



Investor Day

VIKI LAZARIS
Senior Vice President
Investor Relations

April 15 • 2008

BMO  **Financial Group**



Forward Looking Statements

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 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 may involve, but are not limited to, comments with respect to our objectives and priorities for 2008 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; interest rate and currency value fluctuations; changes in monetary policy; the degree of competition in the geographic and business areas in which we operate; changes in laws; 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 market activities; the possible effects on our business of war or terrorist activities; disease or illness that impacts on local, national or international economies; disruptions to public infrastructure, such as transportation, communications, power or water supply; and technological changes.

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 28 and 29 of BMO's 2007 Annual Report, which outlines in detail certain key factors that may affect BMO'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 statement, whether written or oral, that may be made, from time to time, by the organization or on its behalf. 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.

Assumptions about the performance of the Canadian and U.S. economies in 2008 and how it will affect our businesses were material factors we considered when setting our strategic priorities and objectives, and when determining our financial targets, including provisions for credit losses. Key assumptions were that the Canadian economy will expand at a moderate pace in 2008 while the U.S. economy expands modestly, and that inflation will remain low in North America. We also assumed that interest rates in 2008 will decline slightly in Canada and the United States, and that the Canadian dollar will trade at parity to the U.S. dollar at the end of 2008. 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. We now anticipate weaker economic growth in Canada and that the United States will slip into a mild recession in the first half of 2008. We also expect lower interest rates and a somewhat weaker Canadian dollar than when we established our 2008 financial targets. Tax laws in the countries in which we operate, primarily Canada and the United States, are material factors we consider when determining our sustainable effective tax rate.

Non-GAAP Measures

Bank of Montreal uses both GAAP and non-GAAP measures to assess performance. Securities regulators require that companies caution readers 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 Quarterly Report to Shareholders, MD&A and in its Annual Report to Shareholders all of which are available on our website at www.bmo.com/investorrelations.

Non-GAAP results or measures include revenue, taxes and cash operating leverage results and measures that use Taxable Equivalent Basis (teb) amounts, cash-based profitability and cash operating leverage measures, Net Economic Profit and results and measures that exclude items that are not considered reflective of ongoing operations. Results stated on a basis that excludes commodities losses, charges for certain trading and valuation adjustments, changes in the general allowance and restructuring charges are non-GAAP measures. Bank of Montreal also provides supplemental information on combined business segments to facilitate comparisons to peers.

Agenda

- | | |
|-------------------|--|
| 8:15am – 8:30am | • Opening Remarks – CEO & CFO |
| 8:30am – 9:15am | • Personal & Commercial Banking Canada – Presentations |
| 9:15am – 9:45am | • Personal & Commercial Banking Canada – Q&A |
| 9:45am – 10:00am | • Break |
| 10:00am – 10:45am | • Private Client Group – Presentations |
| 10:45am – 11:00am | • Private Client Group – Q&A |
| 11:00am – 11:30am | • Personal & Commercial Banking U.S. – Presentations |
| 11:30am – 11:45am | • Personal & Commercial Banking U.S. – Q&A |
| 11:45am – 12:00pm | • Chief Risk Officer – Presentation |
| 12:00pm – 12:15pm | • Break |
| 12:15pm – 1:15pm | • Lunch – Closing Remarks and Q&A |

Order of Speakers

BMO Financial Group	Viki Lazaris	Senior Vice President Investor Relations
	Bill Downe	President & CEO, BMO Financial Group
	Russ Robertson	Interim Chief Financial Officer, BMO Financial Group
Personal & Commercial Banking Canada	Frank Techar	President & CEO, Personal & Commercial Banking Canada
	Alex Dousmanis-Curtis	Senior Vice President, Greater Toronto Division
	Sandra Hanington	Executive Vice President, Customer Strategies & Marketing
	Maurice Hudon	Senior Executive Vice President, Personal & Commercial Banking Canada
	Wendy Millar	Executive Vice President and Senior Risk Officer (P&C Canada/PCG)
Private Client Group	Gilles Ouellette	President & CEO, Private Client Group
	Dean Manjuris	Vice Chairman, Private Client Division
	Connie Stefankiewicz	President & CEO, BMO InvestorLine
	Ed Legzdins	Senior Vice President and Head of Retail Investments
	Andrew Auerbach	Senior Vice President & Chief Operating Officer, BMO Harris Private Banking
Personal & Commercial Banking U.S.	Terry Jenkins	Senior Vice President and Head of Harris Private Bank, U.S.
	Ellen Costello	Chief Executive Officer, Harris Bankcorp, Inc.
	Julie Curran	Senior Vice President, District Executive - West
BMO Financial Group	Ray Whitacre	Senior Vice President and Market Executive Commercial Mid-Market
	Tom Flynn	Executive Vice President and Chief Risk Officer, BMO Financial Group



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BILL DOWNE

President & Chief Executive Officer

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BMO Financial Group

Leadership Team

Personal & Commercial Banking Canada	Frank Techar
Personal & Commercial Banking U.S.	Ellen Costello
Private Client Group	Gilles Ouellette
BMO Capital Markets	Tom Milroy
Finance	Russ Robertson
Enterprise Risk & Portfolio Management	Tom Flynn
Human Resources & Communications	Rose Patten
Strategic Management & Corporate Marketing	Joan Dea
Technology & Operations	Barry Gilmour

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BMO Financial Group

Our Objectives

Our Vision →	Our Governing Objective →	Our Medium-Term Financial Objectives
To be the top-performing financial services company in North America	To maximize the total return to BMO shareholders and generate, over time, first-quartile total shareholder return relative to our Canadian and North American peer groups	Over time, increase EPS by a minimum of 10% per year, earn average annual ROE of between 18% and 20%, grow revenues by two percentage points more than expenses, and maintain a strong regulatory capital position, consistent with our peers

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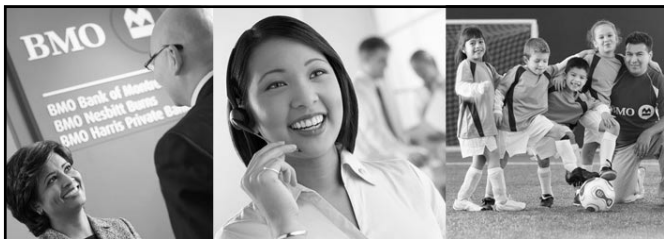
RMO  BMO Financial Group



customer



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2008

Investor Day **Financials**

RUSS ROBERTSON
Interim Chief Financial Officer

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BMO Financial Group

Operating Groups

Personal & Commercial Banking (P&C)

- Over 8 million customers across Canada & the U.S.
- Over 1,200 branches in Canada & the U.S.
- Access to over 2,600** automated banking machines in Canada and the U.S.

Private Client Group (PCG)

- Full-service and direct investing, private banking, investment products

BMO Capital Markets (BMO CM)

- Bulge bracket firm in Canada, mid-market niche player in the U.S.
- Capital raising, M&A and restructuring advisory services
- Industry leading research, sales and trading capability

F2007 Revenue by Operating Group* (C\$MM)

Operating Group	Revenue (C\$MM)	Percentage
P&C	5,652	52%
BMO CM	3,140	29%
PCG	2,052	19%
Total	\$10,844	

As reported Revenues (\$MM)
P&C : \$5,652
PCG : \$2,052
CM : \$1,969
Corp : \$(324)

F2007 Net Income by Operating Group* (C\$MM)

Operating Group	Net Income (C\$MM)	Percentage
P&C	1,383	48%
BMO CM	1,068	38%
PCG	395	14%
Total	\$2,846	

As reported Net Income (\$MM)
P&C : \$1,383
PCG : \$395
CM : \$417
Corp : \$(64)

* Excludes commodities losses and deterioration in the capital markets environment in BMO CM
** Includes Merchants & Manufacturing and Ozaukee acquisitions

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BMO Financial Group

Ongoing Growth in Retail Operations

- Continued growth in revenue and net income:
 - Revenue up approximately \$700MM since F05
 - Net Income up approximately \$250MM since F05
- Headcount increasing as we invest in the businesses
 - Retail headcount represents almost 70% of BMO FTE
 - Up almost 2,000 people since 2005 with a focus on investing in specialized sales forces

Revenue (\$MM)

↑ 10%

Year	P&C Canada	P&C U.S.	PCG	Total
2005*	4,319	897	1,785	7,001
2006	4,580	905	1,894	7,379
2007	4,744	908	2,052	7,704

Net Income (\$MM)

↑ 18%

Year	P&C Canada	P&C U.S.	PCG	Total
2005*	1,076	124	310	1,510
2006	1,160	117	341	1,618
2007	1,267	116	395	1,778

■ P&C Canada ■ P&C U.S. ■ PCG

Note: 2005 excludes the impact of Harrisdirect

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Efficiency & Effectiveness Initiative

Strategic Priority

Build a high-performing, customer-focused organization supported by a world class foundation of productive technologies, efficient processes, disciplined performance management, and sound risk management and governance.

- Efficiency & Effectiveness Initiative established to improve productivity and shift resources to the front line
- At Q1 2008:
 - ▶ FTE Reduction over 900
 - ▶ Run-rate savings of approximately \$160MM

- Initiatives completed
 - ▶ Reorganized and restructured central operations
 - ▶ Reviewed contracting and outsourcing
 - ▶ Consolidated real estate

Savings funding investments in the businesses



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