Supplementary Financial Information

For the Quarter Ended – April 30, 2018

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Q2|18

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This report is unaudited and all amounts are in millions of Canadian dollars, unless otherwise indicated.

Use of this Document
The supplemental information contained in this package is designed to improve the readers' understanding of the financial performance of BMO Financial Group (the Bank). This information should be used in conjunction with the Bank's Q2 2018 Report to Shareholders and the 2017 Annual Report.

Additional financial information is also available in the Q2 2018 Investor Presentation as well as the Conference Call Webcast which can be accessed at our website at www.bmo.com/investorrelations.

This report is unaudited and all amounts are in millions of Canadian dollars, unless indicated otherwise.

Items indicated N.A. were not available.
Items indicated n.a. were not applicable.

Accounting Framework
We report our financial results under International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board (IASB). We use the terms IFRS and Generally Accepted Accounting Principles (GAAP) interchangeably.

Results and measures in both the Management's Discussion and Analysis (MD&A) and this document are presented on an IFRS basis. They are also presented on an adjusted basis that excludes the impact of certain items. Management assesses performance on both a GAAP basis and an adjusted basis and considers both bases to be useful in assessing underlying, ongoing business performance. Some metrics such as revenue, revenue growth, operating leverage and efficiency ratio have been presented based on revenue net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Users may find this presentation to be more useful as it reduces the variability in results associated with insurance. Insurance revenue can experience variability arising from fluctuations in fair value of insurance assets which are largely offset by the fair value changes of policy benefit liabilities reflected in CCPB. For additional discussion of CCPB, see the 2017 Annual Report. Adjusted results and measures are non-GAAP and are detailed in the Non-GAAP Measures section in the MD&A of the Bank's Second Quarter 2018 Report to Shareholders and 2017 Annual Report. For additional information about non-GAAP adjusted results and measures from prior periods included in this document, please refer to the applicable period's Report to Shareholders.

Securities regulators require that companies caution readers that earnings and other measures adjusted to a basis other than GAAP do not have standardized meanings under GAAP and are unlikely to be comparable to similar measures used by other companies.

Adjusted Results
Adjusted results exclude the following items:

Adjusting Items (Pre tax) (Canadian $ in millions)	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	Fiscal 2017	Fiscal 2016
Amortization of acquisition-related intangible assets	(29)	(28)	(34)	(35)	(43)	(37)	(37)	(40)	(40)	(149)	(160)
Acquisition integration costs	(4)	(4)	(24)	(20)	(21)	(22)	(31)	(27)	(24)	(87)	(104)
Cumulative accounting adjustment	-	-	-	-	-	-	-	-	-	-	(85)
Restructuring costs	(260)	-	(59)	-	-	-	-	-	(188)	(59)	(188)
(Increase) / decrease in collective allowance *(1)*	-	-	-	76	-	-	-	-	-	76	-
Total	**(293)**	**(32)**	**(117)**	**21**	**(64)**	**(59)**	**(68)**	**(67)**	**(252)**	**(219)**	**(537)**

Adjusting Items (After tax) (Canadian $ in millions)	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	Fiscal 2017	Fiscal 2016
Amortization of acquisition-related intangible assets	(23)	(21)	(26)	(28)	(34)	(28)	(29)	(31)	(31)	(116)	(124)
Acquisition integration costs	(2)	(3)	(15)	(13)	(13)	(14)	(21)	(19)	(16)	(55)	(71)
Cumulative accounting adjustment	-	-	-	-	-	-	-	-	-	-	(62)
Restructuring costs	(192)	-	(41)	-	-	-	-	-	(132)	(41)	(132)
(Increase) / decrease in collective allowance *(1)*	-	-	-	54	-	-	-	-	-	54	-
U.S. net deferred tax asset revaluation	-	(425)	-	-	-	-	-	-	-	-	-
Total	**(217)**	**(449)**	**(82)**	**13**	**(47)**	**(42)**	**(50)**	**(50)**	**(179)**	**(158)**	**(389)**

(1) The Bank prospectively adopted IFRS 9, *Financial Instruments* for the annual period beginning on November 1, 2017. Changes in the allowance for credit losses on performing loans under this methodology will not be considered an adjusting item.

Taxable Equivalent Basis
BMO analyzes consolidated revenues on a reported basis. However, like many banks, BMO analyzes revenue of operating groups and ratios computed using revenue on a taxable equivalent basis (teb). Revenue and the provision for income taxes are increased on tax-exempt securities to an equivalent before-tax basis to facilitate comparisons of income between taxable and tax-exempt sources. The effective income tax rate is also analyzed on a teb for consistency of approach. The offset to the group teb adjustments, mostly in BMO Capital Markets, is reflected in Corporate Services.

Changes
Periodically, certain business lines and units within business lines are transferred between client and corporate support groups to more closely align BMO's organizational structure with its strategic priorities. In addition, revenue, provision for credit losses and expense allocations, as well as balances, are updated to better align with current experience. Results for prior periods are reclassified to conform to the presentation.

Effective the first quarter of 2018 the allocation of certain revenue items from Corporate Services to the Operating Groups was updated to align with the underlying business activity. Results for prior periods and related ratios have been reclassified to conform with the current presentation.

Also effective the first quarter of 2018, loan losses related to certain fraud costs have been reclassified from provision for credit losses to other non-interest expenses in the Canadian P&C and U.S. P&C businesses. Certain fees have been reclassified from deposit and payment service charges to card fees within non-interest revenue in Canadian P&C. Cash collateral balances were also reclassified from loans and deposits to other assets and other liabilities in BMO Capital Markets. Results for prior periods and related ratios have been reclassified to conform with the current period's presentation.

The Bank adopted IFRS 9, Financial Instruments, which replaces the guidance in IAS 39, Financial Instruments: Recognition and Measurement, for the annual period beginning on November 1, 2017. IFRS 9 does not require restatement of comparative period financial statements. The Bank has made the decision not to restate comparative period financial information and has recognized any measurement differences between the previous carrying amount and the new carrying amount of financial instruments on November 1, 2017, through an adjustment to opening retained earnings. On transition to IFRS 9, the Bank will prospectively record the provisions for credit losses on impaired (Stage 3) and performing (Stages 1 and 2) loans and related allowance within the respective business segment in which the underlying financial asset is held for segment reporting purposes.

For institutions using advanced approaches for credit risk or operational risk, there is a Capital Floor as prescribed in OSFI's CAR Guideline. OSFI revised its approach for calculating the Capital Floor effective Q2 2018. Changes include a shift to the Basel II standardized approach, as well as a reduction of the floor factor to 70% in Q2 2018, 72.5% in Q3 2018 and 75% in Q4 2018 onward.

Users may provide their comments and suggestions on the Supplementary Financial Information document by contacting Christine Viau at (416) 867-6956 or christine.viau@bmo.com

FINANCIAL HIGHLIGHTS

BMO Financial Group

($ millions except as noted)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Income Statement Information														
Total revenue	1	5,617	5,678	5,655	5,459	5,741	5,405	5,278	5,633	5,101	11,295	11,146	22,260	21,087
Total provision for credit losses (PCL)	2	160	141	202	126	251	167	167	247	189	301	418	746	771
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	3	332	361	573	253	708	4	79	691	407	693	712	1,538	1,543
Non-interest expense	4	3,562	3,441	3,375	3,286	3,284	3,385	3,330	3,102	3,324	7,003	6,669	13,330	13,041
Provision for income taxes	5	317	762	278	407	250	361	357	348	208	1,079	611	1,296	1,101
Net income	6	1,246	973	1,227	1,387	1,248	1,488	1,345	1,245	973	2,219	2,736	5,350	4,631
Adjusted net income	7	1,463	1,422	1,309	1,374	1,295	1,530	1,395	1,295	1,152	2,885	2,825	5,508	5,020
Non-controlling interest in subsidiaries	8	-	-	-	-	1	1	1	-	-	-	2	2	9
Net income attributable to Bank shareholders	9	1,246	973	1,227	1,387	1,247	1,487	1,344	1,245	973	2,219	2,734	5,348	4,622
Reported Profitability Measures														
Basic earnings per share	10	$1.86	$1.43	$1.82	$2.05	$1.85	$2.23	$2.03	$1.87	$1.46	$3.30	$4.08	$7.95	$6.94
Diluted earnings per share	11	$1.86	$1.43	$1.81	$2.05	$1.84	$2.22	$2.02	$1.86	$1.45	$3.29	$4.06	$7.92	$6.92
Return on common equity	12	12.6 %	9.4 %	12.1 %	13.4 %	12.6 %	14.9 %	13.8 %	13.0 %	10.1 %	11.0 %	13.8 %	13.3 %	12.1 %
Return on tangible common equity	13	15.6 %	11.5 %	14.8 %	16.5 %	15.7 %	18.5 %	17.2 %	16.3 %	12.8 %	13.5 %	17.1 %	16.3 %	15.3 %
Return on average assets	14	0.69 %	0.53 %	0.68 %	0.76 %	0.70 %	0.81 %	0.75 %	0.70 %	0.57 %	0.61 %	0.76 %	0.74 %	0.65 %
Return on average risk-weighted assets	15	1.89 %	1.41 %	1.82 %	2.05 %	1.91 %	2.17 %	1.92 %	1.81 %	1.47 %	1.64 %	2.04 %	1.99 %	1.71 %
Net interest margin on average earning assets	16	1.52 %	1.54 %	1.57 %	1.55 %	1.52 %	1.55 %	1.57 %	1.58 %	1.61 %	1.53 %	1.53 %	1.55 %	1.59 %
excluding trading NII and trading assets	17	1.89 %	1.92 %	1.91 %	1.90 %	1.84 %	1.85 %	1.87 %	1.87 %	1.87 %	1.91 %	1.84 %	1.87 %	1.86 %
Efficiency ratio	18	63.4 %	60.6 %	59.7 %	60.2 %	57.2 %	62.6 %	63.1 %	55.1 %	65.2 %	62.0 %	59.8 %	59.9 %	61.8 %
Efficiency ratio, net of CCPB	19	67.4 %	64.7 %	66.4 %	63.1 %	65.3 %	62.7 %	64.1 %	62.8 %	70.8 %	66.0 %	63.9 %	64.3 %	66.7 %
PCL on impaired loans to average net loans and acceptances	20	0.18 %	0.19 %	0.22 %	0.22 %	0.27 %	0.18 %	0.18 %	0.28 %	0.21 %	0.18 %	0.23 %	0.20 %	0.22 %
Total PCL to average net loans and acceptances	21	0.17 %	0.15 %	0.22 %	0.14 %	0.27 %	0.18 %	0.18 %	0.28 %	0.21 %	0.16 %	0.23 %	0.20 %	0.22 %
Effective tax rate	22	20.28 %	43.93 %	18.50 %	22.69 %	16.69 %	19.51 %	20.95 %	21.86 %	17.57 %	32.73 %	18.25 %	19.51 %	19.20 %
Effective tax rate (teb)	23	23.27 %	47.63 %	27.07 %	25.25 %	27.00 %	24.32 %	26.29 %	26.73 %	25.18 %	36.27 %	25.57 %	25.84 %	25.80 %
Adjusted Profitability Measures *(1)*														
Basic earnings per share	24	$2.20	$2.13	$1.95	$2.03	$1.92	$2.29	$2.11	$1.95	$1.73	$4.33	$4.21	$8.19	$7.55
Diluted earnings per share	25	$2.20	$2.12	$1.94	$2.03	$1.92	$2.28	$2.10	$1.94	$1.73	$4.31	$4.20	$8.16	$7.52
Return on common equity	26	14.9 %	13.9 %	12.9 %	13.3 %	13.1 %	15.3 %	14.4 %	13.5 %	12.1 %	14.4 %	14.2 %	13.7 %	13.1 %
Return on tangible common equity	27	18.0 %	16.7 %	15.5 %	16.0 %	15.9 %	18.6 %	17.5 %	16.6 %	14.8 %	17.3 %	17.3 %	16.5 %	16.1 %
Return on average assets	28	0.81 %	0.78 %	0.73 %	0.75 %	0.73 %	0.84 %	0.78 %	0.73 %	0.67 %	0.79 %	0.78 %	0.76 %	0.71 %
Efficiency ratio	29	58.2 %	60.0 %	57.6 %	59.2 %	56.1 %	61.5 %	61.8 %	53.9 %	60.2 %	59.1 %	58.7 %	58.6 %	59.5 %
Efficiency ratio, net of CCPB	30	61.8 %	64.1 %	64.1 %	62.1 %	64.0 %	61.6 %	62.7 %	61.4 %	65.5 %	63.0 %	62.7 %	62.9 %	64.1 %
PCL to average net loans and acceptances	31	n.a.	n.a.	0.22 %	0.22 %	0.27 %	0.18 %	0.18 %	0.28 %	0.21 %	n.a.	0.23 %	0.22 %	0.22 %
Effective tax rate	32	21.18 %	19.53 %	19.29 %	22.55 %	17.12 %	19.76 %	21.18 %	22.00 %	19.59 %	20.37 %	18.57 %	19.78 %	19.92 %
Effective tax rate (teb)	33	23.69 %	24.75 %	27.23 %	25.15 %	27.00 %	24.41 %	26.32 %	26.69 %	25.81 %	24.21 %	25.62 %	25.90 %	25.94 %
Growth Rates														
Diluted earnings per share growth	34	0.9 %	(35.6)%	(10.3)%	9.8 %	27.0 %	40.2 %	10.4 %	3.3 %	(2.7)%	(19.1)%	33.9 %	14.5 %	5.3 %
Diluted adjusted earnings per share growth	35	14.6 %	(7.2)%	(7.6)%	4.4 %	10.8 %	30.3 %	10.5 %	4.3 %	1.2 %	2.8 %	20.6 %	8.5 %	7.4 %
Operating leverage	36	(10.6)%	3.4 %	5.8 %	(9.0)%	13.7 %	3.5 %	(1.3)%	13.0 %	6.6 %	(3.7)%	8.6 %	3.4 %	2.3 %
Operating leverage, net of CCPB	37	(3.5)%	(3.3)%	(3.6)%	(0.6)%	8.4 %	11.7 %	3.0 %	3.6 %	(1.8)%	(3.4)%	10.0 %	3.8 %	1.3 %
Adjusted operating leverage, net of CCPB	38	3.5 %	(4.1)%	(2.1)%	(1.1)%	2.4 %	9.4 %	3.1 %	4.1 %	(0.5)%	(0.4)%	6.0 %	2.0 %	2.3 %
Revenue growth	39	(2.1)%	5.1 %	7.2 %	(3.1)%	12.5 %	6.5 %	5.9 %	16.7 %	12.7 %	1.3 %	9.5 %	5.6 %	8.8 %
Revenue growth, net of CCPB	40	5.0 %	(1.6)%	(2.2)%	5.3 %	7.2 %	14.7 %	10.2 %	7.3 %	4.3 %	1.6 %	10.9 %	6.0 %	7.8 %
Adjusted revenue growth, net of CCPB	41	5.0 %	(1.6)%	(2.2)%	5.3 %	7.2 %	12.7 %	10.2 %	7.3 %	4.3 %	1.6 %	10.0 %	5.6 %	8.2 %
Non-interest expense growth	42	8.5 %	1.7 %	1.4 %	5.9 %	(1.2)%	3.0 %	7.2 %	3.7 %	6.1 %	5.0 %	0.9 %	2.2 %	6.5 %
Adjusted non-interest expense growth	43	1.5 %	2.5 %	(0.1)%	6.4 %	4.8 %	3.3 %	7.1 %	3.2 %	4.8 %	2.0 %	4.0 %	3.6 %	5.9 %
Net income growth	44	(0.1)%	(34.6)%	(8.8)%	11.4 %	28.2 %	39.4 %	10.8 %	4.5 %	(2.6)%	(18.9)%	34.0 %	15.5 %	5.1 %
Adjusted net income growth	45	13.0 %	(7.1)%	(6.2)%	6.1 %	12.3 %	29.9 %	10.3 %	5.3 %	0.5 %	2.1 %	21.2 %	9.7 %	7.2 %
Balance Sheet Information														
Total assets	46	743,569	727,909	709,580	708,617	718,943	692,384	687,935	691,682	681,458	743,569	718,943	709,580	687,935
Average assets	47	743,638	727,463	715,806	723,508	725,500	725,784	712,975	702,839	698,744	735,417	725,645	722,626	707,122
Average earning assets	48	671,645	655,977	642,549	646,612	650,591	647,569	631,389	622,754	611,606	663,682	649,055	646,799	622,732
Average net loans and acceptances	49	382,936	375,012	373,061	371,490	370,591	368,445	366,439	359,094	351,842	378,908	369,500	370,899	356,528
Average gross loans and acceptances	50	384,588	376,620	374,859	373,379	372,498	370,423	368,436	361,054	353,798	380,538	371,443	372,792	358,496
Average deposits	51	492,718	480,539	474,190	479,136	486,875	483,869	475,657	465,458	451,899	486,528	485,347	480,969	465,543
Average common shareholders' equity	52	38,929	39,332	38,765	39,545	39,149	38,393	37,660	36,858	37,632	39,134	38,766	38,962	36,997
Gross impaired loans (GIL) and acceptances *(2)*	53	2,152	2,149	2,220	2,154	2,439	2,247	2,383	2,358	2,235	2,152	2,439	2,220	2,383
Cash and securities to total assets ratio	54	28.1 %	29.0 %	28.5 %	27.8 %	27.7 %	27.7 %	27.1 %	27.3 %	26.7 %	28.1 %	27.7 %	28.5 %	27.1 %
GIL to gross loans and acceptances *(2)*	55	0.56 %	0.57 %	0.59 %	0.58 %	0.64 %	0.61 %	0.64 %	0.65 %	0.63 %	0.56 %	0.64 %	0.59 %	0.64 %
Capital Measures														
Common Equity Tier 1 Ratio	56	11.3 %	11.1 %	11.4 %	11.2 %	11.3 %	11.1 %	10.1 %	10.0 %	9.7 %	11.3 %	11.3 %	11.4 %	10.1 %
Tier 1 capital ratio - Basel III	57	12.9 %	12.8 %	13.0 %	12.9 %	12.8 %	12.6 %	11.6 %	11.2 %	11.0 %	12.9 %	12.8 %	13.0 %	11.6 %
Total capital ratio - Basel III	58	15.0 %	15.2 %	15.1 %	15.2 %	14.9 %	14.7 %	13.6 %	13.3 %	13.1 %	15.0 %	14.9 %	15.1 %	13.6 %
CET1 capital RWA	59	273,011	270,577	269,466	264,819	270,791	260,795	277,562	272,882	265,530	273,011	270,791	269,466	277,562
Leverage ratio	60	4.2 %	4.3 %	4.4 %	4.4 %	4.3 %	4.2 %	4.2 %	4.0 %	3.9 %	4.2 %	4.3 %	4.4 %	4.2 %

(1) Adjusted Results are non-GAAP financial measures. See “Accounting Framework” section on page 1 for further information.
(2) Gross Impaired Loans excludes Purchased Credit Impaired Loans.

FINANCIAL HIGHLIGHTS CONTINUED

($ millions except as noted)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Dividend Information														
Dividends declared per share	1	$0.93	$0.93	$0.90	$0.90	$0.88	$0.88	$0.86	$0.86	$0.84	$1.86	$1.76	$3.56	$3.40
Dividends paid per share	2	$0.93	$0.90	$0.90	$0.88	$0.88	$0.86	$0.86	$0.84	$0.84	$1.83	$1.74	$3.52	$3.36
Common dividends	3	596	600	583	584	575	570	555	555	541	1,196	1,145	2,312	2,191
Preferred dividends	4	46	45	48	49	42	45	34	40	35	91	87	184	150
Dividend yield	5	3.81 %	3.67 %	3.64 %	3.81 %	3.64 %	3.58 %	4.03 %	4.11 %	4.11 %	3.81 %	3.64 %	3.60 %	3.98 %
Dividend payout ratio *(1)*	6	49.9 %	64.9 %	49.5 %	43.8 %	47.6 %	39.5 %	42.4 %	46.0 %	57.5 %	56.4 %	43.2 %	44.8 %	49.0 %
Adjusted dividend payout ratio *(2)*	7	42.2 %	43.7 %	46.2 %	44.3 %	45.8 %	38.4 %	40.8 %	44.1 %	48.6 %	43.0 %	41.8 %	43.5 %	45.0 %
Share Information														
Share price: high	8	$101.35	$105.55	$100.32	$97.42	$104.15	$101.15	$87.92	$85.50	$82.56	$105.55	$104.15	$104.15	$87.92
low	9	$93.60	$97.51	$88.63	$90.13	$96.10	$83.58	$81.62	$79.82	$68.65	$93.60	$83.58	$83.58	$68.65
close	10	$97.51	$101.33	$98.83	$94.56	$96.66	$98.43	$85.36	$83.70	$81.74	$97.51	$96.66	$98.83	$85.36
Book value per share	11	$61.67	$59.78	$61.92	$59.65	$62.22	$59.51	$59.56	$58.06	$55.57	$61.67	$62.22	$61.92	$59.56
Number of common shares outstanding: end of period	12	640.6	645.5	647.8	648.7	652.1	648.9	645.8	644.9	643.6	640.6	652.1	647.8	645.8
average basic	13	643.7	647.7	648.2	651.6	651.1	647.7	645.4	644.4	643.4	645.7	649.4	649.6	644.0
average diluted	14	645.6	649.9	650.3	653.7	653.6	650.3	647.7	646.6	645.3	647.8	651.9	652.0	646.1
Total market value of common shares	15	62,468	65,411	64,024	61,340	63,032	63,873	55,122	53,975	52,604	62,468	63,032	64,024	55,122
Market to book value ratio	16	1.58	1.70	1.60	1.59	1.55	1.65	1.43	1.44	1.47	1.58	1.55	1.60	1.43
Price to earnings multiple	17	13.6	14.2	12.5	11.6	12.2	13.0	12.4	12.5	12.3	13.6	12.2	12.5	12.3
Price to adjusted earnings multiple	18	11.8	12.7	12.1	11.4	11.7	12.2	11.3	11.4	11.3	11.8	11.7	12.1	11.3
Total shareholder return: twelve month	19	4.8 %	6.8 %	20.2 %	17.3 %	22.9 %	36.3 %	17.0 %	19.8 %	8.3 %	4.8 %	22.9 %	20.2 %	17.0 %
three-year average	20	11.7 %	16.2 %	10.9 %	9.5 %	13.0 %	17.8 %	9.9 %	14.0 %	13.6 %	11.7 %	13.0 %	10.9 %	9.9 %
Additional Bank Information														
Number of full-time equivalent employees: Canada	21	29,923	29,989	29,647	30,354	29,945	29,932	29,643	30,379	30,330	29,923	29,945	29,647	29,643
United States	22	13,673	13,663	14,071	14,334	14,350	14,339	14,147	14,263	14,443	13,673	14,350	14,071	14,147
Other	23	1,500	1,495	1,482	1,485	1,470	1,458	1,444	1,422	1,393	1,500	1,470	1,482	1,444
Total	24	45,096	45,147	45,200	46,173	45,765	45,729	45,234	46,064	46,166	45,096	45,765	45,200	45,234
Number of bank branches: Canada	25	922	925	926	937	938	941	942	942	940	922	938	926	942
United States	26	573	573	573	572	578	578	576	580	594	573	578	573	576
Other	27	4	4	4	4	4	4	4	4	4	4	4	4	4
Total	28	1,499	1,502	1,503	1,513	1,520	1,523	1,522	1,526	1,538	1,499	1,520	1,503	1,522
Number of automated banking machines: Canada	29	3,323	3,302	3,315	3,305	3,281	3,269	3,285	3,415	3,421	3,323	3,281	3,315	3,285
United States	30	1,427	1,421	1,416	1,406	1,391	1,388	1,314	1,313	1,325	1,427	1,391	1,416	1,314
Total	31	4,750	4,723	4,731	4,711	4,672	4,657	4,599	4,728	4,746	4,750	4,672	4,731	4,599
Credit rating: DBRS *(3)*	32	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA
Fitch	33	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-
Moody's	34	A1	A1	A1	A1	Aa3	Aa3	Aa3	Aa3	Aa3	A1	Aa3	A1	Aa3
Standard and Poor's	35	A+	A+	A+	A+	A+	A+	A+	A+	A+	A+	A+	A+	A+
Other Statistical Information														
Prime rate: average Canadian	36	3.45 %	3.24 %	3.10 %	2.75 %	2.70 %	2.70 %	2.70 %	2.70 %	2.70 %	3.34 %	2.70 %	2.81 %	2.70 %
average U.S.	37	4.61 %	4.38 %	4.25 %	4.13 %	3.88 %	3.63 %	3.50 %	3.50 %	3.50 %	4.50 %	3.75 %	3.97 %	3.47 %
Exchange rate: as at Cdn/U.S. dollar	38	1.2842	1.2304	1.2895	1.2453	1.3650	1.3012	1.3411	1.3056	1.2548	1.2842	1.3650	1.2895	1.3411
average Cdn/U.S. dollar	39	1.2858	1.2575	1.2621	1.2974	1.3412	1.3288	1.3216	1.3029	1.3016	1.2714	1.3349	1.3071	1.3251

(1) Dividend payout ratio equals dividends declared per share divided by basic earnings per share.
(2) Adjusted dividend payout ratio equals dividends declared per share divided by adjusted basic earnings per share.
(3) On April 19, 2018 DBRS revised the outlook to Stable from Negative following the finalization of the bail-in regime in Canada.

TOTAL BANK CONSOLIDATED SUMMARY INCOME STATEMENTS AND HIGHLIGHTS

($ millions except as noted)

BMO Financial Group

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net interest income	1	2,491	2,546	2,535	2,533	2,409	2,530	2,498	2,474	2,420	5,037	4,939	10,007	9,872
Non-interest revenue	2	3,126	3,132	3,120	2,926	3,332	2,875	2,780	3,159	2,681	6,258	6,207	12,253	11,215
Total revenue	3	5,617	5,678	5,655	5,459	5,741	5,405	5,278	5,633	5,101	11,295	11,146	22,260	21,087
Provision for credit losses on impaired loans *(1)*	4	172	174								346			
Provision for (recovery of) credit losses on performing loans *(1)*	5	(12)	(33)								(45)			
Total provision for credit losses *(1)*	6	160	141	202	126	251	167	167	247	189	301	418	746	771
Net interest income and non-interest revenue, net of PCL	7	5,457	5,537	5,453	5,333	5,490	5,238	5,111	5,386	4,912	10,994	10,728	21,514	20,316
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	8	332	361	573	253	708	4	79	691	407	693	712	1,538	1,543
Non-interest expense	9	3,562	3,441	3,375	3,286	3,284	3,385	3,330	3,102	3,324	7,003	6,669	13,330	13,041
Income before taxes	10	1,563	1,735	1,505	1,794	1,498	1,849	1,702	1,593	1,181	3,298	3,347	6,646	5,732
Provision for income taxes	11	317	762	278	407	250	361	357	348	208	1,079	611	1,296	1,101
Net income	12	1,246	973	1,227	1,387	1,248	1,488	1,345	1,245	973	2,219	2,736	5,350	4,631
Non-controlling interest in subsidiaries	13	-	-	-	-	1	1	1	-	-	-	2	2	9
Net income attributable to Bank shareholders	14	1,246	973	1,227	1,387	1,247	1,487	1,344	1,245	973	2,219	2,734	5,348	4,622
Adjusted net income	15	1,463	1,422	1,309	1,374	1,295	1,530	1,395	1,295	1,152	2,885	2,825	5,508	5,020
Revenue, net of CCPB	16	5,285	5,317	5,082	5,206	5,033	5,401	5,199	4,942	4,694	10,602	10,434	20,722	19,544
Adjusted revenue	17	5,617	5,678	5,655	5,459	5,741	5,405	5,278	5,633	5,101	11,295	11,146	22,260	21,171
Adjusted revenue, net of CCPB	18	5,285	5,317	5,082	5,206	5,033	5,401	5,199	4,942	4,694	10,602	10,434	20,722	19,628
Adjusted revenue growth, net of CCPB	19	5.0 %	(1.6)%	(2.2)%	5.3 %	7.2 %	12.7 %	10.2 %	7.3 %	4.3 %	1.6 %	10.0 %	5.6 %	8.2 %
Adjusted non-interest expense	20	3,269	3,409	3,258	3,231	3,220	3,326	3,262	3,035	3,072	6,678	6,546	13,035	12,588
Adjusted non-interest expense growth	21	1.5 %	2.5 %	(0.1)%	6.4 %	4.8 %	3.3 %	7.1 %	3.2 %	4.8 %	2.0 %	4.0 %	3.6 %	5.9 %
Adjusted provision for credit losses	22	160	141	202	202	251	167	167	247	189	301	418	822	771
U.S. Segment Information ($CAD equivalent)														
Net interest income	23	960	966	967	980	966	1,007	981	973	966	1,926	1,973	3,920	3,893
Non-interest revenue	24	821	791	797	791	823	742	848	730	608	1,612	1,565	3,153	2,903
Total revenue	25	1,781	1,757	1,764	1,771	1,789	1,749	1,829	1,703	1,574	3,538	3,538	7,073	6,796
Total provision for (recovery of) credit losses *(1)*	26	43	50	84	64	110	38	87	74	53	93	148	296	196
Net interest income and non-interest revenue, net of PCL	27	1,738	1,707	1,680	1,707	1,679	1,711	1,742	1,629	1,521	3,445	3,390	6,777	6,600
Non-interest expense	28	1,287	1,256	1,298	1,288	1,305	1,298	1,304	1,218	1,300	2,543	2,603	5,189	5,101
Income before taxes	29	451	451	382	419	374	413	438	411	221	902	787	1,588	1,499
Provision for income taxes	30	83	531	95	94	89	100	121	115	47	614	189	378	394
Net income (loss)	31	368	(80)	287	325	285	313	317	296	174	288	598	1,210	1,105
Adjusted net income	32	423	361	335	340	314	329	363	322	243	784	643	1,318	1,232
Adjusted net interest margin on average earning assets	33	1.56 %	1.61 %	1.60 %	1.59 %	1.60 %	1.62 %	1.62 %	1.66 %	1.72 %	1.59 %	1.61 %	1.60 %	1.65 %
Adjusted revenue	34	1,781	1,757	1,764	1,771	1,789	1,749	1,829	1,703	1,574	3,538	3,538	7,073	6,796
Adjusted non-interest expense	35	1,211	1,234	1,237	1,248	1,264	1,255	1,261	1,179	1,193	2,445	2,519	5,004	4,877
Adjusted provision for credit losses	36	43	50	71	84	110	57	62	74	53	93	167	322	232
Average assets	37	272,008	257,794	258,080	264,214	268,629	267,105	264,514	256,660	252,104	264,783	267,855	264,473	260,018
Average earning assets	38	251,949	238,003	239,915	244,681	247,806	246,274	241,547	233,551	227,821	244,860	247,027	244,643	236,137
Average net loans and acceptances	39	119,230	113,617	113,179	112,918	115,399	115,513	117,572	114,826	113,092	116,377	115,457	114,243	114,375
Average gross loans and acceptances	40	119,981	114,321	113,927	113,740	116,271	116,397	118,412	115,628	113,949	117,104	116,335	115,074	115,232
Average deposits	41	164,634	160,082	161,333	162,346	165,440	160,462	164,781	165,517	159,873	162,320	162,910	162,370	167,110
$USD Equivalent														
Net interest income	42	747	768	766	756	720	758	743	747	742	1,515	1,478	3,000	2,939
Non-interest revenue	43	639	629	631	610	613	559	642	560	464	1,268	1,172	2,413	2,188
Total revenue	44	1,386	1,397	1,397	1,366	1,333	1,317	1,385	1,307	1,206	2,783	2,650	5,413	5,127
Provision for credit losses on impaired loans *(1)*	45	40	63								103			
Provision for (recovery of) credit losses on performing loans *(1)*	46	(7)	(23)								(30)			
Total provision for (recovery of) credit losses *(1)*	47	33	40	67	48	83	27	66	57	39	73	110	225	150
Net interest income and non-interest revenue, net of PCL	48	1,353	1,357	1,330	1,318	1,250	1,290	1,319	1,250	1,167	2,710	2,540	5,188	4,977
Non-interest expense	49	1,001	999	1,028	992	974	977	987	935	1,000	2,000	1,951	3,971	3,852
Income before taxes	50	352	358	302	326	276	313	332	315	167	710	589	1,217	1,125
Provision for income taxes	51	66	422	75	76	62	77	93	87	37	488	139	290	297
Net income (loss)	52	286	(64)	227	250	214	236	239	228	130	222	450	927	828
Adjusted net income	53	329	288	265	261	235	248	273	249	184	617	483	1,009	927
Revenue growth	54	3.8 %	6.2 %	0.9 %	4.4 %	10.6 %	7.2 %	13.7 %	13.5 %	5.1 %	5.0 %	8.9 %	5.6 %	9.6 %
Adjusted revenue	55	1,386	1,397	1,397	1,366	1,333	1,317	1,385	1,307	1,206	2,783	2,650	5,413	5,127
Adjusted revenue growth	56	3.8 %	6.2 %	0.9 %	4.4 %	10.6 %	7.2 %	13.7 %	13.5 %	5.1 %	5.0 %	8.9 %	5.6 %	9.6 %
Non-interest expense growth	57	2.8 %	2.2 %	4.1 %	6.1 %	(2.7)%	5.1 %	5.2 %	2.7 %	6.9 %	2.5 %	1.1 %	3.1 %	3.3 %
Adjusted non-interest expense	58	943	981	980	961	943	945	954	905	915	1,924	1,888	3,829	3,679
Adjusted non-interest expense growth	59	(0.0)%	3.8 %	2.7 %	6.2 %	2.9 %	4.5 %	4.4 %	1.7 %	4.8 %	1.9 %	3.7 %	4.0 %	2.1 %
Operating leverage	60	1.0 %	4.0 %	(3.2)%	(1.7)%	13.3 %	2.1 %	8.5 %	10.8 %	(1.8)%	2.5 %	7.8 %	2.5 %	6.3 %
Adjusted operating leverage	61	3.8 %	2.4 %	(1.8)%	(1.8)%	7.7 %	2.7 %	9.3 %	11.8 %	0.3 %	3.1 %	5.2 %	1.6 %	7.5 %
Net income growth	62	34.2 %	(127.2)%	(4.8)%	10.5 %	63.4 %	2.1 %	3.5 %	38.5 %	(30.6)%	(50.6)%	24.2 %	12.1 %	12.1 %
Adjusted net income growth	63	40.5 %	16.2 %	(2.6)%	5.2 %	27.1 %	12.3 %	19.9 %	39.2 %	(12.7)%	28.0 %	19.0 %	9.0 %	15.9 %
Adjusted provision for credit losses	64	33	40	57	64	83	42	47	57	39	73	125	246	175
Average assets	65	211,555	205,058	204,549	203,635	200,296	201,005	200,193	196,994	193,765	208,253	200,656	202,388	196,273
Average earning assets	66	195,953	189,312	190,151	188,584	184,772	185,327	182,813	179,256	175,126	192,578	185,054	187,229	178,262
Average net loans and acceptances	67	92,731	90,359	89,681	87,061	86,036	86,923	88,958	88,129	86,919	91,525	86,487	87,436	86,360
Average gross loans and acceptances	68	93,315	90,919	90,273	87,694	86,687	87,588	89,595	88,745	87,578	92,097	87,145	88,071	87,006
Average deposits	69	128,043	127,324	127,849	125,185	123,344	120,791	124,714	127,037	122,947	127,677	122,046	124,300	126,121

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

TOTAL PERSONAL & COMMERCIAL BANKING
SUMMARY INCOME
STATEMENT AND HIGHLIGHTS

BMO Financial Group

($ millions except as noted)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net interest income (teb)	1	2,274	2,283	2,263	2,229	2,122	2,198	2,192	2,155	2,095	4,557	4,320	8,812	8,571
Non-interest revenue	2	802	833	787	805	752	904	803	776	718	1,635	1,656	3,248	3,028
Total revenue (teb)	3	3,076	3,116	3,050	3,034	2,874	3,102	2,995	2,931	2,813	6,192	5,976	12,060	11,599
Provision for credit losses on impaired loans *(2)*	4	197	174								371			
Provision for (recovery of) credit losses on performing loans *(2)*	5	(15)	(26)								(41)			
Total provision for credit losses *(2)*	6	182	148	194	196	210	172	182	217	166	330	382	772	755
Net interest and non-interest revenue (teb), net of PCL	7	2,894	2,968	2,856	2,838	2,664	2,930	2,813	2,714	2,647	5,862	5,594	11,288	10,844
Non-interest expense	8	1,658	1,687	1,642	1,661	1,619	1,644	1,632	1,583	1,581	3,345	3,263	6,566	6,414
Income before taxes	9	1,236	1,281	1,214	1,177	1,045	1,286	1,181	1,131	1,066	2,517	2,331	4,722	4,430
Provision for income taxes (teb)	10	298	324	320	296	275	293	311	298	277	622	568	1,184	1,162
Net income	11	938	957	894	881	770	993	870	833	789	1,895	1,763	3,538	3,268
Adjusted net income	12	950	968	906	893	782	1,006	883	846	801	1,918	1,788	3,587	3,320
Return on equity *(1)*	13	18.2 %	18.5 %	17.1 %	16.7 %	14.8 %	18.1 %	16.7 %	16.0 %	15.5 %	18.3 %	16.5 %	16.7 %	15.8 %
Adjusted return on equity *(1)*	14	18.5 %	18.7 %	17.3 %	16.9 %	15.0 %	18.3 %	17.0 %	16.3 %	15.8 %	18.6 %	16.7 %	16.9 %	16.1 %
Net interest margin on average earning assets (teb)	15	2.97 %	2.94 %	2.94 %	2.91 %	2.86 %	2.87 %	2.87 %	2.87 %	2.90 %	2.96 %	2.87 %	2.90 %	2.88 %
Revenue growth	16	7.0 %	0.5 %	1.9 %	3.4 %	2.2 %	8.5 %	12.3 %	11.9 %	13.0 %	3.6 %	5.4 %	4.0 %	13.0 %
Non-interest expense growth	17	2.4 %	2.6 %	0.7 %	4.9 %	2.4 %	1.6 %	8.5 %	7.6 %	11.8 %	2.5 %	2.0 %	2.4 %	10.5 %
Adjusted non-interest expense	18	1,643	1,672	1,626	1,644	1,603	1,627	1,614	1,566	1,564	3,315	3,230	6,500	6,343
Adjusted non-interest expense growth	19	2.5 %	2.7 %	0.8 %	5.0 %	2.5 %	1.7 %	8.7 %	7.7 %	11.9 %	2.6 %	2.1 %	2.5 %	10.7 %
Efficiency ratio (teb)	20	53.9 %	54.2 %	53.9 %	54.7 %	56.3 %	53.0 %	54.5 %	54.0 %	56.2 %	54.0 %	54.6 %	54.4 %	55.3 %
Adjusted efficiency ratio (teb)	21	53.4 %	53.7 %	53.3 %	54.2 %	55.7 %	52.5 %	53.9 %	53.4 %	55.6 %	53.5 %	54.0 %	53.9 %	54.7 %
Operating leverage	22	4.6 %	(2.1)%	1.2 %	(1.5)%	(0.2)%	6.9 %	3.8 %	4.3 %	1.2 %	1.1 %	3.4 %	1.6 %	2.5 %
Adjusted operating leverage	23	4.5 %	(2.2)%	1.1 %	(1.6)%	(0.3)%	6.8 %	3.6 %	4.2 %	1.1 %	1.0 %	3.3 %	1.5 %	2.3 %
Net income growth	24	21.8 %	(3.6)%	2.8 %	5.8 %	(2.3)%	27.9 %	13.2 %	7.0 %	13.6 %	7.5 %	12.6 %	8.3 %	11.4 %
Adjusted net income growth	25	21.3 %	(3.6)%	2.6 %	5.6 %	(2.3)%	27.2 %	12.7 %	6.8 %	13.2 %	7.3 %	12.3 %	8.0 %	11.0 %
Average common equity *(1)*	26	20,733	20,246	20,427	20,567	20,968	21,439	20,290	20,295	20,213	20,485	21,207	20,849	20,241
Average assets	27	331,806	325,862	324,058	321,451	321,158	320,886	321,449	315,806	310,469	328,785	321,020	321,894	314,129
Average earning assets	28	313,568	307,810	305,841	303,642	303,941	303,279	303,994	298,566	293,943	310,641	303,604	304,178	297,178
Average net loans and acceptances	29	316,712	310,353	309,280	306,089	305,409	304,151	303,977	298,043	293,553	313,479	304,769	306,239	296,678
Average gross loans and acceptances	30	318,262	311,731	309,413	306,193	305,560	304,332	304,220	298,256	293,805	314,942	304,935	306,381	296,932
Average deposits	31	248,013	242,525	236,309	238,998	239,063	239,326	235,399	230,418	225,475	245,223	239,197	238,419	230,013
Number of full-time equivalent employees	32	21,606	21,714	21,697	22,568	22,495	22,444	21,858	22,294	22,699	21,606	22,495	21,697	21,858

(1) Operating groups have been allocated capital at a consistent level in 2018 and 2017, and at a higher level than in 2016.

(2) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

CANADIAN P&C
SUMMARY INCOME
STATEMENT AND HIGHLIGHTS

BMO Financial Group

($ millions except as noted)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net interest income	1	1,338	1,380	1,369	1,335	1,254	1,303	1,304	1,289	1,228	2,718	2,557	5,261	5,080
Non-interest revenue	2	521	553	515	521	470	676	503	485	450	1,074	1,146	2,182	1,909
Total revenue	3	1,859	1,933	1,884	1,856	1,724	1,979	1,807	1,774	1,678	3,792	3,703	7,443	6,989
Provision for credit losses on impaired loans *(2)*	4	131	97								228			
Provision for credit losses on performing loans *(2)*	5	(3)	4								1			
Total provision for credit losses *(2)*	6	128	101	130	119	121	113	116	145	117	229	234	483	506
Net interest and non-interest revenue, net of PCL	7	1,731	1,832	1,754	1,737	1,603	1,866	1,691	1,629	1,561	3,563	3,469	6,960	6,483
Non-interest expense	8	936	966	917	912	888	905	893	871	852	1,902	1,793	3,622	3,500
Income before taxes	9	795	866	837	825	715	961	798	758	709	1,661	1,676	3,338	2,983
Provision for income taxes	10	205	219	213	212	185	217	207	193	181	424	402	827	766
Net income	11	590	647	624	613	530	744	591	565	528	1,237	1,274	2,511	2,217
Adjusted net income	12	591	647	625	614	530	745	591	566	528	1,238	1,275	2,514	2,219
Net interest margin on average earning assets	13	2.59 %	2.60 %	2.59 %	2.54 %	2.49 %	2.51 %	2.54 %	2.56 %	2.52 %	2.59 %	2.50 %	2.53 %	2.55 %
Revenue growth	14	7.8 %	(2.3)%	4.3 %	4.5 %	2.9 %	14.4 %	5.4 %	4.3 %	4.1 %	2.4 %	8.7 %	6.5 %	5.0 %
Non-interest expense growth	15	5.3 %	6.7 %	2.9 %	4.5 %	4.3 %	2.4 %	3.9 %	1.6 %	2.5 %	6.0 %	3.3 %	3.5 %	3.1 %
Adjusted non-interest expense	16	935	966	917	911	888	904	892	870	852	1,901	1,792	3,620	3,497
Adjusted non-interest expense growth	17	5.4 %	6.7 %	2.9 %	4.5 %	4.4 %	2.4 %	4.1 %	1.6 %	2.5 %	6.0 %	3.4 %	3.5 %	3.2 %
Efficiency ratio	18	50.4 %	50.0 %	48.7 %	49.1 %	51.5 %	45.7 %	49.4 %	49.1 %	50.8 %	50.2 %	48.4 %	48.7 %	50.1 %
Adjusted efficiency ratio	19	50.3 %	50.0 %	48.7 %	49.1 %	51.5 %	45.7 %	49.4 %	49.1 %	50.8 %	50.1 %	48.4 %	48.6 %	50.0 %
Operating leverage	20	2.5 %	(9.0)%	1.4 %	0.0 %	(1.4)%	12.0 %	1.5 %	2.7 %	1.6 %	(3.6)%	5.4 %	3.0 %	1.9 %
Adjusted operating leverage	21	2.4 %	(9.0)%	1.4 %	0.0 %	(1.5)%	12.0 %	1.3 %	2.7 %	1.6 %	(3.6)%	5.3 %	3.0 %	1.8 %
Net income growth	22	11.0 %	(12.8)%	5.3 %	8.8 %	0.5 %	39.4 %	5.1 %	1.1 %	8.0 %	(2.9)%	20.0 %	13.2 %	4.8 %
Adjusted net income growth	23	11.0 %	(12.8)%	5.3 %	8.7 %	0.5 %	39.3 %	4.9 %	1.1 %	7.9 %	(2.9)%	20.0 %	13.2 %	4.7 %
Average assets	24	223,182	221,647	220,852	218,830	216,105	214,900	212,898	209,473	205,797	222,402	215,493	217,685	208,018
Average earning assets	25	211,840	210,867	210,110	208,682	206,757	205,676	203,876	200,709	197,598	211,345	206,207	207,815	199,527
Average net loans and acceptances	26	221,296	219,347	218,909	216,878	214,139	212,692	210,715	207,240	203,597	220,305	213,403	215,667	205,813
Average gross loans and acceptances: Residential mortgages	27	99,724	100,326	100,252	99,169	98,342	98,424	97,438	94,977	93,441	100,030	98,384	99,052	94,798
Consumer instalment and other personal	28	45,114	45,386	45,504	45,163	44,893	44,913	44,631	44,347	44,090	45,253	44,903	45,120	44,286
Credit cards *(1)*	29	8,612	8,801	8,634	8,637	8,404	8,631	8,555	8,530	8,248	8,708	8,519	8,578	8,472
Business and government	30	68,703	65,677	64,724	64,096	62,675	60,881	60,282	59,546	57,966	67,164	61,763	63,098	58,417
Total average gross loans and acceptances	31	222,153	220,190	219,114	217,065	214,314	212,849	210,906	207,400	203,745	221,155	213,569	215,848	205,973
Average deposits: Individual	32	98,374	98,402	98,114	98,327	96,696	94,998	93,223	91,536	89,708	98,388	95,833	97,036	90,523
Business and government	33	59,658	59,150	56,221	55,775	54,662	55,138	52,766	51,390	50,404	59,400	54,904	55,456	51,609
Total average deposits	34	158,032	157,552	154,335	154,102	151,358	150,136	145,989	142,926	140,112	157,788	150,737	152,492	142,132
Number of full-time equivalent employees	35	14,595	14,722	14,559	15,160	15,074	15,099	14,803	15,125	15,373	14,595	15,074	14,559	14,803

(1) Credit Cards include retail, small business and commercial cards.

(2) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

U.S. P&C
SUMMARY INCOME
STATEMENT AND HIGHLIGHTS

BMO Financial Group

($ millions except as noted)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net interest income (teb)	1	936	903	894	894	868	895	888	866	867	1,839	1,763	3,551	3,491
Non-interest revenue	2	281	280	272	284	282	228	300	291	268	561	510	1,066	1,119
Total revenue (teb)	3	1,217	1,183	1,166	1,178	1,150	1,123	1,188	1,157	1,135	2,400	2,273	4,617	4,610
Provision for credit losses on impaired loans *(2)*	4	66	77								143			
Provision for (recovery of) credit losses on performing loans *(2)*	5	(12)	(30)								(42)			
Total provision for credit losses *(2)*	6	54	47	64	77	89	59	66	72	49	101	148	289	249
Net interest and non-interest revenue (teb), net of PCL	7	1,163	1,136	1,102	1,101	1,061	1,064	1,122	1,085	1,086	2,299	2,125	4,328	4,361
Non-interest expense	8	722	721	725	749	731	739	739	712	729	1,443	1,470	2,944	2,914
Income before taxes	9	441	415	377	352	330	325	383	373	357	856	655	1,384	1,447
Provision for income taxes (teb)	10	93	105	107	84	90	76	104	105	96	198	166	357	396
Net income	11	348	310	270	268	240	249	279	268	261	658	489	1,027	1,051
Adjusted net income	12	359	321	281	279	252	261	292	280	273	680	513	1,073	1,101
Average assets	13	108,624	104,215	103,206	102,621	105,053	105,986	108,551	106,333	104,672	106,383	105,527	104,209	106,111
Average earning assets	14	101,728	96,943	95,731	94,960	97,184	97,603	100,118	97,857	96,345	99,296	97,397	96,363	97,651
Average net loans and acceptances *(1)*	15	95,416	91,006	90,371	89,211	91,270	91,459	93,262	90,803	89,956	93,174	91,366	90,572	90,865
Average gross loans and acceptances *(1)*	16	96,109	91,541	90,299	89,128	91,246	91,483	93,314	90,856	90,060	93,787	91,366	90,533	90,959
Average deposits	17	89,981	84,973	81,974	84,896	87,705	89,190	89,410	87,492	85,363	87,435	88,460	85,927	87,881
Number of full-time equivalent employees	18	7,011	6,992	7,138	7,408	7,421	7,345	7,055	7,169	7,326	7,011	7,421	7,138	7,055
$USD Equivalent														
Net interest income (teb)	19	729	718	708	689	648	673	671	665	667	1,447	1,321	2,718	2,635
Non-interest revenue	20	218	223	216	219	210	172	227	223	206	441	382	817	845
Total revenue (teb)	21	947	941	924	908	858	845	898	888	873	1,888	1,703	3,535	3,480
Provision for credit losses on impaired loans *(2)*	22	51	62								113			
Provision for (recovery of) credit losses on performing loans *(2)*	23	(9)	(25)								(34)			
Total provision for credit losses *(2)*	24	42	37	52	58	67	44	50	56	37	79	111	221	188
Net interest and non-interest revenue (teb), net of PCL	25	905	904	872	850	791	801	848	832	836	1,809	1,592	3,314	3,292
Non-interest expense	26	562	573	574	578	545	556	560	545	560	1,135	1,101	2,253	2,199
Income before taxes	27	343	331	298	272	246	245	288	287	276	674	491	1,061	1,093
Provision for income taxes (teb)	28	71	84	84	66	67	57	77	81	76	155	124	274	299
Net income	29	272	247	214	206	179	188	211	206	200	519	367	787	794
Adjusted net income	30	280	256	223	215	188	197	220	215	210	536	385	823	831
Net interest margin on average earning assets (teb)	31	3.77 %	3.70 %	3.70 %	3.74 %	3.66 %	3.64 %	3.53 %	3.52 %	3.66 %	3.74 %	3.65 %	3.69 %	3.57 %
Revenue growth	32	10.4 %	11.3 %	2.8 %	2.2 %	(1.8)%	3.0 %	24.5 %	22.6 %	23.2 %	10.9 %	0.5 %	1.6 %	21.1 %
Non-interest expense growth	33	3.0 %	3.0 %	2.6 %	5.8 %	(2.8)%	4.3 %	14.3 %	12.8 %	19.0 %	3.0 %	0.7 %	2.4 %	14.6 %
Adjusted non-interest expense	34	551	561	561	566	533	544	547	532	547	1,112	1,077	2,204	2,147
Adjusted non-interest expense growth	35	3.2 %	3.2 %	2.8 %	6.1 %	(2.7)%	4.5 %	14.9 %	13.3 %	19.8 %	3.2 %	0.8 %	2.6 %	15.3 %
Efficiency ratio (teb)	36	59.3 %	60.9 %	62.2 %	63.6 %	63.5 %	65.8 %	62.3 %	61.4 %	64.2 %	60.1 %	64.7 %	63.7 %	63.2 %
Adjusted efficiency ratio (teb)	37	58.1 %	59.7 %	60.9 %	62.2 %	62.1 %	64.4 %	60.9 %	60.0 %	62.7 %	58.9 %	63.2 %	62.4 %	61.7 %
Operating leverage	38	7.4 %	8.3 %	0.2 %	(3.6)%	1.0 %	(1.3)%	10.2 %	9.8 %	4.2 %	7.9 %	(0.2)%	(0.8)%	6.5 %
Adjusted operating leverage	39	7.2 %	8.1 %	0.0 %	(3.9)%	0.9 %	(1.5)%	9.6 %	9.3 %	3.4 %	7.7 %	(0.3)%	(1.0)%	5.8 %
Net income growth	40	52.1 %	31.4 %	1.9 %	0.1 %	(11.1)%	6.5 %	35.2 %	19.2 %	21.2 %	41.5 %	(2.8)%	(0.8)%	21.8 %
Adjusted net income growth	41	49.5 %	29.8 %	1.6 %	(0.1)%	(10.8)%	6.0 %	32.3 %	17.4 %	19.4 %	39.4 %	(2.9)%	(1.0)%	19.8 %
Average assets	42	84,482	82,881	81,771	79,121	78,321	79,751	82,133	81,613	80,441	83,668	79,048	79,752	80,108
Average earning assets	43	79,118	77,101	75,849	73,221	72,454	73,440	75,751	75,106	74,042	78,093	72,955	73,752	73,724
Average net loans and acceptances *(1)*	44	74,208	72,378	71,603	68,791	68,045	68,817	70,563	69,692	69,133	73,278	68,437	69,324	68,599
Average gross loans and acceptances: Personal	45	19,822	19,565	17,895	17,881	18,096	18,858	20,785	21,232	21,832	19,691	18,483	18,183	21,621
Commercial	46	54,925	53,239	53,651	50,846	49,931	49,977	49,818	48,500	47,381	54,069	49,954	51,111	47,049
Total average gross loans and acceptances *(1)*	47	74,747	72,804	71,546	68,727	68,027	68,835	70,603	69,732	69,213	73,760	68,437	69,294	68,670
Average deposits: Personal	48	45,099	44,255	42,872	42,236	42,394	42,418	41,736	40,980	40,185	44,670	42,406	42,481	40,496
Commercial	49	24,883	23,328	22,080	23,188	23,002	24,695	25,924	26,175	25,423	24,093	23,863	23,243	25,847
Total average deposits	50	69,982	67,583	64,952	65,424	65,396	67,113	67,660	67,155	65,608	68,763	66,269	65,724	66,343

(1) Excludes purchased credit impaired loans.
(2) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

BMO WEALTH MANAGEMENT
SUMMARY INCOME
STATEMENT AND HIGHLIGHTS

BMO Financial Group

($ millions except as noted)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net interest income	1	204	200	194	181	175	172	167	159	154	404	347	722	635
Non-interest revenue	2	1,378	1,405	1,490	1,262	1,695	1,045	1,120	1,618	1,248	2,783	2,740	5,492	5,274
Total revenue	3	1,582	1,605	1,684	1,443	1,870	1,217	1,287	1,777	1,402	3,187	3,087	6,214	5,909
Provision for credit losses on impaired loans *(3)*	4	1	1								2			
Provision for (recovery of) credit losses on performing loans *(3)*	5	(1)	(2)								(3)			
Total provision for (recovery of) credit losses *(3)*	6	-	(1)	-	5	1	2	1	4	2	(1)	3	8	9
Net interest and non-interest revenue, net of PCL	7	1,582	1,606	1,684	1,438	1,869	1,215	1,286	1,773	1,400	3,188	3,084	6,206	5,900
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	8	332	361	573	253	708	4	79	691	407	693	712	1,538	1,543
Non-interest expense	9	860	894	841	833	822	855	833	810	816	1,754	1,677	3,351	3,337
Income before taxes	10	390	351	270	352	339	356	374	272	177	741	695	1,317	1,020
Provision for income taxes	11	94	85	95	83	85	87	92	68	39	179	172	350	245
Net income	12	296	266	175	269	254	269	282	204	138	562	523	967	775
Traditional Wealth businesses net income	13	227	184	192	192	181	164	204	150	69	411	345	729	552
Insurance net income	14	69	82	(17)	77	73	105	78	54	69	151	178	238	223
Non-controlling interest in subsidiaries	15	-	-	-	-	1	1	1	-	-	-	2	2	2
Net income attributable to Bank shareholders	16	296	266	175	269	253	268	281	204	138	562	521	965	773
Adjusted net income	17	307	276	189	284	275	284	305	230	162	583	559	1,032	876
Traditional Wealth businesses net income	18	238	194	206	207	202	179	227	176	93	432	381	794	653
Insurance net income	19	69	82	(17)	77	73	105	78	54	69	151	178	238	223
Return on equity *(1)*	20	20.4 %	18.3 %	11.6 %	17.8 %	17.2 %	17.0 %	18.4 %	13.4 %	9.2 %	19.3 %	17.1 %	15.9 %	12.7 %
Adjusted return on equity *(1)*	21	21.1 %	19.0 %	12.5 %	18.8 %	18.7 %	18.0 %	19.8 %	15.2 %	10.7 %	20.1 %	18.3 %	17.0 %	14.3 %
Revenue, net of CCPB	22	1,250	1,244	1,111	1,190	1,162	1,213	1,208	1,086	995	2,494	2,375	4,676	4,366
Revenue growth, net of CCPB	23	7.6 %	2.5 %	(8.0)%	9.6 %	16.7 %	12.7 %	0.9 %	(3.3)%	(14.8)%	5.0 %	14.6 %	7.1 %	(3.6)%
Non-interest expense growth	24	4.5 %	4.6 %	1.0 %	2.8 %	0.8 %	(2.5)%	(2.5)%	(3.5)%	(2.4)%	4.5 %	(0.9)%	0.4 %	(0.6)%
Adjusted non-interest expense	25	847	881	823	816	796	836	804	778	787	1,728	1,632	3,271	3,211
Adjusted non-interest expense growth	26	6.3 %	5.4 %	2.5 %	4.7 %	1.1 %	(0.5)%	(1.8)%	(3.8)%	(1.9)%	5.8 %	0.3 %	1.9 %	(0.4)%
Efficiency ratio, net of CCPB	27	68.8 %	71.9 %	75.7 %	70.0 %	70.8 %	70.5 %	69.0 %	74.6 %	82.0 %	70.3 %	70.6 %	71.7 %	76.4 %
Adjusted efficiency ratio, net of CCPB	28	67.7 %	70.9 %	74.1 %	68.5 %	68.6 %	68.9 %	66.5 %	71.7 %	79.1 %	69.3 %	68.8 %	70.0 %	73.5 %
Operating leverage, net of CCPB	29	3.1 %	(2.1)%	(9.0)%	6.8 %	15.9 %	15.2 %	3.4 %	0.2 %	(12.4)%	0.5 %	15.5 %	6.7 %	(3.0)%
Adjusted operating leverage, net of CCPB	30	1.3 %	(2.9)%	(10.5)%	4.9 %	15.6 %	13.2 %	2.7 %	0.5 %	(12.9)%	(0.8)%	14.3 %	5.2 %	(3.2)%
Net income growth	31	16.8 %	(1.1)%	(38.1)%	31.3 %	83.6 %	77.8 %	14.8 %	(3.9)%	(43.0)%	7.6 %	80.6 %	24.5 %	(10.0)%
Adjusted net income growth	32	11.7 %	(2.9)%	(37.9)%	22.6 %	70.3 %	58.0 %	11.2 %	(2.0)%	(40.2)%	4.3 %	63.8 %	17.6 %	(9.4)%
Average common equity *(1)*	33	5,946	5,744	5,964	5,954	5,995	6,244	6,078	6,011	6,079	5,843	6,122	6,040	6,078
Average assets	34	35,246	34,281	33,284	33,003	32,459	31,500	31,380	30,598	30,028	34,755	31,971	32,562	30,642
Average net loans and acceptances	35	19,752	19,032	18,533	18,323	17,932	17,459	16,952	16,598	16,064	19,385	17,691	18,063	16,458
Average gross loans and acceptances	36	19,784	19,065	18,538	18,328	17,937	17,464	16,958	16,603	16,069	19,417	17,696	18,068	16,464
Average deposits	37	34,717	34,008	33,281	33,778	33,919	32,197	30,905	30,189	29,713	34,356	33,044	33,289	29,931
Assets under administration *(2)*	38	386,493	379,664	359,773	465,213	490,344	463,747	469,694	461,508	439,679	386,493	490,344	359,773	469,694
Assets under management	39	439,193	435,504	429,448	413,210	430,001	401,560	405,695	401,519	376,923	439,193	430,001	429,448	405,695
Number of full-time equivalent employees	40	6,329	6,315	6,304	6,324	6,233	6,247	6,282	6,414	6,394	6,329	6,233	6,304	6,282
U.S. Segment Information ($CAD equivalent)														
Total revenue	41	203	197	210	215	214	209	260	216	123	400	423	848	840
Total provision for credit losses *(3)*	42	3	1	-	4	-	-	-	3	1	4	-	4	5
Net interest and non-interest revenue, net of PCL	43	200	196	210	211	214	209	260	213	122	396	423	844	835
Non-interest expense	44	160	165	175	177	181	181	184	182	189	325	362	714	762
Income (loss) before taxes	45	40	31	35	34	33	28	76	31	(67)	71	61	130	73
Provision for (recovery of) income taxes	46	9	9	10	5	9	6	21	9	(19)	18	15	30	17
Net income (loss)	47	31	22	25	29	24	22	55	22	(48)	53	46	100	56
Adjusted net income (loss)	48	34	25	29	33	28	26	60	26	(43)	59	54	116	75
$USD Equivalent														
Net interest income	49	39	40	39	37	35	35	34	33	33	79	70	146	135
Non-interest revenue	50	119	117	129	128	124	123	162	132	59	236	247	504	494
Total revenue	51	158	157	168	165	159	158	196	165	92	315	317	650	629
Provision for credit losses on impaired loans *(3)*	52	(1)	1								-			
Provision for credit losses on performing loans *(3)*	53	3	-								3			
Total provision for credit losses *(3)*	54	2	1	-	4	-	-	-	2	1	3	-	4	4
Net interest and non-interest revenue, net of PCL	55	156	156	168	161	159	158	196	163	91	312	317	646	625
Non-interest expense	56	125	131	138	137	134	137	139	140	145	256	271	546	575
Income (loss) before taxes	57	31	25	30	24	25	21	57	23	(54)	56	46	100	50
Provision for (recovery of) income taxes	58	7	7	10	3	6	5	16	6	(15)	14	11	24	11
Net income (loss)	59	24	18	20	21	19	16	41	17	(39)	42	35	76	39
Adjusted net income (loss)	60	27	20	23	24	22	19	45	21	(36)	47	41	88	54
Revenue growth	61	(0.8)%	(0.5)%	(14.9)%	0.1 %	74.3 %	(10.7)%	(21.3)%	(12.1)%	(50.2)%	(0.7)%	18.4%	3.2%	(22.0)%
Non-interest expense growth	62	(7.3)%	(4.0)%	(0.9)%	(2.3)%	(7.2)%	(9.4)%	(13.3)%	(12.6)%	(11.1)%	(5.6)%	(8.3)%	(5.0)%	(11.9)%
Average net loans and acceptances	63	3,527	3,436	3,355	3,345	3,283	3,217	3,207	3,293	3,151	3,481	3,250	3,300	3,200
Average gross loans and acceptances	64	3,541	3,445	3,354	3,344	3,283	3,217	3,207	3,294	3,153	3,491	3,250	3,300	3,200
Average deposits	65	5,902	5,924	5,882	5,820	5,767	5,660	5,484	5,445	5,659	5,913	5,713	5,783	5,602

(1) Operating groups have been allocated capital at a consistent level in 2018 and 2017, and at a higher level than in 2016.
(2) We have certain assets under management that are also administered by us and included in assets under administration.
(3) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

BMO CAPITAL MARKETS
SUMMARY INCOME
STATEMENT AND HIGHLIGHTS

BMO Financial Group

($ millions except as noted)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net interest income (teb)	1	144	233	315	219	363	336	332	345	365	377	699	1,233	1,459
Non-interest revenue	2	897	849	800	833	823	880	840	730	692	1,746	1,703	3,336	2,855
Total revenue (teb)	3	1,041	1,082	1,115	1,052	1,186	1,216	1,172	1,075	1,057	2,123	2,402	4,569	4,314
Provision for (recovery of) credit losses on impaired loans *(2)*	4	(16)	(1)								(17)			
Provision for (recovery of) credit losses on performing loans *(2)*	5	3	(4)								(1)			
Total provision for (recovery of) credit losses *(2)*	6	(13)	(5)	4	(2)	46	(4)	(8)	37	44	(18)	42	44	81
Net interest and non-interest revenue (teb), net of PCL	7	1,054	1,087	1,111	1,054	1,140	1,220	1,180	1,038	1,013	2,141	2,360	4,525	4,233
Non-interest expense	8	670	720	679	691	686	722	660	621	632	1,390	1,408	2,778	2,574
Income before taxes	9	384	367	432	363	454	498	520	417	381	751	952	1,747	1,659
Provision for income taxes (teb)	10	98	96	116	82	143	131	133	105	98	194	274	472	424
Net income	11	286	271	316	281	311	367	387	312	283	557	678	1,275	1,235
Adjusted net income	12	286	271	316	282	312	367	387	313	283	557	679	1,277	1,236
Return on equity *(1)*	13	13.4 %	12.6 %	15.7 %	13.1 %	15.2 %	17.3 %	20.2 %	15.8 %	14.3 %	13.0 %	16.3 %	15.3 %	15.8 %
Net interest margin on average earning assets (teb)	14	0.22 %	0.36 %	0.49 %	0.33 %	0.56 %	0.50 %	0.53 %	0.55 %	0.60 %	0.29 %	0.53 %	0.47 %	0.58 %
Revenue growth	15	(12.3)%	(11.0)%	(4.8)%	(2.2)%	12.2 %	20.4 %	26.3 %	8.7 %	5.9 %	(11.6)%	16.2 %	5.9 %	12.7 %
Non-interest expense growth	16	(2.3)%	(0.3)%	2.9 %	11.3 %	8.4 %	9.3 %	6.1 %	(0.1)%	2.9 %	(1.3)%	8.9 %	7.9 %	3.8 %
Efficiency ratio (teb)	17	64.4 %	66.5 %	61.0 %	65.7 %	57.8 %	59.4 %	56.4 %	57.7 %	59.8 %	65.5 %	58.6 %	60.8 %	59.7 %
Operating leverage	18	(10.0)%	(10.7)%	(7.7)%	(13.5)%	3.8 %	11.1 %	20.2 %	8.8 %	3.0 %	(10.3)%	7.3 %	(2.0)%	8.9 %
Net income growth	19	(7.9)%	(26.3)%	(18.4)%	(10.1)%	9.9 %	45.3 %	64.9 %	17.6 %	(2.0)%	(17.9)%	26.6 %	3.2 %	23.1 %
Adjusted net income growth	20	(8.0)%	(26.4)%	(18.4)%	(10.0)%	10.1 %	45.5 %	64.6 %	17.5 %	(2.0)%	(18.0)%	26.8 %	3.3 %	23.0 %
Average common equity *(1)*	21	8,244	8,009	7,590	8,019	7,933	8,060	7,282	7,432	7,548	8,125	7,998	7,900	7,387
Average assets	22	302,772	295,412	295,097	304,015	304,010	306,998	296,445	298,037	301,385	299,031	305,529	302,518	301,623
Average earning assets	23	266,948	259,221	257,153	263,975	266,394	265,096	251,323	251,528	249,133	263,020	265,734	263,128	251,962
Average net loans and acceptances	24	46,419	45,708	46,808	48,702	48,847	48,430	46,981	45,880	43,663	46,057	48,634	48,191	44,817
Average gross loans and acceptances	25	46,489	45,775	46,831	48,730	48,864	48,466	47,091	45,932	43,684	46,126	48,661	48,217	44,866
Average deposits	26	137,266	133,555	138,217	141,621	150,092	147,683	148,685	146,376	140,424	135,380	148,868	144,357	146,888
Number of full-time equivalent employees	27	2,528	2,543	2,502	2,484	2,393	2,375	2,353	2,328	2,208	2,528	2,393	2,502	2,353
U.S. Segment Information ($CAD equivalent)														
Total revenue (teb)	28	380	394	423	403	445	454	417	363	357	774	899	1,725	1,499
Total provision for (recovery of) credit losses *(2)*	29	(6)	3	4	(1)	27	1	5	10	25	(3)	28	31	52
Net interest and non-interest revenue (teb), net of PCL	30	386	391	419	404	418	453	412	353	332	777	871	1,694	1,447
Non-interest expense	31	296	299	293	317	300	301	294	269	281	595	601	1,211	1,139
Income before taxes	32	90	92	126	87	118	152	118	84	51	182	270	483	308
Provision for income taxes (teb)	33	24	25	38	22	33	40	29	21	12	49	73	133	76
Net income	34	66	67	88	65	85	112	89	63	39	133	197	350	232
$USD Equivalent														
Net interest income (teb)	35	14	42	64	60	72	91	81	96	98	56	163	287	370
Non-interest revenue	36	281	272	270	250	260	251	235	182	176	553	511	1,031	762
Total revenue (teb)	37	295	314	334	310	332	342	316	278	274	609	674	1,318	1,132
Provision for credit losses on impaired loans *(2)*	38	(3)	-								(3)			
Provision for credit losses on performing loans *(2)*	39	(1)	2								1			
Total provision for (recovery of) credit losses *(2)*	40	(4)	2	3	(1)	21	0	4	8	18	(2)	21	23	39
Net interest and non-interest revenue (teb), net of PCL	41	299	312	331	311	311	342	312	270	256	611	653	1,295	1,093
Non-interest expense	42	230	238	232	244	224	227	223	207	215	468	451	927	860
Income before taxes	43	69	74	99	67	87	115	89	63	41	143	202	368	233
Provision for income taxes (teb)	44	17	21	30	17	23	31	22	15	11	38	54	101	58
Net income	45	52	53	69	50	64	84	67	48	30	105	148	267	175
Revenue growth	46	(11.0)%	(8.3)%	5.8 %	11.5 %	21.3 %	29.7 %	18.7 %	7.7 %	(5.4)%	(9.6)%	25.4 %	16.5 %	5.6 %
Non-interest expense growth	47	3.1 %	4.6 %	4.3 %	18.1 %	3.9 %	5.6 %	(1.9)%	(6.7)%	(1.8)%	3.8 %	4.8 %	7.9 %	(3.1)%
Average assets	48	95,587	91,815	95,133	95,201	92,047	90,591	87,569	85,309	85,144	93,670	91,307	93,253	86,137
Average earning assets	49	89,623	86,401	90,357	90,256	86,739	84,780	80,654	78,056	77,162	87,985	85,743	88,044	78,619
Average net loans and acceptances	50	14,953	14,601	15,299	15,505	15,253	15,379	15,630	15,482	14,996	14,774	15,317	15,359	14,932
Average gross loans and acceptances	51	14,979	14,624	15,297	15,508	15,258	15,399	15,647	15,505	15,013	14,799	15,329	15,366	14,947
Average deposits	52	51,802	53,429	56,683	53,824	51,948	47,412	50,614	53,291	50,112	52,629	49,642	52,471	52,459

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CORPORATE SERVICES, INCLUDING TECHNOLOGY AND OPERATIONS
SUMMARY INCOME
STATEMENT AND HIGHLIGHTS

BMO Financial Group

($ millions except as noted)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net interest income (teb) before Group teb offset	1	(70)	(47)	(61)	(34)	(39)	(59)	(69)	(79)	(74)	(117)	(98)	(193)	(283)
Group teb offset *(1)*	2	(61)	(123)	(176)	(62)	(212)	(117)	(124)	(106)	(120)	(184)	(329)	(567)	(510)
Net interest income	3	(131)	(170)	(237)	(96)	(251)	(176)	(193)	(185)	(194)	(301)	(427)	(760)	(793)
Non-interest revenue	4	49	45	43	26	62	46	17	35	23	94	108	177	58
Total revenue	5	(82)	(125)	(194)	(70)	(189)	(130)	(176)	(150)	(171)	(207)	(319)	(583)	(735)
Provision for credit losses on impaired loans *(3)*	6	(10)	-								(10)			
Provision for (recovery of) credit losses on performing loans *(3)*	7	1	(1)								-			
Total provision for (recovery of) credit losses *(3)*	8	(9)	(1)	4	(73)	(6)	(3)	(8)	(11)	(23)	(10)	(9)	(78)	(74)
Net interest and non-interest revenue, net of PCL	9	(73)	(124)	(198)	3	(183)	(127)	(168)	(139)	(148)	(197)	(310)	(505)	(661)
Non-interest expense	10	374	140	213	101	157	164	205	88	295	514	321	635	716
Loss before taxes	11	(447)	(264)	(411)	(98)	(340)	(291)	(373)	(227)	(443)	(711)	(631)	(1,140)	(1,377)
Provision for (recovery of) income taxes (teb) before Group teb offset	12	(112)	380	(77)	8	(41)	(33)	(55)	(17)	(86)	268	(74)	(143)	(220)
Group teb offset *(1)*	13	(61)	(123)	(176)	(62)	(212)	(117)	(124)	(106)	(120)	(184)	(329)	(567)	(510)
Provision for (recovery of) income taxes	14	(173)	257	(253)	(54)	(253)	(150)	(179)	(123)	(206)	84	(403)	(710)	(730)
Net loss	15	(274)	(521)	(158)	(44)	(87)	(141)	(194)	(104)	(237)	(795)	(228)	(430)	(647)
Non-controlling interest in subsidiaries	16	-	-	-	-	-	-	-	-	-	-	-	-	7
Net loss attributable to Bank shareholders	17	(274)	(521)	(158)	(44)	(87)	(141)	(194)	(104)	(237)	(795)	(228)	(430)	(654)
Adjusted net loss	18	(80)	(93)	(102)	(85)	(74)	(127)	(180)	(94)	(94)	(173)	(201)	(388)	(412)
Adjusted revenue	19	(82)	(125)	(194)	(70)	(189)	(130)	(176)	(150)	(171)	(207)	(319)	(583)	(651)
Adjusted non-interest expense	20	110	136	130	81	136	142	184	71	89	246	278	489	461
Adjusted provision for (recovery of) credit losses	21	(9)	(1)	4	3	(6)	(3)	(8)	(11)	(23)	(10)	(9)	(2)	(74)
Average common equity *(2)*	22	4,006	5,333	4,784	5,005	4,253	2,650	4,010	3,120	3,792	4,681	3,439	4,173	3,291
Average assets	23	73,814	71,908	63,367	65,039	67,873	66,400	63,701	58,398	56,862	72,846	67,125	65,652	60,728
Average earning assets	24	60,620	59,296	50,801	50,551	52,410	52,140	49,264	46,678	43,298	59,948	52,273	51,467	47,694
Average deposits	25	72,722	70,451	66,383	64,739	63,801	64,663	60,668	58,475	56,287	71,569	64,238	64,904	58,711
Number of full-time equivalent employees	26	14,633	14,575	14,697	14,797	14,644	14,663	14,741	15,028	14,865	14,633	14,644	14,697	14,741
U.S. Segment Information ($CAD equivalent)														
Total revenue	27	(19)	(17)	(35)	(25)	(20)	(37)	(36)	(33)	(41)	(36)	(57)	(117)	(153)
Total provision for (recovery of) credit losses *(3)*	28	(8)	(1)	16	(16)	(6)	(22)	16	(11)	(22)	(9)	(28)	(28)	(110)
Net interest and non-interest revenue, net of PCL	29	(11)	(16)	(51)	(9)	(14)	(15)	(52)	(22)	(19)	(27)	(29)	(89)	(43)
Non-interest expense	30	109	71	105	45	93	77	87	55	101	180	170	320	286
Loss before taxes	31	(120)	(87)	(156)	(54)	(107)	(92)	(139)	(77)	(120)	(207)	(199)	(409)	(329)
Provision for (recovery of) income taxes (teb) before Group teb offset	32	(32)	410	(40)	2	(23)	(3)	(16)	(4)	(26)	378	(26)	(64)	(28)
Group teb offset *(1)*	33	(11)	(18)	(20)	(19)	(20)	(19)	(17)	(16)	(16)	(29)	(39)	(78)	(67)
Provision for (recovery of) income taxes	34	(43)	392	(60)	(17)	(43)	(22)	(33)	(20)	(42)	349	(65)	(142)	(95)
Net loss	35	(77)	(479)	(96)	(37)	(64)	(70)	(106)	(57)	(78)	(556)	(134)	(267)	(234)
Non-controlling interest in subsidiaries	36	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss attributable to Bank shareholders	37	(77)	(479)	(96)	(37)	(64)	(70)	(106)	(57)	(78)	(556)	(134)	(267)	(234)
Adjusted net loss	38	(36)	(52)	(63)	(38)	(52)	(70)	(78)	(48)	(26)	(88)	(122)	(223)	(177)
Adjusted revenue	39	(19)	(17)	(35)	(25)	(20)	(37)	(36)	(33)	(41)	(36)	(57)	(117)	(153)
Adjusted non-interest expense	40	52	68	65	27	75	57	68	40	18	120	132	224	159
Adjusted provision for (recovery of) credit losses	41	(8)	(1)	3	4	(6)	(3)	(9)	(11)	(22)	(9)	(9)	(2)	(74)
$USD Equivalent														
Net interest income (teb) before Group teb offset	42	(26)	(18)	(29)	(15)	(20)	(27)	(30)	(34)	(44)	(44)	(47)	(91)	(150)
Group teb offset *(1)*	43	(9)	(14)	(16)	(15)	(15)	(14)	(13)	(13)	(12)	(23)	(29)	(60)	(51)
Net interest income	44	(35)	(32)	(45)	(30)	(35)	(41)	(43)	(47)	(56)	(67)	(76)	(151)	(201)
Non-interest revenue	45	21	17	16	13	19	13	18	23	23	38	32	61	87
Total revenue	46	(14)	(15)	(29)	(17)	(16)	(28)	(25)	(24)	(33)	(29)	(44)	(90)	(114)
Provision for credit losses on impaired loans *(3)*	47	(7)	-								(7)			
Provision for credit losses on performing loans *(3)*	48	-	-								-			
Total provision for (recovery of) credit losses *(3)*	49	(7)	-	12	(13)	(5)	(17)	12	(9)	(17)	(7)	(22)	(23)	(81)
Net interest and non-interest revenue, net of PCL	50	(7)	(15)	(41)	(4)	(11)	(11)	(37)	(15)	(16)	(22)	(22)	(67)	(33)
Non-interest expense	51	84	57	84	33	71	57	65	43	80	141	128	245	218
Loss before taxes	52	(91)	(72)	(125)	(37)	(82)	(68)	(102)	(58)	(96)	(163)	(150)	(312)	(251)
Provision for (recovery of) income taxes (teb) before Group teb offset	53	(20)	324	(33)	5	(19)	(2)	(9)	(2)	(23)	304	(21)	(49)	(20)
Group teb offset *(1)*	54	(9)	(14)	(16)	(15)	(15)	(14)	(13)	(13)	(12)	(23)	(29)	(60)	(51)
Provision for (recovery of) income taxes	55	(29)	310	(49)	(10)	(34)	(16)	(22)	(15)	(35)	281	(50)	(109)	(71)
Net loss	56	(62)	(382)	(76)	(27)	(48)	(52)	(80)	(43)	(61)	(444)	(100)	(203)	(180)
Non-controlling interest in subsidiaries	57	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss attributable to Bank shareholders	58	(62)	(382)	(76)	(27)	(48)	(52)	(80)	(43)	(61)	(444)	(100)	(203)	(180)
Adjusted net loss	59	(30)	(41)	(50)	(29)	(39)	(52)	(60)	(35)	(20)	(71)	(91)	(170)	(134)
Adjusted revenue	60	(14)	(15)	(29)	(17)	(16)	(28)	(25)	(24)	(33)	(29)	(44)	(90)	(114)
Adjusted non-interest expense	61	41	54	53	19	57	42	51	31	14	95	99	171	119
Adjusted provision for (recovery of) credit losses	62	(7)	-	2	3	(5)	(2)	(7)	(9)	(17)	(7)	(7)	(2)	(56)
Average assets	63	27,383	26,347	23,735	25,393	26,069	26,837	26,491	25,975	24,171	26,857	26,459	25,504	25,997
Average earning assets	64	23,591	22,301	20,547	21,721	22,251	23,829	23,003	22,592	20,476	22,936	23,053	22,085	22,473

(1) See Notes to Users: Taxable Equivalent Basis on page 1.
(2) Operating groups have been allocated capital at a consistent level in 2018 and 2017, and at a higher level than in 2016.
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BMO Financial Group

NON-INTEREST REVENUE AND TRADING REVENUE

($ millions except as noted)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Non-Interest Revenue														
Securities commissions and fees	1	251	262	234	240	244	251	239	229	229	513	495	969	924
Deposit and payment service charges	2	279	279	282	286	275	280	281	269	262	558	555	1,123	1,076
Trading revenue	3	433	417	302	376	266	408	310	332	323	850	674	1,352	1,192
Lending fees	4	236	247	230	238	226	223	213	221	214	483	449	917	859
Card fees	5	149	128	132	129	99	119	139	143	120	277	218	479	526
Investment management and custodial fees	6	435	423	416	404	402	400	404	380	381	858	802	1,622	1,556
Mutual fund revenue	7	376	366	354	360	351	346	341	340	337	742	697	1,411	1,364
Underwriting and advisory fees	8	213	219	251	226	311	248	279	198	177	432	559	1,036	820
Securities gains, other than trading	9	38	67	41	43	56	31	36	6	6	105	87	171	84
Foreign exchange, other than trading	10	63	36	60	29	68	34	48	37	17	99	102	191	162
Insurance revenue	11	460	507	629	401	844	196	233	804	543	967	1,040	2,070	2,023
Investments in associates and joint ventures	12	41	44	47	58	38	243	94	50	(63)	85	281	386	140
Other	13	152	137	142	136	152	96	163	150	135	289	248	526	489
Total Non-Interest Revenue	14	3,126	3,132	3,120	2,926	3,332	2,875	2,780	3,159	2,681	6,258	6,207	12,253	11,215
Total Non-Interest Revenue, net of CCPB	15	2,794	2,771	2,547	2,673	2,624	2,871	2,701	2,468	2,274	5,565	5,495	10,715	9,672
Total Adjusted Non-Interest Revenue *(3)*	16	3,126	3,132	3,120	2,926	3,332	2,875	2,780	3,159	2,681	6,258	6,207	12,253	11,299
Total Adjusted Non-Interest Revenue, net of CCPB *(3)*	17	2,794	2,771	2,547	2,673	2,624	2,871	2,701	2,468	2,274	5,565	5,495	10,715	9,756
Insurance revenue, net of CCPB	18	128	146	56	148	136	192	154	113	136	274	328	532	480
Non-interest revenue-to-total revenue, net of CCPB	19	52.9 %	52.1 %	50.1 %	51.3 %	52.1 %	53.2 %	52.0 %	49.9 %	48.4 %	52.5 %	52.7 %	51.7 %	49.5 %
Interest and Non-Interest Trading Revenue (teb) *(1)*														
Interest rates	20	100	133	99	105	108	168	135	199	197	233	276	480	663
Foreign exchange	21	100	92	93	92	79	105	85	78	83	192	184	369	349
Equities	22	164	169	185	124	214	204	167	130	163	333	418	727	629
Commodities	23	15	20	17	30	16	21	20	19	12	35	37	84	66
Other *(2)*	24	(2)	20	13	21	4	9	3	9	9	18	13	47	25
Total (teb)	25	377	434	407	372	421	507	410	435	464	811	928	1,707	1,732
Teb offset	26	50	104	157	42	191	98	106	89	104	154	289	488	441
Total trading revenue	27	327	330	250	330	230	409	304	346	360	657	639	1,219	1,291
Reported as:														
Net interest income	28	(56)	17	105	(4)	155	99	100	103	141	(39)	254	355	540
Non-interest revenue - trading revenue	29	433	417	302	376	266	408	310	332	323	850	674	1,352	1,192
Total (teb)	30	377	434	407	372	421	507	410	435	464	811	928	1,707	1,732
Teb offset	31	50	104	157	42	191	98	106	89	104	154	289	488	441
Reported total trading revenue	32	327	330	250	330	230	409	304	346	360	657	639	1,219	1,291
Adjusted non-interest revenue - trading revenue	33	433	417	302	376	266	408	310	332	323	850	674	1,352	1,192
Adjusted total trading revenue	34	327	330	250	330	230	409	304	346	360	657	639	1,219	1,291

(1) Trading revenues presented on a tax equivalent basis.
(2) Includes the impact of run-off structured credit activities and hedging exposures in our structural balance sheet.
(3) Adjusted non-interest revenue excludes a cumulative accounting adjustment in the amount of $85 million pre-tax recognized in Q1 2016 in other non-interest revenue related to foreign currency translation, largely impacting prior periods.

Trading revenues include interest and other income earned on trading securities and other cash instruments held in trading portfolios, less internal and external funding costs associated with trading-related derivatives and cash instruments, and realized and unrealized gains and losses on trading securities, other cash instruments, derivatives and foreign exchange activities.

Interest rates includes Canadian and other government securities, corporate debt instruments and interest rate derivatives.
Foreign exchange includes foreign exchange spot and foreign exchange derivatives contracts from our wholesale banking business.
Equities includes institutional equities and equity derivatives.
Other includes managed futures, credit investment management, Harris trading and global distribution loan trading and sales.

NON-INTEREST EXPENSE

($ millions except as noted)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Reported Non-Interest Expense														
Employee compensation														
Salaries	1	1,176	977	1,034	1,014	954	993	974	970	1,134	2,153	1,947	3,995	4,082
Performance based compensation	2	579	686	574	579	548	685	581	532	554	1,265	1,233	2,386	2,278
Employee benefits	3	256	300	234	271	276	305	252	265	216	556	581	1,086	1,022
Total employee compensation	4	2,011	1,963	1,842	1,864	1,778	1,983	1,807	1,767	1,904	3,974	3,761	7,467	7,382
Premises and equipment														
Rental of real estate	5	132	125	116	125	128	125	124	119	120	257	253	494	486
Premises, furniture and fixtures	6	82	94	57	63	93	69	99	71	103	176	162	282	337
Property taxes	7	9	10	10	9	10	10	9	11	11	19	20	39	42
Computer and equipment	8	449	435	445	408	420	403	420	379	371	884	823	1,676	1,528
Total premises and equipment	9	672	664	628	605	651	607	652	580	605	1,336	1,258	2,491	2,393
Amortization of intangible assets	10	129	123	127	117	122	119	111	112	110	252	241	485	444
Other expenses														
Travel and business development	11	173	157	183	170	179	161	189	146	161	330	340	693	646
Communications	12	75	67	69	74	74	69	71	69	80	142	143	286	294
Business and capital taxes	13	9	10	10	9	8	11	9	7	12	19	19	38	42
Professional fees	14	141	123	172	139	128	124	139	121	125	264	252	563	523
Other	15	352	334	344	308	344	311	352	300	327	686	655	1,307	1,317
Total other expenses	16	750	691	778	700	733	676	760	643	705	1,441	1,409	2,887	2,822
Reported non-interest expense	17	3,562	3,441	3,375	3,286	3,284	3,385	3,330	3,102	3,324	7,003	6,669	13,330	13,041
Adjusted Non-Interest Expense *(1)*														
Employee compensation														
Salaries	18	953	976	971	1,011	950	989	970	965	941	1,929	1,939	3,921	3,877
Performance based compensation	19	578	686	573	578	547	683	573	525	545	1,264	1,230	2,381	2,248
Employee benefits	20	256	300	234	271	276	305	250	262	216	556	581	1,086	1,017
Total employee compensation	21	1,787	1,962	1,778	1,860	1,773	1,977	1,793	1,752	1,702	3,749	3,750	7,388	7,142
Premises and equipment														
Rental of real estate	22	132	125	116	125	128	125	124	119	120	257	253	494	486
Premises, furniture and fixtures	23	82	94	57	63	93	69	99	71	103	176	162	282	337
Property taxes	24	9	10	10	9	10	10	9	11	11	19	20	39	42
Computer and equipment	25	447	433	428	394	405	388	405	370	365	880	793	1,615	1,492
Total premises and equipment	26	670	662	611	591	636	592	637	571	599	1,332	1,228	2,430	2,357
Amortization of intangible assets	27	100	95	93	82	79	82	74	72	70	195	161	336	284
Other expenses														
Travel and business development	28	173	157	183	170	179	161	189	145	160	330	340	693	643
Communications	29	75	67	69	74	74	69	71	69	80	142	143	286	294
Business and capital taxes	30	9	10	10	9	8	11	9	7	12	19	19	38	42
Professional fees	31	133	123	172	138	127	124	138	120	124	256	251	561	514
Other	32	322	333	342	307	344	310	351	299	325	655	654	1,303	1,312
Total other expenses	33	712	690	776	698	732	675	758	640	701	1,402	1,407	2,881	2,805
Total adjusted non-interest expense	34	3,269	3,409	3,258	3,231	3,220	3,326	3,262	3,035	3,072	6,678	6,546	13,035	12,588

(1) Adjusted non-interest expense excludes acquisition-related costs (including integration of the acquired business), restructuring costs and amortization of acquisition-related intangible assets.

BALANCE SHEET ($ millions)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	INC/(DEC) VS LAST YEAR	
As At Balances												
Cash and Cash Equivalents	1	35,922	41,159	32,599	32,574	35,528	34,079	31,653	37,748	36,111	394	1.1 %
Interest Bearing Deposits with Banks	2	7,637	6,740	6,490	5,907	6,360	5,888	4,449	6,486	7,386	1,277	20.1 %
Securities	3	165,380	163,551	163,198	158,646	157,045	151,779	149,985	144,355	138,196	8,335	5.3 %
Securities Borrowed or Purchased Under Resale Agreements	4	94,681	83,194	75,047	73,928	80,951	78,753	66,646	76,112	81,890	13,730	17.0 %
Loans												
Residential mortgages	5	117,770	117,186	115,258	113,983	112,989	112,469	112,277	109,692	106,641	4,781	4.2 %
Non-residential mortgages	6	12,528	11,608	11,744	11,198	11,500	11,162	11,376	10,910	10,688	1,028	8.9 %
Consumer instalment and other personal	7	61,733	61,118	61,944	61,508	61,887	61,481	64,680	64,242	63,831	(154)	(0.2)%
Credit cards	8	8,175	7,994	8,071	8,076	8,004	7,888	8,101	8,023	7,918	171	2.1 %
Business and government	9	170,342	160,380	163,323	164,078	171,027	160,313	163,009	160,455	153,050	(685)	(0.4)%
	10	370,548	358,286	360,340	358,843	365,407	353,313	359,443	353,322	342,128	5,141	1.4 %
Allowance for credit losses	11	(1,647)	(1,624)	(1,833)	(1,822)	(1,937)	(1,868)	(1,925)	(1,993)	(1,894)	290	15.0 %
Total net loans	12	368,901	356,662	358,507	357,021	363,470	351,445	357,518	351,329	340,234	5,431	1.5 %
Other Assets												
Derivative instruments	13	26,588	31,756	28,951	35,003	31,943	30,161	39,183	39,194	40,585	(5,355)	(16.8)%
Customers' liability under acceptances	14	16,385	16,705	16,546	14,599	13,773	13,588	13,021	11,835	12,091	2,612	19.0 %
Premises and equipment	15	1,966	1,965	2,033	1,968	2,067	2,062	2,147	2,257	2,230	(101)	(4.9)%
Goodwill	16	6,263	6,056	6,244	6,041	6,556	6,235	6,381	6,250	6,149	(293)	(4.5)%
Intangible assets	17	2,190	2,144	2,159	2,125	2,207	2,151	2,178	2,178	2,178	(17)	(0.8)%
Other	18	17,656	17,977	17,806	20,805	19,043	16,243	14,774	13,938	14,408	(1,387)	(7.3)%
Total Assets	19	743,569	727,909	709,580	708,617	718,943	692,384	687,935	691,682	681,458	24,626	3.4 %
Deposits												
Banks	20	32,344	28,481	28,205	28,641	30,593	28,720	31,489	32,395	32,745	1,751	5.7 %
Business and government	21	286,370	279,550	283,276	276,429	283,686	282,073	275,905	272,306	254,822	2,684	0.9 %
Individuals	22	172,484	167,534	168,311	164,695	170,686	163,844	162,887	159,921	154,635	1,798	1.1 %
Total deposits	23	491,198	475,565	479,792	469,765	484,965	474,637	470,281	464,622	442,202	6,233	1.3 %
Other Liabilities												
Derivative instruments	24	24,770	31,079	27,804	37,228	32,025	31,770	38,227	38,890	45,979	(7,255)	(22.7)%
Acceptances	25	16,385	16,705	16,546	14,599	13,773	13,588	13,021	11,835	12,091	2,612	19.0 %
Securities sold but not yet purchased	26	25,414	26,367	25,163	26,311	24,018	21,965	25,106	27,092	27,071	1,396	5.8 %
Securities lent or sold under repurchase agreements	27	78,782	72,260	55,119	61,517	62,036	53,500	40,718	50,370	59,193	16,746	27.0 %
Securitization and structured entities' liabilities	28	23,565	23,503	23,054	21,689	22,262	21,794	22,377	22,560	22,306	1,303	5.9 %
Other	29	34,082	33,139	32,719	29,511	30,633	28,279	31,438	31,148	28,941	3,449	11.3 %
Subordinated Debt	30	5,627	6,463	5,029	5,063	4,318	4,370	4,439	4,461	4,643	1,309	30.3 %
Share Capital												
Preferred shares	31	4,240	4,240	4,240	4,240	4,340	3,840	3,840	3,240	3,240	(100)	(2.3)%
Common shares	32	12,926	13,020	13,032	13,044	13,072	12,791	12,539	12,463	12,370	(146)	(1.1)%
Contributed surplus	33	304	306	307	305	307	303	294	294	298	(3)	(0.9)%
Retained earnings	34	24,119	23,902	23,709	23,183	22,703	22,077	21,205	20,456	19,806	1,416	6.2 %
Accumulated other comprehensive income	35	2,157	1,360	3,066	2,162	4,491	3,446	4,426	4,224	3,287	(2,334)	(52.0)%
Total shareholders' equity	36	43,746	42,828	44,354	42,934	44,913	42,457	42,304	40,677	39,001	(1,167)	(2.6)%
Non-controlling interest in subsidiaries	37	-	-	-	-	-	24	24	27	31	-	(94.7)%
Total Liabilities and Equity	38	743,569	727,909	709,580	708,617	718,943	692,384	687,935	691,682	681,458	24,626	3.4 %

BMO Financial Group

BALANCE SHEET ($ millions)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	INC/ (DEC)
Average Daily Balances													
Cash Resources	1	49,752	43,276	42,196	40,562	40,448	41,096	44,889	44,972	41,576	46,461	40,778	13.9 %
Securities	2	165,185	169,563	159,842	161,713	160,309	158,051	148,254	145,077	137,162	167,411	159,162	5.2 %
Securities Borrowed or Purchased Under Resale Agreements	3	88,793	81,713	81,735	84,495	90,537	92,516	83,736	85,339	90,962	85,194	91,543	(6.9)%
Loans													
Residential mortgages	4	117,427	117,067	114,558	113,271	112,529	112,326	110,942	108,077	106,404	117,244	112,426	4.3 %
Non-residential mortgages	5	12,132	11,622	11,372	11,230	11,274	11,216	11,084	10,803	10,841	11,873	11,245	5.6 %
Consumer instalment and other personal	6	61,507	61,565	61,652	61,610	61,657	62,369	64,383	64,221	64,406	61,536	62,018	(0.8)%
Credit cards	7	8,010	8,248	8,093	8,083	7,893	8,170	8,089	8,061	7,787	8,131	8,034	1.2 %
Business and government	8	168,882	162,385	162,870	164,490	165,165	163,089	161,464	157,832	153,080	165,580	164,110	0.9 %
	9	367,958	360,887	358,545	358,684	358,518	357,170	355,962	348,994	342,518	364,364	357,833	1.8 %
Allowance for credit losses	10	(1,652)	(1,608)	(1,798)	(1,889)	(1,907)	(1,978)	(1,997)	(1,960)	(1,956)	(1,630)	(1,943)	16.1 %
Total net loans	11	366,306	359,279	356,747	356,795	356,611	355,192	353,965	347,034	340,562	362,734	355,890	1.9 %
Other Assets													
Derivative instruments	12	28,278	29,584	30,752	34,315	30,302	35,606	39,445	40,771	46,756	28,942	32,998	(12.3)%
Customers' liability under acceptances	13	16,630	15,733	16,314	14,695	13,980	13,253	12,474	12,060	11,280	16,174	13,610	18.8 %
Other	14	28,694	28,315	28,220	30,933	33,313	30,070	30,212	27,586	30,446	28,501	31,664	(10.0)%
Total Assets	15	743,638	727,463	715,806	723,508	725,500	725,784	712,975	702,839	698,744	735,417	725,645	1.3 %
Deposits													
Banks	16	31,138	28,370	28,848	29,558	31,800	32,561	33,410	34,212	33,513	29,731	32,187	(7.6)%
Business and government	17	290,537	284,368	280,250	283,045	288,070	288,106	281,834	274,739	264,699	287,402	288,088	(0.2)%
Individuals	18	171,043	167,801	165,092	166,533	167,005	163,202	160,413	156,507	153,687	169,395	165,072	2.6 %
Total deposits	19	492,718	480,539	474,190	479,136	486,875	483,869	475,657	465,458	451,899	486,528	485,347	0.2 %
Other Liabilities													
Derivative instruments	20	25,932	29,042	30,897	34,656	31,411	36,892	38,850	42,311	52,156	27,513	34,197	(19.5)%
Acceptances	21	16,630	15,733	16,314	14,695	13,980	13,253	12,474	12,060	11,280	16,174	13,610	18.8 %
Securities sold but not yet purchased	22	27,829	27,524	25,636	26,903	27,304	27,960	28,119	27,974	26,767	27,675	27,638	0.1 %
Securities lent or sold under repurchase agreements	23	74,180	68,402	67,141	67,079	66,986	64,835	59,162	58,832	62,971	71,243	65,893	8.1 %
Securitization and structured entities' liabilities	24	23,478	22,670	21,875	22,045	22,110	22,115	22,254	21,486	21,407	23,067	22,112	4.3 %
Other	25	33,516	34,097	31,705	30,733	29,203	30,201	31,007	29,457	26,169	33,811	29,710	13.8 %
Subordinated Debt	26	6,186	5,884	5,043	4,602	4,330	4,405	4,456	5,138	5,195	6,032	4,368	38.1 %
Shareholders' equity	27	43,169	43,572	43,005	43,659	43,287	42,233	40,972	40,098	40,872	43,374	42,752	1.5 %
Non-controlling interest in subsidiaries	28	-	-	-	-	14	21	24	25	28	-	18	(99.9)%
Total Liabilities and Equity	29	743,638	727,463	715,806	723,508	725,500	725,784	712,975	702,839	698,744	735,417	725,645	1.3 %

BMO Financial Group

STATEMENT OF COMPREHENSIVE INCOME

($ millions)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Net Income	1	1,246	973	1,227	1,387	1,248	1,488	1,345	1,245	973	2,219	2,736	5,350	4,631
Other Comprehensive Income (Loss), net of taxes														
Items that may be subsequently reclassified to net income														
Net change in unrealized gains (losses) on fair value through other comprehensive income (OCI) securities *(1)*														
Unrealized (losses) on fair value through OCI securities arising during the period	2	(105)	(113)								(218)			
Unrealized gains (losses) on available-for-sale securities arising during the period	3			27	9	155	(96)	(31)	103	85		59	95	151
Reclassification to earnings of (gains) in the period	4	(23)	(13)	(17)	(28)	(37)	(5)	(6)	(2)	(3)	(36)	(42)	(87)	(28)
	5	(128)	(126)	10	(19)	118	(101)	(37)	101	82	(254)	17	8	123
Net change in unrealized gains (losses) on cash flow hedges														
Gains (losses) on cash flow hedges arising during the period	6	(106)	(595)	(27)	(369)	(41)	(402)	(248)	242	(289)	(701)	(443)	(839)	(26)
Reclassification to earnings of losses on cash flow hedges	7	84	31	36	3	11	11	11	8	5	115	22	61	10
	8	(22)	(564)	9	(366)	(30)	(391)	(237)	250	(284)	(586)	(421)	(778)	(16)
Net gains (losses) on translation of net foreign operations														
Unrealized gains (losses) on translation of net foreign operations	9	1,059	(1,090)	952	(2,410)	1,355	(782)	579	812	(2,801)	(31)	573	(885)	213
Unrealized gains (losses) on hedges of net foreign operations	10	(181)	131	(138)	252	(187)	96	(90)	(98)	353	(50)	(91)	23	41
	11	878	(959)	814	(2,158)	1,168	(686)	489	714	(2,448)	(81)	482	(862)	254
Items that will not be reclassified to net income														
Gains (losses) on remeasurement of pension and other employee future benefit plans	12	27	72	103	172	(96)	241	28	(128)	(153)	99	145	420	(422)
Gains (losses) on remeasurement of own credit risk on financial liabilities designated at fair value	13	42	(74)	(32)	42	(115)	(43)	(41)	-	(196)	(32)	(158)	(148)	(153)
	14	69	(2)	71	214	(211)	198	(13)	(128)	(349)	67	(13)	272	(575)
Other Comprehensive Income (Loss), net of taxes	15	797	(1,651)	904	(2,329)	1,045	(980)	202	937	(2,999)	(854)	65	(1,360)	(214)
Total Comprehensive Income (Loss)	16	2,043	(678)	2,131	(942)	2,293	508	1,547	2,182	(2,026)	1,365	2,801	3,990	4,417
Attributable to:														
Bank shareholders	17	2,043	(678)	2,131	(942)	2,292	507	1,546	2,182	(2,026)	1,365	2,799	3,988	4,408
Non-controlling interest in subsidiaries	18	-	-	-	-	1	1	1	-	-	-	2	2	9
Total Comprehensive Income (Loss)	19	2,043	(678)	2,131	(942)	2,293	508	1,547	2,182	(2,026)	1,365	2,801	3,990	4,417

(1) Q4 2017 and prior periods represent available-for-sale securities.

STATEMENT OF CHANGES IN EQUITY ($ millions)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Preferred Shares														
Balance at beginning of period	1	4,240	4,240	4,240	4,340	3,840	3,840	3,240	3,240	3,240	4,240	3,840	3,840	3,240
Issued during the period	2	-	-	-	400	500	-	600	-	-	-	500	900	600
Redeemed during the period	3	-	-	-	(500)	-	-	-	-	-	-	-	(500)	-
Balance at End of Period	4	4,240	4,240	4,240	4,240	4,340	3,840	3,840	3,240	3,240	4,240	4,340	4,240	3,840
Common Shares														
Balance at beginning of period	5	13,020	13,032	13,044	13,072	12,791	12,539	12,463	12,370	12,352	13,032	12,539	12,539	12,313
Issued under the Shareholder Dividend Reinvestment and Share Purchase Plan	6	-	-	-	47	215	186	45	45	-	-	401	448	90
Issued under the Stock Option Plan	7	7	48	9	5	66	66	31	48	18	55	132	146	136
Repurchased for cancellation	8	(101)	(60)	(21)	(80)	-	-	-	-	-	(161)	-	(101)	-
Balance at End of Period	9	12,926	13,020	13,032	13,044	13,072	12,791	12,539	12,463	12,370	12,926	13,072	13,032	12,539
Contributed Surplus														
Balance at beginning of period	10	306	307	305	307	303	294	294	298	298	307	294	294	299
Issuance of stock options, net of options exercised	11	(3)	(6)	2	(2)	(3)	9	(8)	(4)	-	(9)	6	6	(14)
Other	12	1	5	-	-	7	-	8	-	-	6	7	7	9
Balance at End of Period	13	304	306	307	305	307	303	294	294	298	304	307	307	294
Retained Earnings														
Balance at beginning of period	14	23,902	23,709	23,183	22,703	22,077	21,205	20,456	19,806	19,409	23,709	21,205	21,205	18,930
Impact from adopting IFRS 9	15	-	99								99			
Net income attributable to bank shareholders	16	1,246	973	1,227	1,387	1,247	1,487	1,344	1,245	973	2,219	2,734	5,348	4,622
Dividends - Preferred shares	17	(46)	(45)	(48)	(49)	(42)	(45)	(34)	(40)	(35)	(91)	(87)	(184)	(150)
- Common shares	18	(596)	(600)	(583)	(584)	(575)	(570)	(555)	(555)	(541)	(1,196)	(1,145)	(2,312)	(2,191)
Share issue expense	19	-	-	-	(5)	(4)	-	(6)	-	-	-	(4)	(9)	(6)
Common shares repurchased for cancellation	20	(387)	(234)	(70)	(269)	-	-	-	-	-	(621)	-	(339)	-
Balance at End of Period	21	24,119	23,902	23,709	23,183	22,703	22,077	21,205	20,456	19,806	24,119	22,703	23,709	21,205
Accumulated Other Comprehensive Income (Loss) on Fair Value through OCI Securities, net of taxes *(1)*														
Balance at beginning of period	22	(125)	56	46	65	(53)	48	85	(16)	(98)	56	48	48	(75)
Impact from adopting IFRS 9	23	-	(55)								(55)			
Unrealized (losses) on fair value through OCI securities arising during the period	24	(105)	(113)								(218)			
Unrealized gains (losses) on available-for-sale securities arising during the period	25			27	9	155	(96)	(31)	103	85		59	95	151
Reclassification to earnings of (gains) in the period	26	(23)	(13)	(17)	(28)	(37)	(5)	(6)	(2)	(3)	(36)	(42)	(87)	(28)
Balance at End of Period	27	(253)	(125)	56	46	65	(53)	48	85	(16)	(253)	65	56	48
Accumulated Other Comprehensive Income (Loss) on Cash Flow Hedges, net of taxes														
Balance at beginning of period	28	(746)	(182)	(191)	175	205	596	833	583	867	(182)	596	596	612
Gains (losses) on cash flow hedges arising during the period	29	(106)	(595)	(27)	(369)	(41)	(402)	(248)	242	(289)	(701)	(443)	(839)	(26)
Reclassification to earnings of losses in the period	30	84	31	36	3	11	11	11	8	5	115	22	61	10
Balance at End of Period	31	(768)	(746)	(182)	(191)	175	205	596	833	583	(768)	175	(182)	596
Accumulated Other Comprehensive Income on Translation of Net Foreign Operations, net of taxes														
Balance at beginning of period	32	2,506	3,465	2,651	4,809	3,641	4,327	3,838	3,124	5,572	3,465	4,327	4,327	4,073
Unrealized gains (losses) on translation of net foreign operations	33	1,059	(1,090)	952	(2,410)	1,355	(782)	579	812	(2,801)	(31)	573	(885)	213
Unrealized gains (losses) on hedges of net foreign operations	34	(181)	131	(138)	252	(187)	96	(90)	(98)	353	(50)	(91)	23	41
Balance at End of Period	35	3,384	2,506	3,465	2,651	4,809	3,641	4,327	3,838	3,124	3,384	4,809	3,465	4,327
Accumulated Other Comprehensive Income (Loss) on Pension and Other Employee Future Benefit Plans, net of taxes														
Balance at beginning of period	36	(20)	(92)	(195)	(367)	(271)	(512)	(540)	(412)	(259)	(92)	(512)	(512)	(90)
Gains (losses) on remeasurement of pension and other employee future benefit plans	37	27	72	103	172	(96)	241	28	(128)	(153)	99	145	420	(422)
Balance at End of Period	38	7	(20)	(92)	(195)	(367)	(271)	(512)	(540)	(412)	7	(367)	(92)	(512)
Accumulated Other Comprehensive Income (Loss) on Own Credit Risk on Financial Liabilities Designated at Fair Value, net of taxes														
Balance at beginning of period	39	(255)	(181)	(149)	(191)	(76)	(33)	8	8	204	(181)	(33)	(33)	120
Gains (losses) on remeasurement of own credit risk on financial liabilities designated at fair value	40	42	(74)	(32)	42	(115)	(43)	(41)	-	(196)	(32)	(158)	(148)	(153)
Balance at End of Period	41	(213)	(255)	(181)	(149)	(191)	(76)	(33)	8	8	(213)	(191)	(181)	(33)
Total Accumulated Other Comprehensive Income	42	2,157	1,360	3,066	2,162	4,491	3,446	4,426	4,224	3,287	2,157	4,491	3,066	4,426
Total Shareholders' Equity	43	43,746	42,828	44,354	42,934	44,913	42,457	42,304	40,677	39,001	43,746	44,913	44,354	42,304
Non-controlling Interest in Subsidiaries														
Balance at beginning of period	44	-	-	-	-	24	24	27	31	39	-	24	24	491
Net income attributable to non-controlling interest	45	-	-	-	-	1	1	1	-	-	-	2	2	9
Dividends to non-controlling interest	46	-	-	-	-	-	-	-	-	-	-	-	-	(10)
Redemption/purchase of non-controlling interest	47	-	-	-	-	(25)	-	-	-	-	-	(25)	(25)	(450)
Other	48	-	-	-	-	-	(1)	(4)	(4)	(8)	-	(1)	(1)	(16)
Balance at End of Period	49	-	-	-	-	-	24	24	27	31	-	-	-	24
Total Equity	50	43,746	42,828	44,354	42,934	44,913	42,481	42,328	40,704	39,032	43,746	44,913	44,354	42,328

(1) Q4 2017 and prior periods represent available-for-sale securities.

GOODWILL AND INTANGIBLE ASSETS

($ millions)	LINE #	November 1 2017	Additions/Purchases *(1)* Q1	Q2	Q3	Q4	Amortization Q1	Q2	Q3	Q4	Other: Includes FX *(2)* Q1	Q2	Q3	Q4	April 30 2018
Intangible Assets															
Customer relationships	1	223	-	-	-	-	(11)	(12)	-	-	(5)	7	-	-	202
Core deposit intangibles	2	169	-	-	-	-	(13)	(13)	-	-	(7)	7	-	-	143
Branch distribution networks	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased software	4	81	4	11	-	-	(7)	(7)	-	-	(3)	(1)	-	-	78
Developed software - amortized	5	997	206	75	-	-	(83)	(88)	-	-	(8)	10	-	-	1,109
Software under development	6	398	(81)	46	-	-	-	-	-	-	(9)	6	-	-	360
Other	7	291	2	6	-	-	(9)	(9)	-	-	9	8	-	-	298
Total Intangible Assets	8	2,159	131	138	-	-	(123)	(129)	-	-	(23)	37	-	-	2,190
Total Goodwill	9	6,244	-	-	-	-	-	-	-	-	(188)	207	-	-	6,263

(1) Net additions/purchases include intangible assets acquired through acquisitions and assets acquired through the normal course of operations.
(2) Other changes in goodwill and intangible assets includes the foreign exchange effects of U.S. dollar and Pound Sterling denominated intangible assets and goodwill, purchase accounting adjustments and certain other reclassifications.

UNREALIZED GAINS (LOSSES) ON FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME SECURITIES

($ millions)		Fair Value 2018 Q2	2018 Q1	Unrealized Gains (Losses) 2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
Issued or guaranteed by:												
Canadian governments	10	17,461	12,919	(82)	(78)							
U.S. governments	11	18,433	17,678	(625)	(525)							
Other governments	12	3,010	3,119	(18)	(14)							
Mortgage-backed securities - Canada *(3)*	13	2,489	2,438	(7)	(9)							
- U.S.	14	11,415	10,251	(418)	(300)							
Corporate debt	15	3,695	3,291	(38)	(19)							
Corporate equity	16	59	59	-	-							
Total	17	56,562	49,755	(1,188)	(945)							

(3) These amounts are supported by insured mortgages.

UNREALIZED GAINS (LOSSES) ON AVAILABLE-FOR-SALE SECURITIES

($ millions)		Fair Value 2018 Q2	2018 Q1	Unrealized Gains (Losses) 2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
Issued or guaranteed by:												
Canadian governments	18					(18)	(56)	89	(6)	165	245	130
U.S. governments	19					(174)	(56)	(95)	(248)	64	229	124
Other governments	20					(9)	(6)	(2)	(14)	13	26	13
Mortgage-backed securities - Canada *(4)*	21					(2)	(9)	17	10	34	20	9
- U.S.	22					(141)	(95)	(109)	(139)	24	94	44
Corporate debt	23					11	9	35	6	73	127	76
Corporate equity	24					105	100	111	92	86	88	74
Total	25					(228)	(113)	46	(299)	459	829	470

(4) These amounts are supported by insured mortgages.

ASSETS UNDER ADMINISTRATION AND MANAGEMENT

($ millions)		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
Assets Under Administration *(5)*										
Institutional *(6)*	26	296,447	284,907	286,401	387,781	417,265	413,660	414,252	413,497	355,013
Personal	27	242,080	238,618	217,757	203,842	215,198	207,277	208,495	204,856	197,770
Mutual Funds	28	33,469	33,692	33,635	32,391	33,560	31,821	31,834	31,900	30,089
Total	29	571,996	557,217	537,793	624,014	666,023	652,758	654,581	650,253	582,872
Assets Under Management										
Institutional	30	162,468	159,945	160,626	154,132	164,936	155,992	163,720	163,431	150,208
Personal	31	140,496	139,533	138,842	135,405	140,212	130,158	127,193	124,038	117,181
Mutual Funds	32	136,229	136,026	129,980	123,673	124,853	115,410	114,782	114,050	109,534
Total	33	439,193	435,504	429,448	413,210	430,001	401,560	405,695	401,519	376,923

(5) We have certain assets under management that are also administered by us and included in assets under administration.
(6) Amounts include securitized residential mortgages, including replacement pools, securitized real estate secured lines of credit and securitized credit cards.

DEBT ISSUED BY BANK SPONSORED VEHICLES FOR THIRD PARTY ASSETS

BMO Financial Group

($ millions except as noted)	LINE #	Q2 2018 Canadian Conduits *(1)*	Q2 2018 US Conduit *(2)*	Q2 2018 Total	Q1 2018 Canadian Conduits *(1)*	Q1 2018 US Conduit *(2)*	Q1 2018 Total	Q4 2017 Canadian Conduits *(1)*	Q4 2017 US Conduit *(2)*	Q4 2017 Total	Q3 2017 Canadian Conduits *(1)*	Q3 2017 US Conduit *(2)*	Q3 2017 Total
Auto loans/leases	1	1,946	1,448	3,394	2,016	1,640	3,656	2,149	1,882	4,031	2,407	2,178	4,585
Credit card receivables	2	150	-	150	150	-	150	-	-	-	-	-	-
Residential mortgages (insured)	3	852	-	852	926	-	926	1,024	-	1,024	1,219	-	1,219
Residential mortgages (uninsured)	4	966	-	966	920	-	920	430	-	430	383	-	383
Commercial mortgages (uninsured)	5	-	15	15	-	15	15	-	16	16	-	15	15
Commercial mortgages (insured)	6	62	-	62	54	-	54	54	-	54	63	-	63
Equipment loans/leases	7	6	500	506	262	532	794	97	441	538	320	368	688
Trade receivables	8	-	241	241	-	237	237	-	234	234	-	257	257
Corporate loans	9	-	-	-	-	-	-	-	158	158	-	290	290
Daily auto rental	10	155	410	565	120	76	196	192	215	407	350	381	731
Floorplan finance receivables	11	214	323	537	294	320	614	294	316	610	289	284	573
Collateralized debt obligations	12	-	-	-	-	-	-	-	-	-	-	-	-
Other pool type	13	250	130	380	250	97	347	250	36	286	250	137	387
Student loans	14	-	1,270	1,270	-	398	398	-	683	683	-	370	370
Total	15	4,601	4,337	8,938	4,992	3,315	8,307	4,490	3,981	8,471	5,281	4,280	9,561

(1) Canadian Conduit totals include amounts pertaining to a conduit that has been directly funded by the Bank ($761.8 million as at Q2, 2018, $801.5 million as at Q1, 2018, $725.6 million as at Q4, 2017, and $749.5 million as at Q3, 2017). External Credit Assessment Institutions used to rate the Asset Backed Commercial Paper of the market funded conduits in Canada are DBRS and Moody's.

(2) US Conduit totals include amounts that have been directly funded by the Bank ($24.0 million as at Q2, 2018, $23.0 million as at Q1, 2018, $24.3 million as at Q4, 2017, and $24.1 million as at Q3, 2017). External Credit Assessment Institutions used to rate the Asset Backed Commercial Paper of the market funded conduit in the US are S&P and Moody's.

AGGREGATE AMOUNT OF SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE

($ millions except as noted)		Q2 2018 Undrawn Committed Facilities and Notional Amounts	Q2 2018 Drawn Loan Facilities and Securities Held *(3)*	Q2 2018 First Loss Positions *(4)*	Q2 2018 Total	Q1 2018 Undrawn Committed Facilities and Notional Amounts	Q1 2018 Drawn Loan Facilities and Securities Held *(3)*	Q1 2018 First Loss Positions *(4)*	Q1 2018 Total	Q4 2017 Undrawn Committed Facilities and Notional Amounts	Q4 2017 Drawn Loan Facilities and Securities Held *(3)*	Q4 2017 First Loss Positions *(4)*	Q4 2017 Total	Q3 2017 Undrawn Committed Facilities and Notional Amounts	Q3 2017 Drawn Loan Facilities and Securities Held *(3)*	Q3 2017 First Loss Positions *(4)*	Q3 2017 Total
Bank Assets																	
Auto loans/leases	16	-	-	-	-	-	2,152	-	2,152	-	2,657	-	2,657	-	3,009	-	3,009
Corporate loans	17	1,655	2,242	-	3,897	1,689	2,069	-	3,758	1,690	2,218	-	3,908	1,132	1,440	-	2,572
Credit card receivables *(5)*	18	-	1,873	-	1,873	-	1,873	-	1,873	-	2,255	-	2,255	-	2,255	-	2,255
Residential mortgages (uninsured) *(6)*	19	-	1,451	-	1,451	-	1,565	-	1,565	-	1,649	-	1,649	-	1,738	-	1,738
Home equity lines of credit *(7)*	20	-	26	-	26	-	2,530	-	2,530	-	2,530	-	2,530	-	2,520	-	2,520
Total Bank Assets	21	1,655	5,592	-	7,247	1,689	10,189	-	11,878	1,690	11,309	-	12,999	1,132	10,962	-	12,094
Third Party Assets *(8)*																	
Auto loans/leases	22	4,046	2,033	-	6,079	4,047	2,392	-	6,439	3,988	2,624	-	6,612	3,101	3,033	-	6,134
Credit card receivables	23	531	136	-	667	430	217	-	647	318	198	-	516	291	207	-	498
Residential mortgages (insured)	24	1,275	-	-	1,275	1,275	-	-	1,275	1,303	-	-	1,303	1,390	-	-	1,390
Residential mortgages (uninsured)	25	1,608	-	-	1,608	1,608	-	-	1,608	843	-	-	843	843	-	-	843
Commercial mortgages (uninsured)	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages (insured)	27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	28	849	341	-	1,190	667	614	-	1,281	762	557	-	1,319	789	497	-	1,286
Trade receivables	29	55	351	-	406	49	340	-	389	48	327	-	375	43	376	-	419
Corporate loans	30	101	222	-	323	161	238	-	399	149	222	-	371	117	133	-	250
Daily auto rental	31	413	410	-	823	726	76	-	802	635	230	-	865	453	395	-	848
Floorplan finance receivables	32	719	753	-	1,472	701	727	-	1,428	755	721	-	1,476	828	662	-	1,490
Collateralized debt obligations	33	54	10	-	64	62	-	-	62	64	-	-	64	-	-	-	-
Other pool type	34	503	187	-	690	497	98	-	595	710	239	-	949	358	712	-	1,070
Student loans	35	918	1,270	-	2,188	1,227	398	-	1,625	824	683	-	1,507	1,076	370	-	1,446
Credit protection vehicle	36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading securities reclassified to fair value through OCI securities *(9)*	37	-	1	-	1	-	-	-	-	-	2	-	2	-	3	-	3
Total Third Party Assets	38	11,072	5,714	-	16,786	11,450	5,100	-	16,550	10,399	5,803	-	16,202	9,289	6,388	-	15,677
Total	39	12,727	11,306	-	24,033	13,139	15,289	-	28,428	12,089	17,112	-	29,201	10,421	17,350	-	27,771

(3) External Credit Assessment Institutions (ECAIs) used for securitization notes are Fitch, S&P, Moody's and DBRS.

(4) First Loss Positions reflect deferred purchase price amounts for securitization of the Bank's own credit cards and conventional mortgages net of servicing liabilities and tax impacts.

(5) The credit card receivable securities held from Bank asset securitizations represent the Bank's interest in investment grade notes issued by Master Credit Card Trust and Master Credit Card Trust II. The Securitization Capital Framework is applied.

(6) The residential mortgage backed securities held from Bank asset securitizations represent the Bank's interest in investment grade notes issued by Bicentennial Trust. The Securitization Capital Framework is applied.

(7) The HELOC securities held from Bank asset securitizations represent the Bank's interest in investment grade notes issued by Fortified Trust. The Securitization Capital Framework is applied.

(8) Third party asset securitizations that are externally rated and Montreal Accord assets are assessed under the RBA, with unrated and below BB- positions being deducted from capital. The Supervisory Formula (SF) has been applied for all other positions.

(9) Q4 2017 and prior periods represent available-for-sale securities.

AGGREGATE AMOUNT OF RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE *(1)*

BMO Financial Group

($ millions except as noted)	LINE #	Q2 2018				Q1 2018				Q4 2017				Q3 2017			
		Undrawn Committed Facilities and Notional Amounts *(2)*	Drawn Loan Facilities and Securities Held *(3)*	First Loss Positions *(4)*	Total	Undrawn Committed Facilities and Notional Amounts *(2)*	Drawn Loan Facilities and Securities Held *(3)*	First Loss Positions *(4)*	Total	Undrawn Committed Facilities and Notional Amounts *(2)*	Drawn Loan Facilities and Securities Held *(3)*	First Loss Positions *(4)*	Total	Undrawn Committed Facilities and Notional Amounts *(2)*	Drawn Loan Facilities and Securities Held *(3)*	First Loss Positions *(4)*	Total
Bank Assets																	
Credit card receivables *(5)*	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bank Assets	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Assets *(6)*																	
Auto loans/leases	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card receivables	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (insured)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Personal line of credit	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate loans	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Daily auto rental	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Floorplan finance receivables	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other pool type	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Student loans	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIV assets (financial institutions debt and securitized assets)	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit protection vehicle *(7)*	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading securities reclassified to fair value through OCI securities *(8)*	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Montreal Accord Assets	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Third Party Assets	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) No credit risk mitigations are applied to resecuritization exposures.

(2) ECAIs used for securitizations liquidity facility ratings are S&P, Moody's and Fitch.

(3) ECAIs used for securitization notes are S&P and Moody's.

(4) First Loss Positions reflect deferred purchase price amounts for securitization of the Bank's own credit cards and conventional mortgages net of servicing liabilities and tax impacts.

(5) The credit card receivable securities held from Bank asset securitizations represent the Bank's seller's interest in investment grade subordinated notes issued by Master Credit Card Trust and Master Credit Card Trust II. The Securitization Framework is applied.

(6) Third party asset securitizations that are externally rated and Montreal Accord assets are assessed under the RBA, with unrated and below BB- positions being deducted from capital. The Supervisory Formula (SF) has been applied for all other positions.

(7) Amounts reported for credit protection vehicle assets under Undrawn Committed Facilities and Notional Amounts represent aggregate notional amounts of the credit default swap exposures and do not represent committed funding obligations.

(8) Q4 2017 and prior periods represent available-for-sale securities.

CREDIT RISK FINANCIAL MEASURES *(1)*

BMO Financial Group

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Diversification Ratios														
Gross Loans And Acceptances														
Consumer	1	48.5 %	49.7 %	49.2 %	49.2 %	48.2 %	49.6 %	49.7 %	49.8 %	50.4 %				
Business and government	2	51.5 %	50.3 %	50.8 %	50.8 %	51.8 %	50.4 %	50.3 %	50.2 %	49.6 %				
Canada	3	66.0 %	66.7 %	66.3 %	66.3 %	64.5 %	65.8 %	64.5 %	64.8 %	65.1 %				
United States	4	31.3 %	30.1 %	30.6 %	30.8 %	32.3 %	31.0 %	32.7 %	32.3 %	32.0 %				
Other Countries	5	2.7 %	3.2 %	3.1 %	2.9 %	3.2 %	3.2 %	2.8 %	2.9 %	2.9 %				
Net Loans And Acceptances *(2)*														
Consumer	6	48.5 %	49.7 %	49.2 %	49.2 %	48.2 %	49.6 %	49.7 %	49.9 %	50.4 %				
Business and government	7	51.5 %	50.3 %	50.8 %	50.8 %	51.8 %	50.4 %	50.3 %	50.1 %	49.6 %				
Canada	8	66.0 %	66.8 %	66.4 %	66.4 %	64.5 %	65.8 %	64.6 %	64.9 %	65.1 %				
United States	9	31.3 %	30.0 %	30.5 %	30.7 %	32.3 %	30.9 %	32.6 %	32.2 %	32.0 %				
Other Countries	10	2.7 %	3.2 %	3.1 %	2.9 %	3.2 %	3.3 %	2.8 %	2.9 %	2.9 %				
Coverage Ratios														
Allowance for Credit Losses (ACL) on Impaired Loans to Gross Impaired Loans and Acceptances (GIL) *(5)*														
Total	11	18.5 %	18.1 %	17.7 %	19.4 %	17.3 %	17.2 %	17.0 %	20.8 %	18.3 %	18.5 %	17.3 %	17.7 %	17.0 %
Consumer	12	17.6 %	15.8 %	16.9 %	16.8 %	16.2 %	14.8 %	15.7 %	16.6 %	17.4 %	17.6 %	16.2 %	16.9 %	15.7 %
Business and government	13	19.2 %	19.8 %	18.3 %	21.4 %	18.0 %	19.0 %	17.9 %	23.7 %	18.9 %	19.2 %	18.0 %	18.3 %	17.9 %
Net write-offs to average loans and acceptances (Annualized) *(2)*	14	0.18 %	0.17 %	0.17 %	0.19 %	0.22 %	0.17 %	0.26 %	0.18 %	0.15 %	0.17 %	0.19 %	0.19 %	0.19 %
Condition Ratios														
GIL to Gross Loans and Acceptances *(5)*	15	0.56 %	0.57 %	0.59 %	0.58 %	0.64 %	0.61 %	0.64 %	0.65 %	0.63 %				
Net Impaired Loans and Acceptances (NIL) to Net Loans and Acceptances *(2) (3) (5)*	16	0.46 %	0.47 %	0.49 %	0.47 %	0.54 %	0.51 %	0.53 %	0.52 %	0.52 %				
NIL to segmented Net Loans and Acceptances *(2) (3) (5)*														
Consumer	17	0.42 %	0.43 %	0.43 %	0.43 %	0.47 %	0.47 %	0.45 %	0.45 %	0.44 %				
Business and government	18	0.49 %	0.51 %	0.54 %	0.50 %	0.59 %	0.55 %	0.61 %	0.58 %	0.59 %				
Canada	19	0.22 %	0.25 %	0.23 %	0.22 %	0.23 %	0.23 %	0.26 %	0.25 %	0.26 %				
United States	20	0.97 %	0.98 %	1.07 %	1.03 %	1.18 %	1.16 %	1.13 %	1.10 %	1.10 %				
Other Countries	21	0.34 %	0.20 %	0.26 %	0.27 %	0.28 %	0.01 %	0.01 %	0.02 %	0.01 %				
Consumer Loans (Canada)														
90 Days & Over Delinquency Ratios														
Consumer instalment and other personal	22	0.48 %	0.45 %	0.39 %	0.38 %	0.38 %	0.38 %	0.36 %	0.36 %	0.36 %				
Credit Cards *(4)*	23	1.00 %	1.06 %	1.03 %	1.07 %	1.11 %	1.04 %	0.92 %	0.91 %	1.01 %				
Mortgages	24	0.19 %	0.20 %	0.20 %	0.20 %	0.23 %	0.24 %	0.24 %	0.22 %	0.24 %				
Total Consumer	25	0.32 %	0.32 %	0.30 %	0.30 %	0.32 %	0.32 %	0.31 %	0.30 %	0.32 %				
Consumer Loans (U.S.)														
90 Days & Over Delinquency Ratios														
Consumer instalment and other personal	26	1.42 %	1.72 %	1.69 %	1.76 %	1.75 %	1.90 %	1.49 %	1.41 %	1.36 %				
Credit Cards *(4)*	27	1.14 %	1.09 %	1.15 %	1.10 %	0.92 %	1.04 %	1.09 %	1.01 %	0.90 %				
Mortgages	28	0.62 %	0.68 %	0.80 %	0.94 %	1.01 %	1.05 %	0.94 %	1.05 %	1.02 %				
Total Consumer	29	0.99 %	1.16 %	1.27 %	1.38 %	1.40 %	1.51 %	1.27 %	1.27 %	1.22 %				
Consumer Loans (Consolidated)														
90 Days & Over Delinquency Ratios														
Consumer instalment and other personal	30	0.63 %	0.64 %	0.60 %	0.60 %	0.62 %	0.64 %	0.61 %	0.59 %	0.58 %				
Credit Cards *(4)*	31	1.01 %	1.07 %	1.03 %	1.07 %	1.10 %	1.04 %	0.93 %	0.92 %	1.00 %				
Mortgages	32	0.23 %	0.24 %	0.25 %	0.26 %	0.29 %	0.30 %	0.29 %	0.29 %	0.30 %				
Total Consumer	33	0.40 %	0.41 %	0.40 %	0.41 %	0.44 %	0.45 %	0.43 %	0.42 %	0.43 %				

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.
(2) Aggregate Net Loans and Acceptances balances are net of allowance for credit losses on performing and impaired loans (excluding those related to off-balance sheet instruments). The Consumer and Business and government Net Loans and Acceptances balances are stated net of allowance for credit losses on impaired loans (excluding those related to off-balance sheet instruments) only.
(3) Net Impaired Loan balances are net of allowance for credit losses on impaired loans, excluding those related to off-balance sheet instruments.
(4) Excludes small business and Corporate credit cards.
(5) Gross Impaired Loans and Net Impaired Loans exclude Purchased Credit Impaired Loans.

PROVISION FOR CREDIT LOSSES (PCL) SEGMENTED INFORMATION *(1) (2)*

($ millions except as noted)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Performance Ratios (Annualized)														
PCL on impaired loans to average net loans and acceptances	1	0.18 %	0.19 %	0.22 %	0.22 %	0.27 %	0.18 %	0.18 %	0.28 %	0.21 %	0.18 %	0.23 %	0.22 %	0.22 %
PCL on impaired loans to segmented average net loans and acceptances														
Consumer	2	0.28 %	0.24 %	0.24 %	0.26 %	0.28 %	0.26 %	0.22 %	0.26 %	0.30 %	0.26 %	0.27 %	0.26 %	0.28 %
Business and Government	3	0.08 %	0.13 %	0.20 %	0.18 %	0.26 %	0.10 %	0.14 %	0.29 %	0.13 %	0.11 %	0.18 %	0.18 %	0.15 %
Canada	4	0.21 %	0.15 %	0.21 %	0.19 %	0.20 %	0.18 %	0.17 %	0.28 %	0.22 %	0.18 %	0.19 %	0.20 %	0.22 %
United States	5	0.18 %	0.28 %	0.24 %	0.29 %	0.38 %	0.19 %	0.23 %	0.29 %	0.22 %	0.23 %	0.28 %	0.28 %	0.23 %
Other Countries	6	(0.47)%	0.00 %	0.04 %	0.00 %	0.67 %	0.00 %	0.00 %	0.00 %	0.00 %	(0.23)%	0.34 %	0.18 %	0.00 %
Total PCL to average net loans and acceptances	7	0.17 %	0.15 %	0.22 %	0.14 %	0.27 %	0.18 %	0.18 %	0.28 %	0.21 %	0.16 %	0.23 %	0.20 %	0.22 %
Provision for Credit Losses on Impaired Loans by Country														
Canada	8	132	95	132	118	121	110	98	163	125	227	231	481	511
United States	9	53	79	69	84	110	57	69	84	64	132	167	320	260
Other Countries	10	(13)	-	1	-	20	-	-	-	-	(13)	20	21	-
Total Provision For Credit Losses on Impaired Loans	11	172	174	202	202	251	167	167	247	189	346	418	822	771
Provision for Credit Losses on Performing Loans by Country *(3)*														
Canada	12	(2)	(3)								(5)			
United States	13	(9)	(31)								(40)			
Other Countries	14	(1)	1								-			
Total Provision for Credit Losses on Performing Loans	15	(12)	(33)								(45)			
Total Provision for Credit Losses by Country														
Canada	16	130	92	119	62	121	129	73	163	125	222	250	431	547
United States	17	44	48	82	64	110	38	94	84	64	92	148	294	224
Other Countries	18	(14)	1	1	-	20	-	-	-	-	(13)	20	21	-
Total Provision for Credit Losses	19	160	141	202	126	251	167	167	247	189	301	418	746	771
Interest Income on Impaired Loans														
Total	20	18	16	15	21	16	23	17	21	21	34	39	75	74

PROVISION FOR CREDIT LOSSES SEGMENTED INFORMATION *(2)*

($ millions)

		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016	Provision Mix YTD 2018	Provision Mix YTD 2017	Provision Mix Fiscal 2017	Provision Mix Fiscal 2016
Provision by Product and Industry																		
Consumer																		
Residential mortgages	21	1	6	(4)	6	2	7	(3)	8	9	7	9	11	24	2.0%	2.2 %	1.3 %	3.1 %
Credit cards	22	54	59	53	63	62	54	52	60	60	113	116	232	232	32.7%	27.8 %	28.2 %	30.1 %
Consumer instalment and other personal	23	77	46	60	49	65	58	53	51	64	123	123	232	246	35.5%	29.4 %	28.2 %	31.9 %
Total Consumer	24	132	111	109	118	129	119	102	119	133	243	248	475	502	70.2%	59.3 %	57.8 %	65.1 %
Business and Government																		
Commercial real estate	25	(3)	3	5	(5)	(2)	(2)	(5)	(2)	(2)	-	(4)	(4)	(16)	0.0%	(1.0)%	(0.5)%	(2.1)%
Construction (non-real estate)	26	(2)	1	(3)	13	11	4	3	4	2	(1)	15	25	15	(0.3)%	3.6 %	3.0 %	1.9 %
Retail trade	27	-	2	14	12	(1)	4	2	1	2	2	3	29	13	0.6%	0.7 %	3.5 %	1.7 %
Wholesale trade	28	11	3	13	3	12	(4)	2	2	8	14	8	24	11	4.0%	1.9 %	2.9 %	1.4 %
Agriculture	29	18	6	1	8	17	5	10	27	4	24	22	31	56	6.9%	5.3 %	3.8 %	7.3 %
Communications	30	-	-	(1)	-	-	-	-	4	(2)	-	-	(1)	2	0.0%	0.0 %	(0.1)%	0.3 %
Financing products	31	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0 %	0.0 %	0.0 %
Manufacturing	32	11	(2)	9	5	2	12	10	13	10	9	14	28	29	2.6%	3.3 %	3.4 %	3.8 %
Mining	33	-	-	-	-	-	-	3	-	17	-	-	-	20	0.0%	0.0 %	0.0 %	2.6 %
Oil and Gas	34	(25)	1	2	2	16	(11)	(6)	58	31	(24)	5	9	105	(6.9)%	1.2 %	1.1 %	13.6 %
Transportation	35	16	20	25	31	29	23	30	14	9	36	52	108	56	10.4%	12.4 %	13.1 %	7.3 %
Utilities	36	-	-	-	-	-	-	-	-	3	-	-	-	3	0.0%	0.0 %	0.0 %	0.4 %
Forest Products	37	(1)	(1)	-	-	-	-	-	(1)	-	(2)	-	-	(1)	(0.6)%	0.0 %	0.0 %	(0.1)%
Service industries	38	16	21	21	16	47	18	19	7	-	37	65	102	21	10.7%	15.6 %	12.4 %	2.7 %
Financial	39	(1)	(1)	-	(1)	2	(4)	2	3	(8)	(2)	(2)	(3)	(7)	(0.6)%	(0.5)%	(0.4)%	(0.9)%
Governments	40	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0 %	0.0 %	0.0 %
Other	41	-	10	7	-	(11)	3	(5)	(2)	(18)	10	(8)	(1)	(38)	2.9%	(1.9)%	(0.1)%	(4.9)%
Total Business and Government	42	40	63	93	84	122	48	65	128	56	103	170	347	269	29.8%	40.7 %	42.2 %	34.9 %
Total provision for credit losses on impaired loans	43	172	174	202	202	251	167	167	247	189	346	418	822	771	100.0%	100.0 %	100.0 %	100.0 %
Total provision for credit losses on performing loans *(3)*	44	(12)	(33)								(45)							
Collective provision for credit losses	45			-	(76)	-	-	-	-	-		-	(76)	-				
Total Provision for Credit Losses	46	160	141	202	126	251	167	167	247	189	301	418	746	771				

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.
(2) Provision for credit losses on impaired loans excludes securities borrowed or purchased under resale agreements.
(3) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

WRITE-OFFS BY INDUSTRY

($ millions)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Consumer Write-Offs	1	162	155	165	163	161	169	155	163	165	317	330	658	654
Business and Government														
Commercial real estate	2	1	1	3	-	1	1	4	2	1	2	2	5	9
Construction (non-real estate)	3	-	1	1	1	10	4	11	-	1	1	14	16	18
Retail trade	4	2	7	15	1	2	1	4	1	6	9	3	19	17
Wholesale trade	5	1	4	6	1	7	2	5	1	1	5	9	16	10
Agriculture	6	3	1	10	9	9	3	28	1	3	4	12	31	36
Communications	7	-	-	-	-	-	-	-	3	-	-	-	-	9
Financing products	8	-	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing	9	31	8	1	3	2	4	12	10	9	39	6	10	39
Mining	10	-	-	1	-	-	-	4	17	-	-	-	1	21
Oil and Gas	11	-	2	-	5	-	1	35	9	13	2	1	6	57
Transportation	12	17	17	22	33	22	24	25	14	14	34	46	101	55
Utilities	13	-	-	-	-	-	-	-	-	-	-	-	-	-
Forest Products	14	-	-	-	1	-	-	-	-	-	-	-	1	-
Service industries	15	19	6	4	12	45	14	28	4	15	25	59	75	52
Financial	16	-	-	-	3	2	-	4	-	3	-	2	5	7
Governments	17	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	18	6	3	2	2	3	3	6	3	7	9	6	10	19
Total Business and Government	19	80	50	65	71	103	57	166	65	73	130	160	296	349
Total Write-Offs	20	242	205	230	234	264	226	321	228	238	447	490	954	1,003

WRITE-OFFS BY GEOGRAPHIC REGION *(1)*

($ millions)		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Canada	21	160	133	148	136	138	127	178	138	129	293	265	549	585
United States	22	82	71	81	98	126	99	143	90	109	153	225	404	418
Other Countries	23	-	1	1	-	-	-	-	-	-	1	-	1	-
Total	24	242	205	230	234	264	226	321	228	238	447	490	954	1,003

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.

GROSS LOANS AND ACCEPTANCES BY PRODUCT AND INDUSTRY

($ millions)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	MIX Q2
Consumer											
Residential mortgages	1	117,770	117,186	115,258	113,983	112,989	112,469	112,277	109,692	106,641	30.4 %
Credit cards	2	8,175	7,994	8,071	8,076	8,004	7,888	8,101	8,023	7,918	2.1 %
Consumer instalment and other personal	3	61,733	61,118	61,944	61,508	61,887	61,481	64,680	64,242	63,831	16.0 %
Total Consumer	4	187,678	186,298	185,273	183,567	182,880	181,838	185,058	181,957	178,390	48.5 %
Business and Government, excluding Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	5	28,508	26,780	26,494	25,163	25,063	24,215	24,139	23,798	22,930	7.4 %
Construction (non-real estate)	6	4,132	3,547	3,930	4,046	3,936	3,568	3,567	3,571	3,601	1.1 %
Retail trade	7	20,153	18,228	18,510	17,880	18,816	17,321	16,442	15,537	16,114	5.2 %
Automotive	8	12,952	11,479	11,439	11,437	12,163	11,121	10,879	10,430	10,905	3.3 %
Food and beverage	9	1,556	1,579	1,578	1,543	1,552	1,551	1,268	1,310	1,265	0.4 %
Other	10	5,645	5,170	5,493	4,900	5,101	4,649	4,295	3,797	3,944	1.5 %
Wholesale trade	11	12,719	11,851	11,629	11,348	12,017	11,204	12,188	11,965	10,918	3.3 %
Agriculture	12	1,166	942	899	797	1,067	1,070	916	661	731	0.3 %
Automotive	13	3,001	2,941	2,715	2,642	2,768	2,532	2,670	2,842	1,658	0.8 %
Food and beverage	14	2,256	2,180	2,159	2,043	2,230	2,212	2,581	2,453	2,229	0.6 %
Construction and industrial	15	2,798	2,517	2,359	2,429	2,473	2,240	2,831	2,778	2,722	0.7 %
Other	16	3,498	3,271	3,497	3,437	3,479	3,150	3,190	3,231	3,578	0.9 %
Agriculture	17	11,628	11,299	11,125	11,177	11,196	10,870	10,970	10,878	10,498	3.0 %
Communications	18	566	568	625	695	780	872	906	847	756	0.1 %
Other communications	19	399	372	443	532	557	515	575	531	358	0.1 %
Cable	20	27	54	33	11	63	200	181	163	220	0.0 %
Broadcasting	21	140	142	149	152	160	157	150	153	178	0.0 %
Financing products	22	4,949	4,251	5,060	5,621	6,635	6,211	6,093	7,513	7,100	1.3 %
Manufacturing	23	21,681	19,732	19,875	19,053	20,704	18,503	18,623	18,437	17,342	5.6 %
Industrial products	24	7,164	6,381	6,641	6,371	7,076	6,673	6,222	6,516	6,093	1.9 %
Consumer products	25	8,351	7,927	7,865	7,386	8,046	7,164	7,810	7,449	7,197	2.2 %
Automotive	26	1,588	1,280	1,254	1,294	1,297	1,099	975	810	696	0.4 %
Other manufacturing	27	4,578	4,144	4,115	4,002	4,285	3,567	3,616	3,662	3,356	1.1 %
Mining	28	1,453	1,234	1,344	1,441	1,540	1,361	1,868	1,506	1,624	0.4 %
Oil and Gas	29	8,061	7,592	8,209	7,505	7,046	6,960	7,975	7,564	7,264	2.1 %
Transportation	30	10,593	9,963	10,509	10,137	10,788	10,196	10,704	10,433	9,892	2.7 %
Utilities	31	2,660	2,670	2,778	2,675	2,785	2,539	2,700	2,853	2,560	0.7 %
Electric power generation	32	1,865	1,912	2,053	1,919	2,010	1,880	2,117	2,302	2,055	0.5 %
Gas, water and other	33	795	758	725	756	775	659	583	551	505	0.2 %
Forest products	34	852	845	836	792	809	830	890	858	890	0.2 %
Service industries	35	36,015	34,147	33,756	33,993	34,622	32,529	32,709	31,259	29,075	9.3 %
Automotive lease and rental	36	2,350	2,277	2,459	2,531	2,492	2,286	2,539	2,229	1,988	0.6 %
Educational	37	2,122	2,066	2,137	2,122	2,099	1,848	2,035	2,105	2,023	0.5 %
Health care	38	9,701	9,197	8,625	9,677	8,868	8,677	8,316	7,605	7,154	2.5 %
Business and professional services	39	8,224	7,578	7,599	7,232	8,213	7,483	7,558	7,283	6,789	2.1 %
Hospitality and recreation	40	7,591	7,286	6,940	6,689	6,538	6,232	5,983	5,207	4,890	2.0 %
Other	41	6,027	5,743	5,996	5,742	6,412	6,003	6,278	6,830	6,231	1.6 %
Financial	42	29,713	30,791	32,267	32,840	33,315	31,580	32,086	28,886	30,322	7.7 %
Non-bank financial services	43	22,742	22,004	23,328	24,533	24,667	23,033	24,838	23,030	22,560	5.9 %
Bank	44	6,971	8,787	8,939	8,307	8,648	8,547	7,248	5,856	7,762	1.8 %
Governments	45	1,418	1,456	1,470	1,394	1,484	1,311	1,326	1,589	1,742	0.4 %
Other	46	4,154	3,739	3,196	4,115	4,764	4,993	4,220	5,706	3,201	1.1 %
Total Business and Government	47	199,255	188,693	191,613	189,875	196,300	185,063	187,406	183,200	175,829	51.5 %
Total Gross Loans and Acceptances	48	386,933	374,991	376,886	373,442	379,180	366,901	372,464	365,157	354,219	100.0 %

ALLOWANCE FOR CREDIT LOSSES BY PRODUCT AND INDUSTRY

($ millions)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	MIX Q2
Allowance for Credit Losses on Impaired Loans											
Consumer											
Residential mortgages	1	21	22	24	29	30	31	33	36	35	1.1 %
Credit cards	2	-	-	-	-	-	-	-	-	-	0.0 %
Consumer instalment and other personal	3	146	129	136	129	135	117	123	126	131	7.8 %
Total Consumer	4	167	151	160	158	165	148	156	162	166	8.9 %
Business and Government, excluding Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	5	13	13	15	10	9	13	13	13	16	0.7 %
Construction (non-real estate)	6	17	14	14	17	5	3	4	11	8	0.9 %
Retail trade	7	8	8	14	18	7	11	12	13	16	0.4 %
Wholesale trade	8	25	16	17	29	33	30	31	23	21	1.3 %
Agriculture	9	32	15	11	22	27	19	19	37	12	1.7 %
Communications	10	-	-	-	-	-	-	1	1	1	0.0 %
Financing products	11	-	-	-	-	-	-	-	-	-	0.0 %
Manufacturing	12	20	38	51	42	42	42	36	38	33	1.1 %
Industrial products	13	7	25	24	14	13	14	5	4	13	0.4 %
Consumer products	14	4	2	7	8	8	8	9	11	10	0.2 %
Automotive	15	-	-	-	-	-	-	-	-	1	0.0 %
Other manufacturing	16	9	11	20	20	21	20	22	23	9	0.5 %
Mining	17	-	-	-	1	1	1	1	1	17	0.0 %
Oil and Gas	18	19	41	42	39	46	30	45	88	40	1.0 %
Transportation	19	18	14	13	12	18	8	9	5	3	1.0 %
Utilities	20	2	2	2	3	3	3	3	3	3	0.1 %
Forest products	21	-	-	1	1	-	1	1	2	2	0.0 %
Service industries	22	62	74	51	49	58	50	50	47	36	3.3 %
Automotive lease and rental	23	-	-	-	-	-	-	-	-	-	0.0 %
Educational	24	5	5	6	5	6	13	6	9	2	0.3 %
Health care	25	5	8	2	4	2	1	1	1	1	0.3 %
Business and professional services	26	28	26	18	9	7	2	3	5	4	1.5 %
Hospitality and recreation	27	16	16	17	9	12	3	3	3	2	0.9 %
Other	28	8	19	8	22	31	31	37	29	27	0.3 %
Financial	29	1	2	2	2	7	7	10	11	6	0.1 %
Non-bank financial services	30	1	2	2	2	7	7	10	11	6	0.1 %
Bank	31	-	-	-	-	-	-	-	-	-	0.0 %
Governments	32	-	-	-	-	-	-	-	-	-	0.0 %
Other	33	14	-	-	14	-	20	14	35	29	0.7 %
Total Business and Government	34	231	237	233	259	256	238	249	328	243	12.3 %
Total Allowance for Credit Losses on Impaired Loans	35	398	388	393	417	421	386	405	490	409	21.2 %
Allowance for credit losses on performing loans - Consumer *(1)*	36	715	708								38.2 %
Allowance for credit losses on performing loans - Business and Government *(1)*	37	534	528								28.5 %
Total Allowance for Credit Losses on Performing Loans *(1)*	38	1,249	1,236								66.7 %
Collective allowance	39			1,440	1,405	1,516	1,482	1,520	1,503	1,485	
Total Allowance for Credit Losses on Loans	40	1,647	1,624	1,833	1,822	1,937	1,868	1,925	1,993	1,894	88.0 %
Allowance for Credit Losses related to off-balance sheet instruments *(2)*	41	225	224	163	171	208	205	189	189	179	12.0 %
Total Allowance for Credit Losses	42	1,872	1,848	1,996	1,993	2,145	2,073	2,114	2,182	2,073	100.0 %

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.
(2) Reported in Other Liabilities.

NET LOANS AND ACCEPTANCES BY PRODUCT AND INDUSTRY *(2)*

($ millions)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	MIX Q2
Consumer											
Residential mortgages	1	117,749	117,164	115,234	113,954	112,959	112,438	112,244	109,656	106,606	30.6 %
Credit cards	2	8,175	7,994	8,071	8,076	8,004	7,888	8,101	8,023	7,918	2.1 %
Consumer instalment and other personal	3	61,587	60,989	61,808	61,379	61,752	61,364	64,557	64,116	63,700	16.0 %
Total Consumer	4	187,511	186,147	185,113	183,409	182,715	181,690	184,902	181,795	178,224	48.7 %
Business and Government, excluding Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	5	28,495	26,767	26,479	25,153	25,054	24,202	24,126	23,785	22,914	7.4 %
Construction (non-real estate)	6	4,115	3,533	3,916	4,029	3,931	3,565	3,563	3,560	3,593	1.1 %
Retail trade	7	20,145	18,220	18,496	17,862	18,809	17,310	16,430	15,524	16,098	5.2 %
Wholesale trade	8	12,694	11,835	11,612	11,319	11,984	11,174	12,157	11,942	10,897	3.3 %
Agriculture	9	11,596	11,284	11,114	11,155	11,169	10,851	10,951	10,841	10,486	3.0 %
Communications	10	566	568	625	695	780	872	905	846	755	0.1 %
Financing products	11	4,949	4,251	5,060	5,621	6,635	6,211	6,093	7,513	7,100	1.3 %
Manufacturing	12	21,661	19,694	19,824	19,011	20,662	18,461	18,587	18,399	17,309	5.6 %
Industrial products	13	7,157	6,356	6,617	6,357	7,063	6,659	6,217	6,512	6,080	1.9 %
Consumer products	14	8,347	7,925	7,858	7,378	8,038	7,156	7,801	7,438	7,187	2.2 %
Automotive	15	1,588	1,280	1,254	1,294	1,297	1,099	975	810	695	0.4 %
Other manufacturing	16	4,569	4,133	4,095	3,982	4,264	3,547	3,594	3,639	3,347	1.1 %
Mining	17	1,453	1,234	1,344	1,440	1,539	1,360	1,867	1,505	1,607	0.4 %
Oil and Gas	18	8,042	7,551	8,167	7,466	7,000	6,930	7,930	7,476	7,224	2.1 %
Transportation	19	10,575	9,949	10,496	10,125	10,770	10,188	10,695	10,428	9,889	2.7 %
Utilities	20	2,658	2,668	2,776	2,672	2,782	2,536	2,697	2,850	2,557	0.7 %
Forest products	21	852	845	835	791	809	829	889	856	888	0.2 %
Service industries	22	35,953	34,073	33,705	33,944	34,564	32,479	32,659	31,212	29,039	9.3 %
Automotive lease and rental	23	2,350	2,277	2,459	2,531	2,492	2,286	2,539	2,229	1,988	0.6 %
Educational	24	2,117	2,061	2,131	2,117	2,093	1,835	2,029	2,096	2,021	0.5 %
Health care	25	9,696	9,189	8,623	9,673	8,866	8,676	8,315	7,604	7,153	2.5 %
Business and professional services	26	8,196	7,552	7,581	7,223	8,206	7,481	7,555	7,278	6,785	2.1 %
Hospitality and recreation	27	7,575	7,270	6,923	6,680	6,526	6,229	5,980	5,204	4,888	2.0 %
Other	28	6,019	5,724	5,988	5,720	6,381	5,972	6,241	6,801	6,204	1.6 %
Financial	29	29,712	30,789	32,265	32,838	33,308	31,573	32,076	28,875	30,316	7.7 %
Non-bank financial services	30	22,741	22,002	23,326	24,531	24,660	23,026	24,828	23,019	22,554	5.9 %
Bank	31	6,971	8,787	8,939	8,307	8,648	8,547	7,248	5,856	7,762	1.8 %
Governments	32	1,418	1,456	1,470	1,394	1,484	1,311	1,326	1,589	1,742	0.4 %
Other	33	4,140	3,739	3,196	4,101	4,764	4,973	4,206	5,671	3,172	1.2 %
Total Business and Government	34	199,024	188,456	191,380	189,616	196,044	184,825	187,157	182,872	175,586	51.7 %
Loans and Acceptances, Net of Allowance for Credit Losses on Impaired Loans	35	386,535	374,603	376,493	373,025	378,759	366,515	372,059	364,667	353,810	100.3 %
Allowance for credit losses on performing loans - Consumer *(1)*	36	(715)	(708)								(0.2)%
Allowance for credit losses on performing loans - Business and Government *(1)*	37	(534)	(528)								(0.1)%
Total Allowance for Credit Losses on Performing Loans *(1)*	38	(1,249)	(1,236)								(0.3)%
Collective allowance	39			(1,440)	(1,405)	(1,516)	(1,482)	(1,520)	(1,503)	(1,485)	
Total Net Loans and Acceptances	40	385,286	373,367	375,053	371,620	377,243	365,033	370,539	363,164	352,325	100.0 %

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

(2) Net Loans and Acceptances balances are net of allowance for credit losses, excluding those related to off-balance sheet instruments.

GROSS IMPAIRED LOANS AND ACCEPTANCES BY PRODUCT AND INDUSTRY *(1)*

BMO Financial Group

($ millions)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	GIL to Gross Loans
Consumer											
Residential mortgages	1	384	397	391	392	419	416	403	400	392	0.3 %
Consumer instalment and other personal	2	564	558	556	549	600	581	589	573	560	0.8 %
Total Consumer	3	948	955	947	941	1,019	997	992	973	952	0.5 %
Business and Government, excluding Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	4	50	101	60	55	52	56	73	69	98	0.2 %
Construction (non-real estate)	5	46	38	53	38	38	41	49	62	59	1.1 %
Retail trade	6	35	49	50	48	25	23	25	30	30	0.2 %
Wholesale trade	7	73	96	114	95	119	68	82	47	41	0.6 %
Agriculture	8	256	209	249	268	303	257	240	224	165	2.2 %
Communications	9	-	-	-	-	-	-	2	2	4	0.0 %
Financing products	10	-	-	-	-	-	-	-	-	-	0.0 %
Manufacturing	11	67	113	121	138	158	164	142	144	150	0.3 %
Industrial products	12	22	57	55	52	52	49	31	20	19	0.3 %
Consumer products	13	6	6	12	11	15	23	26	40	56	0.1 %
Automotive	14	-	-	-	-	-	-	-	1	6	0.0 %
Other manufacturing	15	39	50	54	75	91	92	85	83	69	0.9 %
Mining	16	1	2	1	2	2	2	3	40	40	0.1 %
Oil and Gas	17	174	113	187	199	281	327	453	421	410	2.2 %
Transportation	18	156	152	169	150	182	110	97	94	64	1.5 %
Utilities	19	4	5	6	6	5	5	15	12	12	0.2 %
Forest products	20	3	3	3	6	6	8	8	8	9	0.4 %
Service industries	21	263	280	232	184	213	149	132	137	111	0.7 %
Automotive lease and rental	22	-	-	-	-	-	-	-	-	1	0.0 %
Educational	23	18	17	20	20	17	25	25	32	32	0.8 %
Health care	24	66	91	46	32	35	34	16	17	18	0.7 %
Business and professional services	25	113	109	103	72	86	41	31	11	9	1.4 %
Hospitality and recreation	26	45	43	41	37	40	12	15	16	14	0.6 %
Other	27	21	20	22	23	35	37	45	61	37	0.3 %
Financial	28	54	16	4	4	8	13	49	52	57	0.2 %
Non-bank financial services	29	54	16	4	4	8	13	15	18	25	0.2 %
Bank	30	-	-	-	-	-	-	34	34	32	0.0 %
Governments	31	-	-	3	3	5	5	6	6	3	0.0 %
Other	32	22	17	21	17	23	22	15	37	30	0.5 %
Total Business and Government	33	1,204	1,194	1,273	1,213	1,420	1,250	1,391	1,385	1,283	0.6 %
Total Gross Impaired Loans and Acceptances	34	2,152	2,149	2,220	2,154	2,439	2,247	2,383	2,358	2,235	0.6 %

(1) Gross Impaired Loans excludes Purchased Credit Impaired Loans.

NET IMPAIRED LOANS AND ACCEPTANCES BY PRODUCT AND INDUSTRY *(1) (2)*

BMO Financial Group

($ millions)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	NIL to Net Loans
Consumer											
Residential mortgages	1	363	375	367	363	389	385	370	364	357	0.3 %
Consumer instalment and other personal	2	418	429	420	420	465	464	466	447	429	0.6 %
Total Consumer	3	781	804	787	783	854	849	836	811	786	0.4 %
Business and Government, excluding Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	4	37	88	45	45	43	43	60	56	82	0.1 %
Construction (non-real estate)	5	29	24	39	21	33	38	45	51	51	0.7 %
Retail trade	6	27	41	36	30	18	12	13	17	14	0.1 %
Wholesale trade	7	48	80	97	66	86	38	51	24	20	0.4 %
Agriculture	8	224	194	238	246	276	238	221	187	153	1.9 %
Communications	9	-	-	-	-	-	-	1	1	3	0.0 %
Financing products	10	-	-	-	-	-	-	-	-	-	0.0 %
Manufacturing	11	47	75	70	96	116	122	106	106	117	0.2 %
Industrial products	12	15	32	31	38	39	35	26	16	6	0.2 %
Consumer products	13	2	4	5	3	7	15	17	29	46	0.0 %
Automotive	14	-	-	-	-	-	-	-	1	5	0.0 %
Other manufacturing	15	30	39	34	55	70	72	63	60	60	0.7 %
Mining	16	1	2	1	1	1	1	2	39	23	0.1 %
Oil and Gas	17	155	72	145	160	235	297	408	333	370	1.9 %
Transportation	18	138	138	156	138	164	102	88	89	61	1.3 %
Utilities	19	2	3	4	3	2	2	12	9	9	0.1 %
Forest products	20	3	3	2	5	6	7	7	6	7	0.4 %
Service industries	21	201	206	181	135	155	99	82	90	75	0.6 %
Automotive lease and rental	22	-	-	-	-	-	-	-	-	1	0.0 %
Educational	23	13	12	14	15	11	12	19	23	30	0.6 %
Health care	24	61	83	44	28	33	33	15	16	17	0.6 %
Business and professional services	25	85	83	85	63	79	39	28	6	5	1.0 %
Hospitality and recreation	26	29	27	24	28	28	9	12	13	12	0.4 %
Other	27	13	1	14	1	4	6	8	32	10	0.2 %
Financial	28	53	14	2	2	1	6	39	41	51	0.2 %
Non-bank financial services	29	53	14	2	2	1	6	5	7	19	0.2 %
Bank	30	-	-	-	-	-	-	34	34	32	0.0 %
Governments	31	-	-	3	3	5	5	6	6	3	0.0 %
Other	32	8	17	21	3	23	2	1	2	1	0.2 %
Total Business and Government	33	973	957	1,040	954	1,164	1,012	1,142	1,057	1,040	0.5 %
Total Net Impaired Loans and Acceptances	34	1,754	1,761	1,827	1,737	2,018	1,861	1,978	1,868	1,826	0.5 %

(1) Net Impaired Loans exclude Purchased Credit Impaired Loans.

(2) Net Impaired Loan balances are net of allowance for credit losses on impaired loans, excluding those related to off-balance sheet instruments.

LOANS AND ACCEPTANCES BY GEOGRAPHIC AREA *(1)*

BMO Financial Group

($ millions)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	MIX Q2
Gross Loans and Acceptances											
Canada	1	255,321	250,381	250,092	247,478	244,301	241,262	240,524	236,844	230,437	66.0 %
United States	2	121,301	112,787	115,146	115,045	122,618	113,752	121,687	117,769	113,432	31.3 %
Other Countries	3	10,311	11,823	11,648	10,919	12,261	11,887	10,253	10,544	10,350	2.7 %
Total Gross Loans and Acceptances	4	386,933	374,991	376,886	373,442	379,180	366,901	372,464	365,157	354,219	100.0 %
ACL on Impaired Loans *(2)*											
Canada	5	(197)	(200)	(212)	(222)	(197)	(168)	(173)	(209)	(167)	49.5 %
United States	6	(195)	(169)	(161)	(176)	(203)	(217)	(231)	(281)	(242)	49.0 %
Other Countries	7	(6)	(19)	(20)	(19)	(21)	(1)	(1)	-	-	1.5 %
Total ACL on Impaired Loans	8	(398)	(388)	(393)	(417)	(421)	(386)	(405)	(490)	(409)	100.0 %
Net Loans and Acceptances											
Canada	9	255,124	250,181	249,880	247,256	244,104	241,094	240,351	236,635	230,270	66.2 %
United States	10	121,106	112,618	114,985	114,869	122,415	113,535	121,456	117,488	113,190	31.4 %
Other Countries	11	10,305	11,804	11,628	10,900	12,240	11,886	10,252	10,544	10,350	2.7 %
Total Loans and Acceptances, net of ACL on impaired loans	12	386,535	374,603	376,493	373,025	378,759	366,515	372,059	364,667	353,810	100.3 %
ACL on Performing Loans *(2) (4)*											
Canada	13	(680)	(683)								(0.2)%
United States	14	(563)	(548)								(0.1)%
Other Countries	15	(6)	(5)								(0.0)%
Collective ACL *(2)*											
Canada	16			(799)	(806)	(846)	(847)	(833)	(867)	(863)	
United States	17			(641)	(599)	(670)	(635)	(687)	(636)	(622)	
Total Net Loans and Acceptances	18	385,286	373,367	375,053	371,620	377,243	365,033	370,539	363,164	352,325	100.0 %
Gross Impaired Loans and Acceptances *(3)*											
Canada	19	746	837	793	758	747	724	787	794	757	34.7 %
United States	20	1,365	1,269	1,377	1,348	1,637	1,521	1,594	1,562	1,477	63.4 %
Other Countries	21	41	43	50	48	55	2	2	2	1	1.9 %
Total Gross Impaired Loans and Acceptances	22	2,152	2,149	2,220	2,154	2,439	2,247	2,383	2,358	2,235	100.0 %
Net Impaired Loans and Acceptances *(3)*											
Canada	23	549	637	581	536	550	556	614	585	590	31.3%
United States	24	1,170	1,100	1,216	1,172	1,434	1,304	1,363	1,281	1,235	66.7%
Other Countries	25	35	24	30	29	34	1	1	2	1	2.0%
Total Impaired Loans and Acceptances, net of ACL on impaired loans *(2)*	26	1,754	1,761	1,827	1,737	2,018	1,861	1,978	1,868	1,826	100.0%

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.
(2) Excludes allowances related to off-balance sheet instruments.
(3) Gross Impaired Loans and Net Impaired Loans exclude Purchased Credit Impaired Loans.
(4) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

CHANGES IN IMPAIRMENT ALLOWANCE FOR CREDIT LOSSES (ACL)

($ millions)

	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Impairment Allowances (Total ACL), beginning of period	1	1,848	1,918	1,993	2,145	2,073	2,114	2,182	2,073	2,146	1,918	2,114	2,114	2,052
Amounts written off	2	(242)	(205)	(230)	(234)	(264)	(226)	(321)	(228)	(238)	(447)	(490)	(954)	(1,003)
Recoveries of amounts written off in previous periods	3	74	50	71	61	64	69	80	69	107	124	133	265	343
Charge to income statement (PCL) *(1)*	4	156	141	202	126	251	167	167	247	189	297	418	746	771
Foreign exchange and other movements	5	36	(56)	(40)	(105)	21	(51)	6	21	(131)	(20)	(30)	(175)	(49)
Total ACL, at end of period	6	1,872	1,848	1,996	1,993	2,145	2,073	2,114	2,182	2,073	1,872	2,145	1,996	2,114
Total ACL comprised of : Loans	7	1,647	1,624	1,833	1,822	1,937	1,868	1,925	1,993	1,894	1,647	1,937	1,833	1,925
ACL on impaired loans for other credit instruments	8	28	27	27	25	28	28	27	30	31	28	28	27	27
ACL on performing loans for other credit instruments and undrawn commitments *(2)*	9	197	197								197			
Collective ACL for other credit instruments and undrawn commitments	10			136	146	180	177	162	159	148		180	136	162
Allocation of Recoveries of Amounts Written Off in Previous Periods by Market														
Consumer	11	51	42	65	45	54	51	56	43	47	93	105	215	189
Business and Government	12	23	8	6	16	10	18	24	26	60	31	28	50	154
Allocation of Amounts Written Off by Market														
Consumer	13	162	155	165	163	161	169	155	163	165	317	330	658	654
Business and Government	14	80	50	65	71	103	57	166	65	73	130	160	296	349

CHANGES IN IMPAIRED LOANS AND ACCEPTANCES *(3)*

($ millions)

		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	YTD 2018	YTD 2017	Fiscal 2017	Fiscal 2016
Total Impaired Loans and Acceptances														
GIL, beginning of period	15	2,149	2,220	2,154	2,439	2,247	2,383	2,358	2,235	2,209	2,220	2,383	2,383	2,004
Retail formations *(4)*	16	280	296	264	240	266	287	269	258	259	576	553	1,057	1,104
Retail reductions *(5)*	17	(206)	(215)	(177)	(240)	(170)	(193)	(167)	(152)	(278)	(421)	(363)	(780)	(728)
Business and government formations	18	298	239	263	165	486	222	286	387	459	537	708	1,136	1,408
Business and government reductions *(5)*	19	(208)	(268)	(138)	(301)	(213)	(306)	(114)	(220)	(257)	(476)	(519)	(958)	(711)
Net new additions (reductions) *(4)*	20	164	52	212	(136)	369	10	274	273	183	216	379	455	1,073
Retail write-offs *(4)*	21	(81)	(73)	(81)	(78)	(74)	(89)	(83)	(85)	(84)	(154)	(163)	(322)	(345)
Business and government write-offs	22	(80)	(50)	(65)	(71)	(103)	(57)	(166)	(65)	(73)	(130)	(160)	(296)	(349)
Write-offs *(4)*	23	(161)	(123)	(146)	(149)	(177)	(146)	(249)	(150)	(157)	(284)	(323)	(618)	(694)
GIL, end of period	24	2,152	2,149	2,220	2,154	2,439	2,247	2,383	2,358	2,235	2,152	2,439	2,220	2,383
ACL on Impaired Loans, beginning of period	25	388	393	417	421	386	405	490	409	394	393	405	405	357
Increase / (Decrease)	26	252	200	206	230	299	207	236	309	253	452	506	942	1,051
Amounts Written Off	27	(242)	(205)	(230)	(234)	(264)	(226)	(321)	(228)	(238)	(447)	(490)	(954)	(1,003)
ACL on Impaired Loans, end of period *(6)*	28	398	388	393	417	421	386	405	490	409	398	421	393	405
NIL, beginning of period	29	1,761	1,827	1,737	2,018	1,861	1,978	1,868	1,826	1,815	1,827	1,978	1,978	1,647
Change in gross impaired loans	30	3	(71)	66	(285)	192	(136)	25	123	26	(68)	56	(163)	379
Change in ACL on impaired loans *(6)*	31	(10)	5	24	4	(35)	19	85	(81)	(15)	(5)	(16)	12	(48)
NIL, end of period	32	1,754	1,761	1,827	1,737	2,018	1,861	1,978	1,868	1,826	1,754	2,018	1,827	1,978

(1) Excludes provision for credit losses on other assets.
(2) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.
(3) Gross Impaired Loans and Net Impaired Loans exclude Purchased Credit Impaired Loans.
(4) Excludes certain loans that are written off directly and not classified as new formations (Q2'18 $81 million, Q1'18 $82 million, Q4'17 $84 million, Q3'17 $85 million, Q2'17 $87 million, Q1'17 $80 million, Q4'16 $72 million, Q3'16 $78 million, and Q2'16 $81 million).
(5) Includes impaired amounts returned to performing status, loan sales, repayments, the impact of foreign exchange fluctuations and offsets for consumer write-offs which have not been recognized in formations.
(6) Excludes ACL related to off-balance sheet instrumets.

CHANGES IN IMPAIRMENT ALLOWANCE FOR CREDIT LOSSES (ACL) BY PRODUCT TYPE

($ millions)

	LINE #	Stage 1	Stage 2	Stage 3	Total 2018 Q2	Stage 1	Stage 2	Stage 3	Total YTD 2018
Loans: Residential mortgages									
Total ACL, beginning of period	1	26	27	47	100	16	34	49	99
Transfer to Stage 1	2	9	(8)	(1)	-	18	(17)	(1)	-
Transfer to Stage 2	3	-	2	(2)	-	(1)	4	(3)	-
Transfer to Stage 3	4	-	(3)	3	-	-	(6)	6	-
Net remeasurement of loss allowance	5	(18)	14	1	(3)	(19)	20	5	6
Loan originations	6	1	-	-	1	6	-	-	6
Loan derecognitions	7	-	(1)	-	(1)	(1)	(3)	-	(4)
Total PCL *(1)*	8	(8)	4	1	(3)	3	(2)	7	8
Write-offs	9	-	-	(3)	(3)	-	-	(10)	(10)
Recoveries of previous write-off	10	-	-	2	2	-	-	4	4
Foreign exchange and other	11	1	-	(1)	-	-	(1)	(4)	(5)
Total ACL, at end of period	12	19	31	46	96	19	31	46	96
Loans: Consumer instalment and other personal									
Total ACL, beginning of period	13	79	317	129	525	76	357	137	570
Transfer to Stage 1	14	59	(55)	(4)	-	127	(119)	(8)	-
Transfer to Stage 2	15	(8)	30	(22)	-	(14)	62	(48)	-
Transfer to Stage 3	16	(1)	(51)	52	-	(2)	(103)	105	-
Net remeasurement of loss allowance	17	(49)	95	51	97	(111)	154	74	117
Loan originations	18	9	-	-	9	18	-	-	18
Loan derecognitions	19	(4)	(12)	-	(16)	(9)	(23)	-	(32)
Total PCL *(1)*	20	6	7	77	90	9	(29)	123	103
Write-offs	21	-	-	(78)	(78)	-	-	(144)	(144)
Recoveries of previous write-off	22	-	-	22	22	-	-	39	39
Foreign exchange and other	23	1	4	(3)	2	1	-	(8)	(7)
Total ACL, at end of period	24	86	328	147	561	86	328	147	561
Loans: Credit cards									
Total ACL, beginning of period	25	76	255	-	331	83	254	-	337
Transfer to Stage 1	26	56	(56)	-	-	116	(116)	-	-
Transfer to Stage 2	27	(13)	13	-	-	(26)	26	-	-
Transfer to Stage 3	28	(1)	(52)	53	-	(1)	(101)	102	-
Net remeasurement of loss allowance	29	(49)	100	1	52	(105)	207	11	113
Loan originations	30	6	-	-	6	11	-	-	11
Loan derecognitions	31	-	(14)	-	(14)	(1)	(24)	-	(25)
Total PCL *(1)*	32	(1)	(9)	54	44	(6)	(8)	113	99
Write-offs	33	-	-	(81)	(81)	-	-	(163)	(163)
Recoveries of previous write-off	34	-	-	27	27	-	-	50	50
Foreign exchange and other	35	2	-	-	2	-	-	-	-
Total ACL, at end of period	36	77	246	-	323	77	246	-	323
Loans: Business and government									
Total ACL, beginning of period	37	282	371	239	892	268	410	234	912
Transfer to Stage 1	38	18	(18)	-	-	51	(50)	(1)	-
Transfer to Stage 2	39	(3)	4	(1)	-	(13)	23	(10)	-
Transfer to Stage 3	40	-	(9)	9	-	-	(28)	28	-
Net remeasurement of loss allowance	41	(33)	30	32	29	(45)	54	86	95
Loan originations	42	33	-	-	33	66	-	-	66
Loan derecognitions	43	(15)	(22)	-	(37)	(34)	(40)	-	(74)
Total PCL *(1)*	44	-	(15)	40	25	25	(41)	103	87
Write-offs	45	-	-	(80)	(80)	-	-	(130)	(130)
Recoveries of previous write-off	46	-	-	23	23	-	-	31	31
Foreign exchange and other	47	9	12	11	32	(2)	(1)	(5)	(8)
Total ACL, at end of period	48	291	368	233	892	291	368	233	892
Total ACL at end of period	49	473	973	426	1,872	473	973	426	1,872
Comprised of: Loans	50	383	866	398	1,647	383	866	398	1,647
Other credit instruments *(2)*	51	90	107	28	225	90	107	28	225
Total PCL for period *(1)*	52	(3)	(13)	172	156	31	(80)	346	297

(1) Excludes provision for credit losses on other assets of $4MM and $4MM, respectively, for the three and six months ended April 30, 2018.
(2) Recorded in other liabilities on the balance sheet.

LOANS PAST DUE NOT IMPAIRED

BMO Financial Group

(CDE$ in millions, except as noted)	LINE #	1 to 29 days			30 to 89 days			90 days or more			Total		
		Apr 30, 2018	Jan 31, 2018	Oct 31, 2017	Apr 30, 2018	Jan 31, 2018	Oct 31, 2017	Apr 30, 2018	Jan 31, 2018	Oct 31, 2017	Apr 30, 2018	Jan 31, 2018	Oct 31, 2017
Residential mortgages	1	748	589	649	441	480	438	18	22	19	1,207	1,091	1,106
Credit card, consumer loans	2	1,423	1,433	1,480	474	497	466	98	98	94	1,995	2,028	2,040
Business and government loans	3	488	441	589	295	289	297	100	114	72	883	844	958
Total	4	2,659	2,463	2,718	1,210	1,266	1,201	216	234	185	4,085	3,963	4,104

RESIDENTIAL MORTGAGES

(CDE $ in millions, except as noted)		As at April 30, 2018					As at October 31, 2017				
		Outstandings				New originations during the quarter	Outstandings				New originations during the quarter
Region *(1)*		Insured *(2)*	Uninsured	Total	% of Total	Avg LTV *(3)* Uninsured	Insured *(2)*	Uninsured	Total	% of Total	Avg LTV *(3)* Uninsured
Atlantic	5	3,337	1,983	5,320	4.5%	72%	3,467	1,901	5,368	4.7%	73%
Quebec	6	8,409	6,637	15,046	12.8%	72%	8,781	6,307	15,088	13.1%	71%
Ontario	7	20,188	26,168	46,356	39.3%	67%	21,473	24,802	46,275	40.1%	67%
Alberta	8	10,724	5,272	15,996	13.6%	72%	11,003	5,131	16,134	14.0%	72%
British Columbia	9	6,407	13,452	19,859	16.9%	63%	6,886	13,077	19,963	17.3%	65%
All Other Canada	10	2,303	1,483	3,786	3.2%	72%	2,371	1,460	3,831	3.3%	73%
Total Canada	11	51,368	54,995	106,363	90.3%	68%	53,981	52,678	106,659	92.5%	68%
U.S.	12	16	11,391	11,407	9.7%	71%	22	8,577	8,599	7.5%	71%
Total	13	51,384	66,386	117,770	100.0%	68%	54,003	61,255	115,258	100.0%	68%

HOME EQUITY LINES OF CREDIT (HELOC) *(4)*

(CDE $ in millions, except as noted)		As at April 30, 2018					As at October 31, 2017				
		Portfolio				New originations during the quarter	Portfolio				New originations during the quarter
Region *(1)*		Outstandings	Authorizations	% of Outstandings	% of Authorizations	Average LTV *(3)*	Outstandings	Authorizations	% of Outstandings	% of Authorizations	Average LTV *(3)*
Atlantic	14	878	1,500	2.5%	2.2%	63%	900	1,507	2.5%	2.2%	65%
Quebec	15	5,679	10,586	16.1%	15.3%	70%	5,678	10,398	16.0%	15.2%	69%
Ontario	16	13,935	26,875	39.6%	38.8%	57%	13,693	26,209	38.7%	38.3%	58%
Alberta	17	3,289	6,481	9.4%	9.4%	62%	3,337	6,455	9.4%	9.4%	61%
British Columbia	18	6,229	11,802	17.7%	17.0%	52%	6,186	11,450	17.4%	16.7%	54%
All Other Canada	19	779	1,369	2.2%	2.0%	60%	797	1,369	2.2%	2.0%	65%
Total Canada	20	30,789	58,613	87.5%	84.7%	58%	30,591	57,388	86.2%	83.8%	59%
U.S.	21	4,411	10,581	12.5%	15.3%	67%	4,911	11,055	13.8%	16.2%	67%
Total	22	35,200	69,194	100.0%	100.0%	60%	35,502	68,443	100.0%	100.0%	60%

RESIDENTIAL MORTGAGES BY REMAINING TERM OF AMORTIZATION *(5)*

(Based upon Outstandings CDE)		As at April 30, 2018							As at October 31, 2017						
		Amortization period							Amortization period						
		< 5 Years %	6-10 Years %	11-15 Years %	16-20 Years %	21-25 Years %	26-30 Years %	> 30 Years %	< 5 Years %	6-10 Years %	11-15 Years %	16-20 Years %	21-25 Years %	26-30 Years %	> 30 Years %
Canada	23	1.1%	4.1%	7.5%	16.0%	41.0%	25.9%	4.4%	1.1%	4.2%	7.5%	15.2%	41.1%	27.0%	3.9%
U.S. *(6)*	24	1.5%	4.8%	13.9%	15.9%	14.0%	49.5%	0.4%	1.4%	4.9%	13.1%	15.4%	16.1%	48.7%	0.4%
Total	25	1.2%	4.2%	8.0%	16.0%	39.0%	27.5%	4.1%	1.2%	4.2%	7.9%	15.2%	39.3%	28.5%	3.7%

(1) Region is based upon address of the property mortgaged.
(2) Portfolio insured mortgages are defined as mortgages that are individually or bulk insured through a credited insurer (i.e. CMHC, Genworth).
(3) Loan to Value (LTV) is based on the value of the property at mortgage origination and outstanding amount for mortgages, authorized amounts for HELOC's.
(4) HELOC includes 47% revolving (October 31, 2017 47%) and 53% amortizing (October 31, 2017 53%) loans.
(5) Remaining amortization is based upon current balance, interest rate, customer payment amount, and frequency in Canada and contractual payment schedule in the US.
(6) Large proportion of U.S. based mortgages in the longer amortization band largely driven by modification programs for troubled borrowers and regulator initiated mortgage refinance program.

DERIVATIVE INSTRUMENTS Basel ($ millions)	LINE #	As at April 30, 2018 Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets *(1)*	As at January 31, 2018 Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets *(1)*	As at October 31, 2017 Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets *(1)*	As at July 31, 2017 Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets *(1)*
Interest Rate Contracts																	
Over-the-counter																	
Swaps	1	3,368,967	7,966	11,224		3,211,962	8,155	11,037		3,202,365	8,742	11,603		2,967,882	10,002	12,619	
Forward rate agreements	2	416,430	28	27		341,662	22	21		195,142	41	42		232,574	18	19	
Purchased options	3	27,640	455	330		26,573	432	326		29,107	440	381		29,079	417	408	
Written options	4	36,913	-	-		37,225	-	-		37,247	-	-		39,448	-	-	
	5	3,849,950	8,449	11,581	1,267	3,617,422	8,609	11,384	334	3,463,861	9,223	12,026	1,537	3,268,983	10,437	13,046	1,793
Exchange traded																	
Futures	6	120,183	-	-		106,387	-	-		89,053	-	-		105,423	-	-	
Purchased options	7	21,099	-	-		16,641	-	-		10,407	-	-		5,493	-	-	
Written options	8	15,378	-	-		12,145	-	-		9,284	-	-		5,627	-	-	
	9	156,660	-	-		135,173	-	-		108,744	-	-		116,543	-	-	
Total Interest Rate Contracts	10	4,006,610	8,449	11,581	1,267	3,752,595	8,609	11,384	334	3,572,605	9,223	12,026	1,537	3,385,526	10,437	13,046	1,793
Foreign Exchange Contracts																	
Over-the-counter																	
Cross-currency swaps	11	88,607	4,420	9,028		84,535	4,652	9,022		85,586	3,727	8,345		82,155	3,683	8,053	
Cross-currency interest rate swaps	12	417,905	5,918	15,073		423,868	9,512	18,531		434,210	8,157	17,210		425,271	12,487	21,297	
Forward foreign exchange contracts	13	485,881	3,831	7,978		430,289	5,148	8,233		402,708	5,062	8,389		445,021	6,119	9,637	
Purchased options	14	26,952	213	437		29,822	305	525		23,812	250	420		21,376	370	527	
Written options	15	31,674	-	-		35,928	-	-		29,101	-	-		23,152	-	-	
	16	1,051,019	14,382	32,516	2,618	1,004,442	19,617	36,311	2,780	975,417	17,196	34,364	2,701	996,975	22,659	39,514	2,605
Exchange traded																	
Futures	17	1,080	-	-		3,190	-	-		794	-	-		1,919	-	-	
Purchased options	18	4,182	-	-		5,777	-	-		6,001	-	-		2,284	-	-	
Written options	19	1,744	-	-		1,472	-	-		1,249	-	-		920	-	-	
	20	7,006	-	-		10,439	-	-		8,044	-	-		5,123	-	-	
Total Foreign Exchange Contracts	21	1,058,025	14,382	32,516	2,618	1,014,881	19,617	36,311	2,780	983,461	17,196	34,364	2,701	1,002,098	22,659	39,514	2,605
Commodity Contracts																	
Over-the-counter																	
Swaps	22	20,424	1,701	4,106		20,341	1,459	3,847		18,713	726	2,971		15,781	594	2,456	
Purchased options	23	6,551	496	1,279		6,508	374	1,113		7,080	120	1,034		6,902	55	951	
Written options	24	4,655	-	-		4,647	-	-		4,905	-	-		4,756	-	-	
	25	31,630	2,197	5,385	1,127	31,496	1,833	4,960	1,139	30,698	846	4,005	971	27,439	649	3,407	668
Exchange traded																	
Futures	26	29,068	-	-		28,518	-	-		28,139	-	-		24,369	-	-	
Purchased options	27	4,284	-	-		4,471	-	-		5,031	-	-		5,195	-	-	
Written options	28	5,872	-	-		6,149	-	-		6,896	-	-		6,936	-	-	
	29	39,224	-	-		39,138	-	-		40,066	-	-		36,500	-	-	
Total Commodity Contracts	30	70,854	2,197	5,385	1,127	70,634	1,833	4,960	1,139	70,764	846	4,005	971	63,939	649	3,407	668
Equity Contracts																	
Over-the-counter	31	61,835	1,040	4,263		64,245	1,339	4,954		63,528	1,322	4,750		60,575	817	3,979	
Exchange traded	32	28,793	-	-		20,525	-	-		14,253	-	-		9,017	-	-	
Total Equity Contracts	33	90,628	1,040	4,263	545	84,770	1,339	4,954	525	77,781	1,322	4,750	461	69,592	817	3,979	388
Credit Default Swaps																	
Over-the-counter																	
Purchased	34	2,425	1	55		2,426	-	52		2,658	-	46		4,206	1	187	
Written	35	123	4	-		116	2	-		448	7	-		684	5	-	
Total Credit Default Swaps	36	2,548	5	55	38	2,542	2	52	35	3,106	7	46	27	4,890	6	187	177
Sub-total	37	5,228,665	26,073	53,800	5,595	4,925,422	31,400	57,661	4,813	4,707,717	28,594	55,191	5,697	4,526,045	34,568	60,133	5,631
Impact of master netting agreements	38	n.a.	(17,130)	(31,371)		n.a.	(21,066)	(34,786)		n.a.	(19,909)	(33,025)		n.a.	(25,590)	(38,562)	
Total	39	5,228,665	8,943	22,429	5,595	4,925,422	10,334	22,875	4,813	4,707,717	8,685	22,166	5,697	4,526,045	8,978	21,571	5,631

(1) Risk-weighted Assets are reported after the impact of master netting agreements and application of prescaling factor.

DERIVATIVE INSTRUMENTS

Fair Value ($ millions)	LINE #	As at April 30, 2018 Gross Assets	Gross Liabilities	Net	As at January 31, 2018 Gross Assets	Gross Liabilities	Net	As at October 31, 2017 Gross Assets	Gross Liabilities	Net	As at July 31, 2017 Gross Assets	Gross Liabilities	Net	As at April 30, 2017 Gross Assets	Gross Liabilities	Net
TRADING																
Interest Rate Contracts																
Swaps	1	7,263	(5,980)	1,283	7,547	(5,997)	1,550	8,390	(7,027)	1,363	9,681	(7,993)	1,688	11,915	(10,054)	1,861
Forward rate agreements	2	28	(5)	23	22	(12)	10	41	-	41	18	(13)	5	47	(1)	46
Futures	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased options	4	470	-	470	446	-	446	444	-	444	421	-	421	462	-	462
Written options	5	-	(311)	(311)	-	(303)	(303)	-	(329)	(329)	-	(321)	(321)	-	(417)	(417)
	6	7,761	(6,296)	1,465	8,015	(6,312)	1,703	8,875	(7,356)	1,519	10,120	(8,327)	1,793	12,424	(10,472)	1,952
Foreign Exchange Contracts																
Cross-currency swaps	7	2,585	(1,649)	936	2,605	(1,564)	1,041	2,687	(1,752)	935	2,616	(1,623)	993	3,869	(2,846)	1,023
Cross-currency interest rate swaps	8	5,738	(6,972)	(1,234)	9,368	(10,182)	(814)	8,103	(9,051)	(948)	12,487	(14,614)	(2,127)	7,528	(10,595)	(3,067)
Forward foreign exchange contracts	9	3,702	(2,967)	735	4,926	(5,394)	(468)	4,954	(3,178)	1,776	5,958	(6,941)	(983)	4,660	(1,877)	2,783
Purchased options	10	229	-	229	371	-	371	267	-	267	406	-	406	295	-	295
Written options	11	-	(213)	(213)	-	(399)	(399)	-	(270)	(270)	-	(492)	(492)	-	(272)	(272)
	12	12,254	(11,801)	453	17,270	(17,539)	(269)	16,011	(14,251)	1,760	21,467	(23,670)	(2,203)	16,352	(15,590)	762
Commodity Contracts																
Swaps	13	1,701	(1,525)	176	1,459	(1,408)	51	726	(717)	9	594	(810)	(216)	684	(677)	7
Purchased options	14	663	-	663	517	-	517	352	-	352	348	-	348	458	-	458
Written options	15	-	(573)	(573)	-	(471)	(471)	-	(357)	(357)	-	(447)	(447)	-	(492)	(492)
	16	2,364	(2,098)	266	1,976	(1,879)	97	1,078	(1,074)	4	942	(1,257)	(315)	1,142	(1,169)	(27)
Equity Contracts	17	1,353	(2,643)	(1,290)	1,452	(3,459)	(2,007)	1,388	(3,386)	(1,998)	916	(2,200)	(1,284)	1,103	(2,285)	(1,182)
Credit Default Swaps																
Purchased	18	1	(40)	(39)	-	(49)	(49)	-	(54)	(54)	1	(54)	(53)	-	(39)	(39)
Written	19	4	-	4	2	(1)	1	7	(1)	6	5	(1)	4	7	-	7
	20	5	(40)	(35)	2	(50)	(48)	7	(55)	(48)	6	(55)	(49)	7	(39)	(32)
Total fair value - trading derivatives	21	23,737	(22,878)	859	28,715	(29,239)	(524)	27,359	(26,122)	1,237	33,451	(35,509)	(2,058)	31,028	(29,555)	1,473
Average fair value *(1)*	22	28,858	(28,661)	197	29,896	(29,933)	(37)	31,707	(31,311)	396	33,551	(33,494)	57	34,523	(35,139)	(616)
HEDGING																
Interest Rate Contracts																
Cash flow hedges - swaps	23	9	(866)	(857)	7	(926)	(919)	78	(558)	(480)	75	(480)	(405)	136	(449)	(313)
Fair value hedges - swaps	24	694	(615)	79	601	(774)	(173)	274	(402)	(128)	246	(612)	(366)	289	(402)	(113)
Total swaps	25	703	(1,481)	(778)	608	(1,700)	(1,092)	352	(960)	(608)	321	(1,092)	(771)	425	(851)	(426)
Foreign Exchange Contracts																
Cash flow hedges - Forward foreign exchange contracts	26	2,144	(411)	1,733	2,413	(140)	2,273	1,202	(722)	480	1,228	(627)	601	490	(1,615)	(1,125)
Total foreign exchange contracts	27	2,144	(411)	1,733	2,413	(140)	2,273	1,202	(722)	480	1,228	(627)	601	490	(1,615)	(1,125)
Equity Contracts																
Cash flow hedges - Equity contracts	28	4	-	4	20	-	20	38	-	38	3	-	3	-	(4)	(4)
Total equity contracts	29	4	-	4	20	-	20	38	-	38	3	-	3	-	(4)	(4)
Total fair value - hedging derivatives	30	2,851	(1,892)	959	3,041	(1,840)	1,201	1,592	(1,682)	(90)	1,552	(1,719)	(167)	915	(2,470)	(1,555)
Average fair value *(1)*	31	1,990	(1,921)	69	1,666	(2,049)	(383)	1,341	(2,100)	(759)	1,545	(2,134)	(589)	1,690	(2,239)	(549)
Total fair value	32	26,588	(24,770)	1,818	31,756	(31,079)	677	28,951	(27,804)	1,147	35,003	(37,228)	(2,225)	31,943	(32,025)	(82)
Less: Net impact of master netting agreements	33	(17,130)	17,130	-	(21,066)	21,066	-	(19,909)	19,909	-	(25,590)	25,590	-	(21,246)	21,246	-
Total	34	9,458	(7,640)	1,818	10,690	(10,013)	677	9,042	(7,895)	1,147	9,413	(11,638)	(2,225)	10,697	(10,779)	(82)

(1) Average fair value amounts are calculated using a five-quarter rolling average.

OVER-THE-COUNTER DERIVATIVES (NOTIONAL AMOUNTS)

BMO Financial Group

(Canadian $ in millions)	LINE #	As at April 30, 2018			As at January 31, 2018			As at October 31, 2017			As at July 31, 2017		
		Non-centrally cleared	Centrally cleared	Total	Non-centrally cleared	Centrally cleared	Total	Non-centrally cleared	Centrally cleared	Total	Non-centrally cleared	Centrally cleared	Total
Interest Rate Contracts													
Swaps	1	458,076	2,910,891	3,368,967	452,751	2,759,211	3,211,962	479,177	2,723,188	3,202,365	503,992	2,463,890	2,967,882
Forward rate agreements	2	1,791	414,639	416,430	1,396	340,266	341,662	1,442	193,700	195,142	982	231,592	232,574
Purchased options	3	27,640	-	27,640	26,573	-	26,573	29,107	-	29,107	29,079	-	29,079
Written options	4	36,913	-	36,913	37,225	-	37,225	37,247	-	37,247	39,448	-	39,448
Total interest rate contracts	5	524,420	3,325,530	3,849,950	517,945	3,099,477	3,617,422	546,973	2,916,888	3,463,861	573,501	2,695,482	3,268,983
Foreign Exchange Contracts													
Cross-currency swaps	6	88,607	-	88,607	84,535	-	84,535	85,586	-	85,586	82,155	-	82,155
Cross-currency interest rate swaps	7	417,905	-	417,905	423,868	-	423,868	434,210	-	434,210	425,271	-	425,271
Forward foreign exchange contracts	8	448,867	37,014	485,881	396,212	34,077	430,289	370,762	31,946	402,708	415,244	29,777	445,021
Purchased options	9	26,753	199	26,952	29,747	75	29,822	23,812	-	23,812	21,376	-	21,376
Written options	10	31,439	235	31,674	35,710	218	35,928	29,023	78	29,101	23,120	32	23,152
Total foreign exchange contracts	11	1,013,571	37,448	1,051,019	970,072	34,370	1,004,442	943,393	32,024	975,417	967,166	29,809	996,975
Commodity Contracts													
Swaps	12	20,424	-	20,424	20,341	-	20,341	18,713	-	18,713	15,781	-	15,781
Purchased options	13	6,551	-	6,551	6,508	-	6,508	7,080	-	7,080	6,902	-	6,902
Written options	14	4,655	-	4,655	4,647	-	4,647	4,905	-	4,905	4,756	-	4,756
Total commodity contracts	15	31,630	-	31,630	31,496	-	31,496	30,698	-	30,698	27,439	-	27,439
Equity Contracts	16	61,835	-	61,835	64,245	-	64,245	63,528	-	63,528	60,575	-	60,575
Credit Default Swaps													
Purchased	17	1,615	810	2,425	1,637	789	2,426	1,640	1,018	2,658	3,172	1,034	4,206
Written	18	19	104	123	23	93	116	114	334	448	459	225	684
Total credit default swaps	19	1,634	914	2,548	1,660	882	2,542	1,754	1,352	3,106	3,631	1,259	4,890
Total	20	1,633,090	3,363,892	4,996,982	1,585,418	3,134,729	4,720,147	1,586,346	2,950,264	4,536,610	1,632,312	2,726,550	4,358,862

ASSET ENCUMBRANCE

($ millions except as noted)	LINE #	Q2 2018 On-Balance Sheet Assets	Q2 2018 Other Cash & Securities Received	Q2 2018 Encumbered (2) Pledged as Collateral	Q2 2018 Encumbered (2) Other Encumbered	Q2 2018 Net Unencumbered Other Unencumbered (4)	Q2 2018 Net Unencumbered Available as collateral (5)	Q1 2018 On-Balance Sheet Assets	Q1 2018 Other Cash & Securities Received	Q1 2018 Encumbered (2) Pledged as Collateral	Q1 2018 Encumbered (2) Other Encumbered	Q1 2018 Net Unencumbered Other Unencumbered (4)	Q1 2018 Net Unencumbered Available as collateral (5)
Asset Liquidity													
Canadian Dollar Cash and Securities													
Cash and cash equivalents	1	9,932	-	-	-	-	9,932	7,908	-	-	-	-	7,908
Interest bearing deposits with banks	2	1,169	-	-	-	-	1,169	47	-	-	-	-	47
Securities and securities borrowed or purchased under resale agreement *(1)*													
Government debt	3	71,632	17,607	37,110	15,593	1,886	34,650	63,481	20,014	36,422	15,692	1,863	29,518
Mortgage-backed securities and collateralized mortgage obligations	4	5,295	96	1,921	-	8	3,462	5,367	115	1,962	-	8	3,512
Corporate debt	5	12,633	6,246	473	696	6,262	11,448	11,761	4,402	509	862	6,209	8,583
Corporate equity	6	27,365	4,439	15,067	1,255	1,288	14,194	31,230	5,268	16,518	1,408	1,254	17,318
Total securities and securities borrowed or purchased under resale agreement	7	116,925	28,388	54,571	17,544	9,444	63,754	111,839	29,799	55,411	17,962	9,334	58,931
Total Canadian dollar	8	128,026	28,388	54,571	17,544	9,444	74,855	119,794	29,799	55,411	17,962	9,334	66,886
U.S. Dollar and Other Currency Cash and Securities													
Cash and cash equivalents	9	25,990	-	-	1,557	-	24,433	33,251	-	-	1,430	-	31,821
Interest bearing deposits with banks	10	6,468	-	-	-	-	6,468	6,693	-	-	-	-	6,693
Securities and securities borrowed or purchased under resale agreement *(1)*													
Government debt	11	80,053	3,366	51,255	5,276	-	26,888	74,564	4,289	49,393	5,899	-	23,561
Mortgage-backed securities and collateralized mortgage obligations	12	17,874	275	3,676	-	-	14,473	15,995	284	3,027	-	-	13,252
Corporate debt	13	8,444	4,039	3,769	605	-	8,109	7,404	3,549	2,820	284	-	7,849
Corporate equity	14	36,765	15,954	21,089	2,994	582	28,054	36,943	14,558	19,341	3,027	546	28,587
Total securities and securities borrowed or purchased under resale agreement	15	143,136	23,634	79,789	8,875	582	77,524	134,906	22,680	74,581	9,210	546	73,249
Total U.S. dollar and other currency	16	175,594	23,634	79,789	10,432	582	108,425	174,850	22,680	74,581	10,640	546	111,763
NHA mortgage-backed securities (reported as loans at amortized cost) *(3)*	17	28,935	-	577	1,663	-	26,695	27,692	-	703	2,035	-	24,954
Total Liquid Assets	18	332,555	52,022	134,937	29,639	10,026	209,975	322,336	52,479	130,695	30,637	9,880	203,603
Loans	19	339,966	-	70,848	477	202,500	66,141	328,970	-	67,436	427	196,407	64,700
Other assets	20	71,048	-	2,314	-	68,734	-	76,603	-	3,725	-	72,878	-
Total Loans and Other Assets	21	411,014	-	73,162	477	271,234	66,141	405,573	-	71,161	427	269,285	64,700
Total	22	743,569	52,022	208,099	30,116	281,260	276,116	727,909	52,479	201,856	31,064	279,165	268,303

NET UNENCUMBERED LIQUID ASSETS BY LEGAL ENTITY AND LIQUIDITY COVERAGE RATIO

($ millions except as noted)		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
BMO	23	165,312	163,251	161,034	150,574	156,518	154,006	146,014	145,466	131,462
BMO Harris Bank	24	31,346	32,183	33,238	29,271	33,663	35,371	34,413	32,721	31,871
Broker Dealers	25	23,343	18,049	19,485	19,229	19,512	18,599	17,295	18,725	19,466
Total Net Unencumbered Liquid Assets by Legal Entity	26	220,001	213,483	213,757	199,074	209,693	207,976	197,722	196,912	182,799
Liquidity Coverage Ratio *(6)*	27	150%	153%	152%	148%	136%	131%	131%	127%	123%

(1) Average securities balances are shown on page 14.
(2) Pledged as collateral refers to the portion of on-balance sheet assets and other cash and securities that is pledged through repurchase agreements, securities lent, derivative contracts, minimum required deposits at central banks and requirements associated with participation in clearing houses and payment systems. Other encumbered assets include assets that are restricted for legal or other reasons, such as restricted cash and short sales.
(3) Under IFRS, NHA mortgage-backed securities that include mortgages owned by BMO as the underlying collateral are classified as loans. Unencumbered NHA mortgage-backed securities have liquidity value and are included as liquid assets under BMO's Liquidity and Funding Management Framework. This amount is shown as a separate line item, NHA mortgage-backed securities.
(4) Other unencumbered assets include select liquid asset holdings that management believes are not readily available to support BMO's liquidity requirements. These include cash and securities of $10.0 billion as at April 30, 2018, which include securities held at BMO's insurance subsidiary, significant equity investments, and certain investments held at our merchant banking business. Other unencumbered assets also include mortgages and loans that may be securitized to access secured funding.
(5) Loans included as available as collateral represent loans currently lodged at central banks that could potentially be used to access central bank funding. Loans available for pledging as collateral do not include other sources of additional liquidity that may be realized from the loan portfolio, including incremental securitization, covered bond issuances and FHLB advances.
(6) Liquidity Coverage Ratio (LCR) calculated based on daily average balance beginning Q1 2017. LCR in prior periods is based on the average month-end values during the quarter.

DEPOSITS

($ millions except as noted)		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	MIX Q2	INC/(DEC) VS LAST YEAR	
Canadian Dollar Deposits													
Banks	28	4,250	2,673	3,877	5,131	6,942	6,631	7,601	6,396	7,312	0.9 %	(2,692)	(38.8)%
Business and government	29	103,082	99,140	101,408	99,018	101,228	101,931	101,461	98,326	92,983	21.0 %	1,854	1.8 %
Individuals	30	111,257	110,610	109,694	109,812	110,795	107,602	105,808	105,018	102,792	22.6 %	462	0.4 %
Total	31	218,589	212,423	214,979	213,961	218,965	216,164	214,870	209,740	203,087	44.5 %	(376)	(0.2)%
U.S. Dollar and Other Currency Deposits													
Banks	32	28,094	25,808	24,328	23,510	23,651	22,089	23,888	25,999	25,433	5.7 %	4,443	18.8 %
Business and government	33	183,288	180,410	181,868	177,411	182,458	180,142	174,444	173,980	161,839	37.3 %	830	0.5 %
Individuals	34	61,227	56,924	58,617	54,883	59,891	56,242	57,079	54,903	51,843	12.5 %	1,336	2.2 %
Total	35	272,609	263,142	264,813	255,804	266,000	258,473	255,411	254,882	239,115	55.5 %	6,609	2.5 %
Total Deposits	36	491,198	475,565	479,792	469,765	484,965	474,637	470,281	464,622	442,202	100.0 %	6,233	1.3 %
Customer Deposits *(7)*	37	310,043	302,716	303,095	295,987	302,767	295,844	295,103	286,453	278,217			

(7) Customer deposits are operating and savings deposits, including term investment certificates and retail structured deposits, primarily sourced through our retail, commercial, wealth and corporate banking businesses.

BASEL III REGULATORY CAPITAL (All-in basis) *(1) (2)*

BMO Financial Group

	($ millions except as noted)	Cross reference *(3)*	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4
	Common Equity Tier 1 Capital: instruments and reserves								
1	Directly issued qualifying common share capital plus related stock surplus	a+b	13,230	13,326	13,339	13,349	13,379	13,094	12,833
2	Retained earnings	c	24,119	23,902	23,709	23,183	22,703	22,077	21,205
3	Accumulated other comprehensive income (and other reserves)	d	2,157	1,360	3,066	2,162	4,491	3,446	4,426
6	**Common Equity Tier 1 Capital before regulatory adjustments**		39,506	38,588	40,114	38,694	40,573	38,617	38,464
	Common Equity Tier 1 Capital: regulatory adjustments								
7	Prudential valuation adjustments		146	112	107	103	99	109	110
8	Goodwill (net of related tax liability)	e+p1-f	6,175	5,981	6,085	5,896	6,397	6,094	6,240
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	g-h	1,893	1,826	1,800	1,777	1,844	1,778	1,800
10	Deferred tax assets excluding those arising from temporary differences (net of related tax liability)	i-j	976	1,011	1,405	1,313	1,456	1,372	1,443
11	Cash flow hedge reserve	k	(768)	(746)	(182)	(191)	174	205	596
12	Shortfall of provisions to expected losses	k1	-	-	-	-	-	-	-
14	Gains or losses due to changes in own credit risk on fair valued liabilities *(4)*		(168)	(217)	(136)	(94)	(147)	(26)	5
15	Defined benefit pension fund net assets (net of related tax liability)	l-m	459	456	402	286	195	253	98
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	n	-	-	-	-	-	-	13
22	Amount exceeding the 15% threshold								
23	of which: significant investments in the common stock financials	h1	-	-	-	-	-	-	-
24	of which: mortgage servicing rights	j1	-	-	-	-	-	-	-
25	of which: deferred tax assets arising from temporary differences	i1	-	-	-	-	-	-	-
28	**Total regulatory adjustments to Common Equity Tier 1 Capital**		8,713	8,423	9,481	9,090	10,018	9,785	10,305
29	**Common Equity Tier 1 Capital (CET1)**		30,793	30,165	30,633	29,604	30,555	28,832	28,159
	Additional Tier 1 Capital: instruments								
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	o1	3,650	3,650	3,650	3,650	3,250	2,750	2,750
33	Directly issued capital instruments subject to phase out from Additional Tier 1 *(5)*	p	1,040	1,040	1,040	1,040	1,040	1,540	1,540
34	Additional Tier 1 instruments (and CET1 instruments not otherwise included) issued by subsidiaries and held by third parties (amount allowed in group AT1)	s	-	-	-	-	-	-	-
35	*of which: instruments issued by subsidiaries subject to phase out*		-	-	-	-	-	-	-
36	*Additional Tier 1 Capital before regulatory adjustments*		4,690	4,690	4,690	4,690	4,290	4,290	4,290
	Additional Tier 1 Capital: regulatory adjustments								
37	Investments in own Additional Tier 1 instruments	n1	56	39	2	-	4	2	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	t	213	213	213	213	213	213	213
41	Other deductions from Tier 1 Capital as determined by OSFI		-	-	-	-	-	-	-
41b	*of which: Valuation adjustment for less liquid positions*		-	-	-	-	-	-	-
43	**Total regulatory adjustments applied to Additional Tier 1 Capital**		269	252	215	213	217	215	213
44	**Additional Tier 1 Capital (AT1)**		4,421	4,438	4,475	4,477	4,073	4,075	4,077
45	**Tier 1 Capital (T1 = CET1 + AT1)**		35,214	34,603	35,108	34,081	34,628	32,907	32,236
	Tier 2 Capital: instruments and provisions								
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	m1	5,511	5,442	3,976	4,011	3,258	3,207	3,266
47	Directly issued capital instruments subject to phase out from Tier 2 Capital	u	116	1,021	1,053	1,852	1,860	1,863	1,873
48	Tier 2 Capital instruments (and CET1 and AT1 instruments not included) issued by subsidiaries and held by third parties (amount allowed in group Tier 2 Capital)	v	-	-	-	-	-	-	-
49	*of which: instruments issued by subsidiaries subject to phase out*		-	-	-	-	-	-	-
50	General allowances *(8)*	w	222	273	509	476	603	443	538
51	Tier 2 Capital before regulatory adjustments		5,849	6,736	5,538	6,339	5,721	5,513	5,677
	Tier 2 Capital: regulatory adjustments								
52	Investments in own Tier 2 instruments	q1	72	79	-	6	-	2	1
55	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	x	50	50	50	50	50	50	50
57	**Total regulatory adjustments to Tier 2 Capital**		122	129	50	56	50	52	51
58	**Tier 2 Capital (T2)**		5,727	6,607	5,488	6,283	5,671	5,461	5,626
59	**Total Capital (TC = T1 + T2)**		40,941	41,210	40,596	40,364	40,299	38,368	37,862
60	**Total Risk-Weighted Assets**								
60a	**Common Equity Tier 1 (CET 1) Capital RWA *(6) (7)***		273,011	270,577	269,466	264,819	270,791	260,795	277,562
60b	**Tier 1 Capital RWA *(6) (7)***		273,184	270,577	269,466	264,819	270,791	261,075	277,562
60c	**Total Capital RWA *(6) (7)***		273,357	270,577	269,466	264,819	270,791	261,299	277,562
	Capital Ratios								
61	Common Equity Tier 1 ratio (as percentage of risk-weighted assets) *(7)*		11.3%	11.1%	11.4%	11.2%	11.3%	11.1%	10.1%
62	Tier 1 ratio (as percentage of risk-weighted assets) *(7)*		12.9%	12.8%	13.0%	12.9%	12.8%	12.6%	11.6%
63	Total Capital ratio (as percentage of risk-weighted assets) *(7)*		15.0%	15.2%	15.1%	15.2%	14.9%	14.7%	13.6%
64	Buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement, expressed as a percentage of risk-weighted assets)		8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
65	of which: capital conservation buffer requirement		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
66	of which: bank specific countercyclical buffer requirement		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n.a.
68	Common Equity Tier 1 available to meet buffers (as a % of risk weighted assets)		11.3%	11.1%	11.4%	11.2%	11.3%	11.1%	10.1%
	OSFI all-in target								
69	Common Equity Tier 1 all-in target ratio		8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
	Amounts below the thresholds for deduction								
72	Non-significant investments in the capital of other financials	y - z	575	411	359	325	274	259	292
73	Significant investments in the common stock of financials	a1	1,635	1,568	1,481	1,461	1,422	1,337	1,325
74	Mortgage servicing rights (net of related tax liability)	b1	49	47	48	46	49	47	47
75	Deferred tax assets arising from temporary differences (net of related tax liability)	c1 - d1	1,597	1,579	1,952	1,913	2,122	1,985	2,043
	Applicable caps on the inclusion of provisions in Tier 2								
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)		204	204	221	216	245	247	260
77	Cap on inclusion of provisions in Tier 2 under standardised approach		204	204	221	216	245	247	260
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings based approach (prior to application of cap)		1,255	1,237	1,516	1,483	1,605	1,495	1,501
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach		18	69	287	260	357	196	278
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)								
82	Current cap on AT1 instruments subject to phase out arrangements		1,729	1,729	2,161	2,161	2,161	2,161	2,593
83	Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)	e1 + f1	-	-	-	-	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements		2,054	2,054	2,567	2,567	2,567	2,567	3,080
85	Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)		-	-	-	-	-	-	-

(1) "All-in" regulatory capital assumes that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013 and continuing to January 1, 2022.
(2) Row numbering, as per OSFI July 2013 advisory, is provided for consistency and comparability in the disclosure of elements of capital among banks and across jurisdictions. Banks are required to maintain the same row numbering per OSFI advisory, however certain rows are removed because there are no values in such rows.
(3) Cross reference to Consolidated Balance Sheet under regulatory scope (page 37).
(4) For regulatory capital purposes only. Not included in consolidated balance sheet.
(5) $450MM capital trust securities that are deconsolidated under IFRS but still qualify as Additional Tier 1 Capital are included in line 33.
(6) Under OSFI's Capital Adequacy Requirements (CAR) Guideline, which governs advanced approaches, the bank calculates a Basel Capital Floor and increases its risk-weighted assets to the extent such floor applies.
(7) During the fourth quarter of 2016, ratios and RWA were amended for Q3 2016.
(8) Prior to Q1 2018, this was Collective allowances. OSFI uses the term General allowances in its guidance dealing with IFRS 9.

CONSOLIDATED BALANCE SHEET

BMO Financial Group

($ millions except as noted)	LINE #	Balance sheet as in Report to Shareholders Q2 2018	Under regulatory scope of consolidation *(1)* Q2 2018	Cross Reference *(2)*
Assets				
Cash and Cash Equivalents	1	35,922	35,537	
Interest Bearing Deposits with Banks	2	7,637	7,637	
Securities	3	165,380	157,524	
Investments in own shares CET1 (if not already netted off paid-in capital on reported balance sheet)	4		-	n
Investments in own Additional Tier 1 instruments not derecognized for accounting purposes	5		56	n1
Investments in own Tier 2 instruments not derecognized for accounting purposes	6		72	q1
Non-significant investments in the capital of other financials below threshold *(3)*	7		20,326	y
Significant investments in deconsolidated subsidiaries and other financial institutions *(4)*	8		1,898	t+x+a1
Significant investments in capital of other financial institutions reflected in regulatory capital				
Amount exceeding the 15% threshold	9		-	h1
Significant investment in common stock of financials below threshold	10		487	
Goodwill embedded in significant investments	11		89	p1
Securities Borrowed or Purchased Under Resale Agreements	12	94,681	94,681	
Loans				
Residential mortgages	13	117,770	117,770	
Consumer installment and other personal	14	61,733	61,733	
Credit cards	15	8,175	8,175	
Business and governments	16	182,870	182,698	
Allowance for credit losses	17	(1,647)	(1,647)	
Allowance reflected in Tier 2 regulatory capital	18		222	w
Shortfall of provisions to expected loss	19		-	k1
Total net loans and acceptances	20	368,901	368,729	
Other Assets				
Derivative instruments	21	26,588	26,583	
Customers' liability under acceptances	22	16,385	16,385	
Premises and equipment	23	1,966	1,814	
Goodwill	24	6,263	6,263	e
Intangible assets	25	2,190	2,190	g
Current tax assets	26	2,108	2,108	
Deferred tax assets *(5)*	27	2,159	2,163	
Deferred tax assets excluding those arising from temporary differences	28		1,178	i
Deferred tax assets arising from temporary differences	29		1,927	c1
of which Deferred tax assets arising from temporary differences below the threshold	30		1,927	
of which amount exceeding 15% threshold	31		-	i1
Other	32	13,389	12,436	
Defined-benefit pension fund net assets	33		586	l
Mortgage servicing rights	34		49	
of which Mortgage servicing rights under the threshold	35		49	b1
of which amount exceeding the 15% threshold	36		-	j1
Total Assets	37	**743,569**	**734,050**	

($ millions except as noted)	LINE #	Balance sheet as in Report to Shareholders Q2 2018	Under regulatory scope of consolidation *(1)* Q2 2018	Cross Reference *(2)*
Liabilities and Equity				
Total Deposits	38	491,198	491,197	
Other Liabilities				
Derivative instruments	39	24,770	24,598	
Acceptances	40	16,385	16,385	
Securities sold but not yet purchased	41	25,414	25,414	
Non-significant investments in the capital of other financials	42		19,751	z
Securities lent or sold under repurchase agreement	43	78,782	78,782	
Securitization and structured entities' liabilities	44	23,565	23,565	
Current tax liabilities	45	47	47	
Deferred tax liabilities *(5)*	46	185	185	
related to goodwill	47		177	f
related to intangibles	48		297	h
related to deferred tax assets excluding those arising from temporary differences	49		202	j
related to defined-benefit pension fund net assets	50		127	m
related to deferred tax assets arising from temporary differences, excluding those realizable through net operating loss carryback	51		330	d1
Other	52	33,850	24,504	
of which: liabilities of subsidiaries, other than deposits	53		-	
Less: amount (of liabilities of subsidiaries) phased out	54		-	
Liabilities of subsidiaries after phase out	55		-	v
Total other liabilities	56	202,998	193,480	
Subordinated Debt				
Subordinated debt	57	5,627	5,627	
Qualifying subordinated debt	58		5,511	m1
Non qualifying subordinated debt	59		116	
of which redemption has been announced (in the last month of the quarter)	60		-	
Less: regulatory amortization	61		-	
Non qualifying subordinated debt subject to phase out	62		116	
Less: amount phased out	63		-	
Non qualifying subordinated debt after phase out	64		116	u
Equity				
Share capital	65	17,166	17,166	
Preferred shares				
Directly issued qualifying Additional Tier 1 instruments	66		3,650	o1
Non-qualifying preferred shares for accounting purposes	67		-	
Non-qualifying preferred shares subject to phase out	68		590	
Less amount (of preferred shares) phased out	69		-	e1
Non qualifying preferred shares after phase out	70		590	p
Common shares				
Directly issued qualifying CET1	71		12,926	a
Contributed surplus	72	304	304	b
Retained earnings	73	24,119	24,119	c
Accumulated other comprehensive income	74	2,157	2,157	d
of which: Cash flow hedges	75		(768)	k
Other AOCI	76		2,925	
Total shareholders' equity	77	43,746	43,746	
Non-controlling interests in subsidiaries	78	-	-	
of which portion allowed for inclusion into Tier 1 capital	79		-	
less amount phased out	80		-	f1
Other additional Tier 1 issued by subs after phase out	81		-	s
Total equity	82	43,746	43,746	
Total Liabilities and Equity	83	**743,569**	**734,050**	

(1) Balance sheet under regulatory scope does not include the following entities: BMO Life Insurance Company and BMO Reinsurance Limited.
BMO Life Insurance Company ($9,148 million assets and nominal equity) covers the development and marketing of individual and group life, accident and health insurance and annuity products in Canada. BMO Reinsurance Limited ($371 million assets and nominal equity) covers the reinsurance of life, health and disability insurance risks as well as property & casualty insurance risks, including catastrophe risks. The business reinsured is written by insurers and reinsurers principally in North America and Europe.
(2) Cross Reference to Basel III Regulatory Capital (All-in basis) (page 36).
(3) Includes synthetic holdings of non-significant capital investments in banking, financial and insurance entities.
(4) Under Basel III, significant investments in financial services entities that are outside the scope of regulatory consolidation are deducted from a bank's capital using the corresponding deduction approach (e.g. investments in non-common Tier 1 are deducted from a bank's non-common Tier 1 capital) except that investments in common equity capital of a significant investment which represents less than 10% of the bank's CET1 are risk weighted at 250% and are not deducted provided the sum of such investments, deferred tax assets related to timing differences and mortgage servicing rights are less than 15% of the Bank's CET1. Goodwill embedded in significant investments is separated and is shown in the corresponding line below.
(5) Deferred tax assets and liabilities are presented on the balance sheet net by legal jurisdiction.

SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO EXPOSURE MEASURE *(1)*

BMO Financial Group

($ millions except as noted)

	Item	Q2 2018	Q1 2018	Q4 2017	Q3 2017
1	Total consolidated assets as per published financial statements	743,569	727,909	709,580	708,617
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(9,175)	(9,094)	(8,882)	(8,583)
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-
4	Adjustments for derivative financial instruments	1,775	(5,606)	(1,923)	(9,873)
5	Adjustment for securities financing transactions (i.e. repo assets and similar secured lending)	2,930	6,694	6,715	6,184
6	Adjustment for off balance-sheet items (i.e. credit equivalent amounts of off-balance sheet exposures)	101,147	97,832	99,327	94,194
7	Other adjustments	(9,152)	(8,892)	(9,832)	(9,398)
8	**Leverage Ratio Exposure**	**831,094**	**808,843**	**794,985**	**781,141**

LEVERAGE RATIO COMMON DISCLOSURE *(1)*

($ millions except as noted)

		Leverage ratio framework			
	Item	Q2 2018	Q1 2018	Q4 2017	Q3 2017
	On-balance sheet exposures				
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	613,128	603,873	596,701	591,108
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(9,152)	(8,892)	(9,832)	(9,398)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**603,976**	**594,981**	**586,869**	**581,710**
	Derivative exposures				
4	Replacement cost associated with all derivative transactions (i.e., net of eligible cash variation margin)	7,332	6,067	7,084	7,212
5	Add-on amounts for PFE associated with all derivative transactions	24,214	23,736	23,937	22,135
6	Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-
7	(Deductions of receivables assets for cash variation margin provided in derivative transactions)	(2,436)	(3,217)	(2,700)	(3,998)
8	(Exempted CCP-leg of client cleared trade exposures)	(751)	(444)	(1,294)	(224)
9	Adjusted effective notional amount of written credit derivatives	123	116	1,638	846
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(123)	(116)	(1,638)	(846)
11	**Total derivative exposures (sum of lines 4 to 10)**	**28,359**	**26,142**	**27,027**	**25,125**
	Securities financing transaction exposures				
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	95,313	88,298	86,037	81,498
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(3,636)	(4,455)	(9,192)	(7,037)
14	Counterparty credit risk (CCR) exposure for SFTs	5,935	6,045	4,917	5,651
15	Agent transaction exposures	-	-	-	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**97,612**	**89,888**	**81,762**	**80,112**
	Other off-balance sheet exposures				
17	Off-balance sheet exposure at gross notional amount	322,633	312,044	314,442	299,248
18	(Adjustments for conversion to credit equivalent amounts)	(221,486)	(214,212)	(215,115)	(205,054)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**101,147**	**97,832**	**99,327**	**94,194**
	Capital and Total Exposures				
20	**Tier 1 capital**	**35,214**	**34,603**	**35,108**	**34,081**
21	**Total Exposures (sum of lines 3, 11, 16 and 19)**	**831,094**	**808,843**	**794,985**	**781,141**
	Leverage Ratios				
22	**Basel III leverage ratio**	**4.2%**	**4.3%**	**4.4%**	**4.4%**

(1) Pursuant to revision by OSFI to the "Public Disclosure Requirements related to Basel III Leverage Ratio" published in December 2017, effective Q1 2018, the information is on all-in basis only.

RECONCILIATION OF RETAIL AND WHOLESALE DRAWN BALANCES TO BALANCE SHEET

($ millions except as noted)

BMO Financial Group

Description	LINE #	Q2 2018						
		AIRB Credit Risk			Standardized Credit Risk	Total Credit Risk	Trading Book and other *(1)*	Balance Sheet
		Retail	Wholesale	Repo				
Cash, Cash Equivalents and Interest Bearing Deposits with Banks	1	-	40,222	-	205	40,427	3,132	43,559
Securities	2	-	63,834	-	58	63,892	101,488	165,380
Securities Borrowed or Purchased under Resale Agreements	3	-	-	75,030	-	75,030	19,651	94,681
Net Loans	4	122,136	202,027	-	29,643	353,806	15,095	368,901
Customers' Liability Under Acceptances	5	-	16,370	-	15	16,385	-	16,385
Derivative Instruments	6	-	-	-	-	-	26,588	26,588
Other	7	-	8,503	3	799	9,305	18,770	28,075
	8	122,136	330,956	75,033	30,720	558,845	184,724	743,569

RECONCILIATION OF TOTAL CREDIT RISK TO BALANCE SHEET

($ millions except as noted)

		Q2 2018		
		Total Credit Risk	Trading Book and other *(1)*	Balance Sheet
Cash, Cash Equivalents and Interest Bearing Deposits with Banks	9	40,427	3,132	43,559
Securities	10	63,892	101,488	165,380
Securities Borrowed or Purchased under Resale Agreements	11	75,030	19,651	94,681
Net Loans	12	353,806	15,095	368,901
Customers' Liability Under Acceptances	13	16,385	-	16,385
Derivative Instruments	14	-	26,588	26,588
Other	15	9,305	18,770	28,075
Total on balance sheet	16	558,845	184,724	743,569
Undrawn Commitments	17	131,810		
Other Off Balance Sheet	18	18,688		
Off Balance Sheet Derivatives	19	2,221		
Off Balance Sheet Repo	20	108,724		
Total Off Balance Sheet	21	261,443		
Total Credit Risk	22	820,288		

(1) Includes trading book assets, securitized assets and other assets such as non significant investments, goodwill, deferred tax assets and intangibles.

RISK-WEIGHTED ASSETS (RWA)

BMO Financial Group

($ millions except as noted)	LINE #	Basel III Q2 2018 Exposure at Default (EAD) Standardized approach	Advanced approach	Total	RWA Standardized approach	Advanced approach	Total	Basel III Q1 2018 RWA Total	Q4 2017 RWA Total	Q3 2017 RWA Total	Q2 2017 RWA Total	Q1 2017 RWA Total	Q4 2016 RWA Total	Q3 2016 RWA Total	Q2 2016 RWA Total
Credit Risk															
Wholesale															
Corporate including specialized lending	1	20,151	278,414	298,565	20,159	84,403	104,562	98,113	100,421	96,905	106,087	101,494	104,488	101,300	98,764
Corporate small and medium enterprises (SMEs)	2	-	71,428	71,428	-	37,138	37,138	35,019	35,246	34,882	35,953	35,155	33,755	33,878	33,731
Sovereign	3	155	124,416	124,571	21	3,634	3,655	1,721	1,627	1,771	1,909	2,234	1,976	1,959	1,788
Bank	4	234	91,572	91,806	47	4,287	4,334	5,475	5,892	6,266	5,318	4,877	4,486	4,312	4,455
Retail															
Residential mortgages excluding home equity line of credits (HELOCs)	5	4,209	100,868	105,077	1,755	7,655	9,410	9,156	7,984	7,816	8,302	7,874	8,115	8,360	8,177
HELOCs	6	262	44,065	44,327	185	5,155	5,340	5,370	5,426	5,565	5,940	5,830	6,135	7,641	7,648
Qualifying revolving retail (QRR)	7	-	35,640	35,640	-	5,370	5,370	4,757	5,465	5,605	5,406	5,080	5,110	4,604	4,571
Other retail (excl. SMEs)	8	3,049	34,285	37,334	2,031	10,227	12,258	11,001	11,258	10,904	11,601	11,070	11,934	10,997	10,879
Retail SMEs	9	6,110	5,430	11,540	4,662	2,173	6,835	6,666	7,582	7,551	7,864	7,547	7,696	7,574	7,436
Equity	10	-	2,322	2,322	-	1,735	1,735	1,478	1,626	1,472	1,580	1,460	1,403	1,363	1,325
Trading book	11	98	88,679	88,777	75	9,862	9,937	10,032	9,542	9,605	10,970	10,267	9,675	9,758	9,754
Securitization	12	-	24,033	24,033	-	2,017	2,017	2,417	2,476	2,273	2,169	1,911	1,878	2,277	2,362
Other credit risk assets - non-counterparty managed assets	13	-	21,475	21,475	-	16,128	16,128	16,040	15,631	16,560	15,735	15,558	16,197	16,478	16,291
Scaling factor for credit risk assets under AIRB *(1)*	14	-	-	-	-	10,051	10,051	9,447	9,648	9,466	10,049	9,588	9,651	9,508	9,319
Total Credit Risk	15	34,268	922,627	956,895	28,935	199,835	228,770	216,692	219,824	216,641	228,883	219,945	222,499	220,009	216,500
Market Risk *(2)*	16	-	-	-	2,490	7,925	10,415	9,816	8,448	8,314	7,957	9,529	8,962	9,438	10,165
Operational Risk *(3)*	17	-	-	-	1,965	31,861	33,826	33,342	32,773	32,470	31,860	31,321	30,502	29,787	29,519
Common Equity Tier 1 (CET 1) Capital Risk-Weighted Assets before Capital floor *(4)*	18	34,268	922,627	956,895	33,390	239,621	273,011	259,850	261,045	257,425	268,700	260,795	261,963	259,234	256,184
Basel Capital Floor *(4)*	19	-	-	-	-	-	-	10,727	8,421	7,394	2,091	-	15,599	13,648	9,346
Common Equity Tier 1 (CET 1) Capital Risk-Weighted Assets *(5)*	20				33,390	239,621	273,011	270,577	269,466	264,819	270,791	260,795	277,562	272,882	265,530
Tier 1 Capital Risk-Weighted Assets before CVA and Capital floor	21					239,621	273,011	259,850	261,045	257,425	268,700	260,795	261,963	259,234	256,184
Additional CVA adjustment, prescribed by OSFI, for Tier 1 Capital *(6)*	22	-	-	-	-	173	173	166	290	293	296	280	380	380	369
Basel Capital Floor *(4)*	23	-	-	-	-	-	-	10,561	8,131	7,101	1,795	-	15,219	13,268	8,977
Tier 1 Capital Risk-Weighted Assets *(5)*	24				33,390	239,794	273,184	270,577	269,466	264,819	270,791	261,075	277,562	272,882	265,530
Total Capital Risk-Weighted Assets before CVA and Capital floor	25					239,621	273,011	259,850	261,045	257,425	268,700	260,795	261,963	259,234	256,184
Additional CVA adjustment, prescribed by OSFI, for Total Capital *(6)*	26	-	-	-	-	346	346	333	522	528	532	504	705	706	685
Basel Capital Floor *(4)*	27	-	-	-	-	-	-	10,394	7,899	6,866	1,559	-	14,894	12,942	8,661
Total Capital Risk Weighted Assets (RWA) *(5)*	28				33,390	239,967	273,357	270,577	269,466	264,819	270,791	261,299	277,562	272,882	265,530

RWA CVA PHASE-IN CALCULATION *(6)*

		Q2 2018 CVA (A)	OSFI Scalars (B)	Total RWA Before CVA phase-in (C)	CVA phase-in Adjustments (D)=A*(100%-B)	Adjustment for Capital Floor (E)	RWA Net CVA phase-in (F)=C-D+E
Common Equity Tier 1 (CET 1) Capital RWA	29	5,767	80%	274,164	1,153	-	273,011
Tier 1 Capital RWA	30	5,767	83%	274,164	980	-	273,184
Total Capital RWA	31	5,767	86%	274,164	807	-	273,357

CAPITAL RATIOS FOR SIGNIFICANT BANK SUBSIDIARIES

		2018 Q2	2018 Q1	2017 Q4	2017 Q3
Bank of Montreal Mortgage Corporation - Basel III					
All-in Basis - Basel III *(7)*					
Common Equity Tier 1 ratio *(5)*	32	23.5%	20.3%	20.8%	21.7%
Tier 1 ratio *(5)*	33	23.5%	20.3%	20.8%	21.7%
Total capital ratio *(5)*	34	24.1%	20.7%	21.3%	22.2%
BMO Harris Bank N.A. - Basel I *(8)*					
Tier 1 ratio	35	12.8%	12.8%	13.0%	13.3%
Total capital ratio	36	14.0%	14.0%	14.2%	14.6%

(1) The scaling factor is applied to the risk-weighted asset amounts for credit risk under the AIRB approach.
(2) Standardized market risk is comprised of interest rate issuer risk.
(3) BMO uses the Advanced Measurement Approach (AMA), a risk sensitive model, along with the Standardized Approach under OSFI rules, to determine capital requirements for operational risk.
(4) Under OSFI's Capital Adequacy Requirements (CAR) Guideline, which governs advanced approaches, the bank calculates a Capital Floor and may be required to increase its risk-weighted assets if the Capital Floor applies. Effective Q2 2018, OSFI implemented the Basel II Capital Floor. Based on these requirements, there was no capital floor applicable for Q2 2018. The Basel I Floor was in effect and did apply in Q1 2018, Q4 2017, Q3 2017, Q2 2017, Q4 2016, Q3 2016 and Q2 2016.
(5) During the fourth quarter of 2016, ratios and RWA were amended for Q3 2016 and Q2 2016.
(6) Commencing Q1 2014, a new CVA regulatory capital charge has been applied to derivatives. For Q3 2014, OSFI introduced a new three tier capital approach with different scalars for each tier. See above for calculation and scalars percentages. CET1 CVA phase-in factors are 64% in 2016, 72% in 2017 and 80% in 2018.
(7) "All-in" capital ratios assume that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013, continuing to January 1, 2022. OSFI required all institutions to have attained an "all-in" target Common Equity Tier 1 ratio of 7% by the first quarter of 2013, and "all-in" target Tier 1 and Total Capital ratios of 8.5% and 10.5%, respectively, by Q1 2014.
(8) Calculated using Basel I guidelines currently in effect for U.S. regulatory purposes and based on Harris N.A.'s calendar quarter-ends.

COMMON EQUITY TIER 1 (CET 1) CAPITAL RISK-WEIGHTED ASSETS BY OPERATING GROUPS

BMO Financial Group

($ millions except as noted)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Personal and Commercial Banking	1	170,545	163,039	165,005	160,839	168,788	163,604
Wealth Management	2	17,538	16,778	16,276	16,170	16,275	15,917
BMO Capital Markets	3	73,875	69,296	68,131	68,023	72,168	70,457
Corporate Services, including Technology and Operations, plus excess of Basel Capital Floor RWA over Basel III RWA	4	11,053	21,464	20,054	19,787	13,560	10,817
Total Common Equity Tier 1 Capital Risk-Weighted Assets	5	273,011	270,577	269,466	264,819	270,791	260,795

FLOW STATEMENT OF BASEL III REGULATORY CAPITAL

($ millions except as noted)		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Common Equity Tier 1 Capital							
Opening Balance	6	30,165	30,633	29,604	30,555	28,832	28,159
New capital issues	7	7	48	9	52	281	252
Redeemed capital	8	(488)	(294)	(91)	(349)	-	-
Gross dividends (deduction)	9	(642)	(645)	(631)	(633)	(617)	(615)
Profit for the quarter (attributable to shareholders of the parent company)	10	1,246	973	1,227	1,387	1,247	1,487
Removal of own credit spread (net of tax)	11	(48)	80	42	(53)	121	31
Movements in other comprehensive income							
– Currency Translation Differences	12	878	(959)	814	(2,158)	1,168	(686)
– Fair value through other comprehensive income securities *(5)*	13	(128)	(126)	10	(19)	118	(101)
– Other *(1)*	14	69	(2)	71	214	(211)	198
Goodwill and other intangible assets (deduction, net of related tax liability)	15	(262)	78	(212)	567	(368)	168
Other, including regulatory adjustments and transitional arrangements							
– Deferred tax assets that rely on future profitability (excluding those arising from temporary differences)	16	35	394	(92)	143	(83)	71
– Prudential Valuation Adjustments	17	(34)	(5)	(4)	(5)	10	-
– Other *(2)*	18	(5)	(10)	(114)	(97)	57	(132)
Closing Balance	19	30,793	30,165	30,633	29,604	30,555	28,832
Other non-core Tier 1 (Additional Tier 1) Capital							
Opening Balance	20	4,438	4,475	4,477	4,073	4,075	4,077
New non-core tier 1 (Additional Tier 1) eligible capital issues	21	-	-	-	400	500	-
Redeemed capital	22	-	-	-	-	(500)	-
Other, including regulatory adjustments and transitional arrangements *(3)*	23	(17)	(37)	(2)	4	(2)	(2)
Closing Balance	24	4,421	4,438	4,475	4,477	4,073	4,075
Total Tier 1 Capital	25	35,214	34,603	35,108	34,081	34,628	32,907
Tier 2 Capital							
Opening Balance	26	6,607	5,488	6,283	5,671	5,461	5,626
New Tier 2 eligible capital issues	27	-	1,538	-	850	-	-
Redeemed capital	28	(900)	-	(800)	-	-	-
Amortization adjustments	29	-	-	-	-	-	-
Other, including regulatory adjustments and transitional arrangements *(4)*	30	20	(419)	5	(238)	210	(165)
Closing Balance	31	5,727	6,607	5,488	6,283	5,671	5,461
Total Regulatory Capital	32	40,941	41,210	40,596	40,364	40,299	38,368

(1) Includes: AOCI on pension and other post-employment benefits and on own credit risk financial liabilities designated at fair value.
(2) Includes: Capital deductions for expected loss in excess of allowances, defined benefit pension assets (net of related deferred tax liability) and investment in own shares, changes in contributed surplus and threshold deductions.
(3) Includes: Corresponding deductions from Additional Tier 1 Capital and transitional arrangements (phased-out amount).
(4) Includes: Eligible allowances, transitional arrangements (phased-out amount) and corresponding deductions from Tier 2 Capital.
(5) Q4 2017 and prior periods represent available-for-sale securities.

CREDIT RISK RISK-WEIGHTED ASSETS (RWA) MOVEMENT BY KEY DRIVERS

BMO Financial Group

($ millions except as noted)	LINE #	2018 Q2 Credit Risk	2018 Q2 Of which counterparty credit risk *(5)*	2018 Q1 Credit Risk	2017 Q4 Credit Risk	2017 Q3 Credit Risk	2017 Q2 Credit Risk	2017 Q1 Credit Risk
Opening Credit RWA, beginning of quarter	1	216,692	13,473	219,824	216,641	228,883	219,945	222,499
Book size *(1)*	2	6,225	(201)	3,105	735	1,816	2,902	314
Book quality *(2)*	3	169	(141)	(647)	(1,483)	(2,765)	(740)	780
Model updates *(3)*	4	23	-	(527)	(110)	(1,005)	(838)	-
Methodology and policy *(4)*	5	727	-	(127)	-	256	934	147
Acquisitions and disposals	6	-	-	-	-	-	-	-
Foreign exchange movements	7	4,934	97	(4,936)	4,041	(10,544)	6,680	(3,795)
Other	8	-	-	-	-	-	-	-
Closing Credit RWA, end of quarter	9	228,770	13,228	216,692	219,824	216,641	228,883	219,945

(1) Book size includes organic changes in book size and composition (including new business and maturing loans).
(2) Book quality captures the quality of book changes caused by experience such as underlying customer behaviour or demographics, including changes through model calibrations/realignments.
(3) Model updates includes model implementation, change in model scope or any change to address model malfunctions.
(4) Methodology and policy includes methodology changes to the calculations driven by regulatory policy changes, such as new regulation.
(5) Counterparty credit risk includes RWA for derivatives, repo-style transactions, trades cleared through central counterparties and CVA adjustment.

MARKET RISK RISK-WEIGHTED ASSETS (RWA) MOVEMENT BY KEY DRIVERS

($ millions except as noted)		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Market Risk RWA, beginning of quarter	10	9,816	8,448	8,314	7,957	9,529	8,962
Movement in risk levels *(1)*	11	569	1,208	152	350	(1,572)	1,096
Model updates *(2)*	12	-	-	-	-	-	-
Methodology and policy *(3)*	13	30	160	(18)	7	-	(529)
Acquisition and disposals	14	-	-	-	-	-	-
Foreign exchange movement and others	15	-	-	-	-	-	-
Market Risk RWA, end of quarter	16	10,415	9,816	8,448	8,314	7,957	9,529

(1) Movement in risk levels includes changes in exposures and market movements.
(2) Model updates includes updates to risk models to reflect recent experience and changes in model scope.
(3) Methodology and policy includes changes to the calculations driven by regulatory guidance and/or policy changes.

EQUITY SECURITIES EXPOSURE AMOUNT *(1)*

BMO Financial Group

($ millions except as noted)	LINE #	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Equity investments used for capital gains (Merchant Banking)	1	565	542	529	503	525	497
Equity investments used for mutual fund seed capital	2	48	44	13	10	34	23
Equity used for other (including strategic investments)	3	1,709	1,450	1,663	1,527	1,650	1,583
Total Equity Exposure	4	2,322	2,036	2,205	2,040	2,209	2,103

(1) BMO's non-trading equity exposures are at a level that represents less than the 10% of the Bank's materiality threshold of the Bank's combined Tier 1 and Tier 2 Capital. As a result, the Bank uses OSFI-prescribed risk weights to calculate RWA on non-trading equity exposures.

EQUITY INVESTMENT SECURITIES *(2)*

($ millions except as noted)		Q2 2018			Q1 2018			Q4 2017			Q3 2017		
		Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)
Grandfathered													
Public	5	-	-	-	-	-	-	6	6	-	6	6	-
Private													
Direct funds	6	-	-	-	-	-	-	124	124	-	119	119	-
Indirect funds	7	-	-	-	-	-	-	29	29	-	30	30	-
Total Grandfathered	8	-	-	-	-	-	-	159	159	-	155	155	-
Non-grandfathered													
Public	9	11	11	-	15	15	-	10	10	-	10	10	-
Private													
Direct funds	10	482	482	-	248	248	-	249	249	-	245	245	-
Indirect funds	11	494	494	-	471	471	-	436	436	-	419	419	-
Other	12	1,335	1,002	(333)	1,302	986	(316)	1,351	1,040	(311)	1,211	910	(301)
Total Non-grandfathered	13	2,322	1,989	(333)	2,036	1,720	(316)	2,046	1,735	(311)	1,885	1,584	(301)
Total Equities	14	2,322	1,989	(333)	2,036	1,720	(316)	2,205	1,894	(311)	2,040	1,739	(301)
Total realized gains or losses arising from sales or liquidations in the reporting period	15			(3)			35			1			2

(2) The schedule consists of corporate equity securities in the banking book only. Excluded are investments in deconsolidated subsidiaries and substantial investments, which are deducted (voluntarily in the case of merchant banking specialized financing entity investments) from capital for regulatory capital calculation purposes.

EXPOSURE COVERED BY CREDIT RISK MITIGATION *(1)*

($ millions except as noted)

	LINE #	Q2 2018 Standardized Gross Exposure *(2)*	Q2 2018 Standardized Exposure Amount Covered By Guarantees Or Credit Derivatives	Q2 2018 AIRB Adjusted EAD	Q2 2018 AIRB Exposure Amount Covered By Guarantees Or Credit Derivatives	Q1 2018 Standardized Gross Exposure *(2)*	Q1 2018 Standardized Exposure Amount Covered By Guarantees Or Credit Derivatives	Q1 2018 AIRB Adjusted EAD	Q1 2018 AIRB Exposure Amount Covered By Guarantees Or Credit Derivatives	Q4 2017 Standardized Gross Exposure *(2)*	Q4 2017 Standardized Exposure Amount Covered By Guarantees Or Credit Derivatives	Q4 2017 AIRB Adjusted EAD	Q4 2017 AIRB Exposure Amount Covered By Guarantees Or Credit Derivatives
Corporate (incl specialized lending and SMEs treated as corporate)	1	20,151	121	351,079	25,821	18,649	-	344,721	24,948	19,422	-	337,182	26,006
Sovereign	2	155	-	173,936	50,046	161	-	161,355	51,659	148	-	153,164	52,899
Bank	3	234	-	92,094	2,134	367	-	86,781	2,662	314	-	79,129	3,260
Total Corporate, Sovereign and Bank	4	20,540	121	617,109	78,001	19,177	-	592,857	79,269	19,884	-	569,475	82,165
Residential mortgages excluding home equity line of credits (HELOCs)	5	4,209	26	51,728	-	4,195	29	49,268	-	1,865	33	48,575	-
HELOCs	6	262	-	44,065	-	271	-	43,127	-	306	-	40,895	-
Other retail excl. SMEs and QRR	7	3,049	439	32,146	-	2,661	425	29,421	-	2,292	401	29,624	-
Qualifying revolving retail	8	-	-	35,640	-	-	-	34,465	-	-	-	34,826	-
Retail SMEs	9	6,110	-	5,430	-	6,013	-	5,196	-	6,854	-	4,112	-
Total Retail	10	13,630	465	169,009	-	13,140	454	161,477	-	11,317	434	158,032	-
Total Bank Banking Book Portfolios	11	34,170	586	786,118	78,001	32,317	454	754,334	79,269	31,201	434	727,507	82,165

(1) Credit risk mitigants herein include only credit derivatives and guarantees. Includes $51.3 billion NHA or other mortgage insurance guarantees.
Commercial collateral is reflected in the risk parameters (PDs, LGDs) for AIRB exposures and risk weights for exposures under the Standardized approach. None of the Standardized exposures have eligible financial collateral.
(2) Gross exposure means gross of all allowance for credit losses.

CREDIT RISK EXPOSURE BY GEOGRAPHIC REGION *(3)*

($ millions except as noted)

		Q2 2018 Canada	Q2 2018 U.S.	Q2 2018 Other	Q2 2018 Total	Q1 2018 Canada	Q1 2018 U.S.	Q1 2018 Other	Q1 2018 Total	Q4 2017 Canada	Q4 2017 U.S.	Q4 2017 Other	Q4 2017 Total
Corporate (incl specialized lending and SMEs treated as corporate)	12	161,289	192,523	16,181	369,993	158,651	189,749	13,281	361,681	162,961	178,342	13,607	354,910
Sovereign	13	39,345	70,132	15,094	124,571	35,564	61,141	13,597	110,302	39,691	51,675	9,582	100,948
Bank	14	18,649	42,501	30,656	91,806	20,577	37,147	28,862	86,586	15,193	33,415	30,279	78,887
Total Corporate, Sovereign and Bank	15	219,283	305,156	61,931	586,370	214,792	288,037	55,740	558,569	217,845	263,432	53,468	534,745
Residential mortgages excluding home equity line of credits (HELOCs)	16	94,326	10,751	-	105,077	94,302	10,404	-	104,706	94,498	8,307	-	102,805
HELOCs	17	37,368	6,959	-	44,327	36,567	6,831	-	43,398	33,913	7,288	-	41,201
Other retail excl. SMEs and QRR	18	28,542	8,288	504	37,334	28,483	5,380	441	34,304	28,540	5,251	374	34,165
Qualifying revolving retail	19	35,583	57	-	35,640	34,409	56	-	34,465	34,770	56	-	34,826
Retail SMEs	20	5,457	6,083	-	11,540	5,213	5,996	-	11,209	4,194	6,772	-	10,966
Total Retail	21	201,276	32,138	504	233,918	198,974	28,667	441	228,082	195,915	27,674	374	223,963
Total Bank	22	420,559	337,294	62,435	820,288	413,766	316,704	56,181	786,651	413,760	291,106	53,842	758,708

CREDIT RISK EXPOSURE BY INDUSTRY *(3)*

($ millions except as noted)

		Q2 2018 Drawn	Q2 2018 Commitments (Undrawn) *(4)*	Q2 2018 OTCs	Q2 2018 Other Off Balance Sheet Items	Q2 2018 Repo Style Transactions	Q2 2018 Total	Q1 2018 Drawn	Q1 2018 Commitments (Undrawn) *(4)*	Q1 2018 OTCs	Q1 2018 Other Off Balance Sheet Items	Q1 2018 Repo Style Transactions	Q1 2018 Total	Q4 2017 Total	Q3 2017 Total
Agriculture	23	10,887	1,770	-	18	-	12,675	10,552	1,709	-	13	-	12,274	12,568	12,493
Communications	24	553	998	-	296	-	1,847	555	1,002	-	288	-	1,845	1,871	1,810
Construction	25	3,918	2,887	-	1,232	-	8,037	3,344	2,682	-	1,131	-	7,157	7,619	7,567
Financial *(5)*	26	94,038	21,084	2,018	4,669	176,842	298,651	97,489	20,248	2,092	4,671	165,718	290,218	253,937	276,839
Government	27	40,007	2,203	-	703	6,915	49,828	35,495	2,123	-	683	5,091	43,392	50,380	46,108
Manufacturing	28	21,426	12,014	8	1,330	-	34,778	19,478	11,819	9	1,320	-	32,626	33,364	30,772
Mining	29	1,457	3,646	-	1,020	-	6,123	1,239	3,143	-	1,022	-	5,404	5,566	5,425
Other	30	7,594	108	190	253	-	8,145	7,732	61	(197)	452	-	8,048	10,270	7,259
Real estate	31	29,035	6,867	1	786	-	36,689	27,327	6,401	-	789	-	34,517	34,292	32,499
Retail trade	32	19,750	3,062	-	553	-	23,365	17,854	3,272	-	532	-	21,658	22,175	21,219
Service industries	33	37,037	11,393	3	2,446	-	50,879	35,121	11,093	1	2,402	-	48,617	48,762	46,579
Transportation	34	6,631	2,125	-	917	-	9,673	6,148	1,934	-	849	-	8,931	8,823	8,469
Utilities	35	3,215	4,572	-	2,178	-	9,965	3,081	4,474	-	2,110	-	9,665	9,895	9,479
Wholesale trade	36	12,520	4,185	1	442	-	17,148	11,609	4,381	1	485	-	16,476	16,597	15,345
Individual	37	186,961	46,829	-	130	-	233,920	182,127	45,830	-	126	-	228,083	223,962	221,088
Oil and Gas	38	8,025	7,660	-	1,649	-	17,334	7,562	7,351	-	1,665	-	16,578	17,387	16,498
Forest products	39	758	407	-	66	-	1,231	750	348	-	64	-	1,162	1,240	1,108
Total	40	483,812	131,810	2,221	18,688	183,757	820,288	467,463	127,871	1,906	18,602	170,809	786,651	758,708	760,557

(3) Credit exposure excluding Equity, Securitization, Trading Book and other assets such as non-significant investments, goodwill, deferred tax assets and intangibles.
(4) This includes credit exposures on committed undrawn amounts of loans, derived as estimated drawdown under the Advanced Internal Rating Based approach or by application of Credit Conversion Factors under the Standardized approach.
(5) Includes $40.5 billion of deposits with Financial Institutions as at April 30, 2018 ($45.4 billion as at January 31, 2018, $34.9 billion as at October 31, 2017, and $35.0 billion as at July 31, 2017).

CREDIT RISK EXPOSURE BY MAJOR ASSET CLASS *(1)*

BMO Financial Group

($ millions except as noted)

	LINE #	Q2 2018 Drawn	Q2 2018 Commitments (Undrawn)	Q2 2018 OTCs	Q2 2018 Other Off Balance Sheet Items	Q2 2018 Repo Style Transactions	Q2 2018 Total	Q1 2018 Drawn	Q1 2018 Commitments (Undrawn)	Q1 2018 OTCs	Q1 2018 Other Off Balance Sheet Items	Q1 2018 Repo Style Transactions	Q1 2018 Total	Q4 2017 Total	Q3 2017 Total
Basel III Asset Classes															
Corporate (incl specialized lending and SMEs treated as corporate)	1	180,108	77,303	87	15,026	97,469	369,993	176,843	74,608	49	14,958	95,223	361,681	354,910	355,150
Sovereign	2	97,121	3,694	-	1,805	21,951	124,571	84,532	3,416	-	1,754	20,600	110,302	100,948	93,890
Bank	3	19,621	3,987	2,134	1,727	64,337	91,806	23,963	4,016	1,857	1,764	54,986	86,586	78,887	90,429
Total Corporate, Sovereign and Bank Exposure	4	296,850	84,984	2,221	18,558	183,757	586,370	285,338	82,040	1,906	18,476	170,809	558,569	534,745	539,469
Residential mortgages excluding home equity line of credits (HELOCs)	5	104,900	97	-	80	-	105,077	104,551	76	-	79	-	104,706	102,805	101,784
HELOCs	6	30,667	13,660	-	-	-	44,327	30,065	13,333	-	-	-	43,398	41,201	40,560
Other retail excl. SMEs and QRR	7	34,640	2,689	-	5	-	37,334	31,770	2,529	-	5	-	34,304	34,165	33,154
Qualifying revolving retail	8	7,615	28,025	-	-	-	35,640	6,803	27,662	-	-	-	34,465	34,826	34,640
Retail SMEs	9	9,140	2,355	-	45	-	11,540	8,936	2,231	-	42	-	11,209	10,966	10,950
Total Retail Exposures	10	186,962	46,826	-	130	-	233,918	182,125	45,831	-	126	-	228,082	223,963	221,088
Total Gross Credit Exposures	11	483,812	131,810	2,221	18,688	183,757	820,288	467,463	127,871	1,906	18,602	170,809	786,651	758,708	760,557

CREDIT RISK BY RESIDUAL CONTRACT MATURITY BREAKDOWN

($ millions except as noted)

		Q2 2018 Drawn	Q2 2018 Commitments (Undrawn)	Q2 2018 OTCs	Q2 2018 Other Off Balance Sheet Items	Q2 2018 Repo Style Transactions	Q2 2018 Total	Q1 2018 Drawn	Q1 2018 Commitments (Undrawn)	Q1 2018 OTCs	Q1 2018 Other Off Balance Sheet Items	Q1 2018 Repo Style Transactions	Q1 2018 Total	Q4 2017 Total	Q3 2017 Total
Up to 1 year	12	161,156	76,679	369	13,892	183,608	435,704	162,541	75,925	232	12,786	170,809	422,293	387,092	395,852
1 to 5 years	13	259,537	49,843	1,302	4,639	149	315,470	246,173	47,685	1,084	5,675	-	300,617	304,560	301,651
Greater than 5 years	14	63,119	5,288	550	157	-	69,114	58,749	4,261	590	141	-	63,741	67,056	63,054
Total	15	483,812	131,810	2,221	18,688	183,757	820,288	467,463	127,871	1,906	18,602	170,809	786,651	758,708	760,557

PORTFOLIO BREAKDOWN BY BASEL APPROACHES

($ millions except as noted)

		Q2 2018 Standardized Drawn	Q2 2018 Standardized Credit Equivalent Amount on Undrawn	Q2 2018 AIRB Drawn	Q2 2018 AIRB Credit Equivalent Amount on Undrawn	Q1 2018 Standardized Drawn	Q1 2018 Standardized Credit Equivalent Amount on Undrawn	Q1 2018 AIRB Drawn	Q1 2018 AIRB Credit Equivalent Amount on Undrawn	Q4 2017 Standardized Drawn	Q4 2017 Standardized Credit Equivalent Amount on Undrawn	Q4 2017 AIRB Drawn	Q4 2017 AIRB Credit Equivalent Amount on Undrawn
Corporate (incl specialized lending and SMEs treated as corporate)	16	16,863	2,857	163,245	74,446	15,478	2,750	161,365	71,858	15,876	2,943	163,188	72,577
Sovereign	17	145	10	96,976	3,684	148	12	84,384	3,404	122	25	75,252	3,086
Bank	18	165	21	19,456	3,966	203	115	23,760	3,901	145	119	26,767	4,387
Total Corporate, Sovereign & Bank	19	17,173	2,888	279,677	82,096	15,829	2,877	269,509	79,163	16,143	3,087	265,207	80,050
Residential mortgages excluding home equity line of credits (HELOCs)	20	4,129	-	100,771	97	4,116	-	100,435	76	1,778	-	100,855	86
HELOCs	21	262	-	30,405	13,660	271	-	29,794	13,333	306	-	29,674	11,221
Other retail excl. SMEs and QRR	22	3,045	-	31,595	2,689	2,656	-	29,114	2,529	2,287	-	29,410	2,463
Qualifying revolving retail	23	-	-	7,615	28,025	-	-	6,803	27,662	-	-	7,271	27,555
Retail SMEs	24	6,111	-	3,029	2,355	6,013	-	2,923	2,231	6,854	-	2,178	1,898
Total Retail	25	13,547	-	173,415	46,826	13,056	-	169,069	45,831	11,225	-	169,388	43,223
Total Bank	26	30,720	2,888	453,092	128,922	28,885	2,877	438,578	124,994	27,368	3,087	434,595	123,273

(1) Credit exposure excluding Equity, Securitization, Trading Book and other.

BMO Financial Group

CREDIT EXPOSURE OF PORTFOLIOS UNDER STANDARDIZED APPROACH BY RISK WEIGHT *(1) (2)*

($ millions)	LINE				Q2 2018				
Risk Weights	#	0%	20%	35%	50%	75%	100%	150%	Total
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	1	-	199	-	17	-	19,465	430	20,111
Sovereign	2	52	103	-	-	-	-	-	155
Bank	3	-	234	-	-	-	-	-	234
Total Wholesale portfolios	4	52	536	-	17	-	19,465	430	20,500
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	5	-	26	3,555	-	798	93	-	4,472
Other retail	6	438	2	-	-	2,491	1	108	3,040
SME treated as retail	7	-	-	-	-	5,991	-	113	6,104
Total Retail portfolios	8	438	28	3,555	-	9,280	94	221	13,616
Total	9	490	564	3,555	17	9,280	19,559	651	34,116

					Q1 2018				
Risk Weights		0%	20%	35%	50%	75%	100%	150%	Total
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	10	-	76	-	16	-	18,270	250	18,612
Sovereign	11	-	-	-	156	-	4	-	160
Bank	12	-	-	-	-	-	367	-	367
Total Wholesale portfolios	13	-	76	-	172	-	18,641	250	19,139
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	14	-	29	3,534	-	816	86	-	4,465
Other retail	15	424	1	-	-	2,115	1	108	2,649
SME treated as retail	16	-	-	-	-	5,894	-	111	6,005
Total Retail portfolios	17	424	30	3,534	-	8,825	87	219	13,119
Total	18	424	106	3,534	172	8,825	18,728	469	32,258

					Q4 2017				
Risk Weights		0%	20%	35%	50%	75%	100%	150%	Total
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	19	-	71	-	18	-	19,010	310	19,409
Sovereign	20	-	-	-	143	-	5	-	148
Bank	21	-	-	-	-	-	314	-	314
Total Wholesale portfolios	22	-	71	-	161	-	19,329	310	19,871
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	23	-	33	1,117	-	927	94	-	2,171
Other retail	24	392	8	-	-	1,765	10	117	2,292
SME treated as retail	25	-	-	-	-	6,718	-	128	6,846
Total Retail portfolios	26	392	41	1,117	-	9,410	104	245	11,309
Total	27	392	112	1,117	161	9,410	19,433	555	31,180

					Q3 2017				
Risk Weights		0%	20%	35%	50%	75%	100%	150%	Total
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	28	-	1,125	-	18	-	18,163	291	19,597
Sovereign	29	-	-	-	113	-	5	-	118
Bank	30	-	-	-	-	-	308	-	308
Total Wholesale portfolios	31	-	1,125	-	131	-	18,476	291	20,023
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	32	-	34	1,167	-	995	102	-	2,298
Other retail	33	403	40	-	-	1,635	-	126	2,204
SME treated as retail	34	-	-	-	-	6,746	-	121	6,867
Total Retail portfolios	35	403	74	1,167	-	9,376	102	247	11,369
Total	36	403	1,199	1,167	131	9,376	18,578	538	31,392

					Q2 2017				
Risk Weights		0%	20%	35%	50%	75%	100%	150%	Total
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	37	-	55	-	20	-	20,535	367	20,977
Sovereign	38	-	-	-	103	-	6	-	109
Bank	39	-	-	-	-	-	339	-	339
Total Wholesale portfolios	40	-	55	-	123	-	20,880	367	21,425
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	41	-	40	1,366	-	1,190	118	-	2,714
Other retail	42	420	76	-	-	1,732	10	143	2,381
SME treated as retail	43	-	-	-	-	7,092	-	123	7,215
Total Retail portfolios	44	420	116	1,366	-	10,014	128	266	12,310
Total	45	420	171	1,366	123	10,014	21,008	633	33,735

(1) Exposure amounts are net of all allowance for credit losses. Exposures reflect the risk weights of the guarantors, where applicable.

(2) Credit assessments by external credit rating agencies, including S&P and Moody's, are used to determine standardized risk weights based on guidelines issued by OSFI.

CORPORATE, SOVEREIGN AND BANK CREDIT EXPOSURE BY RISK CATEGORY UNDER AIRB APPROACH *(1)*

BMO Financial Group

Corporate Sovereign Bank Exposures ($ millions)		Q2 2018					Q1 2018					Q4 2017					Q3 2017				
		Total			Total		Total			Total		Total			Total		Total			Total	
Risk Profile	LINE #	Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight
Total investment grade	1	246,173	60,458	306,631	23.12%	15.99%	243,007	58,051	301,058	22.66%	15.07%	240,776	58,778	299,554	22.82%	15.54%	242,510	55,768	298,278	23.12%	15.40%
Non-investment grade	2	80,658	20,953	101,611	34.21%	64.42%	75,941	20,444	96,385	33.98%	63.25%	74,745	20,586	95,331	34.60%	64.41%	70,841	19,603	90,444	34.35%	65.47%
Watchlist	3	3,043	471	3,514	31.44%	117.21%	2,925	429	3,354	31.90%	120.16%	3,204	525	3,729	31.77%	119.13%	3,171	542	3,713	31.01%	118.83%
Default	4	1,082	214	1,296	39.18%	282.67%	1,101	239	1,340	39.18%	272.60%	1,096	161	1,257	40.95%	283.76%	1,091	193	1,284	40.24%	279.47%
	5	330,956	82,096	413,052			322,974	79,163	402,137			319,821	80,050	399,871			317,613	76,106	393,719		

RETAIL CREDIT EXPOSURE BY PORTFOLIO AND RISK CATEGORY UNDER AIRB APPROACH *(1)*

($ millions)

		Q2 2018					Q1 2018					Q4 2017					Q3 2017				
		Total			Total		Total			Total		Total			Total		Total			Total	
Risk Profile		Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Total Exposure	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight
Residential Mortgages and HELOCs																					
Exceptionally low	6	17,635	12,651	30,286	25.03%	2.76%	17,125	12,312	29,437	24.88%	2.74%	16,628	10,357	26,985	23.88%	2.72%	14,825	9,986	24,811	24.37%	2.76%
Very low	7	39,001	659	39,660	17.72%	5.03%	37,604	641	38,245	17.51%	4.98%	37,261	533	37,794	16.93%	4.88%	36,557	558	37,115	16.65%	4.86%
Low	8	11,860	143	12,003	21.00%	16.97%	10,805	141	10,946	22.10%	17.78%	10,734	147	10,881	19.93%	15.81%	11,212	150	11,362	19.05%	14.99%
Medium	9	12,137	142	12,279	19.68%	39.79%	12,019	143	12,162	19.62%	39.46%	12,073	115	12,188	18.96%	37.89%	12,423	127	12,550	19.03%	37.55%
High	10	828	160	988	30.44%	159.05%	859	170	1,029	30.61%	163.44%	879	154	1,033	30.72%	164.00%	864	125	989	29.75%	157.45%
Default	11	575	2	577	38.91%	257.18%	575	2	577	38.15%	251.05%	588	1	589	35.70%	274.01%	594	1	595	36.42%	277.85%
	12	82,036	13,757	95,793			78,987	13,409	92,396			78,163	11,307	89,470			76,475	10,947	87,422		
Qualifying Revolving Retail																					
Exceptionally low	13	255	15,945	16,200	73.14%	1.67%	117	16,003	16,120	73.38%	1.67%	267	15,811	16,078	74.31%	1.69%	296	15,212	15,508	74.34%	1.69%
Very low	14	544	5,949	6,493	70.42%	4.68%	492	5,700	6,192	69.53%	4.61%	568	5,735	6,303	69.03%	4.57%	605	5,821	6,426	69.91%	4.72%
Low	15	3,294	4,220	7,514	68.64%	12.07%	3,190	4,159	7,349	59.95%	10.56%	3,296	4,174	7,470	69.36%	11.28%	3,063	4,356	7,419	70.84%	11.72%
Medium	16	2,795	1,706	4,501	76.97%	52.96%	2,332	1,602	3,934	74.28%	51.25%	2,456	1,646	4,102	81.13%	53.96%	2,772	1,670	4,442	82.03%	53.54%
High	17	654	196	850	69.11%	148.35%	600	187	787	67.98%	145.17%	617	180	797	77.11%	157.85%	596	175	771	76.46%	158.27%
Default	18	73	9	82	51.34%	299.09%	72	11	83	50.68%	320.89%	67	9	76	61.72%	771.54%	65	9	74	61.55%	769.44%
	19	7,615	28,025	35,640			6,803	27,662	34,465			7,271	27,555	34,826			7,397	27,243	34,640		
Other Retail and Retail SME																					
Exceptionally low	20	1,502	1,538	3,040	42.19%	4.74%	1,461	1,497	2,958	42.33%	4.75%	1,440	1,359	2,799	41.63%	4.77%	1,260	1,291	2,551	42.72%	4.88%
Very low	21	11,381	1,790	13,171	31.53%	8.95%	10,010	1,713	11,723	31.41%	8.89%	9,608	1,403	11,011	31.41%	8.96%	9,257	1,372	10,629	31.58%	9.04%
Low	22	9,798	1,308	11,106	60.90%	33.63%	9,003	1,166	10,169	62.44%	34.27%	9,825	1,219	11,044	64.19%	36.10%	9,661	1,146	10,807	63.86%	36.26%
Medium	23	8,659	267	8,926	48.48%	58.81%	8,296	270	8,566	45.20%	54.31%	7,485	270	7,755	48.74%	58.52%	7,386	273	7,659	49.13%	59.16%
High	24	912	140	1,052	66.75%	131.77%	836	113	949	68.40%	135.37%	795	109	904	78.00%	154.42%	772	99	871	78.07%	154.81%
Default	25	233	1	234	47.34%	295.71%	208	1	209	48.00%	341.81%	187	1	188	49.07%	555.19%	165	1	166	48.35%	538.10%
	26	32,485	5,044	37,529			29,814	4,760	34,574			29,340	4,361	33,701			28,501	4,182	32,683		

Recap of AIRB and Standardized Portfolios																					
Total AIRB wholesale credit exposure by risk ratings	27	330,956	82,096				322,974	79,163				319,821	80,050				317,613	76,106			
Retail AIRB credit exposure by portfolio and risk ratings																					
Residential mortgages	28	82,036	13,757				78,987	13,409				78,163	11,307				76,475	10,947			
Qualifying revolving retail	29	7,615	28,025				6,803	27,662				7,271	27,555				7,397	27,243			
Other retail and Retail SME	30	32,485	5,044				29,814	4,760				29,340	4,361				28,501	4,182			
Total Standardized portfolio	31	30,720	2,888				28,885	2,877				27,368	3,087				27,694	3,003			
Total Portfolio	32	483,812	131,810				467,463	127,871				461,963	126,360				457,680	121,481			

(1) Figures are adjusted exposure at default amounts (Post Credit Risk Mitigation) and Risk Weights are prior to the application of the Basel Capital Floor.

WHOLESALE CREDIT EXPOSURE BY PORTFOLIO AND RISK CATEGORY UNDER AIRB APPROACH *(1) (2)*

BMO Financial Group

Risk Profile ($ millions except as noted)	LINE #	BMO Rating	PD Range	Moody's Investors Service implied equivalent	Standard & Poor's implied equivalent	Q2 2018 Exposure at Default	Q2 2018 Average PD (%)	Q2 2018 Exposure Weighted Average LGD%	Q2 2018 RWA *(3)*	Q2 2018 Exposure Weighted Average Risk weight	Q1 2018 Exposure at Default	Q1 2018 Average PD (%)	Q1 2018 Exposure Weighted Average LGD%	Q1 2018 RWA *(3)*	Q1 2018 Exposure Weighted Average Risk weight
Investment Grade															
	1	I-1	≤0.02%	Aaa	AAA	63,033	0.01%	0.27%	33	0.05%	65,253	0.01%	0.26%	32	0.05%
	2	I-2	>0.02% to ≤0.03%	Aaa/ Aa1	AAA/AA+	14,671	0.03%	20.19%	1,205	8.21%	14,085	0.03%	19.12%	1,040	7.38%
	3	I-3	>0.03% to ≤0.07%	Aa2/Aa3	AA/AA-	31,770	0.05%	19.01%	3,507	11.04%	29,436	0.05%	21.03%	3,518	11.95%
	4	I-4	>0.07% to ≤0.11%	A1/A2/A3	A+/A/A-	30,643	0.07%	29.18%	4,364	14.24%	29,558	0.07%	29.72%	4,324	14.63%
	5	I-5	>0.11% to ≤0.19%	Baa1	BBB+	28,617	0.12%	33.51%	6,614	23.11%	28,431	0.12%	32.24%	6,190	21.77%
	6	I-6	>0.19% to ≤0.32%	Baa2	BBB	40,618	0.20%	35.27%	13,902	34.23%	38,111	0.20%	35.49%	12,872	33.78%
	7	I-7	>0.32% to ≤0.54%	Baa3	BBB-	46,000	0.32%	35.24%	19,038	41.39%	42,718	0.32%	34.57%	17,022	39.85%
	8					255,352			48,663		247,592			44,998	
Non-investment grade															
	9	S-1	>0.54% to ≤0.91%	Ba1	BB+	47,641	0.66%	32.86%	25,533	53.59%	46,857	0.65%	32.62%	24,579	52.46%
	10	S-2	>0.91% to ≤1.54%	Ba2	BB	33,795	1.02%	35.12%	23,296	68.93%	29,890	1.02%	35.45%	20,613	68.96%
	11	S-3	>1.54% to ≤2.74%	Ba3	BB-	13,993	1.83%	37.17%	11,649	83.25%	13,479	1.83%	35.75%	10,710	79.46%
	12	S-4	>2.74% to ≤5.16%	B1	B+	6,182	2.74%	32.89%	4,978	80.51%	6,159	2.74%	33.27%	5,058	82.12%
	13					101,611			65,456		96,385			60,960	
Watchlist															
	14	P-1	>5.16% to ≤9.70%	B2	B	1,878	6.05%	31.52%	1,915	101.98%	1,715	6.18%	31.27%	1,712	99.90%
	15	P-2	>9.70% to ≤18.23%	B3	B-	1,364	13.92%	31.68%	1,807	132.51%	1,326	13.93%	33.00%	1,844	139.03%
	16	P-3	>18.23% to <100%	Caa1/Caa2/Caa3	CCC/CC	272	20.07%	29.69%	396	145.62%	313	20.05%	30.68%	473	151.09%
	17					3,514			4,118		3,354			4,029	
Default															
	18	T-1, D-1 to D-2	100%			1,296	100.00%	39.18%	3,661	282.67%	1,340	100.00%	39.18%	3,653	272.60%
	19					1,296			3,661		1,340			3,653	
Total	20					361,773			121,898		348,671			113,640	

(1) Figures are adjusted exposure at default amounts.
(2) External rating groups reflect the most predominant alignment of groups to PD Band.
(3) Prior to the application of the Basel Capital Floor.

CREDIT QUALITY OF AIRB EXPOSURE - RETAIL PORTFOLIOS *(1)*

Risk Profile ($ millions except as noted)	LINE #	PD Range	Q2 2018 EAD	Q2 2018 Notional of undrawn commitments	Q2 2018 Exposure weighted-average EAD %	Q2 2018 Exposure weighted-average PD (%)	Q2 2018 Exposure weighted-average LGD%	Q2 2018 Exposure weighted-average risk weight %	Q2 2018 RWA *(7)*	Q2 2018 Expected Losses (EL)	Q2 2018 EL adjusted Average Risk weight % *(2)*	Q1 2018 EAD	Q1 2018 Notional of undrawn commitments	Q1 2018 Exposure weighted-average EAD %	Q1 2018 Exposure weighted-average PD (%)	Q1 2018 Exposure weighted-average LGD%	Q1 2018 Exposure weighted-average risk weight %	Q1 2018 RWA *(7)*	Q1 2018 Expected Losses (EL)	Q1 2018 EL adjusted Average Risk weight % *(2)*
Canadian Residential Mortgages and HELOCs																				
Insured Drawn and Undrawn *(3)*																				
Exceptionally low	21	=<0.05%	46,716	-	100.00%	0.00%	26.49%	0.00%	-	-	0.00%	48,009	-	100.00%	0.00%	26.25%	0.00%	-	-	0.00%
Very low	22	>0.05% to =<0.20%	2,509	-	100.00%	0.08%	38.13%	14.24%	357	-	14.26%	2,563	-	100.00%	0.08%	38.12%	14.29%	367	-	14.30%
Low	23	>0.20% to =<0.75%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%
Medium	24	>0.75% to =<7.0%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%
High	25	>7.0% to =<99.9%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%
Default	26	100%	3	-	100.00%	100.00%	29.45%	368.15%	13	-	368.15%	3	-	100.00%	100.00%	29.64%	370.52%	12	-	370.52%
	27		49,228	-	100.00%	0.01%	24.99%	0.75%	370	-	0.75%	50,575	-	100.00%	0.01%	24.75%	0.75%	379	-	0.75%
Uninsured Undrawn *(4)*																				
Exceptionally low	28	=<0.05%	9,430	24,135	39.08%	0.04%	16.33%	1.92%	181	1	2.00%	9,259	23,723	39.03%	0.04%	16.32%	1.92%	178	1	2.00%
Very low	29	>0.05% to =<0.20%	589	1,691	34.82%	0.15%	18.97%	5.87%	35	-	6.21%	586	1,693	34.61%	0.15%	18.90%	5.88%	34	-	6.22%
Low	30	>0.20% to =<0.75%	19	25	73.85%	0.61%	21.94%	19.72%	4	-	21.40%	18	25	72.76%	0.61%	21.56%	19.38%	4	-	21.03%
Medium	31	>0.75% to =<7.0%	116	563	20.54%	1.20%	16.46%	22.27%	26	-	24.73%	121	594	20.45%	1.27%	16.47%	23.05%	28	-	25.66%
High	32	>7.0% to =<99.9%	9	36	24.58%	18.45%	17.57%	83.93%	7	-	122.09%	8	40	21.26%	21.23%	16.21%	81.66%	7	-	124.44%
Default	33	100%	2	12	14.62%	100.00%	18.70%	211.73%	4	-	211.73%	2	13	15.71%	100.00%	18.91%	195.52%	4	-	195.52%
	34		10,165	26,462	38.41%	0.09%	16.50%	2.52%	257	1	2.68%	9,994	26,088	38.31%	0.10%	16.48%	2.55%	255	1	2.72%
Uninsured Drawn *(5)*																				
Exceptionally low	35	=<0.05%	16,146			0.04%	17.19%	2.19%	353	1	2.29%	16,325			0.04%	16.52%	2.09%	341	1	2.18%
Very low	36	>0.05% to =<0.20%	34,715			0.11%	16.12%	4.24%	1,471	6	4.47%	33,592			0.11%	15.95%	4.21%	1,413	6	4.44%
Low	37	>0.20% to =<0.75%	10,541			0.61%	15.05%	13.31%	1,403	9	14.44%	9,635			0.60%	15.85%	14.01%	1,349	9	15.19%
Medium	38	>0.75% to =<7.0%	10,302			3.49%	15.06%	34.37%	3,541	50	40.44%	10,199			3.44%	15.03%	34.02%	3,470	49	39.99%
High	39	>7.0% to =<99.9%	406			33.37%	16.64%	80.82%	328	19	140.16%	357			37.45%	14.37%	73.47%	262	18	136.62%
Default	40	100%	163			100.00%	14.34%	153.55%	250	11	240.63%	163			100.00%	14.94%	146.68%	240	12	240.81%
	41		72,273			1.06%	16.05%	10.17%	7,346	96	11.86%	70,271			1.07%	15.93%	10.07%	7,075	95	11.77%
Qualifying Revolving Credit																				
Exceptionally low	42	=<0.05%	16,200	30,259	53.09%	0.03%	73.14%	1.67%	270	4	1.96%	16,120	30,080	53.38%	0.03%	73.38%	1.67%	269	4	1.96%
Very low	43	>0.05% to =<0.20%	6,493	8,720	70.08%	0.11%	70.42%	4.68%	304	5	5.68%	6,191	8,362	69.93%	0.11%	69.53%	4.61%	286	5	5.60%
Low	44	>0.20% to =<0.75%	7,514	10,494	54.50%	0.37%	68.64%	12.07%	907	19	15.27%	7,349	10,376	54.18%	0.36%	59.95%	10.56%	776	16	13.36%
Medium	45	>0.75% to =<7.0%	4,501	2,294	88.45%	2.31%	76.97%	52.96%	2,384	81	75.36%	3,934	2,172	87.34%	2.31%	74.28%	51.25%	2,016	68	72.94%
High	46	>7.0% to =<99.9%	850	289	90.15%	19.68%	69.11%	148.35%	1,261	110	310.72%	787	279	89.63%	19.60%	67.98%	145.17%	1,143	98	300.13%
Default	47	100%	82	22	85.81%	100.00%	51.34%	299.09%	244	33	800.23%	84	27	83.93%	100.00%	50.68%	320.89%	266	30	774.03%
	48		35,640	52,078	59.71%	1.10%	72.04%	15.07%	5,370	252	23.91%	34,465	51,296	59.32%	1.07%	69.75%	13.80%	4,756	221	21.82%
Other Retail *(6)*																				
Exceptionally low	49	=<0.05%	9,875	8,699	71.48%	0.03%	49.63%	4.51%	445	1	4.69%	9,687	8,351	71.82%	0.03%	49.07%	4.44%	430	1	4.61%
Very low	50	>0.05% to =<0.20%	17,541	2,520	96.38%	0.13%	31.24%	9.53%	1,672	7	10.06%	15,805	2,411	96.10%	0.13%	31.10%	9.50%	1,501	7	10.03%
Low	51	>0.20% to =<0.75%	12,463	2,675	90.94%	0.41%	61.73%	35.02%	4,365	27	37.73%	11,468	2,499	90.45%	0.41%	63.11%	35.55%	4,077	25	38.29%
Medium	52	>0.75% to =<7.0%	10,787	512	98.01%	1.98%	47.95%	60.89%	6,568	103	72.81%	10,406	512	97.92%	1.96%	45.20%	57.21%	5,954	92	68.30%
High	53	>7.0% to =<99.9%	1,626	526	87.39%	21.52%	57.45%	161.33%	2,623	197	312.54%	1,612	504	87.55%	21.90%	56.53%	167.27%	2,696	193	316.83%
Default	54	100%	643	3	99.76%	100.00%	48.31%	296.98%	1,910	251	784.30%	618	3	99.75%	100.00%	47.73%	308.91%	1,908	222	757.41%
	55		52,935	14,935	89.37%	2.43%	46.27%	33.21%	17,583	586	47.06%	49,596	14,280	89.04%	2.51%	46.00%	33.40%	16,566	540	47.01%
Total	56		220,241	93,475	82.52%	1.12%	34.39%	14.04%	30,926	935	19.36%	214,901	91,664	82.31%	1.11%	34.20%	13.71%	29,031	857	18.74%

(1) Represents retail exposures under the AIRB approach. Amounts are before allowance for credit losses.
(2) EL adjusted average risk weight is calculated as (RWA + 12.5 x EL) / EAD.
(3) Includes insured drawn and undrawn Canadian residential mortgages and home equity lines of credit (e.g. CMHC insured mortgages).
(4) Includes only uninsured undrawn Canadian residential mortgages and home equity lines of credit.
(5) Includes only uninsured drawn Canadian residential mortgages and home equity lines of credit.
(6) Includes all other retail exposures, such as drawn and undrawn retail exposures.
(7) Prior to the application of the Basel Capital Floor.

WHOLESALE CREDIT EXPOSURE BY RISK RATING UNDER AIRB APPROACH *(1)*

BMO Financial Group

(Canadian $ in millions)

	LINE	Q2 2018							Q1 2018						
		Drawn			Undrawn			Total	Drawn			Undrawn			Total
	#	Bank	Corporate	Sovereign	Bank	Corporate	Sovereign	Exposures	Bank	Corporate	Sovereign	Bank	Corporate	Sovereign	Exposures
Total investment grade	1	15,511	86,866	143,796	3,751	52,962	3,745	306,631	19,183	90,648	133,176	3,614	51,055	3,382	301,058
Non-investment grade	2	4,282	73,833	2,544	320	20,563	69	101,611	4,981	68,571	2,389	391	20,008	45	96,385
Watchlist	3	11	3,023	9	-	469	2	3,514	11	2,910	4	5	423	1	3,354
Default	4	-	1,077	4	-	215	-	1,296	-	1,097	4	-	239	-	1,340
	5	19,804	164,799	146,353	4,071	74,209	3,816	413,052	24,175	163,226	135,573	4,010	71,725	3,428	402,137

(1) Figures are adjusted exposures at default amounts (Post Credit Risk Mitigation)

RETAIL CREDIT EXPOSURE BY PORTFOLIO AND RISK RATING UNDER AIRB APPROACH *(2)*

(Canadian $ in millions)

		Q2 2018				Q1 2018			
		Residential mortgages and home equity lines of credit	Qualifying revolving retail	Other retail and retail small and medium-sized enterprises	Total exposures	Residential mortgages and home equity lines of credit	Qualifying revolving retail	Other retail and retail small and medium-sized enterprises	Total exposures
Risk profile (probability of default):									
Exceptionally Low (≤ 0.05%)	6	30,286	16,200	3,040	49,526	29,437	16,120	2,958	48,515
Very low (> 0.05% to 0.20%)	7	39,660	6,493	13,171	59,324	38,245	6,192	11,723	56,160
Low (> 0.20% to 0.75%)	8	12,003	7,514	11,106	30,623	10,946	7,349	10,169	28,464
Medium (> 0.75% to 7.00%)	9	12,279	4,501	8,926	25,706	12,162	3,934	8,566	24,662
High (> 7.00% to 99.99%)	10	988	850	1,052	2,890	1,029	787	949	2,765
Default (100%)	11	577	82	234	893	577	83	209	869
	12	95,793	35,640	37,529	168,962	92,396	34,465	34,574	161,435

(2) Figures are adjusted exposures at default amounts (Post Credit Risk Mitigation)

AIRB CREDIT RISK EXPOSURE: LOSS EXPERIENCE

BMO Financial Group

Basel III Asset Classes	LINE #	Q2 2018 Actual loss rate (1) (2)	Q2 2018 Expected loss rate (1) (2)	Q1 2018 Actual loss rate (1) (2)	Q1 2018 Expected loss rate (1) (2)	Q4 2017 Actual loss rate (1) (2)	Q4 2017 Expected loss rate (1) (2)	Q3 2017 Actual loss rate (1) (2)	Q3 2017 Expected loss rate (1) (2)
Non-retail									
Total Corporate (incl specialized lending and corporate SMEs)	1	0.09%	0.53%	0.12%	0.58%	0.12%	0.60%	0.11%	0.62%
Sovereign	2	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%
Bank	3	0.00%	0.05%	0.00%	0.07%	0.00%	0.07%	0.00%	0.06%
Retail									
Residential retail incl. HELOCs	4	0.07%	0.25%	0.04%	0.26%	0.05%	0.26%	0.03%	0.24%
Other retail incl. SBE	5	0.35%	0.81%	0.33%	0.94%	0.34%	0.87%	0.36%	1.22%
Qualifying revolving retail	6	2.28%	2.79%	2.31%	2.95%	2.27%	3.09%	2.28%	3.04%

General

Expected loss (EL) rates which represent the loss rate predicted at the beginning of the most recent four quarter period are calculated using "through the cycle" risk parameters while actual loss rates are determined at a "point in time" and reflect more current economic conditions. "Through the cycle" parameters are conservatively estimated to include a long time horizon and as a result, actual losses may exceed expected losses during an economic downturn and may fall below expected losses during times of economic growth.

1. Non-retail actual and expected loss rates are measured as follows:

Actual loss rate represents the 'point in time' credit losses (change in allowance for credit losses on impaired loans plus write-offs) less recoveries for the current and last three quarters divided by the quarterly average of outstandings for the same period beginning 15 months ago.

Expected loss rate is calculated using Basel III 'through the business cycle' parameters (PDxLGDxEAD) plus Best Estimate of Expected Loss for defaulted assets (BEEL), divided by outstanding balances at the beginning of the applicable four-quarter period.

2. Retail actual and expected loss rates are measured as follows:

Actual loss rate represents write-offs net of recoveries for the current and prior three quarters divided by the quarterly average of outstanding balances for the same period beginning 15 months ago.

Expected loss rate is calculated using Basel III parameters PDxLGDxEAD plus Best Estimate of Expected Losses for defaulted assets (BEEL) divided by outstanding balances at the beginning of the applicable four-quarter period.

For residential mortgages, actual loss rate also includes changes in allowance for credit losses on impaired loans for the applicable four-quarter period.

Commentary

Non-Retail

Corporate Portfolios – Overall EL rates are stable, reflective of a relatively benign economic environment.

Bank and Sovereign – Actual losses continued to be $nil. EL remained stable.

Retail

Overall, the Actual Loss rates for all retail asset classes are below Expected Loss rates. Actual loss rates remain relatively stable for all asset classes.

Expected loss rate for Residential Mortgage remains stable. Decreases in Expected Loss rates for QRRE and Other Retail are due to the removal of collectively assessed allowances for impaired loans, as per OSFI instruction, in Q2'17.

ESTIMATED AND ACTUAL LOSS PARAMETERS UNDER AIRB APPROACH

BMO Financial Group

Risk Profile ($ millions except as noted)	LINE #	Q2 2018 PD (1) (2) Average estimated %	Q2 2018 PD (1) (2) Actual %	Q2 2018 LGD (3) (4) Average estimated %	Q2 2018 LGD (3) (4) Actual %	Q2 2018 EAD (5) (6) Estimated $	Q2 2018 EAD (5) (6) Actual $	Q1 2018 PD (1) (2) Average estimated %	Q1 2018 PD (1) (2) Actual %	Q1 2018 LGD (3) (4) Average estimated %	Q1 2018 LGD (3) (4) Actual %	Q1 2018 EAD (5) (6) Estimated $	Q1 2018 EAD (5) (6) Actual $
Wholesale													
Corporate including specialized lending	1	0.84%	0.42%	34.67%	18.91%	285	219	0.93%	0.54%	34.72%	20.61%	352	261
Corporate small and medium enterprises (SMEs)	2	1.29%	0.58%	39.04%	28.75%	45	45	1.28%	0.57%	38.79%	29.49%	64	62
Sovereign	3	0.10%	0.00%	13.16%	0.00%	-	-	0.11%	0.00%	12.60%	0.00%	-	-
Bank	4	0.33%	0.00%	17.87%	0.00%	-	-	0.34%	0.00%	16.89%	0.00%	-	-
Retail													
Residential mortgages excluding home equity line of credits (HELOCs) - Uninsured only *(7) (8)*	5	1.00%	0.69%	25.88%	13.98%	242	242	1.05%	0.71%	27.68%	15.76%	235	235
HELOCs *(8)*	6	0.55%	0.52%	36.10%	19.69%	195	191	0.58%	0.55%	36.38%	20.81%	215	209
Qualifying revolving retail (QRR)	7	1.29%	1.22%	84.37%	77.89%	495	480	1.25%	1.22%	84.45%	77.81%	492	477
Other retail (excl. SMEs)	8	4.85%	4.57%	83.86%	78.62%	292	292	5.37%	4.94%	85.14%	80.22%	290	290
Retail SMEs	9	1.27%	0.85%	95.57%	79.15%	31	28	1.27%	0.91%	95.65%	78.93%	33	30

(1) Wholesale PDs are based on a borrower weighted average. There have been no Bank or Sovereign defaults in the past 12 months.
(2) Retail PD is based on account weighted average.
(3) Wholesale LGDs are expressed as an exposure weighted average. The LGD figures include back-dated resolved facilities.
(4) Retail LGD is based on weighted average of LGD eligible accounts.
(5) Wholesale EAD represented predicted vs. realized comparison for defaults in the previous 12 months. Term products are not included. No defaults in the Bank and Sovereign asset classes within the past 12 months.
(6) Retail EAD represents predicted vs. realized comparison for defaults in the previous 12 months.
(7) Mortgages insured by Canada Mortgage And Housing Corporation and private mortgage insurers are primarily included in Sovereign.
(8) Investor-owned mortgages are included in the Other Retail asset class.

AIRB REGULATORY CAPITAL CHARGES FOR SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS

BMO Financial Group

($ millions)		Q2 2018		Q1 2018		Q4 2017		Q3 2017		Q2 2017	
Traditional Securitizations	**LINE**	**Exposure**	**Capital**	**Exposure**	**Capital**	**Exposure**	**Capital**	**Exposure**	**Capital**	**Exposure**	**Capital**
Risk Weights	**#**	**Amount *(1)***	**Required**	**Amount *(1)***	**Required**	**Amount *(1)***	**Required**	**Amount *(1)***	**Required**	**Amount *(1)***	**Required**
Bank Assets											
7%	1	6,718	37	11,242	62	12,332	68	11,594	65	6,438	36
7.01% - 25%	2	196	2	208	3	216	3	143	2	2,007	14
25.01% - 50%	3	-	-	97	3	102	3	65	1	26	1
Greater than 50%	4	333	18	331	28	349	31	292	23	41	7
Less amount excluded from capital requirements for exceeding maximum KIRB capital *(2)*	5	-	1	-	1	-	1	-	-	-	-
Total Exposures, net of deductions	6	7,247	56	11,878	95	12,999	104	12,094	91	8,512	58
Exposures Deducted:											
From Tier 1 Capital:											
Credit Card Receivables *(3)*	7	-	-	-	-	-	-	-	-	-	-
Residential Mortgages	8	-	-	-	-	-	-	-	-	-	-
From Total Capital:											
Residential Mortgages	9	-	-	-	-	-	-	-	-	-	-
Total Exposures Deducted	10	-	-	-	-	-	-	-	-	-	-
Bank Assets Total Exposures	11	7,247	56	11,878	95	12,999	104	12,094	91	8,512	58
Third Party Assets											
7%	12	12,238	68	11,535	52	10,571	47	10,646	50	11,598	59
7.01% - 25%	13	4,548	36	5,009	41	5,631	45	5,031	41	5,819	48
25.01% - 50%	14	-	-	-	-	-	-	-	-	-	-
50.01% - 100%	15	-	-	-	-	-	-	-	-	114	9
Greater than 100%	16	-	-	1	-	-	-	-	-	-	-
Default	17	-	-	5	5	-	-	-	-	-	-
Total Exposures, net of deductions	18	16,786	104	16,550	98	16,202	92	15,677	91	17,531	116
Exposures Deducted:											
From Total Capital:											
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	19	-	-	-	-	-	-	-	-	-	-
Montreal Accord Assets	20	-	-	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	21	-	-	-	-	-	-	-	-	-	-
Other Pool Type	22	-	-	-	-	-	-	-	-	-	-
Trading Securities Reclassified to Fair Value through OCI Securities *(4)*	23	-	-	-	-	-	-	-	-	-	-
Total Exposures Deducted	24	-	-	-	-	-	-	-	-	-	-
Third Party Assets Total Exposures	25	16,786	104	16,550	98	16,202	92	15,677	91	17,531	116
Total Exposures	26	24,033	160	28,428	193	29,201	196	27,771	182	26,043	174

(1) Exposure amounts are on balance sheet values and the credit equivalent amount for off-balance sheet exposures.

(2) KIRB - IRB capital, inclusive of EL, of underlying assets as though they had not been securitized.

(3) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the investors' interest in Master Credit Card Trust II because the excess spread of the underlying portfolio has remained above the threshold at which capital charges would be incurred.

(4) Q4 2017 and prior periods represent available-for-sale securities.

AIRB REGULATORY CAPITAL CHARGES FOR RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS

BMO Financial Group

($ millions)		Q2 2018		Q1 2018		Q4 2017		Q3 2017	
Traditional Securitizations	**LINE**								
Risk Weights	**#**	**Exposure Amount *(1)***	**Capital Required**	**Exposure Amount *(1)***	**Capital Required**	**Exposure Amount *(1)***	**Capital Required**	**Exposure Amount *(1)***	**Capital Required**
Bank Assets									
7%	1	-	-	-	-	-	-	-	-
7.01% - 25%	2	-	-	-	-	-	-	-	-
25.01% - 50%	3	-	-	-	-	-	-	-	-
Greater than 50%	4	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital *(2)*	5	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	6	-	-	-	-	-	-	-	-
Exposures Deducted:									
From Tier 1 Capital:									
Credit Card Receivables *(3)*	7	-	-	-	-	-	-	-	-
Residential Mortgages	8	-	-	-	-	-	-	-	-
From Total Capital:									
Residential Mortgages	9	-	-	-	-	-	-	-	-
Total Exposures Deducted	10	-	-	-	-	-	-	-	-
Bank Assets Total Exposures	11	-	-	-	-	-	-	-	-
Third Party Assets									
7%	12	-	-	-	-	-	-	-	-
7.01% - 25%	13	-	-	-	-	-	-	-	-
25.01% - 50%	14	-	-	-	-	-	-	-	-
50.01% - 100%	15	-	-	-	-	-	-	-	-
Greater than 100%	16	-	-	-	-	-	-	-	-
Default	17	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	18	-	-	-	-	-	-	-	-
Exposures Deducted:									
From Total Capital:									
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	19	-	-	-	-	-	-	-	-
Commercial Mortgages	20	-	-	-	-	-	-	-	-
Montreal Accord Assets	21	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	22	-	-	-	-	-	-	-	-
Other Pool Type	23	-	-	-	-	-	-	-	-
Equipment Loans/Leases	24	-	-	-	-	-	-	-	-
Total Exposures Deducted	25	-	-	-	-	-	-	-	-
Third Party Assets Total Exposures	26	-	-	-	-	-	-	-	-
Total Exposures	27	-	-	-	-	-	-	-	-

(1) Exposure amounts are on balance sheet values and the credit equivalent amount for off-balance sheet exposures. Unrated positions and positions with ratings below investment-grade are deducted from capital.

(2) KIRB - IRB capital, inclusive of EL, of underlying assets as though they had not been securitized.

(3) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the investors' interest in Master Credit Card Trust II because the excess spread of the underlying portfolio has remained above the threshold at which capital charges would be incurred.

AIRB REGULATORY CAPITAL CHARGES FOR TRADING SECURITIZATION EXCLUDING RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS

BMO Financial Group

($ millions) Trading Securitizations Excluding Resecuritization Exposures Risk Weights	LINE #	Q2 2018 RBA/Inferred Rating/IAA Exposure Exposure Amount	Q2 2018 Capital Required	Q1 2018 RBA/Inferred Rating/IAA Exposure Exposure Amount	Q1 2018 Capital Required	Q4 2017 RBA/Inferred Rating/IAA Exposure Exposure Amount	Q4 2017 Capital Required	Q3 2017 RBA/Inferred Rating/IAA Exposure Exposure Amount	Q3 2017 Capital Required
Exposures Included In Risk-Weighted Assets									
7%	1	161	1	312	2	307	2	258	1
7.01% - 25%	2	152	2	93	1	37	-	73	1
25.01% - 50%	3	-	-	-	-	-	-	-	-
50.01% - 100%	4	6	-	9	-	6	-	-	-
Greater than 100%	5	-	-	-	-	8	2	8	2
Default	6	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital	7	-	-	-	-	-	-	-	-
Total Exposures excluding Resecuritization, net of deductions *(1)*	8	319	3	414	3	358	4	339	4
Exposures Deducted From Tier 1 Capital:									
Auto loans/leases	9	-	-	-	-	-	-	-	-
Credit card receivables	10	-	-	-	-	-	-	-	-
Residential mortgages (insured)	11	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	12	-	-	-	-	-	-	-	-
Commercial mortgages	13	-	-	-	-	-	-	-	-
Personal line of credit	14	-	-	-	-	-	-	-	-
Equipment loans/leases	15	-	-	-	-	-	-	-	-
Trade receivables	16	-	-	-	-	-	-	-	-
Corporate loans	17	-	-	-	-	-	-	-	-
Daily auto rental	18	-	-	-	-	-	-	-	-
Floorplan finance receivables	19	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	20	-	-	-	-	-	-	-	-
Other pool type	21	-	-	-	-	-	-	-	-
Total Trading Exposures excluding Resecuritization Deducted from Tier 1 Capital	22	-	-	-	-	-	-	-	-
Exposures Deducted from Total Capital:									
Auto loans/leases	23	-	-	-	-	-	-	-	-
Credit card receivables	24	-	-	-	-	-	-	-	-
Residential mortgages (insured)	25	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	26	-	-	-	-	-	-	-	-
Commercial mortgages	27	-	-	-	-	-	-	-	-
Personal line of credit	28	-	-	-	-	-	-	-	-
Equipment loans/leases	29	-	-	-	-	-	-	-	-
Trade receivables	30	-	-	-	-	-	-	-	-
Corporate loans	31	-	-	-	-	-	-	-	-
Daily auto rental	32	-	-	-	-	-	-	-	-
Floorplan finance receivables	33	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	34	-	-	-	-	-	-	-	-
Other pool type	35	-	-	-	-	-	-	-	-
Total Trading Exposures excluding Resecuritization Deducted from Total Capital	36	-	-	-	-	-	-	-	-
Total Trading Exposures Excluding Resecuritization	37	319	3	414	3	358	4	339	4

AGGREGATE AMOUNT OF TRADING SECURITIZATION EXCLUDING RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE

($ millions except as noted)		Q2 2018 Exposure	Q1 2018 Exposure	Q4 2017 Exposure	Q3 2017 Exposure
Asset Classes					
Auto loans/leases	38	178	121	71	107
Credit card receivables	39	43	166	194	147
Residential mortgages (insured)	40	2	30	15	5
Residential mortgages (uninsured)	41	19	-	-	-
Commercial mortgages	42	-	2	-	-
Personal line of credit	43	1	5	49	65
Equipment loans/leases	44	11	9	6	12
Trade receivables	45	-	-	-	-
Corporate loans	46	-	-	-	-
Daily auto rental	47	7	-	-	3
Floorplan finance receivables	48	15	28	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	49	-	-	-	-
Other pool type	50	43	53	23	-
Total Trading Securitization Excluding Resecuritization *(1)*	51	319	414	358	339

(1) The Resecuritization exposures are nil for all the periods.

BASEL GLOSSARY

Adjusted EAD: Represents EAD that has been redistributed to a more favourable PD band or a different Basel Asset Class as a result of collateral (Credit Risk Mitigation - CRM). All AIRB disclosures aggregated into PD (probability of default) bands use Adjusted EAD values.

AIRB (Advanced Internal Ratings Based approach): The AIRB approach is the most advanced of the range of options for determining the capital requirements for credit risk. This option allows banks to use their own internal model to measure credit risk capital requirements, subject to regulatory approval. OSFI has indicated that it expects the largest Canadian Banks to adopt the AIRB approach.

Basel I Capital Floor: A capital floor based on the Basel I standardized approach is calculated by banks using advanced approaches for credit risk or operational risk, as prescribed by OSFI in CAR.

Capital Adequacy Requirements (CAR): OSFI's Capital Adequacy Requirements guideline dated December 2016.

Commitments (Undrawn): The EAD on the difference between the authorized and drawn amounts (e.g., the unused portion of a line of credit) before adjustments for credit risk mitigation.

Credit Equivalent Amount (CEA) on Undrawn: An estimate of the amount of credit risk exposure on off-balance items under the Standardized Approach for credit risk.

Drawn: The amount of funds invested or advanced to a customer. Does not include adjustments for credit risk mitigation.

Exposure at Default (EAD): EAD for on-balance sheet amounts represents outstandings, grossed up by provisions for credit losses on impaired loans and write-offs. EAD for Off balance sheet and Undrawn are estimates.

Exposure at Default OTC Derivatives: Represent the net gross positive replacement costs plus the potential credit exposure amount.

Exposure Weighted Average LGD represents the (Σ (Adjusted EAD of each exposure x its LGD)) divided by the total Adjusted EAD.

Exposure Weighted Average Risk Weight is the (Σ pre-scaled RWA for each exposure/Total Adjusted EAD).

Grandfathered Equity Securities in the Banking Book: Under Basel II, OSFI exempts equity investments held as of October 31, 2007 from the AIRB approach for a period of 10 years starting November 1, 2007 to October 31, 2017. During that time, these "grandfathered" holdings will be risk weighted at 100%.

HELOCs: Home Equity Lines of Credit comprise lines of credit secured by equity in a residential property.

OSFI: Office of the Superintendent of Financial Institutions.

Other Off Balance Sheet Items: All off-balance sheet arrangements other than derivatives and undrawn commitments such as Standby Letters of Credit and Documentary Credits.

QRR (Qualifying Revolving Retail): Includes exposures that are revolving, unsecured and uncommitted to individuals up to a maximum amount of $125,000 to a single individual.

Repo Style Transactions: Includes repurchase and reverse repurchase agreements and securities lending and borrowing.

Scaling Factor: The scaling factor is applied to the risk weighted assets amount for credit risk assessed under the AIRB approach. The objective of the scaling factor is to broadly maintain the aggregate level of Basel I minimum capital requirements, while also providing incentives to adopt the more advanced risk-sensitive approaches.

Standardized Approach: This approach is the least complicated of the range of options available to banks to measure credit risk capital requirements. This option allows banks to measure credit risk capital requirements by multiplying exposures by defined percentages based on the exposures product type and external credit rating (if applicable).