



Personal & Commercial Banking Canada

Investor Day

Strategic Overview

FRANK TECHAR
President & CEO

April 15 • 2008

BMO  **Financial Group**



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.

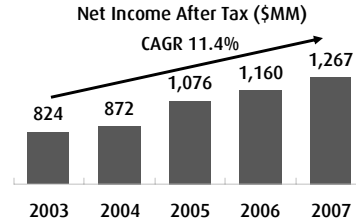
The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which we operate; interest rate and currency value fluctuations; changes in monetary policy; the degree of competition 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.

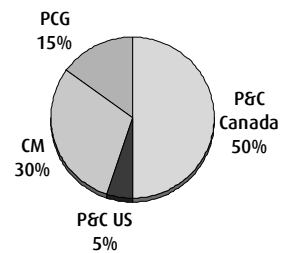
Personal & Commercial Banking - Canada

- Largest contributor to total bank net income
- Over 7 million customers
- 982 branches and 1,988 ABMs

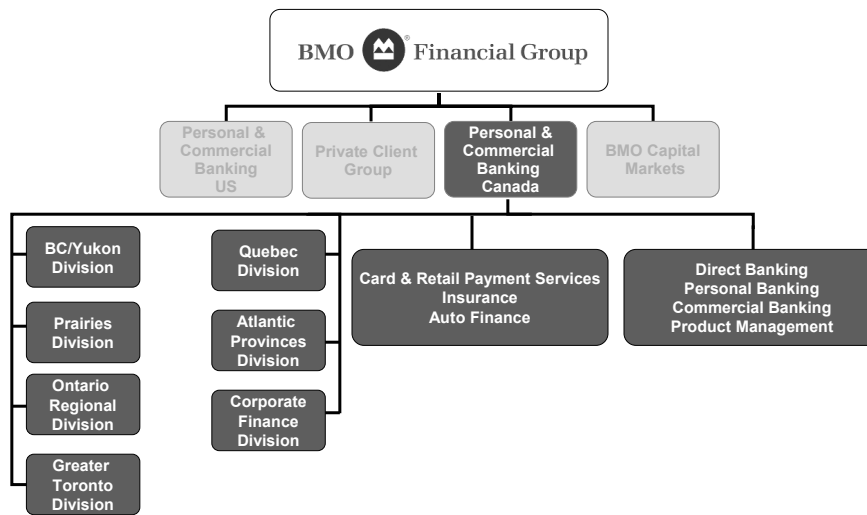


- Powerhouse commercial banking business
- Best everyday banking offer
- Largest MasterCard issuer in Canada
- Lowest credit losses in the industry
- Industry leading loyalty program

Largest Contributor to Bank NIAT
(3 year average 2005-7)



Organization Structure



Executing on a Clear Vision & Strategy

VISION

Every customer is a BMO advocate

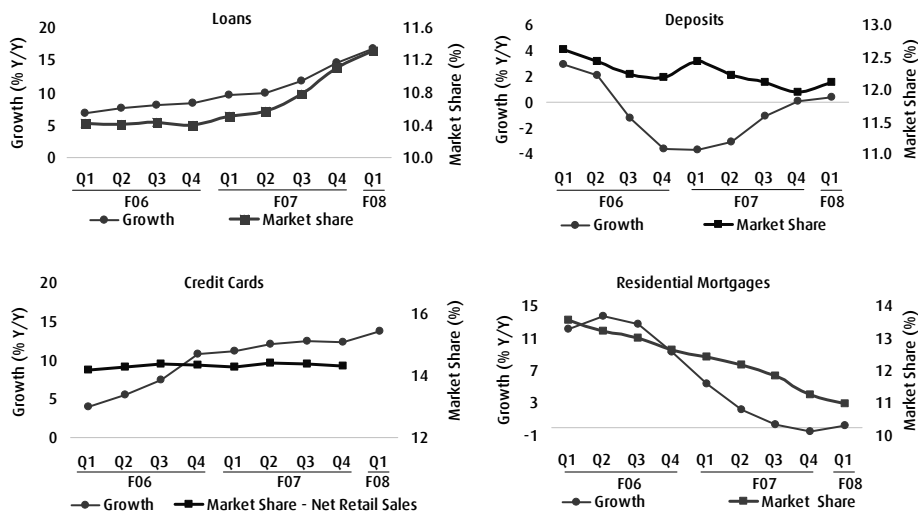
OUR STRATEGY

We will win through the quality and consistency of our customer experience and through the most productive sales force and distribution network in the country.

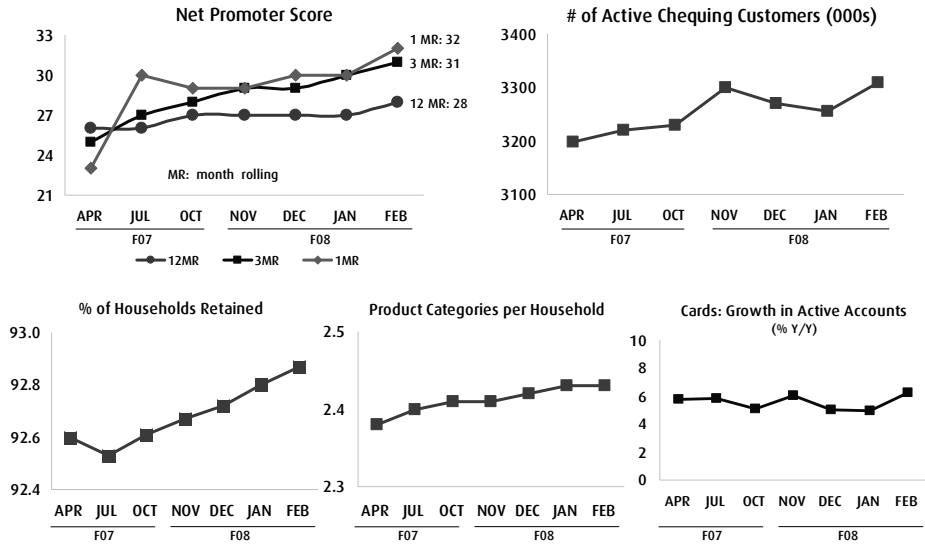
PATH TO DIFFERENTIATION

1. Excel at sales leadership and performance management
2. Leverage customer insights to drive offers and marketing results
3. Focus investments and allocate resources to capitalize on the highest value sales and distribution opportunities
4. Redesign core processes and leverage technology to improve customer experience, free up front line capacity, and reduce operating costs
5. Build best-in-class Human Resources capabilities and develop strong line leaders
6. Maintain superior credit risk management position

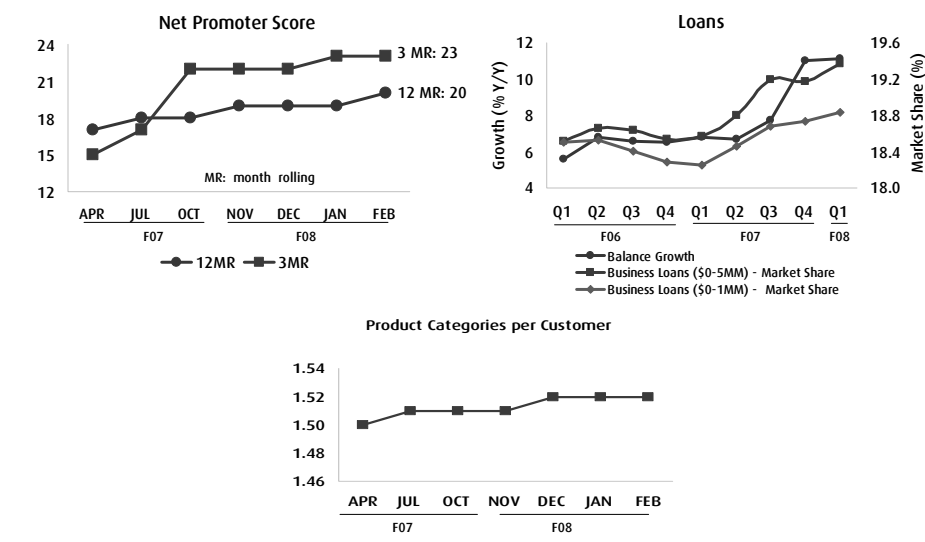
Building Balance & Share Growth Momentum in Personal Banking



More and Deeper Personal Relationships



More and Deeper Commercial Relationships



BMO  **Financial Group**

Differentiating P&C Canada

Performance Management


Customer Offers

Distribution

Risk Management



Investor Day – April 15 • 2008 **8**




Personal & Commercial Banking Canada

Investor Day

Performance Management

ALEXANDRA DOUSMANIS-CURTIS
 Senior Vice President
 Greater Toronto Area

April 15 • 2008

BMO  **Financial Group**

BMO Financial Group

Managing for Superior Performance

Key objectives

- Planning** → Everyone understands, owns and expects to achieve their targets
- Tracking** → Aligned and easy to use Branch and Individual Scorecards
- Coaching** → Focus is on uncovering performance opportunities
- Assessing** → Rewarding performance relative to targets and peer benchmarks

Tracking

Branch Scorecard

Individual Scorecard

Investor Day - April 15 - 2008 **10**


BMO Financial Group

Performance Management Delivering Results

Greater Toronto Division	Feb F08 YTD vs. Prior YTD
Sales per FTE	↑ 27%
New Personal Loan and Mortgage Sales	↑ 30%
Creditor Insurance Sales	↑ 37%
MasterCard Sales	↑ 52%
New Chequing Customers	↑ 23%
Commercial Borrowing Customers	↑ 15%
Average Products per HH*	↑ 8.4%

* Feb F08 vs. Feb F07

Investor Day - April 15 - 2008 **11**





Personal & Commercial Banking Canada

Investor Day | **Customer Offers**

SANDRA HANINGTON
Executive Vice President
Customer Strategies & Marketing

April 15 • 2008

BMO  **Financial Group**



Best Everyday Banking Offer



AIR MILES on Debit

- Exclusive partnership with AIR MILES
- 2/3 of all Canadian households are active AIR MILES collectors
- Delivering profitable revenue growth

Results¹

- New Customers** ↑ 25%
- Doubled Cross-sell Targets**
- Improved Retention**

NEW!
Debit any time. Reward miles every time.

¹ June 2007-Feb 2008

Investor Day - April 15 • 2008 **13**

BMO Financial Group

Meeting a Need Not Selling a Product

Homeowner Readline

- Marketing focussed on customer needs, not product features
- Homeowner Readline gives customers
 - ▶ Flexibility
 - ▶ Security
 - ▶ Control

Imagine what your home can do for you

As you pay off your home, your equity grows, giving you automatic access to the funds that can make what's important to you a reality.

Ask us about Homeowner Readline[®]. Ready when you are.

Shoulda Woulda Coulda

Buy a cottage.
Pay for a post-secondary education.
Start a business.
With Homeowner Readline[®], you can.

BMO Bank of Montreal
What's next for you?

Investor Day - April 15 - 2008 **14**

BMO Financial Group

Unparalleled Rewards for BMO Mosaik Customers

New Shell Mosaik MasterCard

- A loyalty program unmatched in the industry
- Provides visibility at 1600 Shell stations


Newly Revamped Mosaik Gold AIR MILES MasterCard

- With BMO you fly faster
- Globe and Mail: "With new credit card, BMO shows it's not just playing defence"

Earn 5% Cash Back

Sign up!
See details inside or visit shell.ca

Made to move[®]



Investor Day - April 15 - 2008 **15**



Personal & Commercial Banking Canada

Investor Day

Distribution

MAURICE HUDON
Senior Executive Vice President

April 15 • 2008

BMO  Financial Group



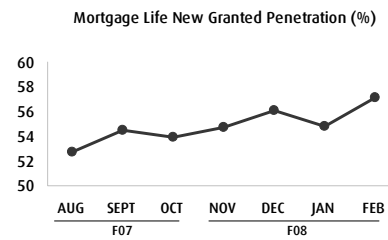
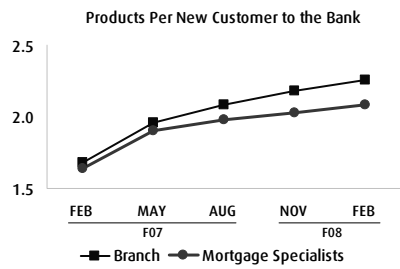
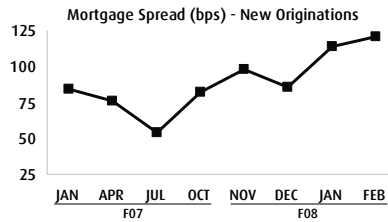
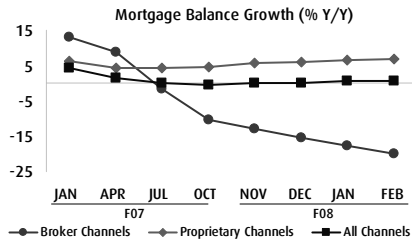
BMO  Financial Group

Building a Leading Multi-Channel Distribution Capability

- Keeping pace in branch distribution
 - ▶ Increased level of investment in 2007
 - ▶ Maintain investment in 2008 and 2009
- Investment in specialized sales forces to drive incremental sales
 - ▶ Mortgage Specialists and Financial Planners
- Continually improving direct banking capabilities



Mortgages: Leading to Deeper Customer Relationships and Improved Profitability



Personal & Commercial Banking Canada

Investor Day

Risk Management

WENDY MILLAR
Executive Vice President and Senior Risk Officer

April 15 • 2008

Leaders in Credit Risk Management

Portfolio Quality

- We expect to maintain top tier risk performance despite uncertainty in Canadian economic conditions
- Canadian portfolio remains well diversified *by both* geography and industry
- Overall portfolio remains within acceptable risk parameters and better than peer averages

Differentiators

- Best in class credit training
- Decentralized credit decision making
- Independence of credit function
- Advanced modelling capabilities utilized to optimize risk/return
- Early identification/action on deteriorating accounts



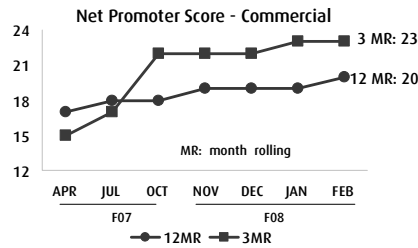
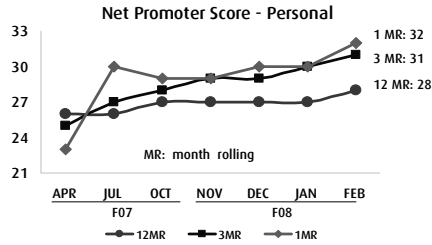
Provides customers with access to financing solutions consistently throughout the cycle . . .

...and Best in Class Performance

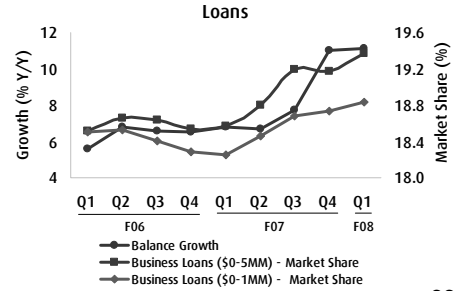
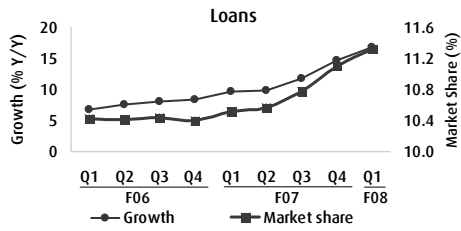
	Loan Losses					Delinquency Rates (90+Days)
	2004	2005	2006	2007	Q1 2008	Q1 2008
Instalment Loans						
P&C Canada	0.33%	0.25%	0.29%	0.30%	0.30%	0.34%
Rank	1	1	1	1	1	1
Lines of Credit						
P&C Canada	0.16%	0.12%	0.12%	0.13%	0.15%	0.13%
Rank	1	1	1	1	1	1
Mortgages						
P&C Canada	0.01%	0.01%	0.01%	0.02%	0.01%	0.29%
Rank	N/A	N/A	N/A	N/A	N/A	N/A
Cards						
P&C Canada	2.11%	1.94%	1.87%	2.09%	2.19%	0.76%
Rank	1	1	1	1	1	N/A

Building Momentum in Our Business

Customer Loyalty



Growth



Personal & Commercial Banking Canada

Investor Day

Q&A



**Investor Relations
Contact Information**

www.bmo.com/investorrelations

E-mail: investor.relations@bmo.com

Fax: 416.867.3367

VIKI LAZARIS

Senior Vice President
416.867.6656 ■ wiki.lazaris@bmo.com

STEVEN BONIN

Director
416.867.5452 ■ steven.bonin@bmo.com

KRISTA WHITE

Senior Manager
416.867.7019 ■ krista.white@bmo.com

BMO  **Financial Group**