

# STRATEGIC HIGHLIGHTS

Q4 2002

Tony Comper  
*Chairman & CEO*

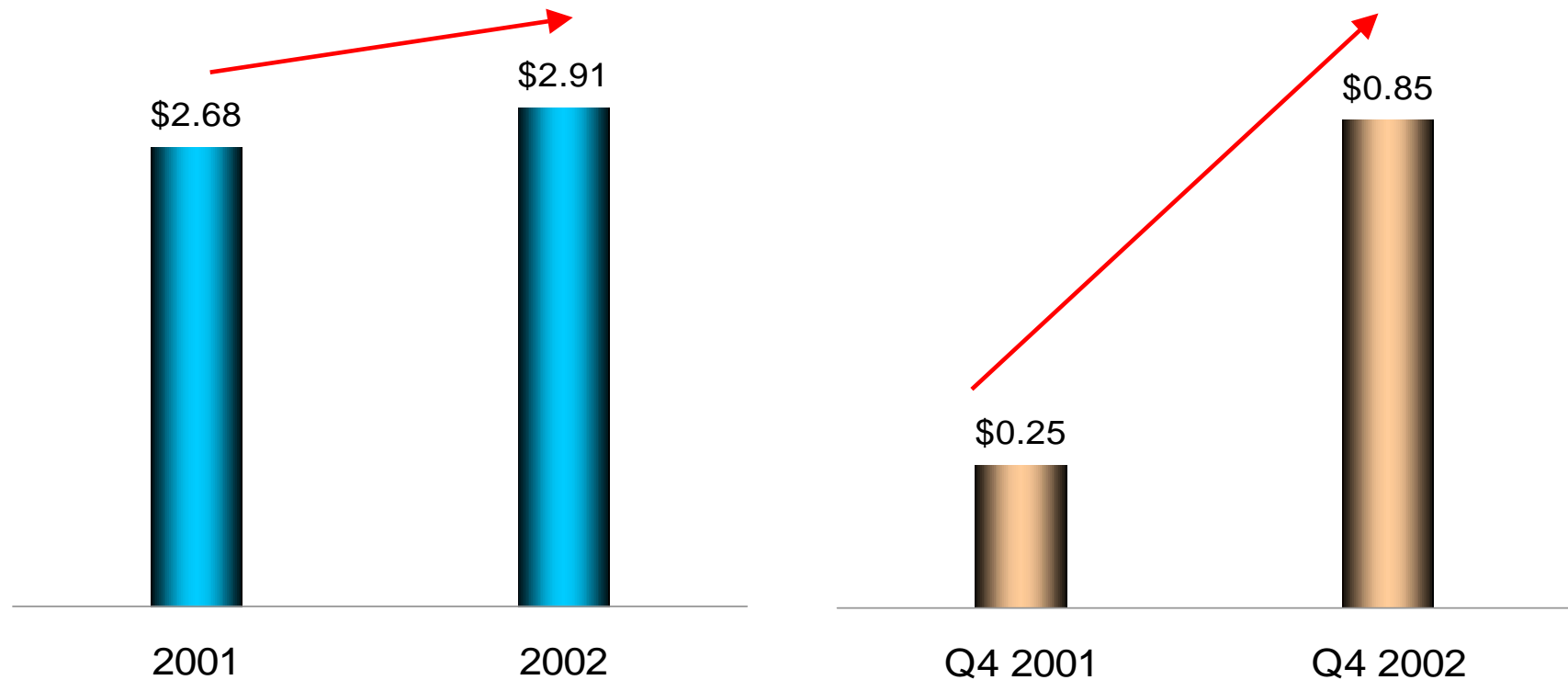
Quarterly Investor  
Presentation  
November 26, 2002

BMO  Financial Group



# *Solid* Performance In A Challenging Market

## Fully Diluted Cash EPS (excluding non-recurring items)



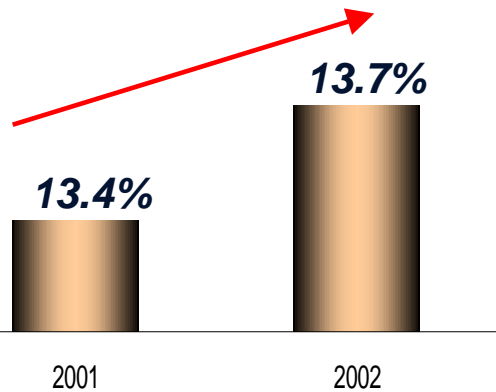
# *Achieved* 2002 Targets And Loan Loss Guidance (excluding non-recurring items)

	2002 Targets	2002 Actual
<i>Cash EPS Growth</i> <sup>1</sup>	8 – 12%	<b>8.6%</b>
<i>Cash Return On Equity</i>	14 – 15%	<b>14.6%</b>
<i>Provision For Credit Losses</i>	40 - 50 bps <sup>2</sup>	<b>56 bps</b>
<i>Tier 1 Capital</i>	<i>Minimum 8.0%</i>	<b>8.8%</b>

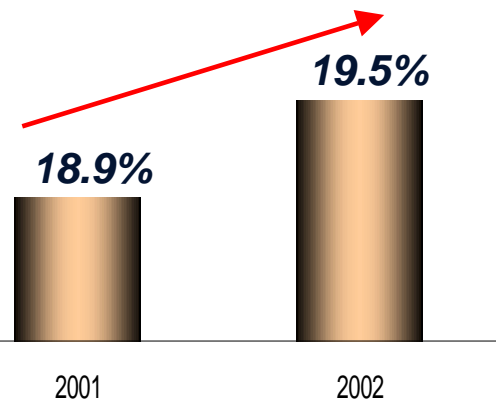
1 Growth based on fiscal 2001 cash EPS of \$2.68 per share

2 On April 25/02, PCL target for fiscal 2002 was revised to \$775 - \$825 MM, or in a range about 55 bps

### **Retail Banking Market Share**



### **Small Business Banking Market Share**



## ***Demonstrating* Real Strength In Personal & Commercial**

### **2002 vs. 2001**

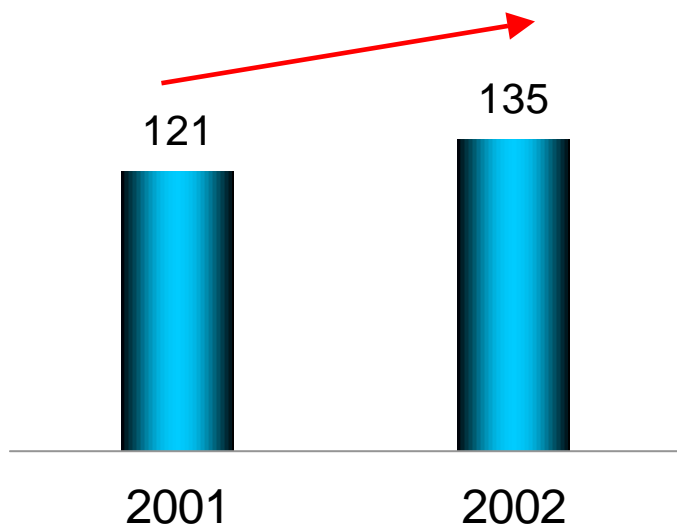
- ↑ *Net income increased 23% to \$968MM*
- ↑ *Productivity ratio improved 270 bps to 60%*
- ↑ *Total revenue rose 7.2% to \$4.6B*

### **Q4 2002 vs. Q4 2001**

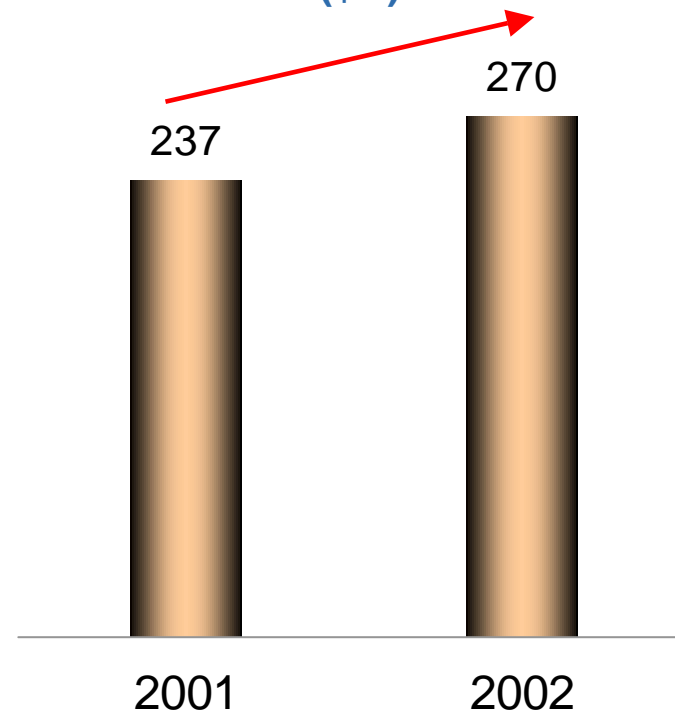
- ↑ *Net income grew 32%*
- ↑ *Productivity improved to 59.7% from 62.5%*
- ↑ *Revenue increased 10%*

# *Building* Our Wealth Management Franchise

**Net Income**  
(Excluding Non-Recurring Items)  
(\$MM)



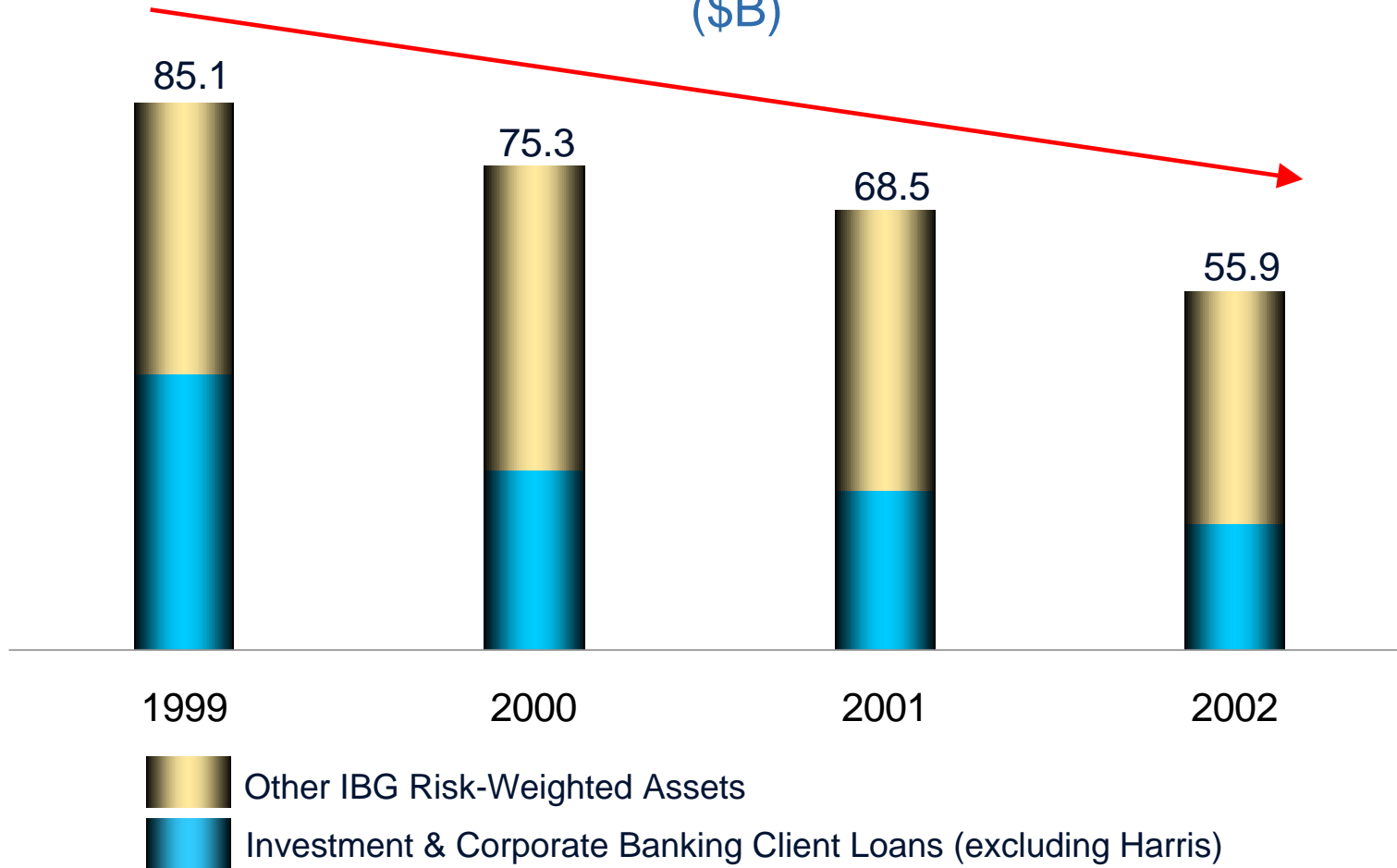
**AUA / AUM  
& Term Deposits**  
(\$B)



*Note: The acquisition of myCFO closed on November 1, 2002 and, therefore, is not included in these results. It will be included in BMO's Q1 2003 results.*

# *Significantly* Reduced IBG Risk-Weighted Assets

## Total IBG Risk-Weighted Assets (\$B)



## *Fiscal 2003 Targets (excluding non-recurring items)*

<i>EPS Growth</i>	<b>10 – 15% (Cash EPS 10 – 15%)</b>
<i>Return On Equity</i>	<b>14 – 15% (Cash ROE 15 – 16%)</b>
<i>Provision For Credit Losses</i>	<b>Not to exceed the F2002 level (\$820MM)</b>
<i>Tier 1 Capital</i>	<b>Minimum 8.0%</b>

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# Forward-looking Statements

## **CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

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*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 and other forward-looking statements will not prove to be accurate. 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: global capital market activities; interest rate and currency value fluctuations; industry and worldwide economic and political conditions; regulatory and statutory developments; the effects of competition in the geographic and business areas in which we operate; management actions; and technological changes. We caution that the foregoing list of factors is not exhaustive and that 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 statement, whether written or oral, that may be made, from time to time, by the organization or on its behalf.*

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