

Investor Presentation

December 2021



Forward looking statements & non-GAAP measures

Caution Regarding Forward-Looking Statements

As noted in the following Caution Regarding Forward-Looking Statements, all forward-looking statements and information, by their nature, are subject to inherent risks and uncertainties, both general and specific, which may cause actual results to differ materially from the expectations expressed in any forward-looking statement. The Enterprise-Wide Risk Management section of BMO's 2021 Annual MD&A describes a number of risks, including credit and counterparty, market, insurance, liquidity and funding, operational non-financial, legal and regulatory, strategic, environmental and social, and reputation risk. Should our risk management framework prove ineffective, there could be a material adverse impact on our financial position and results.

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 2022 and beyond, our strategies or future actions, our targets and commitments (including with respect to net zero emissions), expectations for our financial condition, capital position or share price, the regulatory environment in which we operate, the results of, or outlook for, our operations or for the Canadian, U.S. and international economies, and the COVID-19 pandemic, and include statements made by our management. Forward-looking statements are typically identified by words such as "will", "would", "should", "believe", "expect", "anticipate", "project", "intend", "estimate", "plan", "goal", "commit", "target", "may", "might", "schedule", "forecast" and "could" or negative or grammatical variations thereof.

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, including labour challenges; the severity, duration and spread of the COVID-19 pandemic, and possibly other outbreaks of disease or illness, and its impact on local, national or international economies, as well as its heightening of certain risks that may affect our future results; 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; benchmark interest rate reforms; technological changes and technology resiliency; political conditions, including changes relating to, or affecting, economic or trade matters; climate change and other environmental and social risk; the Canadian housing market and consumer leverage; inflationary pressures; global supply-chain disruptions; changes in monetary, fiscal, or economic policy; changes in laws, including tax legislation and interpretation, or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; weak, volatile or illiquid capital or credit markets; the level of competition in the geographic and business areas in which we operate; 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 effects 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 non-financial, legal and regulatory, strategic, environmental and social, and reputation risk, in the Enterprise-Wide Risk Management section in BMO's 2021 Annual MD&A, 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 shareholders and analysts 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 in BMO's 2021 Annual MD&A as well as in the Allowance for Credit Losses section in BMO's 2021 Annual MD&A. 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.

Non-GAAP and Other Financial Measures

Results and measures in both Management's Discussion and Analysis (MD&A) and this document are presented on an IFRS basis. We use the terms IFRS and Generally Accepted Accounting Principles (GAAP) interchangeably. We use a number of financial measures to assess our performance as described herein, including measures and ratios that are presented on a non-GAAP basis. Readers are cautioned that non-GAAP amounts, measures and ratios do not have standardized meanings. They are unlikely to be comparable to similar measures presented by other companies and should not be viewed in isolation from, or as a substitute for, GAAP results.

Examples of non-GAAP amounts, measures or ratios include: efficiency and leverage ratios calculated using revenue presented net of CCPB; revenue and other measures presented on a taxable equivalent basis (teb); pre-provision pre-tax income; 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, and other adjusted measures which exclude the impact of certain items such as acquisition integration costs, amortization of acquisition-related intangible assets, impact of divestitures, reinsurance adjustment and restructuring costs. Bank of Montreal provides supplemental information on combined business segments to facilitate comparisons to peers.

Certain information contained in BMO's Management's Discussion and Analysis dated December 3, 2021 for the fiscal year ended October 31, 2021 ("2021 Annual MD&A") is incorporated by reference into this document. Quantitative reconciliations of non-GAAP and other financial measures to the most directly comparable financial measures in BMO's financial statements for the fiscal year ended October 31, 2021, an explanation of how non-GAAP and other financial measures provide useful information to investors and any additional purposes for which management uses such measures, as well as the effects of changes in exchange rates on BMO's U.S. segment reported and adjusted results, can be found in the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A and BMO's Fourth Quarter 2021 Earnings Release. Further information regarding the composition of our non-GAAP and other financial measures is provided in the Glossary of Financial Terms section of the 2021 Annual MD&A. The 2021 Annual MD&A is available on SEDAR at www.sedar.com.

About Us

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

8th largest
bank in North America
by assets¹

\$988 billion
in total assets

12+ million
customers globally

Operating Groups

Personal & Commercial Banking

BMO Wealth Management

BMO Capital Markets

Our Strategy

At BMO, we continue to build a high-performance, digitally-enabled, future-ready bank. Anchored in our Purpose, we are driven by our strategic priorities for growth, strengthened by our approach to sustainability, and guided by our values to build a foundation of trust with our stakeholders and achieve leading customer loyalty.

Our Purpose

Boldly Grow the Good
in business and life



For a thriving economy



For a sustainable Future



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

Our Purpose

BOLDLY GROW THE GOOD

IN BUSINESS AND LIFE

For a thriving economy

- Announced a 10-year, \$12B commitment to finance affordable housing in Canada
- Deployed >US\$2B in loans and investments against BMO EMpower™, a 5-year, US\$5B commitment to address key barriers faced by minority businesses, communities and families in the U.S.
- BMO Celebrating Women pledged \$200,000 in grants to women owned businesses in Canada & U.S.
- Continuing to support customers with access to government relief programs¹ helping them bridge to financial recovery, including CEBA, HASCAP and TELP in Canada and PPP in the U.S.

¹ CEBA: Canadian Emergency Business Assistance, HASCAP: Highly Affected Sectors Credit Availability Program, TELP: Trade Expansion Lending Program, PPP: U.S. Paycheck Protection Program,

For a sustainable future

- Declared Climate Ambition, a focused commitment to drive economic transformation toward a net zero world
- One of only five Canadian companies included in the Dow Jones Sustainability World Index
- Ranked top North American bank on Corporate Knights' 2021 Global 100 Most Sustainable Corporations in the World
- Joined the Partnership for Carbon Accounting Financials (PCAF) and Net-Zero Banking Alliance (NZBA)
- Established Energy Transition Group providing clients with expertise and financing of innovative Green, Transition and Sustainability-Linked Loan structures

For an inclusive society

- BMO was named to Canada's Best 50 Corporate Citizens Ranking by Corporate Knights
- 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
- Issued \$750MM Women in Business Bond In Support of Women-Owned Businesses
- Announced US\$10MM donation to create the Rush BMO Institute for Health Equity in Chicago

Reasons to Invest in BMO

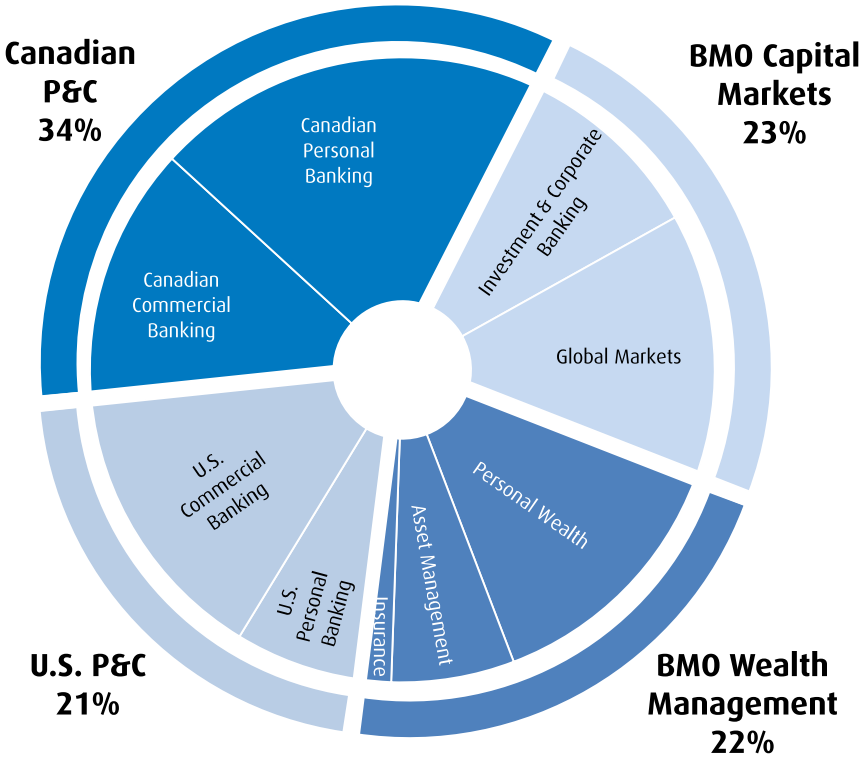
- Diversified businesses that continue to deliver resilient and robust earnings growth and long-term value for shareholders
- Strong foundation built for growth and differentiating strengths that drive competitive advantage:
 - Top 10 commercial lender in North America¹ with advantaged market share in 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
- Ongoing commitment to positive operating leverage
- Leading and consistent risk management track record
- Digital first operating model where business and technology are completely integrated, driving efficiency, speed and scale
- Commitment to sustainability is fundamental to our Purpose. We apply a variety of ESG practices to capture opportunities and manage risks in key areas; sustainable finance, climate change, human rights, and diversity, equity and inclusion

¹ Based upon publicly available U.S. regulatory filings (FR Y-9Cs and FFIEC 002s) and internal analysis

Diversified business mix with strong, resilient revenue

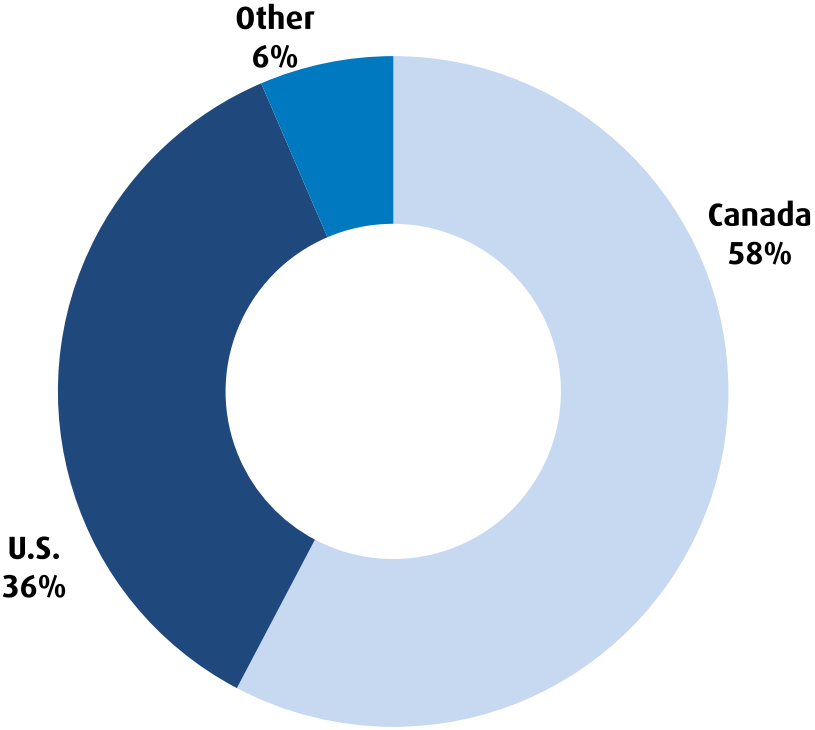
Diversified by business

% of Operating Groups Reported Net Revenue¹
- F2021¹



Diversified by geography

% of Reported Net Revenue¹ by Geography -
F2021¹

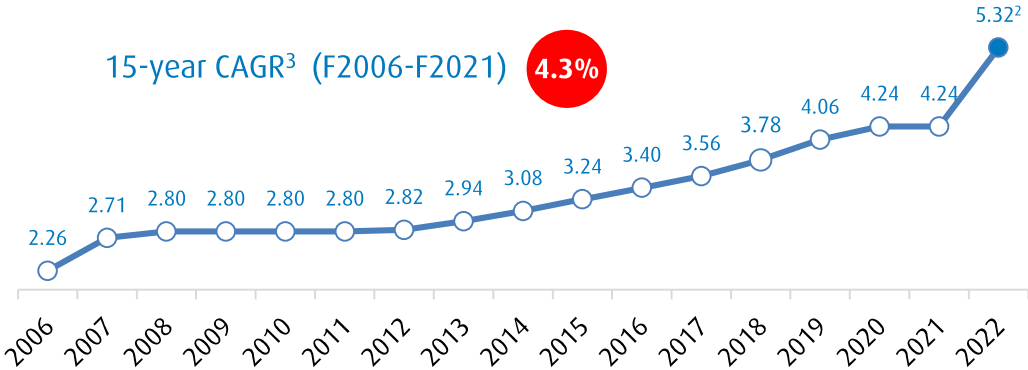


¹ Net revenue is a non-GAAP measure and is defined as revenue net of insurance claims, commissions and changes in policy benefit liabilities (CCPB), see the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information; Percentages determined excluding results in Corporate Services

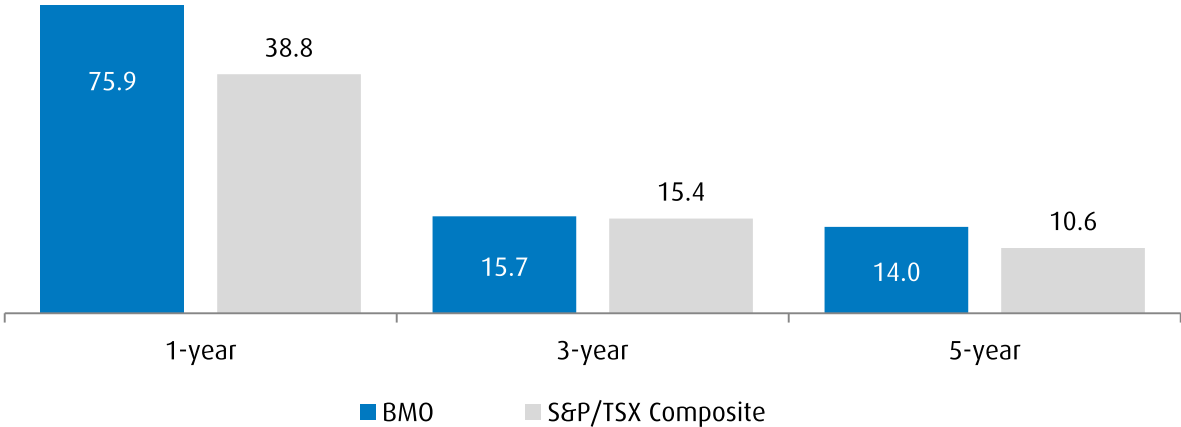
Delivering strong shareholder returns

Dividends Declared (\$ per share)

- BMO has the longest-running dividend payout record of any company in Canada, at 193 years
- Dividend Yield^{1,2}: 4.0%



Total Shareholder Return (%)



1 As at October 31, 2021
 2 Based on Q1'22 dividend of \$1.33 annualized
 3 CAGR compound annual growth rate

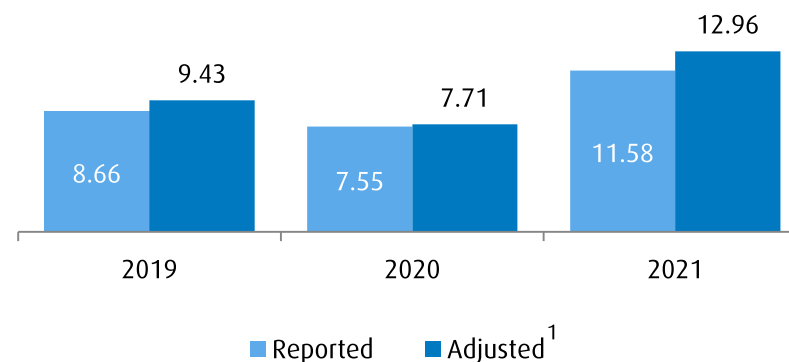
Strong financial performance

Medium Term Financial Objectives (Adjusted basis)

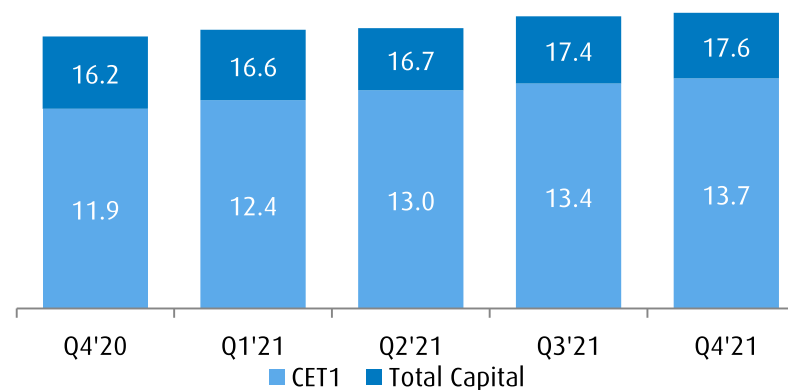
EPS Growth	7% to 10% per year
Return on Equity	15% or more
Operating Leverage	2% or more
Capital	Capital ratios that exceed regulatory requirements

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

Earnings Per Share (\$)



Capital⁴ Position (%)



¹ Adjusted EPS is a non-GAAP financial measure. Please refer to the Non-GAAP and Other Financial Measures Section in the 2021 Annual MD&A for a reconciliation of reported to adjusted results

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

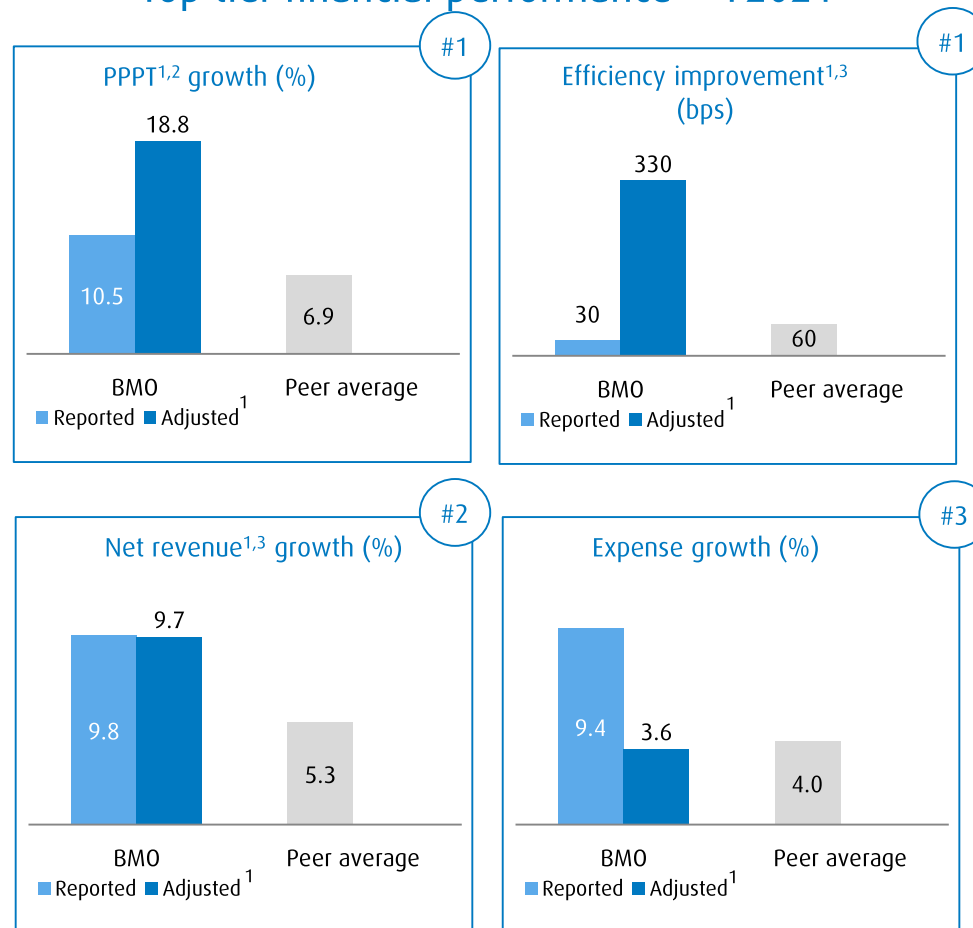
³ Subject to conversion under the Bank Recapitalization (Bail-In) Regime

⁴ CET1 ratio and Total Capital ratio are disclosed in accordance with OSFI's Capital Adequacy Requirements Guideline

Continued operating momentum

- Advantaged and diversified business mix positioned for resilience and growth
- Leading adjusted¹ PPPT^{1,2,3} growth and efficiency³ improvement, better than average net revenue³ and expense growth, while continuing to invest in our businesses
- Very strong credit performance reflecting portfolio quality and strength in risk management
- Continued progress on returns and efficiency
 - Adjusted¹ ROE improved to 16.7% (reported 14.9%) from the prior year
 - Adjusted net efficiency^{1,3} improved to 56.5% (reported 60.1%) from 59.8% (60.4% reported) from the prior year

Top tier financial performance⁴ – F2021



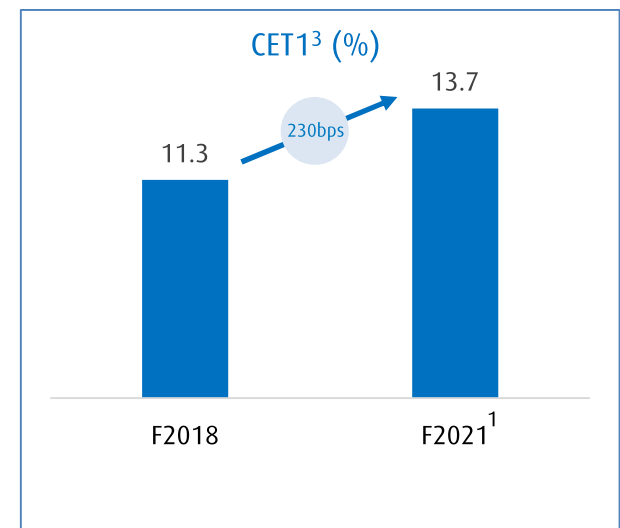
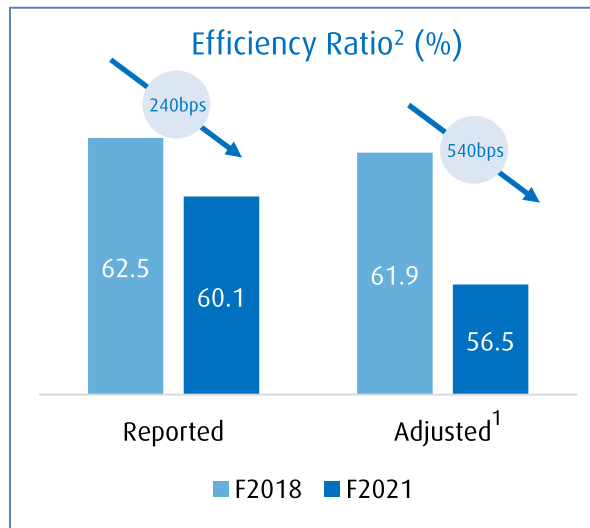
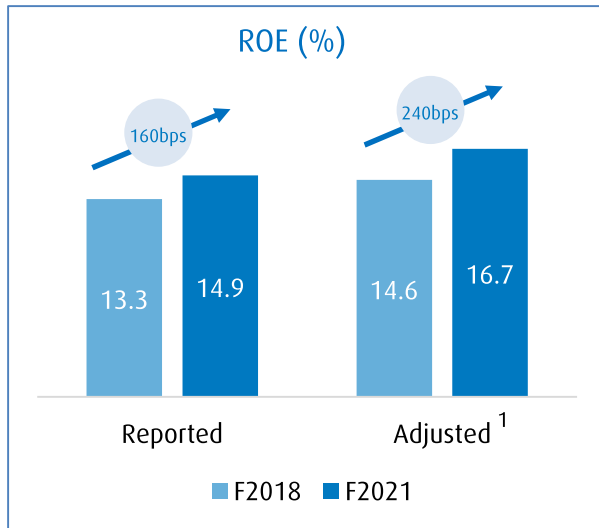
¹ These are non-GAAP measures. For the composition of non-GAAP and other financial measures, including supplementary financial measures, refer to the Glossary of Financial terms and see the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information

² Reported PPPT is calculated as reported income before income taxes and provision for credit losses (PCL), with adjusted PPPT calculated similarly based on adjusted income before income taxes and adjusted PCL

³ Net revenue is defined as revenue net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Reported and adjusted efficiency ratios are based on net revenue

⁴ Based on F2021 performance. Peers: BNS, CIBC, NA, RBC, TD; peer average based on company disclosures and internal calculations for comparative purposes

Continuous path to building a strong, more competitive bank



- Targeted actions to allocate capital and resources to areas expected to generate strong returns
- Continuing to make progress against our efficiency commitments through automating processes, digitizing activities and simplifying the way we do business
- Above target ROE with increases in all businesses

¹ Adjusted measures, including adjusted net income used to calculate ROE and EPS growth, and measures presented net of CCPB are non-GAAP measures, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information

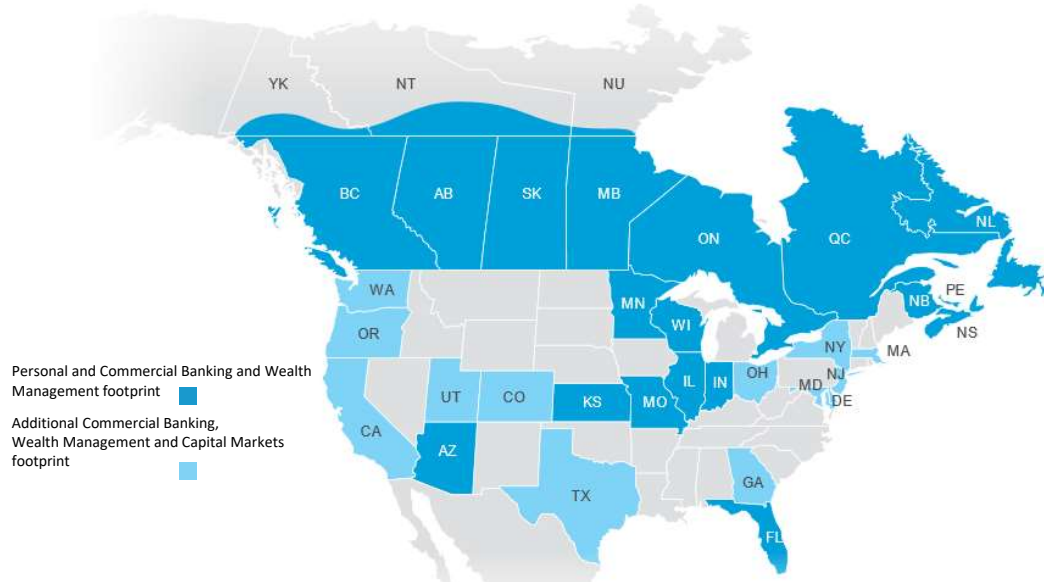
² Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). The efficiency ratio is calculated based on net revenue. Results presented net of CCPB are non-GAAP measures, see slide 2 for further information

³ CET1 ratio is disclosed in accordance with OSFI's Capital Adequacy Requirements Guideline

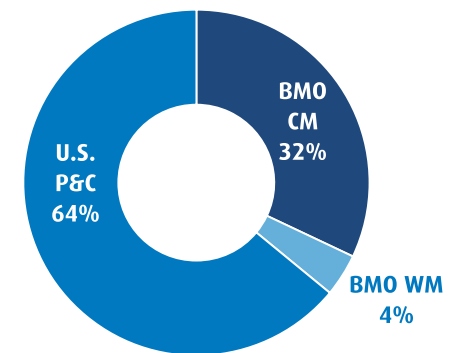
U.S. segment continuing to deliver strong results

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

- U.S. segment adjusted¹ PPPT up 31% (reported up 32%) in F21; contributed 38% of adjusted¹ earnings (reported¹ 42%) in F21
 - Adjusted¹ ROE 15.8% (reported¹ 15.5%)
 - Adjusted¹ efficiency ratio 55.8%¹ (reported 56.9%), adjusted¹ operating leverage 10.5% (reported¹ 10.6%)
- #11² in U.S. commercial lending; top-tier market position in flagship U.S. markets
- #3 deposit market share³ in our core footprint³; #2 in Chicago and Milwaukee³
- Leveraging strong integration and collaboration across businesses to provide integrated client offering



U.S. Segment Reported Net Income by Operating Group^{1,4} – F2021

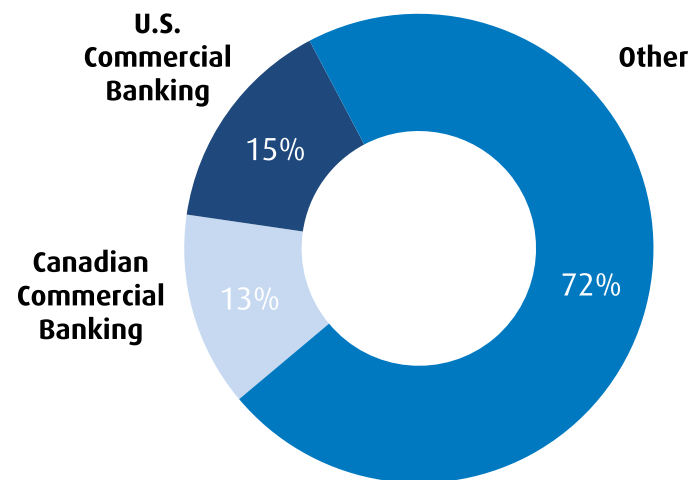


1 Adjusted measures, reported and adjusted PPPT, and U.S. segment presented in U.S. dollars are non-GAAP measures, see slide 2 for further information. For the composition of non-GAAP and other financial measures, including supplementary financial measures, refer to the Glossary of Financial terms and see the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information
 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 Percentages determined excluding results in Corporate Services

Proven strength in Commercial Banking with advantaged market share

- A relationship-based commercial bank; top 10 commercial lender¹ in North America
 - In Canada: Top-tier commercial banking business, #2 in market share for business loans up to \$25 million²
 - 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 lending³
- 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 ~85.1% secured at Q4'21

Commercial Banking Revenue as % of Total Bank Net Revenue⁴ – F2021



¹ Based on internal analysis

² Canadian Bankers Association; loan market share \$0-\$25MM, as at March 2021

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

⁴ Net revenue is defined as revenue net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Reported and adjusted efficiency ratios are based on net revenue

Advancing our digital experience in-line with customer preferences

Industry recognized digital leadership

- #1 of 7 largest Canadian FIs by **Insider Intelligence** for digital money management, security & card controls, mobile banking alerts
- Celent** model bank award for BMO CashTrack, an AI driven capability that identifies and helps customers avoid potential cash shortfalls
- 2nd place overall in **Forrester** review of the six Canadian bank's ability to meet expectations when opening a chequing account on mobile device, best practice for: tools to help prospects choose their bank, onboarding experience and user interface

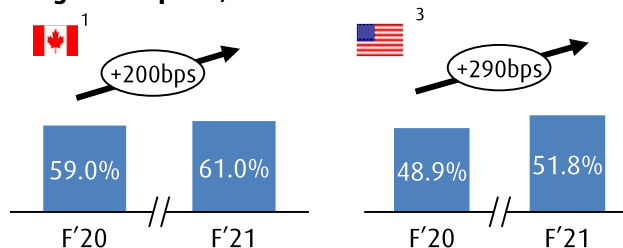
INSIDER INTELLIGENCE



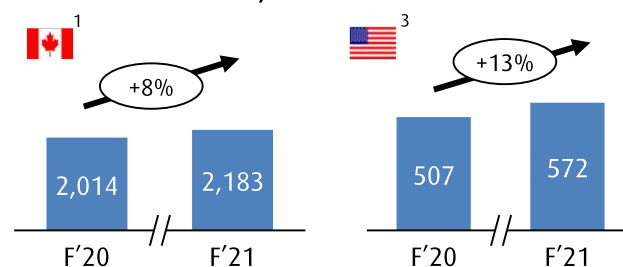
FORRESTER

Accelerated adoption and engagement

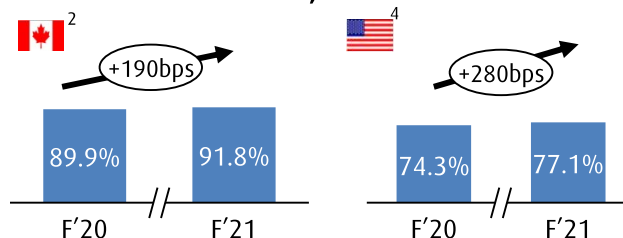
Digital adoption, %



Active Mobile Users, 000s



Self-Serve Transactions, %



Driving speed, efficiency and scale

- BMO insights**, automated personalized insights to help customers better manage day-to-day finances, over 110MM insights to customers and rated 4.6/5 stars
- Instant offer enablement for pre-approved personal line of credit
- Selfie ID** leveraging ID proofing technology enabling a convenient, fast and secure digital onboarding experience
- Straight-through-process **mortgage renewal** solution for customers using online banking
- 10% increase in digital adoption of our integrated **North American Treasury and Payments** cash management solutions, expanded self serve digital options
- BMO InvestorLine's** new **adviceDirect Preview** enhancing the digital trading experience by providing free access to investing resources and features

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 Transactions includes deposits, bill payments, internal funds transfers, withdrawals and e-transfers sent across ATM and Digital channels

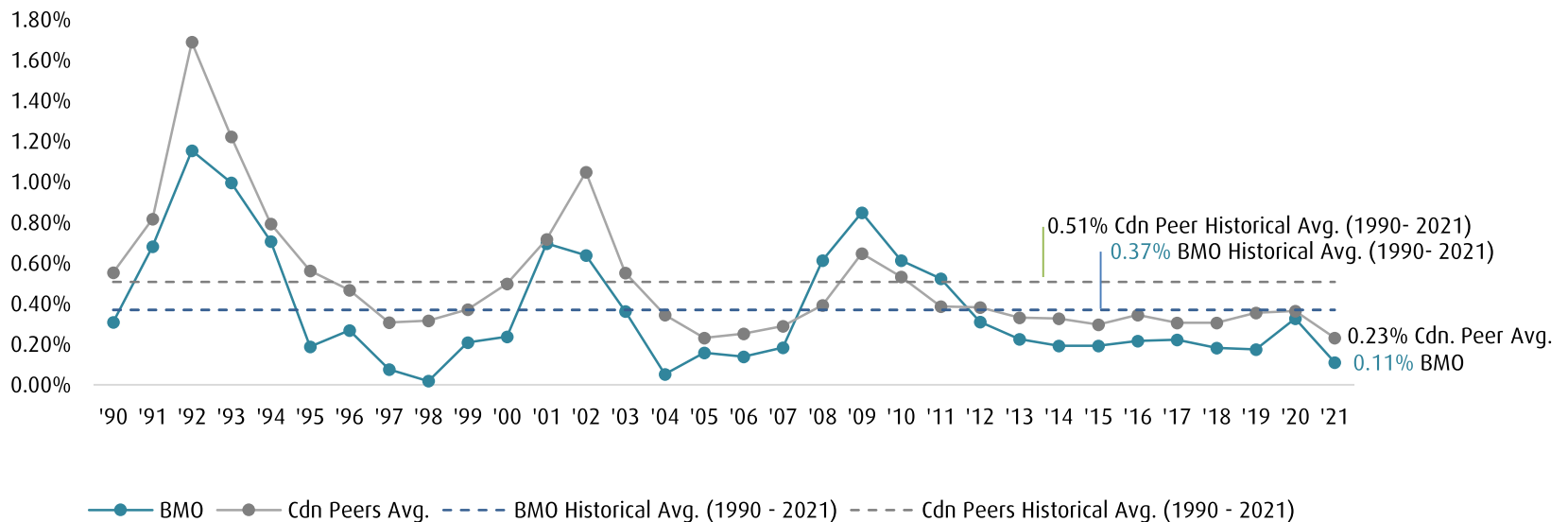
3 Digital adoption is percent of retail deposit customers that logged on in last 90 days. Active mobile users is number of retail deposit customers that logged into mobile in the last 90 days

4 Self-Serve Transactions includes deposits, bill payments, internal funds transfers, withdrawals and Zelle payments (P2P) sent across ATM and Digital channels

Leading track record in risk management

- Long track record of outperforming peers on credit, with 30-year historical average loss rates well below peer banks
- 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

PCL on Impaired Loans as a % of Avg. Net Loans & Acceptances



F2021 and Q4'21 Highlights



F2021 - Financial Highlights

Strong full year performance with improved efficiency and positive operating leverage

- Adjusted¹ EPS \$12.96, up 68% Y/Y (reported \$11.58, up 53%)
- Adjusted¹ net income up 66% Y/Y (reported up 52%)
- Adjusted¹ ROE 16.7%, improved 640 bps Y/Y (reported² 14.9%, improved 480 bps Y/Y)
- Adjusted¹ PPPT up 19% Y/Y (reported¹ up 11%)
- Adjusted and reported net revenue¹ up 10% Y/Y
- Adjusted¹ expenses up 4% Y/Y (reported up 9%)
- Adjusted¹ operating leverage 6.1% (reported¹ 0.4%)
- Total provision for credit losses was \$20MM
 - PCL on impaired loans \$525MM or 11 bps³; recovery on performing loans \$(505)MM
- U.S. segment contributed 38% to adjusted¹ earnings (reported 42%)

(\$MM)	Reported		Adjusted ¹	
	F2021	F2020	F2021	F2020
Gross Revenue	27,186	25,186	27,157	25,186
Less: CCPB	1,399	1,708	1,399	1,708
Net Revenue ¹	25,787	23,478	25,758	23,478
Expenses	15,509	14,177	14,550	14,042
PPPT ¹	10,278	9,301	11,208	9,436
Total PCL	20	2,953	20	2,953
Income before Taxes	10,258	6,348	11,188	6,483
Net Income	7,754	5,097	8,651	5,201
U.S. Net Income (\$US) ¹	2,593	1,163	2,650	1,220
Diluted EPS (\$)	11.58	7.55	12.96	7.71
Efficiency Ratio ¹ (%)	60.1	60.4	56.5	59.8
ROE ² (%)	14.9	10.1	16.7	10.3
CET1 Ratio (%)	13.7	11.9	13.7	11.9

¹ These are non-GAAP measures, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information.

² For details regarding the composition of Reported ROE refer to the Glossary of Financial Terms section of the 2021 Annual MD&A

³ Impaired PCL Ratio: Provision for credit losses on impaired loans over average net loans and acceptances, expressed in basis points

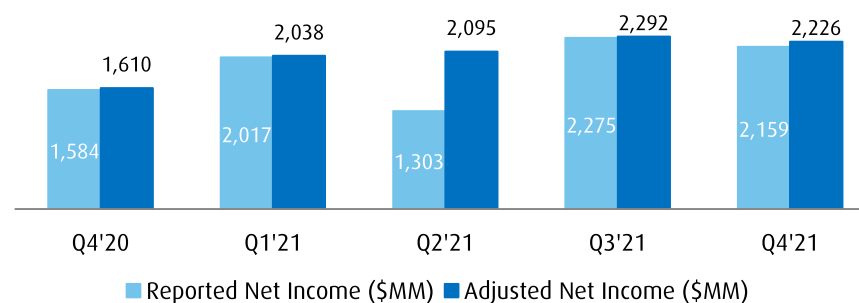
Q4 F2021 - Financial Highlights

Continued strong performance with double digit PPPT¹ growth and positive operating leverage

- Adjusted¹ net income and EPS up 38% Y/Y (reported up 36%)
- Adjusted¹ ROE 16.5%, improved 390 bps Y/Y (reported 16.0%, improved 360 bps)
- Adjusted¹ PPPT up 12% Y/Y (reported¹ up 10%)
- Adjusted¹ and reported net revenue¹ up 8% Y/Y, reflecting growth across all operating groups
- Adjusted¹ expenses up 6% Y/Y (reported up 7%)
- Adjusted¹ operating leverage 2.4% (reported¹ 1.0%)
- Total recovery of credit losses \$(126)MM
 - PCL on impaired loans \$84MM or 7 bps²; recovery on performing loans \$(210)MM
 - Total PCL to average net loans and acceptances² (11) bps
- U.S. segment contributed 36% to adjusted¹ and reported earnings in the quarter

(\$MM)	Reported			Adjusted ¹		
	Q4 21	Q3 21	Q4 20	Q4 21	Q3 21	Q4 20
Gross Revenue	6,573	7,562	5,986	6,573	7,562	5,986
Less: CCPB	97	984	(0)	97	984	(0)
Net Revenue ¹	6,476	6,578	5,986	6,476	6,578	5,986
Expenses	3,803	3,684	3,548	3,720	3,662	3,515
PPPT ¹	2,673	2,894	2,438	2,756	2,916	2,471
Total PCL (recovery)	(126)	(70)	432	(126)	(70)	432
Income before Taxes	2,799	2,964	2,006	2,882	2,986	2,039
Net Income	2,159	2,275	1,584	2,226	2,292	1,610
U.S. Net Income (\$US) ¹	618	707	337	633	707	352
Diluted EPS (\$)	3.23	3.41	2.37	3.33	3.44	2.41
Efficiency Ratio ¹ (%)	58.7	56.0	59.3	57.4	55.7	58.7
ROE (%)	16.0	17.5	12.4	16.5	17.6	12.6
CET1 Ratio (%)	13.7	13.4	11.9	13.7	13.4	11.9

Net Income¹ Trends



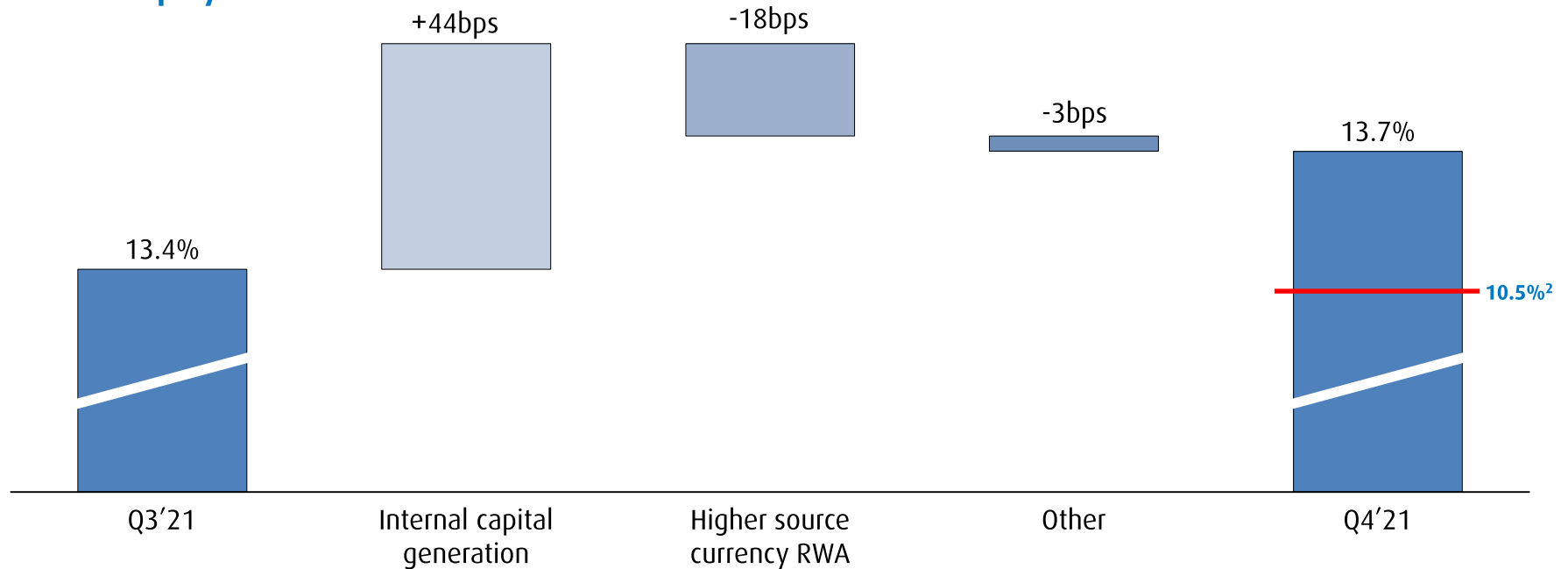
¹ These are non-GAAP measures, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information.

² Total PCL Ratio: Total provision for credit losses over average net loans and acceptances, expressed in basis points

Strong capital position

- CET1 Ratio¹ of 13.7%, up from prior quarter, well above regulatory minimum requirement of 10.5%² and target range of ~11%; Tier 1 Ratio of 15.4% and Total Capital Ratio of 17.6%
- Sound leverage and liquidity ratios
 - Leverage Ratio 5.1%¹
 - Liquidity Coverage Ratio 125%³

Common Equity Tier 1 Ratio

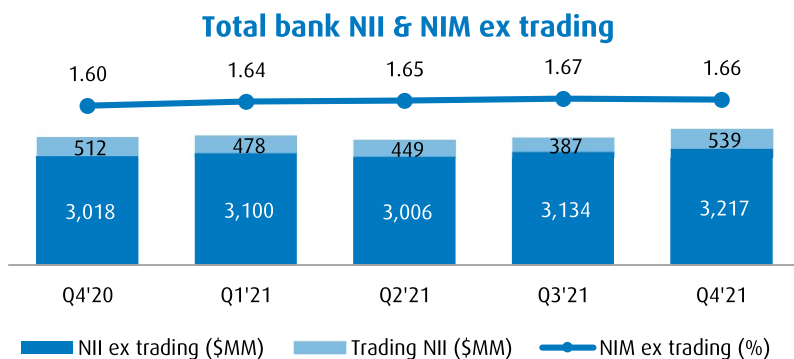


¹ Capital ratios are disclosed in accordance with OSFI's Capital Adequacy Requirements Guidelines, as applicable

² Current OSFI requirement of 10.5% is comprised of 4.5% minimum CET1 requirement, 2.5% Capital Conservation Buffer, 1.0% D-SIB surcharge and Domestic Stability Buffer currently set at 2.5%

³ Liquidity Coverage Ratio is disclosed in accordance with OSFI's Liquidity Adequacy Requirements Guideline, as applicable.

Net Interest Margin¹ and Interest Rate Sensitivity



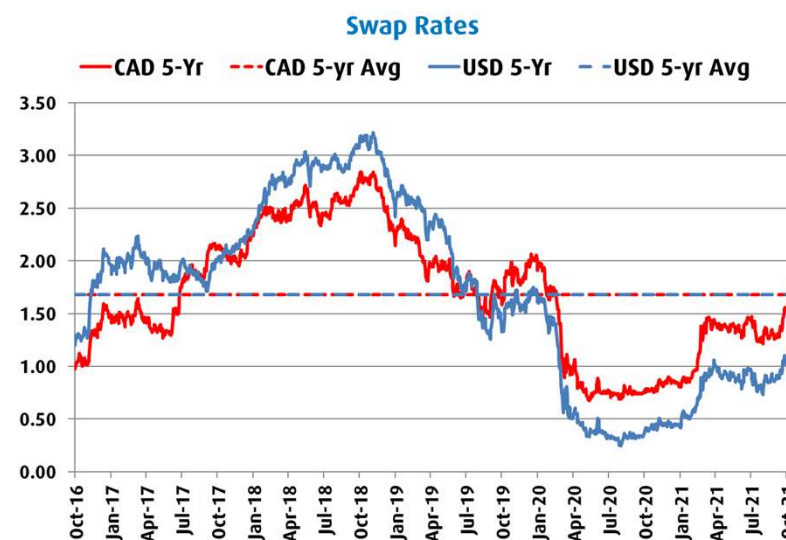
- Excluding trading, net interest margin was relatively stable, down 1 basis point

Earnings sensitivities over the next 12 months²

Q4'21 Pre-Tax CDE (\$MM)	+100 bps	-25 bps	+25 bps Short Rates
Canada ³	52	(59)	8
U.S.	332	(82)	87
Total	384	(142)	95

- Year 1 benefit to a +100 bps rate shock driven 2/3 by short rates
- Higher Year 2 benefit to rising rates (+100 bps) of approximately \$710MM driven primarily by long rates and the continued reinvestment of capital and deposits
- Assumes no benefit to rising rates from surge deposit growth⁴
- Earnings benefit to rising interest rates and exposure to falling interest rates are modestly higher than Q3'21

- Term rates increased in Q4, moving reinvestment rates closer to average rates of recent years
- If higher term rates are sustained, this will be supportive to NIM as reinvestment rates will be closer to yields on maturing investments made in past higher rate environments



Source: Bloomberg

¹ Net interest margin is the ratio of net interest income to average earning assets, expressed as a percentage or in basis points. Net interest margin ex trading excludes net interest earned on trading assets and trading assets. Average earning assets represents the daily average balance of deposits at central banks, deposits with other banks, securities borrowed or purchased under resale agreements, securities, and loans

² For more details see the Structural (Non-Trading) Market Risk section of the 2021 Annual MD&A

³ Includes Canadian dollar and other currencies

⁴ There would be an additional ~\$130MM benefit annually under a +25bps parallel rate shock if all deposits, including pandemic related surge balances, were to remain with the bank and exhibit pricing behavior similar to non-surge deposits

Operating Groups

Canadian Personal & Commercial Banking

Strength and Value Drivers

- High-performing team focused on providing a personalized banking experience that helps our customers make real financial progress
- Top-tier commercial banking business, #2 ranking in Canadian market share for business loans up to \$25 million, and leading cash management, treasury and payment capabilities
- Strong and growing retail banking business with top-tier balance growth across most product categories, top-tier digital sales, and award-winning digital money management tools
- Largest Mastercard® card issuer in Canada
- Consistently strong credit risk management through the credit cycle and optimization of capital

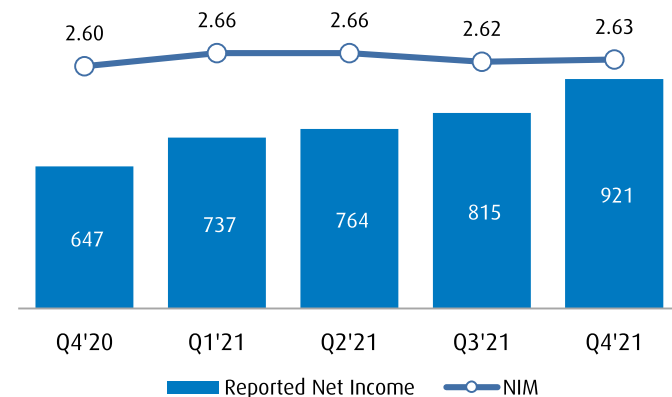
F2022 Strategic Focus

- Build on our strong franchise to drive growth and customer loyalty by continuing to invest in differentiating capabilities and delivering enhanced client experiences
 - In Personal Banking, drive top-tier customer acquisition, build leading share of wallet, and enhance the digital experience to help customers make real financial progress
 - In Commercial Banking, strengthen core market presence, accelerate growth in key sectors and continue to build share of wallet with strengthened digital capabilities
- Drive efficiencies by simplifying and streamlining operations, investing in digital capabilities and through cross-bank collaboration
- Foster an inclusive, winning culture, focused on alignment, empowerment and recognition, with a commitment to a diverse and inclusive workplace

F2021 Financial Highlights

	Reported
Net Income	\$3,237MM
Net Income Growth (Y/Y)	59.7%
Revenue Growth (Y/Y)	9.4%
PPPT ¹ Growth (Y/Y)	14.6%
ROE	28.7%
Efficiency Ratio	45.9%
Operating Leverage	5.7%
Average Gross Loans and Acceptances	\$262B
Average Deposits	\$226B

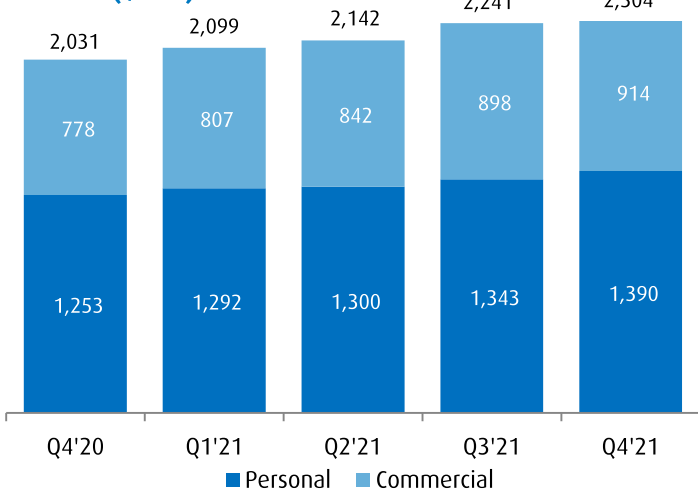
Net Income (\$MM) and NIM (%)



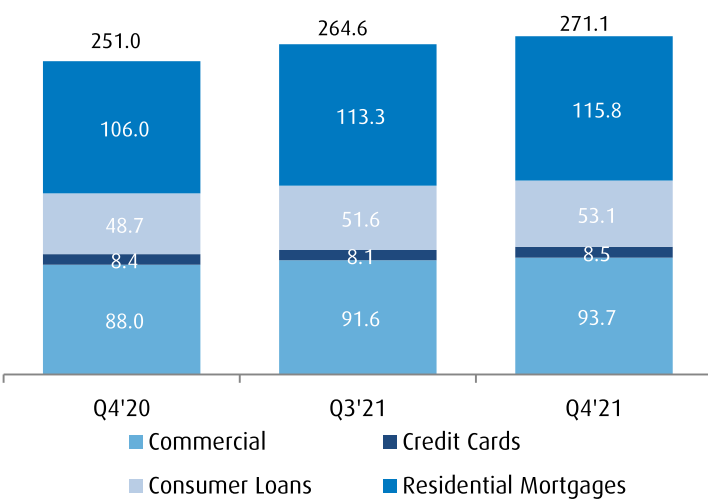
¹ Pre-Provision Pre-Tax profit contribution is a non-GAAP measure, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information

Canadian Personal & Commercial Banking Performance

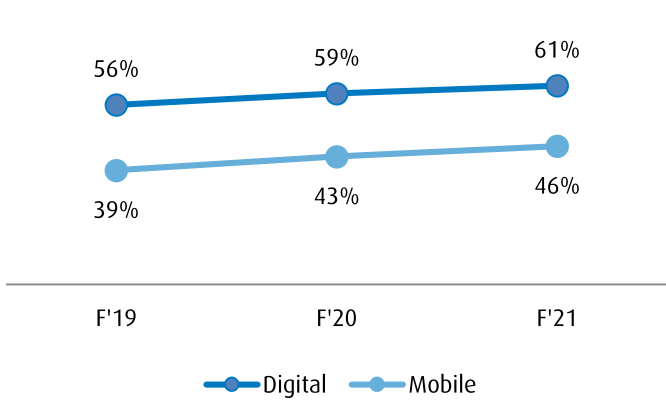
Revenue (\$MM)



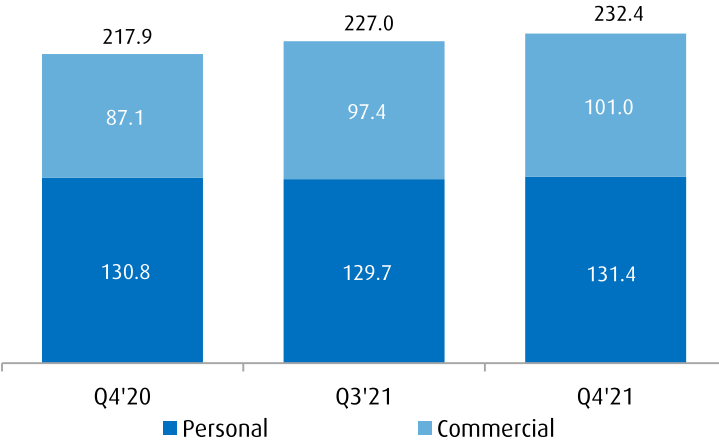
Average Gross Loans & Acceptances (\$B)



Digital Adoption¹



Average Deposits (\$B)



¹ Adoption is the percent of retail deposit customers that have logged in as at October 31, 2019, 2020 and 2021

U.S. Personal & Commercial Banking

Strength and Value Drivers

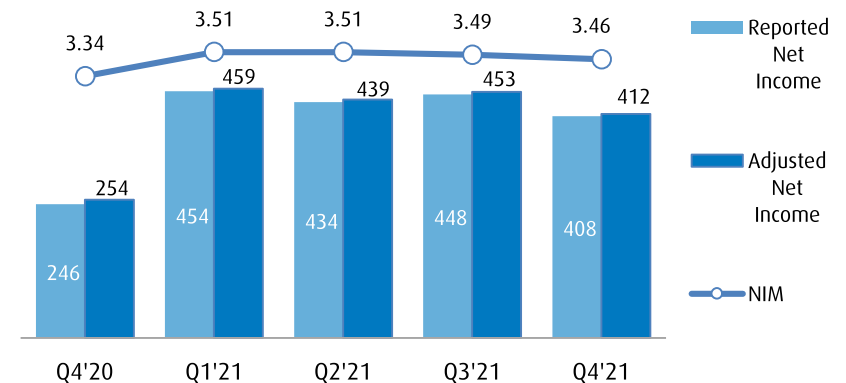
- High-performing team focused on providing a personalized banking experience that helps every customer make real financial progress
- Large-scale, diversified national commercial business expanding into new geographies, supported by in-depth industry knowledge, best-in-class customer experience, top-tier market share in our core footprint, and leading cash management, treasury and payment capabilities
- Continued momentum in personal and business banking with a large and growing customer base and accelerating digital engagement
- Innovative partnerships that accelerate our digital-first model and improve customer experience
- Consistently strong credit risk management through the credit cycle and optimization of capital

F2022 Strategic Focus

- Build on our strong franchise to drive growth and customer loyalty by continuing to invest in differentiating capabilities and delivering enhanced client experiences
 - In Personal Banking, continue to drive new customer acquisition, increase digital engagement, and help customers make real financial progress
 - In Commercial Banking, strengthen core market presence, drive growth in expansion markets and continue to
 - build share of wallet with strengthened digital capabilities
- Drive efficiencies by simplifying and streamlining operations, investing in digital capabilities and through cross-bank collaboration
- Foster an inclusive, winning culture, focused on alignment, empowerment and recognition, with a commitment to a diverse and inclusive workplace

F2021 Financial Highlights ³		
\$US	Reported	Adjusted ¹
Net Income	\$1,744MM	\$1,763MM
Net Income Growth (Y/Y)	83.5%	80.0%
Revenue Growth (Y/Y)	6.7%	6.7%
PPPT ² Growth (Y/Y)	18.3%	17.3%
ROE	15.9%	16.1%
Efficiency Ratio	50.8%	50.2%
Operating Leverage	9.2%	8.7%
Average Gross Loans and Acceptances	\$92B	
Average Deposits	\$111B	

Net Income¹ (US\$MM) and NIM (%)



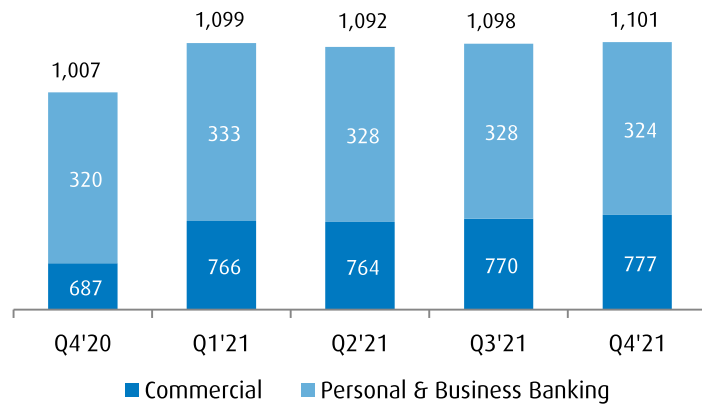
¹ These are non-GAAP measures, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information.

² Pre-Provision Pre-Tax profit contribution in a non-GAAP measure, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information

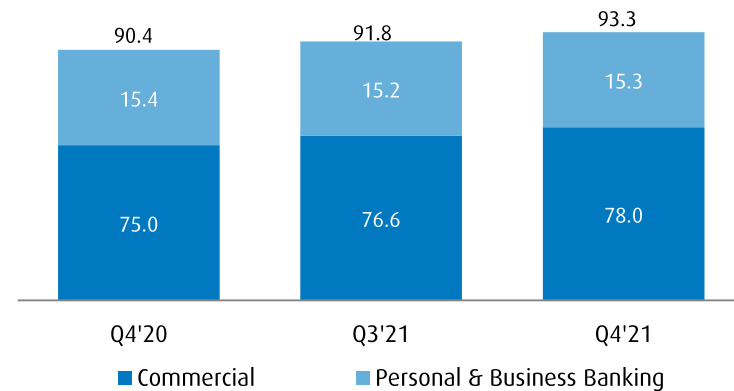
³ U.S. P&C measures presented in U.S. dollars are non-GAAP. For results in Canadian Dollar Equivalent refer to U.S. Personal & Commercial Banking section of the 2021 Annual MD&A

U.S. Personal & Commercial Banking Performance

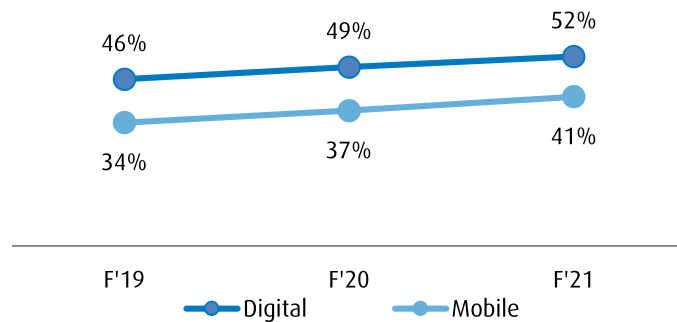
Revenue (US\$MM)¹



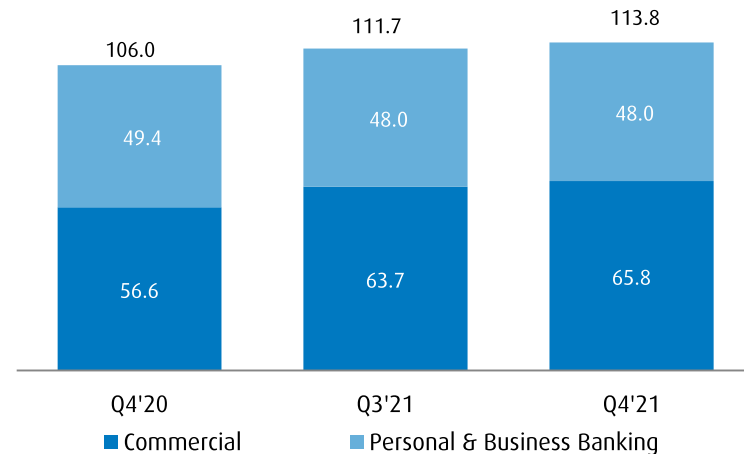
Average Gross Loans & Acceptances² (US\$B)¹



Digital Adoption³



Average Deposits (US\$B)¹



¹ U.S. P&C measures presented in U.S. dollars are non-GAAP. For results in Canadian Dollar Equivalent refer to U.S. Personal & Commercial Banking section of the section of the 2021 Annual MD&A

² 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

³ Adoption is the percent of deposit customers that have logged in as at October 31, 2019, 2020, and 2021

BMO Wealth Management

Strength 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 to responsible investing delivering innovative investment solutions to institutional and individual clients across a range of channels
- Robust risk management framework supporting alignment with regulatory expectations

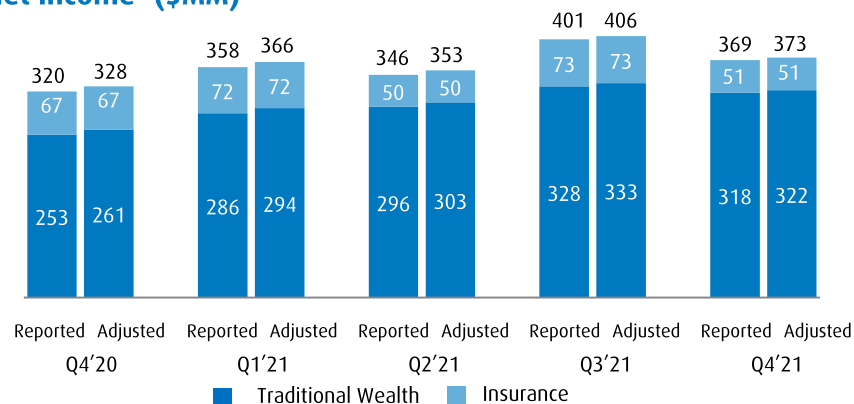
F2022 Strategic Focus

- Deliver a top-tier digital wealth management offering, building on our differentiated digital advisory capabilities to provide an enhanced client experience
- Scale our leadership position in private wealth advisory services across North America to plan, grow, protect and transition our clients' wealth with confidence
- Extend our advantage as a solutions provider, expanding asset management and insurance offerings in key growth areas
- Enhance efficiencies by continuing to evolve, simplify and streamline our businesses to drive value
- Foster an inclusive, winning culture, focused on alignment, empowerment and recognition, with a commitment to a diverse and inclusive workplace

F2021 Financial Highlights

	Reported	Adjusted ¹
Net Income	\$1,474MM	\$1,498MM
Net Income Growth (Y/Y)	34.4%	32.5%
Net Revenue Growth ² (Y/Y)	13.1%	13.1%
PPPT ³ Growth (Y/Y)	30.9%	29.2%
ROE	24.9%	25.3%
Efficiency Ratio ²	65.7%	65.2%
Operating Leverage ²	7.5%	7.0%
Average Gross Loans/Deposits	\$29B/\$51B	
AUA/AUM	\$427B/\$523B	

Net Income¹ (\$MM)



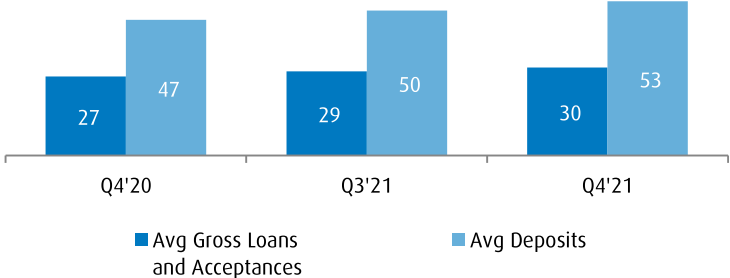
¹ These are non-GAAP measures. For the composition of non-GAAP and other financial measures, including supplementary financial measures, refer to the Glossary of Financial terms and see the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information

² Net revenue is defined as revenue net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Reported and adjusted efficiency ratios are based on net revenue

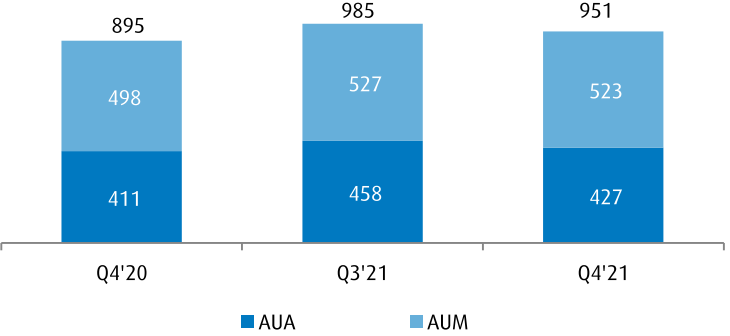
³ Pre-Provision Pre-Tax profit contribution in a non-GAAP measure, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information

BMO Wealth Management Performance

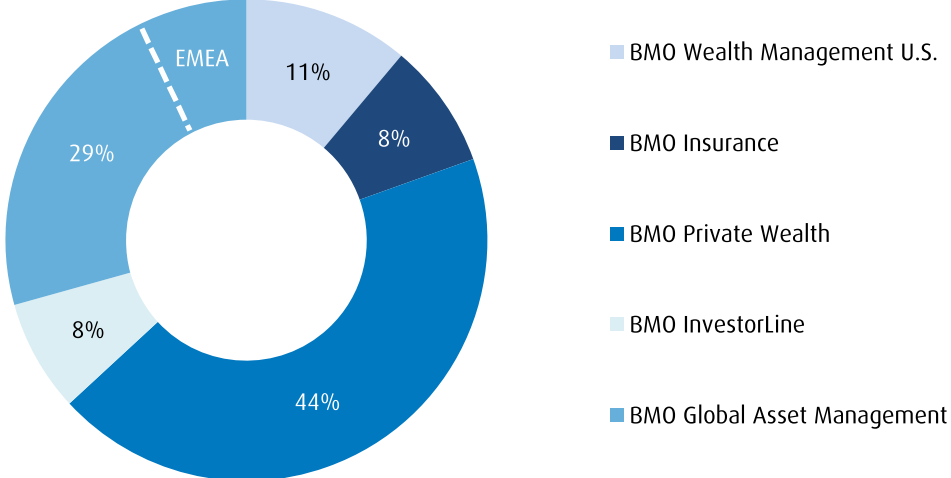
Balances (\$B)



AUA, AUM (\$B)



Net Revenue¹ by Business - F2021



1 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Results presented net of CCPB are non-GAAP measures, see slide 2 for further information. For the composition of non-GAAP and other financial measures, including supplementary financial measures, refer to the Glossary of Financial terms and see the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information

BMO Capital Markets

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

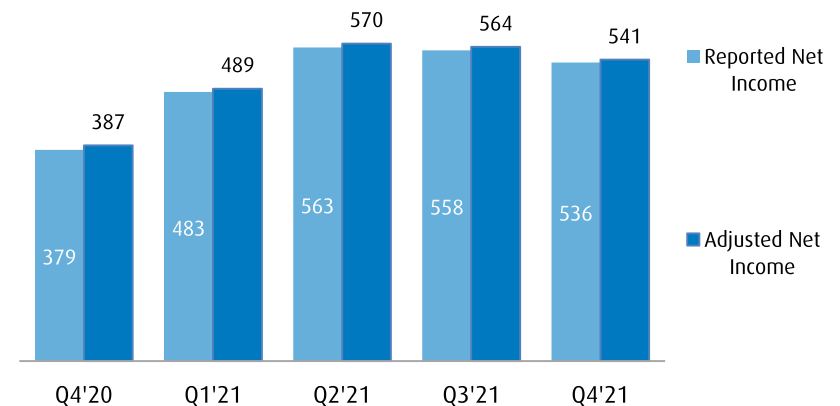
F2022 Strategic Focus

- Accelerate growth in areas where we are well-positioned and have the expertise and capabilities to deliver value-added solutions and provide an enhanced client experience
- Deploy digital-first capabilities with an increased focus on data, analytics and artificial intelligence to drive simplification and scale
- Become an industry leader in sustainable finance, providing advice and innovative solutions to help our clients reach their environmental, social and governance objectives
- Foster and drive an inclusive, winning culture, focused on alignment, empowerment and recognition, with a commitment to a diverse and inclusive workplace

F2021 Financial Highlights

	Reported	Adjusted ¹
Net Income	\$2,140MM	\$2,164MM
Net Income Growth (Y/Y)	96.9%	94.1%
Revenue Growth (Y/Y)	15.0%	15.0%
PPPT ² Growth (Y/Y)	28.7%	27.9%
Efficiency Ratio	56.1%	55.6%
Operating Leverage	8.8%	8.6%
Average Gross Loans and Acceptances	\$59B	
U.S. Revenue Contribution ³	50.3%	50.8%

Net Income¹ (\$MM)



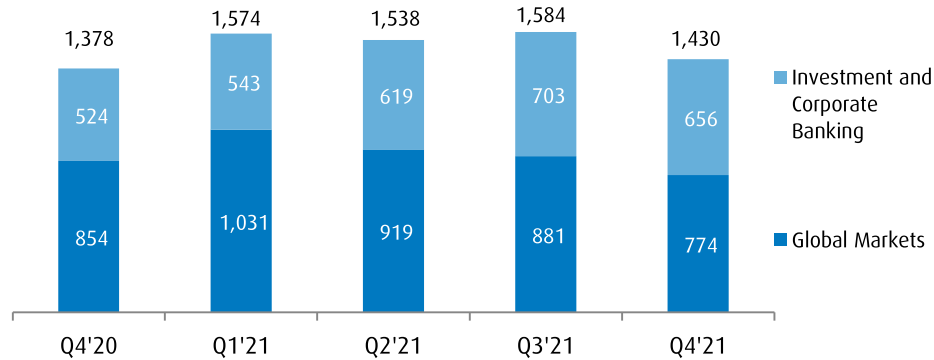
¹ These are non-GAAP measures, see slide 2 and the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information.

² Pre-Provision Pre-Tax profit contribution in a non-GAAP measure, see slide 2. For the composition of non-GAAP and other financial measures, including supplementary financial measures, refer to the Glossary of Financial terms and see the Non-GAAP and Other Financial Measures section of the 2021 Annual MD&A for further information.

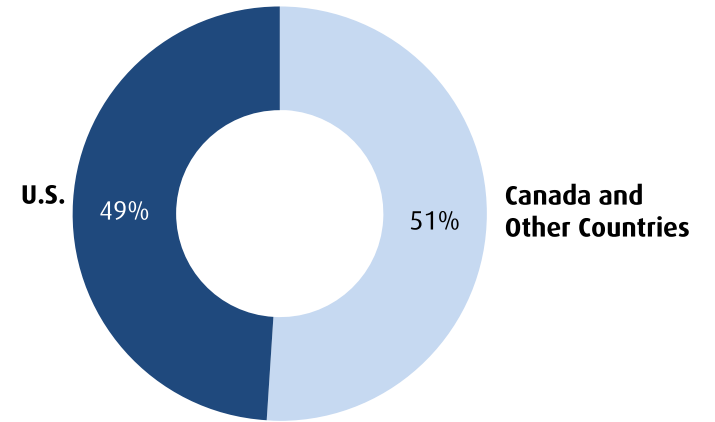
³ U.S. Revenue as a % of Total BMO Capital Markets (F2021)

BMO Capital Markets Performance

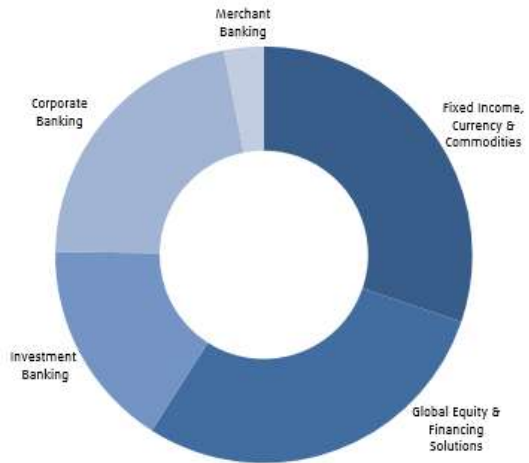
Revenue (\$MM)



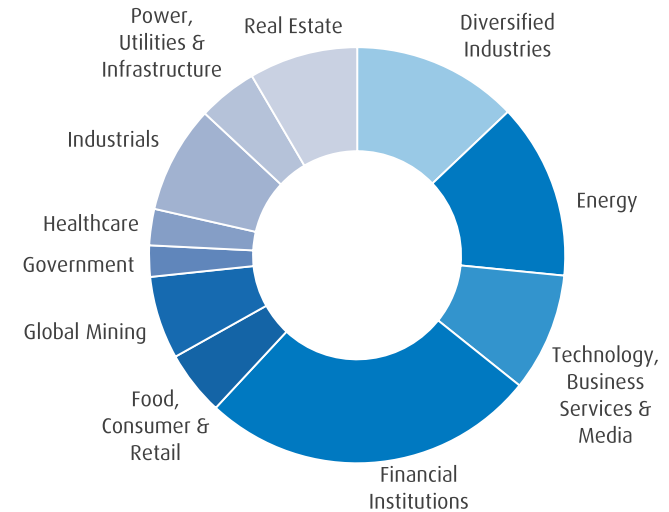
Revenue by Geography - F2021



Revenue by Product⁵



Revenue by Sector¹



*Excluding non-client revenues

1 As a % of last twelve months (LTM) revenue as at October 31, 2021, excluding non-client revenues & investor-only clients
 2 U.S. Revenue as a % of Total (LTM as of October 31, 2021)
 3 U.S. Capital as a % of Total (LTM as of October 31, 2021)
 4 U.S. FTE as a % of Total (LTM as of Q4'21)
 5 As a % of LTM Q4'21 revenue excluding 'Other'

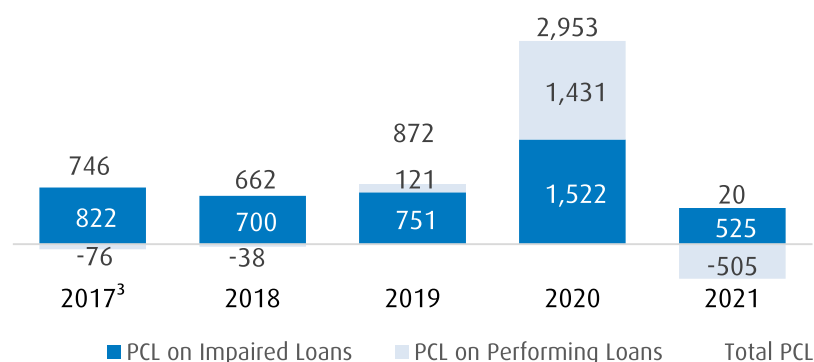
Risk Overview

F2021 Risk Highlights

PCL By Operating Group (\$MM)	F2021		F2020	
	\$	bps	\$	bps
Consumer – Canadian P&C	344	20	448	28
Commercial – Canadian P&C	149	16	339	38
Total Canadian P&C	493	19	787	31
Consumer – U.S. P&C	19	11	53	27
Commercial – U.S. P&C	3	0	365	35
Total U.S. P&C	22	2	418	34
BMO Wealth Management	4	1	4	1
BMO Capital Markets	11	2	310	45
Corporate Services	(5)	n.m.	3	n.m.
PCL on Impaired Loans	525	11	1,522	33
PCL on Performing Loans	(505)	(11)	1,431	30
Total PCL	20	0	2,953	63

- Total Provision for Credit Losses (PCL) \$20MM, compared with \$2,953MM in prior year
- PCL on impaired loans \$525MM or 11 bps¹, down 66% Y/Y
- PCL on performing loans \$(505)MM, compared with \$1,431MM in prior year
 - Performing PCL release of \$505MM in F2021 represents 36% of performing loan PCL build since the start of the pandemic
- Gross Impaired Loans \$2,169MM, down 40% Y/Y
 - GIL ratio² 46 bps, down 32 bps Y/Y

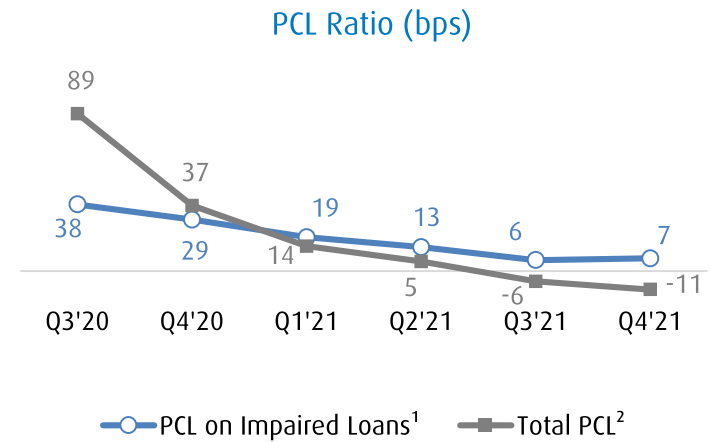
Provision for Credit Losses (\$MM)



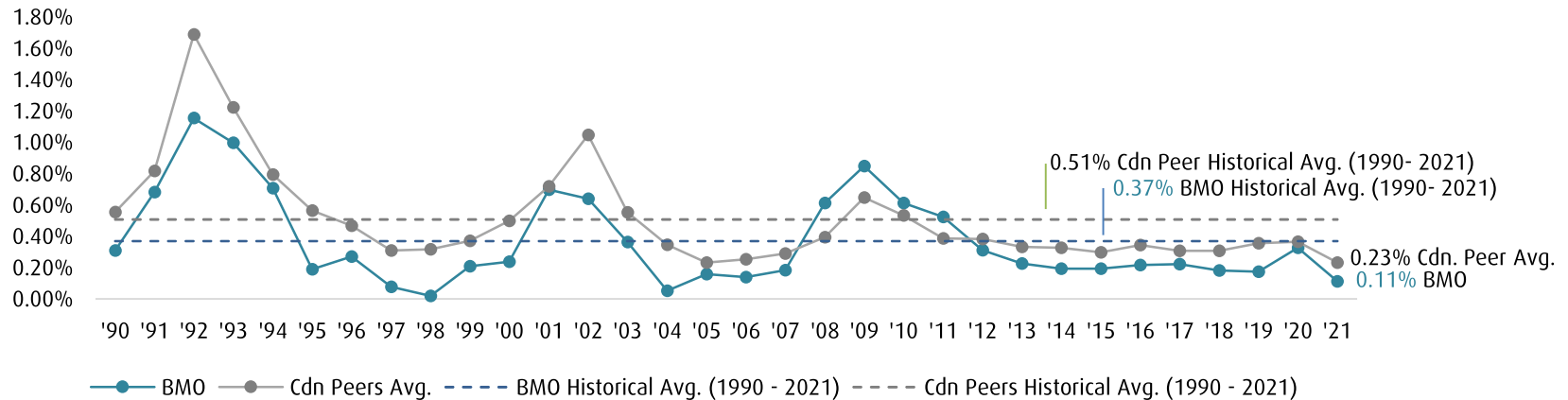
¹ Provision for credit losses on impaired loans over average net loan and acceptances, expressed in basis points
² Gross impaired loans over total gross loan and acceptances, expressed in basis points
³ F2017 PCL on Performing Loans is collective provision; IFRS 9 adopted in 2018 prospectively

Provision for Credit Losses (PCL)

PCL By Operating Group (\$MM)	Q4 21		Q3 21		Q4 20	
	\$	bps	\$	bps	\$	bps
Total Canadian P&C	89	13	101	15	180	29
Total U.S. P&C	5	1	(9)	(3)	53	18
BMO Wealth Management	1	2	-	(1)	-	-
BMO Capital Markets	(9)	(6)	(19)	(13)	105	64
Corporate Services	(2)	n.m.	(2)	n.m.	1	n.m.
PCL on Impaired Loans	84	7	71	6	339	29
PCL on Performing Loans	(210)	(18)	(141)	(12)	93	8
Total PCL	(126)	(11)	(70)	(6)	432	37



PCL on Impaired Loans as a % of Avg. Net Loans & Acceptances



¹ Provision for credit losses on impaired loans over average net loan and acceptances, expressed in basis points

² Provision for credit losses on total loans over average net loan and acceptances, expressed in basis points

Allowance and Provision on Performing Loans

Allowance on Performing Loans (APL) and PCL on Performing Loans (PCL) By Operating Group (\$MM) ²	Q3 21 APL ¹	Q4 21 PCL	Q4 21 Foreign Exchange	Q4 21 APL ¹	APL to Performing Loans (bps)
Consumer – Canadian P&C	874	(56)	-	818	46
Commercial – Canadian P&C	542	(38)	(1)	503	53
Total Canadian P&C	1,416	(94)	(1)	1,321	48
Consumer – U.S. P&C	111	(10)	(1)	100	57
Commercial – U.S. P&C	767	(23)	(10)	734	75
Total U.S. P&C	878	(33)	(11)	834	73
BMO Wealth Management	36	(6)	-	30	10
BMO Capital Markets	374	(79)	(17)	278	52
Corporate Services	(1)	2	-	1	
Total	2,703	(210)	(29)	2,464	52

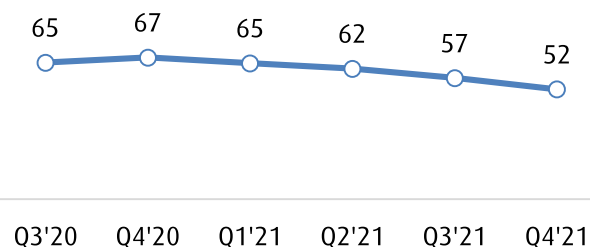
¹ Q3'21 and Q4'21 includes APL on Other Assets of \$17MM and excludes APL on Securities of \$4MM for both periods

² Q4'21 PCL includes PCL on Other Assets of \$1MM and excludes PCL on Securities of \$0.4MM

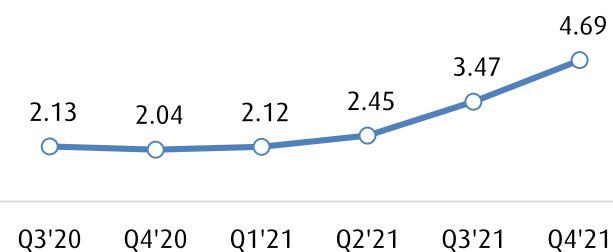
³ Allowance on performing loans over total gross performing loan and acceptances, expressed in basis points

- The \$210MM recovery of credit losses on performing loans reflected an improving economic outlook and positive credit migration, partially offset by balance growth

Allowance on Performing Loans Ratio³ (bps)



Coverage Ratios



—○— Allowance on performing loans over trailing 4-quarter PCL on impaired loans

Gross Impaired Loans and Formations

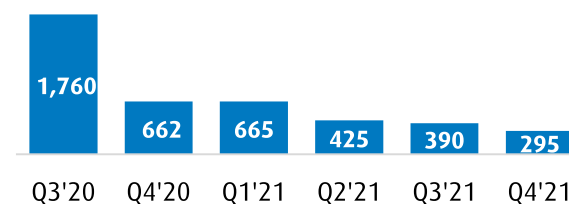
By Industry (\$MM, as at Q4 21)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other ¹	U.S.	Total
Consumer	144	14	158	382	256	638
Service Industries	23	4	27	209	208	417
Retail Trade	2	4	6	159	74	233
Agriculture	17	1	18	76	137	213
Manufacturing	44	1	45	121	56	177
Oil & Gas	0	0	0	65	75	140
Transportation	4	8	12	19	71	90
Wholesale Trade	4	1	5	29	45	74
Construction (non-real estate)	1	2	3	45	22	67
Commercial Real Estate	16	2	18	46	21	67
Other Business and Government ²	0	3	3	44	9	53
Total Business and Government	111	26	137	813	718	1,531
Total Bank	255	40	295	1,195	974	2,169

¹ Total Business and Government includes nil GIL from Other Countries

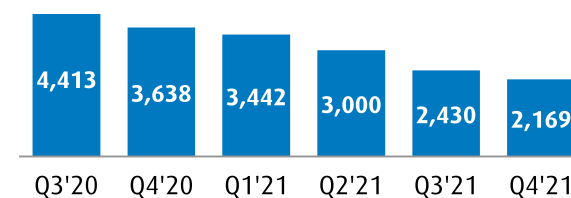
² Other Business and Government includes industry segments that are each <1% of total GIL

- Gross Impaired Loans (GIL) ratio 46 bps, down 5 bps Q/Q

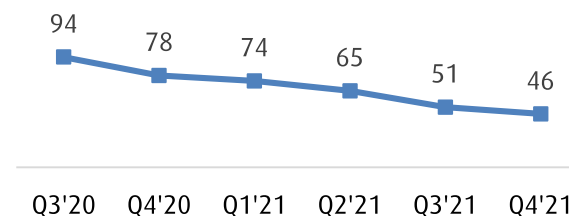
Formations (\$MM)



Gross Impaired Loans (\$MM)



GIL Ratio (bps)



Loan Portfolio Overview

Gross Loans & Acceptances By Industry ³ (\$B, as at Q4 21)	Canada & Other ¹	U.S.	Total	% of Total
Residential Mortgages	128.0	7.7	135.7	29%
Consumer Instalment and Other Personal	64.0	13.2	77.2	16%
Cards	7.6	0.5	8.1	2%
Total Consumer	199.6	21.4	221.0	47%
Financial	12.6	39.9	52.5	11%
Service Industries	24.1	21.0	45.1	9%
Commercial Real Estate	27.7	15.6	43.3	9%
Manufacturing	8.4	19.7	28.1	6%
Retail Trade	11.2	5.8	17.0	4%
Wholesale Trade	5.3	9.5	14.8	3%
Agriculture	12.4	1.4	13.8	3%
Transportation	3.9	9.1	13.0	3%
Utilities	4.0	3.3	7.3	2%
Oil & Gas	4.2	1.8	6.0	1%
Other Business and Government ²	7.8	5.1	12.9	3%
Total Business and Government	121.6	132.2	253.8	53%
Total Gross Loans & Acceptances	321.2	153.7	474.8	100%

¹ Includes ~\$7.5B from Other Countries

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

³ Totals may not add due to rounding

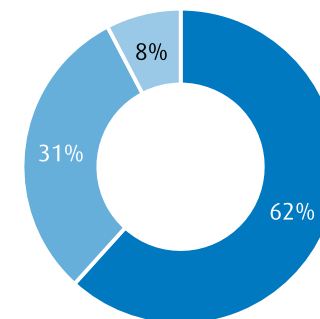
Prior period information for certain sectors has been revised to align to the current period's presentation that better classifies the realigned sectors

- Portfolio is well diversified by geography and industry

Loans by Geography and Operating Group (%)

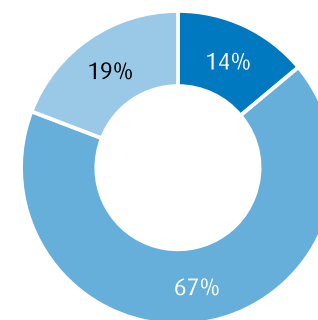
Canada and Other Countries

- P&C/BMO Wealth Management - Consumer
- P&C/BMO Wealth Management - Commercial
- BMO Capital Markets



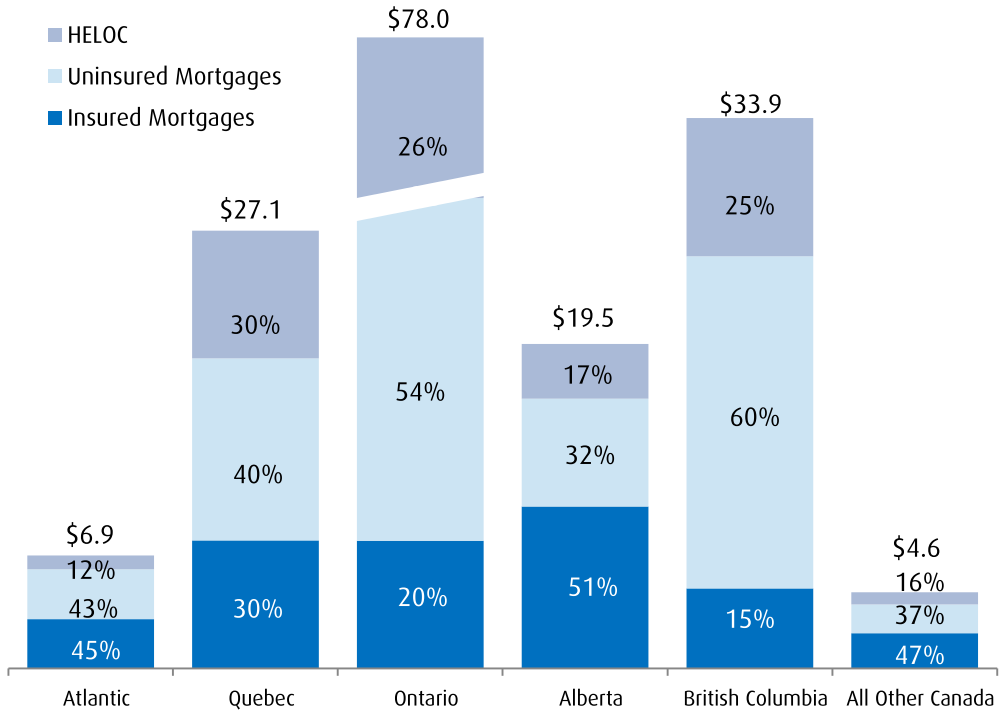
U.S.

- P&C/BMO Wealth Management - Consumer
- P&C/BMO Wealth Management - Commercial
- BMO Capital Markets



Canadian Residential-Secured Lending

Residential-Secured Lending by Region (\$170.0B)



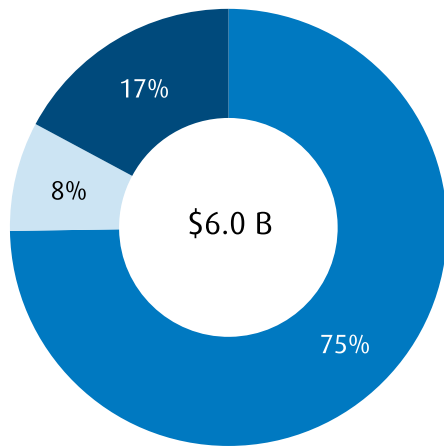
Avg. LTV ¹ Uninsured	Atlantic	Quebec	Ontario	Alberta	British Columbia	All Other Canada	Total Canada
Mortgage							
- Portfolio	53%	54%	51%	59%	48%	52%	51%
- Origination	73%	73%	70%	73%	68%	74%	70%
HELOC							
- Portfolio	44%	49%	42%	53%	42%	44%	45%
- Origination	70%	72%	64%	67%	62%	69%	66%

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

- Total Canadian residential-secured lending portfolio at \$170.0B, representing 36% of total loans
 - LTV¹ on uninsured of 48%
 - 90-day delinquency rate for RESL remains good at 13 bps; loss rate for the trailing 4 quarter period was 1 bp
- Residential mortgage portfolio of \$128.0B
 - 34% of portfolio insured
 - LTV¹ on uninsured of 51%
 - 78% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- HELOC portfolio of \$42.0B outstanding, of which 70% is amortizing
- GTA and GVA portfolios demonstrate better LTV¹, delinquency rates and bureau scores compared to the national average

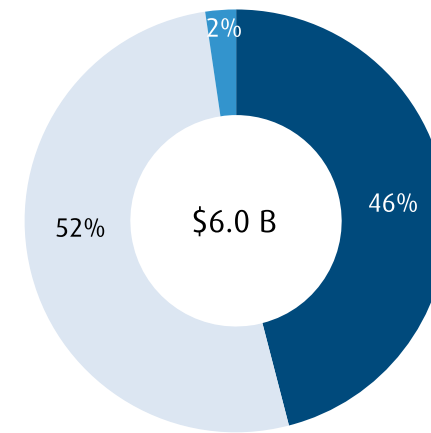
Oil and Gas Industry Overview

Industry by Sub-sector¹



■ Exploration & Development ■ Manufacturing & Refining ■ Services

Industry by Risk Rating



■ Investment Grade ■ Sub-Investment Grade ■ Impaired

- The oil and Gas Portfolio is geographically well diversified; 59% in Canada, 31% in the U.S. and the remaining in other geographies
- Of the \$4.5B in Exploration and Development (E&D) gross loans and acceptances, 59% is borrowing-base lending:
 - 96% of U.S. E&D loans
 - 40% of Canada and other countries E&D loans; 81% of non-borrowing base E&D loans in Canada and other countries are investment grade

¹ As of Q4 F21 Pipelines were reclassified from O&G into Utilities

Sectors Impacted by COVID-19 Pandemic

By Industry of Heightened Focus (\$B, as at Q4 21)	Gross Loans & Acceptances (GL&A)	% of Total GL&A
Hotels	4.6	1.0%
Restaurants	4.1	0.9%
Amusement & Recreational	3.2	0.7%
CRE - Lodging REITS	0.6	0.1%
CRE - Retail REITS	1.5	0.3%
CRE - Retail Property Types	2.7	0.6%
Retail Trade excl. Auto, Grocers & Pharmacies	4.9	1.0%
Airlines	0.3	0.1%
Total Industries of Heightened Focus	21.9	4.6%
Total Business & Government Gross Loans & Acceptances	253.8	53.5%
Total Gross Loans & Acceptances	474.8	100.0%

- Sectors highly impacted by COVID make up less than 5% of the portfolio
- Portfolio is diversified and well-secured by real estate in some sectors
- Loss rates remain manageable

Economic and Housing Market Overview

Economic outlook and indicators¹

Economic Indicators (%) ^{1, 2}	Canada			United States			Eurozone		
	2021E ²	2022E ²	2023E ²	2021E ²	2022E ²	2023E ²	2021E ²	2022E ²	2023E ²
GDP Growth	4.5	4.0	3.5	5.5	3.5	2.5	5.2	5.0	2.5
Inflation	3.4	3.5	2.5	4.6	4.7	2.6	2.6	2.8	1.5
Interest Rate (3mth Tbills)	0.10	0.30	1.25	0.05	0.15	0.95	(0.56)	(0.57)	(0.57)
Unemployment Rate	7.5	6.0	5.6	5.4	3.9	3.4	7.8	7.4	7.3
Current Account Balance / GDP ³	0.2	0.0	(0.4)	(3.6)	(3.9)	(3.9)	2.6	2.7	2.9
Budget Surplus / GDP ³	(6.4)	(2.3)	(1.9)	(12.4)	(5.8)	(4.7)	(7.7)	(3.4)	(2.4)

Canada

- After contracting in Q2, real GDP rebounded strongly in Q3, led by consumer spending. We expect strong growth in 2022 amid expansionary fiscal policy and excess household savings, though supply disruptions arising from the B.C. floods and possibly the new virus variant will temper near-term activity.
- The jobless rate is expected to fall from 6.7% in October to pre-virus levels below 6% by the end of 2022
- The Bank of Canada is expected to begin raising policy rates in the middle of 2022 due to elevated inflation

United States

- Although supply-chain bottlenecks will dampen the recovery, fiscal stimulus and high personal savings should result in continued strong GDP growth in 2022
- The unemployment rate is projected to decline from 4.6% in October to pre-pandemic levels of 3.5% by the end of 2022
- Despite higher inflation, the Federal Reserve is expected to keep policy rates near zero until the fall of 2022 to support a broader recovery in employment

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

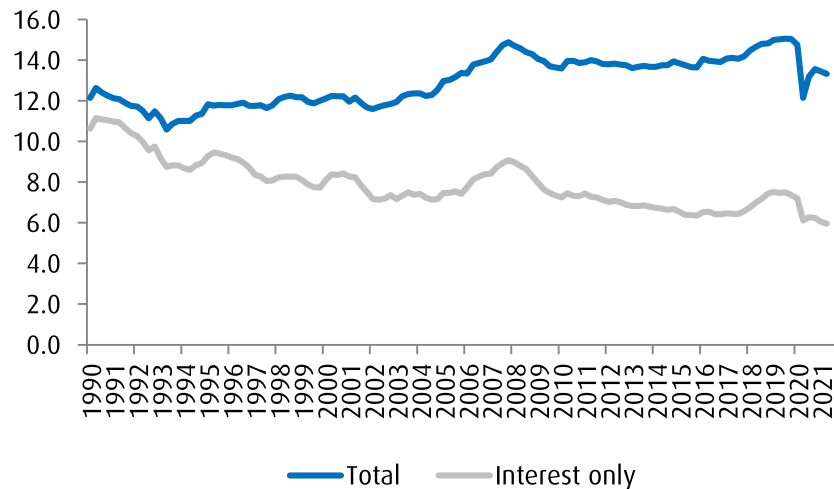
² Data is annual average. Estimates as of November 30, 2021

³ Eurozone estimates provided by IMF

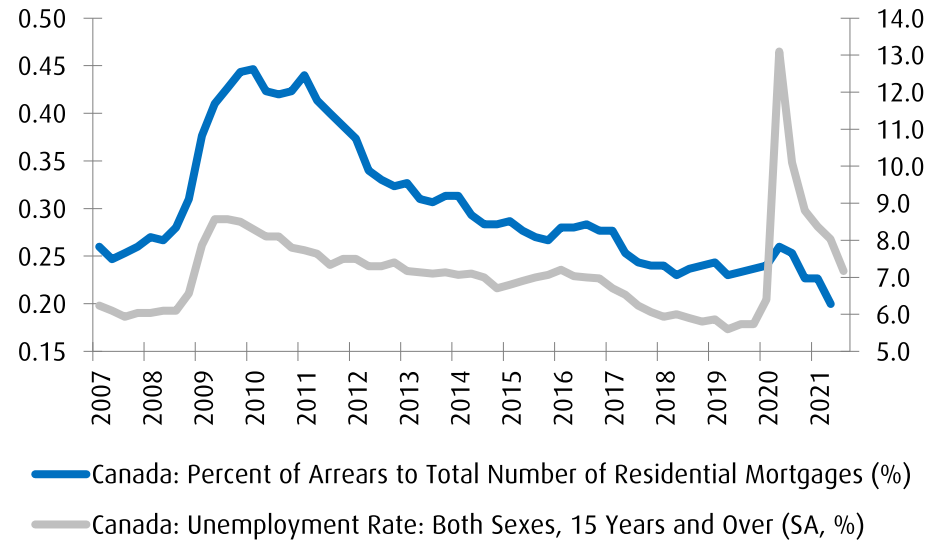
Canada's housing market is strong

- National existing home sales remain well above normal levels, supported by strong job growth, low mortgage rates and shifts in demand arising from working remotely
- Benchmark prices have re-accelerated to a 23% y/y rate amid low supply relative to elevated sales
- Home sales growth should moderate in 2022 due to eroding affordability. However, prices are likely to continue to increase amid tight markets, though at a much slower rate than in 2021
- Mortgage arrears remain near record lows
- Debt servicing costs (relative to income) have eased from all-time highs

Debt Service Ratio



Mortgage Delinquencies/Unemployment



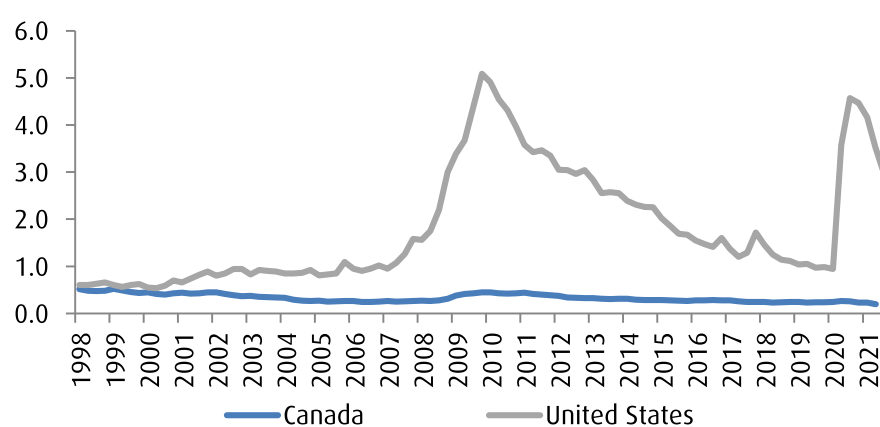
Source: BMO CM Economics and Canadian Bankers' Association as at November 30, 2021
 This slide contains forward looking statements. See caution on slide 2

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

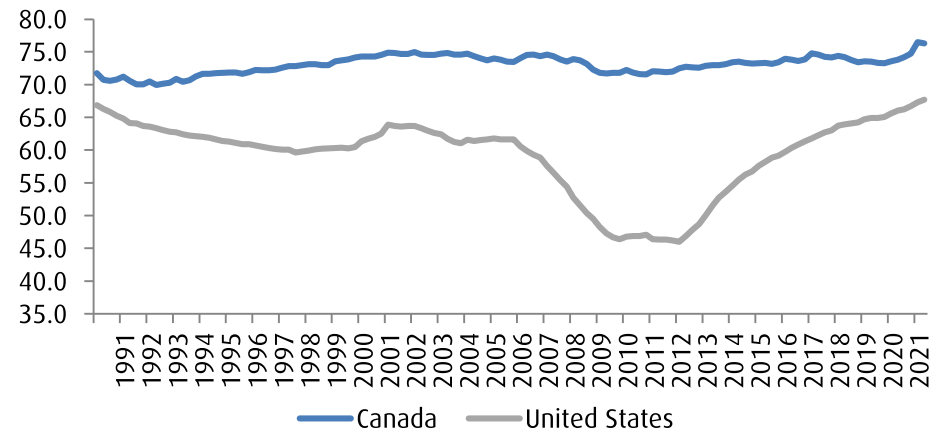
- Conservative lending practices, strong underwriting and documentation discipline have led to low delinquency rates
 - Over the last 30 years, Canada's 90-day residential mortgage delinquency rate has never exceeded 0.7% versus the U.S. peak rate of 5% in 2010
- Mandatory government-backed insurance 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 November 30, 2021
 This slide contains forward looking statements. See caution on slide 2

Environmental, Social and Governance

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.



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.

BMO's Net Zero Ambition

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

Commitment

Acting on our commitment to a sustainable future, we're playing our part to drive the transformation toward a net-zero world. This means setting targets to reduce greenhouse gas emissions from our operations and financed emissions to advance the transition to a net-zero world by 2050 and being transparent on our progress.

Capabilities

The BMO Climate Institute provides thought leadership at the intersection of climate adaptation and finance. We're leveraging our sophisticated analytical capabilities to understand the impacts of climate change and generate data-driven insights that enable our business, customers and partners to adjust and flourish.

Client Partnership

Across BMO's operating groups, we're putting customers at the centre of our strategy, offering a tailored suite of green advisory, investment and lending products and services to support their transition to a net-zero global economy.

Convening for Climate Action

As a global leader, BMO is driving insights and bringing together industry, government, researchers and investors to catalyze the climate conversation, collaborate on solutions and accelerate a socially and economically just net-zero transition.

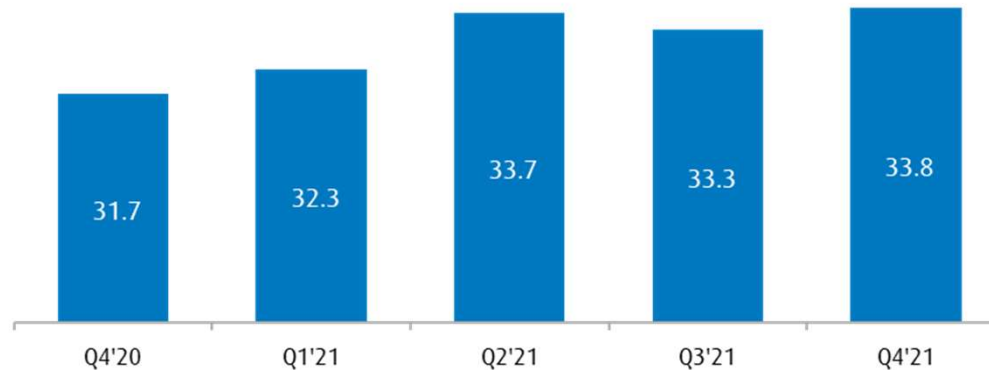
BOLDLY GROW THE GOOD

IN BUSINESS AND LIFE

Liquidity & Wholesale Funding Mix

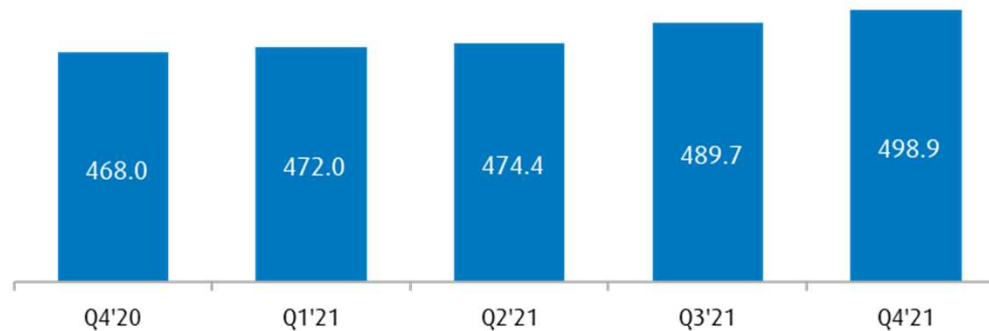
Liquidity and Funding Strategy

Cash and Securities to Total Assets Ratio (%)



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

Customer Deposits¹ (\$B)



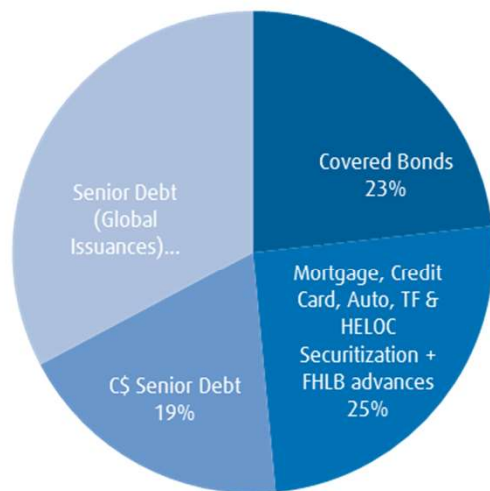
- BMO's large base of customer deposits, along with our strong capital base, reduces reliance on wholesale funding

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

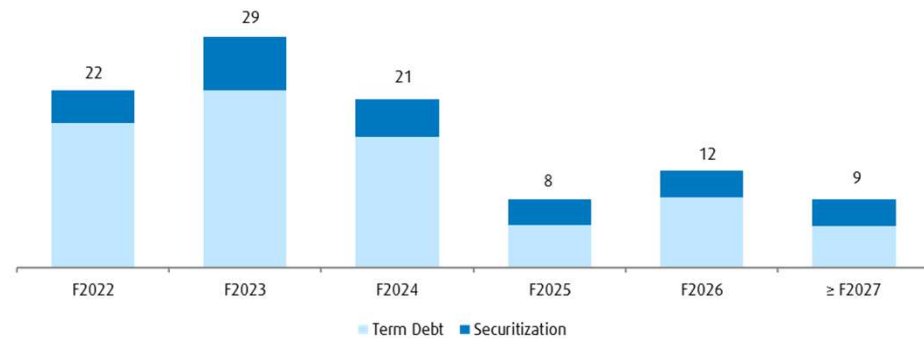
Diversified Wholesale Term Funding Program

- BMO's wholesale funding principles seek to match the term of assets with the term of funding. Loans for example are funded with customer deposits and capital, with any difference funded with longer-term wholesale funding
- BMO has a well diversified wholesale funding platform across markets, products, terms, currencies and maturities

Wholesale Capital Market Term Funding Composition¹ (\$101B) as at October 31, 2021



Wholesale Capital Market Term Funding Maturity Profile^{1,2} as at October 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	U.S. ¹	Europe, Australia & Asia ¹
<ul style="list-style-type: none"> • Canadian MTN Shelf (C\$10B) • Fortified Trust (C\$5B) • Other Securitization (RMBS, Canada Mortgage Bonds, Mortgage Backed Securities) 	<ul style="list-style-type: none"> • SEC Registered U.S. Shelf (US\$25B) • Global Registered Covered Bond Program (US\$30B) • Securitization (Credit cards, Auto, Transportation Finance) 	<ul style="list-style-type: none"> • Note Issuance Programme (US\$20B) • Australian MTN Programme (A\$5B) • Global Registered Covered Bond Program (US\$30B)²

Recent Notable Transactions

- C\$780 million 5-yr Fortified Trust Heloc Securitization
- US\$600 million CPART Auto Securitization
- US\$1.30 billion 5-yr Fixed Rate Senior Unsecured Notes at 1.25%
- US\$400 million 5-yr Floating SOFR Rate Senior Unsecured Notes
- US\$1.35 billion 2-yr Fixed Rate Senior Unsecured Notes at 0.4%
- US\$650 million 2-yr Floating SOFR Rate Senior Unsecured Notes
- GBP£1.5 billion 5-yr Floating Sonia Rate Covered Bond
- GBP£400 million 5-yr Fixed Rate Senior Unsecured Notes at 1.00%
- US\$1.15 billion 3-yr Fixed Rate Senior Unsecured Notes at 0.625%
- US\$550 million 3-yr Floating SOFR Rate Senior Unsecured Notes
- US\$740.74 million Master Credit Card Trust II Notes
- EUR€1.25 billion 3-yr Fixed Rate Covered Bond at 0.050%
- C\$1.25 billion 5-yr Fixed Rate Senior Unsecured Notes at 1.551%

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

Investor Relations

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Award winner

Canada 2021

