Investor Presentation

For the Quarter Ended July 31, 2016

August 23, 2016

BMO Financial Group

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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 2016 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, U.S. and international 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, tax or economic policy; the level 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, including obtaining regulatory approvals; 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; outbreaks of disease or illness that affect 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 and risks could adversely affect our results. For more information, please see the Enterprise-Wide Risk Management section on pages 86 to 117 of BMO's 2015 Annual Report, which outlines certain key factors and risks 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 and risks, 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.

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 Review and Outlook section of our Third Quarter 2016 Report to Shareholders.

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 on page 5 of Bank of Montreal's Third Quarter 2016 Report to Shareholders and on page 33 of BMO's 2015 Annual Report all of which are available on our website at www.bmo.com/investorrelations.

Examples of non-GAAP amounts or measures include: efficiency and leverage ratios; revenue and other measures presented on a taxable equivalent basis (teb); amounts presented net of applicable taxes; results and measures that exclude the impact of Canadian/U.S. dollar exchange rate movements, adjusted net income, revenues, non-interest expenses, earnings per share, effective tax rate, ROE, efficiency ratio, pre-provision pre-tax earnings, and other adjusted measures which exclude the impact of certain items such as, acquisition integration costs, amortization of acquisition-related intangible assets, 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.

Strategic Highlights

For the Quarter Ended July 31, 2016

August 23, 2016

Bill Downe
Chief Executive Officer

BMO Financial Group

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Q3 2016 Financial Highlights

Strong results with adjusted[1] net income up 5% Y/Y

- $1.3B in adjusted[1] net income, up 5%
- Adjusted[1] EPS of $1.94, up 4%
- Pre-provision pre-tax[2] earnings growth of 14% reflecting operating momentum and disciplined expense management
- On an adjusted[1] net revenue basis operating leverage of positive 3.8% and efficiency ratio improved to 61.2%
- Credit losses increased in line with expectations
- Strong capital position with CET1 ratio of 10.5%

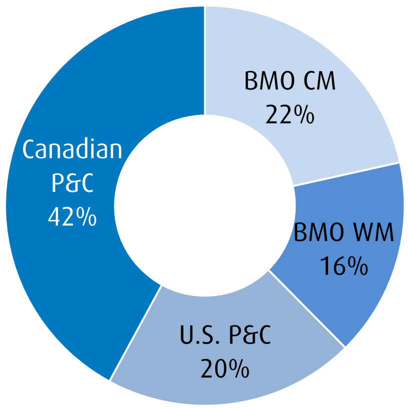
1 Adjusted measures are non-GAAP measures, See slide 2 for more information. Reported results: EPS of $1.86, up 3%; net income of $1,245MM, up 4%; net operating leverage 3.2%; efficiency ratio (net of CCPB) 62.6%
2 Pre-provision, pre-tax earnings (PPPT) is the difference between adjusted revenue and adjusted expenses. On a reported basis PPPT growth was 13% Y/Y
See slide 25 for adjustments to reported results

Operating Group Performance

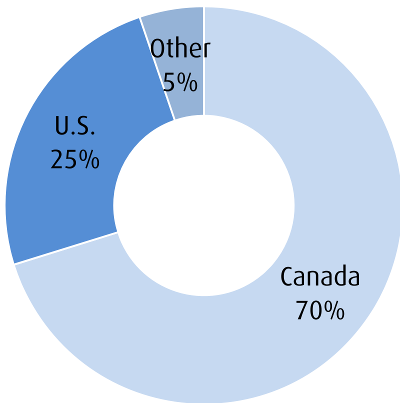
Results reflect benefits of BMO's diversified business mix; positive operating leverage in all operating groups

- Personal and Commercial Banking adjusted[1] earnings up 7% Y/Y
  - Canadian P&C PPPT[1] growth of 6%
  - U.S. P&C adjusted[1] net income up 19% in USD (22% in CDE)
- BMO Capital Markets adjusted[1] net income up 18%, with diversified revenue growth
- BMO Wealth Management had solid underlying performance

Operating Group Adjusted Net Income – LTM[1]



Adjusted Net Income by Geography - LTM[1]



1 Adjusted measures are non-GAAP measures, see slide 2 for more information. Reported net income last twelve months (LTM) by operating group (excludes Corporate Services) Canadian P&C 43%, U.S. P&C 20%, BMO WM 15%, BMO CM 22%; by geography LTM: Canada 71%, U.S. 25%, Other 4%. On a reported basis: Personal and Commercial Banking earnings up 8% Y/Y; Canadian P&C PPPT growth was 6%; U.S. P&C net income up 24% (21% in USD); BMO Capital Markets net income up 18%. See slide 25 for adjustments to reported results

Our strategic priorities

1

Achieve industry-leading **customer loyalty** by delivering on our brand promise

2

Enhance **productivity** to drive performance and shareholder value

3

Accelerate deployment of **digital technology** to transform our business

4

Leverage our consolidated **North American platform** and expand strategically in select global markets to deliver growth

5

Ensure our strength in **risk management** underpins everything we do for our customers

Financial Results

For the Quarter Ended July 31, 2016

August 23, 2016

Tom Flynn
Chief Financial Officer

BMO Financial Group

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Q3 2016 - Financial Highlights

Strong operating results with adjusted[1] net income up 5% Y/Y and EPS of $1.94

- Adjusted[1] net income of $1.3B up 5% and EPS up 4% Y/Y
- Net revenue[2] up 7% Y/Y, or 6% Y/Y in CCY[3]
- Adjusted[1] expenses up 4% Y/Y or 2% in CCY[3]
- Positive operating leverage[4] of 3.8%
- PCL of $257MM up $97MM Y/Y including higher oil and gas provisions
- Pre-provision, pre-tax earnings[1] growth of 14% Y/Y
- ROE of 13.5%, ROTCE[5] of 16.6%

Adjusted[1] ($MM)	Q3 15	Q2 16	Q3 16
Net Revenue[2]	4,608	4,694	**4,942**
PCL	160	201	**257**
Expense	2,922	3,060	**3,025**
Net Income	1,230	1,152	**1,295**
Reported Net Income	1,192	973	**1,245**
Diluted EPS ($)	1.86	1.73	**1.94**
ROE (%)	14.0	12.1	**13.5**
ROTCE[5] (%)	17.3	14.8	**16.6**
Common Equity Tier 1 (CET1) Ratio (%)	10.4	10.0	**10.5**

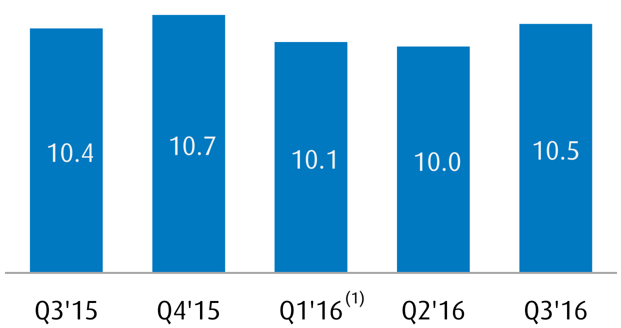
1 See slide 25 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information. Reported results: Net revenue – Q3'16 $4,942MM, Q2'16 $4,694MM, Q3'15 $4,608MM; Expenses – Q3'16 $3,092MM, Q2'16 $3,312MM, Q3'15 $2,971MM; EPS – diluted: Q3'16 $1.86, Q2'16 $1.45, Q3'15 $1.80; ROE – Q3'16 13.0%, Q2'16 10.1%, Q3'15 13.6%; PPPT growth 13%
2 Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Reported gross revenue: Q3'16 $5,633MM; Q2'16 $5,101MM; Q3'15 $4,826MM
3 Constant currency (CCY) refers to impact of CAD/US exchange rate movements on the U.S. segment only and is a non-GAAP measure. For more information see the Foreign Exchange section on page 8 of Bank of Montreal's Third Quarter 2016 Report to Shareholders
4 Operating leverage on an adjusted net revenue basis; 3.2% on a reported net revenue basis
5 Return on tangible common equity (ROTCE) = (Annualized Net Income avail. to Common Shareholders) / (Average Common shareholders equity less Goodwill and acquisition-related intangibles net of associated deferred tax liabilities)

Capital & Risk Weighted Assets

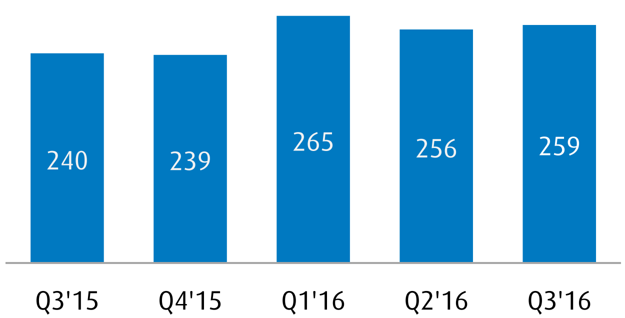
CET1 Ratio strong at 10.5%

- Common Equity Tier 1 Ratio of 10.5%, up from 10.0% in Q2’16
  - Higher CET1 capital from increase in AOCI and retained earnings growth
  - Higher RWA of ~$3B primarily due to FX movement (~$5B) – which is largely offset through AOCI – and business growth (~$1B), partially offset by changes in book quality (~-$2B) and methodology changes (~-$1B)
- Quarterly common dividend of $0.86 up ~5% Y/Y. Attractive dividend yield of ~4%

Common Equity Tier 1 Ratio (%)



Risk Weighted Assets ($B)



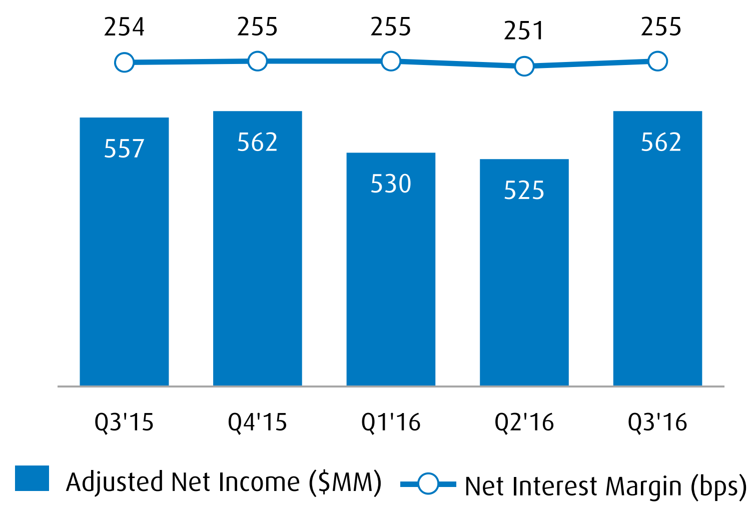
1 Q1’16 decline reflects the impact of the BMO Transportation Finance acquisition

Canadian Personal & Commercial Banking

Good PPPT[1] growth of 6% Y/Y with continued positive operating leverage

- Adjusted[1] net income of $562MM, up 1% Y/Y with good PPPT[1] growth of 6%
- Revenue up 4% Y/Y reflecting strong balance growth
  - Average loans up 6% and deposits up 8% Y/Y
  - NIM up 1bp Y/Y and 4bps Q/Q
- PCL up $43MM Y/Y due to higher commercial provisions and below trend consumer provisions in Q3'15
- Expense growth of 2% Y/Y reflecting investment in the business, net of disciplined expense management
- 4th consecutive quarter of positive operating leverage[1], Q3 at 2.1%
- Adjusted[1] efficiency ratio of 48.7%

Adjusted[1] ($MM)	Q3 15	Q2 16	Q3 16
Revenue (teb)	1,697	1,672	**1,770**
PCL	109	127	**152**
Expenses	844	841	**863**
Net Income	557	525	**562**
Reported Net Income	556	525	**561**



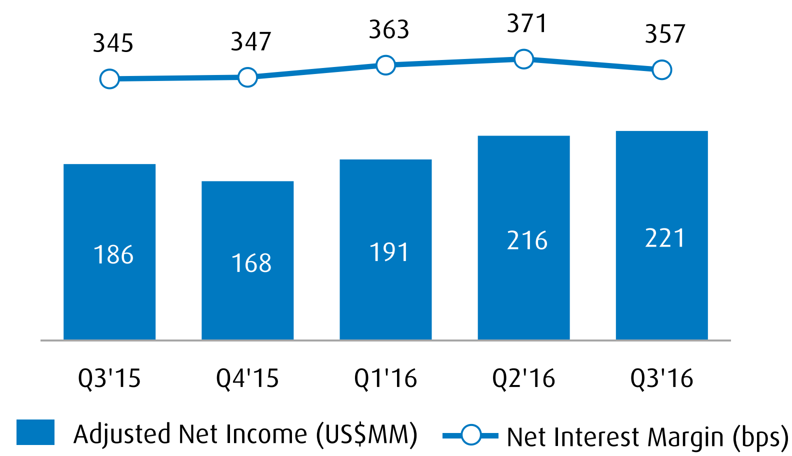
1 See slide 25 for adjustments to reported results. Adjusted results are non-GAAP measures, see slide 2 for more information. Reported results: Revenue and PCL same as adjusted amounts; Expenses Q3'16 $864MM, Q2'16 $841MM, Q3'15 $845MM; PPPT growth 6%; operating leverage positive for 3rd consecutive quarter; Efficiency ratio: Q3'16 48.8%

U.S. Personal & Commercial Banking

Strong growth with adjusted[1] net income up 22% Y/Y or 19% in USD

- Adjusted[1] net income of $289MM, up 22% Y/Y. Figures that follow are in U.S. dollars
- Adjusted[1] net income up 19% Y/Y including the benefit of BMO Transportation Finance
  - The acquisition represented ~15% of Q3'16 revenue and adjusted expenses
  - Strong organic PPPT[2] growth of 15%
- Revenue up 23% Y/Y
- Average loans up 17% and deposits up 9% Y/Y
  - Continued strong organic commercial loan growth of 15%
  - NIM down 14 bps Q/Q driven by a decline in loan spreads, lower interest recoveries, changes in mix and lower purchase accounting impacts in the current quarter
- PCL up Y/Y due to higher commercial provisions
- Expenses[1] up 14%, or down 2% ex the acquisition
- 3rd consecutive quarter of positive operating leverage[1], Q3 at 9.3%
- Adjusted[1] efficiency ratio of 59.2% improved 480 bps Y/Y

Adjusted[1] (US$MM)	Q3 15	Q2 16	Q3 16
Revenue (teb)	727	879	**896**
PCL	15	39	**58**
Expenses	464	545	**530**
Net Income	186	216	**221**
Reported Net Income	175	206	**212**



1 See slide 25 for adjustments to reported results. Adjusted results are non-GAAP measures, see slide 2 for more information. Reported results: Revenue and PCL same as adjusted amounts; Expenses: Q3'16 $543MM, Q2'16 $558MM, Q3'15 $478MM; Efficiency ratio of 60.6%, improved 520 bps Y/Y; 3rd consecutive quarter of positive operating leverage , Q3'16 at 9.8%. Beginning in the first quarter of 2016, the reduction in the credit mark that is reflected in net interest income and the provision for credit losses on the purchased performing portfolio are being recognized in U.S. P&C, consistent with the accounting for the acquisition of BMO TF. Results for prior periods have not been reclassified

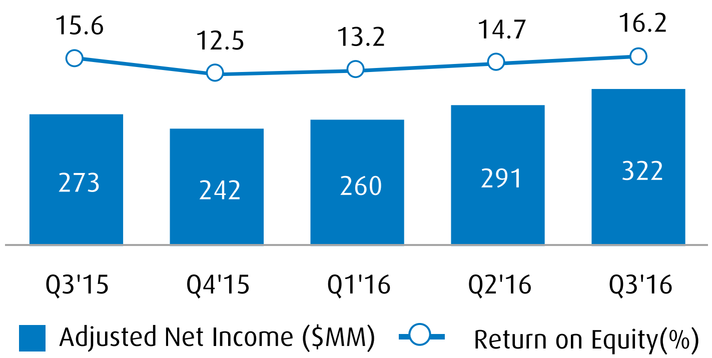
2 Reported organic PPPT growth of 17%

BMO Capital Markets

Strong performance with net income up 18% Y/Y

- Adjusted[1] net income up 18% Y/Y, with strong PPPT[2] growth of 23% Y/Y
- Revenue up 9% Y/Y or 8% in CCY[2]:
  - Trading Products benefited from higher client activity
  - Investment and Corporate Banking improved due to higher corporate banking revenue, partially offset by lower advisory revenue and net securities gains
- Expenses flat Y/Y or down 1% in CCY[2]
- PCL up Y/Y largely due to higher oil and gas provisions
- Adjusted[1] efficiency ratio of 57.2% improved 500bps Y/Y
- 4th consecutive quarter of positive operating leverage[1]; Q3 at 8.8%

Adjusted[1] ($MM)	Q3 15	Q2 16	Q3 16
Trading Products Revenue	618	730	**694**
I&CB Revenue	382	340	**393**
Revenue (teb)	1,000	1,070	**1,087**
PCL	14	44	**37**
Expenses	621	633	**621**
Net Income	273	291	**322**
Reported Net Income	272	291	**321**



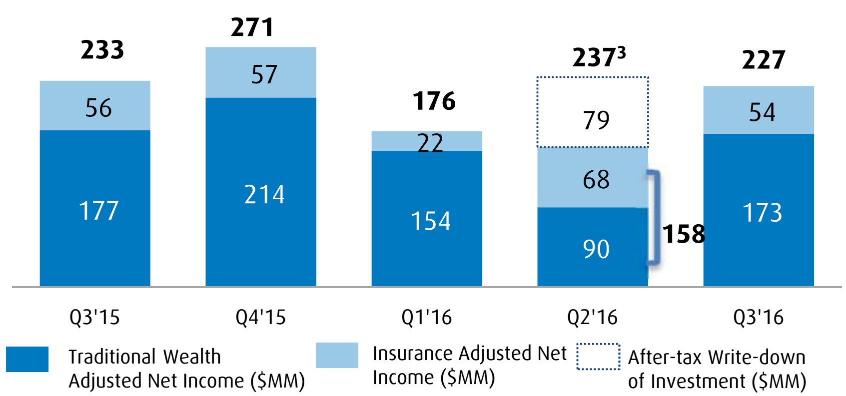
1 See slide 25 for adjustments to reported results. Adjusted measures are non-GAAP measures, see slide 2 for more information. Reported results: Revenue and PCL same as adjusted amounts; Expenses: Q3'16 $622MM, Q2'16 $633MM, Q3'15 $622MM; PPPT up 23% Y/Y; Efficiency ratio: Q3'16 57.2%, improved 510bps; 4th consecutive quarter of positive operating leverage, Q3'16 at 8.9%
2 Constant currency (CCY) refers to impact of CAD/US exchange rate movements on the U.S. segment only and is a non-GAAP measure. For more information see the Foreign Exchange section on page 8 of Bank of Montreal's Third Quarter 2016 Report to Shareholders

BMO Wealth Management

Solid underlying performance

- Adjusted[1] net income of $227MM, down 2% Y/Y
  - Traditional Wealth results down 1% Y/Y as operating growth across most businesses was offset by impact of lower equity markets on average. Q/Q operating results up, benefiting from improved equity markets
  - Insurance earnings impacted by unfavourable market movements[4] in the current quarter primarily offset by above trend results in the underlying business
- Net revenue[2] down Y/Y driven by divestiture of businesses and impact of factors noted above
- Expenses down Y/Y due to divestitures and disciplined expense management
- AUM/AUA down Y/Y including the impact of unfavourable foreign exchange movements

Adjusted[1] ($MM)	Q3 15	Q2 16	Q3 16
Net Revenue[2]	1,118	990	**1,081**
PCL	3	2	**4**
Expenses	808	787	**778**
Net Income	233	158	**227**
Reported Net Income	210	134	**201**
AUM/AUA ($B)	879	817	**863**



1 See slide 25 for adjustments to reported results. Adjusted results are non-GAAP measures, see slide 2 for more information. Reported results: Revenue and PCL same as adjusted amounts; Expenses: Q3'16 $810MM, Q2'16 $816MM, Q3'15 $839MM. Traditional wealth reported net income Q3'16 $147MM, Q2'16 $66MM, Q1'16 $126MM, Q4'15 $186MM, Q3'15 $154MM; Insurance reported net income same as adjusted.
2 For purposes of this slide revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Gross revenue: Q3'16 $1,772MM, Q2'16 $1,397MM; Q3'15 $1,336MM
3 Excludes $79MM after-tax impact of write-down of an investment. Reported net income of $213MM excluding the write-down
4 Unfavourable market movements includes the combined effects of interest rates and equity markets

Corporate Services

- Adjusted[1] net loss of $105MM compared to net loss of $68MM in the prior year mainly due to lower revenues and higher expenses, partially offset by better credit provisions
- Revenue (ex teb)[2] of $(57)MM in Q3'16 is lower relative to above-trend revenue in the prior year
- Group teb[2] offset is eliminated in taxes with no impact on net income
- PCL[3] is $26MM lower Y/Y due to lower provisions

Adjusted ($MM)[1,2,3]	Q3 15	Q2 16	Q3 16
Revenue	(13)	(62)	**(57)**
Group teb offset[2]	(114)	(120)	**(106)**
Total Revenue (teb)[2]	(127)	(182)	**(163)**
PCL (recovery)	15	(23)	**(11)**
Expenses	59	89	**72**
Net Loss	(68)	(101)	**(105)**
Reported Net Loss	(68)	(244)	**(115)**

1 See slide 25 for adjustments to reported results. Adjusted results are non-GAAP measures, see slide 2 for more information Reported results: Revenues and PCL same as adjusted amounts for periods presented; Expenses Q3'16 $89MM, Q2'16 $295MM, Q3'15 $59MM;
2 Operating group revenue, income taxes and net interest margin are stated on a taxable equivalent basis (teb). This teb adjustment is offset in Corporate Services, and total BMO revenue, income taxes and net interest margin are stated on a GAAP basis
3 Beginning in the first quarter of 2016, the reduction in the credit mark that is reflected in net interest income and the provision for credit losses on the purchased performing portfolio are being recognized in U.S. P&C, consistent with the accounting for the acquisition of BMO TF. Results for prior periods have not been reclassified

Risk Review

For the Quarter Ended July 31, 2016

August 23, 2016

Surjit Rajpal
Chief Risk Officer

BMO Financial Group

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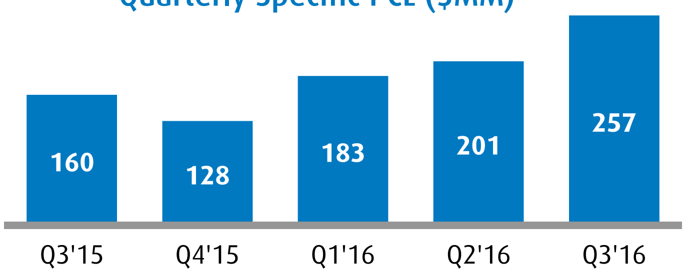
Provision for Credit Losses (PCL)

PCL By Operating Group ($MM)	Q3 15	Q2 16[1]	Q3 16[1]
Consumer – Canadian P&C	86	105	106
Commercial – Canadian P&C	23	22	46
Total Canadian P&C	**109**	**127**	**152**
Consumer – U.S. P&C[1]	25	35	14
Commercial – U.S. P&C[1]	(6)	16	61
Total U.S. P&C	**19**	**51**	**75**
Wealth Management	**3**	**2**	**4**
Capital Markets	**14**	**44**	**37**
Corporate Services[1]	**15**	**(23)**	**(11)**
Specific PCL	**160**	**201**	**257**
Change in Collective Allowance	-	-	-
Total PCL	**160**	**201**	**257**
PCL in bps	**20**	**23**	**29**

- PCL ratio at 29 bps, up 6 bps from prior quarter largely due to higher Oil & Gas provisions

Quarterly Specific PCL ($MM)



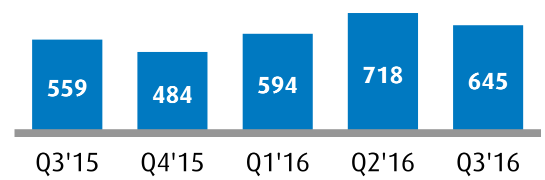
1 Beginning in the first quarter of 2016 the provision for credit losses on the purchased performing portfolio is being recognized in U.S. P&C, consistent with the accounting for the acquisition of BMO TF. Results for prior periods have not been reclassified. Recoveries or provisions on the 2011 purchased credit impaired portfolio continue to be recognized in Corporate Services. Purchased loan accounting impacts related to BMO TF are recognized in U.S. P&C

Gross Impaired Loans (GIL) and Formations

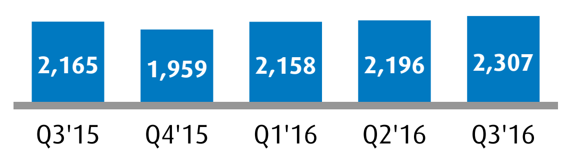
By Industry ($MM)	Formations			Gross Impaired Loans		
	Canada & Other	U.S.	Total	Canada & Other[1]	U.S.	Total
Consumer	**154**	**104**	**258**	**349**	**573**	**922**
Oil & Gas	72	16	88	138	283	421
Agriculture	24	64	88	81	143	224
Manufacturing	5	43	48	19	125	144
Service Industries	5	38	43	39	98	137
Transportation	3	42	45	8	86	94
Commercial Real Estate	16	3	19	38	31	69
Construction (non-real estate)	1	2	3	16	46	62
Financial Institutions	0	0	0	3	49	52
Wholesale Trade	20	0	20	13	34	47
Mining	0	23	23	4	36	40
Retail Trade	2	4	6	15	15	30
Other Business and Government[2]	4	0	4	22	43	65
Total Business and Government	**152**	**235**	**387**	**396**	**989**	**1,385**
Total Bank	**306**	**339**	**645**	**745**	**1,562**	**2,307**

- GIL increased this quarter, with majority of increase due to FX
- GIL ratio remains stable at 63 bps
- Impaired formations decreased this quarter due to lower Oil & Gas formations

Formations ($MM)



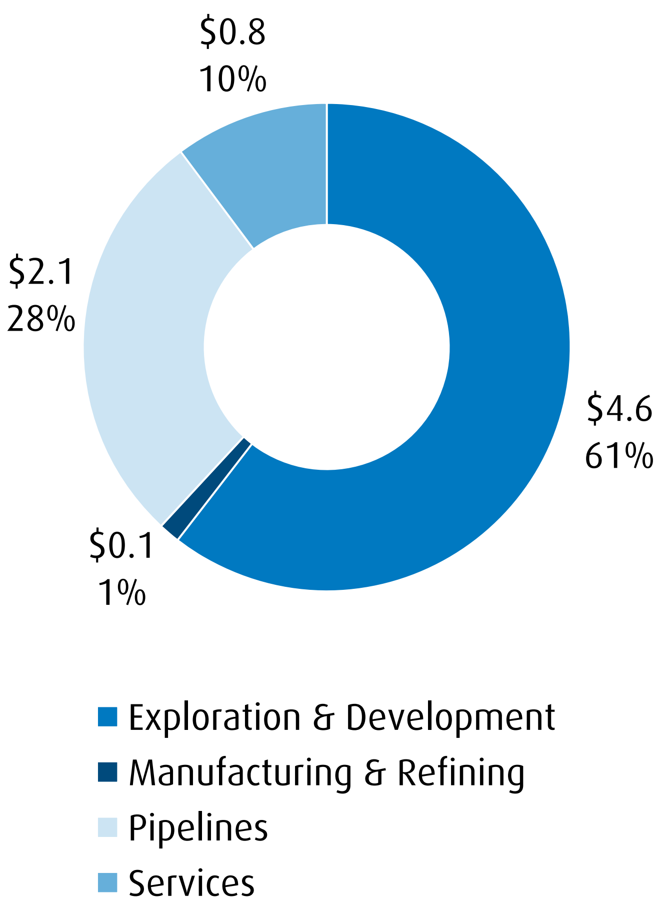
Gross Impaired Loans ($MM)



1 Business and Government includes ~$2MM GIL from Other Countries
2 Other Business and Government includes industry segments that are each <1% of total GIL

Oil and Gas and Alberta Consumer Portfolios

Oil and Gas Balances – By Sector ($B)



Oil and Gas – Corporate/Commercial

- Oil and Gas loans of $7.6B; 2% of total bank loans with close to half investment grade
- $8.2B in undrawn exposure[1], of which more than half is investment grade
- New Pipeline commitments in the quarter raised Pipeline share to 28% vs 18% prior quarter

Consumer Exposure in Alberta

- Alberta consumer loans represent 6% of total bank loans of which over 80% are Real Estate Secured (RESL)
  - ~60% of Alberta RESL is insured
  - 57% LTV on uninsured RESL

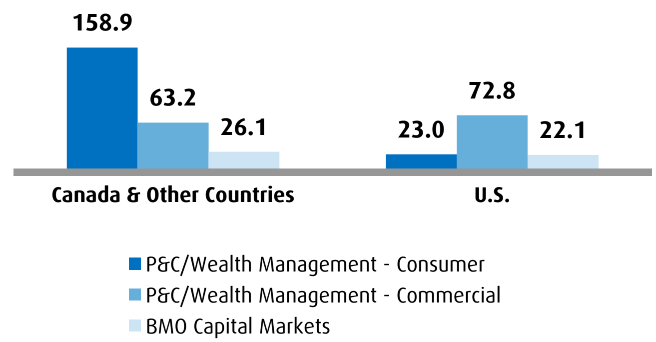
1 Credit exposures on committed undrawn amounts of loans. See Credit Risk Exposure by Industry table on page 43 of Supplementary Financial Information

Loan Portfolio Overview

Gross Loans & Acceptances By Industry ($B)	Canada & Other[1]	U.S.	Total	% of Total
Residential Mortgages	101.2	8.5	109.7	30%
Consumer Instalment and Other Personal	50.2	14.0	64.2	18%
Cards	7.5	0.5	8.0	2%
Total Consumer	**158.9**	**23.0**	**181.9**	**50%**
Service Industries	14.4	20.2	34.6	10%
Financial Institutions	13.2	19.3	32.5	9%
Commercial Real Estate	14.4	9.4	23.8	7%
Manufacturing	6.3	12.2	18.5	5%
Retail Trade	9.4	6.8	16.2	4%
Wholesale Trade	4.0	7.8	11.8	3%
Agriculture	8.4	2.5	10.9	3%
Transportation	1.9	8.5	10.4	3%
Oil & Gas	4.6	3.0	7.6	2%
Mining	1.1	0.4	1.5	0%
Other Business and Government[2]	11.6	4.8	16.4	4%
Total Business and Government	**89.3**	**94.9**	**184.2**	**50%**
Total Gross Loans & Acceptances	**248.2**	**117.9**	**366.1**	**100%**

- Loans are well diversified by geography and industry
- Credit quality remains strong

Loans by Geography and Operating Group ($B)



1 Business and Government includes ~$10.8B from Other Countries
2 Except for Mining, Other Business and Government includes industry segments that are each <2% of total loans

Canadian Residential Mortgages

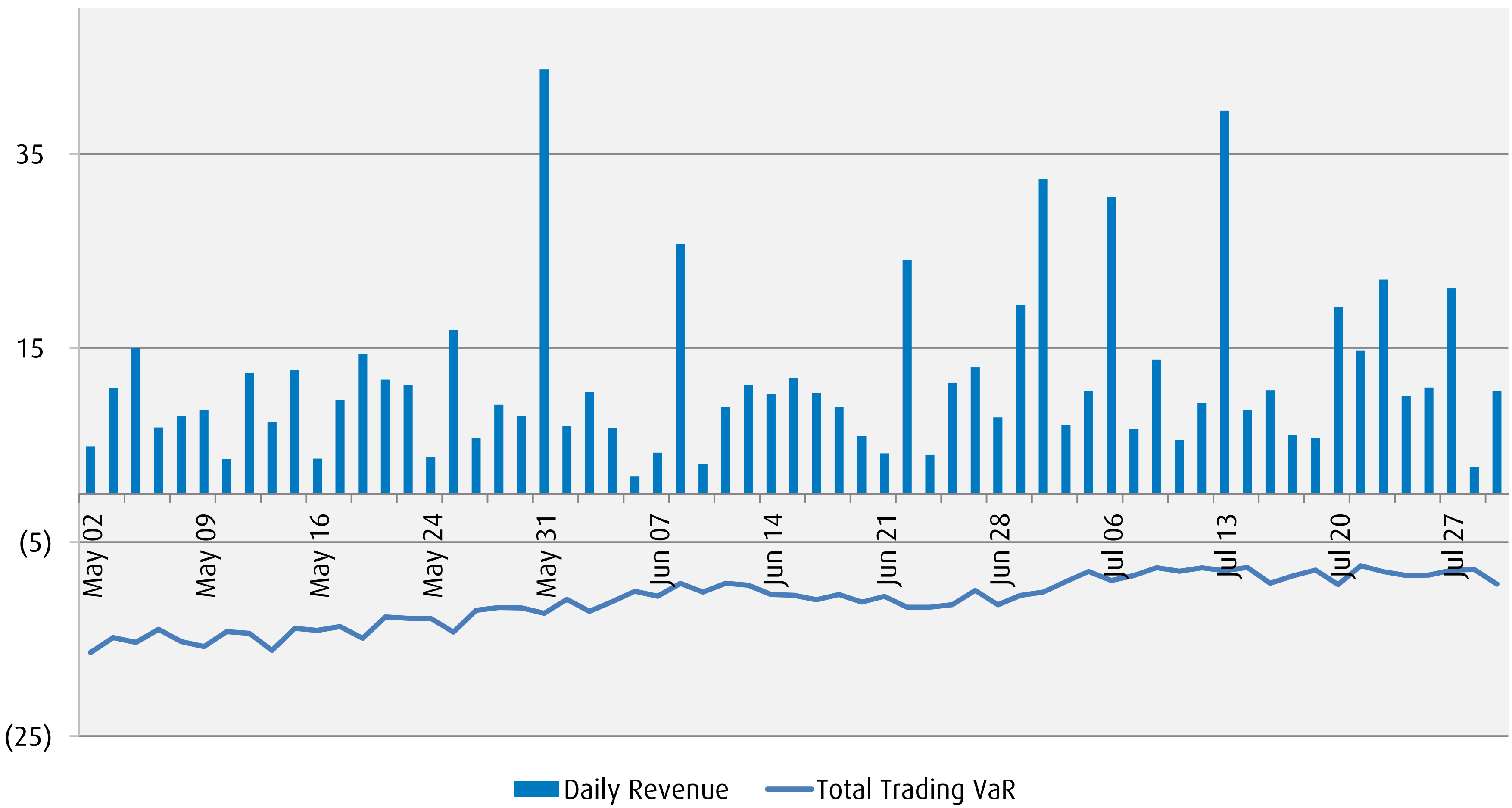
- Total Canadian residential mortgage portfolio at $101.2B or 43% of Canadian gross loans and acceptances
  - 57% of the portfolio is insured
  - Loan-to-value (LTV)[1] on the uninsured portfolio is 56%[2]
  - 70% of the portfolio has an effective remaining amortization of 25 years or less
  - Loss rates for the trailing 4 quarter period were less than 1 bp
  - 90 day delinquency rate remains good at 22 bps
  - Condo Mortgage portfolio is $14.5B with 50% insured

Residential Mortgages by Region ($B)	Insured	Uninsured	Total	% of Total
Atlantic	3.7	1.7	5.4	5%
Quebec	9.2	5.6	14.8	14%
Ontario	23.6	18.5	42.1	42%
Alberta	11.3	4.7	16.0	16%
British Columbia	7.4	11.7	19.1	19%
All Other Canada	2.4	1.4	3.8	4%
Total Canada	**57.6**	**43.6**	**101.2**	**100%**

1 LTV is the ratio of outstanding mortgage balance to the original property value indexed using Teranet data. Portfolio LTV is the combination of each individual mortgage LTV weighted by the mortgage balance
2 To facilitate comparisons, the equivalent simple average LTV on uninsured mortgages in Q3'16 was 51%

Trading Revenue vs. VaR

May 2, 2016 to July 29, 2016 (in MM's and on a Pre-Tax Basis)

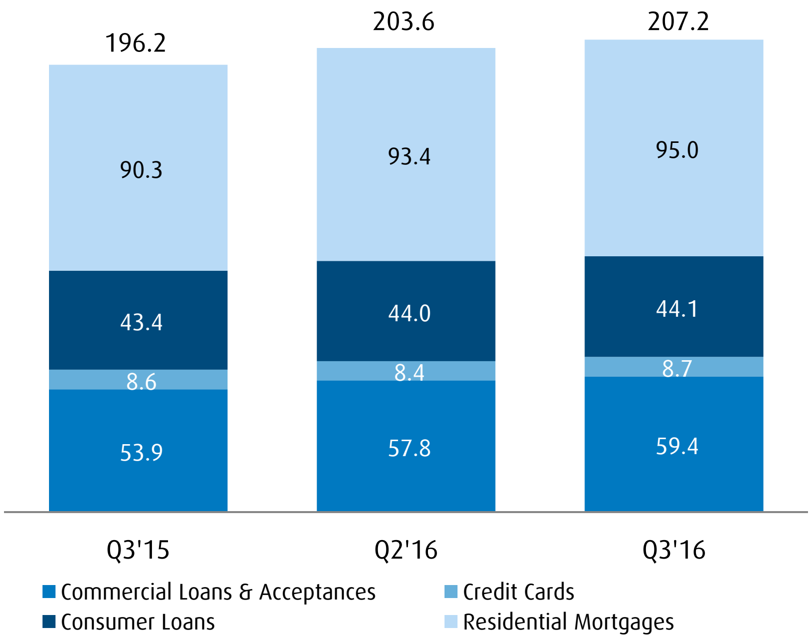


APPENDIX

BMO Financial Group
We're here to help.™

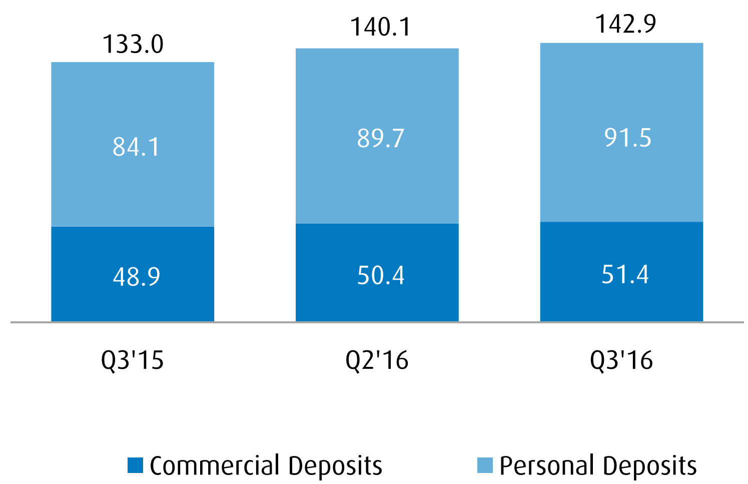
Canadian Personal and Commercial Banking - Balances

Average Loans & Acceptances ($B)



- Loan growth of 6% Y/Y
  - Mortgages up 5%
  - Consumer loan balances up 2%
  - Commercial loan balances[1] up 10%

Average Deposits ($B)

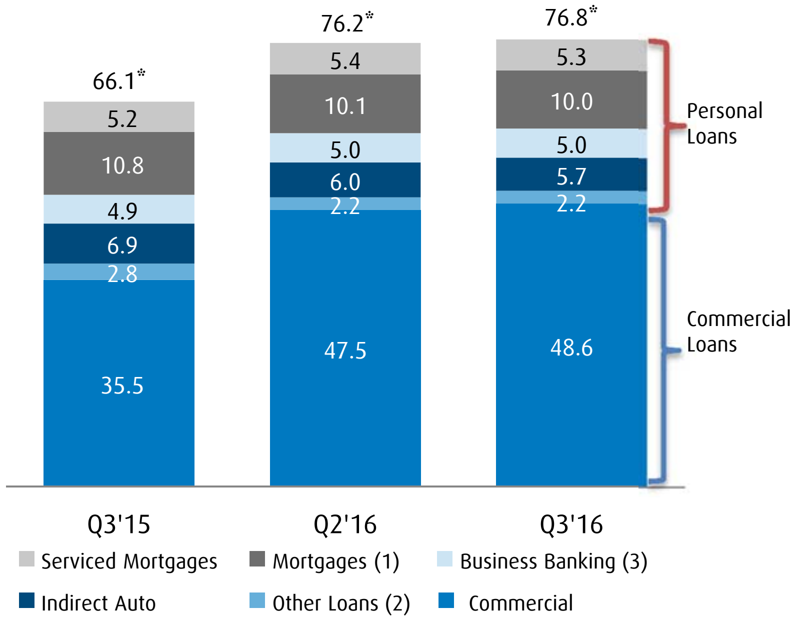


- Deposit growth of 8% Y/Y
  - Personal deposit balances up 9% reflecting strong chequing account growth
  - Commercial deposit balances up 5%

1 Commercial lending growth excludes commercial cards. Commercial cards balances approximately 7% of total credit card portfolio in Q3'16 and Q3'15 and 8% of total credit card portfolio in Q2'16

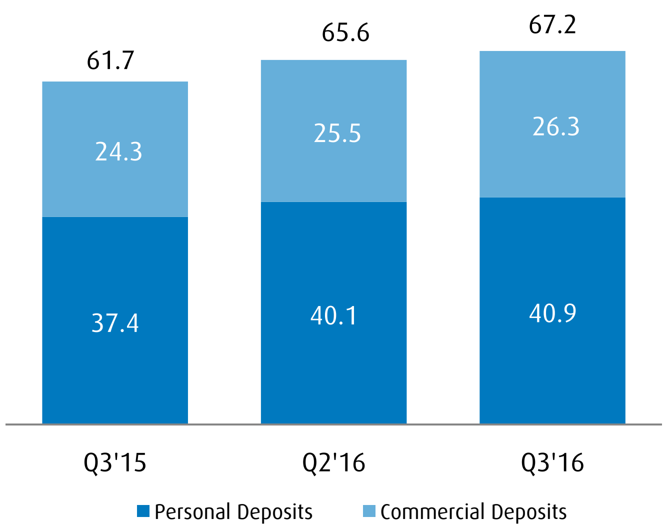
U.S. Personal & Commercial Banking – Balances

Average Loans & Acceptances (US$B)



- Commercial loans up 15% Y/Y excluding BMO TF
- Serviced mortgage portfolio up 2% Y/Y; mortgage portfolio down 8% Y/Y
- Business Banking up 1% Y/Y
- Indirect Auto down 17% Y/Y due to strategic decision to reduce portfolio originations

Average Deposits (US$B)



- Commercial deposit balances up 8% Y/Y
- Personal deposit balances up 9% Y/Y
  - Chequing balance growth of 6% Y/Y

* Total includes Serviced Mortgages which are off-balance sheet

1 Mortgages include Wealth Management Mortgages (Q3'16 $1.9B, Q2'16 $1.8B, Q3'15 $1.6B) and Home Equity (Q3'16 $3.7B, Q2'16 $3.8B, Q3'15 $4.2B)

2 Other loans include non-strategic portfolios such as wholesale mortgages, purchased home equity, and certain small business CRE, as well as credit card balances, other personal loans and the credit mark on certain purchased performing loans

3 Business Banking includes Small Business

Adjusting Items

Adjusting[1] items – Pre-tax ($MM)	Q3 15	Q2 16	Q3 16
Amortization of acquisition-related intangible assets[2]	(40)	(40)	**(40)**
Acquisition integration costs[2]	(9)	(24)	**(27)**
Restructuring costs[3]	-	(188)	**-**
Adjusting items included in reported pre-tax income	(49)	(252)	**(67)**

Adjusting[1] items – After-tax ($MM)	Q3 15	Q2 16	Q3 16
Amortization of acquisition-related intangible assets[2]	(32)	(31)	**(31)**
Acquisition integration costs[2]	(6)	(16)	**(19)**
Restructuring costs[3]	-	(132)	**-**
Adjusting items included in reported net income after tax	(38)	(179)	**(50)**
Impact on EPS ($)	(0.06)	(0.28)	**(0.08)**

1 Adjusted measures are non-GAAP measures, see slide 2 for more information
2 Amortization of acquisition-related intangible assets reflected across the Operating Groups. Acquisition integration costs related to F&C are charged to Wealth Management. Acquisition integration costs related to BMO TF are charged to Corporate Services since the acquisition impacts both Canadian and U.S. P&C businesses. Acquisition integration costs are primarily recorded in non-interest expense
3 Restructuring costs in Q2'16, as we accelerate the use of technology to enhance customer experience and focus on driving operational efficiencies

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