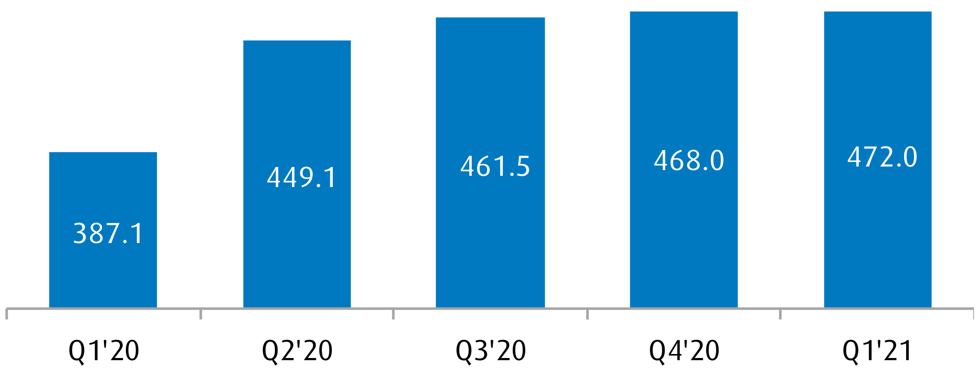
Liquidity and Funding Strategy

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)

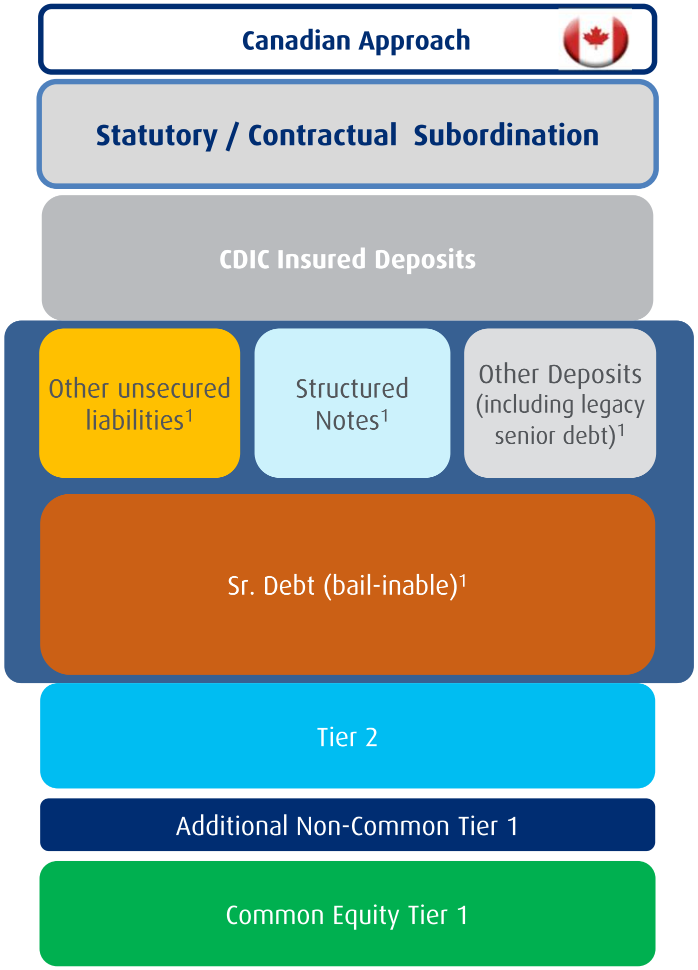


- BMO's large base of customer deposits, along with our strong capital base, reduces reliance on wholesale funding

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)



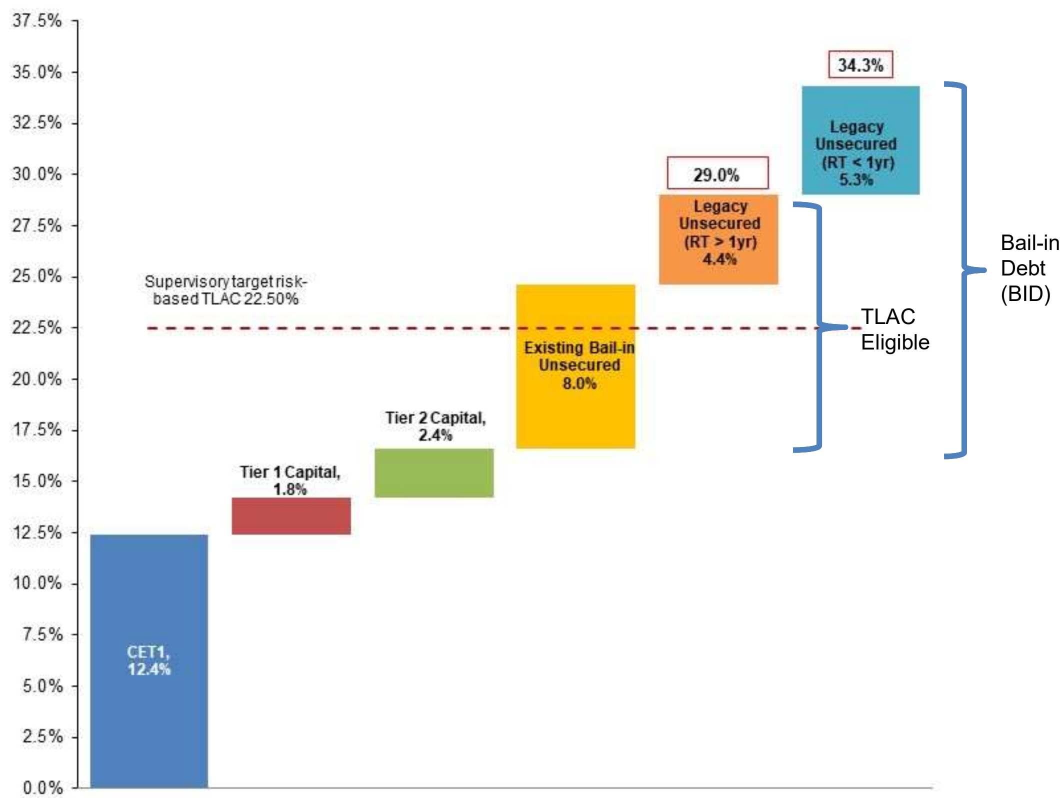
1 Pari passu ranking in liquidation.

BMO Financial Group
We're here to help.

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 January 31, 2021

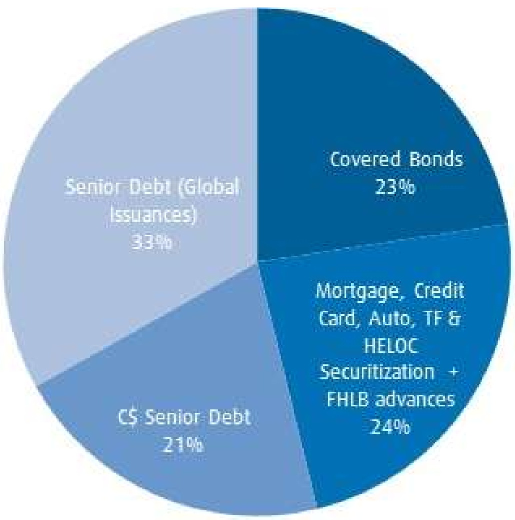


1 On March 13, 2020, OSFI announced a decrease of the Domestic Stability Buffer from 2.25% (effective as at April 30, 2020) to 1% of total risk-weighted assets effective immediately, in order to support D-SIBs' ability to supply credit to the economy during an expected period of disruption related to 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] ($108B) as at January 31, 2021



Wholesale Capital Market Term Funding Maturity Profile[1,2] as at January 31, 2021

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

- US$1.00 billion 6NC5 Senior Unsecured Bail-in Notes at 0.949%
- C$1.25 billion 60-year Limited Recourse Capital Notes at 4.30%
- 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$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

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