

	<p>FINANCIAL RESULTS Q1 2003</p> <p>KAREN MAIDMENT <i>EVP & CFO</i></p> <p>Quarterly Investor Presentation <i>February 25, 2003</i></p>

<p>EPS GROWTH 5.6% Annual Target 10 – 15%</p>	<h2 style="text-align: center;">Q1 2003 Financial Results</h2> <ul style="list-style-type: none"> • Revenue growth 5.1%, 2.0% excluding acquisitions • Expense growth 7.5%, 1.8% excluding acquisitions • Productivity Ratio 67.9%, 66.2% excluding acquisitions • Personal & Commercial continues to show improvement with revenue growth of 7.3% Y/Y • Income tax rate 30.3% in Q1 2003 – expect F2003 rate to be 28 – 29%
<p>ROE 14.3% Annual Target 14 – 15%</p>	
<p>PCL \$150 MM Annual Target < \$820MM</p>	
<p>TIER 1 CAPITAL 9.05% Annual Target > 8.0%</p>	
<p>BMO  Financial Group</p>	
<p>FINANCIAL RESULTS FIRST QUARTER 2003 1</p>	

Q1 2003 Financial Summary

Excluding Non-Recurring Items	Q1 2003	Q1 2002	Q4 2002
Net Income (\$MM)	399	372	423
Cash EPS – Diluted (\$/share)	0.79	0.75	0.85
EPS – Diluted (\$/share)	0.75	0.71	0.80
Cash Return on Equity (%) [*]	15.1	15.2	16.4
Return on Equity (%) [*]	14.3	14.5	15.5
Revenue Growth (%)	5.1	2.6	7.5
Productivity Ratio (%)	67.9	66.3	68.3
PCL/Avg. Loans Accept. (%) [*]	0.39	0.49	0.43
Capital: Tier 1 Ratio (%)	9.05	8.87	8.80

^{*} Annualized

Key Messages

- Interest rate risk centralized
- Report as we manage
- Achieve stable, high quality earnings
- Higher degree of accountability
- Increased transparency

Reclassifications^{*}

Harris Bank's new Funds Transfer Pricing system is the most significant

Net Income \$MM	F2002		F2002
	Previously Reported	Change	Adjusted
Personal & Commercial	968	(153)	815
Investment Banking	592	12	604
Private Client	135	(25)	110
Corporate Support, including T&S	(239)	166	(73)
Total Bank	1,456	-	1,456

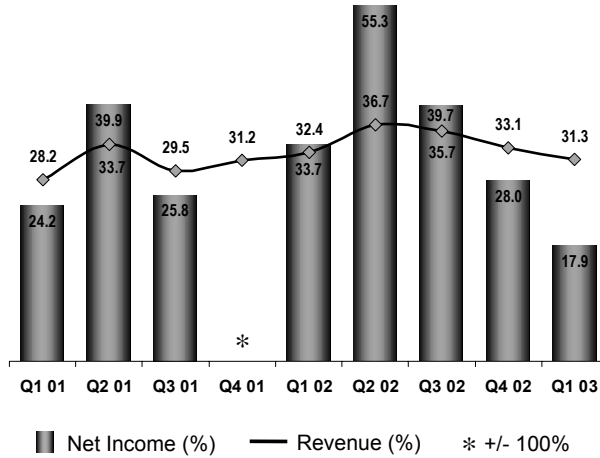
^{*} Applied retroactively

Q1 2003
US to North American
Revenue & Net Income
(ex. non-recurring items)

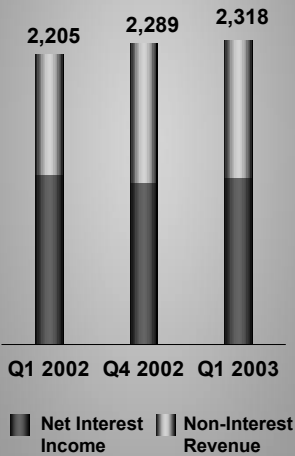
- Expanded disclosure of US results
- Consistent with how we manage
- US revenues consistent over time
- Higher contribution from Canadian operations

Geographical Results

US revenue stable while earnings contribution stronger from Canadian operations

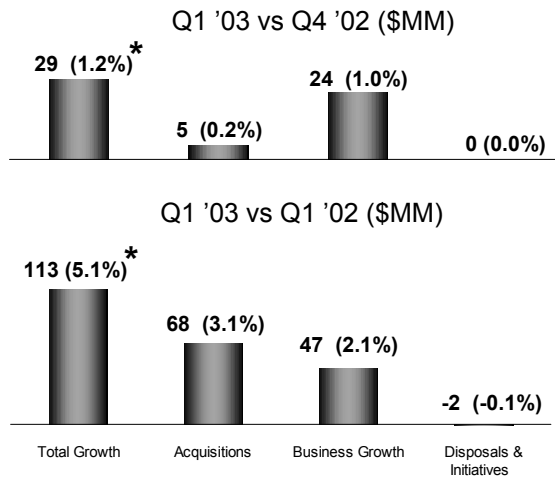


Q1 2003
Total Revenue
(ex. non-recurring items)
\$MM



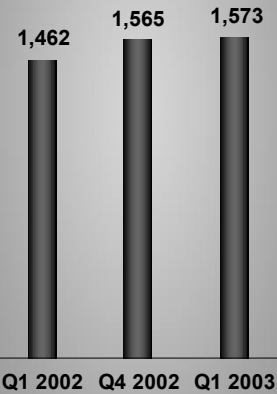
Revenue Growth

Continues to be a challenge in current market conditions



* Excluding acquisitions, growth is 1.0% and 2.0% versus Q4'02 and Q1'02 respectively

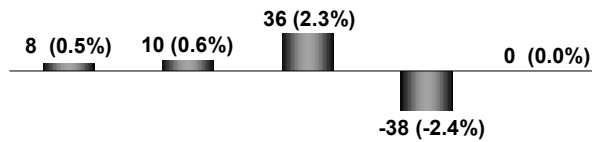
**Q1 2003
Non-interest Expense
(ex. non-recurring items)
\$MM**



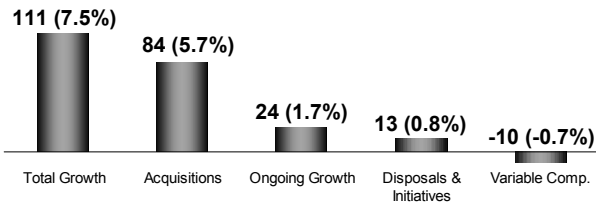
Expense Growth

Excluding acquisitions, expense growth contained to 1.8% over Q1'02 – flat vs. Q4'02

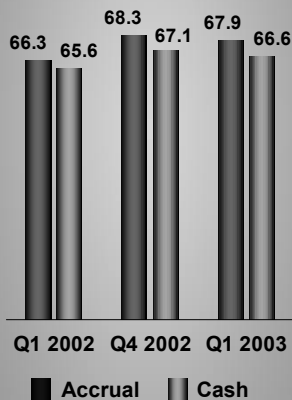
Q1 '03 vs Q4 '02 (\$MM)



Q1 '03 vs Q1 '02 (\$MM)

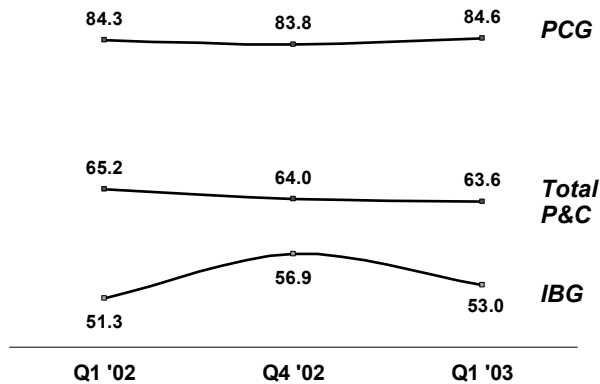


**Non-Interest
Expense-To-Revenue
Ratio
(ex. non-recurring items)
%**

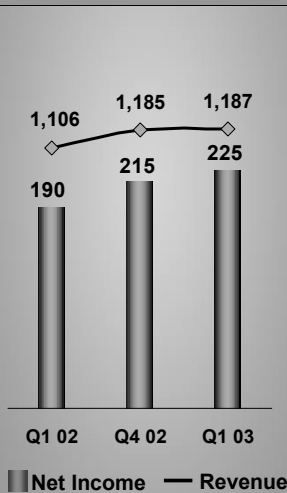


Cash Productivity Ratio

Continued attention to improving productivity in F2003



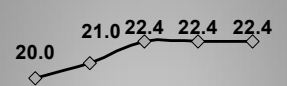
**Q1 2003
Revenue & Net Income
(ex. non-recurring items)
\$MM**



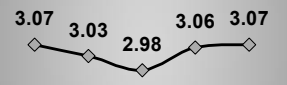
**Personal & Commercial
Significant improvement over prior year**

- Volume growth
- Higher net interest margins in Canada
- US margins declined in low interest rate environment
- Higher benefit and performance based compensation costs
- Attentive cost management and revenue growth drive improved productivity ratio

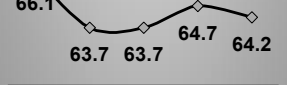
Cash ROE



Net Interest Margin

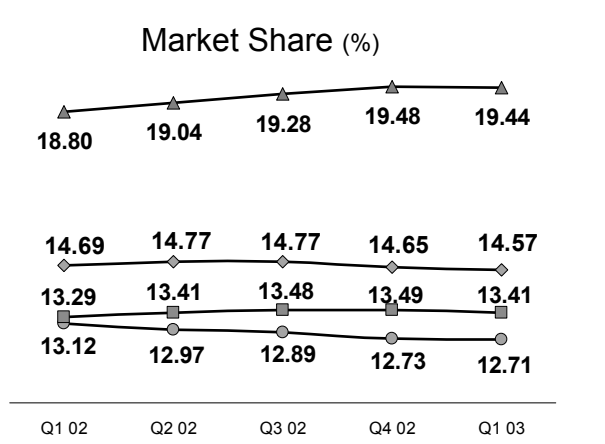


NIX / Revenue



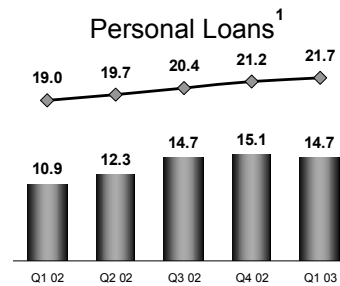
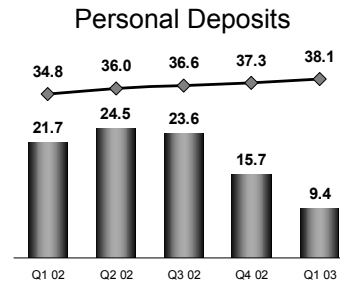
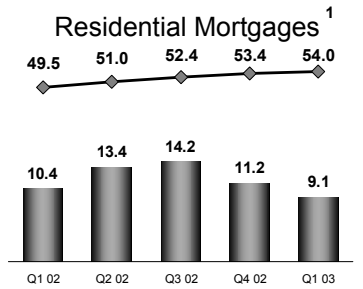
Q1 02	Q2 02	Q3 02	Q4 02	Q1 03
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**Personal & Commercial
Market Share reflects competitive environment**



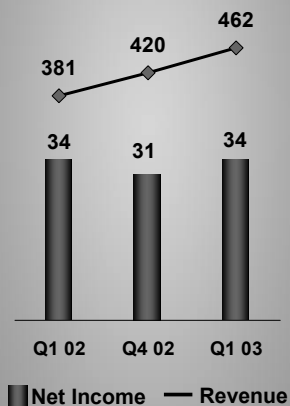
¹ Small Business Loans are on a calendar quarter and 3 month lag basis.

Personal & Commercial Volume Growth



Yr./Yr. Growth (%)
 Average Balances (\$B)
¹ Includes securitized balances

Q1 2003 Revenue & Net Income (ex. non-recurring items) \$MM

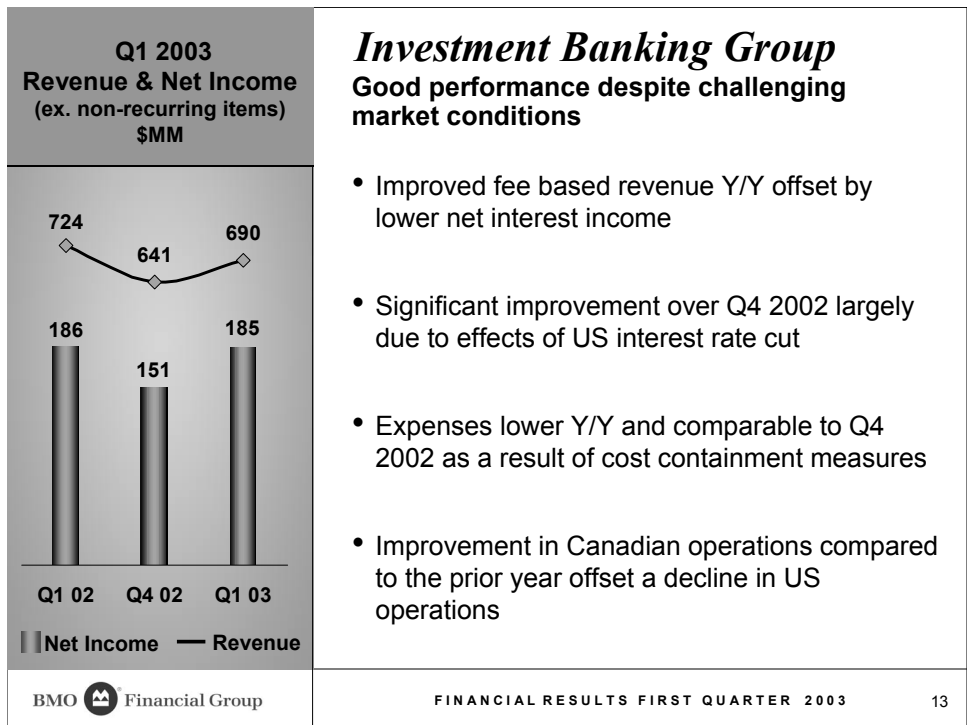
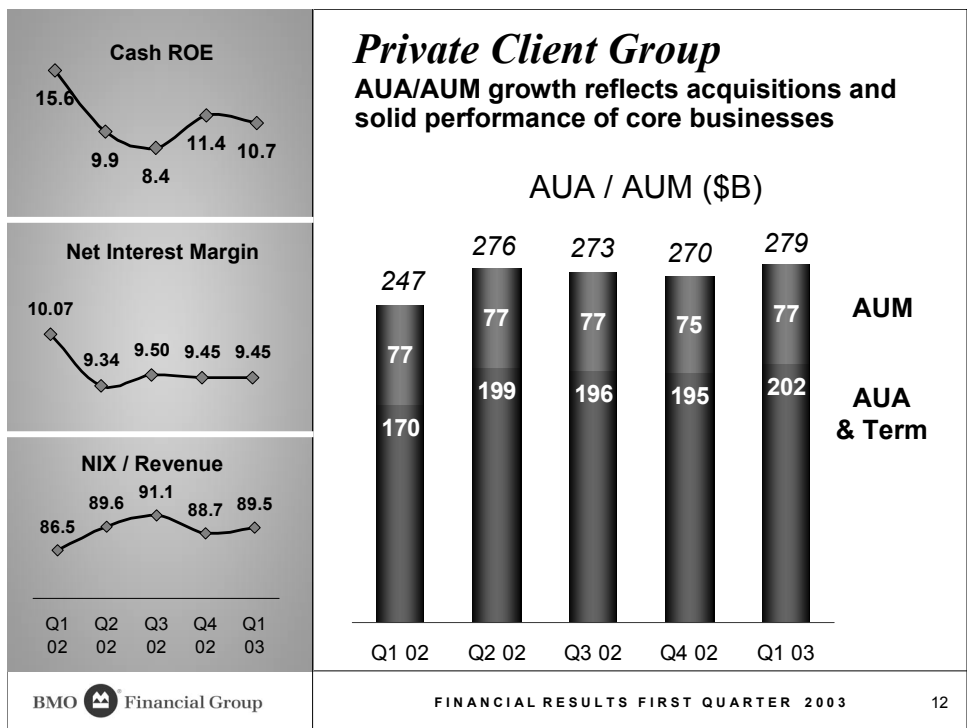


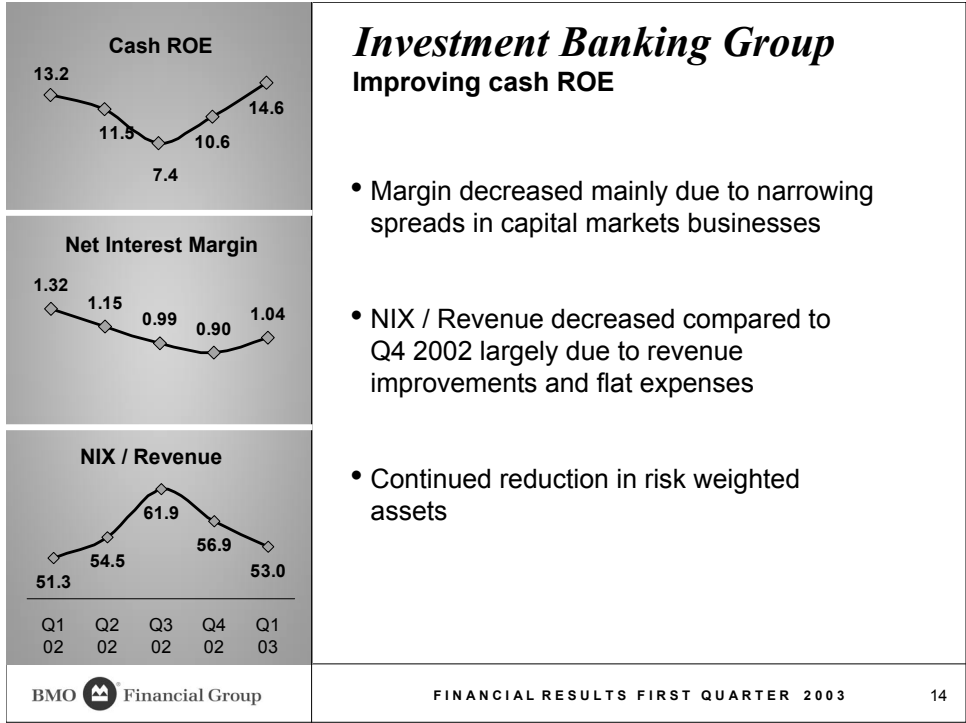
Net Income Revenue

Private Client Group

Solid performance in challenging markets

- Revenue growth driven by acquisitions and TSX gain – other businesses stable
- Excluding acquisitions, net income increased \$9MM Y/Y
- Expense-to-revenue ratio and ROE reflect impact of acquired businesses, balanced with focused cost management
- US results lower Y/Y, reflecting costs of acquired business and weak US market conditions

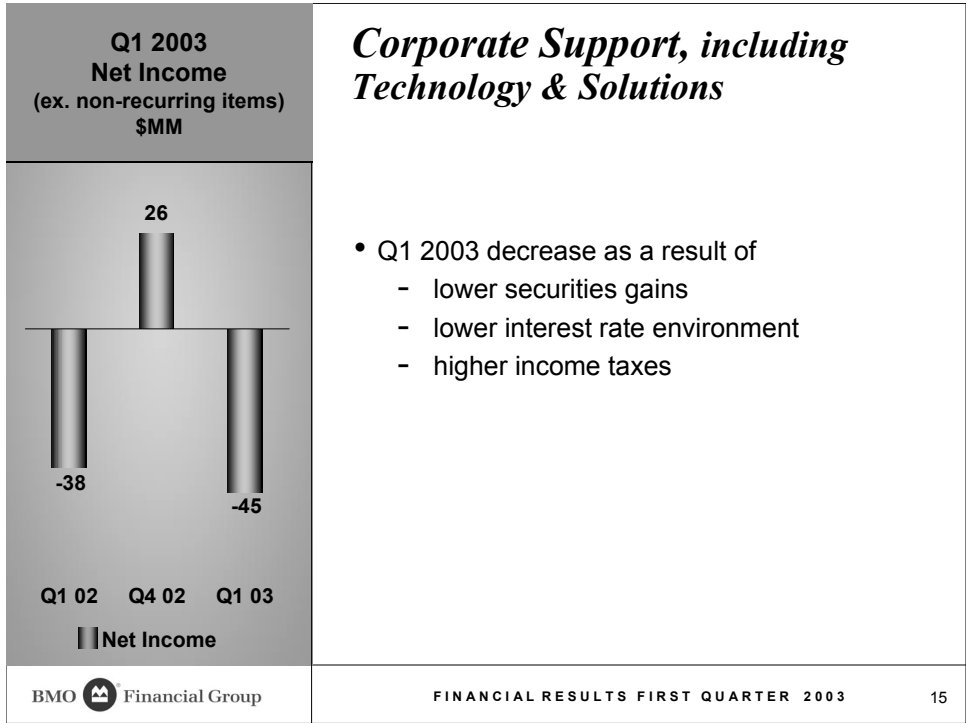




Investment Banking Group

Improving cash ROE

- Margin decreased mainly due to narrowing spreads in capital markets businesses
- NIX / Revenue decreased compared to Q4 2002 largely due to revenue improvements and flat expenses
- Continued reduction in risk weighted assets



Corporate Support, including Technology & Solutions

- Q1 2003 decrease as a result of
 - lower securities gains
 - lower interest rate environment
 - higher income taxes

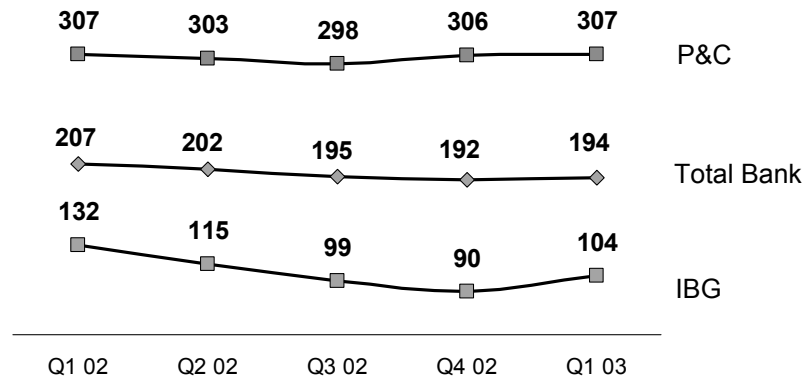
Appendix

Non-Recurring Items

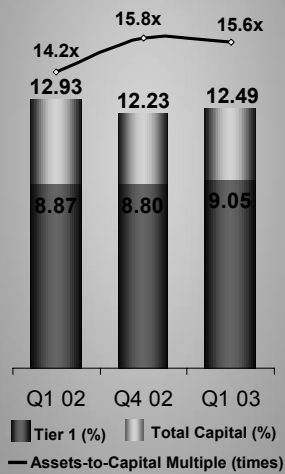
(\$MM)	Q1 '03	Q1 '02	Q4 '02
Non-interest Revenue			
· CBO Write-down	-	-	-
· Sale of Canadian Branches	-	-	-
· Sale of Bancamer Shares	-	-	-
Total Non-interest Revenue	-	-	-
Total Provisions For Credit Losses	-	-	-
NIX Acquisition Related Costs	-	-	39
Total Pre-tax Impact	-	-	(39)
Tax Asset Adjustment	-	-	-
Total After-tax Impact	-	-	(25)
Net Income as Reported	399	372	398
Earnings per Share – Diluted (\$)	0.75	0.71	0.75
Return on Equity (%)	14.3	14.5	14.6

Net Interest Margins

Net Interest Margin (bps)



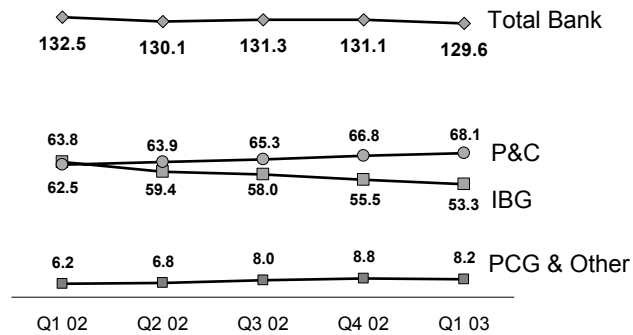
Q1 2003 Enterprise-Wide Capital Management



Capital & Risk-Weighted Assets

Tier 1 capital increased due to strong internal capital generation and lower risk-weighted assets

Risk - Weighted Assets (\$B)



Direct Investing

Growth year-over-year through acquisitions

	Q1 2003	Q1 2002	Q4 2002	Yr / Yr Change
Active Accounts (000) ¹	851	315	828	159%
New Accounts (000) ²	15	11	21	43%
Trades / Day (000)	17	8	16	123%
Customer Assets (\$B Cdn)	43	19	41	122%

¹ Q4 active accounts were restated for a systems adjustment estimate required to appropriately apply the definition of active accounts. In Q1, the Q4 estimate for the systems adjustment was revised slightly upon completion of all systems updates. Active accounts are defined as "accounts with balances or stock positions or trading activity in the last 12 months".

² Gross active new accounts estimated

Forward-looking Statements

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