Investor Presentation

Q3 | 11

September 21 • 2011

Forward Looking Statements & Non-GAAP Measures

Caution Regarding Forward-Looking Statements

Bank of Montreal's public communications often include written or oral forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the safe harbour 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 may involve, but are not limited to, comments with respect to our objectives and priorities for 2011 and beyond, our strategies or future actions, our targets, expectations for our financial condition or share price, and the results of or outlook for our operations or for the Canadian and U.S. economies.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that our assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors 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; weak, volatile or illiquid capital and/or credit markets; interest rate and currency value fluctuations; changes in monetary, fiscal or economic policy; the degree of competition in the geographic and business areas in which we operate; changes in laws or in supervisory expectations or requirements, including capital and liquidity requirements and guidance; judicial or regulatory proceedings; the accuracy and completeness of the information we obtain with respect to our customers and counterparties; our ability to execute our strategic plans and to complete and integrate acquisitions; critical accounting estimates; operational and infrastructure risks; general political conditions; global capital markets activities; the possible effects on our business of war or terrorist activities; disease or illness that affects local, national or international economies; disruptions to public infrastructure, such as transportation, communications, power or water supply; and technological changes.

With respect to the M&I transaction, such factors include, but are not limited to: the possibility that the anticipated benefits from the transaction such as it being accretive to earnings and other impacts on earnings, expanding our North American presence and synergies are not realized in the time frame anticipated or at all as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations (including changes to capital requirements) and their enforcement, and the degree of competition in the geographic and business areas in which the combined businesses now operate; the ability to promptly and effectively integrate the businesses of M&I and BMO; reputational risks and the reaction of M&I's customers to the transaction; diversion of management time on integration and restructuring related issues; and increased exposure to exchange rate fluctuations. A significant amount of M&I's business involved making loans or otherwise committing resources to specific companies, industries or geographic areas. Unforeseen events affecting such borrowers, industries or geographic areas could have a material adverse effect on the performance of our integrated U.S. operations.

We caution that the foregoing list is not exhaustive of all possible factors. Other factors could adversely affect our results. For more information, please see the discussion on pages 29, 30, 61 and 62 of BMO's 2010 Annual Report, which outlines in detail certain key factors that may affect Bank of Montreal's future results. When relying on forward-looking statements to make decisions with respect to Bank of Montreal, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Bank of Montreal does not undertake to update any forward-looking statements, whether written or oral, that may be made, from time to time, by the organization or on its behalf, except as required by law. The forward-looking information contained in this document is presented for the purpose of assisting our shareholders in understanding our financial position as at and for the periods ended on the dates presented and our strategic priorities and objectives, and may not be appropriate for other purposes.

In calculating the pro-forma impact of Basel III on our regulatory capital and regulatory capital ratios, we have assumed our interpretation of the proposed rules announced by the Basel Committee on Banking Supervision (BCBS) as of this date and our models used to assess those requirements are consistent with the final requirements that will be promulgated by BCBS and the Office of the Superintendent of Financial Institutions Canada (OSFI). We have also assumed that the proposed changes affecting capital deductions, risk-weighted assets, the regulatory capital treatment for non-common share capital instruments (i.e. grandfathered capital instruments) and the minimum regulatory capital ratios are adopted as proposed by BCBS and OSFI. We also assumed that existing capital instruments that are non-Basel III compliant but are Basel II compliant can be fully included in such estimates. The full impact of the Basel III proposals has been quantified based on our financial and risk positions at July 31 or as close to July 31 as was practical. The impacts of the changes from IFRS are based on our analysis to date, as set out in Transition to International Financial Reporting Standards in the Future Changes in Accounting Policies – IFRS section in our 2010 Annual Report and later in this document. In setting out the expectation that we will be able to refinance certain capital instruments in the future, as and when necessary to meet regulatory capital requirements, we have assumed that factors beyond our control, including the state of the economic and capital markets environment, will not impair our ability to do so.

In determining the impact of reductions to interchange fees in the U.S. Legislative Developments section, we have assumed that business volumes remain consistent with our expectations and that certain management actions are implemented that will modestly reduce the impact of the rules on our revenues.

Assumptions about the performance of the Canadian and U.S. economies as well as overall market conditions and their combined effect on the bank's business are material factors we consider when determining our strategic priorities, objectives and expectations for our business. In determining our expectations for economic growth, both broadly and in the financial services sector, we primarily consider historical economic data provided by the Canadian and U.S. governments and their agencies.

Non-GAAP Measures

Bank of Montreal uses both GAAP and non-GAAP measures to assess performance. Readers are cautioned that earnings and other measures adjusted to a basis other than GAAP do not have standardized meanings under GAAP and are unlikely to be comparable to similar measures used by other companies. Reconciliations of GAAP to non-GAAP measures as well as the rationale for their use can be found in Bank of Montreal's Third Quarter 2011 Report to Shareholders and 2010 Annual Report, all of which are available on our website at www.bmo.com/investorrelations.

Examples of non-GAAP amounts or measures include: productivity and leverage ratios; revenue and other measures presented on a taxable equivalent basis (teb); amounts presented net of applicable taxes; adjusted net income, revenues, provision for credit losses, earnings per share, ROE, productivity ratio and other adjusted measures which exclude the impact of certain items such as integration costs, amortization of acquisition related intangibles and charges for foreign exchange on hedges.

Bank of Montreal provides supplemental information on combined business segments to facilitate comparisons to peers.

Bank of Montreal (BMO Financial Group)

- 4th largest bank[1] in Canada measured by total assets
- 9th largest bank[1] in North America measured by market capitalization
- 100% ownership of Chicago-based BMO Harris Bank
- Acquisition of Marshall & Ilsley closed July 5, 2011

Listings

NYSE, TSX (Ticker: BMO)

Share Price[1]

Oct 31/10: NYSE – US$59.25
(Fiscal Year-end) TSX – C$60.23

July 31/11: NYSE – US$62.84
TSX – C$60.03

Market Cap[1]

Oct 31/10: C$34 billion (US$33 billion)
July 31/11: C$38 billion (US$40 billion)

# of Employees

47,615

13 million personal, commercial, corporate and institutional customers

YTD Q3 F2011 Results[2]

Adjusted[3] Revenue / Revenue
C$9.9B (US$10.1B) / C$9.8B (US$10.1B)

Adjusted[3] Net Income / Net Income
C$2.4B (US$2.5B) / C$2.4B (US$2.4B)

Adjusted[3] ROE / ROE
16.1% / 15.7%

Adjusted[3] EPS*/EPS
C$4.02(US$4.11) / C$3.91 (US$4.00)

PCL
C$567 million (US$580 million)

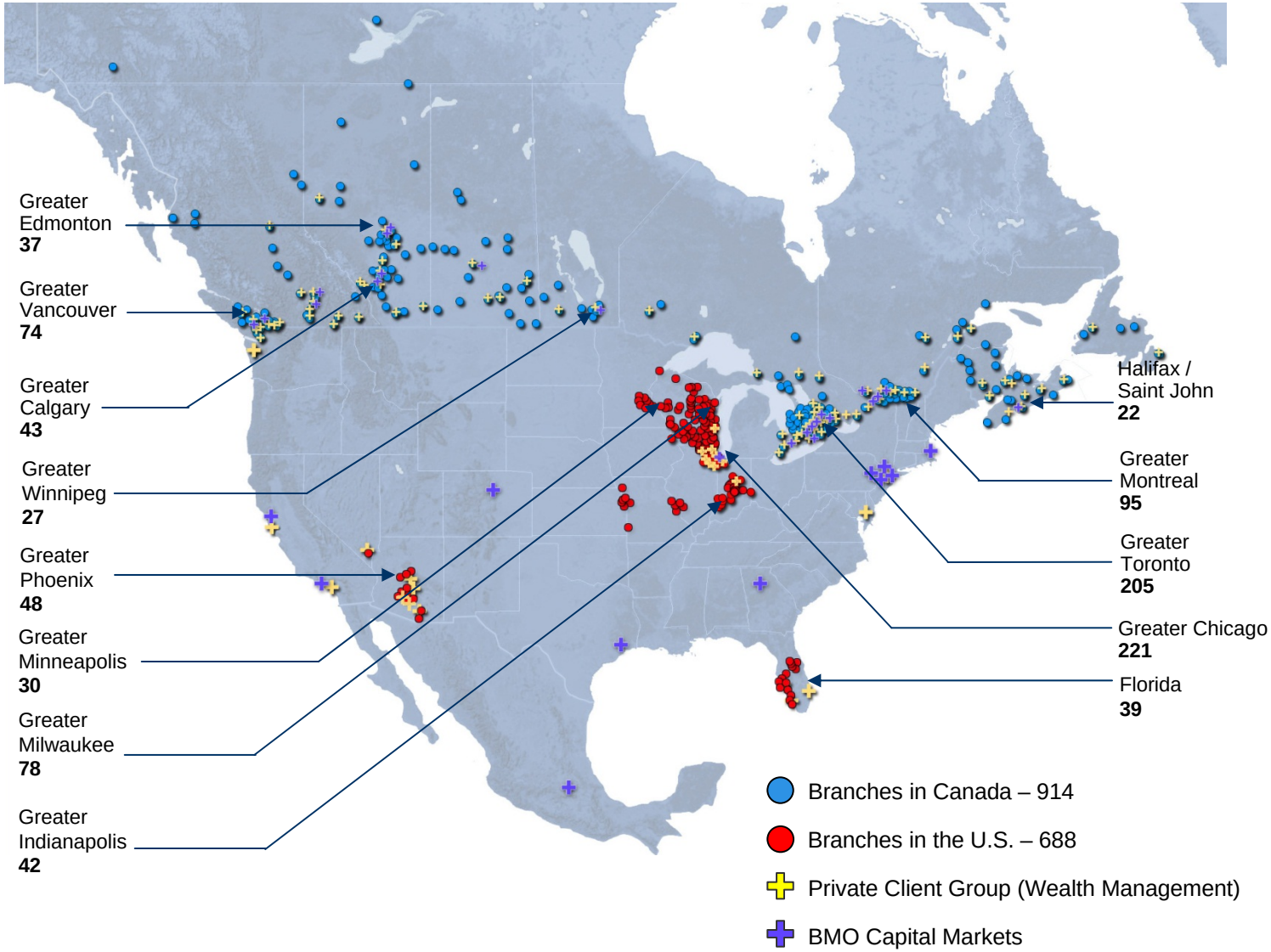
Average Assets
C$424 billion (US$434 billion)

Capital Ratios (Basel II)
Common Equity Ratio – 9.11%
Tier 1 – 11.48%

[1] Published by Bloomberg; Asset and market capitalization rankings as at July 31, 2011
[2] Balances reported in Canadian dollars. Cdn/U.S. exchange rate: Q3 YTD 2011 average $0.9777

[3] Items excluded from YTD 2011 results in the determination of adjusted results include integration cost for M&I of $78 million ($49 million after tax); charge to revenue for hedge of foreign currency risk on purchase of M&I of $20 million ($14 million after tax); amortization of acquisition-related intangible assets of $36 million ($29 million after tax); and decrease in the general allowance for credit losses of $42MM ($30MM after tax); Adjusted results and measures are Non-GAAP, see slide 1 and pages 3 and 28 of Bank of Montreal's Third Quarter 2011 Report to Shareholders.

BMO Financial Group – North American Footprint



* Source: SNL Financial and Company Disclosure at July 31, 2011

Transforming BMO's U.S. Operations

M&I acquisition closed July 5, 2011 – an excellent strategic, financial, and cultural fit with BMO

Strategically Compelling ✓

- Consistent with BMO's strategy of expanding our U.S. business
- Transforms and strengthens BMO's U.S. operations by increasing scale and combining the best from both organizations
- Positions the business for growth through exposure to M&I's multiple markets

Financially Attractive ✓

- Delivers compelling transaction economics
- BMO capital position remains strong
- Capitalizes on opportune economic, regulatory and market environment
- Extensive due diligence on loan portfolio and prudent loan valuation

Excellent Cultural Fit ✓

- Combines two organizations with strong customer focus
- Consistent values, vision and culture

M&I Acquisition

- Closed on July 5, 2011 for consideration of approximately $4B in the form of ~67MM common shares
- Reported Q3 results include impact of M&I:
  - Adjusted net income of $32MM; reported net loss of $10MM
  - Revenue of $117MM
  - Integration costs of $53MM and amortization of intangibles of $7MM
- Preliminary goodwill estimate of $1.8B
- Adds $29B of loans, after adjustment for future expected losses, and $34B of deposits
- More than doubles U.S. branch count to 688
- Increases assets under management and administration by $149B to over $530B
- Adds approximately two million customers
- Annual cost savings from integration expected to exceed $300MM
- Integration and restructuring expenses expected to approximate $600MM

Reasons to Invest in BMO

Uniquely clear investor proposition

Clear growth strategy

- Consistent and focused North American growth strategy
- Good momentum supported by operating group performance
- Growing global presence to support our customers
- Commitment to our medium-term financial objectives

Strong capital position

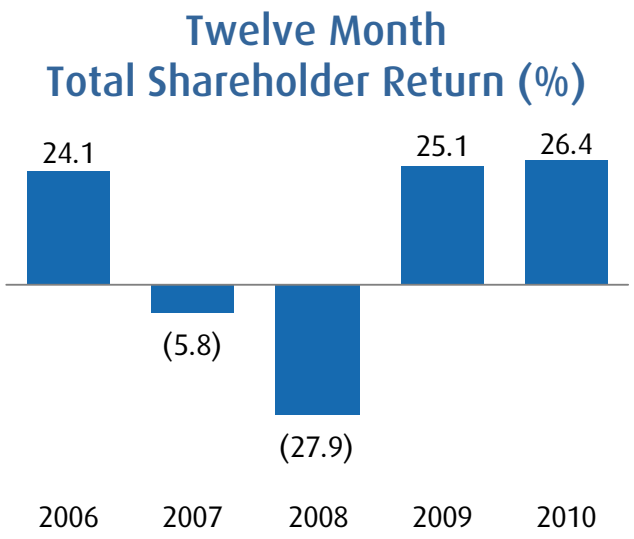
- Basel II Common Equity Ratio and Tier 1 Ratio of 9.11% and of 11.48% respectively as at July 31, 2011
- Pro forma Basel III Common Equity Ratio and Tier 1 Ratio as at July 31, 2011 are estimated to be 6.6%[1] and 8.8%[1] respectively
- Disciplined approach to capital management

Proactive risk management

- Independent risk oversight across the enterprise
- Disciplined credit risk management capabilities and processes
- Group and individual performance assessments that reflect risk-adjusted returns and align with shareholder interests

Commitment to stakeholders

- Clear brand promise that delivers real benefit for customers
- Engaged employees committed to exceeding customers' expectations
- Consistent dividend payment and longest-running dividend payout record of any company in Canada
- Sound corporate governance



[1] Estimates based on announced Basel III 2019 rules and the impact of adoption of IFRS. For further details regarding assumptions and factors used in our calculations refer to pages 5, 14 and 15 of Bank of Montreal's Third Quarter 2011 Report to Shareholders

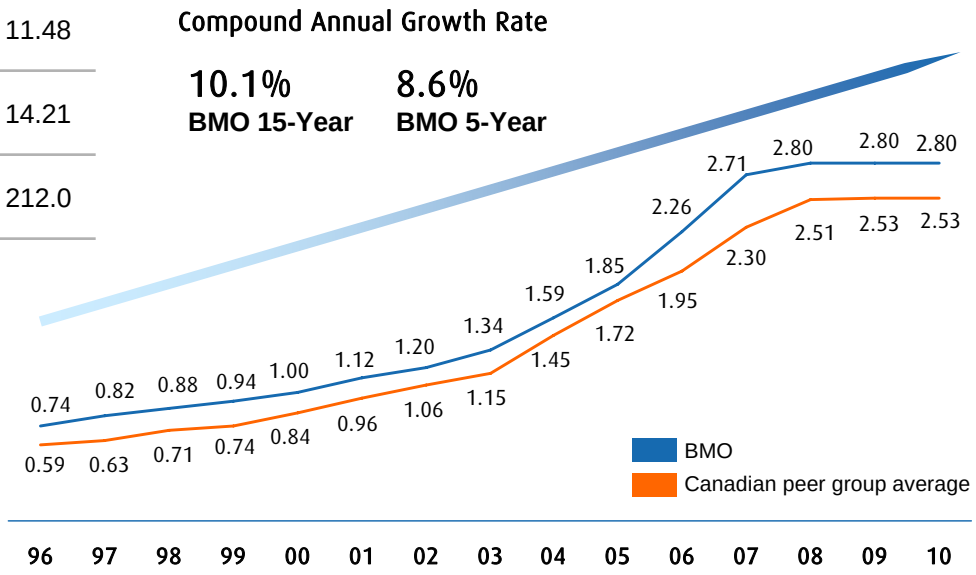
Capital Overview

Strong capital position

Basel II	Q3 10	Q4 10	Q1 11	Q2 11	Q3 11
Common Equity Ratio (%)[1]	10.27	10.26	10.15	10.67	9.11
Tier 1 Capital Ratio (%)	13.55	13.45	13.02	13.82	11.48
Total Capital Ratio (%)	16.10	15.91	15.17	17.03	14.21
RWA ($B)	156.6	161.2	165.3	158.7	212.0

- Acquisition of M&I reduced Common Equity Ratio and the Tier 1 Capital Ratio by 130 basis points and 190 basis points, respectively
- Q/Q RWA increase primarily due to M&I and higher corporate/commercial and securitization RWA
- Pro-forma for Basel III and IFRS the July 31, 2011 Common Equity Ratio and Tier 1 Capital ratio would be ~6.6% and ~8.8%, respectively[2]. Well-positioned to meet Basel III capital requirements

Annual Dividends Declared Per Share (C$)



[1] Common equity ratio equals regulatory common equity less Basel II capital deductions divided by RWA. This ratio is also referred to as the Tier 1 common ratio

[2] Estimates based on announced Basel III 2019 rules and the impact of adoption of IFRS. For further details regarding assumptions and factors used in our calculations refer to pages 5, 14 and 15 of Bank of Montreal's Third Quarter 2011 Report to Shareholders

Economic Outlook

Canada

- The Canadian economy has slowed sharply due to weak U.S. demand, the strong Canadian dollar and moderation in consumer spending
- Modest growth expected in the year ahead due to strong currency and less-supportive fiscal policy, though firm commodity prices should support business investment
- Housing activity expected to moderate this year amid tighter mortgage insurance rules
- The unemployment rate forecasted to remain steady at just above 7% in the year ahead
- Rising energy and food costs have lifted inflation temporarily, but many prices have been restrained by the strong Canadian dollar
- The Bank of Canada is expected to keep interest rates steady until next summer
- The Canadian dollar should stay above parity against the U.S. dollar through 2012, supported by firm commodity prices and higher interest rates than in the U.S.

United States

- The U.S. economy has slowed as a result of higher gasoline prices, supply-chain disruptions, municipal cutbacks and increased uncertainty about the fiscal outlook
- Despite fiscal restraint, economic growth should improve moderately in the year ahead, supported by low interest rates, a weak currency and robust business investment
- The housing market remains depressed because of high foreclosures, and will likely improve only moderately next year
- The unemployment rate remains high at above 9% and will likely decline only slowly
- The Federal Reserve will likely keep interest rates near zero for another two years
- The U.S. dollar is expected to weaken moderately further this year

Outlook as at September 12, 2011; Source: BMO Economics

Economic Indicators

North America forecast to grow modestly



	Canada			United States			Eurozone		
Economic Indicators (%)[1]	**2010**	**2011E**	**2012E**	**2010**	**2011E**	**2012E**	**2010**	**2011E**	**2012E**
GDP Growth	3.2	2.2	2.2	3.0	1.6	2.5	1.7	1.7	1.5
Inflation	1.8	2.8	2.0	1.6	3.1	2.5	1.6	2.5	1.9
Interest Rate (3mth Tbills)	0.6	0.9	1.2	0.1	0.1	0.0	0.7	1.4	1.8
Unemployment Rate	8.0	7.5	7.2	9.6	9.0	8.7	10.1	10.0	9.7
Current Account Balance / GDP*	(3.1)	(3.4)	(3.6)	(3.2)	(3.2)	(2.7)	0.2	0.3	0.8
Budget Surplus / GDP*	(3.6)	(2.2)	(1.9)	(8.9)	(8.5)	(6.2)	(6.0)	(4.2)	(3.0)

Sources: BMO Economics, Haver Analytics
[1]Annual average
*Estimates As of September 12, 2011; Eurozone estimates provided by OECD

Systemic Differences Between Canadian & U.S. Banks

Canada

- Mature oligopoly: 6 chartered banks with a single regulator (OSFI)
- Almost no subprime in this market
- Governed by the Bank Act
- Foreign ownership limits in place
- Integrated business model: customers purchase multiple products from one institution
- Residential mortgages lower risk due to:
  - No lending with loan to value above 80% without government backed insurance
  - Shorter terms (i.e.1-10 years)
  - Prepayment charges borne by the borrower
  - No Mortgage interest deductibility for income tax purposes (no incentive to take on higher levels of debt)
- New rules for government-backed insured mortgages and secured lines of credit:
  - All borrowers must meet the standards for five-year fixed rate mortgage, regardless of the mortgage chosen
  - Minimum 20% down payment required for rental properties
  - Maximum length amortization on insured mortgages lowered from 35 to 30 years, effective March 18, 2011
  - Maximum amount Canadians can withdraw when refinancing their mortgages lowered to 85 percent of the value of their homes, effective March 18, 2011
  - Withdrawal of government backed insurance for home equity secured lines of credit, effective April 18, 2011
- Current government not permitting bank mergers amongst big banks

U.S.

- Fragmented market
- Multiple regulators
- Choice of State vs. National Charter allows flexibility in choosing regulatory environment and structuring operations
- Bank Holding Companies provide flexibility in structuring business activities
- Branch restrictions in U.S. and various limits on interstate expansion
- Historically, more likely to securitize residential mortgages as prepayment penalties borne by the bank
- Consolidation continues

Operating Group - Overview

Personal & Commercial Banking - Canada

- Over 7 million customers
- Over 900 branches
- Access to over 2,100 automated banking machines

Personal and Commercial Banking – U.S.

- Over 3 million customers
- Almost 700 branches
- Access to over 1,300 automated banking machines

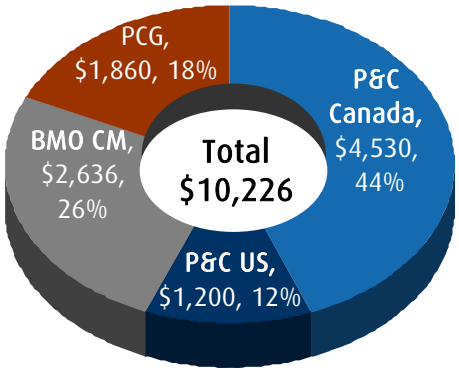
Private Client Group (PCG)

- BMO's group of wealth management businesses serve a full range of client segments from mainstream to ultra-high net worth, as well as select institutional markets
- Offers a broad range of wealth management products and solutions
- Operates in Canada and the United States, as well as China and the United Kingdom

BMO Capital Markets (BMO CM)

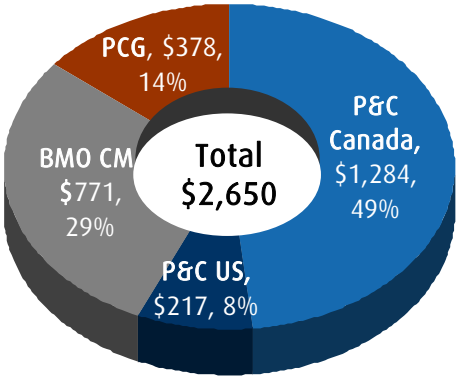
- Provides a full range of products and services to help corporate, institutional and government clients achieve their ambitions
- 27 offices on five continents, including 15 in North America

Q3 YTD Revenue by Operating Group (C$MM)



Excludes Corporate Services Revenue $(389)

Q3 YTD Adjusted[1] Net Income by Operating Group (C$MM)



Corporate Services Net Loss $219

[1] Non-GAAP measures, see slide 1 and page 28 of the Third Quarter 2011 Report to Shareholders

* BMO employs a methodology for segmented reporting purposes whereby expected credit losses are charged to the operating groups quarterly based on their share of expected credit losses. The difference between quarterly charges based on expected losses and required quarterly provisions based on actual losses, as well as changes in the general allowance are charged (or credited) to Corporate Services. See Note 26 on page 157 of BMO's 2010 Annual Report

Year-to-Date Financial Performance

Momentum evident across all our businesses

C$ billions unless otherwise indicated

	YTD F2010	YTD F2011[1]
Revenue	8.9	9.8
Provision for Credit Losses	0.8	0.6
Expense	5.6	6.2
Net Income	2.1	2.4
Net Income – Adjusted[2]	2.1	2.4
ROE (%)	14.8	15.7
ROE (%) – Adjusted[2]	14.9	16.1
Productivity Ratio (%)	62.0	62.8
Productivity Ratio (%) – Adjusted[2]	61.7	61.5
Common Equity Ratio (Basel II) (%)	10.27	9.11

- Net income growth of 14%; adjusted net income growth of 16%
- Revenue growth of 9.5%
- Provision for credit losses down 29% year-over-year
- ROE continues to increase on a strong capital base
- YTD results include 26 days of M&I

[1] YTD Q3 11 includes 26 days of M&I results

[2] Items excluded from YTD 2011 results in the determination of adjusted results include integration cost for M&I of $78 million ($49 million after tax); charge to revenue for hedge of foreign currency risk on purchase of M&I of $20 million ($14 million after tax); amortization of acquisition-related intangible assets of $36 million ($29 million after tax); and decrease in the general allowance for credit losses of $42MM ($30MM after tax); Adjusted results and measures are Non-GAAP, see slide 1 and pages 3 and 28 of Bank of Montreal's Third Quarter 2011 Report to Shareholders.

Financial Highlights

Good third quarter results, contributing to very good year-to-date performance

	Revenue	Net Income	EPS	ROE	Productivity	Operating Leverage	Total PCL	Common Equity Ratio (Basel II)
Q3 11 (reported)	**$3,274MM**	**$793MM**	**$1.27**	**14.7%**	**64.5%**	**1.5%**	**$174MM**	**9.11%**
Q3 11 (adjusted)[1]	**$3,283MM**	**$843MM**	**$1.36**	**15.6%**	**62.2%**	**4.9%**	**$174MM**	**9.11%**

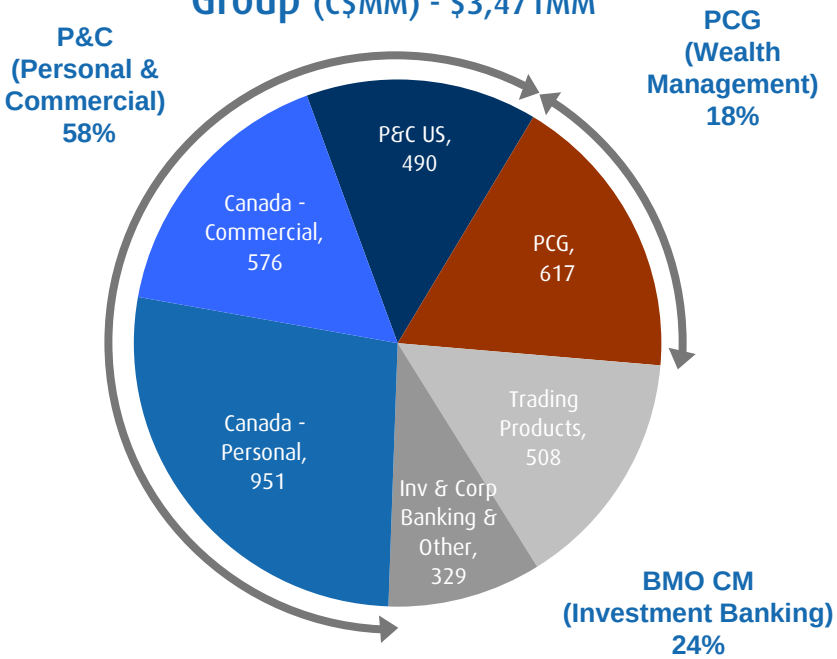
- Another good quarter with solid revenue growth across businesses
- Adjusted net income[1] of $843 million, up 24% from a year ago and 4.8% from Q2. Adjustments include (all after-tax):
  - Integration costs for M&I of $32 million
  - Amortization of acquisition intangibles of $12 million
  - Charge for hedge of fx on the offer to purchase M&I of $6 million
- Adjusted EPS[1] of $1.36, up 19%, from a year ago
- Acquisition of M&I closed on July 5, 2011. Current quarter reflects M&I's results for 26 days
- Reported ROE at 14.7% and YTD 15.7%
- Strong capital position with a Basel II Common Equity Ratio of 9.11%
- Continued trend of improvement in credit
- YTD adjusted net income[1] of $2,431 million and growth of 16%; $2,369 million and growth of 14% on a reported basis

[1] Non-GAAP measures, see slide 1 and page 28 of the Third Quarter 2011 Report to Shareholders. For details on adjustments refer to page 3 of the Third Quarter 2011 Report to Shareholders

Diversity of Business Mix

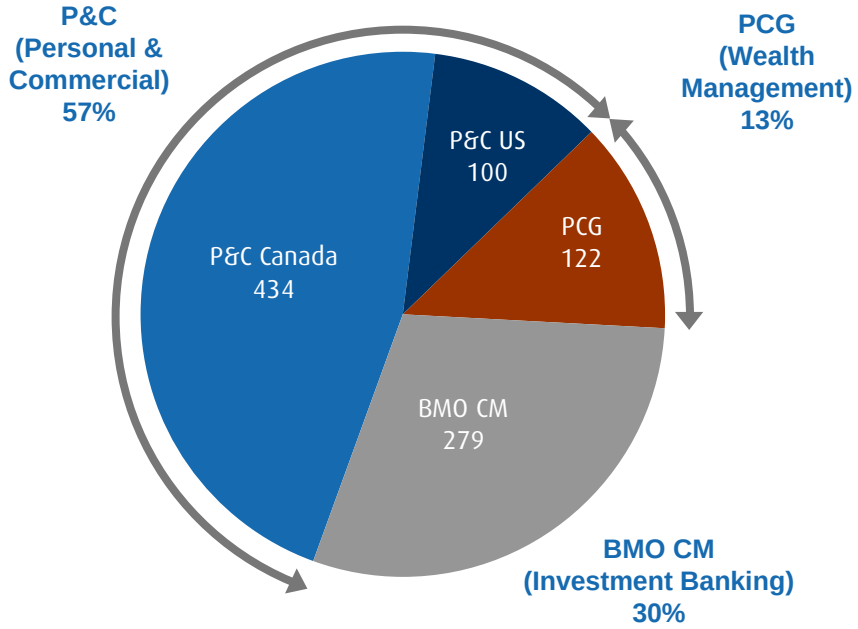
Over 75% of revenue and net income from retail businesses in Canada and the US (P&C and PCG), pro forma[1]

Q3 11 Revenue by Operating Group (C$MM) - $3,471MM*



[3] Corporate Services revenue $(197)MM

Q3 11 Adjusted[2] Net Income by Operating Group (C$MM) - $935MM*



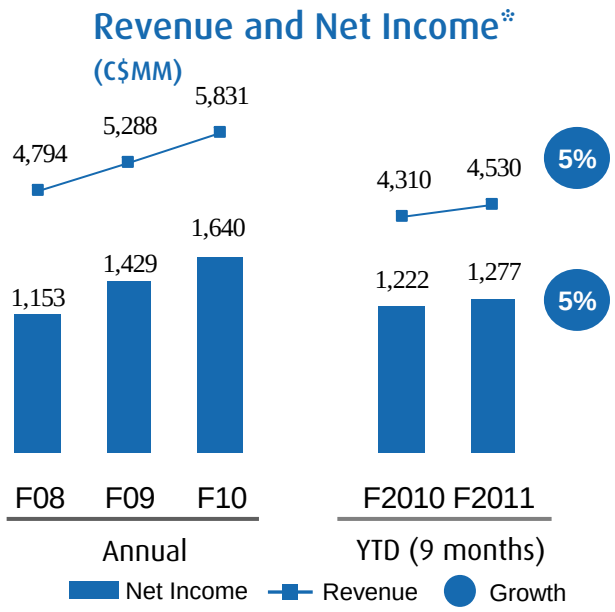
[3] Corporate Services net loss $92MM

[1] Pro forma reflects full quarter adjusted run rate of M&I
[2] Non-GAAP measures, see slide 1 and page 28 of the Third Quarter 2011 Report to Shareholders
[3] Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of BMO's 2010 Annual Report
* Excludes Corporate Services results

Personal & Commercial Banking Canada

Track record of strong performance

- Strong performance over the past two years, holding top tier positions in both revenue and net income growth
- Building capacity by expanding specialized sales forces and distribution channels
- Improving processes and technology to free up front-line capacity and reduce operating costs
- Leveraging strengths and customer relationships to increase share of wallet
- Continue to invest in the business with disciplined approach tracking relationship between revenue and expenses
- Year-to-date revenue and net income up 5%



* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated

Personal & Commercial Banking Canada – Product Balances

Personal

- Total Personal lending balances increased Y/Y and Q/Q, driven by growth in branch-originated mortgages and Homeowner ReadiLine products

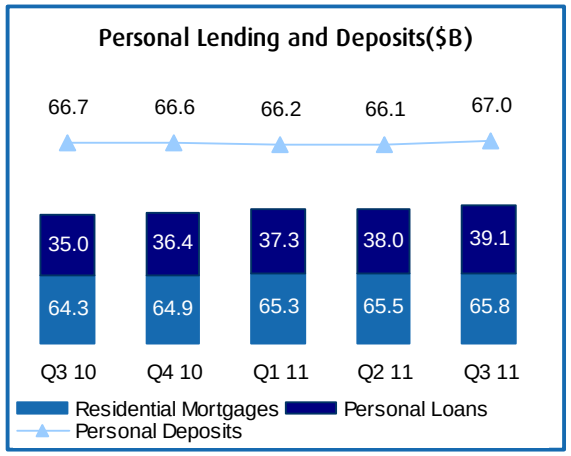
Commercial

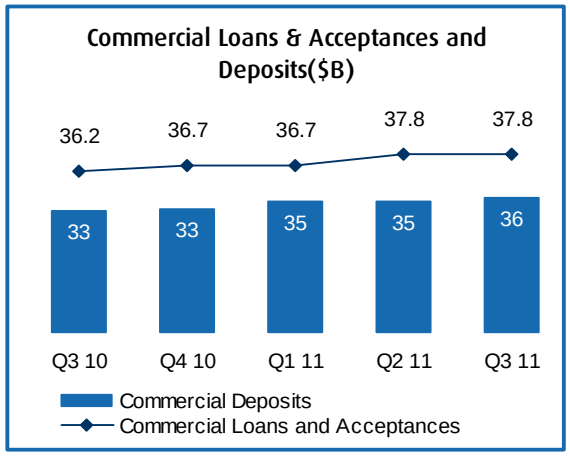
- Continue to rank second in commercial loans ($0-5MM), with market share of 20%
- Commercial loans balances increased Y/Y and remained flat Q/Q
- Commercial deposit balances increasing over the past 9 quarters, up $3.3B or 10.2% Y/Y, reflecting deepening relationships and better advise to our customers

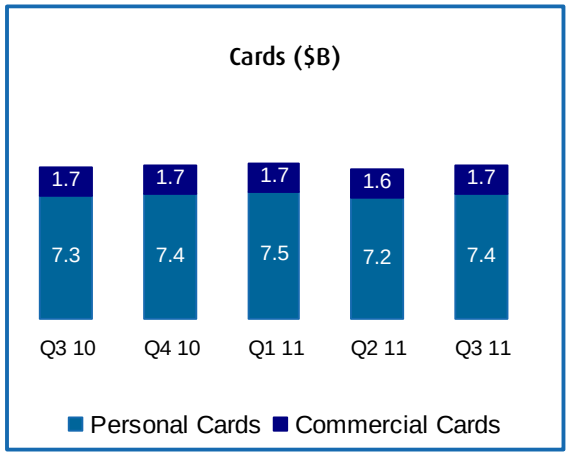
Cards

- Personal Cards balances up Y/Y and Q/Q

Market Share (%) [1]	Q3 10	Q4 10	Q1 11	Q2 11	Q3 11
Total Personal Lending[1]	11.1	11.1	11.1	11.1	11.1
Personal Deposits[1]	11.9	11.8	11.7	11.6	11.7
Mutual Funds[1]	13.4	13.4	13.4	13.5	13.4
Commercial Loans $0 - $5MM[2]	20.2	20.3	20.3	20.2	20.2







Sources: Mutual Funds – IFIC; Consumer Loans, Residential Mortgages & Personal Deposits – OSFI (changed from previous source Bank of Canada)

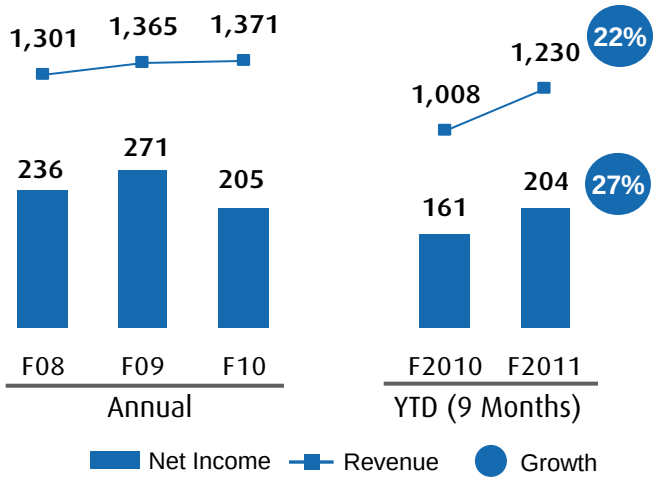
1. Personal share issued by OSFI; Mutual Funds share issued by IFIC (two months lag basis (Q3 F11: May 2011))
2. Business loan share (Banks) issued by CBA (one calendar quarter lag basis (Q3 11: Mar 2011))

Personal & Commercial Banking U.S.

Competitive scale, focused on organic expansion within attractive markets

- Focused on sales productivity, effectively managing costs and optimizing expanded distribution network and capabilities
- Maintaining strong customer loyalty
- Goal to be the undisputed leader in commercial banking in the Midwest
- Focused on integrating M&I taking the best of best from both organizations creating a stronger institution; Integration moving ahead nicely
- Year-to-date revenue up 22% and net income up 27%

Revenue and Net Income*
(US$MM)



BMO Harris Bank

* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated: In Q3 2011, US$2.5B of impaired real estate secured assets, comprised primarily of commercial real estate loans were transferred from P&C U.S. to Corporate Services to allow our businesses to focus on ongoing customer relationships and to leverage our risk management expertise in our special assets management unit

Personal & Commercial Banking U.S. – Product Balances[1]

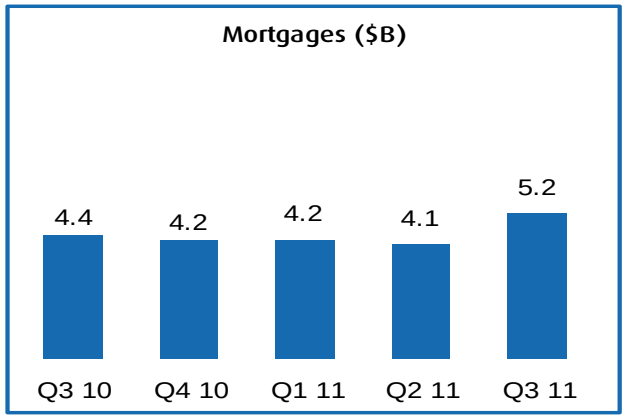
All amounts in U.S. $B

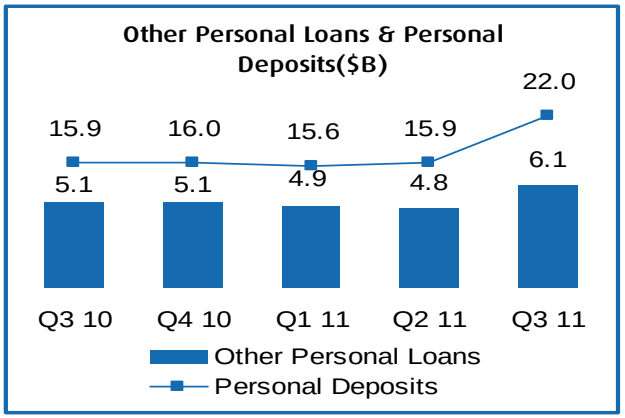
Personal

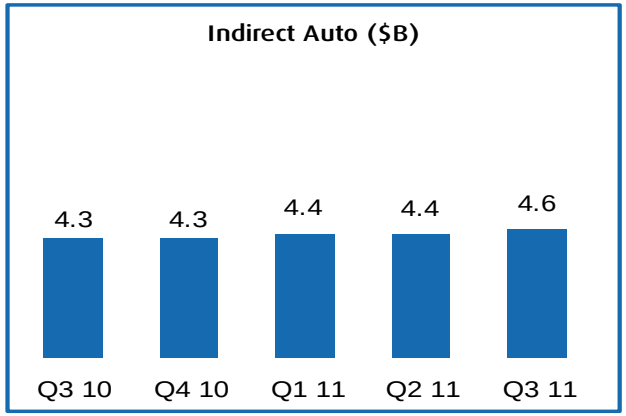
- Decline in mortgage balances (ex M&I) primarily driven by amortization/run off of outstandings and new originations being sold in the secondary market
- Indirect Auto balances (ex M&I) up $192MM or 5% from Q3 10

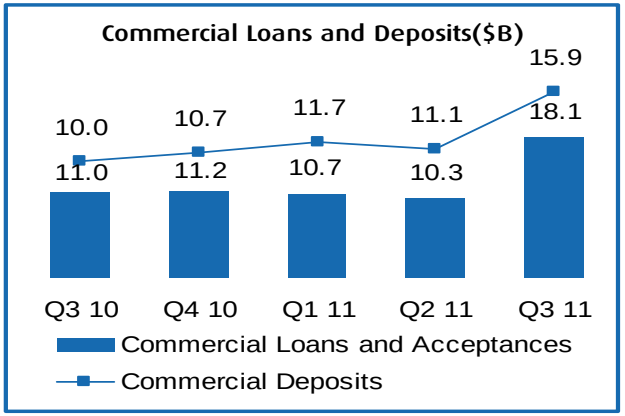
Commercial

- Commercial banking business (excluding run-off portfolio/M&I) saw commercial loan growth of $380MM or 5% Q/Q, while deposits continue to be at record levels









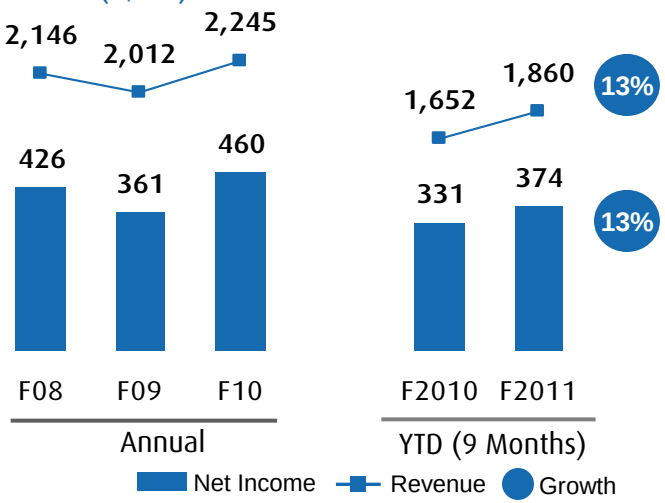
[1] Q3 11 includes approximately one month for M&I. Personal: M&I contributed $2.9B in average loans and $6.0B in average deposits ($8.4B as at loans and $17.8B as at deposits) ; Commercial: M&I contributed $7.4B in average loans and $3.4B in average deposits ($21.7B as at loans and $10.6B as at deposits)

Private Client Group

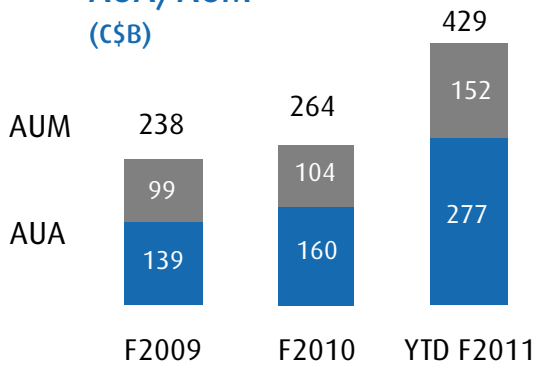
Leveraging personal and commercial client base to drive growth in Canada and the U.S.

- Building collaboratively through effective partnering across segments to maximize cross-sell opportunities
- Selectively investing for future growth
  - New large ETF family; $3 billion in assets managed
  - Adding investment advisors and private bankers
  - Enhanced insurance offering
  - Additional wealth providers and asset managers
- YTD net income up 35% from wealth businesses (excludes Insurance business)

Revenue and Net Income*
(C$MM)



AUA/AUM
(C$B)



* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated

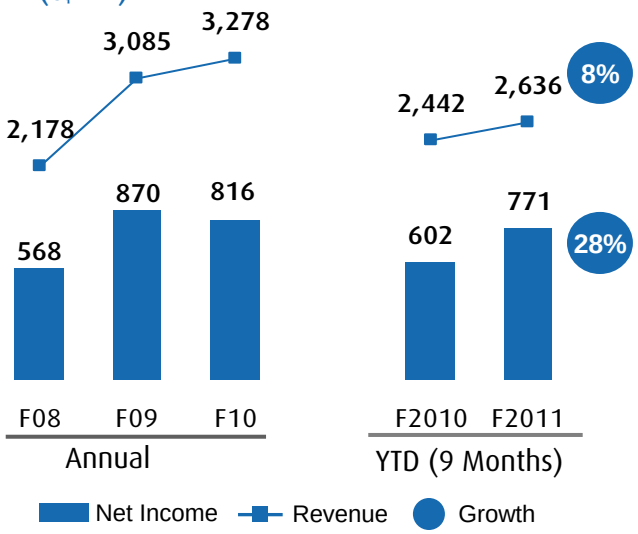
BMO Capital Markets

Established track record of success

- Aligning capital and capabilities with client opportunity
- Focus on strategic sectors and further extending capital markets offering
- Building out distribution platform, primarily in U.S.; differentiated as a trusted, universal bank backed by a strong balance sheet
- YTD ROE of 22.9%, up from 18.3% from last year

Revenue and Net Income*

(C$MM)

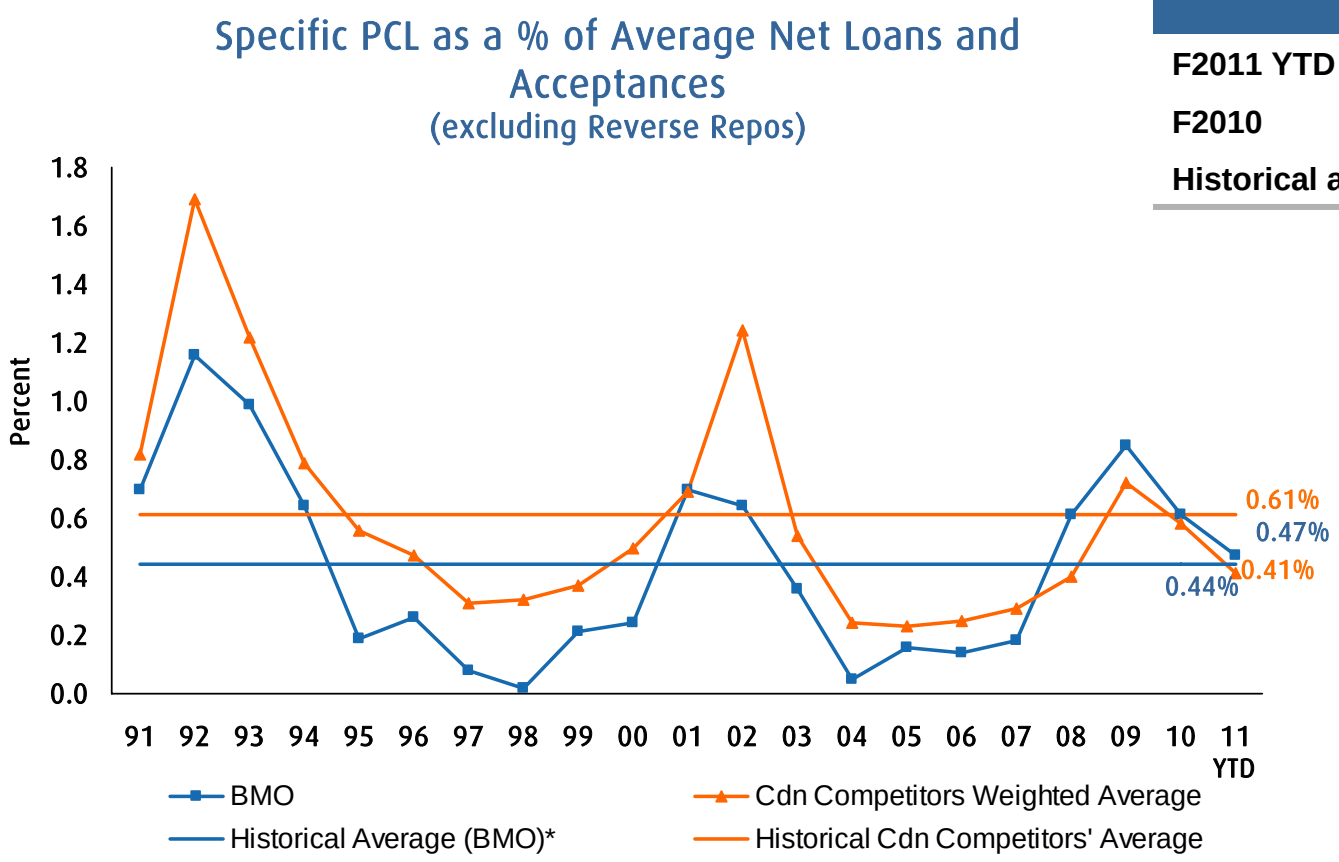


* Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 157 of the 2010 Annual Report. F2008 not restated

Credit Performance Measure

	BMO	Canadian Competitors
F2011 YTD	0.47	0.41
F2010	0.61	0.53
Historical avg.*	0.44	0.61

* Historical avg.: 1991 to 2010



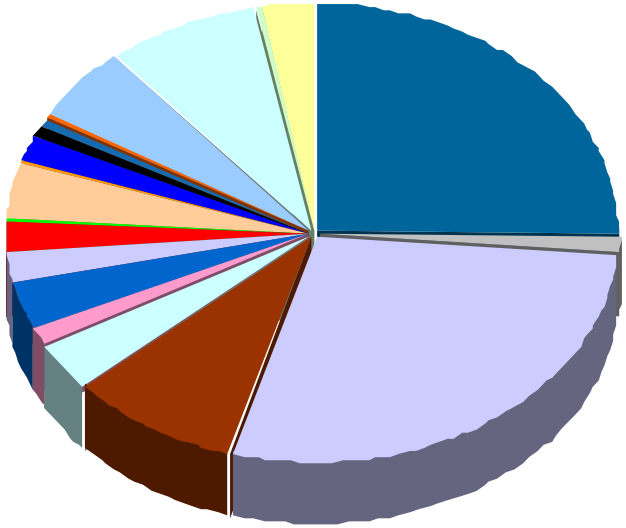
- BMO's Canadian competitors include: BNS, CM, NA, RY, TD
- Competitor average excludes the impact of TD's sectoral provisions

Diversified Loan Portfolio

Total Gross Loans and Acceptances*
As at July 31, 2011

($B)	Canada	U.S.*	Other	Total	
Consumer					
Residential Mortgage	45	8	-	53	25%
Consumer Loans	45	13	-	58	28%
Cards	2	-	-	2	1%
Total Consumer	**92**	**21**	**-**	**113**	**54%**
Commercial	**40**	**26**	**-**	**66**	**32%**
Corporate	**9**	**11**	**8**	**28**	**14%**
Total	**141**	**58**	**8**	**207**	**100%**

Gross Loans and Acceptances by Product and Industry ($B)*
As at July 31, 2011



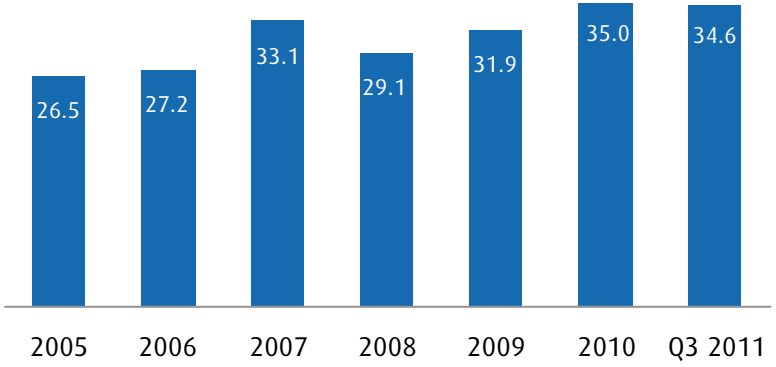
- Residential Mortgages - 25.2%
- Cards - 1.1%
- Personal Loans - 28.0%
- Commercial Mortgages - 8.8%
- Commercial Real Estate - 3.8%
- Construction - 1.1%
- Retail Trade - 3.1%
- Wholesale Trade - 2.4%
- Agriculture - 2.1%
- Communications - 0.3%
- Manufacturing - 4.0%
- Mining - 0.4%
- Oil & Gas - 1.5%
- Transportation - 1.0%
- Utilities - 0.5%
- Forest Products - 0.3%
- Service Industries - 5.4%
- Financial - 7.8%
- Government - 0.3%
- Other - 2.9%

*Excluding securities borrowed or purchased under resale agreements

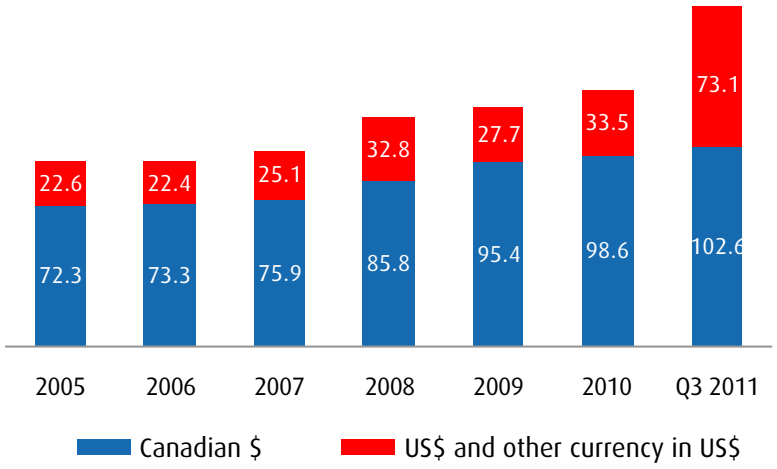
Liquidity and Funding Strategy

- BMO's large base of customer deposits, along with our strong capital base, reduces reliance on wholesale funding
- Our wholesale funding principles seek to match the term of assets with the term of funding (e.g. to fund loans with longer term funds). In addition, our wholesale funding is diversified by customer, type, market, maturity term, currency and geographic region

Liquidity Ratio (%)



Core Deposits (in billions) [1]



- BMO's has access to diversified funding sources, including:

Programs: **Current program size:**

- European Note Issuance Program: US$20bn
- Canadian Base Shelf Program: $8bn
- Global Covered Bond Program: €7bn
- US MTN Program: US$15bn

Additional Sources:

- Securitization: Mortgages (Canada Mortgage Bond participation and MBS) and Credit Card ABS ($3bn shelf)
- Canadian & US Senior (unsecured) deposits

[1] Q3 2011 US$ balance includes deposits from the recent acquisition of Marshall & Ilsley Corp.

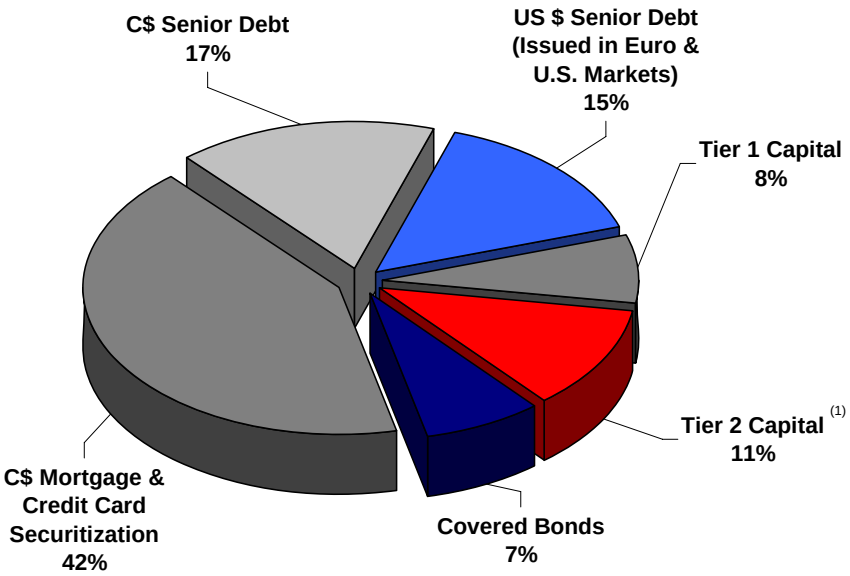
Diversified Wholesale Term Funding Mix

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

Credit Ratings			
Moody's	S&P	Fitch	DBRS
Aa2	A+	AA-	AA

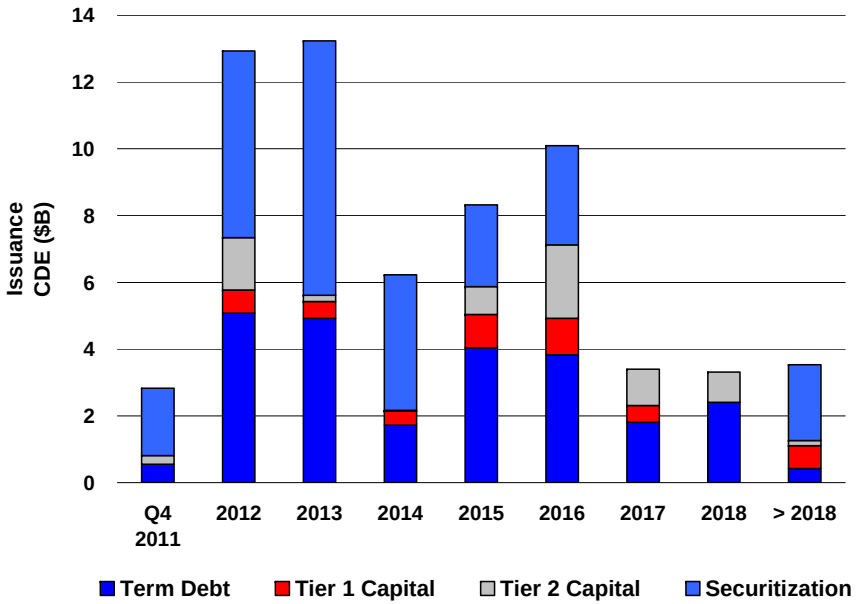
Wholesale Capital Market Term Funding Composition (Total $63.9B)

As at July 31, 2011



Wholesale Capital Market Term Funding Maturity Profile (Total $63.9B)

As at July 31, 2011



[1] Issuance balance may not reflect current regulatory capital qualification

Corporate Governance

- Comprehensive code of business conduct and ethics provides a framework for directors, officers and employees on the conduct and ethical decision-making integral to their work
- Governance practices are consistent with, and in many cases exceed, requirements of the TSX and NYSE. The Bank is also in compliance with applicable rules adopted by the Canadian Securities Administrators (CSA) and the U.S. Securities and Exchange Commission (SEC) to give effect to the provisions of the *Sarbanes-Oxley Act*
- To ensure non-employee directors' compensation is aligned with shareholder interests, at least 50% of the annual retainer must be paid in Common Shares of the Bank or Deferred Share Units
- *The Globe and Mail's Board Games 2010* annual review of corporate governance practices ranked BMO 4th overall among 187 Canadian reporting issuers

Sustainability at BMO

We acknowledge the sustainability emphasis that stakeholders are placing on the social aspects of our business and recognize that judgements are made as to how well we respond to the issues. Common areas of focus include:

- Environmental impact
- Diversity, Talent Management
- Access to financial services
- Ethical behaviour
- Board Independence & Oversight
- Commitment to Communities
- Environmental, Social & Governance (ESG) considerations in Risk Management

We have extensive policies and programs in place to manage any impact on our operations and understand that how we handle ESG factors may have an affect on our ability to respond to changes in the business environment which in turn could lead to reputational, business, or regulatory risk.

Our success in handling ESG factors has earned us a position on several key sustainability indices, including:

JSI JANTZI SOCIAL INDEX

Dow Jones Sustainability Indexes Member 2010/11

FTSE4Good

BMO – Moving With Our Customers

Strategic Priorities

1	Maximize earnings growth across all North American **personal and commercial banking businesses**, focusing on industry-leading customer experience and sales force productivity.
2	Accelerate the growth of our **wealth management business** through client-focused financial planning and by investing for future growth.
3	Deliver strong, stable returns in our **capital markets business** by providing highly targeted solutions to our core clients from a single integrated platform.
4	Develop our business in **select global markets** to grow with our clients, expand our capabilities and reach new customers.
5	Sustain a **culture** that focuses on customers, high performance and our people.

Relentless Customer Focus

- Remain focused on our strategy and our customers
- Concentrate on where customers are going and foster progressive innovation

Brand Underpins Customer Strategy

- Maximize the strength of our brand to drive growth

Sustain a Culture of Excellence

- Sustain a culture that supports our strategic agenda and is deeply rooted across the organization

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