BMO Financial Group

Investor Presentation

For the Quarter Ended October 31, 2022

December 1, 2022

Q4 | 22

BMO

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 2022 Annual Report 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 2023 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, the closing of our proposed acquisition of Bank of the West, including plans for the combined operations of BMO and Bank of the West and the financial, operational and capital impacts of the transaction, customer growth and support, sustainable lending and underwriting targets, net zero financed emissions targets, reducing operational greenhouse-gas (GHG) emissions and inclusivity and diversity, 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", "ambition", "aim to", "target", "may", "might", "schedule", "forecast", "outlook", "timeline", "suggest", "seek" 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, projections, targets, commitments, ambitions, plans or goals . 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 their impact on local, national or international economies, as well as their heightening of certain risks that may affect our future results; information, privacy and cybersecurity, 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; exposure to, and the resolution of, significant litigation or regulatory matters, our ability to successfully appeal adverse outcomes of such matters and the timing, determination and recovery of amounts related to such matters; 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, complete proposed acquisitions or dispositions and integrate acquisitions, including obtaining regulatory approvals; critical accounting estimates and judgments, 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; the possibility that our proposed acquisitions, including our acquisition of Bank of the West, do not close when expected, or at all, because required regulatory approvals and other conditions to closing are not received or satisfied on a timely basis, or at all, or are received subject to adverse conditions or requirements; the anticipated benefits from proposed acquisitions, including Bank of the West, such as potential synergies and operational efficiencies, are not realized; our ability to manage exposure to capital arising from changes in fair value of assets and liabilities between signing and closing; our ability to perform effective fair value management actions and unforeseen consequences arising from such actions; 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; in respect of sustainability matters, availability of comprehensive and high-quality GHG data, the evolution of our lending portfolios over time, the need for active and continued participation of stakeholders (including enterprises, financial institutions and governmental and non-governmental organizations), the development and deployment of new technologies and industry-specific solutions, international cooperation, the development of regulations internationally, our ability to successfully implement various initiatives under expected time frames, the compliance of various third parties with our policies and procedures and legal requirements and those other factors set out on page 17 of BMO's 2022 Annual Report; and our ability to anticipate and effectively manage risks arising from all of the foregoing factors. In addition, our climate risk analysis and net zero strategy remain under development, and the data underlying our analysis and strategy remain subject to evolution over time, and, as a result, we expect that certain disclosures made in this document are likely to be amended, updated or restated in the future as the quality and completeness of our data and methodologies continue to improve.

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 of BMO's 2022 Annual Report, as updated by quarterly reports, 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 include those set out in the Economic Developments and Outlook section of BMO's 2022 Annual Report, as updated by quarterly reports, as well as in the Allowance for Credit Losses section of BMO's 2022 Annual Report, as updated by quarterly reports,. 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. Assumptions about Bank of the West's balance sheet, product mix and margins, and interest rate sensitivity were material factors we considered in estimating the fair value and goodwill and intangibles amounts at closing, and assumptions about our integration plan, the efficiency and duration of integration and the alignment of organizational responsibilities were material factors we considered in estimating pre-tax cost synergies. 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.

Darryl White

Chief Executive Officer

Q4 | 22

BMO

Consistent strong performance

$9 billion[1]
(Reported $13.5 billion)
Net Income[1] – F2022

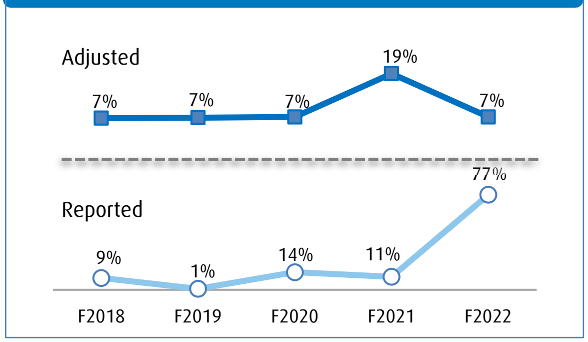
$13.23[1]
(Reported $19.99)
EPS[1] – F2022

Positive Operating Leverage

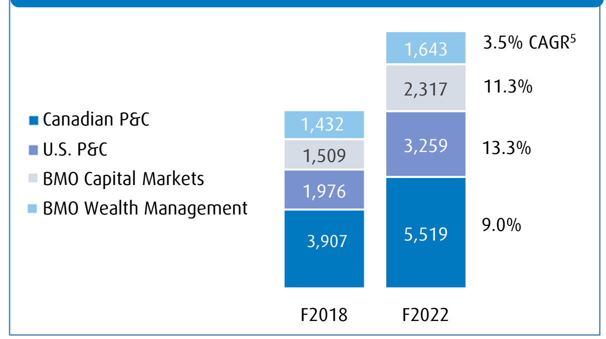
$85 billion
#3
Market Capitalization[4]

- Consistent, strong pre-provision pre-tax (PPPT)[1,2] earnings growth
- Strong growth across diversified businesses
- Adjusted efficiency ratio[1,3] improved 610 bps since 2018
(reported 1540 bps)
- Delivering on our commitment to increased profitability

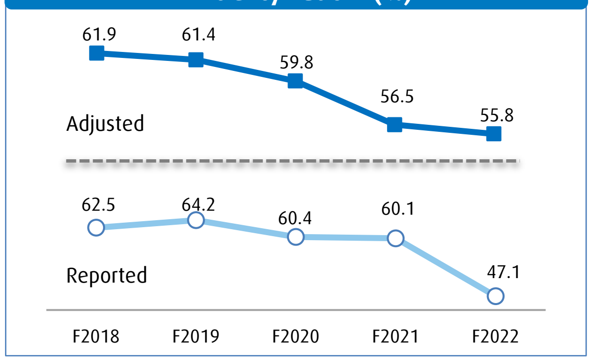
All Bank PPPT Growth[1,2]



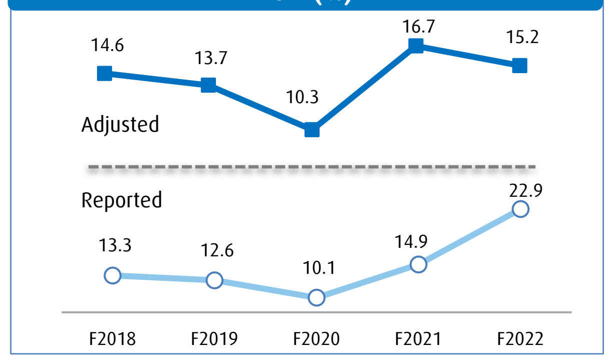
Operating Group Reported PPPT[2] ($MM)



Efficiency Ratio[1,3] (%)



ROE[1] (%)



1 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 44 for adjustments to reported results
2 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT
3 Reported and adjusted net revenue and measures calculated based on net revenue are non-GAAP measures. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio are both calculated based on net revenue and also non-GAAP measures. See slide 42 for more information
4 #3 Market capitalization of banks on the S&P/TSX Composite Index as of October 31, 2022
5 CAGR: Compound Annual Growth Rate F2018-2022

Strong growth across our diversified businesses

Canadian Personal & Commercial

Reported	F2022
PPPT Growth[2]	15%
Return on Equity	32%
Efficiency ratio	44.1%

- Robust loan growth and margin expansion
- Investing for growth, with positive operating leverage
- Market share gains in key categories, strong customer acquisition

U.S. Personal & Commercial

Reported	F2022
PPPT Growth[2]	17%
Return on Equity	18%
Efficiency ratio[4]	48.3%

- Strong loan growth and margin expansion
- Continuing to strengthen customer loyalty, add clients and deepen relationships
- Expanding footprint in key growth markets

BMO Wealth Management

Reported	F2022
PPPT Growth[2]	(9)%
Return on Equity	24%
Efficiency ratio[3]	68.4%

- Focused on North American growth
- Good underlying revenue growth in Wealth and Asset Management
- Building strength and adding talent in key areas

BMO Capital Markets

Reported	F2022
PPPT Growth[2]	(13)%
Return on Equity	15%
Efficiency ratio[4]	62.5%

- Market conditions impacted results
- Investing for the future by expanding capabilities and geographies
- Ranked #1 for mergers & acquisitions in Canada; growing share in U.S.

U.S. Segment

- U.S. contributed 36% of adjusted[1] earnings (reported 58%) in F2022, up from 28% (reported 20%) in F2018
- F2022 adjusted[1] ROE 15% (reported 35%); adjusted[1] efficiency ratio 56.8%[4] (reported 38.0%)

1 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 41 for adjustments to reported results
2 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT
3 Reported and adjusted net revenue and measures calculated based on net revenue are non-GAAP measures. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio are both calculated based on net revenue and also non-GAAP measures. See slide 42 for more information
4 Efficiency ratio is presented on a taxable equivalent basis (teb) and is non-GAAP. This teb adjustment is offset in Corporate Services, see slide 39 for more information

Significant progress across our strategic priorities

World-class client loyalty and growth powered by One Client leadership	• **Highest customer satisfaction ranking** in retail banking advice in the **J.D. Power 2022 Canada Retail Banking Advice Satisfaction Study**[1] • Strong customer loyalty in Personal and Business Banking and top-tier customer loyalty in Commercial Banking, as measured by Net Promoter Score [2]
Winning culture driven by alignment, empowerment and recognition	• **Employee Engagement Index** of 85%, **up 5% y/y**, above leading companies benchmark • BMO's **culture improved from the 3rd to the 1st quartile**[3] placing us among the world's best financial institutions
Digital first for speed, scale and the elimination of complexity	• **Overall leader in The Forrester Digital Experience Review™** Canadian Mobile Banking Apps, Q4 2022 by Forrester Research • Delivering **open banking solutions** that enable commercial clients to integrate their banking and accounts payable and receivable systems through **innovative partnerships such as Fispan and Xero**
Lead partner in our **clients'** transition to a **net zero world**	• Announced acquisition of Radicle Group, a **leader in sustainability advisory services and solutions**, and technology-driven emissions measurement and management • BMO GAM wins **Responsible Investment Association Leadership** Award for **stewardship work on climate action in responsible investing**
Superior management of **risk, capital** and **funding** performance	• **Long track record of outperforming on credit**, with 30-year historical average loss rates well below peer banks • **Strong capital levels** in advance of the approval and closing of the Bank of the West

1 For more information, refer to www.jdpower.com/business
2 Net Promoter score (NPS): The percentage of surveyed customers who would recommend BMO to a friend of colleague
3 Based on BMO 2022 (n=25380); McKinsey & Co.'s Organizational Health Index (OHI) Benchmark; BMO 2020 (n=16888); McKinsey & Co.'s Organizational Health Index (OHI) Benchmark

Financial Results

For the Quarter Ended October 31, 2022

Tayfun Tuzun
Chief Financial Officer

Q4 | 22

BMO

F2022 - Financial Highlights

Good full year performance with consistent PPPT[2] growth and positive operating leverage

- Adjusted[1] EPS $13.23, up 2% Y/Y (reported $19.99, up 73%)
- Adjusted[1] net income up 4% Y/Y (reported up 75%)
  - Divestitures reduced Y/Y revenue by ~3% and expenses by ~4% with a nominal impact on net income
  - Adjusted[1] net income excludes $5,667MM related to the management of fair value changes on the purchase of Bank of the West and a legal provision of $846MM related to a lawsuit associated with a predecessor bank, M&I Marshall and Ilsley Bank
- Adjusted[1] PPPT[2] up 7% Y/Y (reported up 77%)
- Adjusted[1] net revenue[3] up 6% Y/Y (reported up 33%) reflecting strong growth in the P&C businesses, partially offset by lower BMO Wealth Management due to divestitures
- Adjusted[1] and reported expenses up 4% Y/Y
- Adjusted[1] operating leverage[3] 1.3% (reported 29.0%)
- Total provision for credit losses $313MM or 6 bps[4]
  - PCL on impaired loans $502MM or 10 bps[4]; recovery on performing loans $189MM
- U.S. segment contributed 36% to adjusted[1] earnings in the year (reported 58%)

	Reported		Adjusted[1]	
($MM)	F2022	F2021	F2022	F2021
Gross Revenue	**33,710**	27,186	**26,533**	27,157
Less: CCPB[3]	**(683)**	1,399	**(683)**	1,399
Net Revenue[3]	**34,393**	25,787	**27,216**	25,758
Expenses	**16,194**	15,509	**15,194**	14,550
PPPT[2]	**18,199**	10,278	**12,022**	11,208
Total PCL	**313**	20	**313**	20
Income before Taxes	**17,886**	10,258	**11,709**	11,188
Net Income	**13,537**	**7,754**	**9,039**	**8,651**
U.S. Segment Net Income ($US)	**6,079**	2,593	**2,545**	2,650
Diluted EPS ($)	**19.99**	11.58	**13.23**	12.96
Efficiency Ratio[3] (%)	**47.1**	60.1	**55.8**	56.5
ROE (%)	**22.9**	14.9	**15.2**	16.7
CET1 Ratio[5] (%)	**16.7**	13.7	**16.7**	13.7

1 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 44 for adjustments to reported results
2 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT
3 Reported and adjusted net revenue and measures calculated based on net revenue are non-GAAP measures. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio are both calculated based on net revenue and also non-GAAP measures. See slide 42 for more information
4 Impaired PCL ratio is calculated as impaired provision for credit losses over average net loans and acceptances, expressed in basis points
5 The Common Equity Tier 1 (CET1) Ratio is disclosed in accordance with OSFI's Capital Adequacy Requirements (CAR) Guideline

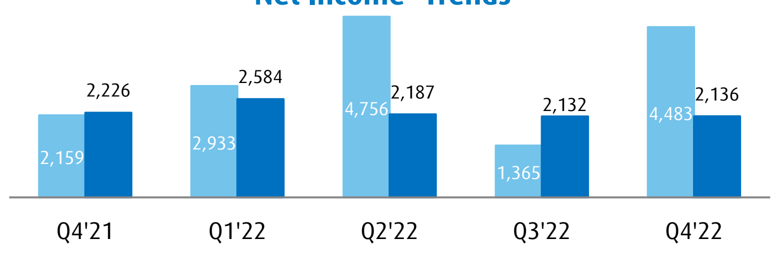
Q4 F2022 - Financial Highlights

Strong Y/Y PPPT[2] growth in P&C businesses offsetting market sensitive businesses

- Adjusted[1] EPS $3.04, down 9% Y/Y (reported $6.51, up 101%)
- Adjusted[1] net income down 4% Y/Y (reported up 108%)
  - Divestitures reduced Y/Y revenue by ~2% and expenses by ~4% with a nominal impact on net income
  - Adjusted[1] net income excludes $3,336MM related to the management of fair value changes on the purchase of Bank of the West and a legal provision of $846MM related to a lawsuit associated with a predecessor bank, M&I Marshall and Ilsley Bank
- Adjusted[1] PPPT[2] up 7% Y/Y (reported up 131%)
- Adjusted[1] net revenue[3] up 7% Y/Y (reported up 69%) reflecting strong growth in the P&C businesses, partially offset by lower BMO Capital Markets due to challenging market conditions
- Adjusted[1] expenses up 6% Y/Y (reported up 26%) reflecting investments in sales force and technology, higher salaries and performance-based compensation
- Adjusted[1] operating leverage[3] 0.4% (reported 43%)
- Total provision for credit losses $226MM
  - PCL on impaired loans $192MM or 14 bps[4]; provision on performing loans $34MM
- U.S. segment contributed 36% to adjusted[1] earnings in the quarter (reported 69%)

	Reported			Adjusted[1]		
($MM)	Q4 22	Q3 22	Q4 21	Q4 22	Q3 22	Q4 21
Gross Revenue	**10,570**	6,099	6,573	**6,544**	7,044	6,573
Less: CCPB[3]	**(369)**	413	97	**(369)**	413	97
Net Revenue[3]	**10,939**	5,686	6,476	**6,913**	6,631	6,476
Expenses	**4,776**	3,859	3,803	**3,954**	3,761	3,720
PPPT[2]	**6,163**	1,827	2,673	**2,959**	2,870	2,756
Total PCL (recovery)	**226**	136	(126)	**226**	136	(126)
Income before Taxes	**5,937**	1,691	2,799	**2,733**	2,734	2,882
Net Income	**4,483**	**1,365**	**2,159**	**2,136**	**2,132**	**2,226**
U.S. Segment Net Income ($US)	**2,306**	(28)	618	**564**	571	633
Diluted EPS ($)	**6.51**	1.95	3.23	**3.04**	3.09	3.33
Efficiency Ratio[3] (%)	**43.7**	67.9	58.7	**57.2**	56.7	57.4
ROE (%)	**27.6**	8.8	16.0	**12.9**	13.8	16.5
CET1 Ratio[5] (%)	**16.7**	15.8	13.7	**16.7**	15.8	13.7

Net Income[1] Trends



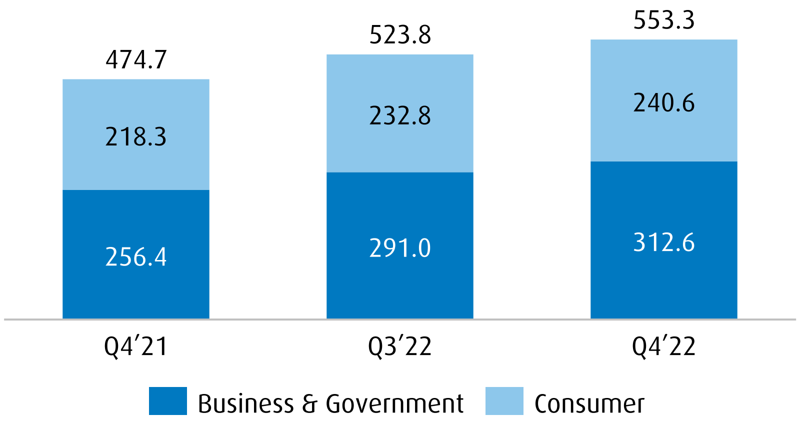
1 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 44 for adjustments to reported results
2 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT
3 Reported and adjusted net revenue and measures calculated based on net revenue are non-GAAP measures. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio are both calculated based on net revenue and also non-GAAP measures. See slide 42 for more information
4 Impaired PCL ratio is calculated as impaired provision for credit losses over average net loans and acceptances, expressed in basis points
5 The Common Equity Tier 1 (CET1) Ratio is disclosed in accordance with OSFI's Capital Adequacy Requirements (CAR) Guideline

Balance Sheet

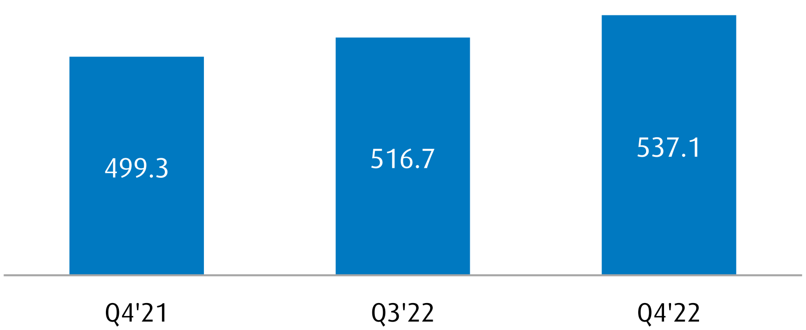
Strong loan and deposit growth

- Average net loans and acceptances up 17% Y/Y, or 13% excluding the impact of the stronger U.S. dollar due to:
  - Business & government balances up 17% with strong growth across all operating groups
  - Consumer balances up 9%, with strong growth in Canadian P&C, driven by mortgage and personal loan products, and in BMO Wealth Management
- Average net loans and acceptances up 6% Q/Q, or 3% excluding the impact of the stronger U.S. dollar
- Average customer deposits[1] up 8% Y/Y, or 5% excluding the impact of the stronger U.S. dollar, with growth in Canadian P&C and BMO Wealth Management partially offset by lower balances in U.S. P&C and BMO Capital Markets
- Average customer deposits[1] up 4% Q/Q, or 2% excluding the impact of the stronger U.S. dollar, driven by higher balances in Canadian P&C, BMO Capital Markets and BMO Wealth Management, partially offset by lower U.S. P&C

Average Net Loans and Acceptances ($B)



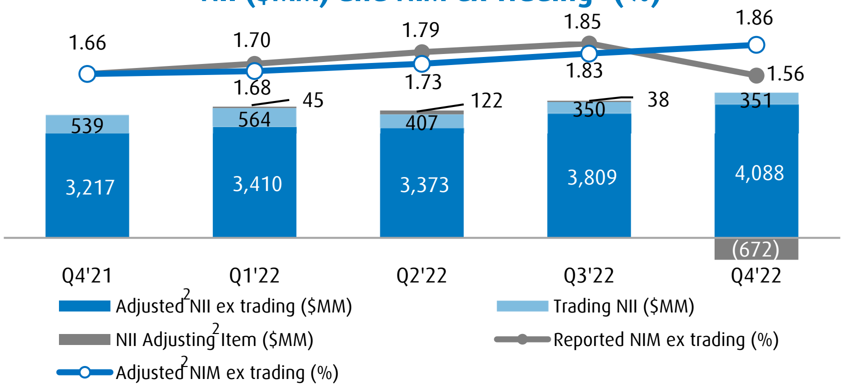
Average Customer Deposits[1] ($B)



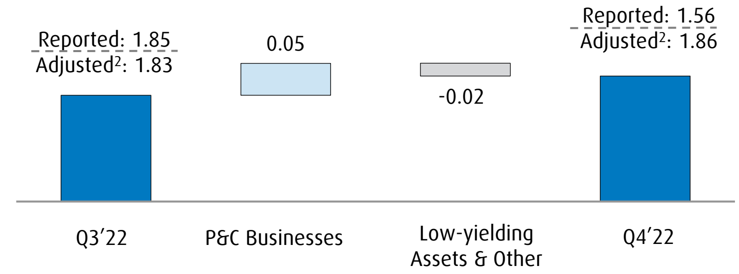
1 Refer to Glossary on slides 37-38 for explanation of this measure.

Net Interest Margin[1]

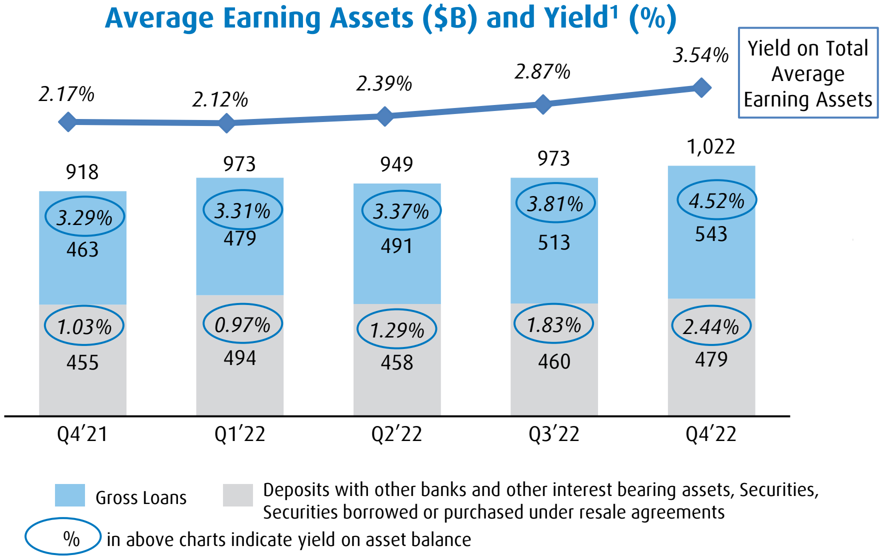
NII ($MM) and NIM ex Trading[1] (%)



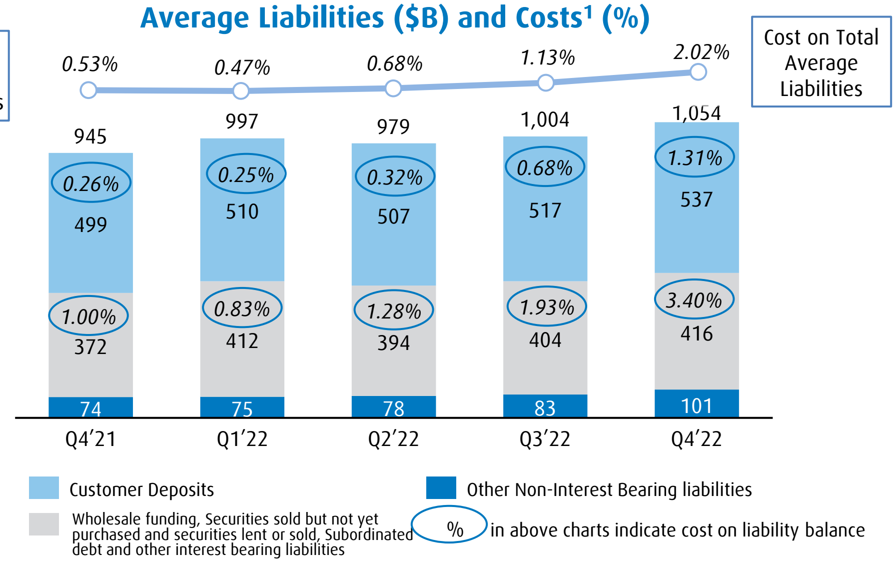
Q/Q NIM ex. Trading[1] (%)



Average Earning Assets ($B) and Yield[1] (%)



Average Liabilities ($B) and Costs[1] (%)



1 Refer to Glossary on slides 37-38 for explanations on Net Interest Margin, Average Earning Assets and Liabilities measures and associated Yield and Cost ratios
2 Adjusted results and ratios on a non-GAAP basis. See slide 39 for more information and slide 40 for adjustments to reported results; Adjusting items of $672MM reduced NIM ex trading by 30 bps, decreased yield on total average earning assets by 6 bps, and increased cost on total average liabilities by 20 bps

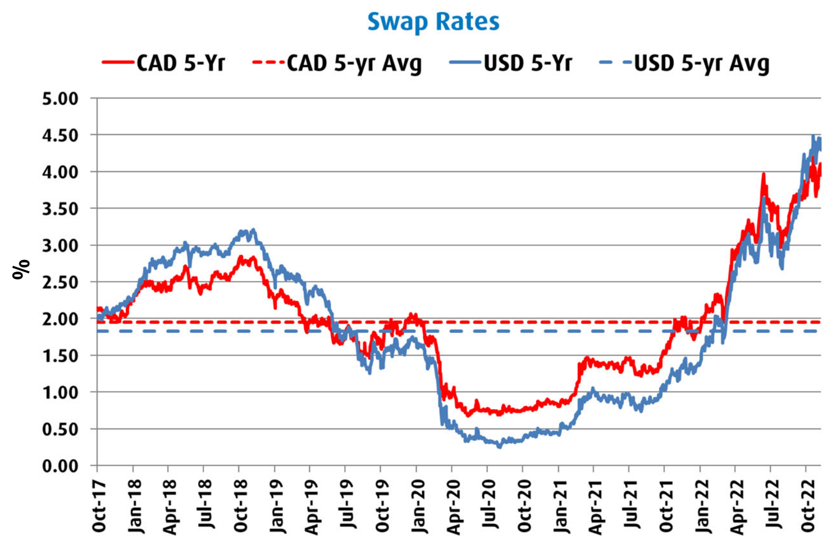
Interest Rate Sensitivity[1]

- Year 1 benefit to an incremental +100bps rate shock is lower Q/Q
  - Year 1 benefit to an incremental +100bps rate shock includes the impact of the larger equity base and is driven approximately 2/3 by short rates
  - Recognizing that rates have risen substantially in 2022, we extended the term of certain fixed rate investments, locking in higher term rates for longer to enhance margin protection against a potential fall in rates
  - Deposit betas have outperformed expectations to date; expected to be higher for subsequent rate hikes
- Higher Year 2 benefit to rising rates (+100bps) of approximately $795MM driven by long rates and the continued reinvestment of capital and deposits

Earnings sensitivities over the next 12 months[3]

Q4'22 Pre-Tax CDE ($MM)	+100 bps	-25 bps	-100 bps	+25 bps Short Rates
Canada[2]	232	(60)	(246)	30
U.S.	267	(80)	(349)	39
Total	**499**	**(140)**	**(595)**	**69**

- Term rates increased in Q4 and continue to be volatile, reinvestment rates have reached the highest point in recent years
- Higher long-term reinvestment rates, if sustained, will be supportive of NIM going forward



Source: *Bloomberg, updated through Nov 09, 2022*

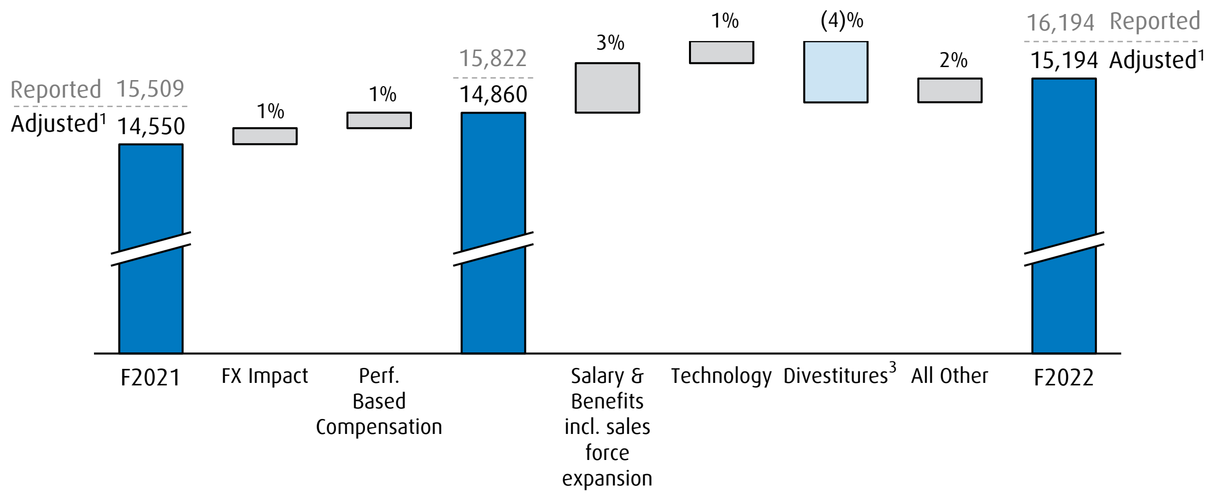
1 This slide contains forward-looking statements, please refer to the Caution Regarding Forward-Looking Statements on slide 2
2 Includes Canadian dollar and other currencies
3 For more details see the Structural (Non-Trading) Market Risk section of BMO's 2022 Annual MD&A

F2022 Non-Interest Expense

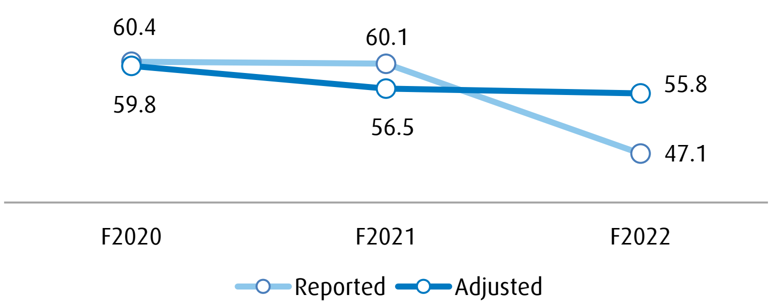
Continued positive operating leverage and efficiency improvement

- Adjusted[1] and reported expenses up 4% Y/Y
  - Stronger U.S. dollar and higher performance-based compensation contributed 2% to the increase
  - Higher spend for targeted investments in sales force and technology to drive higher revenue growth, partially offset by divestitures
- Adjusted[1] efficiency ratio[2] 55.8% (reported 47.1%)
- Adjusted[1] operating leverage[2] of 1.3% (reported 29.0%)

Y/Y Change in Non-Interest Expense[3] ($MM)

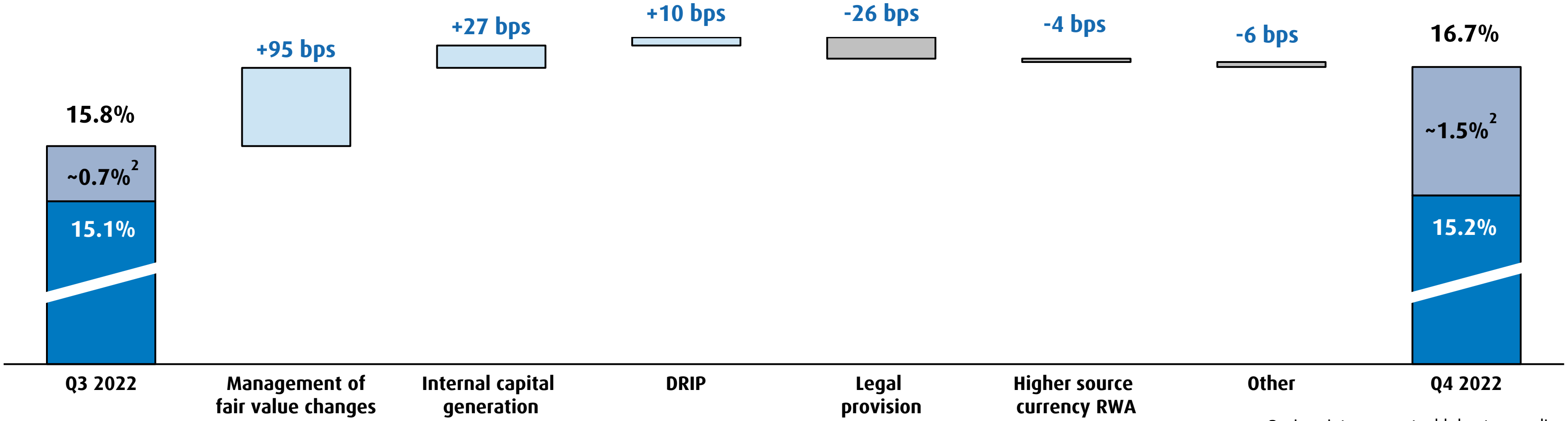


Efficiency Ratio[1,2] (%) Trend



1 Adjusted results, measures and ratios are on a non-GAAP basis. See slide 39 for more information and slide 44 for adjustments to reported results
2 Reported and adjusted net revenue and measures calculated based on net revenue are non-GAAP measures. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio are both calculated based on net revenue and also non-GAAP measures. See slide 42 for more information
3 Impact of divested businesses reflected in "Divestitures". Other drivers shown exclude impact of divested businesses. See the Significant Events section of BMO's 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for more information

Strong Q4'22 CET1 ratio[1] of 16.7%



- Q4'22 CET1 ratio[1] of 16.7%, up from Q3'22
  - After-tax gain from fair value management actions related to the announced acquisition of Bank of the West; excluding the 150 bps cumulative YTD impact[2], our CET1 Ratio would be ~15.2%
  - Strong internal capital generation as well as common share issuance from DRIP

  Partially offset by
  - Impact from a legal provision related to a lawsuit associated with a predecessor bank, M&I Marshall and Ilsley Bank
  - Higher RWA and other net negative impacts

1 The Common Equity Tier 1 (CET1) Ratio is disclosed in accordance with OSFI's Capital Adequacy Requirements (CAR) Guideline
2 Represents the cumulative impact from fair value management activities related to the acquisition of Bank of the West to mitigate exposure to capital at closing. See the Significant Events section of BMO's 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for more information

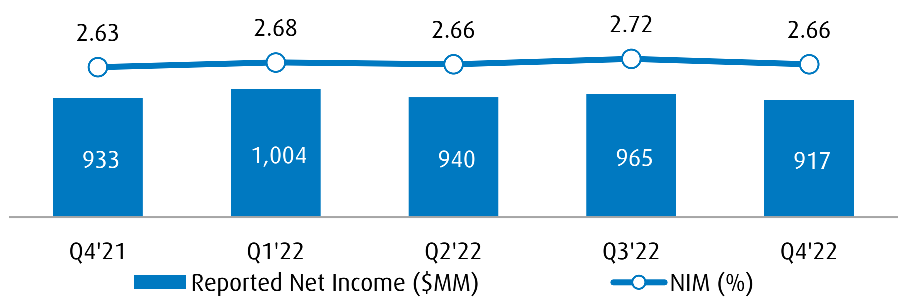
Canadian Personal & Commercial Banking

Continued strong PPPT[1] growth and positive operating leverage

- Adjusted[2] and reported net income down 2% Y/Y
- Adjusted[2] and reported PPPT[1] up 13% Y/Y
- Revenue up 11% Y/Y
  - NII up 15% Y/Y with strong balance growth
  - NIM down 6 bps Q/Q and up 3bps Y/Y
- Adjusted[2] and reported expenses up 8% Y/Y reflecting investment in the business, including sales force and technology investments
- Adjusted[2] and reported operating leverage 2.7%
- Total provision for credit losses $174MM (Impaired provision of $142MM and performing provision of $32MM)
- Average loans[3] up 12% Y/Y and 3% Q/Q
  - Personal and Business Banking up 9% Y/Y and 3% Q/Q
  - Cards up 19% Y/Y and 5% Q/Q
  - Commercial[4] up 18% Y/Y and 3% Q/Q
- Average deposits up 9% Y/Y and 3% Q/Q

	Reported			Adjusted[2]		
($MM)	Q4 22	Q3 22	Q4 21	Q4 22	Q3 22	Q4 21
Net interest income	**1,961**	1,938	1,712	**1,961**	1,938	1,712
Non-interest revenue	**586**	591	592	**586**	591	592
Revenue	**2,547**	2,529	2,304	**2,547**	2,529	2,304
Expenses	**1,131**	1,134	1,049	**1,131**	1,134	1,049
PPPT[1]	**1,416**	1,395	1,255	**1,416**	1,395	1,255
Total PCL (recovery)	**174**	89	(5)	**174**	89	(5)
Income before Taxes	**1,242**	1,306	1,260	**1,242**	1,306	1,260
Net Income	**917**	965	933	**917**	965	933
Efficiency Ratio (%)	**44.4**	44.8	45.5	**44.4**	44.8	45.5
ROE (%)	**29.4**	32.0	32.8	**29.4**	32.0	32.8

Net Income and NIM Trends



1 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT
2 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 41 for adjustments to reported results
3 Effective Q1'22, certain revenue, loan and deposit balances have been reclassified from Commercial Banking to Personal and Business Banking within Canadian P&C, reflecting a realignment of our business banking segment. Prior periods have been reclassified
4 Commercial loan growth excludes corporate cards and small business cards

U.S. Personal & Commercial Banking

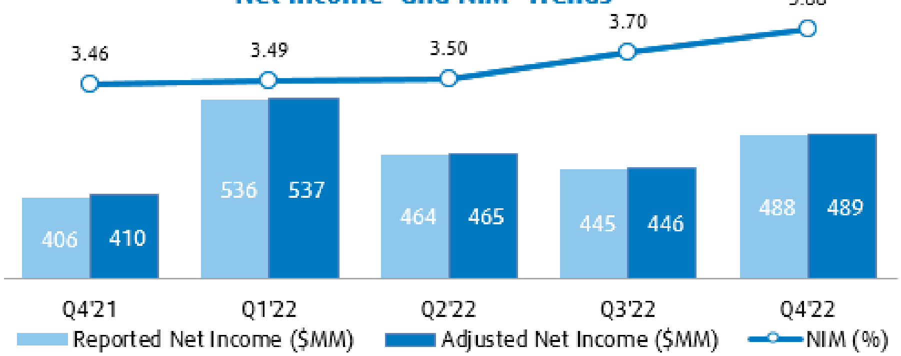
Continued momentum with strong loan growth and margin expansion

Figures that follow are in U.S. dollars:

- Adjusted[2] net income up 19% Y/Y (reported up 21%)
- Adjusted[2] PPPT[1] up 33% Y/Y (reported up 35%)
- Revenue[3] up 18% Y/Y
  - NII[3] up 26% Y/Y driven by improved deposit margins and loan growth
  - NIM[3] up 18 bps Q/Q; up 42 bps Y/Y
  - NIR down 12% Y/Y driven by lower deposit fee and operating lease revenue
- Adjusted[2] expenses up 4% Y/Y (reported up 4%) primarily due to higher technology and employee-related costs
- Adjusted[2] operating leverage[3] 13.4% (reported 14.3%)
- Total provision for credit losses $46MM (Impaired provision of $35MM and performing provision of $11MM)
- Average loans up 14% Y/Y and 3% Q/Q
- Average deposits down 3% Y/Y; down 2% Q/Q

	Reported			Adjusted[2]		
(US$MM)	Q4 22	Q3 22	Q4 21	Q4 22	Q3 22	Q4 21
Net interest income (teb)[3]	**1,082**	1,001	856	**1,082**	1,001	856
Non-interest revenue	**215**	233	245	**215**	233	245
Revenue (teb)[3]	**1,297**	1,234	1,101	**1,297**	1,234	1,101
Expenses	**617**	604	596	**616**	603	590
PPPT[1]	**680**	630	505	**681**	631	511
Total PCL (recovery)	**46**	53	(24)	**46**	53	(24)
Income before Taxes	**634**	577	529	**635**	578	535
Net Income	**488**	**445**	**406**	**489**	**446**	**410**
Net Income (CDE$)	**660**	**568**	**509**	**662**	**569**	**515**
Efficiency Ratio[3] (%)	**47.6**	49.0	54.1	**47.5**	48.9	53.5
ROE (%)	**17.9**	16.5	14.8	**18.0**	16.6	15.0

Net Income[2] and NIM[3] Trends



1 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT
2 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 41 for adjustments to reported results
3 Operating group revenue, NII, income taxes and net interest margin are stated on a taxable equivalent basis (teb) and are non-GAAP measures. This teb adjustment (Q4'22 $5MM, Q3'22 $5MM, Q4'21 $5MM) is offset in Corporate Services. Operating leverage and efficiency ratio are both calculated based on revenue (teb) and also non-GAAP measures. See slide 39 for more information

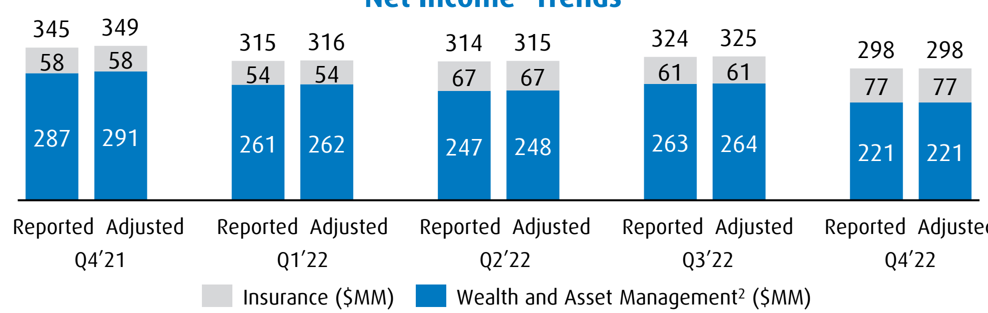
BMO Wealth Management

Good growth in client assets offset by weaker global markets

- Adjusted[1] and reported net income down 14% Y/Y
- Wealth and Asset Management[2] adjusted[1] and reported net income down 24% Y/Y
  - Revenue down 12% due to divestitures[3]; underlying performance impacted by weaker global markets, which offset growth from higher net interest income
  - Deposit growth of 6% and loan growth of 19%
  - AUA up 1% and AUM down 2% Q/Q as weaker global markets were partly offset by impact of the stronger U.S. dollar
- Insurance net income up 36% Y/Y due to benefits from changes in investments to improve asset liability management in the current year
- Adjusted[1] and reported expenses down 9% Y/Y mainly due to impact from divestitures partially offset by continued investment in the business
- Adjusted[1] operating leverage, net of CCPB[4] (1.1)% (reported (0.8)%)

	Reported			Adjusted[1]		
($MM)	Q4 22	Q3 22	Q4 21	Q4 22	Q3 22	Q4 21
Gross Revenue	**930**	1,705	1,535	**930**	1,705	1,535
CCPB	**(369)**	413	97	**(369)**	413	97
Net Revenue[4]	**1,299**	1,292	1,438	**1,299**	1,292	1,438
Expenses	**901**	881	990	**900**	880	984
PPPT[5]	**398**	411	448	**399**	412	454
Total PCL (recovery)	**3**	(10)	(5)	**3**	(10)	(5)
Income before Taxes	**395**	421	453	**396**	422	459
Net Income	**298**	**324**	**345**	**298**	**325**	**349**
Wealth and Asset Management[2] NI	**221**	263	287	**221**	264	291
Insurance NI	**77**	61	58	**77**	61	58
AUM/AUA ($B)	**730**	730	951	**730**	730	951
Efficiency Ratio[4] (%)	**69.3**	68.3	68.8	**69.2**	68.2	68.4
ROE (%)	**21.7**	24.3	24.2	**21.8**	24.4	24.5

Net Income[1] Trends



1 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 41 for adjustments to reported results
2 Wealth and Asset Management was previously known as Traditional Wealth
3 Divestitures consist of the sale of our EMEA asset management businesses, including the transfer of certain U.S. asset management clients, as well as the sale of our Private Banking business in Hong Kong and Singapore. See the Significant Events section of BMO's 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for more information
4 Reported and adjusted net revenue and measures calculated based on net revenue are non-GAAP measures. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Operating leverage and efficiency ratio are both calculated based on net revenue and also non-GAAP measures. See slide 42 for more information
5 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT

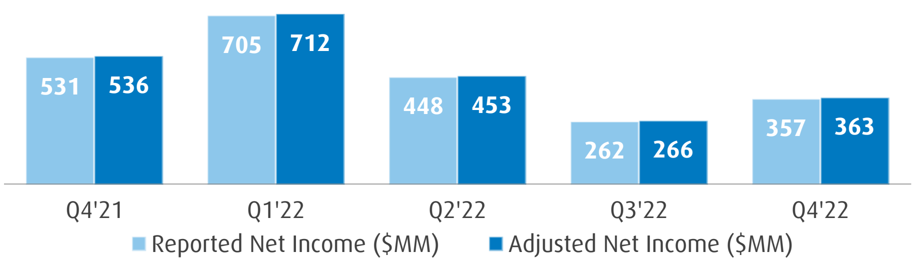
BMO Capital Markets

Net Income up Q/Q reflecting improvement during challenging market conditions

- Adjusted[1] and reported net income down 33% Y/Y; Adjusted[1] up 35% Q/Q (reported 36% Q/Q)
- Adjusted[1] and reported PPPT[3] down 29% Y/Y; Adjusted[1] up 26% Q/Q (reported up 27% Q/Q)
- Revenue down 2% Y/Y; up 11% Q/Q:
  - Global Markets revenue up 10% Y/Y; up 4% Q/Q reflecting higher client activity
  - Investment and Corporate Banking revenue down 16% driven by lower underwriting and advisory activity as well as lower net securities gains; up 23% Q/Q mainly due to lower loan underwriting markdowns and higher corporate banking revenue
- Adjusted[1] and reported expenses up 19% Y/Y driven by continued investments in the business, higher employee-related costs and the impact of the stronger U.S. dollar
- Total recovery for credit losses of $18MM (Impaired provision of $5MM and recovery of performing PCL $23MM)

	Reported			Adjusted[1]		
($MM)	Q4 22	Q3 22	Q4 21	Q4 22	Q3 22	Q4 21
Global Markets	**851**	813	774	**851**	813	774
I&CB	**554**	451	656	**554**	451	656
Revenue (teb)[2]	**1,405**	1,264	1,430	**1,405**	1,264	1,430
Expenses	**965**	920	809	**958**	913	803
PPPT[3]	**440**	344	621	**447**	351	627
Total PCL (recovery)	**(18)**	(7)	(88)	**(18)**	(7)	(88)
Income before Taxes	**458**	351	709	**465**	358	715
Net Income	**357**	262	531	**363**	266	536
U.S. Net Income ($US)	**11**	24	205	**14**	28	210
Efficiency Ratio[2] (%)	**68.8**	72.7	56.6	**68.3**	72.2	56.1
ROE (%)	**11.3**	8.5	19.2	**11.4**	8.7	19.4

Net Income[1] Trend



1 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 41 for adjustments to reported results
2 Operating group revenue and income taxes are stated on a taxable equivalent basis (teb) and are non-GAAP measures. This teb adjustment (Q4'22 $61MM, Q3'22 $61MM, Q4'21 $72MM) is offset in Corporate Services. Efficiency ratio are both calculated based on revenue (teb) and also a non-GAAP measure. See slide 39 for more information
3 Reported and adjusted Pre-Provision Pre-Tax earnings (PPPT) are non-GAAP measures. See slide 39 for more information and slide 43 for calculation of PPPT

Corporate Services

- Adjusted[1] net loss of $104MM and reported net income of $2,251MM, compared with an adjusted[1] net loss of $107MM and reported net loss of $159MM in the prior year
- Reported results in the current quarter included the impact of:
  - The announced acquisition of Bank of the West, including $3,336MM ($4,541MM pre-tax) related to fair value management actions and $143MM ($191MM pre-tax) acquisition and integration costs
  - $846MM ($1,142MM pre-tax) legal provision related to a lawsuit associated with a predecessor bank, M&I Marshall and Ilsley Bank

	Reported			Adjusted[1]		
($MM)	**Q4 22**	**Q3 22**	**Q4 21**	**Q4 22**	**Q3 22**	**Q4 21**
Revenue	**4,003**	(908)	-	**(23)**	37	-
Group teb offset[1]	**(68)**	(67)	(78)	**(68)**	(67)	(78)
Total Revenue (teb)[1]	**3,935**	(975)	(78)	**(91)**	(30)	(78)
Expenses	**945**	152	208	**133**	63	146
Total PCL (recovery)	**5**	(4)	-	**5**	(4)	-
Income before Taxes	**2,985**	(1,123)	(286)	**(229)**	(89)	(224)
Net Income (Loss)	**2,251**	**(754)**	**(159)**	**(104)**	**7**	**(107)**
U.S. Net Income (Loss) ($US)	**1,787**	(525)	(25)	**40**	68	(21)

1 Adjusted results and ratios, and taxable equivalent basis (teb) amounts are on a non-GAAP basis, see slide 39 for more information and slide 41 for adjustments to reported results

Risk Review

For the Quarter Ended October 31, 2022

Piyush Agrawal
Chief Risk Officer

Q4 | 22

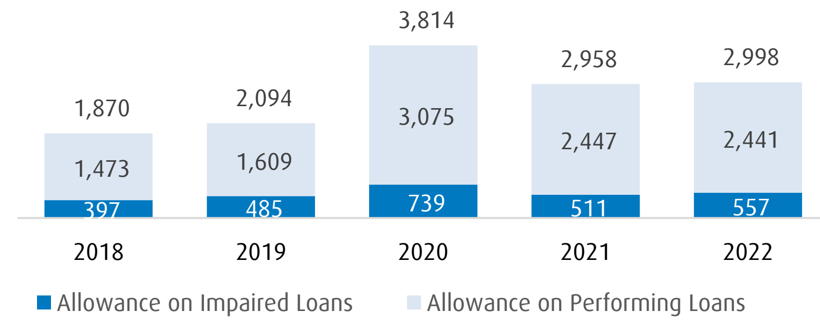
BMO

F2022 Risk Highlights

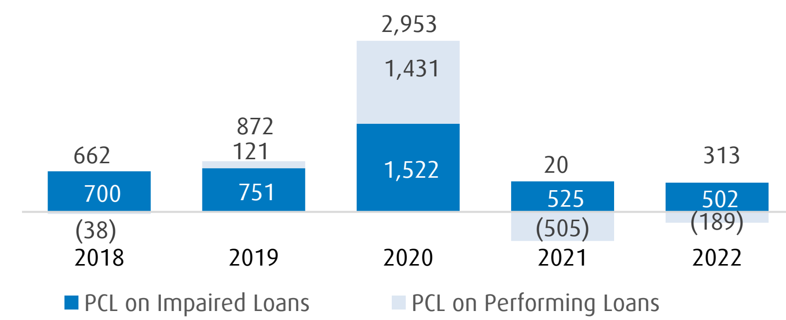
Provision for Credit Losses (PCL) by Operating Group ($MM)	F2022		F2021	
	$	bps[1]	$	bps[1]
Personal & Business Banking	369	19	382	22
Commercial Banking	63	7	111	13
Total Canadian P&C	**432**	**15**	**493**	**19**
Personal & Business Banking	16	8	24	13
Commercial Banking	91	8	(2)	0
Total U.S. P&C	**107**	**8**	**22**	**2**
BMO Wealth Management	**2**	**0**	**4**	**1**
BMO Capital Markets	**(32)**	**(5)**	**11**	**2**
Corporate Services	**(7)**	**n.m.**	**(5)**	**n.m.**
PCL on Impaired Loans	**502**	**10**	**525**	**11**
PCL on Performing Loans	**(189)**	**(4)**	**(505)**	**(11)**
Total PCL	**313**	**6**	**20**	**0**

- PCL on impaired loans $502MM or 10 bps, down 1 bp Y/Y
- PCL on performing loans $(189)MM, compared with $(505)MM Y/Y
- Gross Impaired Loans $1,991MM, down 8% Y/Y
  - GIL ratio[2] 35 bps, down 11 bps Y/Y

Allowance for Credit Losses[3] ($MM)



Provision for Credit Losses ($MM)

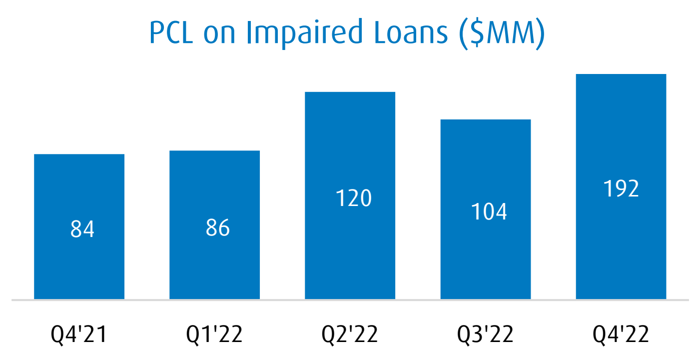


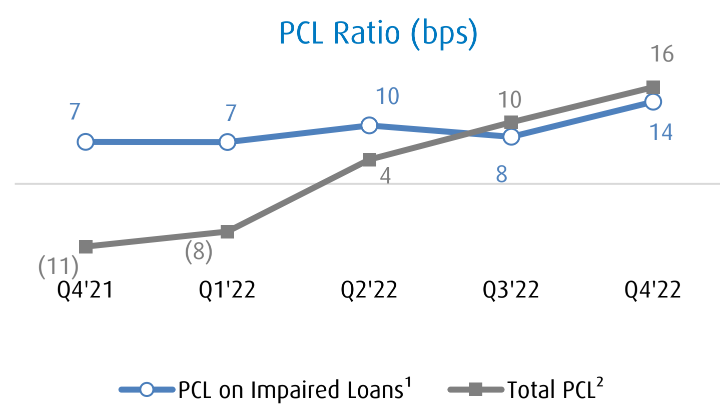
1 Provision for credit losses over average net loan and acceptances, expressed in basis points
2 Gross impaired loans over total gross loan and acceptances, expressed in basis points
3 Includes other credit instruments, such as off-balance sheet items, which are recorded in Other Liabilities
n.m. stands for not meaningful

Provision for Credit Losses (PCL)

PCL By Operating Group ($MM)	Q4 22		Q3 22		Q4 21	
	$	bps	$	bps	$	bps
Personal & Business Banking	117	23	94	19	77	17
Commercial Banking	25	10	10	4	12	6
Total Canadian P&C	**142**	**19**	104	14	**89**	**13**
Personal & Business Banking	10	19	1	2	6	12
Commercial Banking	37	12	21	7	(1)	0
Total U.S. P&C	**47**	**13**	22	7	**5**	**1**
BMO Wealth Management	**0**	**0**	2	2	**1**	**2**
BMO Capital Markets	**5**	**2**	(22)	(13)	**(9)**	**(6)**
Corporate Services	**(2)**	**n.m.**	(2)	n.m.	**(2)**	**n.m.**
PCL on Impaired Loans	**192**	**14**	104	8	**84**	**7**
PCL on Performing Loans	**34**	**2**	32	2	**(210)**	**(18)**
Total PCL	**226**	**16**	136	10	**(126)**	**(11)**

- Q4 22 PCL ratio on Impaired Loans[1] is 14 bps, up 6 bps Q/Q



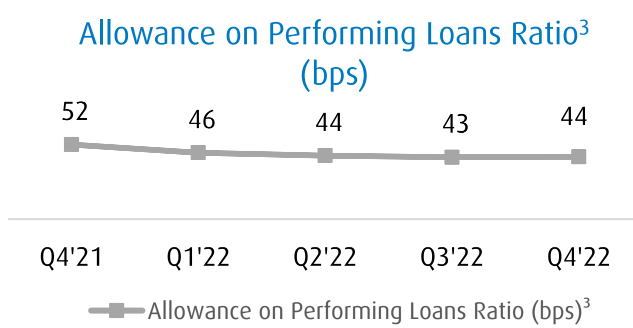


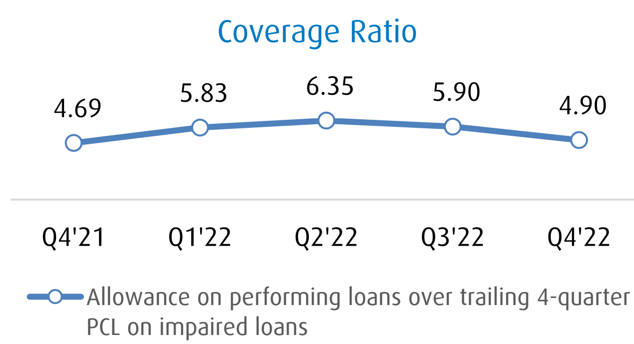
1 Provision for credit losses on impaired loans over average net loan and acceptances, annualized and expressed in basis points
2 Provision for credit losses on total loans over average net loan and acceptances, annualized and expressed in basis points
n.m. stands for not meaningful

Allowance and Provision on Performing Loans

Allowance on Performing Loans (APL) and PCL on Performing Loans (PCL) By Operating Group ($MM)	Q3 22 APL[1]	Q4 22 PCL[2]	Q4 22 Foreign Exchange	Q4 22 APL[1]	APL to Performing Loans (bps)[3]
Personal & Business Banking	791	38	1	830	41
Commercial Banking	421	(6)	8	423	40
Total Canadian P&C	**1,212**	**32**	**9**	**1,253**	**41**
Personal & Business Banking	146	19	10	175	84
Commercial Banking	636	(4)	47	679	54
Total U.S. P&C	**782**	**15**	**57**	**854**	**58**
BMO Wealth Management	**23**	**3**	**2**	**28**	**8**
BMO Capital Markets	**306**	**(23)**	**36**	**319**	**43**
Corporate Services	**2**	**7**	**(2)**	**7**	**n.m.**
PCL on Performing Loans	**2,325**	**34**	**102**	**2,461**	**44**

- The $34 million provision for credit losses on performing loans in the current quarter reflected a deteriorating economic outlook and portfolio growth, largely offset by continued reduction in pandemic uncertainty and portfolio credit improvement





1 Q3 22 and Q4 22 includes APL on Other Assets of $27MM and $20MM respectively and excludes APL on Securities of $7MM and $6MM, respectively

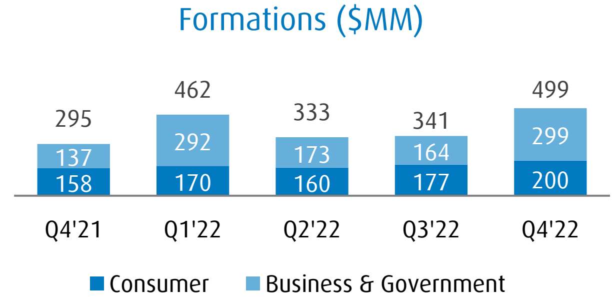
2 Q4 22 PCL includes a PCL on Other Assets of $(9)MM and excludes PCL on Securities of $(1)MM

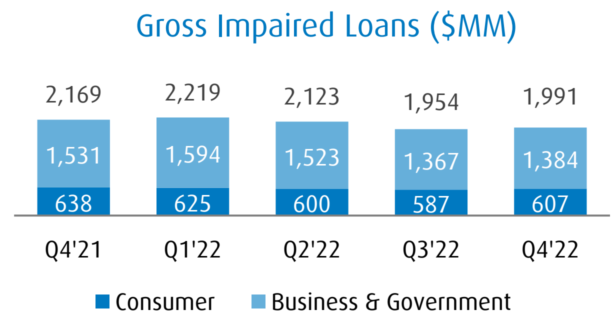
3 Allowance on performing loans over total gross performing loan and acceptances, expressed in basis points

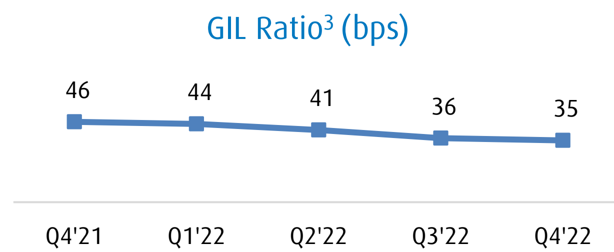
Gross Impaired Loans and Formations

By Industry ($MM, as at Q4 22)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other[1]	U.S.	Total
Consumer	**177**	**23**	**200**	**391**	**216**	**607**
Service Industries	17	33	50	187	223	410
Agriculture	10	1	11	126	76	202
Manufacturing	14	49	63	96	88	184
Retail Trade	18	16	34	134	39	173
Wholesale Trade	2	31	33	28	50	78
Transportation	3	22	25	14	59	73
Commercial Real Estate	35	1	36	59	13	72
Construction (non-real estate)	3	3	6	50	9	59
Financial	0	21	21	32	22	54
Oil & Gas	0	0	0	17	22	39
Other Business and Government[2]	20	0	20	37	3	40
Total Business and Government	**122**	**177**	**299**	**780**	**604**	**1,384**
Total Bank	**299**	**200**	**499**	**1,171**	**820**	**1,991**

- Gross Impaired Loans (GIL) ratio[3] 35 bps, down 1 bp Q/Q







1 Total Business and Government includes approximately $12.8MM GIL from other countries
2 Other Business and Government includes industry segments that are each <1% of total GIL
3 Gross impaired loans over total gross loan and acceptances, expressed in basis points

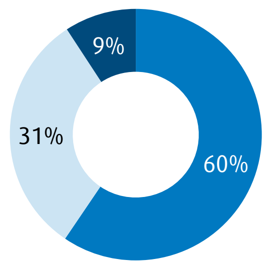
Loan Portfolio Overview

Gross Loans & Acceptances By Industry [3] ($B, as at Q4 22)	Canada & Other[1]	U.S.	Total	% of Total
Residential Mortgages	139.4	9.5	148.9	26%
Consumer Instalment and Other Personal	71.2	14.9	86.1	15%
Cards	9.0	0.7	9.7	2%
Total Consumer	**219.6**	**25.1**	**244.6**	**43%**
Financial	18.7	51.8	70.5	12%
Service Industries	26.9	28.9	55.8	10%
Commercial Real Estate	33.5	21.0	54.5	10%
Manufacturing	9.9	26.7	36.6	6%
Retail Trade	14.4	9.4	23.8	4%
Wholesale Trade	6.7	14.0	20.7	4%
Transportation	4.5	10.2	14.7	3%
Agriculture	12.7	1.5	14.2	2%
Utilities	6.1	3.7	9.8	2%
Construction (non-real estate)	2.5	3.3	5.8	1%
Oil & Gas	2.7	1.1	3.8	1%
Other Business and Government[2]	8.2	4.2	12.4	2%
Total Business and Government	**146.8**	**175.7**	**322.5**	**57%**
Total Gross Loans & Acceptances	**366.4**	**200.8**	**567.2**	**100%**

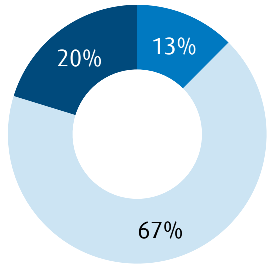
1 Includes approximately $11.2B from other countries
2 Other Business and Government includes industry segments that are each <1% of total loans, excluding Oil & Gas
3 Totals may not add due to rounding

- Portfolio is well diversified by geography and industry
- Business & Government loans up 7% Q/Q or up 4% excluding the impact of stronger U.S. dollar

Canada & Other Countries



U.S.

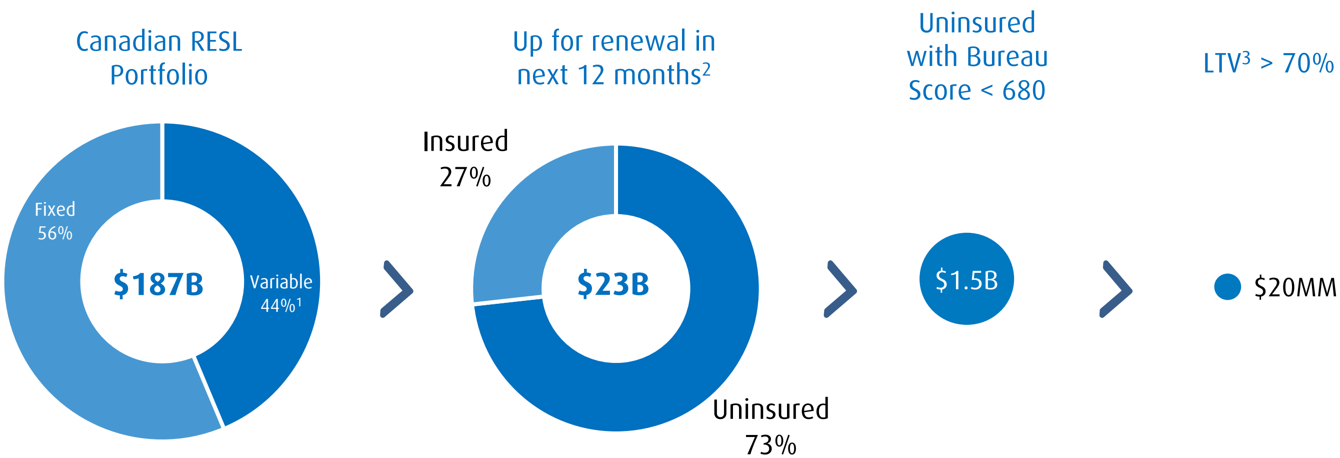


- P&C/BMO Wealth Management - Consumer
- P&C/BMO Wealth Management - Business & Government
- BMO Capital Markets

Canadian RESL Portfolio: Renewal profile in the next 12 months

RESL renewal risk is reduced by borrower capacity, equity and quality

- The impact of higher interest rates on payments is primarily realized upon renewal for both fixed and variable rate products
- Variable rate products with fixed payments are impacted through an extension of amortization until renewal. At renewal, the product reverts to the original amortization schedule, which may require additional payments



- Of the uninsured balances up for renewal in the next 12 months[2] (approximately $17B):
  - Average Bureau Score is 797;
  - 91% have a Bureau Score of at least 680

The above exhibit is not to scale

1 Includes Home Equity Line of Credit, or HELOC (revolving) product

2 Renewal period: November 1st, 2022, through October 31st, 2023

3 Loan to Value (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

Appendix

Our Purpose

BOLDLY GROW THE GOOD

IN BUSINESS AND LIFE

For a Thriving Economy

Increasing support for small businesses, and women entrepreneurs and Canadian Indigenous and military customers

- Deployed more than US$5.5B in loans and investments as part of BMO Empower™, a five-year, US$5B commitment to advance an inclusive economic recovery in the United States by addressing key barriers faced by U.S. minority businesses, communities and families
- Mobilized over $1.1B towards a 10-year, $12B commitment to finance affordable housing in Canada
- Announced a $5B commitment to support women business owners in Canada, allocating capital over five years to women entrepreneurs

For a Sustainable Future

Being our clients' lead partner in the transition to a net-zero world, delivering on our commitments to sustainable finance

- One of only two North American banks on the Dow Jones Sustainability World Index
- Named to top ten of Corporate Knights' 2022 ranking of Canada's Best 50 Corporate Citizens list and Global 100 Most Sustainable Corporations in the World; ranked as the most sustainable bank in North America
- Targeting net-zero financed emissions in our lending by 2050 with measurable intermediate targets for financed emissions reductions that will be achieved in partnership with clients
- Committed to mobilize $300B for sustainable finance by 2025 with over $175B deployed to date

For an Inclusive Society

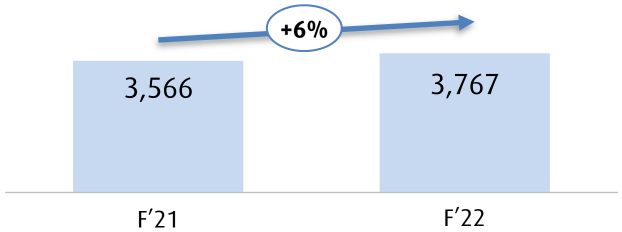
Committing to zero barriers to inclusion, supporting equal access to opportunities for our colleagues and customers, and the communities we serve

- Recognized as one of the World's Most Ethical Companies 2022 for the fifth consecutive year by Ethisphere, one of five banks worldwide - one of four banks in the United States and the only bank in Canada - to be recognized in 2022
- Included for the seventh consecutive year in the Bloomberg Gender-Equality Index (GEI); for the last six years >40% of senior leaders are women

Advancing our Digital First strategy

Accelerated engagement

North America
Active Digital Users (000)[1]



Active Mobile User Growth[2]

+12%

Digital Sales Growth[3]

+22%

Self-serve Transactions[4]

90%

Digital Transaction Growth[5]

+7%

Driving loyalty, growth and efficiency

BMO's Canadian mobile banking app recognized as the overall leader in the Q4'22 Forrester Digital Experience Review™: Canadian Mobile Banking Apps. BMO's app was noted as being the strongest overall in functionality and UX, earning the highest scores in six areas: money movement, self-service features, marketing and sales, content, error avoidance and recovery, and progress and workflow

Continued to drive real financial progress for customers in Canada with the launch of **PaySmart,** allowing customers to break down credit card purchases into smaller payments over time

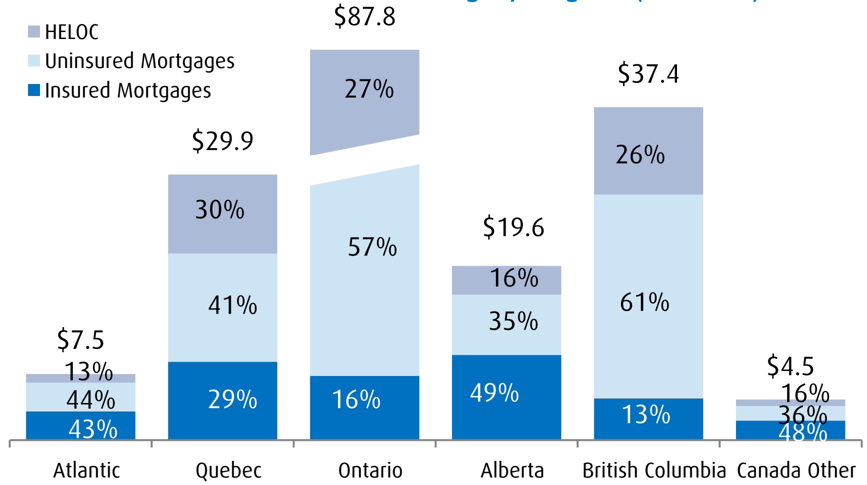
Helping BMO's Commercial customers with better integration between their banking and how they run their business. Delivering **innovative open banking solutions for business clients** through partnerships with Fispan and Xero by integrating payments, reporting and reconciliation between their business and online banking systems

1 Active digital users is number of retail deposit customers that logged into online or mobile in the last 90 days
2 Active mobile users is number of retail deposit customers that logged into mobile in the last 90 days
3 Digital sales is 12 month rolling average for the 12 months preceding the end of the fiscal year and include chequing, savings, credit card, loans, mortgage, overdraft (CAD) and CD, MM (US)
4 Self-serve transactions are transactions that occur in online, mobile, ATM, telephone banking
5 Digital transactions includes deposits, withdrawals, bill payments, internal funds transfers, e-transfers (CAD), account to account transfers (A2A)(US), and Zelle payments (P2P)(US)

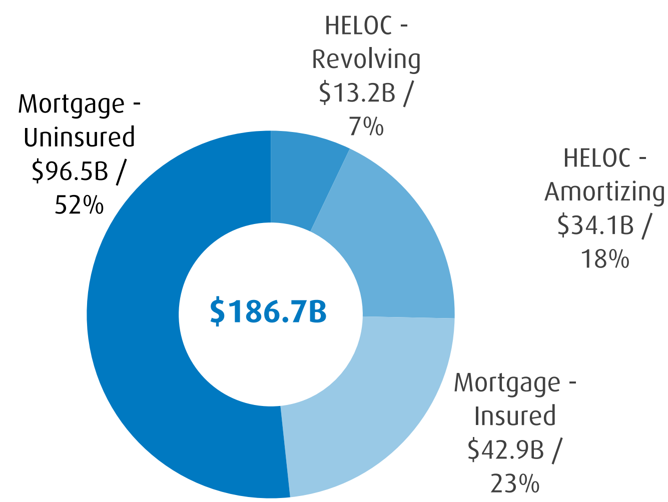
Canadian Residential-Secured Lending

- Total Canadian residential-secured lending (RESL) portfolio at $186.7B, representing 33% of total loans
  - LTV[1] on uninsured of 48%
  - 90-day delinquency rate for RESL remains good at 11 bps; loss rates for the trailing 4 quarter period were less than 1 bp
- 1% of uninsured RESL balances are to borrowers with <680 FICO and >70% LTV[1]
- Residential mortgage portfolio of $139.4B
  - 31% of portfolio insured
  - LTV[1] on uninsured of 52%
  - 55% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- Condo Mortgage portfolio is $21.7B with 28% insured
- HELOC portfolio of $47.3B outstanding of which 72% is amortizing
- GTA and GVA portfolios demonstrate better LTV[1], delinquency rates and bureau scores compared to the national average

Residential-Secured Lending by Region ($186.7B)



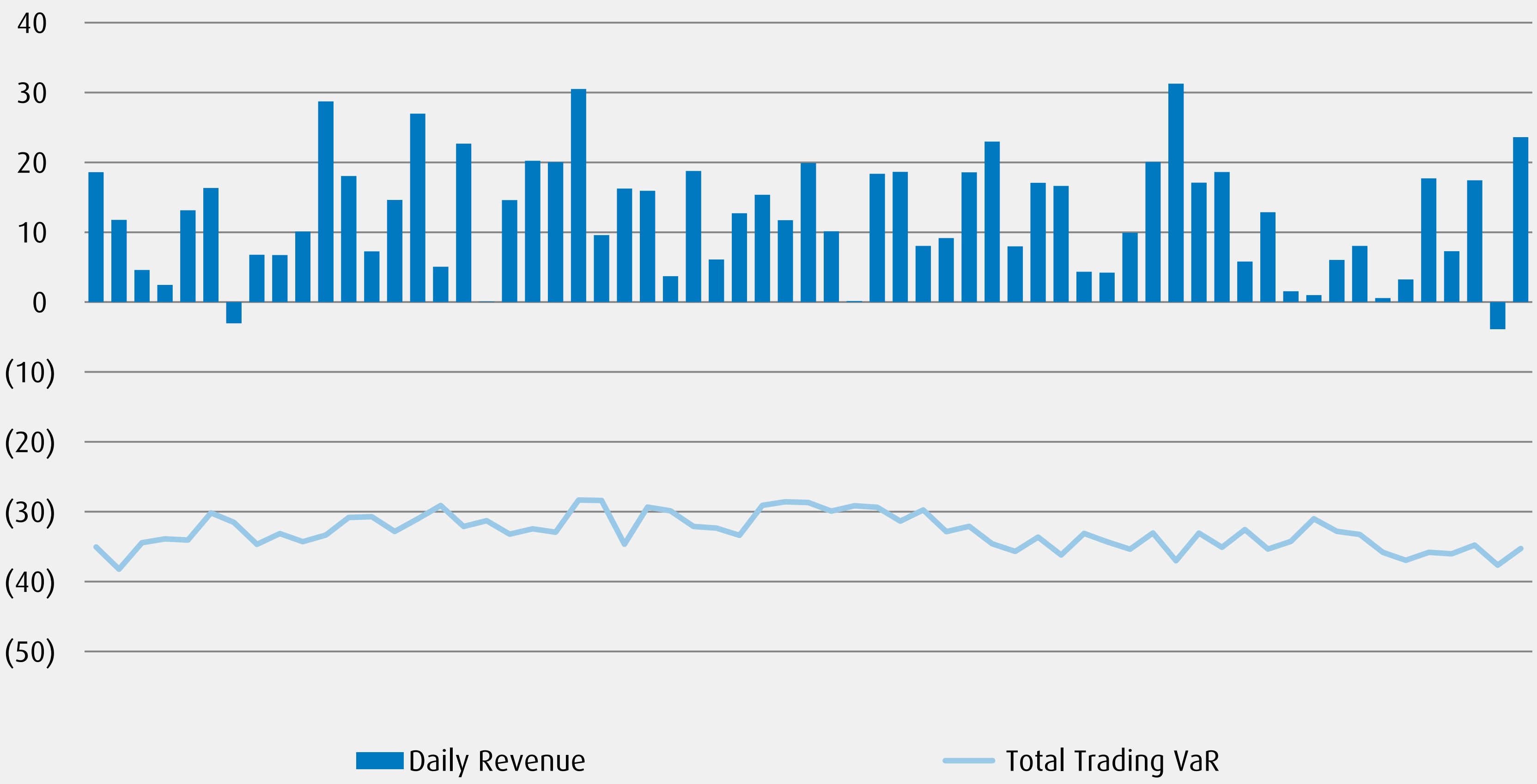
Avg. LTV[1] Uninsured		Atlantic	Quebec	Ontario	Alberta	British Columbia	Canada Other	Total Canada
Mortgage	Portfolio	53%	53%	52%	56%	49%	51%	52%
	Origination	72%	72%	71%	73%	68%	73%	71%
HELOC	Portfolio	43%	47%	43%	50%	43%	43%	44%
	Origination	59%	67%	61%	64%	59%	68%	62%



1 Loan to Value (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

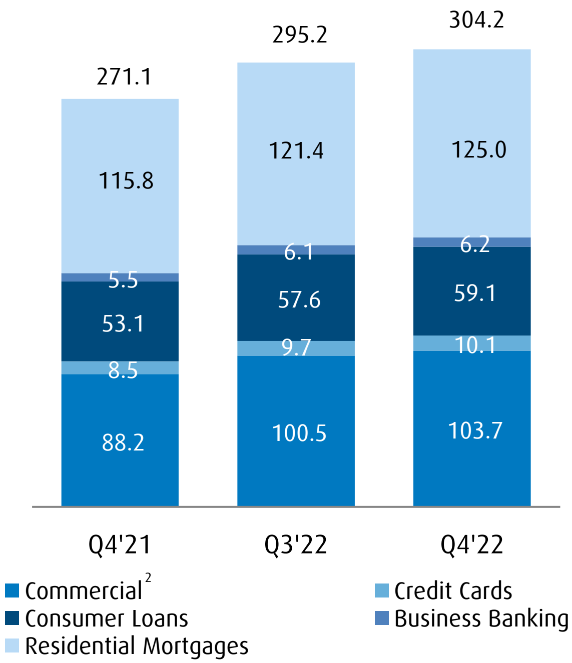
Trading-related Net Revenues and Value at Risk

Aug 2, 2022 to Oct 31, 2022
(pre-tax basis and in millions of Canadian dollars)

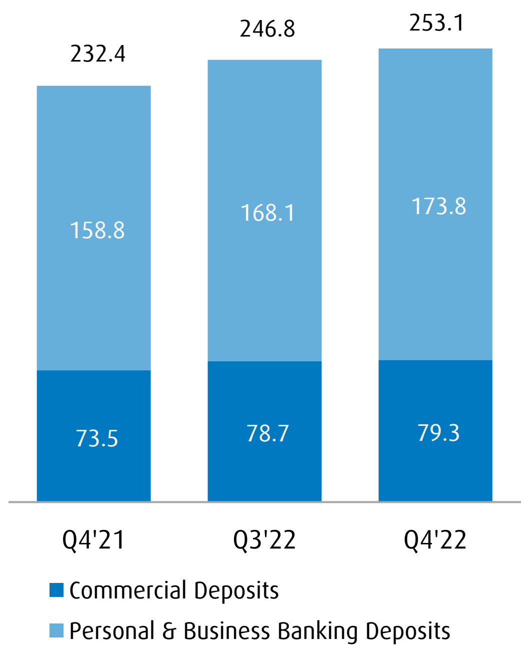


Canadian Personal & Commercial Banking – Balances[1]

Average Gross Loans & Acceptances ($B)



Average Deposits ($B)



- Average Loans up 12% Y/Y; 3% Q/Q
  - Proprietary mortgages and amortizing HELOC up 12% Y/Y and 3% Q/Q
  - Cards up 19% Y/Y and 5% Q/Q
  - Business Banking up 14% Y/Y and 3% Q/Q
  - Commercial[2] up 18% Y/Y and 3% Q/Q

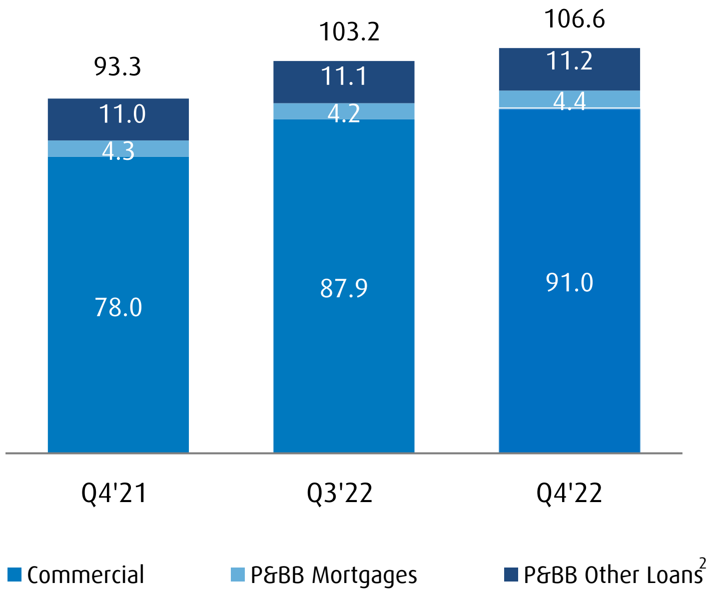
- Average deposits up 9% Y/Y and 3% Q/Q
  - Personal & Business Banking deposits up 9% Y/Y and 3% Q/Q
    - Chequing and Savings up 2% Y/Y and down 3% Q/Q
    - Term up 22% Y/Y and 13% Q/Q
  - Commercial deposits up 8% Y/Y and 1% Q/Q

1 Effective Q1'22, certain revenue, loan and deposit balances have been reclassified from Commercial Banking to Personal and Business Banking within Canadian P&C, reflecting a realignment of our business banking segment. Prior periods have been reclassified
2 Commercial lending excludes commercial and small business cards. Commercial and small business cards balances represented 12-13% of total credit card portfolio in Q4'21, Q3'22 and Q4'22

U.S. Personal & Commercial Banking – Balances

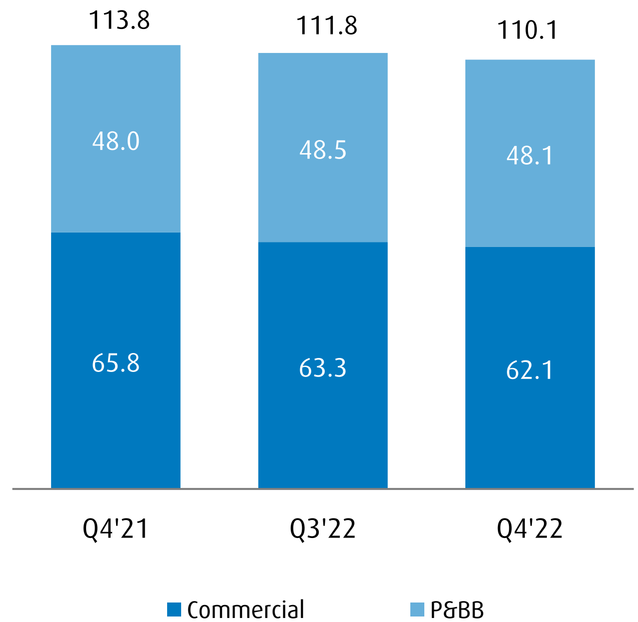
Figures on this slide are in U.S. dollars[1]

Average Gross Loans & Acceptances (US$B)



- Average loans up 14% Y/Y and 3% Q/Q
  - Commercial loans up 17% Y/Y and up 4% Q/Q
  - P&BB loans up 2% Y/Y and up 2% Q/Q

Average Deposits (US$B)



- Average deposits down 3% Y/Y; down 2% Q/Q
  - Commercial deposits down 6% Y/Y and down 2% Q/Q
  - P&BB deposits stable Y/Y and down 1% Q/Q

1 Average FX Rates (CDN/US dollar): Q4’22: 1.3516; Q3’22: 1.2774; Q4’21: 1.2546
2 Personal and Business Banking Other Loans includes Indirect Auto, Credit Cards, Home Equity, Non-Strategic and other personal loans

Bank of the West acquisition update[1]

Progress

- Announced Community Benefits Plan than outlines over $40B commitment to local U.S. communities
- Finalized future state operating model
- Completed integration planning including technology conversions and business line operations
- Completed event management plan to achieve close readiness

Next Steps

- Continue to work with regulators in normal course of application process
- Expected to close by the end of the first calendar quarter of 2023
- Finalizing detailed integration plan and milestones across all businesses and corporate functions including technology
- Targeting conversion of majority of systems in fiscal Q4 2023

Accelerating BMO's North American growth strategy

1 This slide contains forward-looking statements, please refer to the caution on slide 2

Fair value impacts on the purchase of Bank of the West

Overview of actions to mitigate exposure to capital ratios at closing

- Purchase accounting requires us to fair value Bank of the West assets and liabilities in determining goodwill
- Since fair values are sensitive to interest rates, changes in rates between announcement and close will impact the amount of goodwill and therefore capital, relative to our assumptions at announcement, as shown below
- We are proactively managing this exposure to mitigate the impact of interest rate changes on capital
- Entered into interest rate swaps, against U.S. Treasuries and other balance sheet instruments, that rise in value as rates rise resulting in mark-to-market gains (losses), thereby increasing capital to offset lower fair value and higher goodwill

Illustrative Example[1]

CDE $B[2]	Announcement Assumptions	+50 bps increase in term interest rates	-50 bps decrease in term interest rates
Purchase Price	20.9	20.9	20.9
Fair Value	13.1	11.9	14.3
Goodwill & Intangibles	7.8	9.0	6.6
Estimated Equity Required	2.7	3.9	1.5
Income/(Loss) from MTM Swaps/Treasuries[3]	-	1.2	(1.2)
Implied Equity Required	2.7	2.7	2.7

- In **a higher** rate environment, goodwill will be higher as a result of lower fair value of Bank of the West fixed rate assets. This will increase capital requirements

- In **a lower** rate environment, goodwill will be lower as a result of higher fair value of Bank of the West fixed rate assets. This will reduce capital requirements

1 Values shown are for illustrative purposes and only reflect the estimated impact of interest rate changes relative to our modelled assumptions at announcement of the Bank of the West acquisition and may not reflect the realized impact; refer to Caution Regarding Forward Looking Statements on slide 2 and the Significant Events and Non-GAAP and Other Financial Measures sections of BMO's 2022 Annual MD&A
2 CAD/USD rate 1.28
3 Estimated net after-tax mark-to-market gains; tax rate 25%

Adjusting items related to management of fair value changes

- IFRS requires mark-to-market gains/losses on the swaps to be recorded as trading income in the P&L
- Net interest on Treasuries and other balance sheet instruments recorded at amortized cost is recorded in net interest income (NII)
- Adjusted[1] results exclude these impacts
- In Q4'22, there was a $4,698MM pre-tax increase to trading revenue, $157MM pre-tax decrease to NII and $3,336MM after-tax increase to reported earnings
- CET1 ratio[1] impact was +95 bps for Q4'22 and +150 bps for F'22

Adjusting items[2] – CDE $MM	Q4 22	Q3 22	Q2 22	Q1 22	F2022
NIR - Other Trading	**$4,698**	$(983)	$3,433	$517	$7,665
NII	**$(157)**	$38	$122	$45	$48
Total revenue (pre-tax)	**$4,541**	$(945)	$3,555	$562	$7,713
After tax impact	**$3,336**	$(694)	$2,612	$413	$5,667

- In addition, we have entered into foreign exchange forward contracts to manage the exposure to changes in the CAD/USD exchange rate on the purchase price between announcement and close
  - These qualify as accounting hedges, with changes in the fair value of the contracts recorded in Other Comprehensive Income until close (Q4'22 $706MM gain; Q3'22 loss $(4)MM; Q2'22 gain $170MM; Q1'22 loss $(234)MM)

1 The Common Equity Tier 1 (CET1) Ratio is disclosed in accordance with OSFI's Capital Adequacy Requirements (CAR) Guideline
2 Adjusted results and measures are non-GAAP, see slide 39 for more information and slide 40 for adjustments to reported results. See the Significant Events section of BMO's 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for more information

Glossary (1/2)

Assets under Administration and Assets under Management refers to assets administered or managed by a financial institution that are beneficially owned by clients and therefore not reported on the balance sheet of the administering or managing financial institution.

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 over a one-year period. Yield on Total average earning assets is calculated as total interest income as a percentage of Total average earning assets.

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; average balances. Customer deposit cost is calculated as interest expense on customer deposits as a percentage of average customer deposits.

Earnings per Share (EPS) is calculated by dividing net income, after deducting preferred share dividends and distributions on other equity instruments, by the average number of common shares outstanding. Adjusted EPS is calculated in the same manner, using adjusted net income. Diluted EPS, which is BMO's basis for measuring performance, adjusts for possible conversions of financial instruments into common shares if those conversions would reduce EPS.

Efficiency Ratio is a measure of productivity. It is calculated as non-interest expense divided by total revenue, on a taxable equivalent basis in the operating groups), expressed as a percentage. Efficiency Ratio, net of CCPB, is calculated as non-interest expense divided by total revenue, net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). The adjusted efficiency ratio, net of CCPB, is calculated in the same manner, utilizing adjusted revenue, net of CCPB, and adjusted non-interest expense.

Cost on Total Liabilities is calculated as total interest expense as a percentage of total average liabilities.

Cost on Wholesale funding, securities sold but not yet purchased and securities lent or sold, subordinated debt and other interest bearing liabilities is calculated as interest expense on wholesale funding, securities sold but not yet purchased and securities lent or sold, subordinated debt and other interest bearing liabilities as a percentage of average wholesale funding, securities sold but not yet purchased and securities lent or sold, subordinated debt and other interest bearing liabilities. Other interest bearing liabilities include balances such as securitization and structured entities' liabilities and lease liabilities.

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, excluding trading, is computed in the same manner, excluding trading-related interest income and earning assets.

Net Non-Interest Revenue is non-interest revenue, net of insurance claims, commissions and changes in policy benefit liabilities (CCPB).

Refer to the Glossary of Financial Terms in BMO's 2022 Annual MD&A for more information

Glossary (2/2)

Other non-interest-bearing Liabilities includes balances such as Derivative Instruments and Acceptances.

Operating Leverage is the difference between revenue and non-interest expense growth rates. Adjusted operating leverage is the difference between adjusted revenue and adjusted non-interest expense growth rates. Operating Leverage, net of CCPB, is the difference between revenue, net of CCPB (net revenue), and non-interest expense growth rates. Adjusted net operating leverage is the difference between adjusted revenue, net of CCPB, and adjusted non-interest expense growth rates. The bank evaluates performance using adjusted revenue, net of CCPB.

Pre-Provision, Pre-Tax Earnings (PPPT) is calculated as income before the provision for income taxes and provision for/(recovery of) for credit losses. We use PPPT on both a reported and adjusted basis to assess our ability to generate sustained earnings growth excluding credit losses, which are impacted by the cyclical nature of a credit cycle.

Return on Equity (ROE) is calculated as net income, less preferred dividends and distributions on other equity instruments, as a percentage of average common shareholders' equity. Adjusted ROE is calculated using adjusted net income rather than net income.

Securities Borrowed or Purchased under Resale Agreements are low-cost, low-risk instruments, often supported by the pledge of cash collateral, which arise from transactions that involve the borrowing or purchasing of securities.

Securities Lent or Sold under Repurchase Agreements are low-cost, low-risk liabilities, often supported by cash collateral, which arise from transactions that involve the lending or selling of securities.

Taxable Equivalent Basis (teb): Operating group revenue is presented on a taxable equivalent basis (teb). Revenue and the provision for income taxes are increased on tax-exempt securities to an equivalent pre-tax basis to facilitate comparisons of income between taxable and tax-exempt sources. The effective tax rate is also analyzed on a teb basis for consistency of approach, with the offset to operating segment adjustments recorded in Corporate Services.

Yield on Deposits with other banks and other interest bearing assets, securities, and securities borrowed or purchased under resale agreements is calculated as interest and dividend income on deposits with other banks and other interest bearing assets, securities, and securities borrowed or purchased under resale agreements as a percentage of average deposits with other banks and other interest bearing assets, securities, and securities borrowed or purchased under resale agreements. Other interest bearing assets include balances such as cash collateral.

Yield on Gross loan is calculated as interest income on loans as a percentage of average gross loans.

Refer to the Glossary of Financial Terms in BMO's 2022 Annual MD&A for more information

Non-GAAP and Other Financial Measures

Results and measures in this document are presented on a GAAP basis. Unless otherwise indicated, all amounts are in Canadian dollars and have been derived from our audited annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS). References to GAAP mean IFRS. We use a number of financial measures to assess our performance, as well as the performance of our operating segments, including amounts, measures and ratios that are presented on a non-GAAP basis. We believe that these non-GAAP amounts, measures and ratios, read together with our GAAP results, provide readers with a better understanding of how management assesses results.

Management considers both reported and adjusted results and measures to be useful in assessing underlying ongoing business performance. Adjusted results and measures remove certain specified items from revenue, non-interest expense and income taxes, as detailed on slide 40. Adjusted results and measures presented in this document are non-GAAP. Presenting results on both a reported basis and an adjusted basis permits readers to assess the impact of certain items on results for the periods presented, and to better assess results excluding those items that may not be reflective of ongoing business performance. As such, the presentation may facilitate readers' analysis of trends. Except as otherwise noted, management's discussion of changes in reported results in this document applies equally to changes in the corresponding adjusted results.

Non-GAAP amounts, measures and ratios do not have standardized meanings under GAAP. 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 result.

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; 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 and integration costs, amortization of acquisition-related intangible assets, impact of divestitures, restructuring costs and management of fair value changes on the purchase of Bank of the West. Bank of Montreal provides supplemental information on combined operating segments to facilitate comparisons to peers.

Certain information contained in BMO's Management's Discussion and Analysis dated December 1, 2022 for the fiscal year ended October 31, 2022 ("2022 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 period ended October 31, 2022, 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, can be found in the Non-GAAP and Other Financial Measures section of the Annual 2022 MD&A. Further information regarding the composition of our non-GAAP and other financial measures is provided in the "Glossary of Financial Terms" section of the 2022 BMO Annual MD&A. The Annual 2022 MD&A are available on SEDAR at www.sedar.com and on our website at www.bmo.com/investorrelations.

Non-GAAP and Other Financial Measures[7]

(Canadian $ in millions, except as noted)	Q4 22	Q3 22	Q4 21	F2022	F2021
Reported Results					
Net interest income	3,767	4,197	3,756	15,885	14,310
Non-interest revenue	6,803	1,902	2,817	17,825	12,876
Revenue	10,570	6,099	6,573	33,710	27,186
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	369	(413)	(97)	683	(1,399)
Revenue, net of CCPB	10,939	5,686	6,476	34,393	25,787
Provision for credit losses	(226)	(136)	126	(313)	(20)
Non-interest expense	(4,776)	(3,859)	(3,803)	(16,194)	(15,509)
Income before income taxes	5,937	1,691	2,799	17,886	10,258
Provision for income taxes	(1,454)	(326)	(640)	(4,349)	(2,504)
Net income	4,483	1,365	2,159	13,537	7,754
Diluted EPS ($)	6.51	1.95	3.23	19.99	11.58
Adjusting Items Impacting Revenue (Pre-tax)					
Impact of divestitures (1)	—	—	—	(21)	29
Management of fair value changes on the purchase of Bank of the West (2)	4,541	(945)	—	7,713	—
Legal provision (3)	(515)	—	—	(515)	—
Impact of adjusting items on revenue (pre-tax)	4,026	(945)	—	7,177	29
Adjusting Items Impacting Non-Interest Expense (Pre-tax)					
Acquisition and integration costs (4)	(193)	(84)	(1)	(326)	(9)
Amortization of acquisition-related intangible assets (5)	(8)	(7)	(20)	(31)	(88)
Impact of divestitures (1)	6	(7)	(62)	(16)	(886)
Restructuring (costs) reversals (6)	—	—	—	—	24
Legal provision (3)	(627)	—	—	(627)	—
Impact of adjusting items on non-interest expense (pre-tax)	(822)	(98)	(83)	(1,000)	(959)
Impact of adjusting items on reported pre-tax income	3,204	(1,043)	(83)	6,177	(930)
Adjusting Items Impacting Revenue (After tax)					
Impact of divestitures (1)	—	—	—	(23)	22
Management of fair value changes on the purchase of Bank of the West (2)	3,336	(694)	—	5,667	—
Legal provision (3)	(382)	—	—	(382)	—
Impact of adjusting items on revenue (after-tax)	2,954	(694)	—	5,262	22
Adjusting Items Impacting Non-Interest Expense (After-tax)					
Acquisition and integration costs (4)	(145)	(62)	(1)	(245)	(7)
Amortization of acquisition-related intangible assets (5)	(6)	(5)	(14)	(23)	(66)
Impact of divestitures (1)	8	(6)	(52)	(32)	(864)
Restructuring (costs) reversals (6)	—	—	—	—	18
Legal provision (3)	(464)	—	—	(464)	—
Impact of adjusting items on non-interest expense (after-tax)	(607)	(73)	(67)	(764)	(919)
Impact of adjusting items on reported net income (after-tax)	2,347	(767)	(67)	4,498	(897)
Impact on diluted EPS ($)	3.47	(1.14)	(0.10)	6.76	(1.38)
Adjusted Results					
Net interest income	4,439	4,159	3,756	16,352	14,310
Non-interest revenue	2,105	2,885	2,817	10,181	12,847
Revenue	6,544	7,044	6,573	26,533	27,157
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	369	(413)	(97)	683	(1,399)
Revenue, net of CCPB	6,913	6,631	6,476	27,216	25,758
Provision for credit losses	(226)	(136)	126	(313)	(20)
Non-interest expense	(3,954)	(3,761)	(3,720)	(15,194)	(14,550)
Income before income taxes	2,733	2,734	2,882	11,709	11,188
Provision for income taxes	(597)	(602)	(656)	(2,670)	(2,537)
Net income	2,136	2,132	2,226	9,039	8,651
Diluted EPS ($)	3.04	3.09	3.33	13.23	12.96

(1) Reported net income included the impact of divestitures related to the sale of our EMEA Asset Management business and our Private Banking business in Hong Kong and Singapore. Q4-2022 net income included an expense recovery of $8 million ($6 million pre-tax). Q3-2022 included expenses of $6 million ($7 million pre-tax). Q2-2022 included a gain of $6 million ($8 million pre-tax) relating to the transfer of certain U.S. asset management clients recorded in revenue, and expenses of $15 million ($18 million pre-tax), both related to the sale of our EMEA Asset Management business. Q1-2022 included a $29 million (pre-tax and after-tax) loss relating to foreign currency translation reclassified from accumulated other comprehensive income to non-interest revenue, a $3 million pre-tax net recovery of non-interest expense, including taxes of $22 million on closing of the sale of our EMEA Asset Management business. Q4-2021 included expenses of $52 million ($62 million pre-tax) related to both transactions. Q3-2021 included expenses of $18 million ($24 million pre-tax). Q2-2021 included a $747 million (pre-tax and after-tax) write-down of goodwill related to the sale of our EMEA Asset Management business, a $22 million ($29 million pre-tax) gain on the sale of our Private Banking business, and $47 million ($53 million pre-tax) of divestiture-related costs for both transactions. The gain on the sale was recorded in revenue with the goodwill write-down and divestiture costs recorded in non-interest expense. These amounts were recorded in Corporate Services.

(2) Reported net income included revenue (losses) related to the announced acquisition of Bank of the West resulting from the management of the impact of interest rate changes between the announcement and closing on its fair value and goodwill: Q4-2022 included a revenue of $3,336 million ($4,541 million pre-tax), comprising $4,698 million of pre-tax mark-to-market gains on certain interest rate swaps recorded in non-interest trading revenue and $157 million pre-tax loss in interest income on a portfolio of primarily U.S. treasury securities recorded in net interest income. Q3-2022 included a loss of $694 million ($945 million pre-tax), comprising $983 million of pre-tax mark-to-market losses in non-interest trading revenue and $38 million pre-tax interest income. Q2-2022 included revenue of $2,612 million ($3,555 million pre-tax), comprising $3,433 million of pre-tax mark-to-market gains and $122 million pre-tax net interest income. Q1-2022 included revenue of $413 million ($562 million pre-tax), comprising $517 million of pre-tax mark-to-market gains and $45 million pre-tax net interest income. These amounts were recorded in Corporate Services. For further information on this acquisition, refer to the Significant Events section.

(3) Q4-2022 reported net income included a legal provision of $846 million ($1,142 million pre-tax) related to a lawsuit associated with a predecessor bank, M&I Marshall and Ilsley Bank, comprising interest expense of $515 million pre-tax and non-interest expense of $627 million pre-tax, including legal fees of $22 million. These amounts were recorded in Corporate Services. For further details refer to the Provisions and Contingent Liabilities section in Note 24 of the 2022 audited annual consolidated financial statements.

(4) Reported net income included acquisition and integration costs related to the announced acquisition of Bank of the West recorded in non-interest expenses in Corporate Services. Q4-2022 included $143 million ($191 million pre-tax), Q3-2022 included $61 million ($82 million pre-tax), Q2-2022 included $26 million ($35 million pre-tax) and Q1-2022 included $7 million ($8 million pre-tax). Reported net income included acquisition integration costs related to Clearpool in Q4-2022, Q3-2022 and Q2-2022, and acquisition integration costs related to both KGS-Alpha and Clearpool in Q4-2021, recorded in non-interest expense in BMO Capital Markets. Acquisition integration costs were $2 million ($2 million pre-tax) in Q4-2022, $1 million ($2 million pre-tax) in Q3-2022, $2 million ($2 million pre-tax) in Q2-2022, and $3 million ($4 million pre-tax) in Q1-2022. Q4-2021 was $1 million ($1 million pre-tax), Q3-2021 was $2 million ($3 million pre-tax), Q2-2021 was $2 million ($2 million pre-tax) and Q1-2021 was $2 million ($3 million pre-tax).

(5) Reported income included amortization of acquisition-related intangible assets recorded in non-interest expense in the related operating group and was $6 million ($8 million pre-tax) in Q4-2022, $5 million ($7 million pre-tax) in Q3-2022, and was $6 million ($8 million pre-tax) in both Q2-2022 and Q1-2022. Q4-2021 was $14 million ($20 million pre-tax), Q3-2021 was $15 million ($19 million pre-tax), Q2-2021 was $18 million ($24 million pre-tax) and Q1-2021 was $19 million ($25 million pre-tax).

(6) Q3-2021 reported net income included a partial reversal of $18 million ($24 million pre-tax) of restructuring charges related to severance recorded in 2019, in non-interest expense in Corporate Services

(7) For more information, refer to slide 39, the Non-GAAP and Other Financial Measures section of BMO's 2022 Annual MD&A and the Fourth Quarter 2022 Earnings Release

Summary of Reported and Adjusted Results by Operating Group

(Canadian $ in millions)	Canadian P&C	U.S. P&C	Total P&C	BMO Wealth Management	BMO Capital Markets	Corporate Services	Total Bank	U.S. Segment (US $ in millions)
Q4-2022								
Reported net income (loss)	917	660	1,577	298	357	2,251	4,483	2,306
Acquisition and integration costs (4)	—	—	—	—	2	143	145	106
Amortization of acquisition-related intangible assets (5)	—	2	2	—	4	—	6	4
Impact of divestitures (1)	—	—	—	—	—	(8)	(8)	(3)
Management of fair value changes on the purchase of Bank of the West (2)	—	—	—	—	—	(3,336)	(3,336)	(2,470)
Legal provision (3)	—	—	—	—	—	846	846	621
Adjusted net income (loss)	917	662	1,579	298	363	(104)	2,136	564
Q3-2022								
Reported net income (loss)	965	568	1,533	324	262	(754)	1,365	(28)
Acquisition and integration costs (4)	—	—	—	—	1	61	62	49
Amortization of acquisition-related intangible assets (5)	—	1	1	1	3	—	5	5
Impact of divestitures (1)	—	—	—	—	—	6	6	—
Management of fair value changes on the purchase of Bank of the West (2)	—	—	—	—	—	694	694	545
Adjusted net income (loss)	965	569	1,534	325	266	7	2,132	571
Q4-2021								
Reported net income (loss)	933	509	1,442	345	531	(159)	2,159	618
Acquisition and integration costs (4)	—	—	—	—	1	—	1	2
Amortization of acquisition-related intangible assets (5)	—	6	6	4	4	—	14	9
Impact of divestitures (1)	—	—	—	—	—	52	52	4
Restructuring costs (reversals) (6)	—	—	—	—	—	—	—	—
Adjusted net income (loss)	933	515	1,448	349	536	(107)	2,226	633
Fiscal 2022								
Reported net income (loss)	3,826	2,497	6,323	1,251	1,772	4,191	13,537	6,079
Acquisition and integration costs (4)	—	—	—	—	8	237	245	185
Amortization of acquisition-related intangible assets (5)	1	5	6	3	14	—	23	17
Impact of divestitures (1)	—	—	—	—	—	55	55	(45)
Management of fair value changes on the purchase of Bank of the West (2)	—	—	—	—	—	(5,667)	(5,667)	(4,312)
Legal provision (3)	—	—	—	—	—	846	846	621
Adjusted net income (loss)	3,827	2,502	6,329	1,254	1,794	(338)	9,039	2,545
Fiscal 2021								
Reported net income (loss)	3,288	2,176	5,464	1,382	2,120	(1,212)	7,754	2,593
Acquisition and integration costs (4)	—	—	—	—	7	—	7	6
Amortization of acquisition-related intangible assets (5)	1	24	25	24	17	—	66	37
Impact of divestitures (1)	—	—	—	—	—	842	842	27
Restructuring costs (reversals) (6)	—	—	—	—	—	(18)	(18)	(13)
Adjusted net income (loss)	3,289	2,200	5,489	1,406	2,144	(388)	8,651	2,650

Refer to footnotes (1) to (6) in the Non-GAAP and other Financial Measures table on slide 40 for details on adjusting items, and the Non-GAAP and Other Financial Measures section of BMO's 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for further information

Net Revenue, Efficiency Ratio and Operating Leverage

(Canadian $ in millions, except as noted)	Q4 22	Q3 22	Q4 21	F2022	F2021	F2020	F2019	F2018
Reported								
Revenue	10,570	6,099	6,573	33,710	27,186	25,186	25,483	22,905
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	(369)	413	97	(683)	1,399	1,708	2,709	1,352
Revenue, net of CCPB	10,939	5,686	6,476	34,393	25,787	23,478	22,774	21,553
Non-interest expense	4,776	3,859	3,803	16,194	15,509	14,177	14,630	13,477
Efficiency ratio (%)	45.2	63.3	57.9	48.0	57.0	56.3	57.4	58.8
Efficiency ratio, net of CCPB (%)	43.7	67.9	58.7	47.1	60.1	60.4	64.2	62.5
Revenue growth (%)	60.9	(19.4)	9.8	24.0	7.9	(1.2)	11.3	3.6
Revenue growth, net of CCPB (%)	68.9	(13.6)	8.2	33.4	9.8	3.1	5.7	4.8
Non-interest expense growth (%)	25.6	4.8	7.2	4.4	9.4	(3.1)	8.6	2.2
Operating Leverage (%)	35.3	(24.2)	2.6	19.6	(1.5)	1.9	2.7	1.4
Operating Leverage, net of CCPB (%)	43.3	(18.4)	1.0	29.0	0.4	6.2	(2.9)	2.6
Adjusted (1)								
Revenue	6,544	7,044	6,573	26,533	27,157	25,186	25,483	22,905
Impact of adjusting items on revenue	(4,026)	945	—	(7,177)	(29)	—	—	—
Impact of adjusting items on CCPB	—	—	—	—	—	—	(25)	—
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	(369)	413	97	(683)	1,399	1,708	2,684	1,352
Revenue, net of CCPB	6,913	6,631	6,476	27,216	25,758	23,478	22,799	21,553
Impact of adjusting items on non-interest expense	(822)	(98)	(83)	(1,000)	(959)	(135)	(625)	(133)
Non-interest expense	3,954	3,761	3,720	15,194	14,550	14,042	14,005	13,344
Efficiency ratio (%)	60.4	53.4	56.6	57.3	53.6	55.8	55.0	58.3
Efficiency ratio, net of CCPB (%)	57.2	56.7	57.4	55.8	56.5	59.8	61.4	61.9
Revenue growth, net of CCPB (%)	6.7	0.8	8.2	5.7	9.7	3.0	5.8	4.8
Non-interest expense growth (%)	6.3	2.7	5.8	4.4	3.6	0.3	5.0	3.5
Operating Leverage, net of CCPB (%)	0.4	(1.9)	2.4	1.3	6.1	2.7	0.8	1.3

1 Refer to footnotes (1) to (6) in the Non-GAAP and other Financial Measures table on slide 40 for details on adjusting items, and the Non-GAAP and Other Financial Measures section of BMO's 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for further information

Pre-Provision, Pre-Tax Earnings (PPPT) Reconciliation

(Canadian $ in millions, except as noted)	Q4 22	Q3 22	Q4 21	F2022	F2021	F2020	F2019	F2018
Total Bank - Reported								
Net income before taxes	5,937	1,691	2,799	17,886	10,258	6,348	7,272	7,414
Provisions for credit losses	226	136	(126)	313	20	2,953	872	662
Pre-Provision, Pre-Tax Earnings (PPPT)	6,163	1,827	2,673	18,199	10,278	9,301	8,144	8,076
Total Bank – Adjusted[1]								
Net income before taxes	2,733	2,734	2,882	11,709	11,188	6,483	7,922	7,547
Provisions for credit losses	226	136	(126)	313	20	2,953	872	662
Pre-Provision, Pre-Tax Earnings (PPPT)	2,959	2,870	2,756	12,022	11,208	9,436	8,794	8,209
Canadian P&C								
Net income before taxes	1,242	1,306	1,260	5,178	4,441	2,722	3,564	3,438
Provisions for credit losses	174	89	(5)	341	377	1,411	607	469
Reported Pre-Provision, Pre-Tax Earnings (PPPT)	1,416	1,395	1,255	5,519	4,818	4,133	4,171	3,907
Adjusting items[1]	—	—	—	1	2	2	2	2
Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	1,416	1,395	1,255	5,520	4,820	4,135	4,173	3,909
U.S. P&C (USD)								
Net income before taxes	634	577	529	2,510	2,265	1,223	1,586	1,364
Provisions for credit losses	46	53	(24)	11	(117)	638	149	170
Reporterd Pre-Provision, Pre-Tax Earnings (PPPT)	680	630	505	2,521	2,148	1,861	1,735	1,534
Adjusting items[1]	1	1	6	5	26	39	43	45
Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	681	631	511	2,526	2,174	1,900	1,778	1,579
BMO Wealth Management								
Net income before taxes	395	421	453	1,645	1,823	1,331	1,286	1,426
Provisions for credit losses	3	(10)	(5)	(2)	(12)	22	—	6
Reported Pre-Provision, Pre-Tax Earnings (PPPT)	398	411	448	1,643	1,811	1,353	1,286	1,432
Adjusting items[1]	1	1	6	5	31	43	72	52
Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	399	412	454	1,648	1,842	1,396	1,358	1,484
BMO Capital Markets								
Net income before taxes	458	351	709	2,360	2,858	1,440	1,410	1,527
Provisions for credit losses	(18)	(7)	(88)	(43)	(194)	659	80	(18)
Reported Pre-Provision, Pre-Tax Earnings (PPPT)	440	344	621	2,317	2,664	2,099	1,490	1,509
Adjusting items[1]	7	7	6	29	31	37	35	17
Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	447	351	627	2,346	2,695	2,136	1,525	1,526

- Pre-Provision, Pre-Tax Earnings (PPPT) is calculated as income before income taxes and provision/(recovery) for credit losses.
- We use PPPT on both a reported and adjusted basis to assess our ability to generate sustained earnings growth excluding credit losses, which are impacted by the cyclical nature of a credit cycle

1 Refer to footnotes (1) to (6) in the Non-GAAP and other Financial Measures table on slide 40 for details on adjusting items, and the Non-GAAP and Other Financial Measures section of the 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for further information

Adjusting Items

Adjusting items[1] - Pre-tax (Canadian $ in millions, except as noted)	Q4 22	Q3 22	Q4 21	F2022	F2021	F2020	F2019	F2018
Adjusting Items Impacting Revenue (Pre-tax)								
Impact of Divestitures	–	–	–	(21)	29	–	–	–
Management of fair value changes on the purchase of Bank of the West	4,541	(945)	–	7,713	–	–	–	–
Legal Provision	(515)	–	–	(515)	–	–	–	–
Impact of Adjusting Items on Revenue (Pre-tax)	4,026	(945)	–	7,177	29	–	–	–
Adjusting Items Impacting CCPB (Pre-tax)								
Reinsurance adjustment	–	–	–	–	–	–	(25)	–
Impact of Adjusting Items on CCPB (Pre-tax)	–	–	–	–	–	–	(25)	–
Adjusting Items Impacting Non-Interest Expense (Pre-tax)								
Acquisition and integration costs	(193)	(84)	(1)	(326)	(9)	(14)	(13)	(34)
Amortization of acquisition-related intangible assets	(8)	(7)	(20)	(31)	(88)	(121)	(128)	(116)
Impact of divestitures	6	(7)	(62)	(16)	(886)	–	–	–
Restructuring (costs) reversals	–	–	–	–	24	–	(484)	(260)
Legal Provision	(627)	–	–	(627)	–	–	–	–
Benefit from the remeasurement of an employee benefit liability	–	–	–	–	–	–	–	277
Impact of Adjusting Items on Non-Interest Expense (Pre-tax)	(822)	(98)	(83)	(1,000)	(959)	(135)	(625)	(133)
Impact of Adjusting Items on Reported Pre-Tax Income	**3,204**	**(1,043)**	**(83)**	**6,177**	**(930)**	**(135)**	**(650)**	**(133)**

Adjusting items[1] - After-tax (Canadian $ in millions, except as noted)	Q4 22	Q3 22	Q4 21	F2022	F2021	F2020	F2019	F2018
Adjusting Items Impacting Revenue (After-tax)								
Impact of Divestitures	–	–	–	(23)	22	–	–	–
Management of fair value changes on the purchase of Bank of the West	3,336	(694)	–	5,667	–	–	–	–
Legal Provision	(382)	–	–	(382)	–	–	–	–
Impact of Adjusting Items on Revenue (After-tax)	2,954	(694)	–	5,262	22	–	–	–
Adjusting Items Impacting CCPB (After-tax)								
Reinsurance adjustment	–	–	–	–	–	–	(25)	–
Impact of Adjusting Items on CCPB (After-tax)	–	–	–	–	–	–	(25)	–
Adjusting Items Impacting Non-Interest Expense (After-tax)								
Acquisition and integration costs	(145)	(62)	(1)	(245)	(7)	(11)	(10)	(25)
Amortization of acquisition-related intangible assets	(6)	(5)	(14)	(23)	(66)	(93)	(99)	(90)
Impact of divestitures	8	(6)	(52)	(32)	(864)	–	–	–
Restructuring (costs) reversals	–	–	–	–	18	–	(357)	(192)
Legal Provision	(464)	–	–	(464)	–	–	–	–
Benefit from the remeasurement of an employee benefit liability	–	–	–	–	–	–	–	203
Impact of Adjusting Items on Non-Interest Expense (After-tax)	(607)	(73)	(67)	(764)	(919)	(104)	(466)	(104)
Adjusting Items Impacting Provision for Income Taxes (After-tax)								
U.S. net deferred tax asset revaluation	–	–	–	–	–	–	–	(425)
Impact of Adjusting Items on Provision for Income Taxes (After-tax)	–	–	–	–	–	–	–	(425)
Impact of Adjusting Items on Reported After-tax Income	**2,347**	**(767)**	**(67)**	**4,498**	**(897)**	**(104)**	**(491)**	**(529)**
Impact on Diluted EPS ($)	3.47	(1.14)	(0.10)	6.76	(1.38)	(0.16)	(0.77)	(0.82)

1 Refer to footnotes (1) to (6) in the Non-GAAP and other Financial Measures table on slide 40 for details on adjusting items, and the Non-GAAP and Other Financial Measures section of BMO's 2022 Annual MD&A and Fourth Quarter 2022 Earnings Release for further information

BMO Financial Group

Investor Relations

Contact Information

bmo.com/investorrelations
E-mail: investor.relations@bmo.com

BILL ANDERSON
Director, Investor Relations
416.867.7834
bill2.anderson@bmo.com

PERRY CHEN-SEE
Director, Investor Relations
416.359.8074
Perry.chensee@bmo.com

BMO