

U.S. Investor Day

June 26, 2012



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 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 2012 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, interest rate 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 and the effect of changes to accounting standards, rules and interpretations on these estimates; operational and infrastructure risks; changes to our credit ratings; 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; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; technological changes; and our ability to anticipate and effectively manage risks associated with all of the foregoing factors.

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 30 and 31 of BMO's 2011 annual MD&A, 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, as well as 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, risk-weighted assets (including Counterparty Credit Risk and Market Risk) and regulatory capital ratios, we have assumed that our interpretation of the proposed rules and proposals 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 by OSFI as proposed by BCBS. We have also assumed that existing capital instruments that are non-Basel III compliant but are Basel II compliant can be fully included in the April 30, 2012, pro-forma calculations. The full impact of the Basel III proposals has been quantified based on our financial and risk positions at quarter end or as close to quarter end as was practical. 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.

Assumptions about the level of asset sales, expected asset sale prices, net funding cost, credit quality, risk of default and losses on default of the underlying assets of the structured investment vehicle were material factors we considered when establishing our expectations regarding the structured investment vehicle discussed in the interim MD&A, including the adequacy of first-loss protection. Key assumptions included that assets will continue to be sold with a view to reducing the size of the structured investment vehicle, under various asset price scenarios, and that the level of default and losses will be consistent with the credit quality of the underlying assets and our current expectations regarding continuing difficult market conditions.

Assumptions about the level of default and losses on default were material factors we considered when establishing our expectations regarding the future performance of the transactions into which our credit protection vehicle has entered. Among the key assumptions were that the level of default and losses on default will be consistent with historical experience. Material factors that were taken into account when establishing our expectations regarding the future risk of credit losses in our credit protection vehicle and risk of loss to BMO included industry diversification in the portfolio, initial credit quality by portfolio, the first-loss protection incorporated into the structure and the hedges that BMO has entered.

In determining the impact of reductions to interchange fees in the U.S. Legislative and Regulatory Developments section of the interim MD&A, 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 our 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. See the Economic Outlook and Review section of the interim MD&A.

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 Second Quarter 2012 Report to Shareholders and Bank of Montreal's 2011 Management's Discussion and Analysis, 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, expenses, earnings per share, ROE, productivity ratio and other adjusted measures which exclude the impact of certain items such as credit-related items on the acquired M&I performing loans, run-off structured credit activities, M&I integration costs, amortization of acquisition-related intangibles, decrease (increase) in collective allowance for credit losses and restructuring costs.

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

Today's Agenda

- Introduction - Sharon Haward-Laird, Head, Investor Relations
- Opening remarks – Bill Downe, President and Chief Executive Officer
- Business group presentations and Q&A
 - BMO Capital Markets – Tom Milroy, CEO
 - Private Client Group – Gilles Ouellette, President and CEO
 - Personal & Commercial Banking U.S. – Mark Furlong, President and CEO
- Closing remarks – Tom Flynn, EVP and Chief Financial Officer

U.S. Investor Day

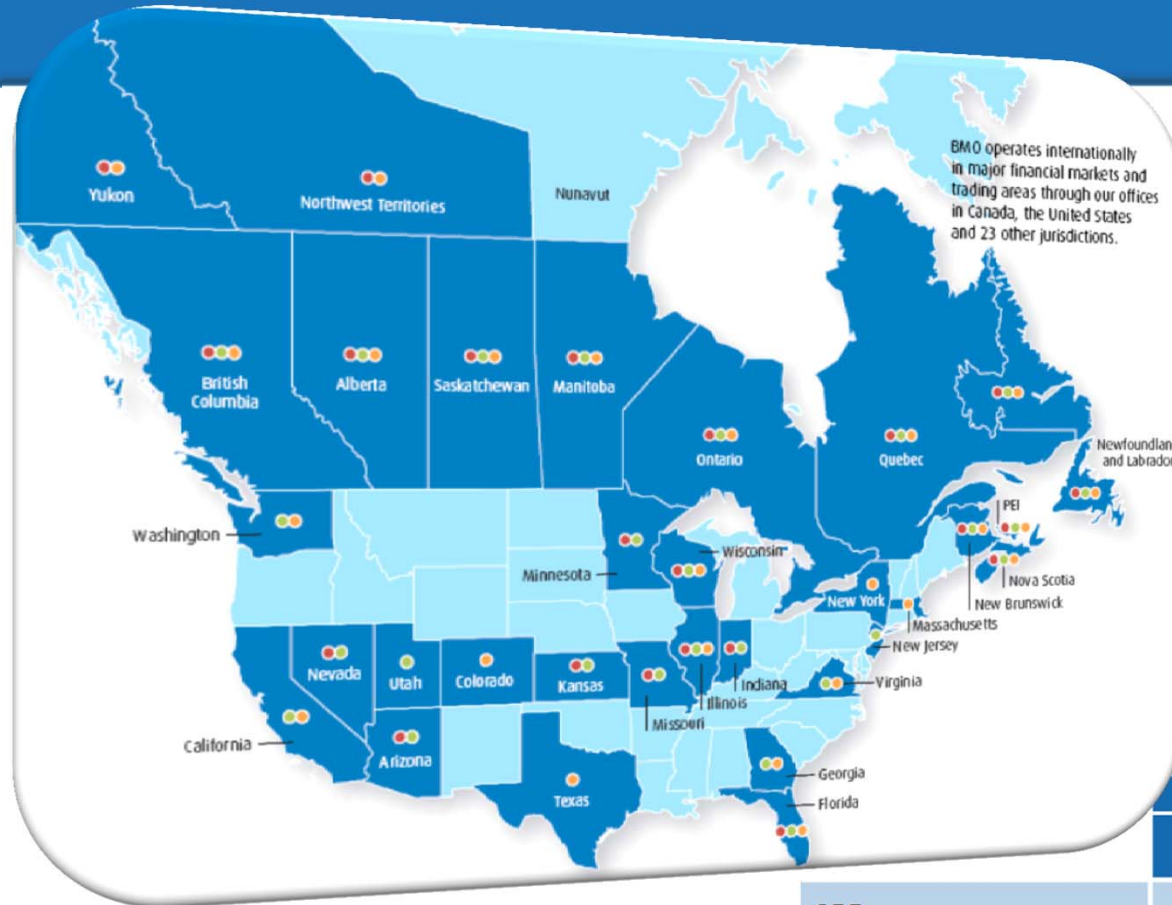
Strategic Overview

Bill Downe

President & Chief Executive Officer
BMO Financial Group



BMO's North American footprint is a competitive advantage



- P&C Canada (924 branches)
- P&C US (663 branches)
- Private Client Group
- BMO Capital Markets

	Canada			U.S.
	Western	Central	Atlantic	IL, WI, MN, KS, MO, IN
GDP (\$B)	584.5	931.8	99.0	1,816.7
Population (millions)	10.7	21.5	2.4	39.3
Unemployment Rate (%)	5.8	7.8	10.0	7.4
Avg. Annual Earnings (\$)	47,625	44,620	42,390	43,600

Source: BMO Economics, June 8, 2012

BMO Capital Markets

U.S. Investor Day



Today's Agenda

BMO Capital Markets

Strategic Overview

Tom Milroy

- CEO, BMO Capital Markets

U.S. Investment & Corporate Banking

Business & Strategic Overview

Perry Hoffmeister

- Head of U.S. I&CB

U.S. Equities

Business & Strategic Overview

Alan Tannenbaum

- Head of U.S. Equities

BMO Capital Markets

Strategic Overview

Tom Milroy

Chief Executive Officer



Key BMO Capital Markets U.S. Executives

Tom Milroy
Chief Executive Officer

**Perry
Hoffmeister**

**Alan
Tannenbaum**

**Debbie
Rechter**

**Lyle
McCoy**

**Luke
Seabrook**

Head of U.S.
Investment &
Corporate
Banking

Head of U.S.
Equities

Managing
Director
FX Group

Managing
Director
Public
Finance &
Infrastructure

Head of Debt
& Financial
Products

Key Takeaways

- Goal to be the premier U.S. mid-cap investment and corporate bank supported by a full service distribution platform
- High quality investment in the U.S.
- U.S. strategy taking hold
- Target ROE in mid to low teens without outsized volatility in U.S.



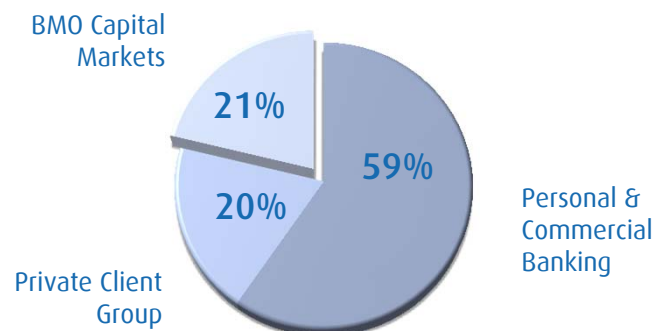
Your ambition achieved.®



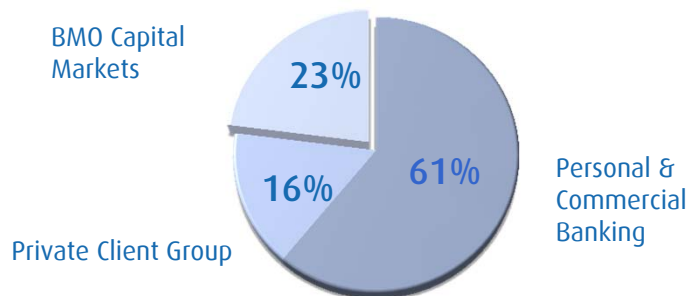
BMO Capital Markets is a top ranked investment bank

BMO Financial Group

Revenue by Operating Group¹
(Q2 2012)



Adjusted² Net Income by Operating Group¹
(Q2 2012)



¹ Excludes Corporate Services

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 167 of BMO's 2011 Annual Report

² Adjusted measures are non-GAAP measures. See slide 1 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 33-34 of BMO's Second Quarter 2012 Report to Shareholders

BMO Capital Markets



Best Investment Bank
Canada, 2012

Best Metals and Mining
Investment Bank for third
year in a row



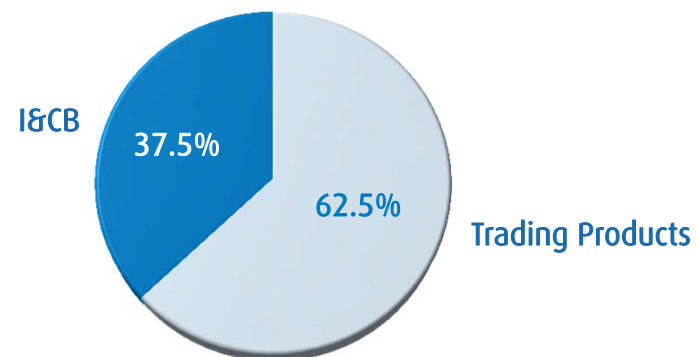
Top 20 global ranking of
investment banks by
fees, 2012

Proven financial track record

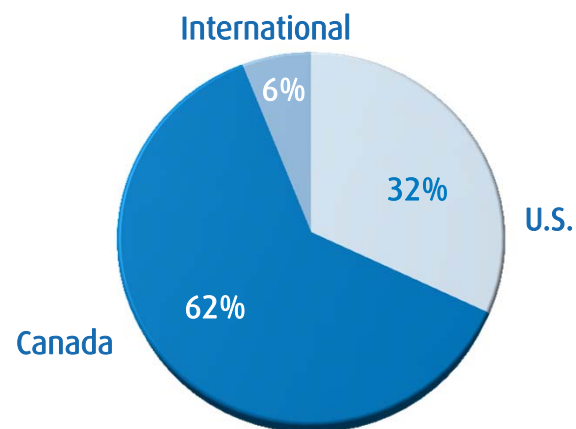
BMO Capital Markets Revenue and Adjusted¹ Earnings (\$CAD millions)



Revenue by Business (Average Q3 2011 – Q2 2012)



Revenue by Geography (Average Q3 2011 – Q2 2012)



Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 Annual Report. Fiscal 2008-2010 results have not been restated for IFRS.

¹ Adjusted for acquisition-related amortization of intangibles. Adjusted measures are non-GAAP measures. See slide 1 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 33-34 of BMO's Second Quarter 2012 Report to Shareholders. Reported earnings YTD 2012 \$423MM.

BMO CM: U.S. Financial Overview

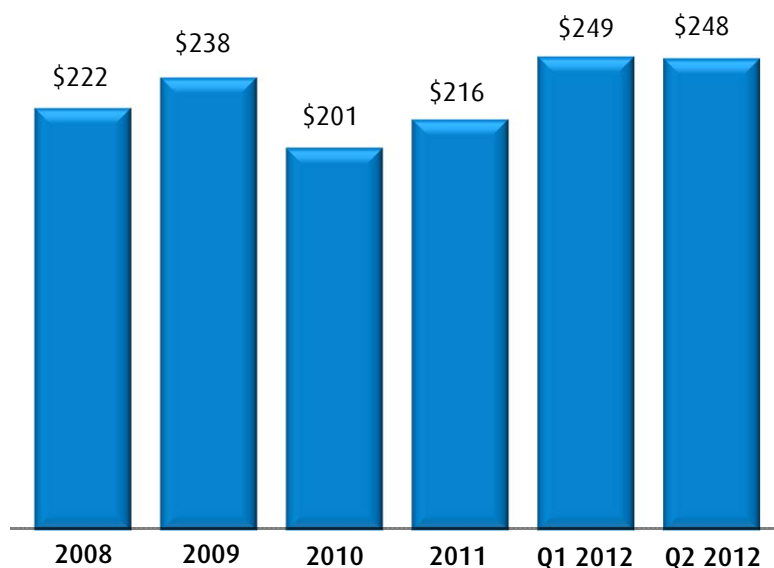
US Dollars P&L (last 12 months ¹) and Assets at Q2'12	BMO CM U.S.
Revenue	\$979 million
Net Income	\$75 million
Average Assets	\$93 billion
Average Current Loans & Acceptances	\$8 billion
Average Earning Assets	\$71 billion

Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 Annual Report

¹ Last twelve months defined as sum of actual results Q3 2011 through Q2 2012

High Quality Balance Sheet

**BMO Capital Markets Average Assets
(\$CAD billions)**



**Q2 2012 Average Assets by Category
(\$CAD billions)**

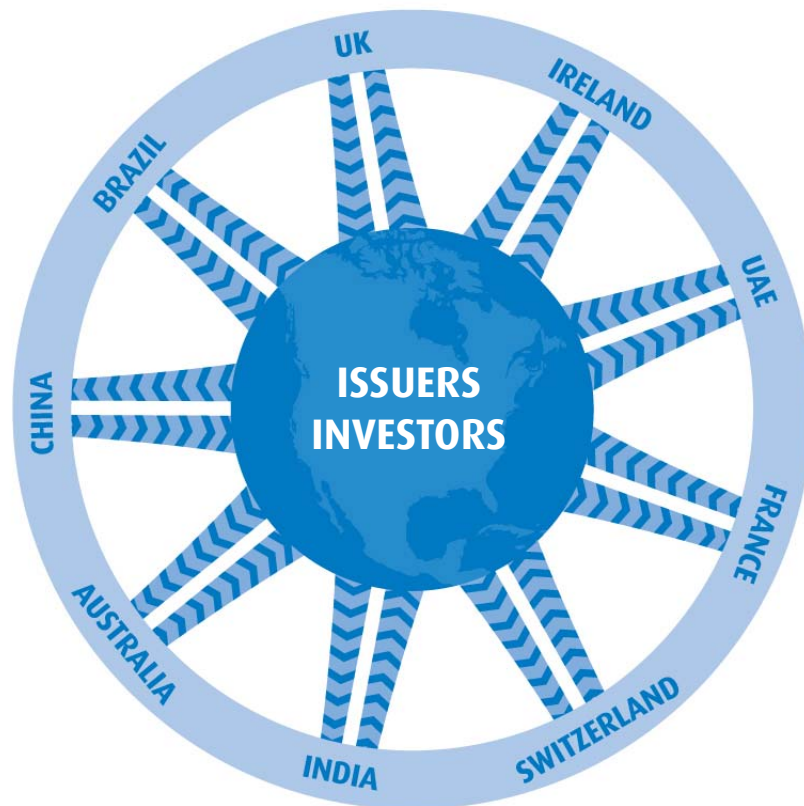
Cash Resources	\$26
Investment Securities	\$102
Reverse Repos	\$44
Net Loans & Acceptances	\$24
Derivatives ¹	\$50
Other ² Assets	\$2
Total Assets	\$248

Fiscal 2008-2010 results have not been restated for IFRS

¹ Note, under Canadian GAAP / IFRS, derivative positions are not netted, as they are under U.S. GAAP

² Other Assets includes goodwill/intangibles, accruals and other receivables

Enabling our clients to achieve their ambitions



Issuer Clients

- Canadian large corporates and governments
- U.S. mid-cap¹ corporates as well as governments
- International clients that strengthen our North American core

Investor Clients

- Mutual funds
- Pension funds
- Asset managers
- Hedge funds

¹ Mid-Cap: Defined as Companies with value of between \$200MM - \$5B

Unified approach to client coverage

North American with International Reach

30 locations
with over
2,100
professionals

UNITED STATES/MEXICO: 972 FTE

ATLANTA
BOSTON
CHICAGO
DENVER
FORT LAUDERDALE
HOUSTON
LOS ANGELES
MEXICO CITY
MILWAUKEE
NEW YORK
SAN FRANCISCO
SEATTLE
WASHINGTON D.C.

CANADA: 998 FTE

CALGARY
MONTREAL
TORONTO
VANCOUVER

SOUTH AMERICA: 6 FTE

RIO DE JANEIRO

EUROPE: 121 FTE

DUBLIN
LONDON
PARIS
ZURICH

ASIA: 80 FTE

ABU DHABI
BEIJING
GUANGZHOU
HONG KONG
DELHI
SHANGHAI
TAIPEI

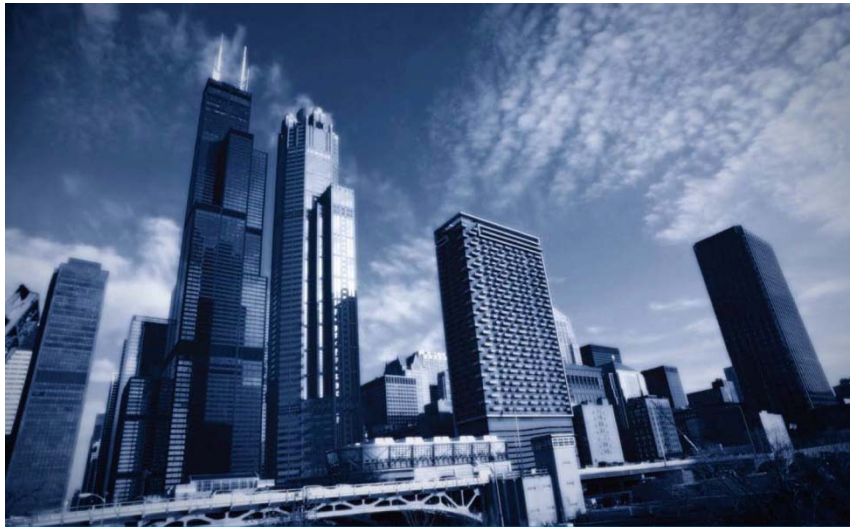
AUSTRALIA: 7 FTE

MELBOURNE

Broad offering supported by deep expertise



Premier U.S. mid-cap investment and corporate bank supported by a full service distribution platform



Chicago, a city that thinks business

When the City of Chicago was looking to finance infrastructure improvements, it looked to BMO Capital Markets. As lead underwriter for \$416 million in bond financing, we're helping Chicago think business, think jobs and think to the future. Think how we can help achieve your ambitions.

BMO  Capital Markets®

Your ambition achieved.®

CAPITAL RAISING • MERGERS & ACQUISITIONS • RISK MANAGEMENT • RESEARCH • INSTITUTIONAL SALES & TRADING

BMO Capital Markets is a trade name used by BMO Financial Group for the worldwide banking business of Bank of Montreal, BMO Harris Bank N.A., and Bank of Montreal (referred to as "BMO") and the investment banking business of BMO Capital Markets Corp., BMO Nesbitt Burns Holding Corp. U.S., BMO Nesbitt Burns Securities Limited, and BMO Capital Markets (CIBC) Inc. in the U.S., BMO Nesbitt Burns Inc. in Canada, Europe and Asia, BMO Nesbitt Burns (UK) Ltd. in Canada, BMO Capital Markets Limited in Europe, Asia and Australia and BMO Advisory Private Limited in India. © Registered trademark of Bank of Montreal in the United States, Canada and elsewhere.

Areas of Differentiation in the U.S.

- A highly rated, successful and trustworthy North American universal banking model
- Strong balance sheet
- Broad, integrated offering and top tier expertise to serve our core clients
- Competitive and differentiated strategic sectors which include Global, North American and U.S. focus
- Full service distribution platform
- Stable counterparty for our clients

Strategically invested in the U.S. supporting broader North American platform

Build out
distribution
platform,
primarily in
the U.S.

- Enhanced Fixed Income
- Grew U.S. Listed Equity Options
- Developed Global Securities Lending capabilities
- Deepened Leveraged Distribution platform
- Continue to expand Equity Derivatives/Structured Products platform
- Continue to expand U.S. Converts business
- Enhancing Equity Products Platform
- Transform FX Technology platform

Align capital
and capabilities
with client
opportunity

- Continue to strengthen and expand U.S. Equity Research and Sales & Trading
- Deepen core client relationships across the different product offerings of both I&CB and Trading Products businesses

Focus on
strategic
sectors

- Continue to develop strong alignment in areas of focus between I&CB and Equity Products
- Upgraded talent across our strategic sectors and product offerings

Strategically positioned for success in the U.S. going forward

Strategic Benefits

- Full service North American platform for our clients
- Significant operating leverage without introducing outsized volatility
- Builds on the strength and expertise of our Canadian businesses
- Advantages our Canadian businesses relative to peers
- Supports the broader BMO FG U.S. strategy
- Stable counterparty for our clients

Looking Ahead

- Growth:
 - Revenue: Above market growth rate
 - Expense: Moderate expense growth
- ROE in the mid to low teens
- Risk profile aligned with the overall BMO FG appetite



See slide 1 of this presentation regarding forward looking statements

U.S. Investment & Corporate Banking

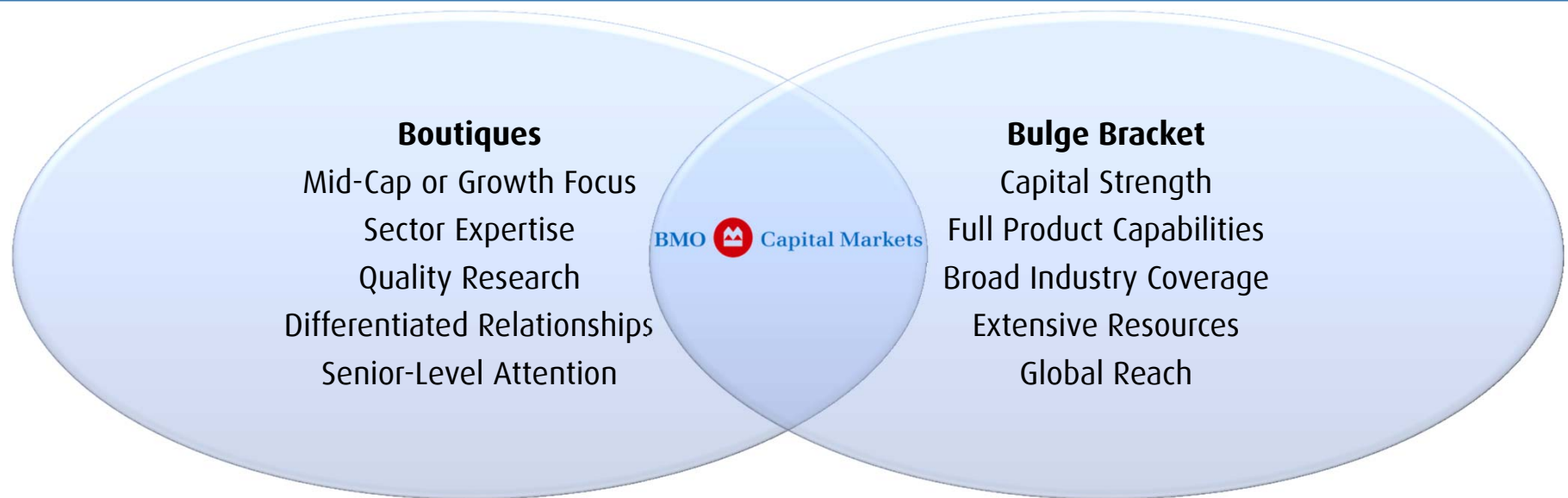
Business & Strategic Overview

Perry Hoffmeister

Head of U.S. I&CB



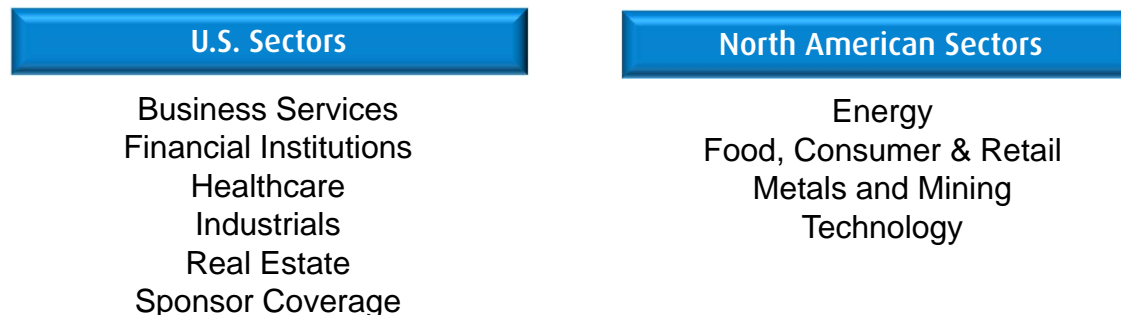
Best of both worlds: boutique focus, bulge bracket expertise



Product Capabilities:



Sector Focus:

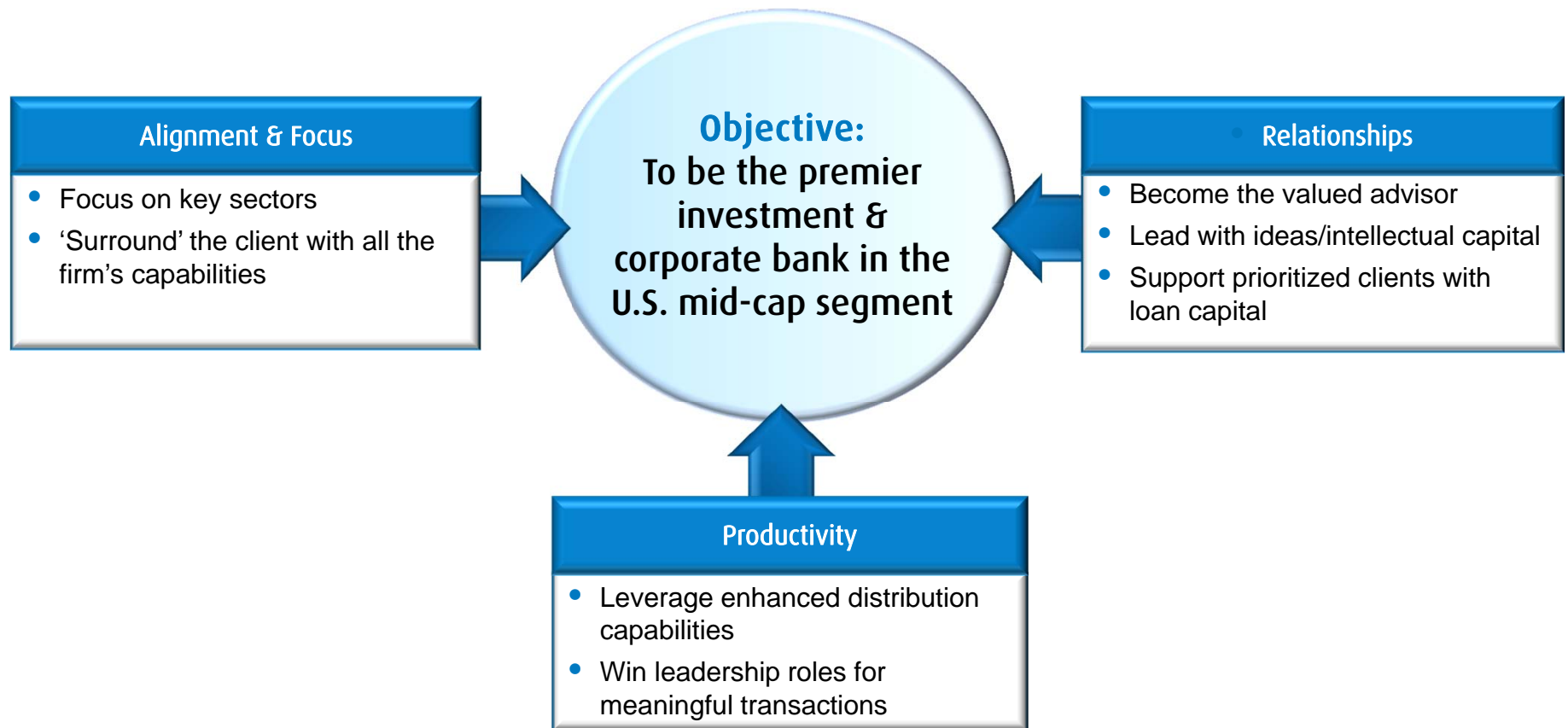


Mid-cap client coverage space is the most attractive segment













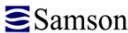
	I&CB U.S. Focus		
	Small Cap <\$200 MM	Mid Cap \$200MM - \$5B	Large Cap >\$5B
IB Fee Wallet '10-'11 (\$MM)	\$2,022	\$27,589	\$27,221
% IB Fee Growth '10-'11 vs. 08-09	53%	124%	(2%)
Mid-Cap Banks Mkt Share* %, '10-'11	66%	32%	23%
Total # of Deals '10-'11	2,656	6,992	5,950
Avg. Fees per Deal (\$MM) '10-'11	\$0.8	\$3.9	\$4.6
% of Fees from Sponsors	25%	37%	10%

Source: Dealogic; * Mid-cap banks market share is fee share of all banks outside the top 10

U.S. I&CB strategy



U.S. mid-cap investment banking strategy is showing results

 <p>\$266 million Advisor on the Acquisition of 80.1% of First Tower Corp Pending</p>	 <p>Advisor on sale to  June 2012</p>	 <p>\$50 million Series B Preferred Stock Sole Bookrunner June 2012</p>	 <p>\$158 million Follow-On Offering \$450 million 9.25% Senior Notes Joint Physical Bookrunner May 2012</p>
 <p>\$1.5 billion Senior Secured Credit Facilities 6.750% Senior Notes Joint Lead Arranger & Joint Bookrunner May 2012</p>	 <p>Portfolio Company of  \$5.5 billion Senior Secured Credit Facilities 6.875% Senior Notes 9.375% Senior Notes Joint Bookrunner Financial Adviser May 2012</p>	 <p>Portfolio Company of Bain Capital Ventures  Advisor on Sale to Fidelity National Information Services April 2012</p>	 <p>Portfolio Company of  Advisor on Sale to  March 2012</p>
 <p>C\$582 million Joint Bookrunner Secondary Offering of Common Shares \$20.70 per Share March 2012</p>	 <p>Advisor on Sale to  March 2012</p>	 <p>Portfolio Company of  Advisor on Sale to Health Evolution Partners February 2012</p>	 <p>Portfolio Company of  \$2.25 billion 9.75% Senior Notes February 2012</p>

Highlights¹:

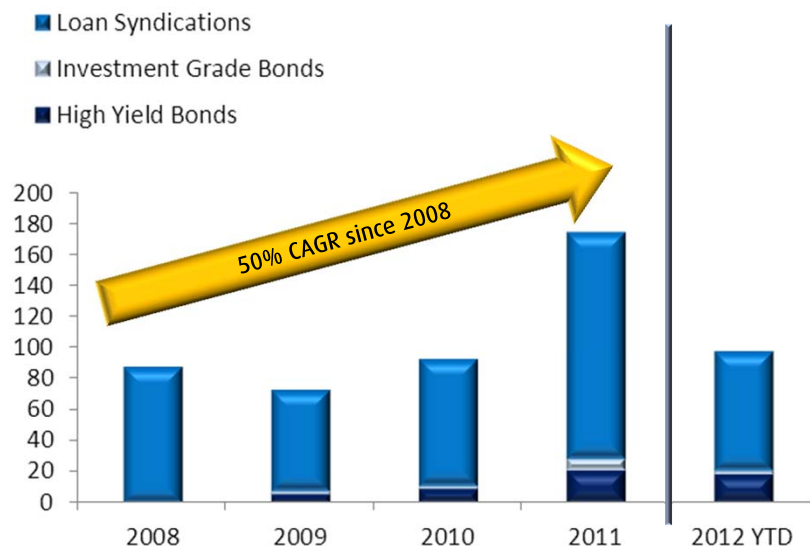
- 24 M&A transactions completed YTD
 - 12 transactions currently announced and pending
- 10 ECM Book-run transactions YTD (including 6 ATM offerings)
 - 12 new Book-run mandates in the last four months
 - 1st book-run preferred transaction in the U.S.
- 17 HY Book-run transactions YTD
 - 3 Book-run transactions greater than \$1B
- 73 Book-run Syndicated Loan transactions completed YTD
 - Book-run deal volume of \$25B – up 40% YoY

We are winning franchise-defining business

¹ As of June 7th, 2012

Case Study: success in debt capital markets

Significant Growth in Book-run Transactions



- YTD¹ BMO has book-run \$53B of transaction volume for our clients
 - 55% increase over the same period in the prior year
- U.S. Energy High Yield league table ranking of #6 YTD¹ 2012

Comprehensive debt financing & distribution capabilities

¹ As of June 7th, 2012

Continue to execute focused strategy

- **Focus** on mid-cap market, strategic industries and core clients is a competitive advantage
- **Differentiate** through universal banking model, experienced bankers and deep, long-term relationships with clients
- **Success** measured by taking fee share, growing revenue and doing it profitably



U.S. Equities

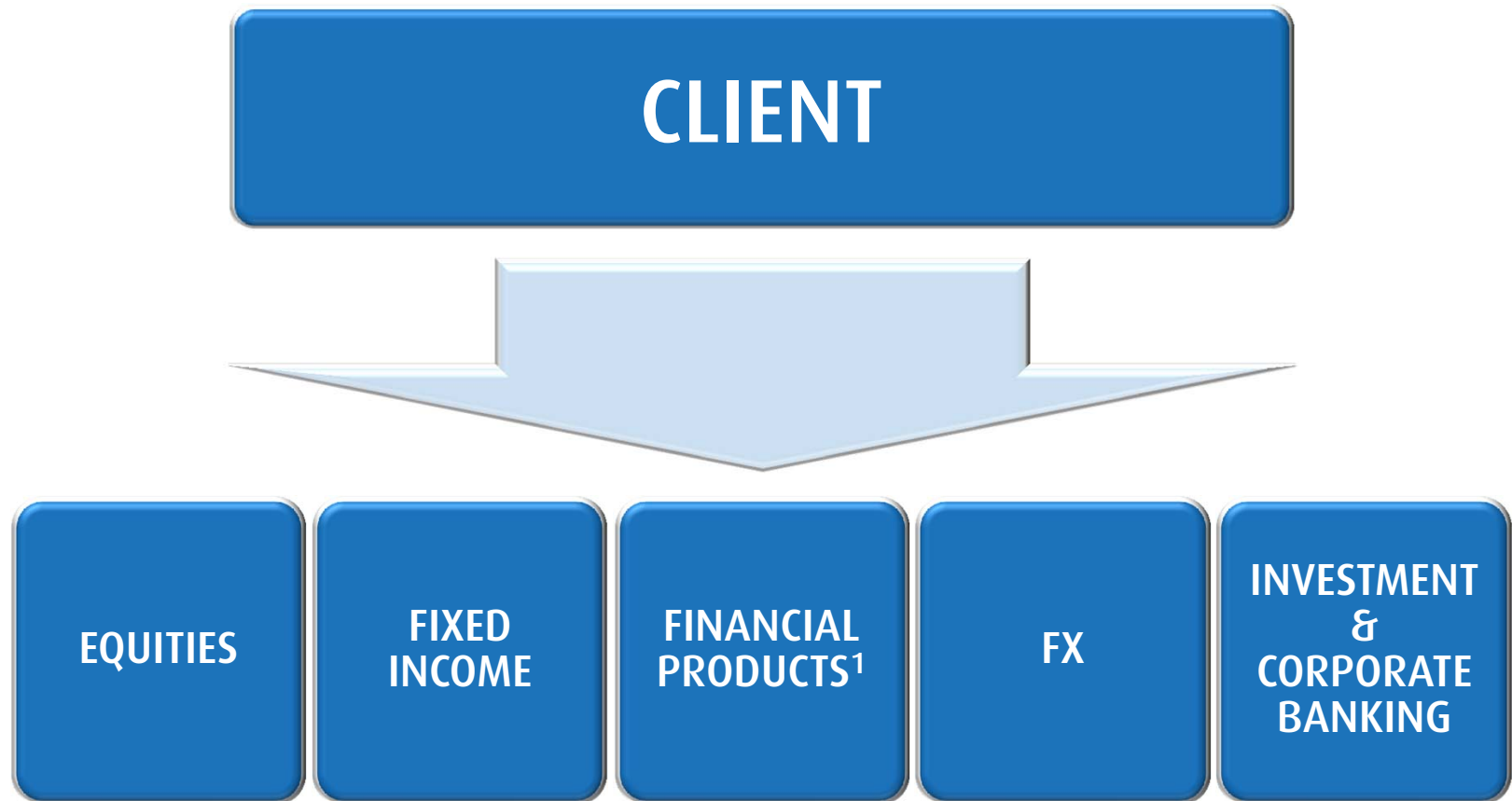
Business & Strategic Overview

Alan Tannenbaum

Head of U.S. Equities



Full-Service Investment Bank



¹ Includes Commodities

Full-Service Equities Franchise

Sales

Trading

Research

Derivatives

Stock Lending

New Issues

Corporate Access

Top Ranking



- 20 awards for stock picking and earnings estimates (2011)



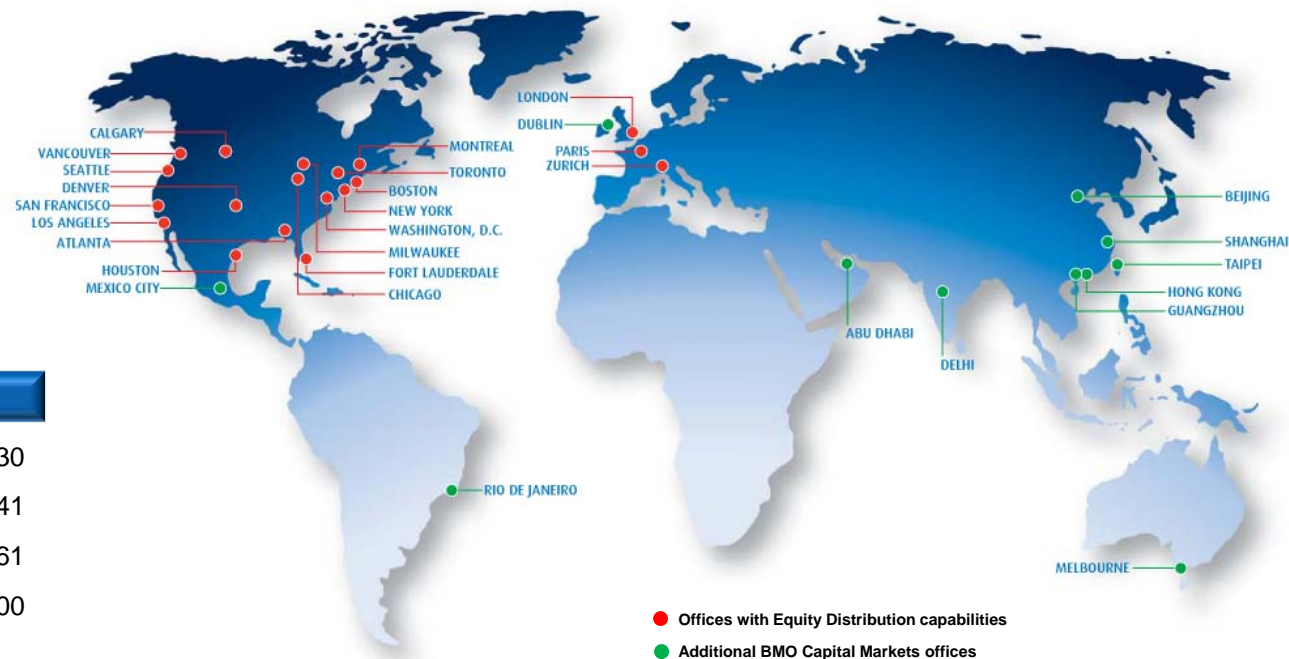
- Canadian Research ranked #1 or 2 for the past 31 years (2011)



- Moved from 20th to 16th overall ranking in U.S. Equity Research

World-class public equity distribution platform

- ✓ #1 overall Institutional Equity Franchise with the best reputation (Brendan Woods Canada survey)
- ✓ #1 or 2 ranked research for the past 31 years (Brendan Woods Canada survey)
- ✓ Economics team winners of Lawrence R. Klein award for economic forecasting accuracy



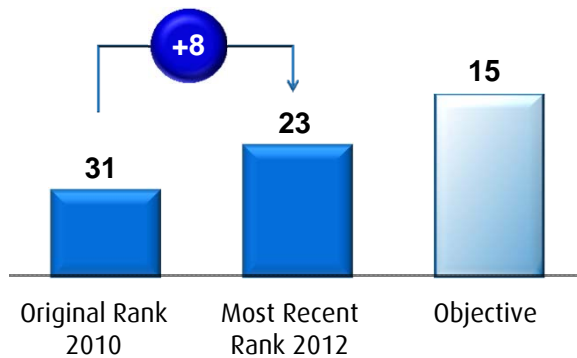
Worldwide

Offices	30
Sales/Trading	141
Research	61
# Institutional Accounts	~1,000

Progress Report

Institutional Client Votes

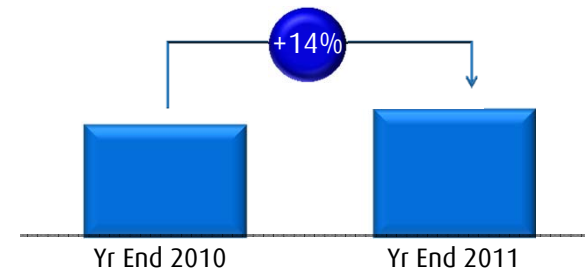
Average client vote ranking - US



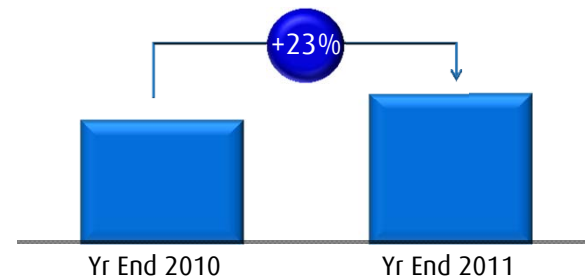
- Improved client votes are a leading indicator of increased trading commission revenue
- Goal is to provide value to target clients through experienced sales people who deliver insightful research ideas and corporate access across a broad range of sectors
- Good momentum in increasing the average client vote for BMO in the U.S.

Agency Commission Market Share

Overall agency market share - U.S.



Target accounts agency market share - U.S.



- BMO has increased its U.S. agency share in the context of a 10% market decline

Latest available data is year end calendar 2011.

Building on core strengths to capture higher market share

- **Market** the full BMO Capital Markets platform
- **Define** great customer experience
- **Leverage** strengths in Research, Sales & Trading
- **Capture** mind-share and market-share gains



Private Client Group

U.S. Investor Day



Today's Agenda

Private Client Group *Strategic Overview*

Gilles Ouellette

- President & CEO, Private Client Group

U.S. Asset Management *Business & Strategic Overview*

Barry McInerney

- Co-CEO BMO Global Asset Management

U.S. Private Bank *Business & Strategic Overview*

Terry Jenkins

- EVP and Head, BMO Private Bank, U.S.

Private Client Group

Strategic Overview

Gilles Ouellette

President and Chief Executive Officer

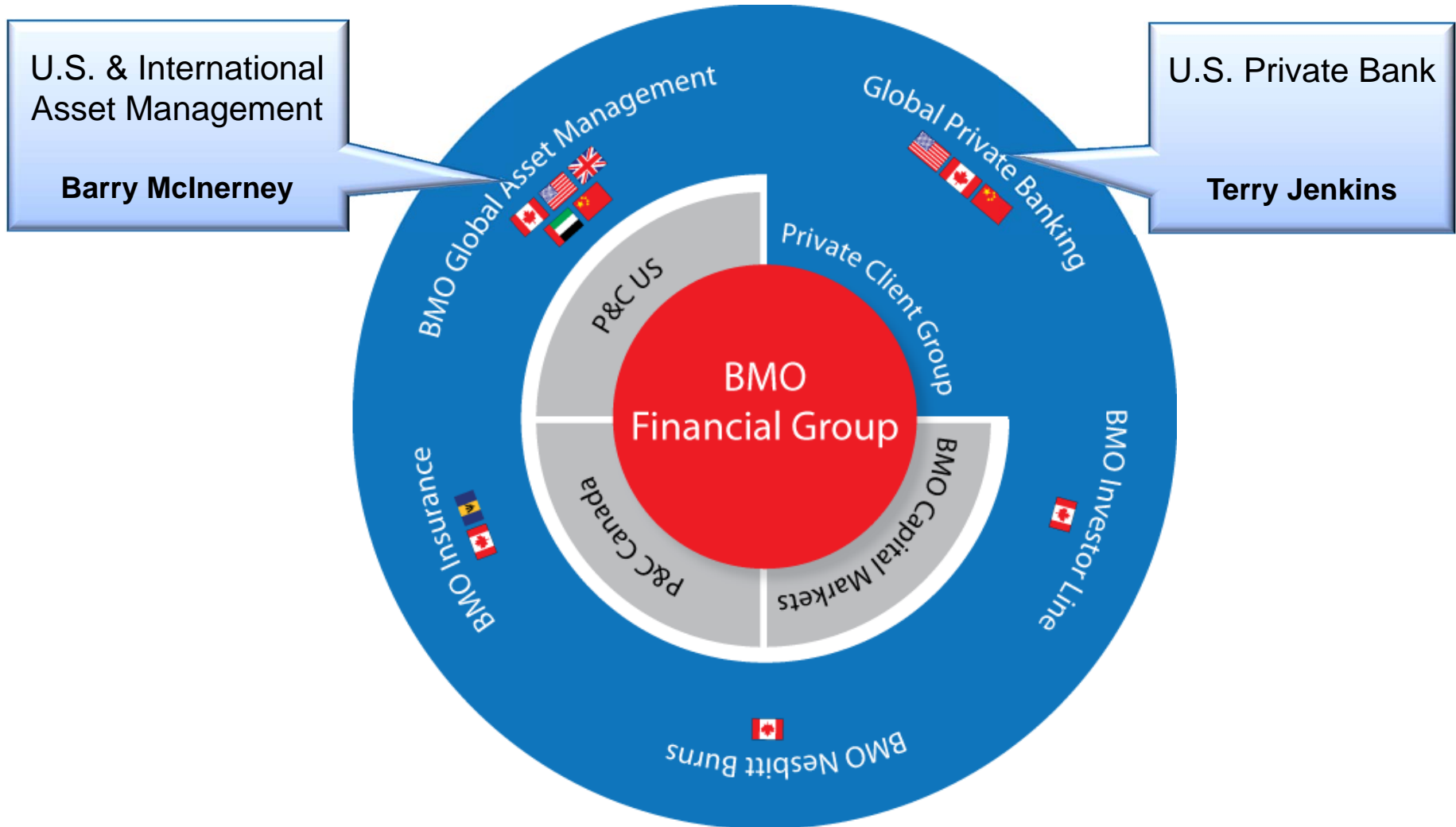


Key Takeaways

- PCG has a strong history of success in our businesses
- In the U.S., PCG is focused on leveraging our acquisitions, driving growth from our existing client base and maximizing our wider distribution capabilities
- Asset Management's scale and capabilities will drive growth by leveraging internal channels, driving product performance and building sales capability for external channels
- U.S. Private Bank is well-positioned to drive growth by delivering competitive products, experiences tailored to specific client segments, and working with P&C U.S. to deliver a tightly integrated retail/wealth offer



Private Client Group Organization and U.S. Management Team



Private Client Group U.S. Financial Overview

US Dollars	2011 ¹	YTD Q2'12	LTM ³ / Assets at Q2'12
▪ Revenue	\$427 million	\$356 million	\$634 million
▪ Adjusted ² Net Income	\$53 million	\$57 million	\$96 million
▪ Adjusted ² Productivity	80 %	74 %	75 %
▪ AUM	\$82 billion	\$85 billion	\$85 billion
▪ AUA	\$147 billion	\$156 billion	\$156 billion

Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 Annual Report

¹ Includes ~ 4 months of acquired M&I business

² Adjusted for acquisition-related amortization of intangibles. Adjusted measures are non-GAAP measures. See slide 1 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 33-34 of BMO's Second Quarter 2012 Report to Shareholders

³ Last twelve months defined as sum of actual results Q3'11 through Q2'12 and includes ~10 months of acquired M&I business. Reported net income 2011 \$47MM; YTD Q2'12: \$49MM; LTM: \$84MM. Productivity 2011: 82%; YTD Q2'12: 77%; LTM : 78%

M&I acquisition added strength to our U.S. position



+



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Immediate Impact of Acquisition

Number of Private Bank locations	29	28	57	3 new states
Personal Wealth Accounts	11,000	21,000	32,000	3 X the number of accounts
U.S. Assets Under Management¹	\$44 Billion	\$41 Billion	\$85 Billion	2 X our client assets
U.S. Assets Under Administration¹	\$37 Billion	\$119 Billion	\$156 Billion	4 X our client assets

¹ As at April 2012

M&I strengthens our platform and prospects on multiple fronts

Complementary Capabilities

Harris / BMO US

- Financial Planning Focus
- Global Asset Management
- Ultra High Net Worth

M&I

- Large wealth concentration in our key markets
- Institutional trust services (retirement, custody, securities lending)
- BMO mutual funds complex

Private Banking & Asset Management



Cost Savings

- Realizing on cost savings, best people and best process creates an advantage and drives better productivity and positive operating leverage

Clear direction for PCG U.S.

Opportunities

Large market

- \$1.8B GDP of Midwest market greater than all of Canada¹

Latent opportunity

- ~200,000 mass affluent P&C U.S. households with no existing investment relationship

Attractive clients for wealth offer

- Top 3 deposit and branch share in Midwest¹

Leverage acquisitions

Drive growth from our existing client base

Maximize wider distribution capabilities

Priorities

- ✓ M&I and CTC Consulting
- ✓ Ensure successful platform and structure conversion
- ✓ High net worth and mass affluent
- ✓ Migrate clients to most appropriate service offering (e.g. Premier Services)
- ✓ Adopt stronger focus on internal distribution channels (e.g. promote defined contribution plan expertise to Commercial clients)

¹ Source: BMO Economics

U.S. Asset Management

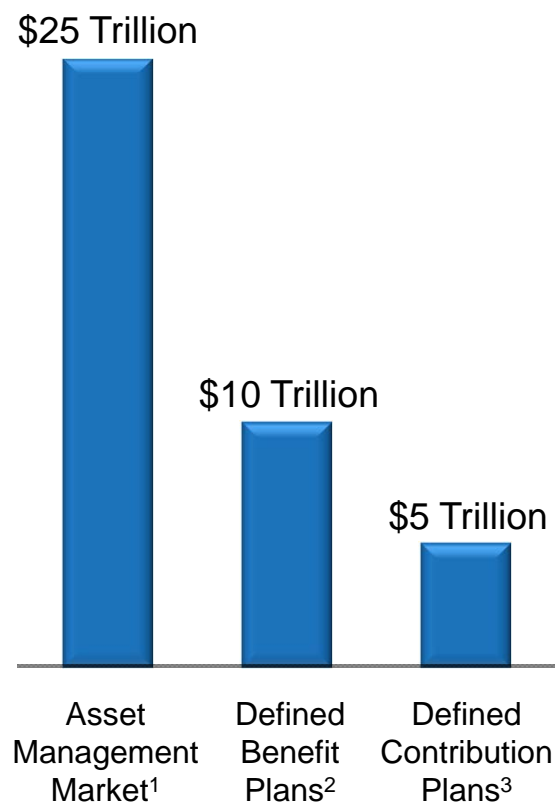
Business & Strategic Overview

Barry McInerney

Co-CEO, BMO Global Asset Management



Attractive U.S. asset management market



○ Deep pool of assets in U.S.

- Large institutional, retail and high-net worth asset management opportunities in the U.S.
- Defined benefit plans in the U.S. remain a significant pool of assets and defined contribution plans fast becoming the principal source of retirement income

○ Significant trends in asset management market

- Multi-asset class solutions
- Best-in-class outsourcing
- Alternative investments

¹ Investor Economics 2011

² JP Morgan Impact Investment Survey 2010

³ MV Financial Group 2011

Strong global asset management capabilities to compete

- Global investment expertise
 - Local teams across globe
- Award-winning mutual fund platform
- Award-winning BMO Retirement Services
- Institutional trust and custody services
- Strong internal distribution channels
 - Private Bank
 - Commercial Bank
 - Capital Markets
- Cross-sell opportunities

BMO  Global Asset Management



Global asset management presence with regional expertise



Manufacturing supported by end-to-end asset management model and global capabilities

- Global AUM over \$100B, placing us in top 100 asset management firms worldwide
- World-class international, emerging markets and frontier equity capabilities
- Award winning and innovative products

2011
Lipper Asset Class Awards¹



2011
Most best-in
class awards,
PLANSPONSOR
magazine²

PLANSPONSOR[®]

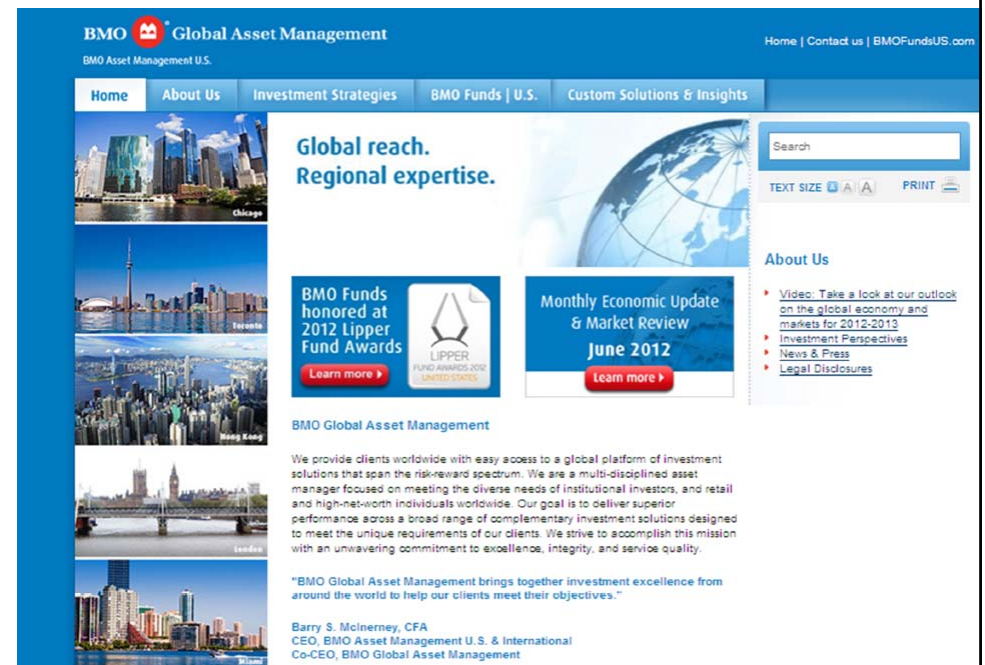
¹ Thomson Reuter Lipper Fund Awards 2011
² Plansponsor Annual Defined Contribution Survey 2011

Packaging leverages brand power and presence

- Power of the BMO brand
- Complete product offering
- Differentiated client experience
- Global website

BMO  Retirement Services

BMO  Financial Group



Distribution channels provide opportunity

- Internal and external opportunities
- Enhanced product focus through solutions-based approach ensuring we deliver the very best to our clients
- Expanded sales force focused on external channels

**Global Platform of Investment Solutions
Spanning the Risk-Reward Spectrum**

BMO  Global Asset Management



BMO  | **Funds**

Clear direction for U.S. Asset Management

- Breadth of industry-leading products and services
- Solutions-based client offering supported by increased capabilities and broader array of high-yielding strategies
- Opportunities from leveraging multiple internal channels and external distribution through focused skilled sales force
- Scalability and gaining platform efficiencies

U.S. Private Bank

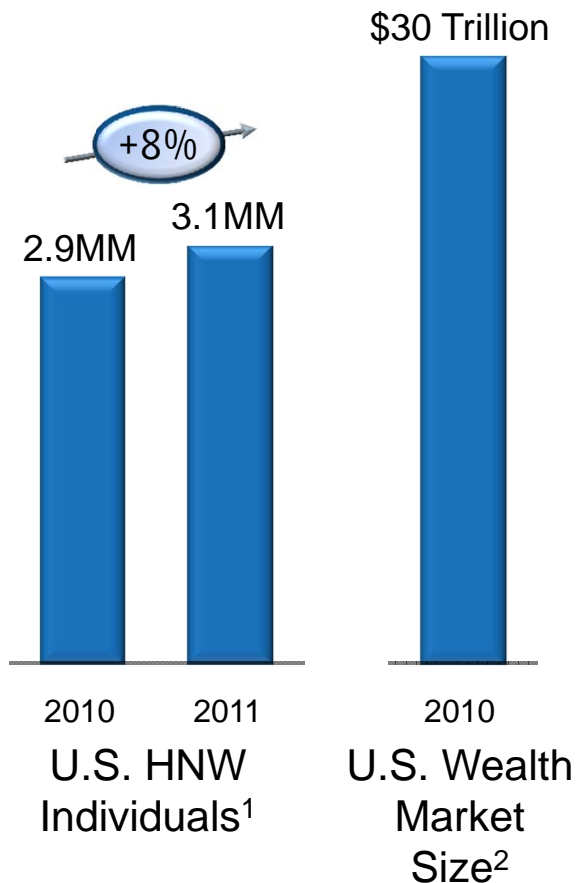
Business & Strategic Overview

Terry Jenkins

EVP and Head, BMO Private Bank, U.S.



Attractive U.S. wealth management market

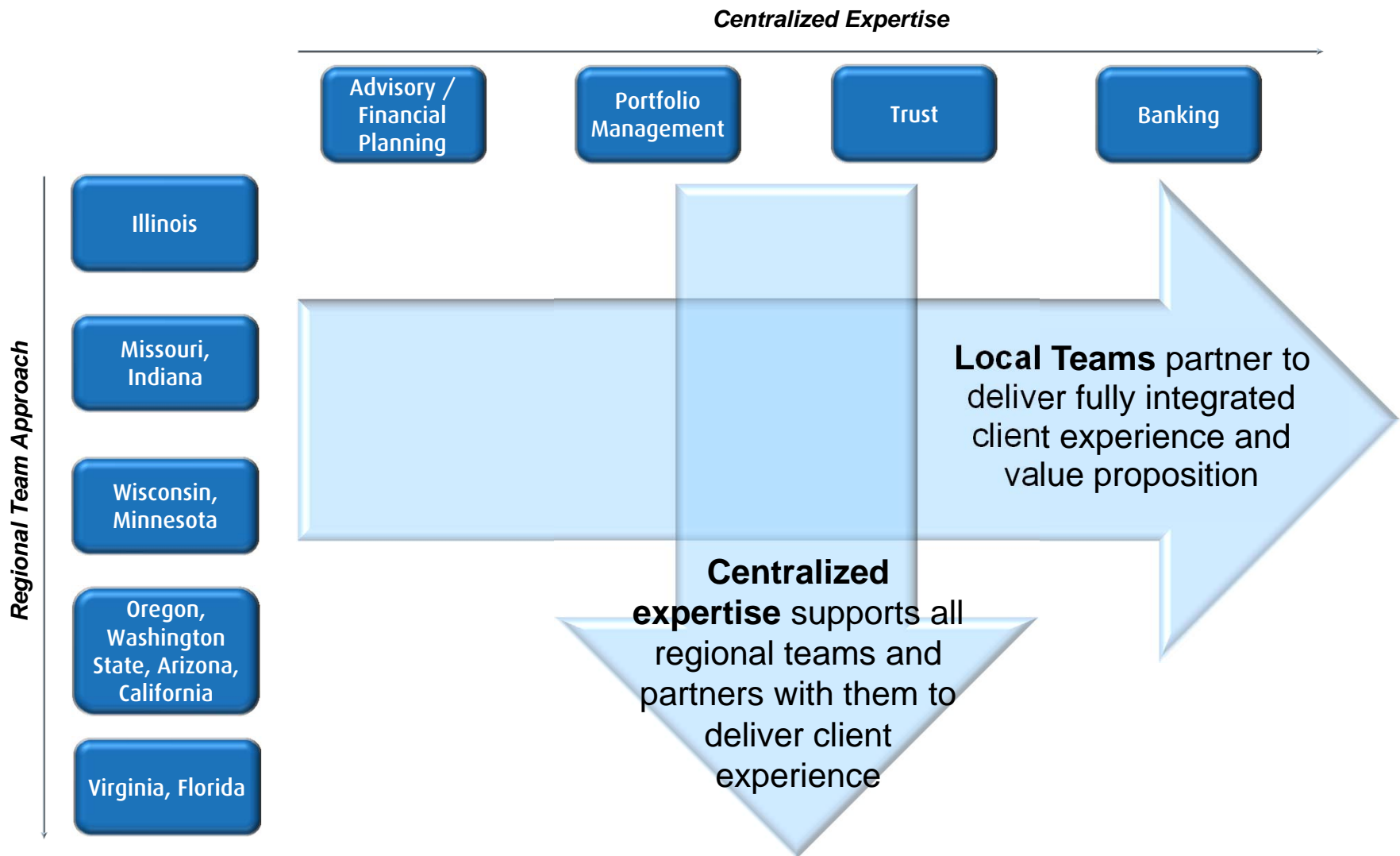


- Locations in key wealth markets across the U.S.
- Significant latent wealth opportunities in our P&C U.S. client base
- Competitive wealth business models in each client segment

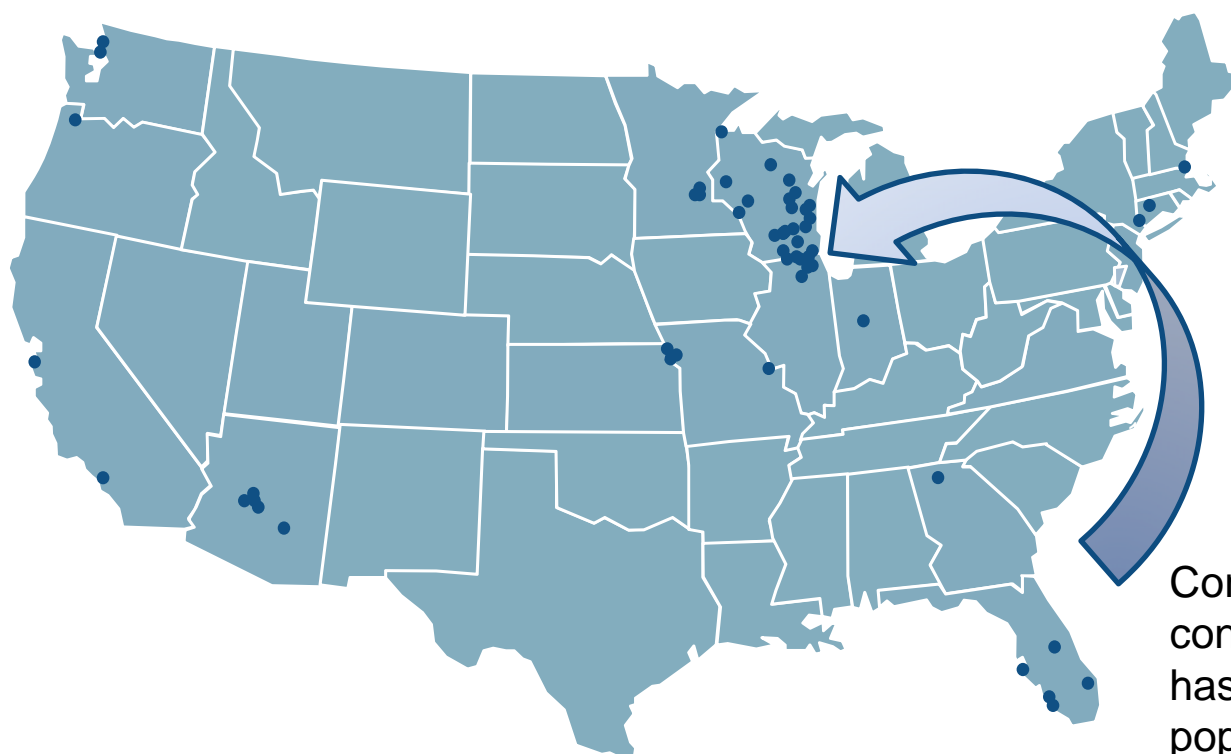
¹ Capgemini World Wealth Report 2011

² Investor Economics Household Balance Sheet Report 2011

Unique and competitive go-to-market model positioned for growth



Expanded U.S. Private Bank footprint



Footprint targets broad client base of ultra high net worth, high net worth and mass affluent segments

Core markets in the Midwest with concentration in Chicago, which has the 3rd largest high net worth population in the U.S.¹

● U.S. Private Bank Locations

57 Locations across 13 states

¹ Capgemini U.S. Metro City Wealth Index 2011

Ultra High Net Worth segment – a leading Multi-Family Office provider

- Differentiated client experience offered via multi-family office approach
- Quality business with scale
- Leveraging distribution network for referrals within BMOFG network
- New capabilities with CTC Consulting acquisition

Top 5 largest multi-family offices in U.S.¹



Ranked in top 10 for quality of offering by Forbes, Bloomberg Markets, Investment News²



2012 PAM Award for best multi-family office (>\$2.5B) for client service³



¹ Based on assets under advisement, Family Wealth Alliance ranking 2011

² Forbes rank #7 fee-only advisor 2011; Bloomberg Markets rank #9 Top 50 Family Offices 2011; Investment News rank #5 Top RIAs 2010

³ Private Asset Management Award, Best Client Service 2012

High Net Worth segment – strong sales disciplines and a competitive client experience

- Unique client experience
- Strong sales management disciplines
- Effective migration of clients across channels
- History of strong client retention
- Attract and retain top talent work force



BARRON'S



¹ Based on total AUM of investment accounts of \$5MM+, Barron's Research ranking Dec 2011

Mass Affluent segment – leveraging our retail partnership with Premier Services

- Enhanced client experience through launch of new go-to-market model
- Leverage existing P&C U.S. mass affluent client base
- Jointly-managed sales capabilities

Early Results

4.5X

Growth in closed Premier Investments

47%

Growth of new assets collected by financial advisors

56%

of new sales are fee-based



Significant increase in financial plans completed

Clear direction for U.S. Private Bank

- Strong wealth businesses across all client segments
- Differentiated client experience supported by strong BMO wealth offering
- Partnerships to leverage opportunities in P&C U.S. for additional growth; executing on high net worth and mass affluent models
- Continued momentum with recent acquisitions of M&I and CTC and close partnership with Asset Management

Personal & Commercial Banking U.S.

U.S. Investor Day



Today's Agenda

P&C U.S.

Strategic Overview

Mark Furlong

- President & CEO, BMO Harris Bank

Personal & Business Banking

Business & Strategic Overview

Chris McComish

- EVP Personal & Business Banking

Personal Banking

Mass Affluent Strategy

Brad Chapin

- EVP Personal & Business Banking

Commercial Banking

Business & Strategic Overview

Dave Casper

- EVP Commercial Banking

Personal & Commercial Banking U.S.

Strategic Overview

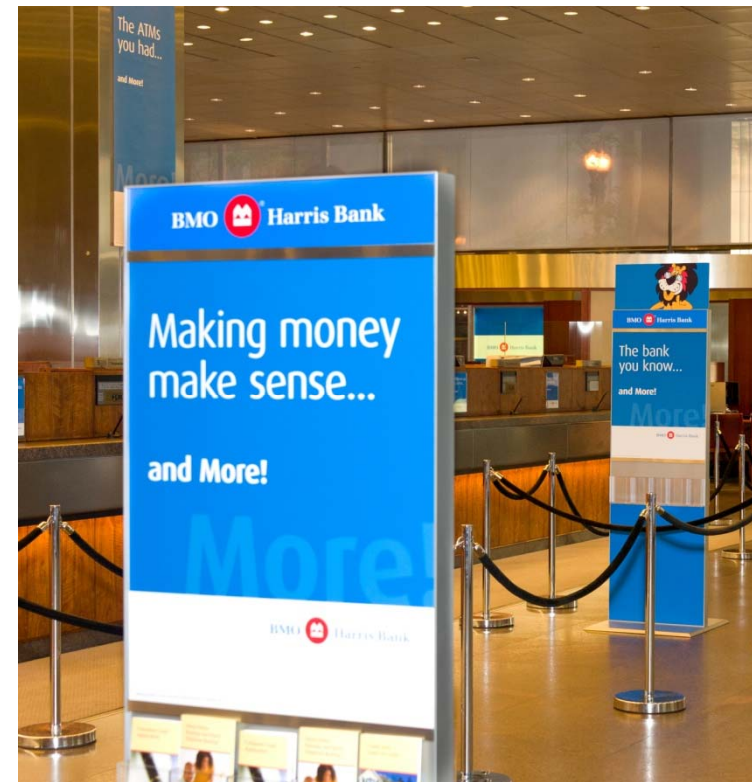
Mark Furlong

President and Chief Executive Officer



Key Takeaways

- Strong, experienced leadership team and platform
- Leveraging strengths of both legacy franchises and BMO Financial Group
- Clear growth strategy putting the customer at the center of everything we do
- Detailed knowledge of our markets and competitors. . . we know how to compete
- Sharply focused on further strengthening financial performance and completing systems conversion



Personal & Commercial Banking U.S. Management Team

Mark Furlong
President & Chief Executive Officer

**Ann
Benschoter**

**Chris
McComish**

**Brad
Chapin**

**Dave
Casper**

Terry Bulger
Chief Risk Officer
Stephen Taylor
Chief Financial Officer

Headquarters

Personal &
Business
Banking

Personal &
Business
Banking

Commercial
Banking

Strategy

Product
development

Pricing

Process design

Sales force support

Illinois
Indiana
Missouri
Kansas

Wisconsin
Minnesota
Arizona
Florida

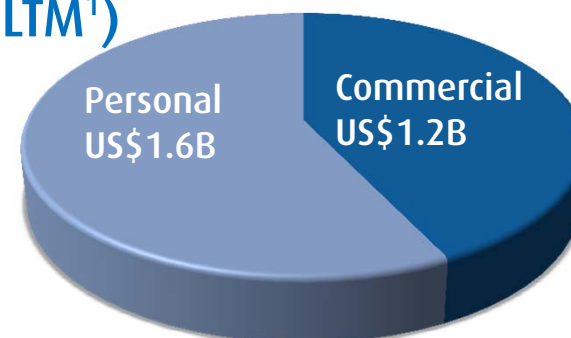
Larger Commercial
and Corporate
Banking Clients

Consumer Lending

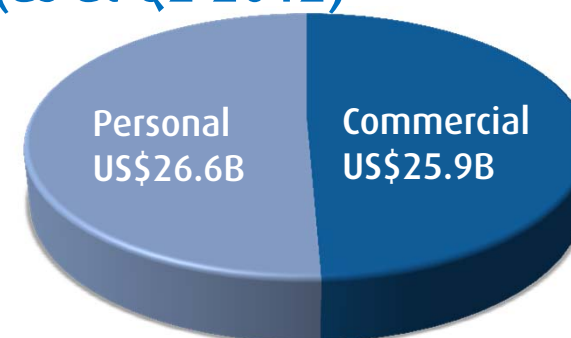
Personal & Commercial Banking U.S. Financial Overview

US Dollars Last Twelve Months ¹	P&C U.S.
Revenue	\$2.8 B
Net Income – Adjusted ²	\$563 MM
Productivity – Adjusted ²	59.1%
Total Loans ³	\$52.5 B
Total Deposits ³	\$58.8 B

Revenue
(LTM¹)



Total Loans
(as at Q2 2012)



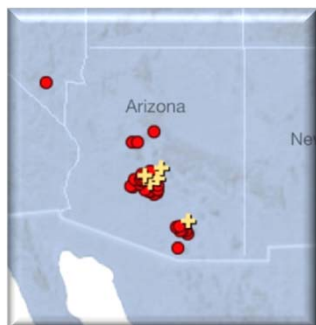
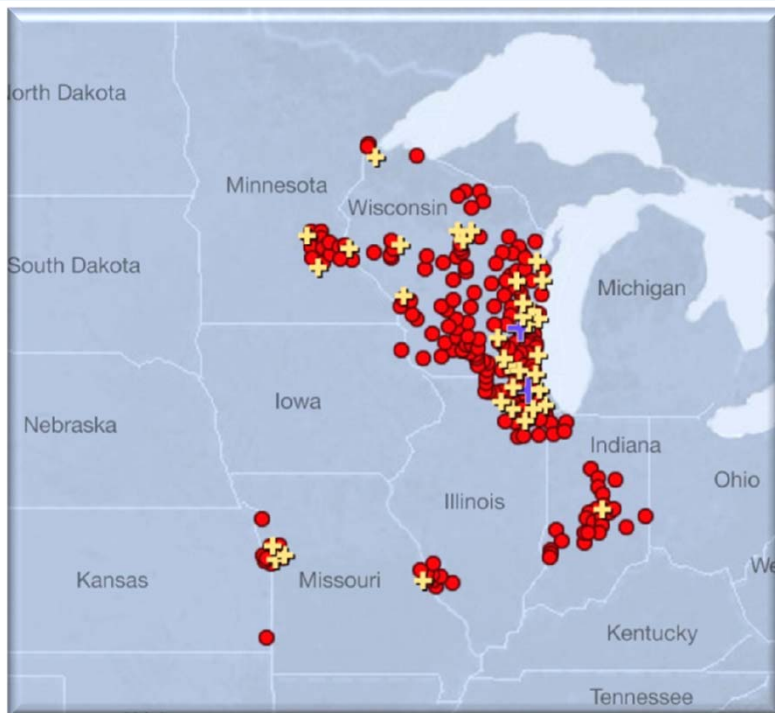
Operating segment results reported on an Expected Loss (EL) basis; see Note 26 on page 167 of BMO's 2011 Annual Report

¹ Last twelve months defined as sum of actual results Q3 2011 through Q2 2012. Legacy M&I results included for 10 months. Reported net income \$505MM; productivity 62%

² Adjusted for acquisition-related amortization of intangibles. Adjusted measures are non-GAAP measures. See slide 1 of this document, pages 94-95 of BMO's 2011 Annual Report and pages 33-34 of BMO's Second Quarter 2012 Report to Shareholders

³ As at Q2 2012 balances

Enviably scale and #3 market position in attractive U.S. Midwest



- BMO Harris Bank (P&C US)
- + Harris Private Banking (Wealth Management)
- + BMO Capital Markets

*Metropolitan Statistical Area (MSA)

(1) Excludes MSAs where BMO Harris has no presence, and deposits not located in MSAs (~2% of P&C US deposits); includes all headquarter, brokered, and in-store deposits

(2) Excludes MSAs where BMO Harris has no presence, and branches not located in MSAs; includes traditional, in-store and de novo branches

(3) Branch count will be 556 considering announcement of closures on June 21, 2012

Source: SNL (All deposit and branch data as of June 30, 2011)

#3 Deposit share across our Midwest markets

Illinois • Indiana • Kansas • Minnesota • Missouri • Wisconsin

		Midwest MSA* deposit market share ⁽¹⁾	Branches ⁽²⁾
1	U.S. Bancorp	11.6%	503
2	JPMorgan Chase	10.8%	607
3	BMO	9.7%	586⁽³⁾
4	Wells Fargo	7.1%	184
5	Bank of America	5.7%	291
6	PNC	3.4%	338

Source: SNL Financial and Company Disclosure

Competitive position + market demographics = opportunity

	Chicago	Milwaukee Madison	Other WI MSAs	Minneapolis	St. Louis	Kansas City	Indianapolis	Phoenix ⁽¹⁾	FL markets	
Market Demographics	Population (MM)	9.5	2.1	2.0	3.3	2.8	2.1	1.8	5.5	6.8
	GDP (\$B chained 2005 dollars)	476	108	72	181	116	86	93	206	230 ⁽²⁾
	Per capita income (\$K)	44.3	43.3	36.6	46.8	41.5	41.6	38.8	35.2	37.5 ⁽³⁾
	# of HNW HHHs ⁽⁴⁾ 2010	243K	← 97K →		104K	95K	47K	99K	117K	362K
	Unemployment Rate (March 2012)	8.7	5.2 ⁽⁵⁾	6.5 ⁽⁶⁾	5.6	8.1	7.1	7.7	7.6	9.1
Competitive Position	P&C US branches (branch share)	229 (7.1%)	117 (14.4%)	100 (9.0%)	37 (4.5%)	18 (1.9%)	12 (1.5%)	42 (7.1%)	54 (4.6%)	36 (1.8%)
	Deposit share (rank) ⁽⁷⁾	11.6% (2)	23.1% (2)	13.0% (1)	2.5% (4)	3.9% (5)	1.6% (12)	7.3% (4)	3.9% (4)	1.4% (9)
	Mortgage share ⁽⁸⁾ (rank)	1.9% (8)	← 3.1% (8) →		0.6% (28)	0.3% (77)	NA	0.8% (11)	0.4% (40)	0.2% (62)
	Home equity lending share ⁽⁹⁾ (rank)	4.9% (3)	← 5.4% (4) →		1.3% (8)	0.6% (34)	NA	2.7% (7)	1.3% (12)	0.3% (37)

(1) Includes Tucson and Prescott MSAs

(2) Excludes Sarasota

(3) Per capita income ranges from \$34K - \$58K for the five FL MSAs that P&C US operates in, excl. Sarasota

(4) HHHs with at least \$1MM in investable assets in 2010 by state

(5) Unemployment in Milwaukee is 7.3% and in Madison 4.9%

(6) Unemployment in other WI MSAs ranges from 5.3% to 8.1%

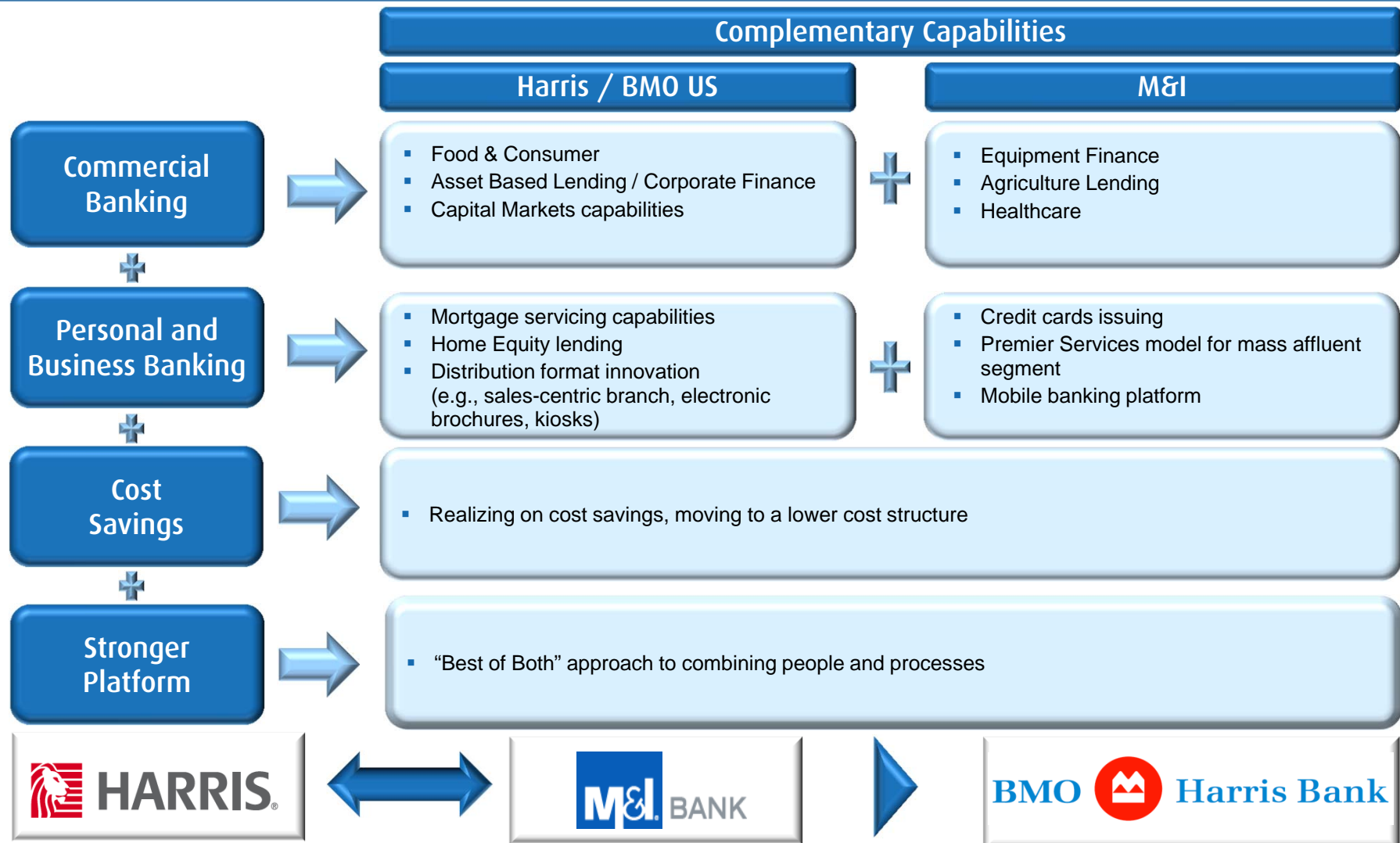
(7) Includes Headquarters, Broker, and In-store deposits

(8) Represents state mortgage market share from available counties; data not available for Kansas

(9) Represents state home equity market share from available counties; data not available for Kansas

Source: SNL (All deposit and branch data as of June 30, 2011), Market Intelligence, BLS, BEA, Phoenix Marketing

M&I strengthens platform and prospects on multiple fronts



We are the #1 and #2 bank in our core markets of Wisconsin and Chicago respectively

Chicago (Population 9.46MM, 3rd largest MSA out of 362 US MSAs)

■ Cook County

(Population 5.19MM, larger than the 10th largest MSA)

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	1	JPMorgan Chase & Co.	252	46,055	23.0%
2	4	BMO Financial Group	94	23,551	11.8%
3	2	Bank of America Corp.	119	22,370	11.2%
4	20	Northern Trust Corp.	7	16,949	8.5%
5	16	PrivateBancorp Inc.	12	7,803	3.9%
		Market Total	1,634	199,975	

■ Outer Chicago⁽²⁾

(Population 4.11MM, larger than the 15th largest MSA)

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	1	JPMorgan Chase & Co.	190	11,843	13.4%
2	2	BMO Financial Group	135	10,179	11.5%
3	7	Wintrust Financial Corp.	57	6,853	7.8%
4	4	PNC Financial Services	66	6,545	7.4%
5	5	First Midwest Bancorp	65	3,926	4.4%
		Market Total	1,524	88,361	

Milwaukee

■ Population 1.56MM, 39th largest MSA out of 362 US MSAs

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	2	U.S. Bancorp ⁽¹⁾	48	17,693 ⁽¹⁾	32.7%
2	1	BMO Financial Group	89	13,210	24.4%
3	5	JPMorgan Chase & Co.	30	4,693	8.7%
4	2	Associated Banc-Corp	48	2,368	4.4%
5	11	Wells Fargo & Co.	13	1,454	2.7%
		Market Total	582	54,096	

Madison

■ Population 0.57MM, 89th largest MSA out of 362 US MSAs

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	2	BMO Financial Group	28	2,601	18.3%
2	4	U.S. Bancorp	14	1,977	13.9%
3	3	Anchor BanCorp Wisconsin	20	1,301	9.2%
4	1	Associated Banc-Corp	29	1,105	7.8%
5	19	First Business Financial Services	1	849	6.0%
		Market Total	230	14,214	

(1) Includes one branch with \$11B in deposits (90% Y/Y increase)

(2) Defined as the counties in the Chicago MSA that BMO has a presence in, excluding Cook County
Source: SNL (All deposit and branch data as of June 30, 2011); US Census Bureau

Our other Midwest markets have good positions and provide strong opportunities for growth

Indianapolis

Population 1.76MM, 35th largest MSA out of 362 US MSAs

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	1	JPMorgan Chase & Co.	83	7,763	25.0%
2	2	PNC Financial Services	71	6,899	22.2%
3	4	Fifth Third Bancorp	47	2,818	9.1%
4	6	BMO Financial Group	42	2,254	7.3%
5	5	Huntington Bancshares Inc.	45	2,061	6.6%
Market Total			594	31,102	

Minneapolis

Population 3.28MM, 16th largest MSA out of 362 US MSAs

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	1	Wells Fargo & Co.	102	39,584	36.1%
2	3	U.S. Bancorp	97	35,817	32.6%
3	1	TCF Financial Corp.	102	4,664	4.2%
4	4	BMO Financial Group	37	2,704	2.5%
5	5	Bremer Financial Corp.	29	2,149	2.0%
Market Total			821	109,720	

St. Louis

Population 2.81MM, 18th largest MSA out of 362 US MSAs

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	1	U.S. Bancorp	121	11,327	16.2%
2	3	Bank of America Corp.	60	8,868	12.7%
3	6	Commerce Bancshares	51	4,888	7.0%
4	2	Regions Financial Corp.	70	2,955	4.2%
5	10	BMO Financial Group	18	2,737	3.9%
Market Total			962	69,740	

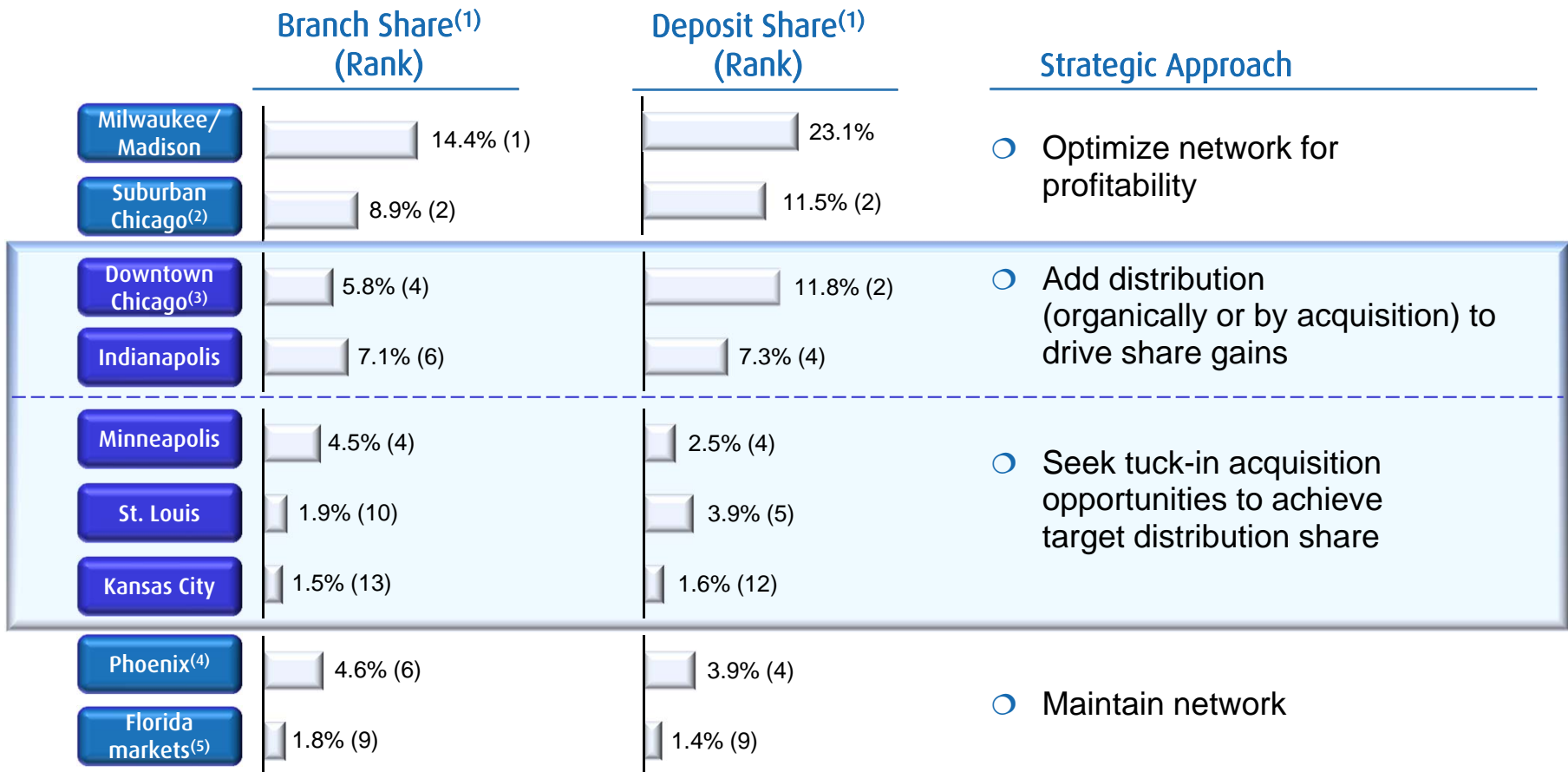
Kansas City

Population 2.04MM, 30th largest MSA out of 362 US MSAs

Deposit Rank	Branch Rank	Parent Company Name	Total Branch Count	Total Deposits (\$MM)	Deposit Market Share
1	6	UMB Financial Corp.	38	5,874	13.5%
2	4	Commerce Bancshares	48	5,447	12.5%
3	2	Bank of America Corp.	50	4,552	10.4%
4	1	U.S. Bancorp	56	2,486	5.7%
5	5	Valley View Bancshares	43	2,378	5.5%
12	13	BMO Financial Group	12	712	1.6%
Market Total			792	43,612	

Source: SNL (All deposit and branch data as of June 30, 2011), US Census Bureau

Our footprint strategy is tailored to market opportunity



(1) From SNL; no adjustments made for in store branches or headquarter deposits
 (2) Defined as counties in the Chicago MSA where we have a presence excluding Cook County
 (3) Defined as Cook County, IL
 (4) Including Tucson and Prescott MSAs
 (5) Calculated for the six MSAs where we have a presence
 Source: Pitney Bowes, SNL (All deposit and branch data as of June 30, 2011)

Confident in ability to proactively manage headwinds

Pace of economic recovery

○ Advantaged with business-led recovery

- Focus on monitoring and risk management
- Rigorous analysis on new deals
- Focus on growing share of wallet

Competitive market dynamics

○ Strong market position and balance sheet

- Compete on value proposition and Client Experience
- Broaden originations 'net' to see more opportunities
- Defer portfolio re-pricings without jeopardizing retention

Ongoing regulatory reform

○ Well prepared to navigate regulatory reform

- Maintain discipline on monitoring ongoing developments
- Implement strategies to mitigate financial impacts

Delivering on our business strategies – delivering growth and strong returns

Looking Ahead

- \$1B net income from U.S. retail and wealth businesses in the medium-term
- P&C U.S. productivity ratio in mid to low 50's
- A leading commercial bank in the U.S. Midwest
- Continued strong customer loyalty scores – building on strength of legacy Harris foundation
- Top 5 deposit share in all our major markets
- Balance sheet growth above GDP

See slide 1 of this presentation regarding forward looking statements

Focusing on key priorities

- Improve Personal & Business banking profitability
- Establish our position as the leading Commercial bank of the Midwest
- Achieve strong customer loyalty across all businesses
- Leverage North American scale

Personal & Business Banking

Roll-out
Mass Affluent model:
Premier Services

Increase lending penetration:
Consumer, Small Business
and Business Banking

Deposit & Payments
Strategy

Commercial Banking

Increase scale of
Asset-Based Lending,
Equipment Finance and
Dealer Finance business

Building new/adjacent
sector specialties

Fill out existing markets and
Expand in adjacent markets

Increase
Treasury Management
penetration

North American Scale

Integrated Cards Strategy

Customer Contact Centres

Channels Optimization

Deliver Integration Synergies

Deliver Exceptional Customer Experience

P&C U.S. – Personal & Business Banking

Business & Strategic Overview

Chris McComish

EVP, Personal & Business Banking



Personal & Business Banking Overview

Retail Banking

- ❑ Over 2 million customers
- ❑ 663 Branches
- ❑ 1,369 ATMs
- ❑ Full multi-channel offering supported by size and strength of BMO Financial Group
- ❑ Call center with over 17MM calls/year

Small Business/Business Banking

- ❑ Over 160,000 Customers
- ❑ Serving customers with revenue up to \$20MM
- ❑ Customers served through branch-based and dedicated relationship managers throughout footprint
- ❑ Full suite of cash management products and services

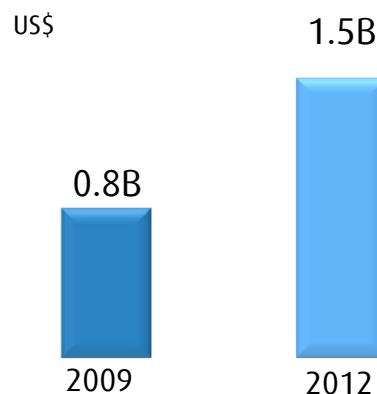
Financial Highlights

- ❑ US\$1.5B Revenue (LTM¹)
- ❑ US\$26.6B Loans
- ❑ US\$42.0B Deposits

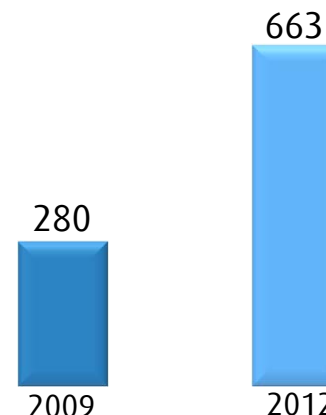
¹ Last twelve months defined as sum of actual results Q3 2011 through Q2 2012. Legacy M&I results included for 10 months.

² Loan and deposit balances are as at Q2 2012 and average 2009

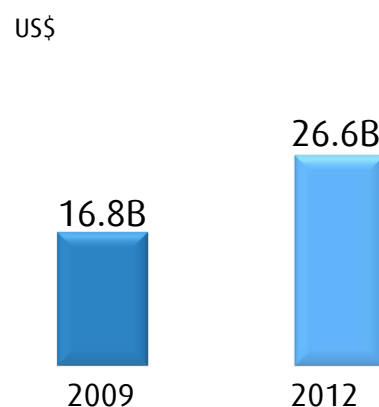
Revenue¹



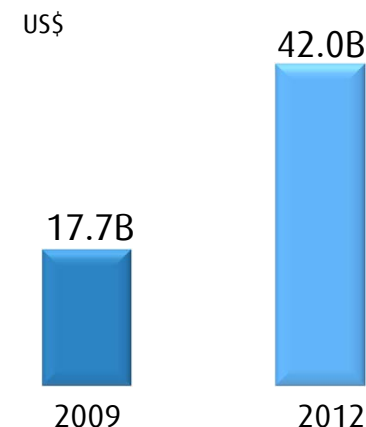
Branches



Loans²

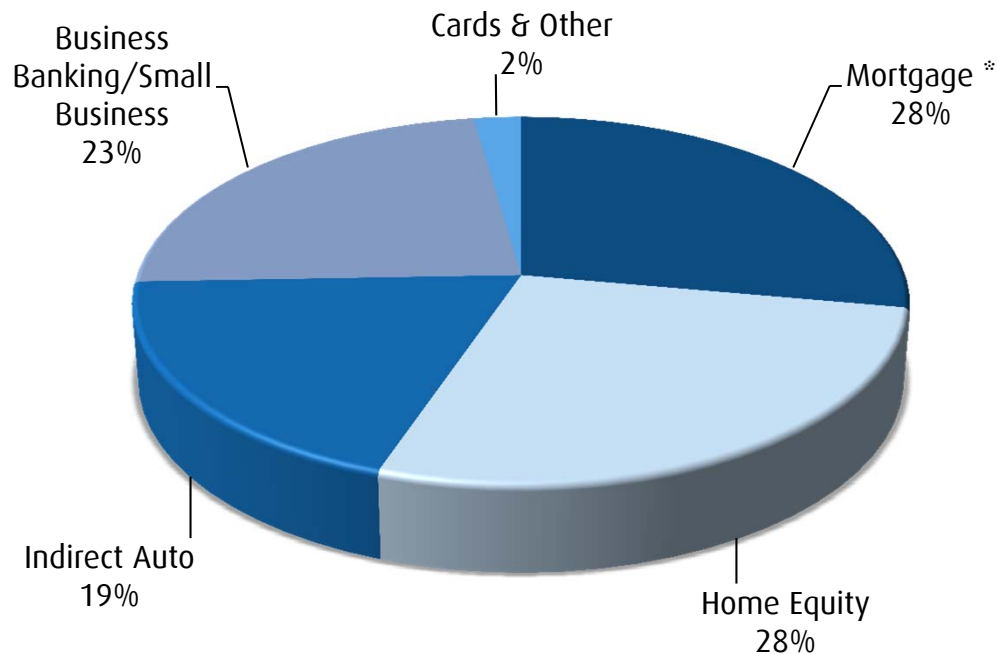


Deposits²



Personal Banking Loan Portfolio







Loans* US\$26.6B
(as at Q2 2012)



- Opportunities for growth across all personal, small business and business banking products
- New production and pipeline growth is strong across most categories despite economic softness
- Mortgage originations strong; managing interest rate and balance sheet risk by selling approximately 68% of originations into the secondary market
- Credit Quality strong and stabilized and better than peers
- Non-strategic lending has been discontinued

* Excludes external serviced mortgage portfolio of approximately US\$4.1B

In Personal Banking, we compete directly with many of the largest U.S. banks

	Branch Count ¹	Market Footprint	Strategic Approach
	663 (incl. 7 in-store)	Regional – 8 states	<ul style="list-style-type: none"> ▪ Superior customer experience through relationship-based guidance and advice
	1,002 (incl. 103 in-store)	National	<ul style="list-style-type: none"> ▪ Convenience and product capability
	699 (incl. 11 in-store)	National	<ul style="list-style-type: none"> ▪ Convenience and size
	646 (incl. 71 in-store)	National	<ul style="list-style-type: none"> ▪ Aggressive product sales orientation
	584 (incl. 136 in-store)	National	<ul style="list-style-type: none"> ▪ Drive performance through efficiency
	401 (no in-stores)	Regional – 20 states + DC	<ul style="list-style-type: none"> ▪ Emphasis on tech-enabled financial management tools

(1) Within P&C US MSA footprint excluding Miami and Las Vegas; not adjusted for drive up branches, limited services, retirement branches etc. source: SNL

We have significant competitive advantages

○ Our Customers

- Strong customer loyalty scores and high retention rates relative to largest competitors and comparable with local community banks
- Attractive customer base: over-indexing to mass affluent/higher net worth with very low customer attrition

○ Distribution

- Strong share in Wisconsin and Illinois; good share in Indianapolis, Phoenix and Minnesota
- Disciplined sales management processes tied to customer experience

○ Business Banking

- Significant segment with strong reputation and deep relationships

○ Set up for success post-conversion

- Right people, right products, right processes

○ Talent

- Strong, experienced management and sales force
- Proven ability to attract talent as a result of BMO Financial Group strength and stability

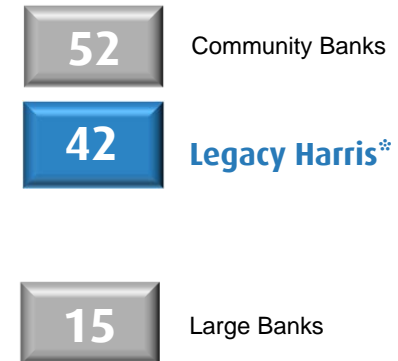
○ Regulatory issues not distracting from core business

Driving growth through customer experience

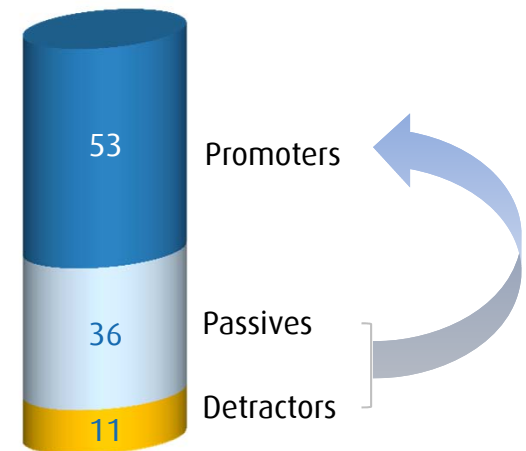
- 1 Loyal customers stay longer**
 - Increasing retention
- 2 Loyal customers buy more**
 - Increasing share of wallet
- 3 Loyal customers make referrals**
 - Increasing customer acquisition
- 4 Loyal customers provide feedback**
 - Increasing customer insight

Measure customer loyalty through
Net Promoter Score (NPS)

Competitive Retail NPS Q2 2012



Legacy Harris – Retail NPS Q2 2012



* As measured by 12 month rolling (MR) average NPS. Excludes FDIC-assisted transaction (Amcore), 12MR

BMO Harris Bank market activity is strong

Consumer Lending


- Mortgage Fundings: Up 20% Q2'12 Y/Y
- Mortgage Pipeline: Doubled Q2'12 Y/Y
- Home Equity Applications: Up 18% Q2'12 Q/Q
- Credit Card Applications: Doubled Q2'12 Y/Y

Deposits & Payments

- Mobile banking
 - Roll out legacy M&I technology to legacy Harris customers in July 2012, including remote deposit capture
- Enhanced ATM capability
 - Image enabled ATMs being rolled out
- Credit card offering
 - Visa card offering to all customers started Oct 2011
- On-line banking
 - 53% of retail checking households actively using OLB

New cards to fit your needs.

**More cards.
More choices.
More convenience.**



Now, choose from new personal and business credit cards available from BMO Harris Bank. Talk to a banker and apply today!

More!

BMO  Harris Bank

Subject to credit approval and underwriting guidelines. BMO Harris Bank is a bank name used by BMO Harris Bank N.A. and its affiliates. Member FDIC.

BMO Harris Bank market activity is strong

Small Business & Business Banking

- Q2'12 business banking pipeline more than double Q1'12
- 46 dedicated small business bankers
- BMO Harris Bank Business Banking was ranked #1 by Greenwich Associates in market penetration within its footprint in 2011
- In 2011, BMO Harris Bank's Small Business Banking received a Greenwich Excellence Award for Overall Satisfaction

Leveraging North American Scale

- Integrated marketing campaigns
 - Example: Helpful Steps® / SmartSteps®
- Net Promoter Score
 - Consistent across businesses and geography
- Distribution planning
 - Branches, ATMs
- Call channels
 - Responsibility for all call centers under one BMO executive

Helpful Steps® for Small Business

Five simple steps that can help you build a better business.



BMO  Harris Bank

Clear direction to drive profitability

- Focusing on **key segments** (e.g., Mass Affluent)
- Driving **customer experience** focus across entire branch footprint
- Driving **sales productivity** and **network effectiveness**
- Increasing **consumer lending share**
- **Leveraging technology** across North American footprint

P&C U.S. – Personal Banking

Mass Affluent Strategy

Brad Chapin

EVP, Personal & Business Banking



Mass Affluent segment offers significant opportunity for BMO Harris Bank

- 1 Premier Services Client
- 2 Client Needs
- 3 Our Delivery Model
- 4 Measuring Success



By building your customized financial roadmap, you ensure that we understand your financial priorities, offer the products best designed to meet your needs and put you on the right track to reach your goals.

Mass Affluent profile: winning customers' share of wallet



Premier Services Client Profile

\$250K to \$1MM
in household investable
assets

20%

...approximately 240,000
BMO Harris Bank households
fit our Premier Services
customer profile

3%

... approximately 36,000 BMO
Harris Bank households hold over
\$250K with the Bank today

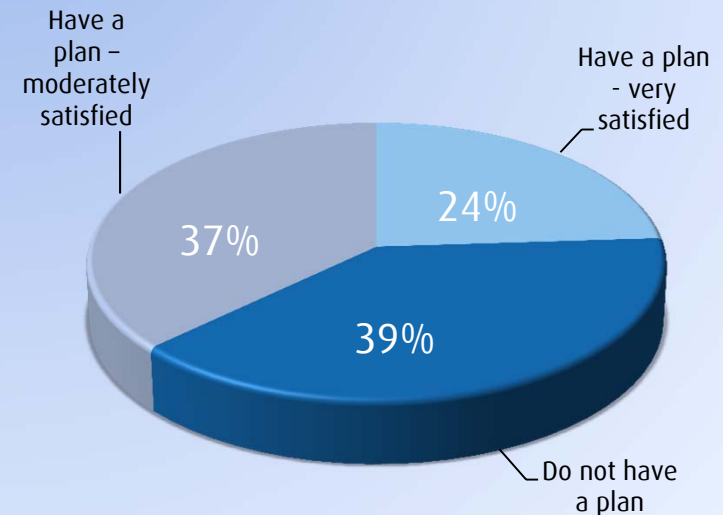
17%

... approximately 200,000 BMO
Harris Bank households hold
significant balances at other
Financial Institutions

Premier Services clients told us what they value¹

- Advisor knowledge
- Dedicated point of contact
- Confidence about their future
- Financial planning

76% of the mass affluent segment are underserved by current banking/financial planning models



¹ McKinsey, Wealth Management Consumer Survey 2010 and Corporate Executive Board, Meeting Divergent Mass-Affluent Needs 2010

Strategic approach to managing customers' financial services needs



From banking to investments.

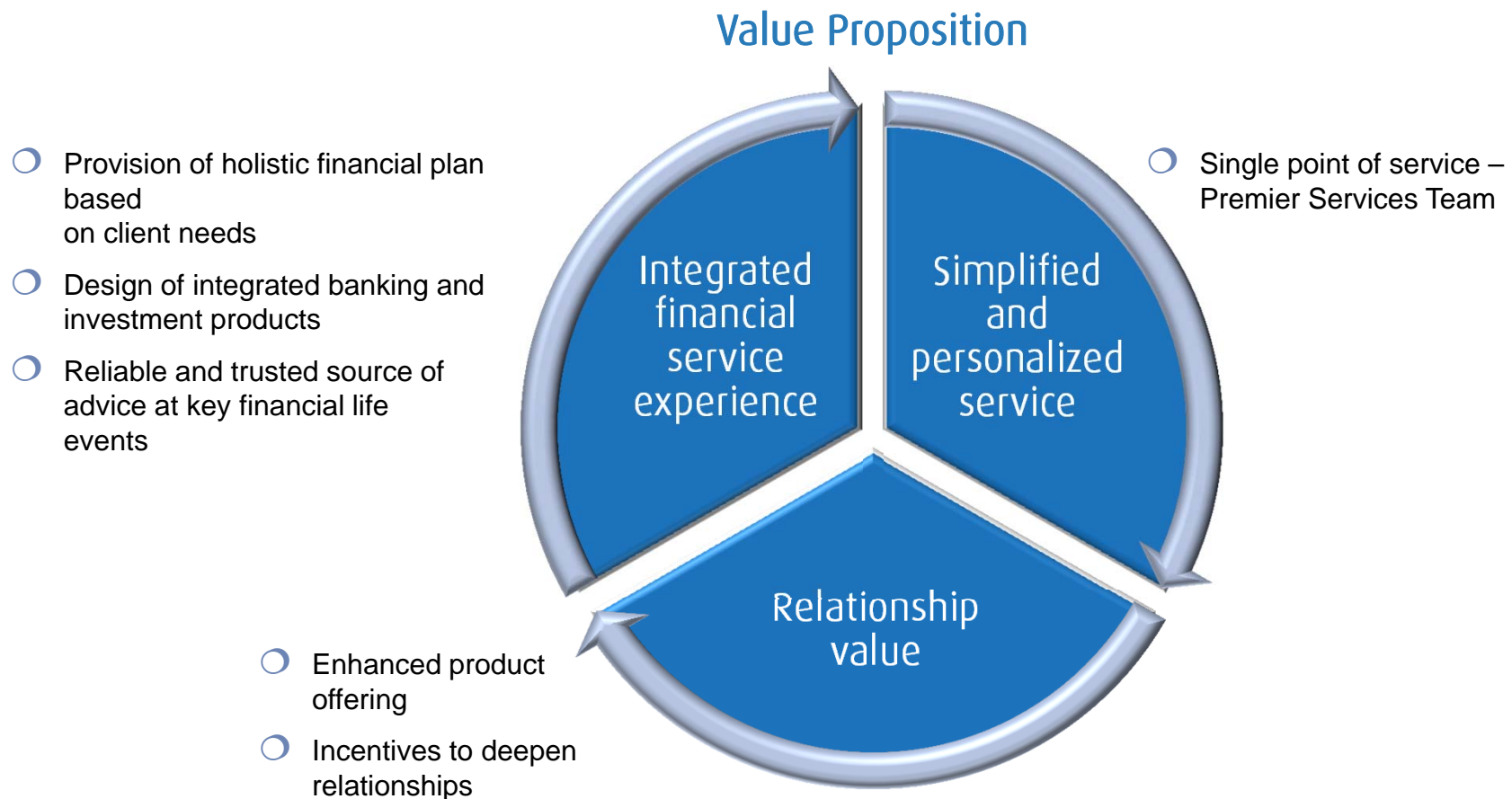
Your Premier Banker serves as a true partner to you, bringing you a focused and strategic planning approach to your financial needs that simplifies complexities and uncovers opportunities you might not have considered.

Based on your goals, your Premier Banker can assemble a hand-picked team of advisors, including a Financial Advisor* who can recommend the right mix of investment services and solutions to meet a range of short- and long-term financial needs.

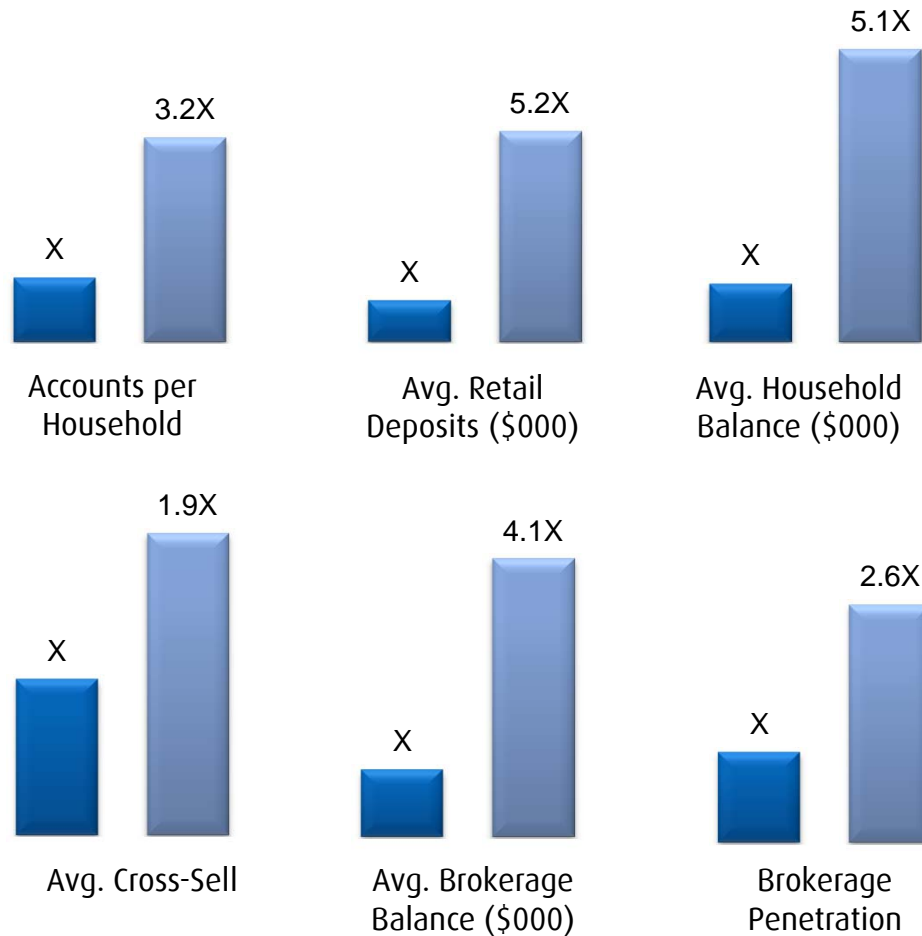


Our mass affluent strategy consistently projects the value proposition

Value proposition enhanced by customer base that is generally skewed to a higher mass affluent heavy footprint than peers



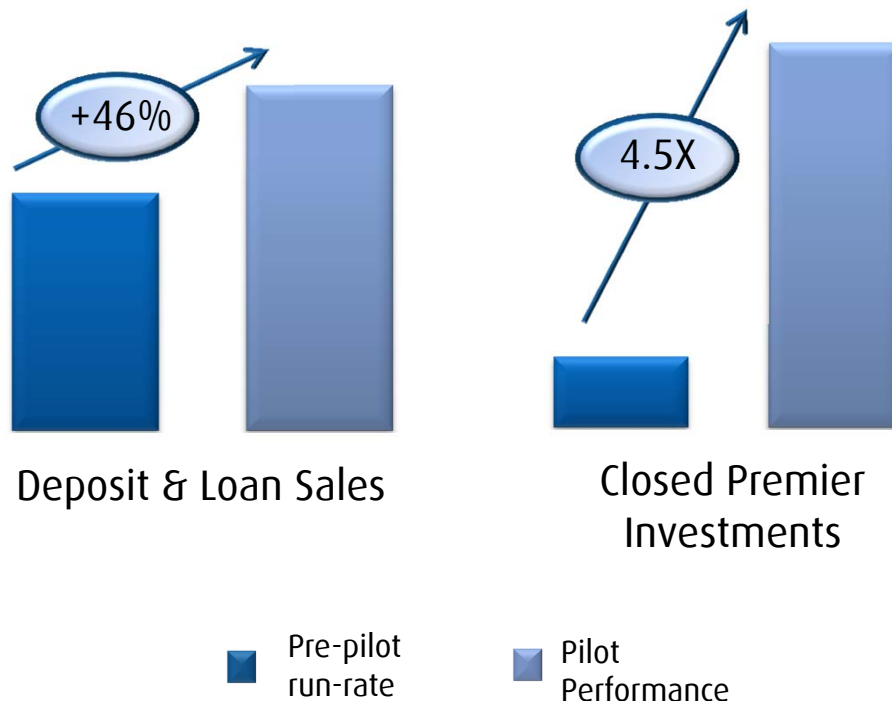
Building on a successful foundation of deepening customer relationships



The average relationship size of customers with assets of \$250K to \$1MM is **significantly larger** when served by our Premier Services model

■ Served in Retail Banking ■ Served in Premier Banking

Pilot results are very encouraging



Monthly sales and closed investments per Premier Banker have **increased substantially** in pilot markets

Customers are excited about the Premier Services offering

"It seems like at other institutions, everyone has their own agenda. A stock broker will tell you to leave all your money in the market, and others tell you to keep it all in the bank. I feel very comfortable with what we are doing with [our FA]."

"It's wonderful to have someone to rely on that looks out for me and my best interests. This is a novel concept and something that I've never had before."

"I went into the meeting not knowing what to expect. I wasn't prepared to discuss everything because I had no idea all of these services existed. I'm in awe of this program."

"I've banked elsewhere for years and no one has ever offered anything like this."

"It's still so new. There are probably so many things I haven't even taken advantage of."

Mass Affluent segment offers significant opportunity for BMO Harris Bank

- Strategic approach to managing customers' financial services needs
- Mass Affluent segment provides a significant revenue opportunity to BMO Harris Bank
- Leverage our advantaged customer segment base
- Value Proposition:
 - simple and personalized services
 - deeper relationships
 - an integrated financial experience across banking and investments
- Effective Model:
 - new products
 - better choreography
 - clearer segmentation
 - more support from multi-channel resources
 - targeted marketing
- Pilot results are encouraging



By building your customized financial roadmap, you ensure that we understand your financial priorities, offer the products best designed to meet your needs and put you on the right track to reach your goals.

P&C U.S. – Commercial Banking

Business & Strategic Overview

Dave Casper

EVP, Commercial Banking



Commercial Banking Overview

Sectors/Coverage

- Corporate Finance
- Food & Consumer
- Financial Institutions
- Diversified Industries¹
- Commercial Real Estate
- Dealer Finance
- Equipment Finance
- Agriculture
- Institutional Businesses¹
- Treasury Management

Client

- Over 5,000 customers
- Serving business customers greater than \$20MM revenue
- 400 customer-facing FTE
- 12th largest commercial bank in U.S.²
- Over 7,500 prospects

Financial Highlights

- US\$1.2B Revenue (LTM¹)
- US\$25.9B Loans
- US\$16.8B Deposits

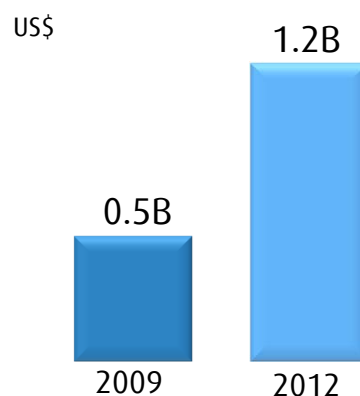
¹ Diversified industries includes industrials, manufacturing and service businesses. Institutional Businesses include healthcare, not-for-profit and governments.

² Measured by commercial loans

³ Last twelve months defined as sum of actual results Q3 2011 through Q2 2012. Legacy M&I results included for 10 months.

⁴ Loan and deposit balances are as at Q2 2012. Loan and deposit balances are average for 2009 and include CM transfer balances of \$5.4B and \$3.2B respectively.

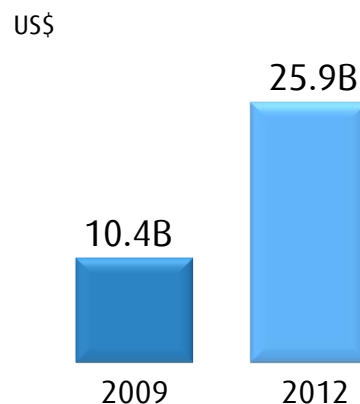
Revenue³



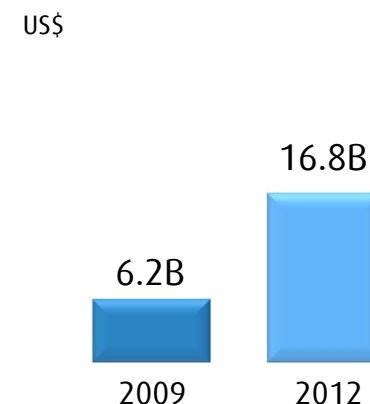
Market Share

Wisconsin	#1
Chicago	#3
Minneapolis	#3

Loans⁴

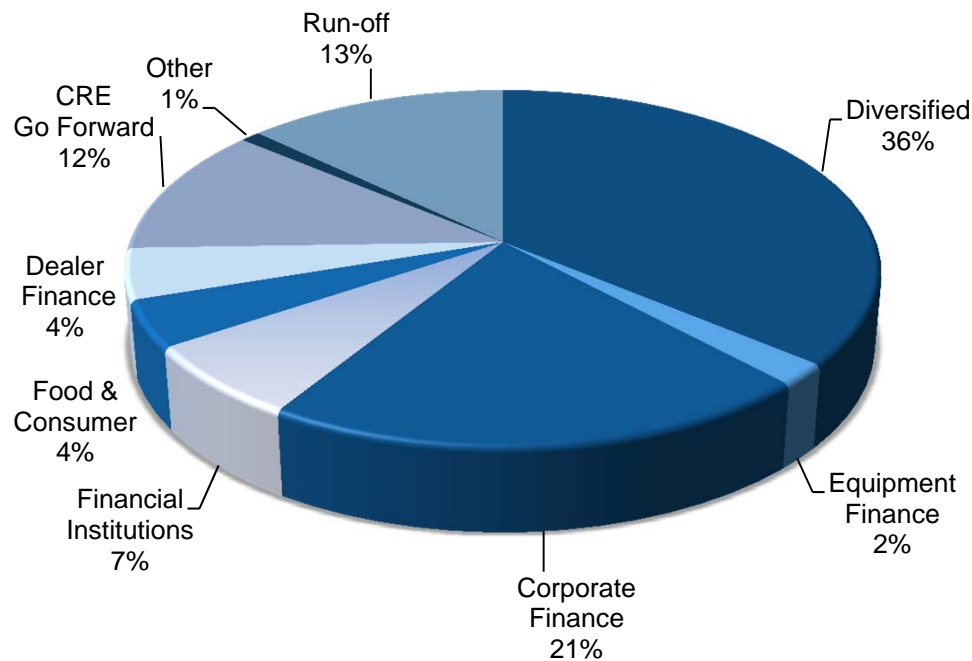


Deposits⁴



Commercial Banking Loan Portfolio

Loans US\$25.9B
(as at Q2 2012)



- C&I book represents \$19.6B or ~75% of commercial loan portfolio
- Go-forward CRE portfolio of \$3.1B or ~12%
- Run-off portfolio of \$3.3B is approximately 80% CRE and 20% C&I and is expected to run-off over the next 5 years
- Credit quality is strong and adjusted PCL has stabilized

The range of our sector expertise in commercial banking has been expanded by the M&I acquisition

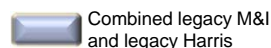
Segments	Footprint	Clients	Products
<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; padding: 5px;">Global Treasury Management</div> <div style="margin-left: 10px;"> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Commercial Real Estate</div> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Diversified Industries⁽¹⁾</div> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Dealer Finance</div> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Corporate Finance⁽²⁾</div> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Food & Consumer</div> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Financial Institutions⁽³⁾</div> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Institutional Businesses⁽⁴⁾</div> <div style="background-color: #4a7c9c; color: white; padding: 5px; margin-bottom: 5px;">Equipment Finance</div> <div style="background-color: #4a7c9c; color: white; padding: 5px;">Agriculture</div> </div> </div>	<ul style="list-style-type: none"> ▪ WI and IL are historical markets ▪ Strong presence in Midwest ▪ Modest presence in Arizona and Florida ▪ National presence for the following segments <ul style="list-style-type: none"> • Food and Consumer • Corporate Finance • Financial Institutions • Engineering and Construction 	<ul style="list-style-type: none"> ▪ Businesses with revenue >\$20MM ▪ Mid-Cap and large companies in the following segments <ul style="list-style-type: none"> • Financial Institutions • Agribusiness • Diversified Industries • Consumer goods ▪ US private equity sponsors and their portfolio companies ▪ Commercial Real Estate clients 	<ul style="list-style-type: none"> ▪ Business loans, including asset based lending, equipment finance, syndications, bridge loans ▪ Treasury Management and On-line Banking for Business ▪ Risk Management products (e.g. rate swaps, foreign exchange), Derivatives, Corporate Finance solutions ▪ Referrals to Wealth Management and BMO Capital Markets

(1) Diversified industries includes industrials, manufacturing and service businesses

(2) Sponsor Finance expanded from M&I; Sponsor Fund Lending and Asset Based Lending are legacy Harris businesses

(3) Correspondent Banking is a legacy M&I business; Securities, Specialty Finance, Futures are legacy Harris businesses

(4) Institutional Businesses include healthcare, not-for-profit and governments.



Three paths to growth among our Commercial segments

1 Continue national growth

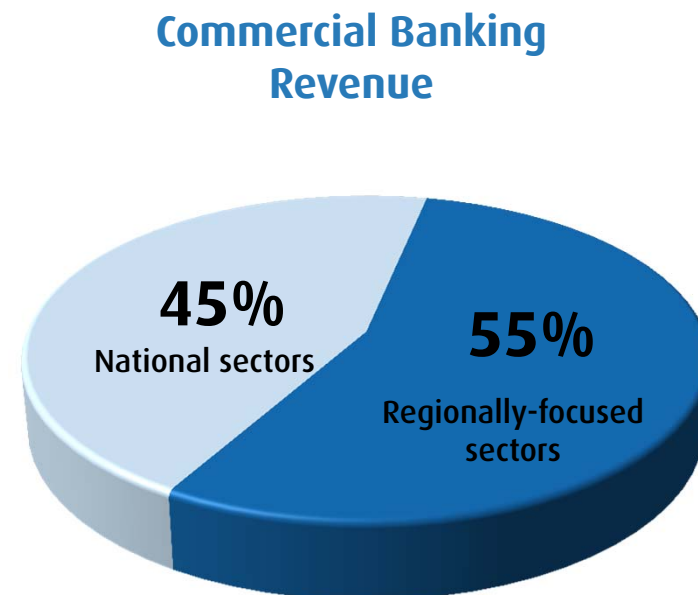
- Corporate Finance
- Financial Institutions
- Food & Consumer
- Treasury Management

2 Leverage footprint

- Diversified Industries
- Agriculture
- Dealer Finance
- Asset-Based Lending
- Equipment Finance

3 Prudently rebuild

- Commercial Real Estate



We compete directly with a broad and varied set of commercial competitors



Large players



Smaller players

The Private Bank, Wintrust, Associated, MB Financial, Various Community Banks

Non-Banks / Specialists

Farm Credit Services, Auto Finance Captives, Huntington Equipment, GE Capital, Madison Capital

Market Footprint	Strategic Approach
<ul style="list-style-type: none"> National (Food & Consumer, Corporate Finance, Financial Institutions, Engineering & Construction) WI and IL historical foundation Midwest and Sunbelt 	<ul style="list-style-type: none"> RM centric model – typically responsible for originating and maintaining client relationship Mid-market, lower corporate
<ul style="list-style-type: none"> National for Chase, BofA, Wells Regional for PNC and US Bank 	<ul style="list-style-type: none"> Industry specialist RMs RMs typically originators Broad range of client sizes
<ul style="list-style-type: none"> Typically regional 	<ul style="list-style-type: none"> RM sales force spread across multiple charters Decentralized leadership Targeting all businesses
<ul style="list-style-type: none"> National Regional in some cases 	<ul style="list-style-type: none"> Specialty sales force Focus on specific industry vertical, varying client sizes

We have significant sources of competitive advantage

Sector expertise



Mid-market focus



Local access & knowledge in Midwest

- **Against smaller players**
 - Sector expertise delivered locally – “smartest of the local”
 - Balance sheet, financial strength, breadth of BMO Financial Group
- **Against larger players**
 - Local knowledge / access to senior leaders (i.e., ‘closest of the big’) coupled with sector expertise
- **Against non banks / specialists**
 - Ability to provide full-service banking and advisory relationship

Claiming our competitive position and executing on our strategy

The screenshot shows the BMO Harris Bank Commercial Banking Resource Center website. The header includes navigation links for Harrisbank.com, Mibank.com, Contact Us, About Us, and Online Services Login. The main navigation bar features categories: Lending Solutions, Treasury Management, Foreign Exchange and Derivatives, Capital Raising, Industry Expertise, Employee Services, and Resource Center (highlighted in red). The main content area features the BMO Harris Bank logo, a welcome message, and a grid of resource categories: Insights, Newsletters, White Papers, Customer Success Stories, and Webinars and Videos. A featured section from The Wall Street Journal highlights a weekly Boss Talk series.

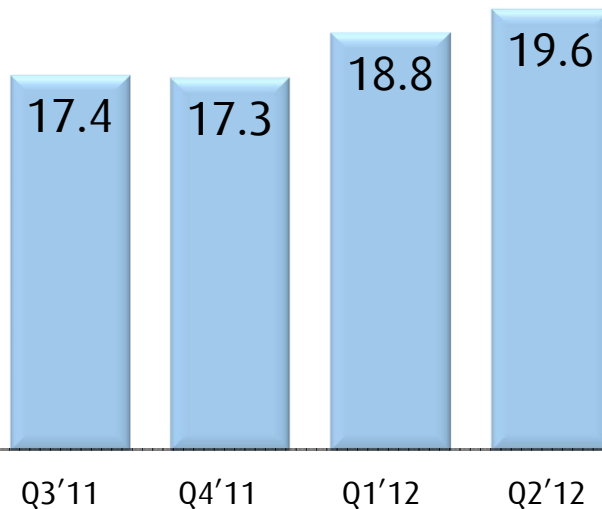
- **Joint calls** with local bankers, sector experts, and executive management
- **Increased focus on prospecting** by legacy M&I bankers
- **New online resource center** (with prominent Wall Street Journal partnership) highlighting BMO expertise to clients and prospects

Our Commercial Banking strategy is working . . .

Continued strong C&I loan growth with strong pipelines

C&I Loan Balances

US\$B (as at)



**You can see it.
We can help make it happen.**

Building is your business. Building business is ours. Our financial experts are active and experienced in the engineering and construction industry, giving us the knowledge to help make your business thrive. From capital raising to strategic advice, we'll work together one-on-one to make your vision a reality.

harrisbank.com/redframe

BMO  **Harris Bank**

Solidifying our position as a leading Midwest commercial bank

- Deploying a unique operating model to deliver a differentiated value proposition
- Pursuing three “paths to growth” tailored to the starting positions of our segments
- Significantly increasing Treasury Management penetration of our client base

U.S. Investor Day

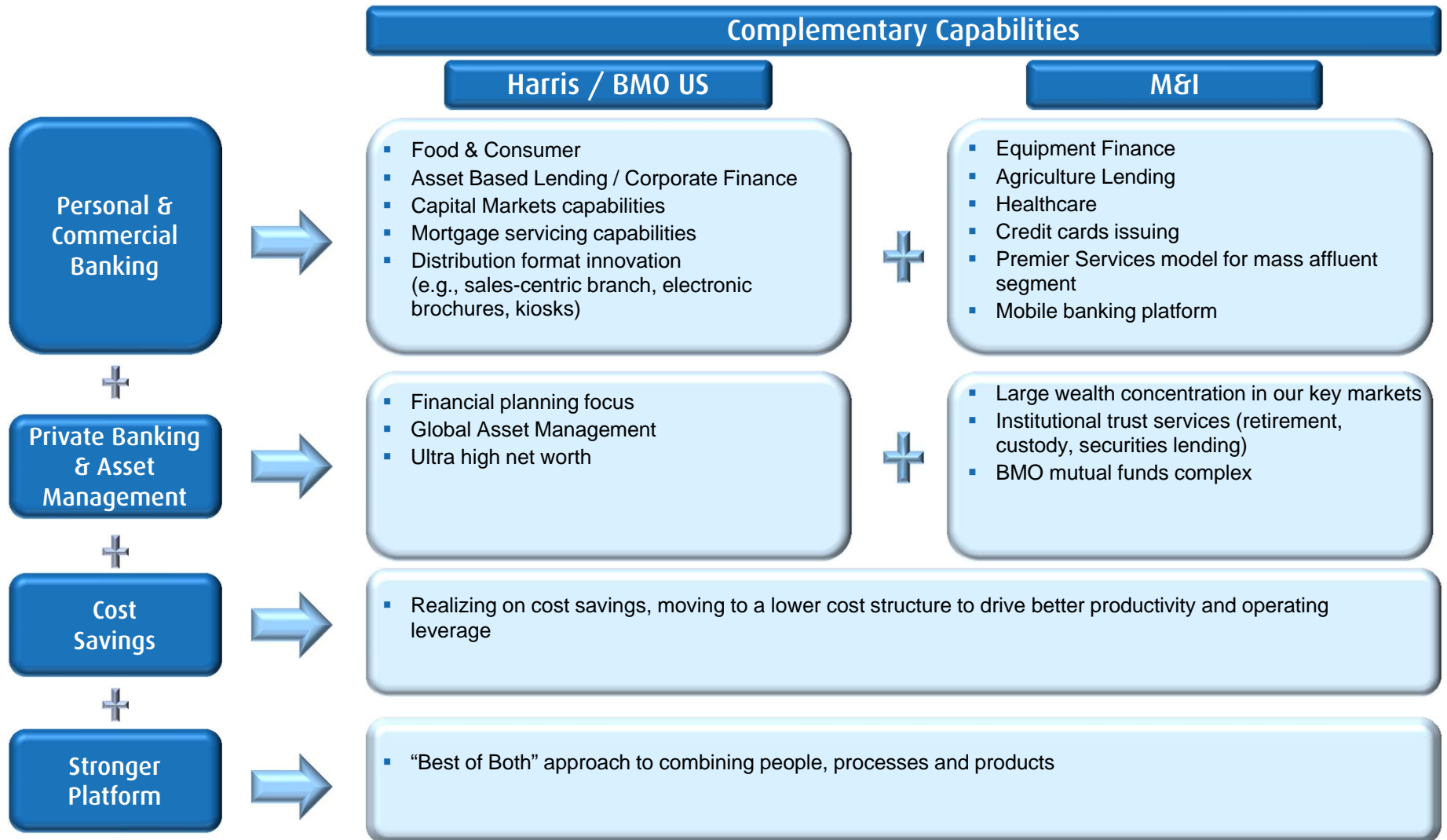
Closing Remarks

Tom Flynn

Executive Vice President & CFO
BMO Financial Group



M&I transforms our U.S. business and is going well



Cost synergy realization progressing ahead of schedule

- Expect cost synergies of at least \$400 million
- Realization ahead of schedule; expenses down ~\$180 million on an annualized basis
- On track in key areas:
 - Business model alignment
 - Employee savings
 - Systems and back office combination
 - Procurement and real estate savings
 - Branch closures
- Systems conversion in fall 2012 will produce benefits next fiscal year
- Upside from revenue synergies

See slide 1 of this presentation regarding forward looking statements

Wrap-up comments

BMO Capital Markets

- U.S. mid-cap focused strategy taking hold; target ROE in mid to low teens, within risk appetite
- Taking share, growing revenues and building profitability

Private Client Group

- Leveraging our acquisitions, driving growth from our existing client base, and maximizing wider distribution capabilities
- Working with P&C U.S. to deliver an integrated retail/wealth offer to exploit attractive customer base

P&C U.S.

- Strong, experienced leadership team and platform
- A leading commercial bank in the Midwest
- Productivity ratio target mid to low 50's; #3 in Midwest markets and top 5 deposit share in all our major markets

Attractive and leveragable platforms, clear growth strategies, focused on execution

See slide 1 of this presentation regarding forward looking statements

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