

BMO Financial Group

# Investor Presentation

For the Quarter Ended July 31, 2024

August 27, 2024

Q3 | 24



# Caution Regarding Forward-Looking Statements

Bank of Montreal's public communications often include written or oral forward-looking statements. Statements of this type are included in this document and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbor" provisions of, and are intended to be forward-looking statements under, the United States *Private Securities Litigation Reform Act* of 1995 and any applicable Canadian securities legislation. Forward-looking statements in this document may include, but are not limited to: statements with respect to our objectives and priorities for fiscal 2024 and beyond; our strategies or future actions; our targets and commitments (including with respect to net zero emissions); expectations for our financial condition, capital position, the regulatory environment in which we operate, the results of, or outlook for, our operations or the Canadian, U.S. and international economies; plans for the combined operations of BMO and Bank of the West; and include statements made by our management. Forward-looking statements are typically identified by words such as "will", "would", "should", "believe", "expect", "anticipate", "project", "intend", "estimate", "plan", "commit", "target", "may", "schedule", "forecast", "outlook", "seek" and "could" or negative or grammatical variations thereof.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that our assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections. We caution readers of this document not to place undue reliance on our forward-looking statements, as a number of factors – many of which are beyond our control and the effects of which can be difficult to predict – could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including, but not limited to: general economic and market conditions in the countries in which we operate, including labour challenges and changes in foreign exchange and interest rates; the anticipated benefits from acquisitions, including Bank of the West, are not realized; changes to our credit ratings; the emergence or continuation of widespread health emergencies or pandemics, and their impact on local, national or international economies, as well as their heightening of certain risks that may affect our future results; cyber and cloud security, including the threat of data breaches, hacking, identity theft and corporate espionage, as well as the possibility of denial of service resulting from efforts targeted at causing system failure and service disruption; technology resiliency; failure of third parties to comply with their obligations to us; political conditions, including changes relating to, or affecting, economic or trade matters; climate change and other environmental and social risks; the Canadian housing market and consumer leverage; inflationary pressures; global supply-chain disruptions; technological innovation and competition; changes in monetary, fiscal or economic policy; changes in laws, including tax legislation and interpretation, or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs and capital requirements; weak, volatile or illiquid capital or credit markets; the level of competition in the geographic and business areas in which we operate; exposure to, and the resolution of, significant litigation or regulatory matters, our ability to successfully appeal adverse outcomes of such matters and the timing, determination and recovery of amounts related to such matters; the accuracy and completeness of the information we obtain with respect to our customers and counterparties; our ability to execute our strategic plans, complete proposed acquisitions or dispositions and integrate acquisitions, including obtaining regulatory approvals; critical accounting estimates and judgments, and the effects of changes in accounting standards, rules and interpretations on these estimates; operational and infrastructure risks, including with respect to reliance on third parties; global capital markets activities; the possible effects on our business of war or terrorist activities; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; and our ability to anticipate and effectively manage risks arising from all of the foregoing factors.

We caution that the foregoing list is not exhaustive of all possible factors. Other factors and risks could adversely affect our results. For more information, please refer to the discussion in the Risks That May Affect Future Results section, and the sections related to credit and counterparty, market, insurance, liquidity and funding, operational non-financial, legal and regulatory, strategic, environmental and social, and reputation risk, in the Enterprise-Wide Risk Management section of BMO's 2023 Annual Report, and the Risk Management section in our Third Quarter 2024 Report to Shareholders, all of which outline certain key factors and risks that may affect our future results. Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. We do not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by the organization or on its behalf, except as required by law. The forward-looking information contained in this document is presented for the purpose of assisting shareholders and analysts in understanding our financial position as at and for the periods ended on the dates presented, as well as our strategic priorities and objectives, and may not be appropriate for other purposes.

Material economic assumptions underlying the forward-looking statements contained in this document include those set out in the Economic Developments and Outlook section of BMO's 2023 Annual Report, as updated in the Economic Developments and Outlook section and the Risk Management - Update on General Economic Conditions section in our Third Quarter 2024 Report to Shareholders, as well as in the Allowance for Credit Losses section of BMO's 2023 Annual Report, as updated in the Allowance for Credit Losses section in our Third Quarter 2024 Report to Shareholders. Assumptions about the performance of the Canadian and U.S. economies, as well as overall market conditions and their combined effect on our business, are material factors we consider when determining our strategic priorities, objectives and expectations for our business. In determining our expectations for economic growth, we primarily consider historical economic data, past relationships between economic and financial variables, changes in government policies, and the risks to the domestic and global economy.

# Darryl White

Chief Executive Officer

## Q3 | 24



# Sustained strength in operating performance

Momentum across our diversified businesses

## Q3 2024

### Net Income

Adjusted<sup>1</sup> \$2.0B

Reported \$1.9B

### EPS

Adjusted<sup>1</sup> \$2.64

Reported \$2.48

### PPPT<sup>2</sup> Y/Y Growth

Adjusted<sup>1</sup> 8%

Reported 35%

### Total Assets

\$1.4T

### Efficiency Ratio

Adjusted<sup>1</sup> 57.3%

Reported 59.1%

### ROE

Adjusted<sup>1</sup> 10.6%

Reported 10.0%

### ROTCE<sup>3</sup>

Adjusted<sup>1</sup> 14.2%

Reported 13.9%

### CET1<sup>4</sup>

13.0%

## Q3 2024 Highlights

- **Strong adjusted PPPT<sup>1,2</sup> of \$3.5B** (reported \$3.4B)
- **U.S. Segment** delivering consistent PPPT<sup>2</sup> performance
- **Good balance sheet growth including robust customer deposit growth** – as at customer deposits up \$74B or 12% Y/Y
- **Met commitment to positive operating leverage** in Q3 and year-to-date
- **Continued strong capital position** with CET1<sup>4</sup> Ratio at 13.0%

Return on Equity (ROE) and Return on Tangible Common Equity (ROTCE) ratios are presented on an annualized basis

1 Adjusted results and measures are non-GAAP. Refer to slide 38 for more information and slide 39 for adjustments to reported results

2 Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT

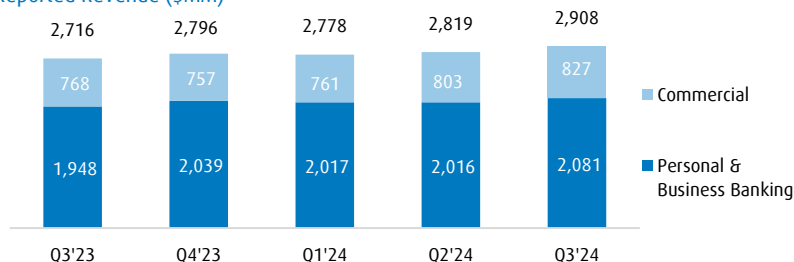
3 Reported and adjusted return on tangible common equity (ROTCE) are non-GAAP measures. Refer to slide 38 and Non-GAAP and Other Financial Measures section of BMO's Third Quarter 2024 MD&A for more information

4 The Common Equity Tier 1 (CET1) Ratio is disclosed in accordance with the Capital Adequacy Requirements (CAR) Guideline as set out by the Office of the Superintendent of Financial Institutions (OSFI)

# Highly diversified businesses delivering resilient performance

## Canadian Personal & Commercial Banking

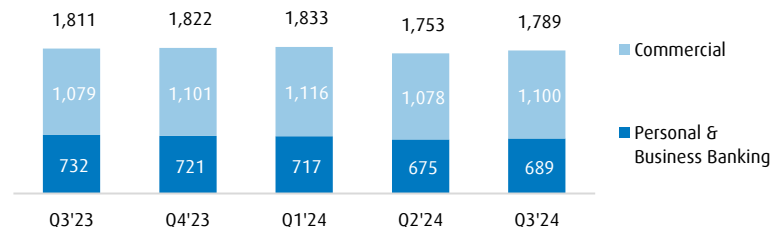
Reported Revenue (\$MM)



- Record revenue with continued strong deposit growth and industry-leading chequing and savings account acquisition growth
- New brand platform unveiled for AIR MILES, Canada's most recognized loyalty program

## U.S. Personal & Commercial Banking

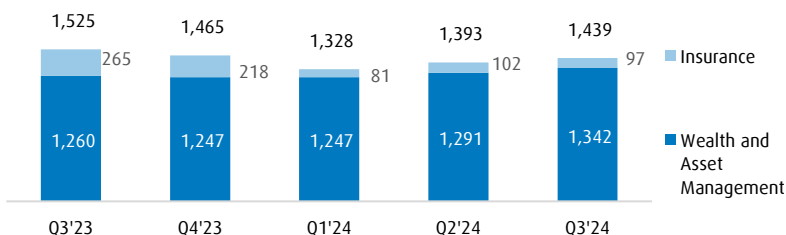
Reported Revenue (teb<sup>1</sup>, US\$MM)



- Revenue growth Q/Q and good cost management, positive operating leverage in Q3'24
- Growing Personal & Business Banking deposits and focusing on deepening relationships; continuing to add new Commercial clients

## BMO Wealth Management

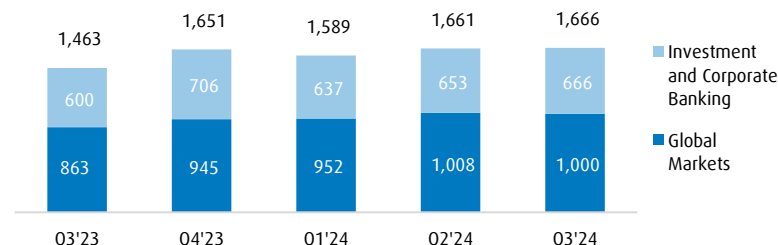
Reported Revenue<sup>2</sup> (\$MM)



- Good growth in client assets and continued leadership and market share gains in ETFs
- BMO Global Equity Fund received a 5-star Morningstar rating

## BMO Capital Markets

Reported Revenue (teb<sup>1</sup>, \$MM)



- Momentum in Global Markets and I&CB, increased client activity driving continued strong revenue performance
- Ranked #1 in U.S. Agency CMO issuances YTD<sup>3</sup>

<sup>1</sup> Operating group revenue are presented on a taxable equivalent basis (teb) basis. These teb adjustments in U.S. P&C (Q3'24 US\$6MM, Q2'24 US\$6MM, Q1'24 US\$7MM, Q4'23 US\$7MM, Q3'23 US\$6MM) and BMO Capital Markets (Q3'24 \$(1)MM recovery, Q2'24 \$2MM, Q1'24 \$19MM, Q4'23 \$86MM, Q3'23 \$81MM) are offset in Corporate Services

<sup>2</sup> Prior period amounts have been reclassified to conform with the current period presentation, including the retrospective application of IFRS 17

<sup>3</sup> Source: Bloomberg

# BMO U.S. well-positioned for growth

Top 10  
U.S. Bank<sup>1</sup>

Physical footprint in  
32 states

Digital platforms  
across all 50 states

4 million  
customers

BMO U.S. Bank  
US\$269<sup>2</sup> billion in assets



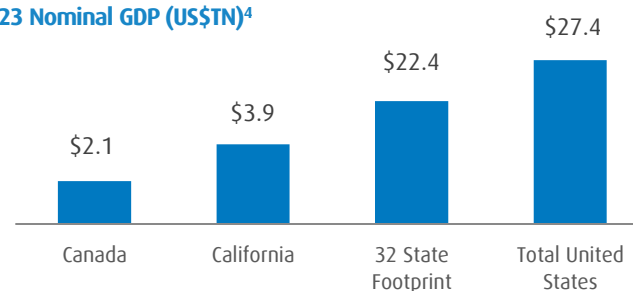
BMO U.S. Segment  
US\$457<sup>2</sup> billion in assets



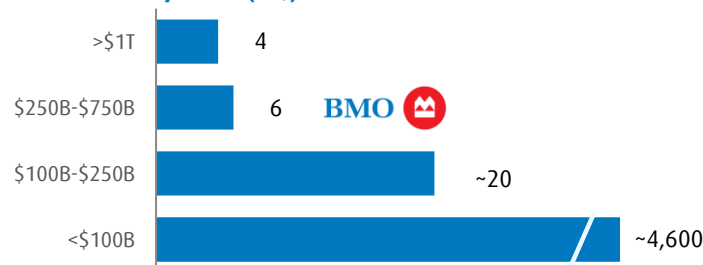
BMO Financial Group  
C\$1.4 trillion in assets

- **Broad capabilities:** Personal & Commercial Banking, BMO Wealth Management and BMO Capital Markets
- Only North American bank with an **integrated North-South business model**, driving efficiencies and scale
- **One Client approach**, with local market and unified cross border expertise
- Presence in **14 of the Top 25 MSAs, 3 of the Top 5**
- **Top-tier market share positions** including RV/Marine lending, Wine & Spirits, Equipment finance
- **Strong capital position:** BMO Financial Corp<sup>3</sup> CET1 ratio of 11.1%

2023 Nominal GDP (US\$TN)<sup>4</sup>



# of U.S. Banks by Assets (US\$)<sup>1</sup>



<sup>1</sup> Ranking by assets as of July 31, 2024. Source: SNL Financial and internal analysis. Top 10 U.S. >\$1T: JP Morgan, Bank of America, Citibank, Wells Fargo. \$250B-\$750B: U.S. Bank, PNC Bank, Truist Bank, TD Bank, Capital One, BMO

<sup>2</sup> BMO U.S. Bank average balances based on BMO Bank N.A. publicly available U.S. regulatory filing (FFIEC 031) for the period ending June 30, 2024. BMO U.S. Segment based on average balances for Q3'24

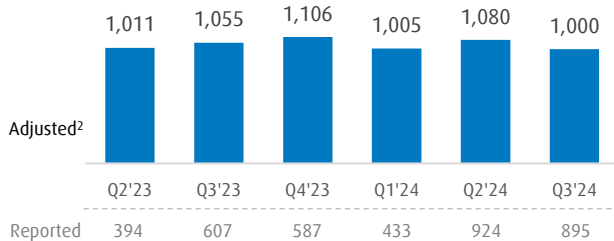
<sup>3</sup> Source: BMO Financial Corporation (BFC) Consolidated Financial Statements for Holding Companies—FR Y-9C June 30, 2024

<sup>4</sup> Source: BMO Economics

# BMO U.S. Performance Highlights

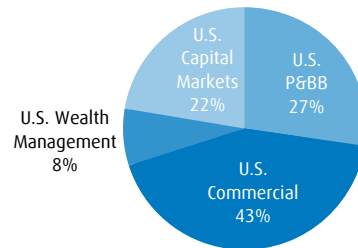
Diversified business mix and consistent PPPT<sup>1</sup> performance

BMO U.S. Segment  
Pre-Provision Pre-tax Earnings (PPPT)<sup>1</sup> (US\$MM)

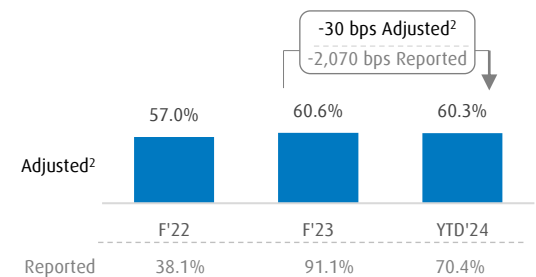


BMO U.S. Segment  
Business Mix by Operating Group (%)

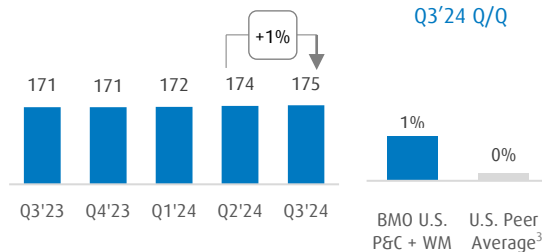
Q3'24 Last Twelve Months (LTM) Reported Revenue



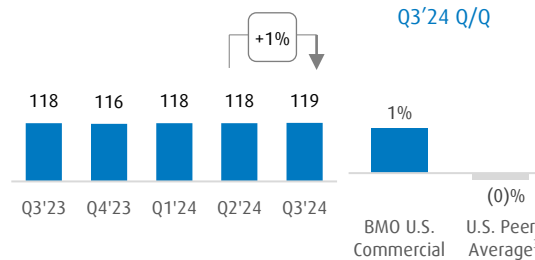
BMO U.S. Segment  
Efficiency Ratio (%)



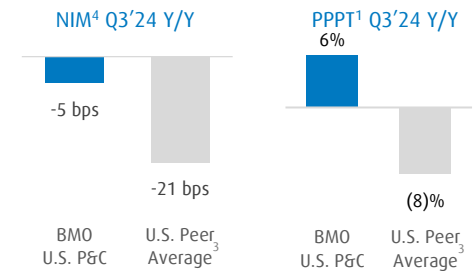
U.S. P&C and U.S. Wealth Management  
Average Customer Deposits (US\$B)



U.S. P&C  
Average Commercial Loans (US\$B)



U.S. P&C  
Net Interest Margin<sup>4</sup> and PPPT<sup>1</sup> Growth (%)



## Executing synergies, One Client approach in expanded markets:

- Robust growth in core retail customers
- Strong digital adoption driving higher deposits and digital chequing acquisition (60% of total)
- Accelerated new business originations through improved branch and digital productivity
- Delivering interconnected experiences with more transactions and referrals between Commercial Banking, Capital Markets and Wealth Management

<sup>1</sup> Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT

<sup>2</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 39 for more information and slides 41 and 42 for adjustments to reported results

<sup>3</sup> U.S. Peer average consists of U.S. Bank, PNC Bank, Truist Bank, Citizens Bank, Fifth Third Bank, M&T Bank, KeyCorp, Huntington Bank, and Regions Bank. Source: SNL Financial data and internal analysis

<sup>4</sup> Net interest margin (NIM) is the ratio of net interest income (NII) to average earning assets, expressed as a percentage or in basis points. Refer to the Glossary of Financial Terms section of BMO's Third Quarter 2024 MD&A for further information

# Our Purpose

## BOLDLY GROW THE GOOD

IN BUSINESS AND LIFE



### For a Thriving Economy

Providing access to capital and valuable financial advice – investing in businesses, supporting home ownership and strengthening the communities we serve, while driving innovation that makes banking easier

- In the first year, delivered \$10B of our more than \$40B BMO EMpower 2.0 five-year commitment to break down barriers faced by underserved communities, businesses, and families in the United States
- Received an “Outstanding” rating for Community Reinvestment Act (CRA) performance from January 2020 to December 2022



### For a Sustainable Future

Being our clients’ lead partner in the transition to a net zero world, delivering on our commitments to sustainable financing and responsible investing

- Updated Sustainable Bond Framework with four innovative Sustainable, Green, Social and Transition Financing categories, including financing activities related to nuclear energy, low-carbon fuels, the electrification of key industrial activities, climate change adaptation and socioeconomic advancement
- Ranked among the most sustainable companies on the Dow Jones Sustainability Indices (DJSI). BMO earned the highest possible score in Customer Relationship Management in 2023



### For an Inclusive Society

Committing to zero barriers to inclusion through investments, financial products and services, and partnerships that remove systemic barriers for under-represented customers, employees and communities – and drive inclusion and equitable growth for everyone

- Named to *Corporate Knights'* ranking of Canada's Best 50 Corporate Citizens for the 23<sup>rd</sup> consecutive year, with top-quartile scores in board gender diversity and racial diversity among executives; received a top-quartile Sustainable Revenue score, driven by our sustainable finance strategy
- Honored with a top score of 100 on the Disability Equality Index® for the ninth consecutive year, securing a place among the Best Places to Work for Disability Inclusion in the U.S. by Disability:IN and the American Association of People with Disabilities (AAPD)
- Recognized as one of the World's Most Ethical Companies for the seventh consecutive year by Ethisphere

This slide contains forward-looking statements. Refer to the Caution Regarding Forward-Looking Statements on slide 2



# Financial Results

For the Quarter Ended July 31, 2024

Tayfun Tuzun

Chief Financial Officer

Q3 | 24



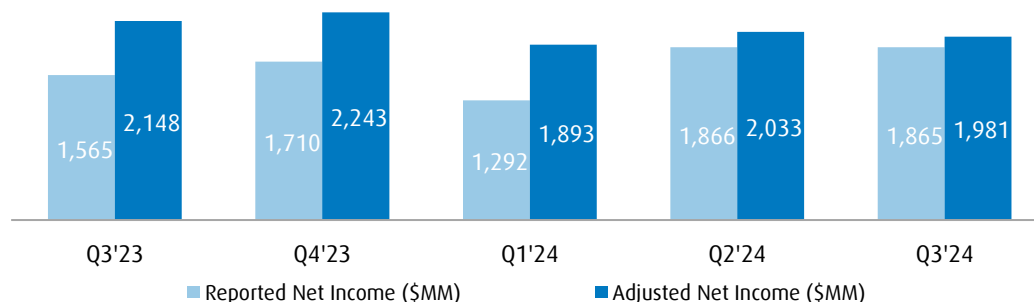
# Q3 F2024 - Financial Highlights

Good PPPT<sup>1</sup> growth and operating leverage offset by higher PCL

- Adjusted<sup>2</sup> EPS \$2.64, down \$0.30 Y/Y (reported \$2.48, up \$0.36)
- Adjusted<sup>2</sup> net income down 8% Y/Y (reported up 19%)
  - Q3'24 adjusted<sup>2</sup> net income excluded \$19MM integration costs and \$79MM amortization of acquisition-related intangible assets
- Adjusted<sup>2</sup> PPPT<sup>1</sup> up 8% Y/Y (reported up 35%)
- Adjusted<sup>2</sup> revenue flat Y/Y (reported up 2%) with good growth in BMO Capital Markets, the P&C businesses and Wealth and Asset Management, partially offset by decreases in Insurance and Corporate Services
- Adjusted<sup>2</sup> expenses down 5% Y/Y (reported down 13%)
- Adjusted<sup>2</sup> operating leverage 5.2% (reported 14.8%)
- Total provision for credit losses \$906MM
  - PCL on impaired loans<sup>3</sup> \$828MM or 50 bps; provision on performing loans \$78MM
- U.S. segment contributed 36% to adjusted<sup>2</sup> earnings in the quarter (32% reported)

(\$MM)	Reported			Adjusted <sup>2</sup>		
	Q3 24	Y/Y	Q/Q	Q3 24	Y/Y	Q/Q
Revenue	8,192	2%	3%	8,206	- %	3%
Expenses	4,839	(13)%	- %	4,697	(5)%	1%
PPPT <sup>1</sup>	3,353	35%	7%	3,509	8%	5%
Total PCL	906	\$414	\$201	906	\$414	\$201
<b>Net Income</b>	<b>1,865</b>	<b>19%</b>	<b>- %</b>	<b>1,981</b>	<b>(8)%</b>	<b>(3)%</b>
U.S. Segment Net Income (US\$)	439	28%	(21)%	518	(23)%	(23)%
Diluted EPS (\$)	2.48	\$0.36	\$0.12	2.64	\$(0.30)	\$0.05
Efficiency Ratio (%)	59.1	(1,010) bps	(160) bps	57.3	(300) bps	(70) bps
ROE (%)	10.0	100 bps	10 bps	10.6	(190) bps	(30) bps
ROTCE <sup>4</sup> (%)	13.9	90 bps	(10) bps	14.2	(290) bps	(40) bps
CET1 Ratio <sup>5</sup> (%)	13.0	70 bps	(10) bps	13.0	70 bps	(10) bps

Net Income<sup>2</sup> Trends



<sup>1</sup> Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT

<sup>2</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 43 for more information and slide 40 for adjustments to reported results

<sup>3</sup> Impaired PCL ratio is calculated as annualized impaired provision for credit losses over average net loans and acceptances, expressed in basis points

<sup>4</sup> Reported and adjusted return on tangible common equity (ROTCE) are non-GAAP measures. Refer to slide 38 and Non-GAAP and Other Financial Measures section of BMO's Third Quarter 2024 MD&A for more information

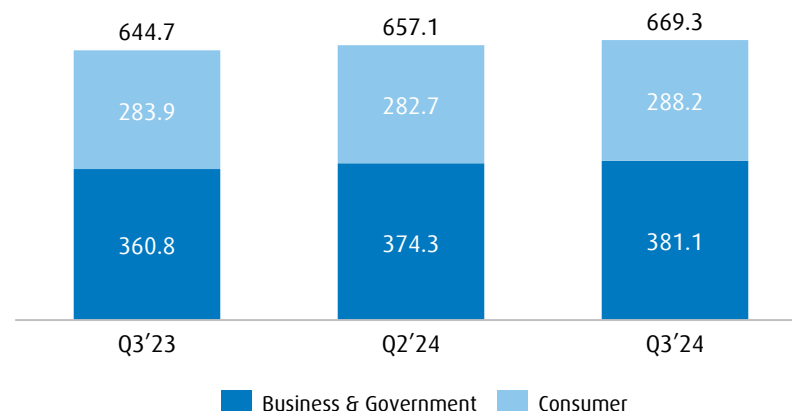
<sup>5</sup> The Common Equity Tier 1 (CET1) Ratio is disclosed in accordance with the Capital Adequacy Requirements (CAR) Guideline as set out by the Office of the Superintendent of Financial Institutions (OSFI)

# Balance Sheet

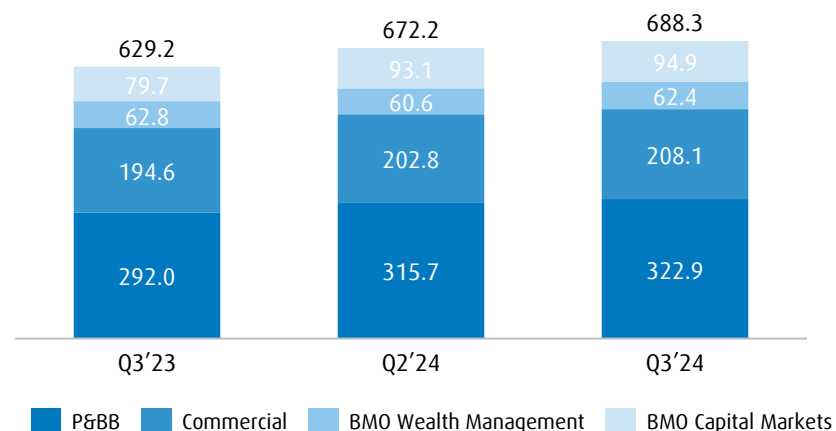
## Diversified loan and deposit portfolio

- Average gross loans and acceptances up 4% Y/Y, or 6% excluding the impact of Indirect Retail Auto wind-down and RV loan portfolio sale<sup>2</sup>, due to:
  - 6% growth in Business & Government loans driven by growth across all operating groups
  - 7% growth in Consumer loans, primarily driven by mortgage growth in P&C businesses
- Average gross loans and acceptances up 2% Q/Q
- Average customer deposits<sup>1</sup> up 9% Y/Y due to higher balances in P&C businesses and BMO Capital Markets
  - As-at customer deposits<sup>1</sup> up 12% Y/Y
- Average customer deposits<sup>1</sup> up 2% Q/Q driven by higher balances across all operating groups
  - As-at customer deposits<sup>1</sup> up 4% Q/Q

### Average Gross Loans and Acceptances (\$B)



### Average Customer Deposits<sup>1</sup> (\$B)



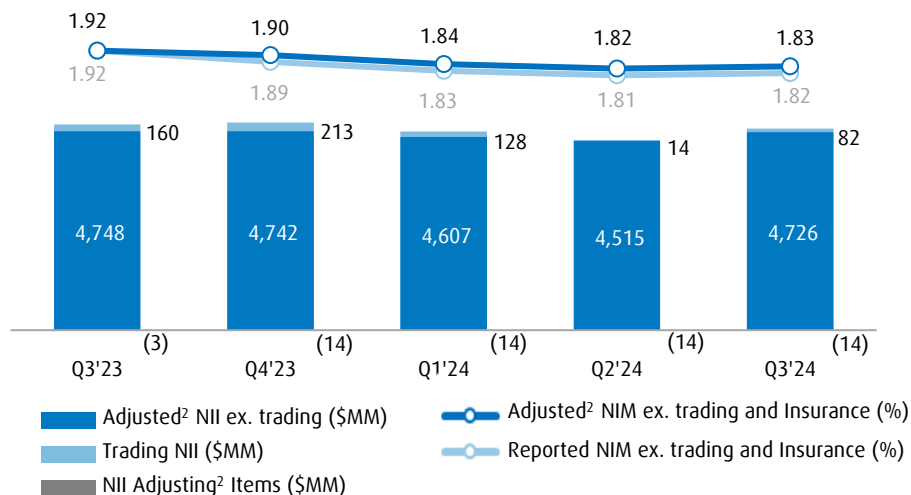
<sup>1</sup> Customer deposits are operating and savings deposits, including term investment certificates and retail structured deposits, primarily sourced through our Retail, Commercial, Wealth Management and Corporate Banking businesses

<sup>2</sup> Recreational Vehicle (RV) loan portfolio sale reduced average balances by \$9.6B compared with Q3'23

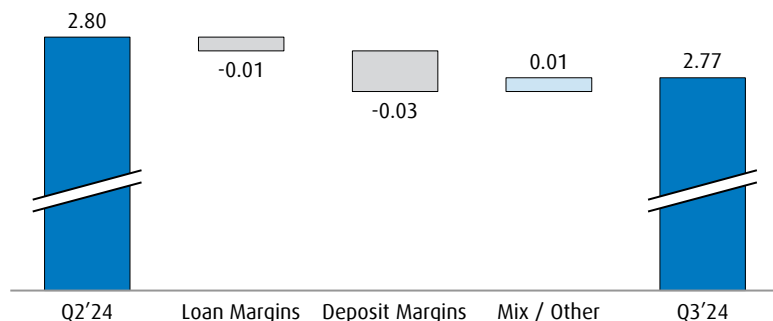
# Net Interest Margin<sup>1</sup>

- Reported net interest income (NII) down 2% Y/Y and up 6% Q/Q
- Adjusted NII ex. trading relatively unchanged Y/Y with volume growth offset by lower NII in Corporate Services; up 5% Q/Q including the impact of two additional days
- Total bank NIM ex. trading and Insurance increased 1 bp Q/Q due to higher NII in BMO Capital Markets, partially offset by lower deposit margins
  - Canadian P&C loan margin impact inclusive of bankers acceptances transition to loans

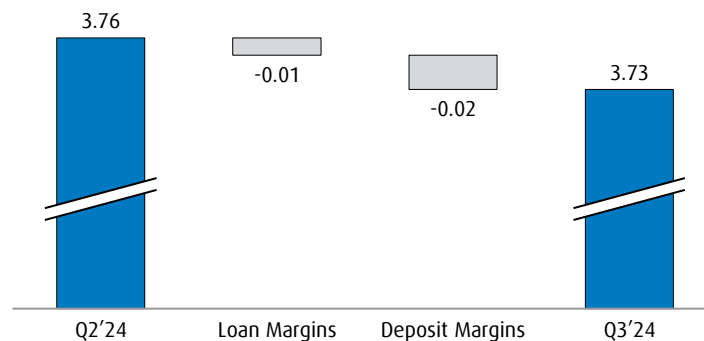
NII (\$MM) and NIM ex. trading and Insurance (%)<sup>2</sup>



Canadian P&C NIM (%)



U.S. P&C NIM (%)



<sup>1</sup> Net interest margin (NIM) is the ratio of net interest income (NII) to average earning assets, expressed as a percentage or in basis points. Refer to the Glossary of Financial Terms section of BMO's Third Quarter 2024 MD&A for further information

<sup>2</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 for more information and slide 39 for adjustments to reported results

# Interest Rate Sensitivity

- Year 1 benefit / exposure to an incremental +/- 100bps rate shock reflects a relatively neutral positioning
- Year 2 benefit to rising rates (+100bps) of approximately \$600MM driven by long rates and the continued reinvestment of capital and deposits
- Effective deposit betas were comparable to modeled assumptions through the rate hike cycle

- Term rates decreased significantly in Q3'24, but are still higher than historical rates
- Long-term investment rates forecast remains higher than historical levels and continue to support NIM

## Earnings sensitivities over the next 12 months<sup>1</sup>

Q3'24 Pre-Tax CDE (\$MM)	+100 bps	-100 bps	-25 bps
Canada <sup>2</sup>	107	(71)	(22)
U.S.	201	(223)	(58)
<b>Total</b>	<b>309</b>	<b>(294)</b>	<b>(80)</b>

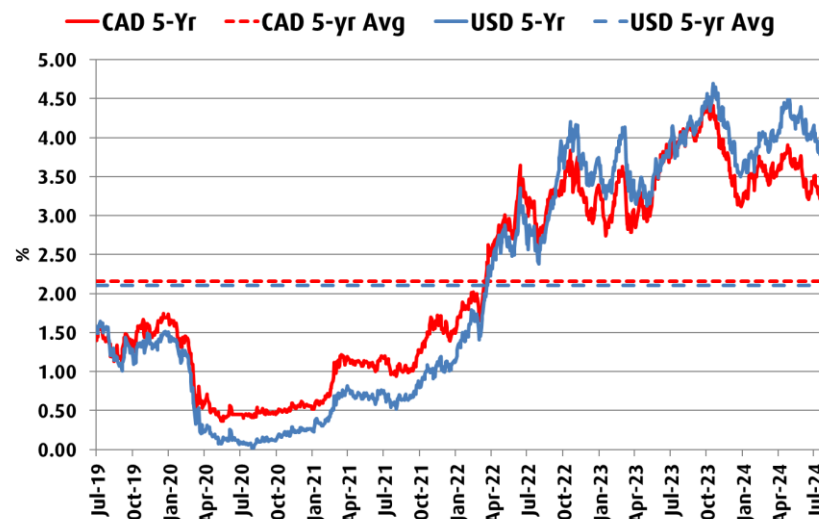
This slide contains forward-looking statements. Refer to the Caution Regarding Forward-Looking Statements on slide 2

<sup>1</sup> Sensitivities assumes immediate and sustained parallel shift in interest rates and using a constant balance sheet. For more details see the Structural (Non-Trading) Market Risk section of BMO's Third Quarter 2024 MD&A

<sup>2</sup> Includes Canadian dollar and other currencies

<sup>3</sup> Chart displays historical Canadian Overnight Repo Rate Average (CORRA) swap rates and Secured Overnight Financing Rate (SOFR) swap rates

## Swap Rates<sup>3</sup>

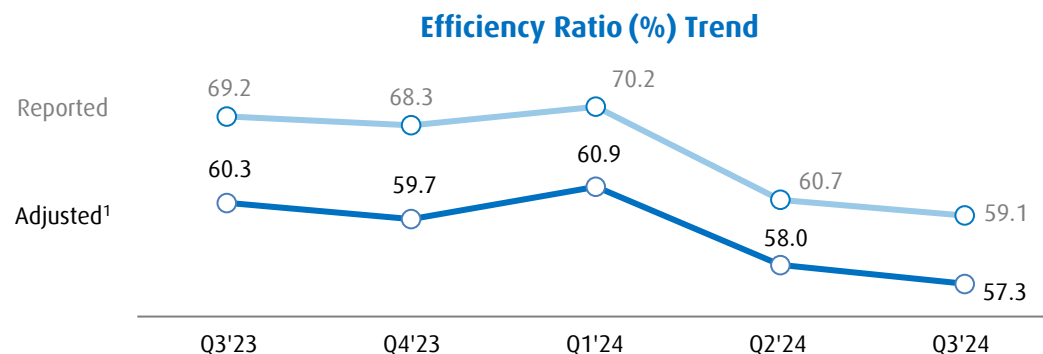
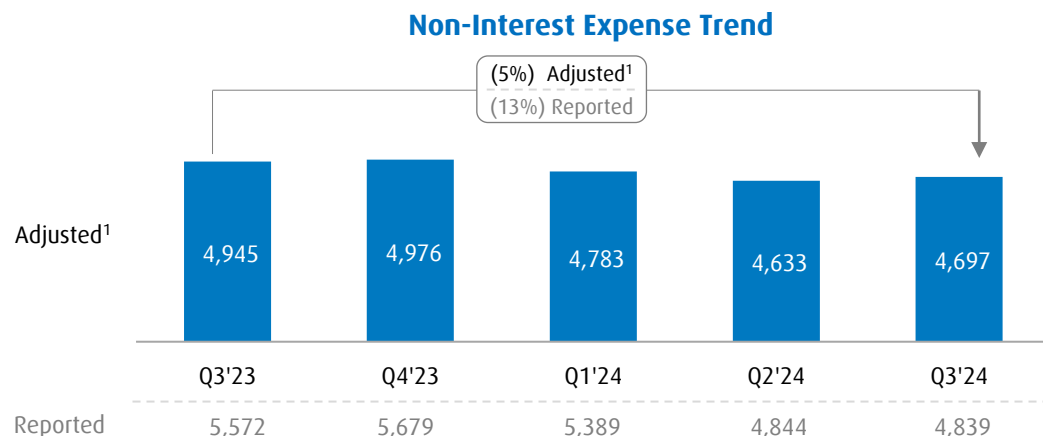


Source: Bloomberg, updated through Aug 06, 2024

# Q3 F2024 Non-Interest Expense

Delivering against expense commitments, driving positive operating leverage

- Adjusted<sup>1</sup> expenses down 5% Y/Y (reported down 13%)
  - Primarily driven by Bank of the West cost synergies and efficiency savings
  - Prior year included higher severance<sup>2</sup> and legal provisions
  - Partially offset by higher operating costs and business investments
- Positive adjusted<sup>1</sup> operating leverage 5.2% (reported 14.8%)
- Adjusted<sup>1</sup> expenses up 1% Q/Q (reported flat)
- Adjusted<sup>1</sup> efficiency ratio 57.3% (reported 59.1%) improved 300 bps Y/Y (reported improved 1,010 bps)



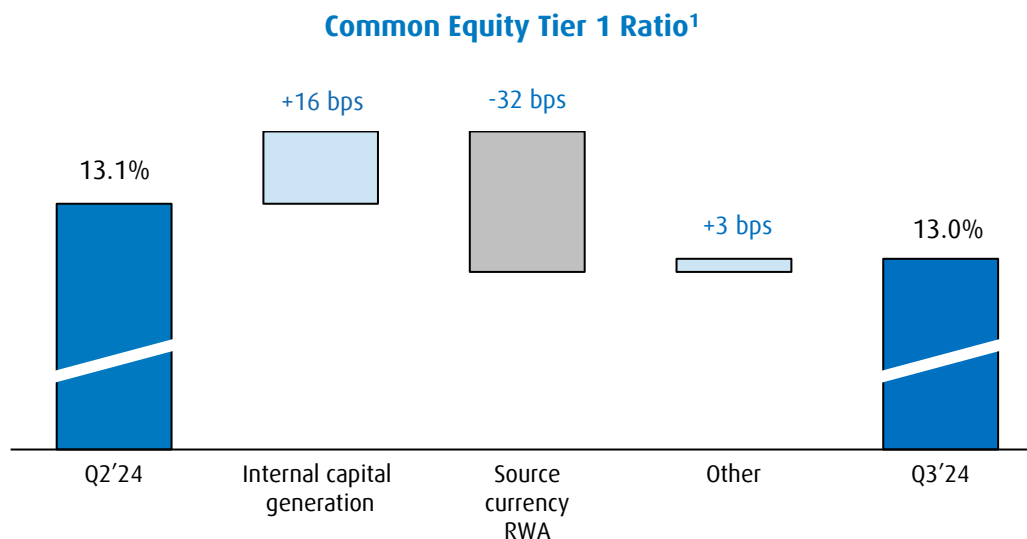
<sup>1</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 39 for more information and slide 42 for adjustments to reported results

<sup>2</sup> Q3'23 severance costs of \$223MM pre-tax, \$162MM after-tax

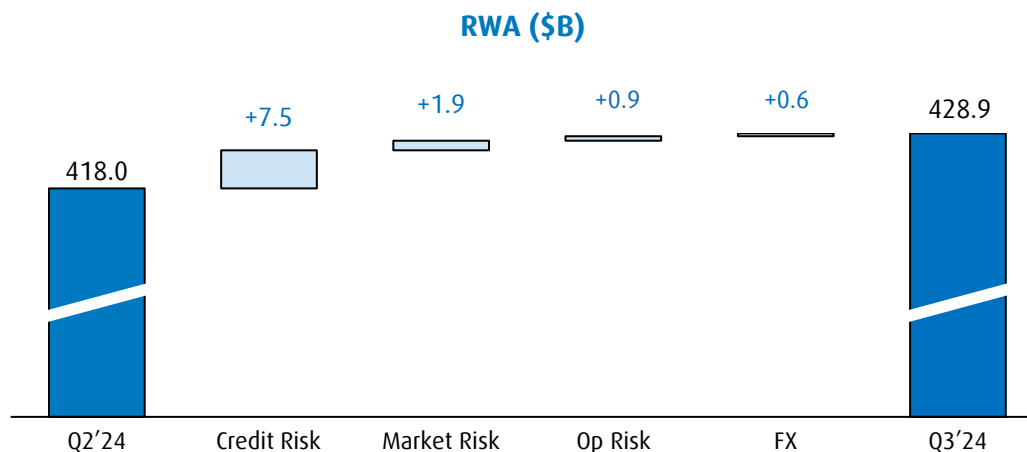
# Strong Q3'24 CET1 Ratio<sup>1</sup> of 13.0%

- Q3'24 CET1 ratio<sup>1</sup> of 13.0%, down from Q2'24

- Internal capital generation
- More than offset by higher source currency RWA



- RWA increased \$10.9B, primarily reflecting:
  - Higher credit risk, mainly from growth across businesses, and to a lesser extent, changes in asset quality
  - Higher market risk



<sup>1</sup> Basis points may not add due to rounding

<sup>2</sup> The Common Equity Tier 1 (CET1) Ratio is disclosed in accordance with the Capital Adequacy Requirements (CAR) Guideline as set out by the Office of the Superintendent of Financial Institutions (OSFI)

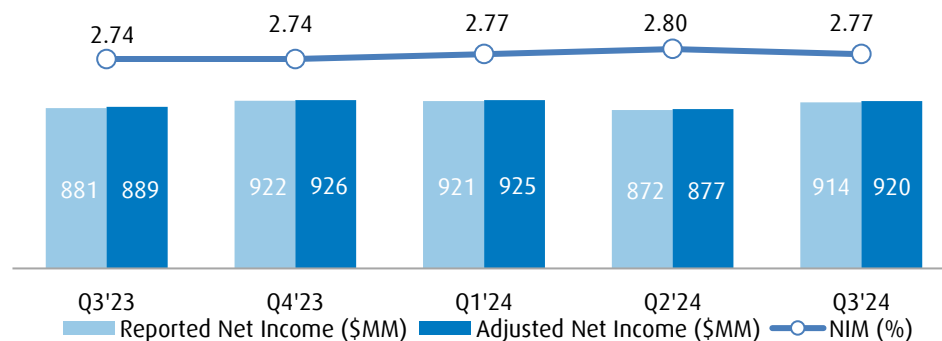
# Canadian Personal & Commercial Banking

Continued strong PPPT<sup>2</sup> performance driven by balance growth and higher margins

- Adjusted<sup>1</sup> net income up 3% Y/Y (reported up 4%)
- Adjusted<sup>1</sup> and reported PPPT<sup>2</sup> up 12% Y/Y
- Revenue up 7% Y/Y
  - NII up 9% Y/Y with solid balance growth and higher margins
  - NIM up 3 bps Y/Y and down 3 bps Q/Q
  - NIR flat Y/Y as higher card-related revenue is offset by lower lending fees
  - The impact of the transition of bankers' acceptances balances to Commercial Banking loans resulted in lower NIR offset in NII, with a modest reduction on NIM
- Adjusted<sup>1</sup> expenses up 2% Y/Y (reported up 1%) driven by higher employee-related, operating and technology costs, partially offset by severance in the prior year
- Adjusted<sup>1</sup> operating leverage 5.6% (reported 5.9%)
- Total provision for credit losses \$388MM (impaired provision of \$353MM and performing provision of \$35MM)
- Average loans up 6% Y/Y and 2% Q/Q
- Average deposits up 11% Y/Y and 3% Q/Q

(\$MM)	Reported			Adjusted <sup>1</sup>		
	Q3 24	Y/Y	Q/Q	Q3 24	Y/Y	Q/Q
Net interest income	2,253	9%	5%	2,253	9%	5%
Non-interest revenue	655	0%	(2)%	655	0%	(2)%
Revenue	2,908	7%	3%	2,908	7%	3%
Expenses	1,260	1%	4%	1,252	2%	4%
PPPT <sup>2</sup>	1,648	12%	3%	1,656	12%	3%
Total PCL (recovery)	388	\$129	\$(10)	388	\$129	\$(10)
<b>Net Income</b>	<b>914</b>	<b>4%</b>	<b>5%</b>	<b>920</b>	<b>3%</b>	<b>5%</b>
Efficiency Ratio (%)	43.3	(250) bps	10 bps	43.1	(230) bps	20 bps
ROE (%)	22.3	(300) bps	0 bps	22.4	(310) bps	0 bps

Net Income<sup>1</sup> and NIM Trends



<sup>1</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 43 for more information and slide 40 for adjustments to reported results

<sup>2</sup> Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT



# U.S. Personal & Commercial Banking

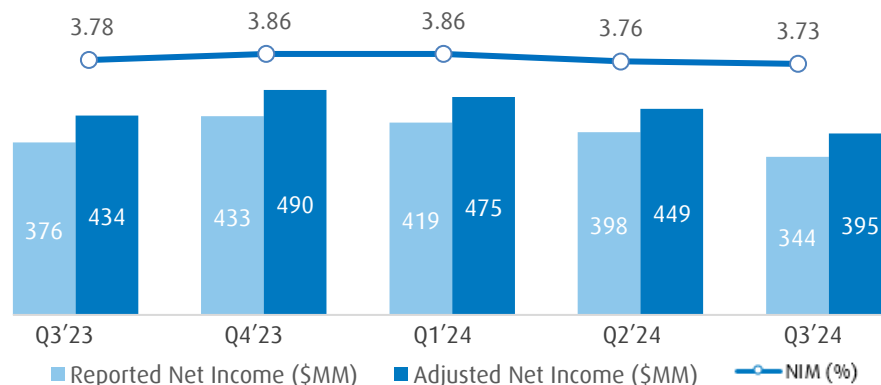
Good PPPT<sup>2</sup> growth with stable revenue and lower expenses, offset by higher PCL

Amounts that follow are in U.S. dollars:

- Adjusted<sup>1</sup> and reported net income down 9% Y/Y
- Adjusted<sup>1</sup> PPPT<sup>2</sup> up 6% Y/Y (reported up 8%)
- Revenue<sup>3</sup> down 1% Y/Y
  - NII<sup>3</sup> up less than 1% Y/Y, due to growth in deposit and loan balances, partially offset by lower loan and deposit margins
  - NIM<sup>3</sup> down 5 bps Y/Y; down 3 bps Q/Q
  - NIR down 8% Y/Y, primarily due to lower deposit and card fee revenue
- Adjusted<sup>1</sup> and reported expenses down 6% Y/Y, primarily due to cost synergies and our focus on operational efficiencies, including lower severance in the current year
- Adjusted<sup>1</sup> operating leverage 4.9% (reported 5.2%)
- Total provision for credit losses \$286MM (impaired provision of \$267MM and performing provision of \$19MM)
- Average loans & acceptances down 1% Y/Y (up 4% excluding sale of RV loan portfolio<sup>4</sup>) and up 2% Q/Q
- Average deposits up 4% Y/Y and 1% Q/Q

(US\$MM)	Reported			Adjusted <sup>1</sup>		
	Q3 24	Y/Y	Q/Q	Q3 24	Y/Y	Q/Q
Net interest income (teb) <sup>3</sup>	1,500	0%	3%	1,500	0%	3%
Non-interest revenue	289	(8)%	0%	289	(8)%	0%
Revenue (teb) <sup>3</sup>	1,789	(1)%	2%	1,789	(1)%	2%
Expenses	1,089	(6)%	3%	1,020	(6)%	3%
PPPT <sup>2</sup>	700	8%	1%	769	6%	1%
Total PCL (recovery)	286	\$132	\$80	286	\$132	\$80
<b>Net Income</b>	<b>344</b>	<b>(9)%</b>	<b>(14)%</b>	<b>395</b>	<b>(9)%</b>	<b>(12)%</b>
<b>Net Income (CDE\$)</b>	<b>470</b>	<b>(6)%</b>	<b>(13)%</b>	<b>539</b>	<b>(7)%</b>	<b>(12)%</b>
Efficiency Ratio (%)	60.8	(340) bps	50 bps	57.0	(300) bps	60 bps
ROE (%)	5.5	(60) bps	(100) bps	6.3	(80) bps	(100) bps

Net Income<sup>1</sup> and NIM<sup>3</sup> Trends



<sup>1</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 43 for more information and slide 40 for adjustments to reported results

<sup>2</sup> Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT

<sup>3</sup> Operating group revenue, NII, income taxes and net interest margin are presented on a taxable equivalent basis (teb). The teb adjustment (Q3'24 US\$6MM, Q2'24 US\$6MM, Q3'23 US\$6MM) is offset in Corporate Services. Efficiency ratio is calculated based on revenue (teb)

<sup>4</sup> Recreational Vehicle (RV) loan portfolio sale reduced average balances by US\$7.2B compared with Q3'23

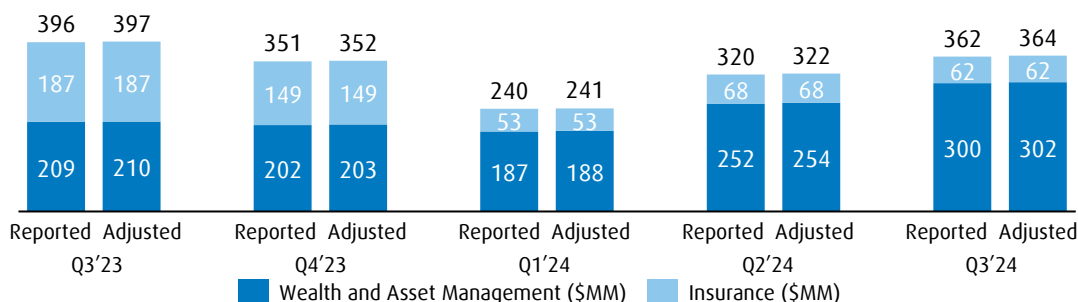
# BMO Wealth Management

## Good growth in client assets and market appreciation offset by lower Insurance revenue

- Adjusted<sup>1</sup> net income down 8% Y/Y (reported down 9%)
- Revenue down 6% Y/Y
  - Wealth and Asset Management revenue up 7% due to growth in client assets, partially offset by lower net interest income
  - Insurance revenue down Y/Y due to market-related impacts of IFRS 17 transition
- Adjusted<sup>1</sup> and reported expenses relatively flat Y/Y, excluding higher severance in the prior year
- AUM up 20% Y/Y; up 6% Q/Q
- AUA down 17% Y/Y driven by impact of exit of U.S. Institutional Trust Services business; up 5% Q/Q

(\$MM)	Reported			Adjusted <sup>1</sup>		
	Q3 24	Y/Y	Q/Q	Q3 24	Y/Y	Q/Q
Wealth & Asset Management	1,342	7%	4%	1,342	7%	4%
Insurance	97	(64)%	(5)%	97	(64)%	(5)%
Revenue	1,439	(6)%	3%	1,439	(6)%	3%
Expenses	969	(2)%	(1)%	966	(2)%	(1)%
PPPT <sup>2</sup>	470	(12)%	14%	473	(12)%	14%
Total PCL (recovery)	(9)	\$(16)	\$(2)	(9)	\$(16)	\$(2)
<b>Net Income</b>	<b>362</b>	<b>(9)%</b>	<b>13%</b>	<b>364</b>	<b>(8)%</b>	<b>13%</b>
Wealth & Asset Management NI	300	44%	19%	302	44%	19%
Insurance NI	62	(67)%	(8)%	62	(67)%	(8)%
AUM (\$B)	410	20%	6%	410	20%	6%
AUA (\$B)	359	(17)%	5%	359	(17)%	5%
Efficiency Ratio (%)	67.3	240 bps	(300) bps	67.1	230 bps	(300) bps
ROE (%)	29.7	(200) bps	250 bps	29.8	(190) bps	240 bps

### Net Income<sup>1</sup> Trends



Prior period amounts have been reclassified to conform with the current period presentation, including the retrospective application of IFRS 17

<sup>1</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 43 for more information and slide 40 for adjustments to reported results

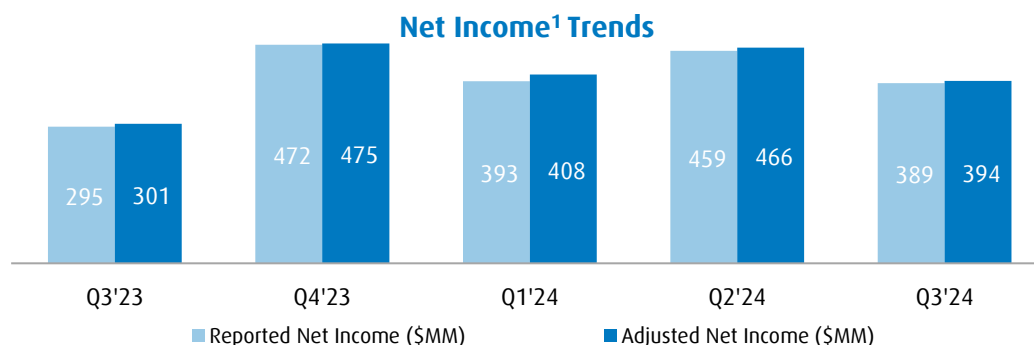
<sup>2</sup> Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT

# BMO Capital Markets

## Strong revenue performance in Global Markets, M&A and corporate banking-related activities

- Adjusted<sup>1</sup> net income up 31% Y/Y (reported up 32%)
- Adjusted<sup>1</sup> PPPT<sup>3</sup> \$625MM (reported \$619MM) up 57% Y/Y (reported up 59%)
- Revenue<sup>2</sup> up 14% Y/Y:
  - Global Markets up 16% primarily due to higher interest rates and equities trading revenue
  - Investment and Corporate Banking up 11% due to higher underwriting and advisory revenue and corporate banking-related revenue
- Adjusted<sup>1</sup> expenses down 2% Y/Y (reported down 3%) driven by legal provisions and severance in the prior year, partially offset by higher performance-based and technology costs
- Total provision for credit losses of \$128MM (impaired provision of \$92MM and performing provision of \$36MM)

(\$MM)	Reported			Adjusted <sup>1</sup>		
	Q3 24	Y/Y	Q/Q	Q3 24	Y/Y	Q/Q
Global Markets	1,000	16%	(1)%	1,000	16%	(1)%
I&CB	666	11%	2%	666	11%	2%
Revenue (teb) <sup>2</sup>	1,666	14%	0%	1,666	14%	0%
Expenses	1,047	(3)%	2%	1,041	(2)%	2%
PPPT <sup>3</sup>	619	59%	(2)%	625	57%	(3)%
Total PCL (recovery)	128	\$118	\$76	128	\$118	\$76
<b>Net Income</b>	<b>389</b>	<b>32%</b>	<b>(15)%</b>	<b>394</b>	<b>31%</b>	<b>(16)%</b>
U.S. Net Income (\$US)	55	(14)%	(55)%	57	(14)%	(54)%
Efficiency Ratio (%)	62.9	(1,060) bps	100 bps	62.5	(1,040) bps	120 bps
ROE (%)	11.4	170 bps	(270) bps	11.6	170 bps	(270) bps



<sup>1</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 43 for more information and slide 40 for adjustments to reported results

<sup>2</sup> Operating group revenue and income taxes are presented on a taxable equivalent basis (teb). This teb adjustment (Q3'24 \$1MM recovery, Q2'24 \$2MM, Q3'23 \$81MM) is offset in Corporate Services. Efficiency ratio is calculated based on revenue (teb)

<sup>3</sup> Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT

# Corporate Services

- Adjusted<sup>2</sup> net loss of \$236MM and reported net loss of \$270MM for the quarter, compared with an adjusted<sup>2</sup> net loss of \$18MM and reported net loss of \$509MM in the prior year
  - Net loss relatively stable Q/Q

(\$MM) <sup>1</sup>	Reported			Adjusted <sup>2</sup>		
	Q3 24	Y/Y	Q/Q	Q3 24	Y/Y	Q/Q
Revenue	(266)	(289)	11	(252)	(416)	11
Group teb offset <sup>3</sup>	(8)	81	3	(8)	81	3
Total Revenue (teb) <sup>3</sup>	(274)	(208)	14	(260)	(335)	14
Expenses	71	(641)	(110)	40	(170)	(43)
Total PCL (recovery)	5	(7)	24	5	(7)	24
<b>Net Income (Loss)</b>	<b>(270)</b>	<b>239</b>	<b>58</b>	<b>(236)</b>	<b>(218)</b>	<b>8</b>

<sup>1</sup> Effective the first quarter of 2024, balances and the associated revenue, expenses and provisions for credit losses related to our Canadian and U.S. indirect retail auto financing business, previously reported in Personal and Commercial Banking, are reported in Corporate Services, reflecting the exit and wind-down of this business unit. Prior period amounts have been reclassified to conform with the current period presentation

<sup>2</sup> Adjusted results and measures are non-GAAP. Refer to slide 38 and 43 for more information and slide 40 for adjustments to reported results

<sup>3</sup> Operating group revenue and income taxes are presented on a taxable equivalent basis (teb). This teb adjustment is offset in Corporate Services, and total BMO revenue and income taxes are reported on a GAAP basis

# Risk Review

For the Quarter Ended July 31, 2024

Piyush Agrawal  
Chief Risk Officer

Q3 | 24

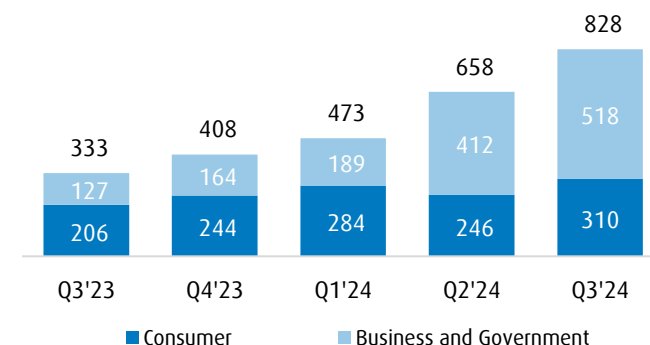


# Provision for Credit Losses (PCL)

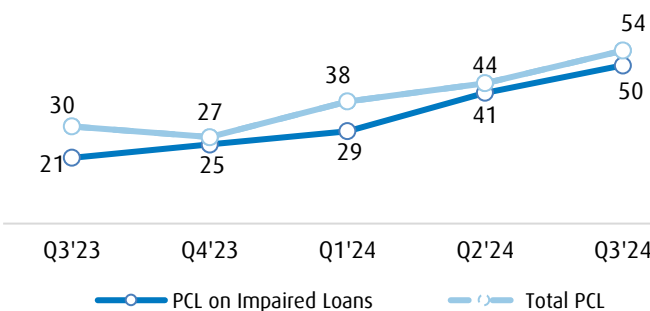
PCL By Operating Group (\$MM)	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24
Personal & Business Banking	162	190	204	247	274
Commercial Banking	35	42	34	48	79
<b>Total Canadian P&amp;C</b>	<b>197</b>	<b>232</b>	<b>238</b>	<b>295</b>	<b>353</b>
Personal & Business Banking	53	60	80	44	69
Commercial Banking	64	83	103	244	299
<b>Total U.S. P&amp;C</b>	<b>117</b>	<b>143</b>	<b>183</b>	<b>288</b>	<b>368</b>
<b>BMO Wealth Management</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>6</b>	<b>1</b>
<b>BMO Capital Markets</b>	<b>1</b>	<b>11</b>	<b>11</b>	<b>61</b>	<b>92</b>
<b>Corporate Services<sup>1</sup></b>	<b>17</b>	<b>20</b>	<b>38</b>	<b>8</b>	<b>14</b>
<b>PCL on Impaired Loans</b>	<b>333</b>	<b>408</b>	<b>473</b>	<b>658</b>	<b>828</b>
<b>PCL on Performing Loans</b>	<b>159</b>	<b>38</b>	<b>154</b>	<b>47</b>	<b>78</b>
<b>Total PCL</b>	<b>492</b>	<b>446</b>	<b>627</b>	<b>705</b>	<b>906</b>

- Q3'24 PCL ratio on impaired loans<sup>2</sup> of 50 bps; YTD'24 40 bps
- Higher provisions across businesses, reflecting sustained higher interest rates and tighter credit conditions

PCL on Impaired Loans (\$MM)



PCL Ratio<sup>2</sup> (bps)



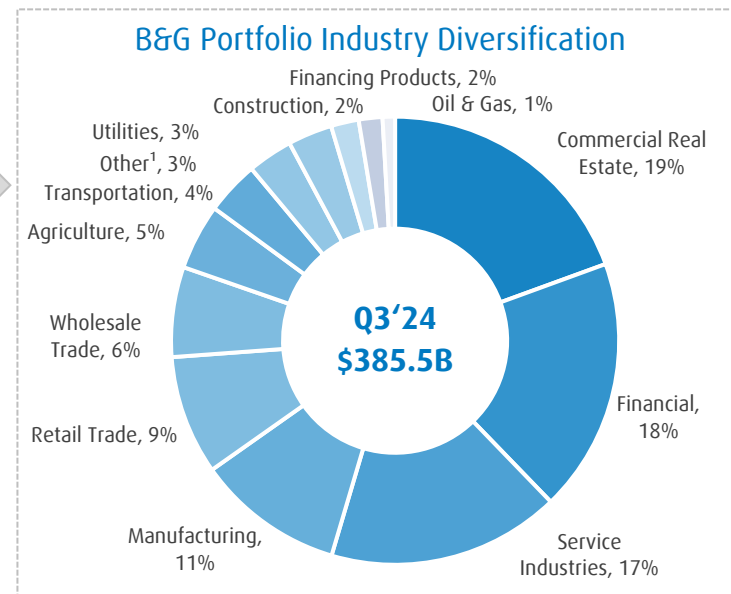
<sup>1</sup> Effective the first quarter of 2024, provisions for credit losses related to our Canadian and U.S. Indirect Retail Auto financing business, previously reported in Personal and Commercial Banking, are reported in Corporate Services. Prior period amounts have been reclassified to conform with the current period presentation

<sup>2</sup> PCL ratios are calculated as the annualized provision for credit losses as a percentage of average net loans and acceptances, expressed in basis points

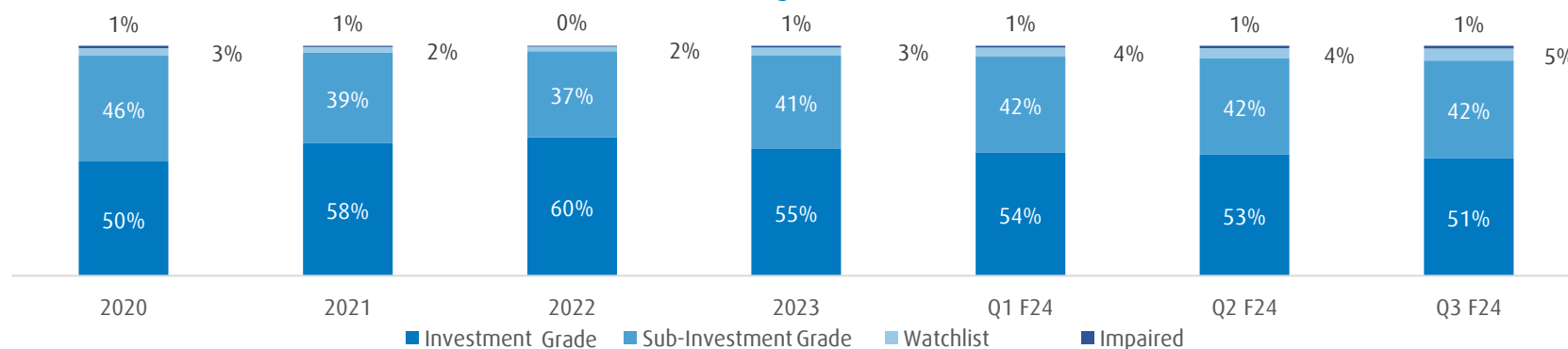
# Business & Government Portfolio Overview

Gross Loans & Acceptances By Industry (\$B, as at Q3 24)	Canada & Other	U.S.	Total BMO	% of Total
Total Consumer	237.5	55.0	292.5	43%
<b>Total Business and Government</b>	<b>162.1</b>	<b>223.4</b>	<b>385.5</b>	<b>57%</b>
Total Gross Loans & Acceptances	399.6	278.4	678.0	100%

- B&G portfolio is well-diversified by industry and geography: 58% US and 42% Canada & Other
- Higher watch list balances as a result of negative migration, primarily in the Services, Commercial Real Estate and Manufacturing sectors
- Majority of portfolio remains investment grade-rated



**B&G Rating Distribution**



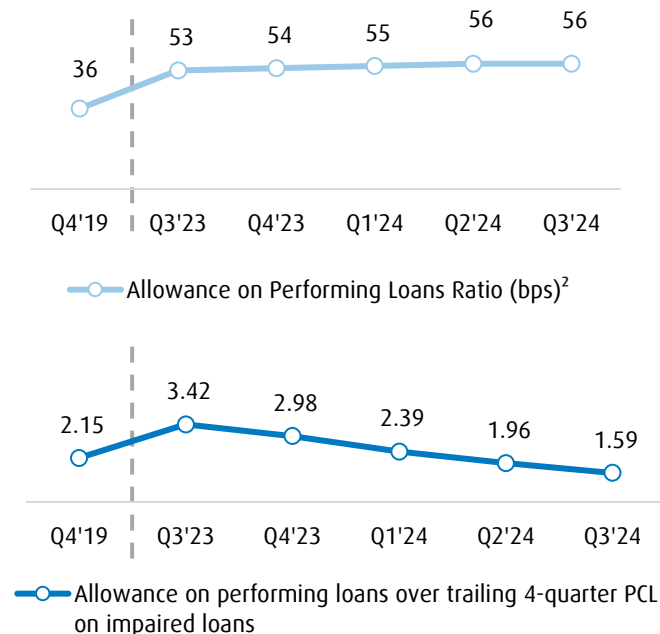
<sup>1</sup> Other includes Communications, Forest Products, Government, Mining, and Other

# Allowance and Provision on Performing Loans

Allowance on Performing Loans (APL) and PCL on Performing Loans (PCL) By Operating Group (\$MM)	Q2 24 APL <sup>1</sup>	Q3 24 PCL	Q3 24 Foreign exchange & Other	Q3 24 APL <sup>1</sup>	APL to Performing Loans <sup>2</sup> (bps)
Personal & Business Banking	1,117	49	0	1,166	54
Commercial Banking	376	(14)	(3)	359	32
<b>Total Canadian P&amp;C</b>	<b>1,493</b>	<b>35</b>	<b>(3)</b>	<b>1,525</b>	<b>46</b>
Personal & Business Banking	407	23	1	431	95
Commercial Banking	1,328	3	12	1,343	83
<b>Total U.S. P&amp;C</b>	<b>1,735</b>	<b>26</b>	<b>13</b>	<b>1,774</b>	<b>86</b>
<b>BMO Wealth Management</b>	<b>47</b>	<b>(10)</b>	<b>0</b>	<b>37</b>	<b>8</b>
<b>BMO Capital Markets</b>	<b>285</b>	<b>36</b>	<b>9</b>	<b>330</b>	<b>39</b>
<b>Corporate Services</b>	<b>101</b>	<b>(9)</b>	<b>(1)</b>	<b>91</b>	<b>n.m.</b>
<b>Total</b>	<b>3,661</b>	<b>78</b>	<b>18</b>	<b>3,757</b>	<b>56</b>

- The \$78 million provision for credit losses on performing loans in the current quarter was primarily driven by portfolio credit migration
- Appropriate coverage on performing loans at 56 bps

Coverage Ratios



n.m. - not meaningful

<sup>1</sup> Q2'24 and Q3'24 included APL on other assets of \$18MM and \$18MM respectively, and excluded APL on securities of \$7MM and \$7MM respectively

<sup>2</sup> Allowance on performing loans over total gross performing loans and acceptances, expressed in basis points



# Gross Impaired Loans and Formations

By Industry (\$MM, as at Q3 24)	Formations			Gross Impaired Loans		
	CA & Other	U.S.	Total	CA & Other <sup>1</sup>	U.S.	Total
<b>Total Consumer</b>	<b>346</b>	<b>73</b>	<b>419</b>	<b>743</b>	<b>451</b>	<b>1,194</b>
Service Industries	47	91	138	407	981	1,388
Commercial Real Estate	97	320	417	251	678	930
Manufacturing	14	290	304	157	604	760
Transportation	100	91	191	216	208	424
Wholesale Trade	31	17	48	87	314	401
Retail Trade	76	6	82	213	61	275
Agriculture	44	52	96	100	103	203
Construction (non-real estate)	6	53	59	83	89	172
Financial	4	1	5	11	80	91
Oil and Gas	1	0	1	1	22	23
Other Business and Government <sup>2</sup>	84	3	87	141	39	180
<b>Total Business and Government</b>	<b>504</b>	<b>924</b>	<b>1,428</b>	<b>1,667</b>	<b>3,180</b>	<b>4,847</b>
<b>Total Bank</b>	<b>850</b>	<b>997</b>	<b>1,847</b>	<b>2,410</b>	<b>3,631</b>	<b>6,041</b>

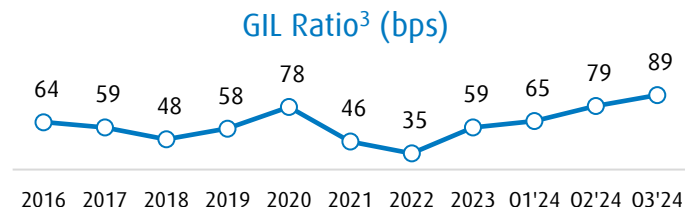
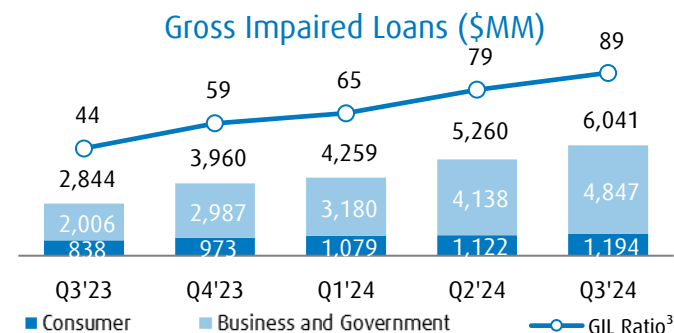
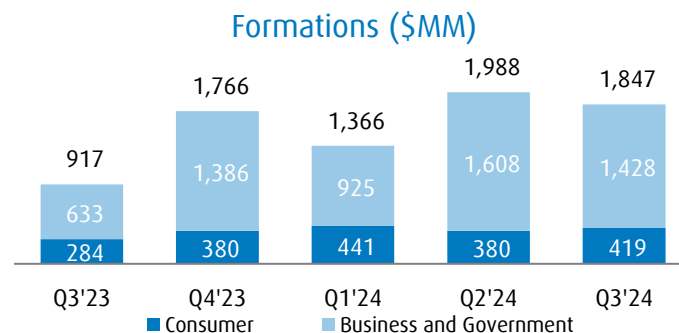
Totals may not add due to rounding

<sup>1</sup> Total Business and Government includes no Gross impaired loans (GIL) from other countries

<sup>2</sup> Other Business and Government includes industry segments that are each <1% of total GIL

<sup>3</sup> Gross impaired loans over total gross loan and acceptances, expressed in basis points

- Gross impaired loans (GIL) ratio<sup>3</sup> 89 bps, up 10 bps Q/Q, with the largest increases in commercial real estate, manufacturing and transportation



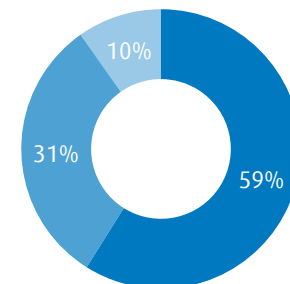
# Appendix

# Loan Portfolio Overview

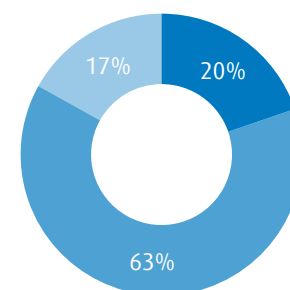
Well diversified by geography and industry

By Industry (As at Q3 24)	Gross Loans & Acceptances (\$B)			Impaired PCL (\$MM)		
	Canada & Other <sup>1</sup>	U.S.	Total BMO	Canada & Other <sup>1</sup>	U.S.	Total BMO
Residential Mortgages	155.8	30.7	186.5	11	3	14
Consumer Instalment and Other Personal	69.7	22.9	92.6	113	25	138
Credit Cards	12.0	1.4	13.4	134	24	158
<b>Total Consumer</b>	<b>237.5</b>	<b>55.0</b>	<b>292.5</b>	<b>258</b>	<b>52</b>	<b>310</b>
Commercial Real Estate	39.4	35.5	74.9	9	(9)	0
Financial	18.2	52.5	70.7	11	0	11
Service Industries	27.6	37.2	64.8	12	140	152
Manufacturing	10.2	30.8	41.0	15	119	134
Retail Trade	18.5	14.7	33.2	(15)	24	9
Wholesale Trade	6.9	18.1	25.0	5	93	98
Agriculture	13.3	5.0	18.3	2	7	9
Transportation	4.8	10.1	14.9	29	48	77
Utilities	8.0	4.3	12.3	0	0	0
Construction (non-real estate)	3.0	4.7	7.7	7	12	19
Oil and Gas	2.6	0.9	3.5	0	(6)	(6)
Other Business and Government <sup>2</sup>	9.6	9.6	19.2	14	1	15
<b>Total Business &amp; Government</b>	<b>162.1</b>	<b>223.4</b>	<b>385.5</b>	<b>89</b>	<b>429</b>	<b>518</b>
<b>Total Gross Loans &amp; Acceptances</b>	<b>399.6</b>	<b>278.4</b>	<b>678.0</b>	<b>347</b>	<b>481</b>	<b>828</b>

Gross Loans & Acceptances  
Canada & Other Countries



U.S.



- P&C/BMO Wealth Management - Consumer
- P&C/BMO Wealth Management - Business & Government
- BMO Capital Markets

Totals may not add due to rounding

<sup>1</sup> Gross Loans & Acceptances Canada & Other Includes approx. \$11.5B from other countries and Impaired PCL Canada & Other includes approx. \$12MM from other countries

<sup>2</sup> Other Business and Government includes all industry segments that are each <1% of total loans

# Commercial Real Estate

- Commercial Real Estate (CRE) portfolio at \$74.9B represents 11% of Total bank Gross Loans & Acceptances (GL&A)
- Portfolio is well-diversified across businesses, property types and geographies
- Well-managed with consistent and conservative underwriting standards resulting in strong credit quality; investment grade (48%), with low watchlist (< 5%) and impaired (~1%)

CRE diversification by property type (\$B)			
Property Type	Canada & Other	U.S.	Total
Multi-Residential	14.9	8.7	23.6
Industrial	6.5	6.6	13.1
Single Family Residence	6.4	2.0	8.4
Office	2.3	5.6	7.9
Retail	3.3	3.1	6.4
Hospitality, Healthcare & Diversified REITs	0.5	3.6	4.1
Mixed Use	2.7	0.5	3.2
Other <sup>2</sup>	2.8	5.4	8.2
<b>Total Commercial Real Estate</b>	<b>39.4</b>	<b>35.5</b>	<b>74.9</b>
<b>Total Gross Loans and Acceptances</b>	<b>399.6</b>	<b>278.4</b>	<b>678.0</b>

Totals may not add due to rounding

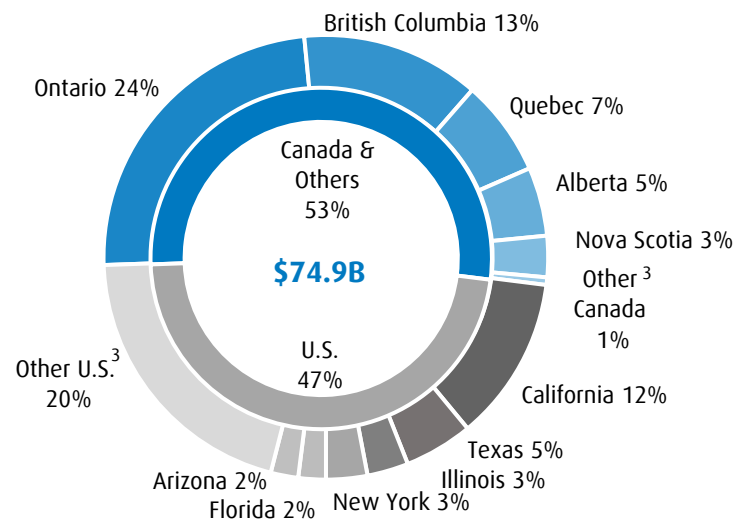
<sup>1</sup> Based on the location of the collateral or the borrower for REITs

<sup>2</sup> Other includes Commercial Real Estate loans for self-storage, parking, marinas and other minor sub-categories

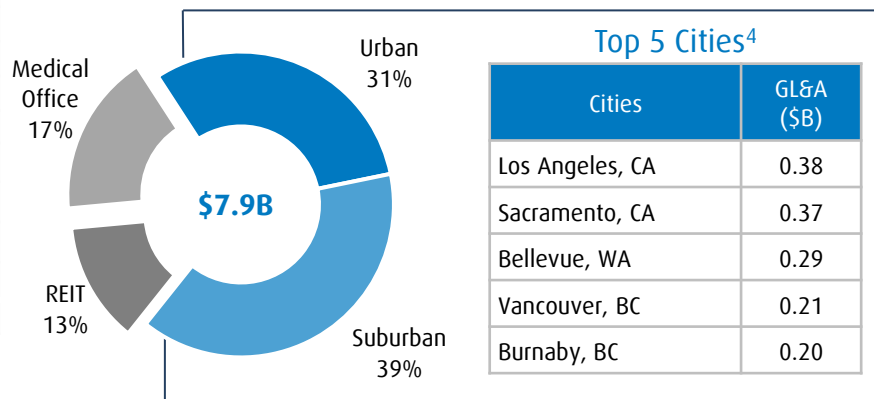
<sup>3</sup> Other U.S. and Other Canada includes geographies that are each less than 2% of the total CRE GL&A

<sup>4</sup> Top 5 Cities comprises Traditional Urban and Suburban Office

CRE by Geography<sup>1</sup>



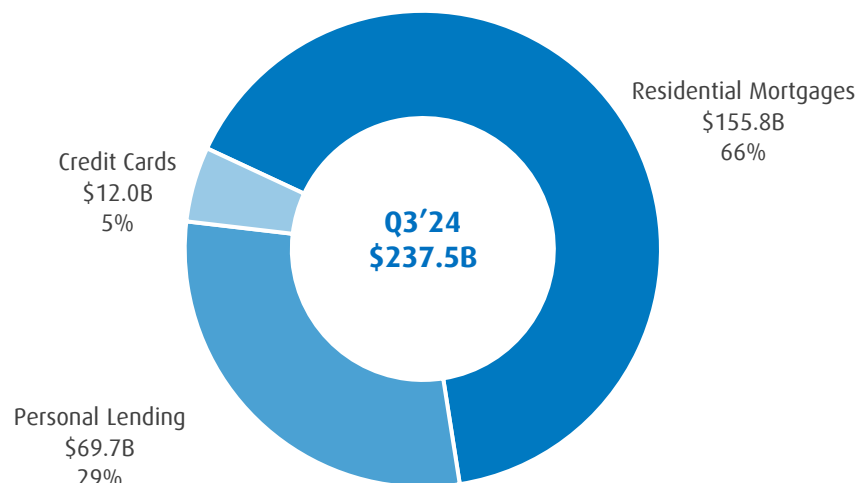
Traditional Office



# Canadian Consumer Portfolio Overview

- Total Canadian Consumer lending portfolio balances of \$237.5B in Q3'24, represent 35% of total loans
  - 89% of the portfolio is secured
  - 90+ day delinquency rate for the portfolio at 34 bps
  - Average FICO score for the portfolio remains strong at 786
- Unsecured consumer losses increased due to higher insolvencies reflecting higher consumer proposal filings
  - Due to prolonged higher interest rates, inflation and unemployment

Canadian Consumer Portfolio



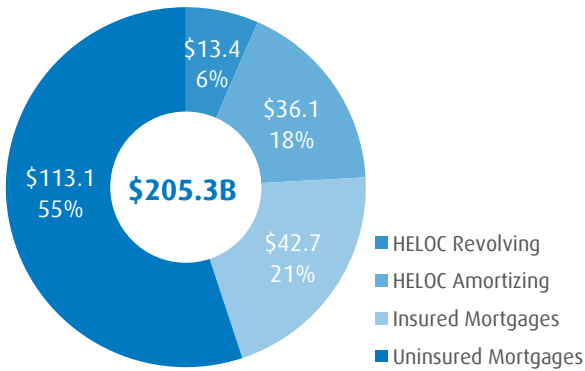
90+ days delinquency (%)	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Residential Mortgages	0.15%	0.15%	0.17%	0.20%	<b>0.24%</b>
Personal Lending	0.33%	0.37%	0.44%	0.43%	<b>0.43%</b>
Credit Cards	0.78%	0.86%	0.98%	1.02%	<b>1.08%</b>
Total Consumer	0.23%	0.25%	0.29%	0.31%	<b>0.34%</b>

Impaired PCL <sup>1</sup> (%)	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Residential Mortgages	0.01%	0.01%	0.02%	0.02%	<b>0.03%</b>
Personal Lending	0.36%	0.48%	0.55%	0.59%	<b>0.64%</b>
Credit Cards	3.15%	3.41%	3.23%	4.70%	<b>4.41%</b>
Total Consumer	0.26%	0.32%	0.33%	0.42%	<b>0.43%</b>

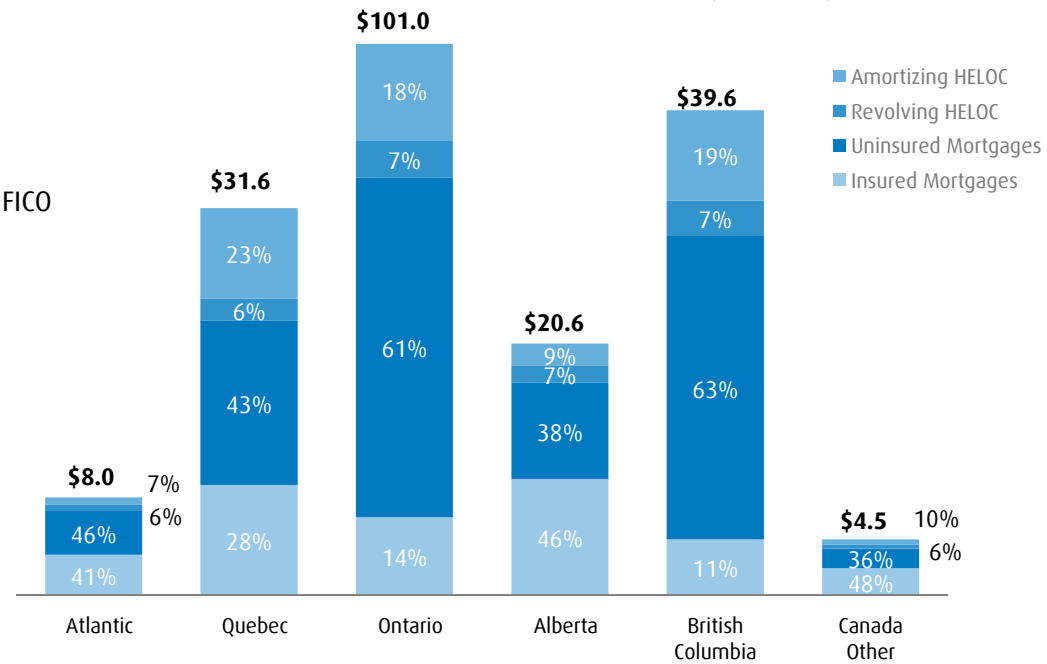
<sup>1</sup> PCL ratios are calculated as the annualized provision for credit losses on impaired loans as a percentage of gross loans and acceptances at the end of the period

# Canadian Residential Secured Lending Portfolio Overview

- Total Canadian residential-secured lending (RESL) portfolio at \$205.3B, representing 30% of total loans
  - LTV<sup>1</sup> on uninsured of 51%
  - 90+ day delinquency rate for RESL remains good at 22 bps; loss rates for the trailing 4 quarter period were 1 bp
  - 3% of uninsured RESL balances are to borrowers with <680 FICO and >70% LTV<sup>1</sup>
- Residential mortgage portfolio of \$155.8B
  - 27% of portfolio insured
  - LTV<sup>1</sup> on uninsured of 55%
  - 57% of the mortgage portfolio has an effective remaining amortization of 25 years or less
- HELOC portfolio of \$49.5B outstanding of which 73% is amortizing
- Condo RESL portfolio is \$29.6B with 21% insured
- Owner-occupied represents 85% of total RESL portfolio



Residential-Secured Lending by Region (\$205.3B)



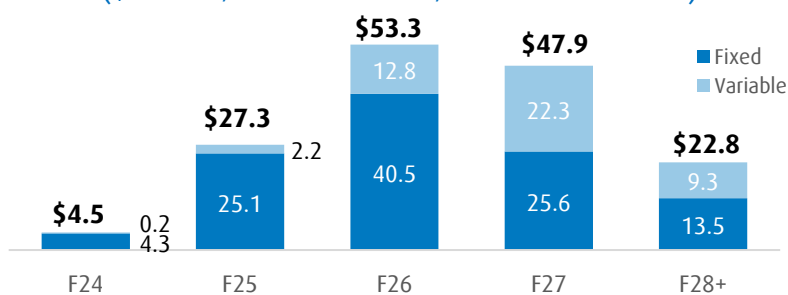
Avg. LTV <sup>1</sup> Uninsured	Atlantic	Quebec	Ontario	Alberta	British Columbia	Canada Other	Total Canada
Mortgage							
- Portfolio	54%	56%	57%	56%	51%	54%	55%
- Origination	70%	71%	70%	73%	67%	72%	70%
HELOC							
- Portfolio	45%	49%	45%	47%	44%	45%	45%
- Origination	64%	70%	61%	61%	60%	67%	62%

<sup>1</sup> Loan-to-value (LTV) is the ratio of outstanding mortgage balance or the HELOC authorization to the original property value indexed using Teranet data. Portfolio LTV is the combination of each individual mortgage or HELOC LTV weighted by the mortgage balance or HELOC authorization

# Canadian Mortgage Portfolio Profile

- The impact of higher interest rates on payments is primarily realized upon renewal for both fixed and variable rate mortgages
- Variable rate mortgages with fixed payments are impacted through an extension of amortization until renewal. At renewal, the product reverts to the original amortization schedule, which may require additional payments
- \$15.1B of mortgages in negative amortization<sup>1</sup>, down 49% YTD; representing ~32% of total variable rate mortgages, ~10% of the total mortgage portfolio
- Only 14% or \$22.6B in mortgage balances are renewing in the next 12 months, with an average FICO of 795 and LTV<sup>2</sup> of 43%; over 70% of mortgages renew after F2025
- Renewing customers experienced an increase to their regular payments of 22% for variable mortgages and 17% for fixed mortgages on a trailing 4-quarters basis

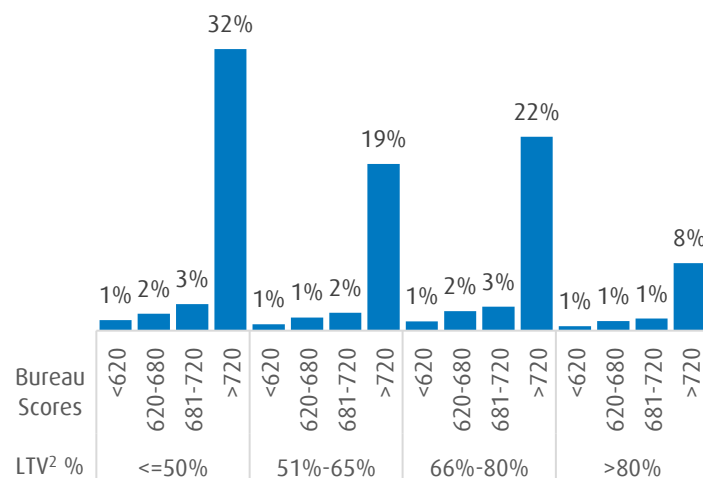
**Mortgage Maturity Schedule**  
(\$155.8B; 70% fixed rate, 30% variable rate)



**Payment Increase at Renewal (for illustration purposes)**

Payment at Renewal	F24	F25	F26	F27	F28+
Average payment Increase (\$) <sup>3</sup>	\$200	\$250	\$350	\$350	\$0
Average payment Increase (%) <sup>3</sup>	13%	15%	17%	14%	0%

**Mortgage LTV<sup>2</sup> by Bureau Scores**

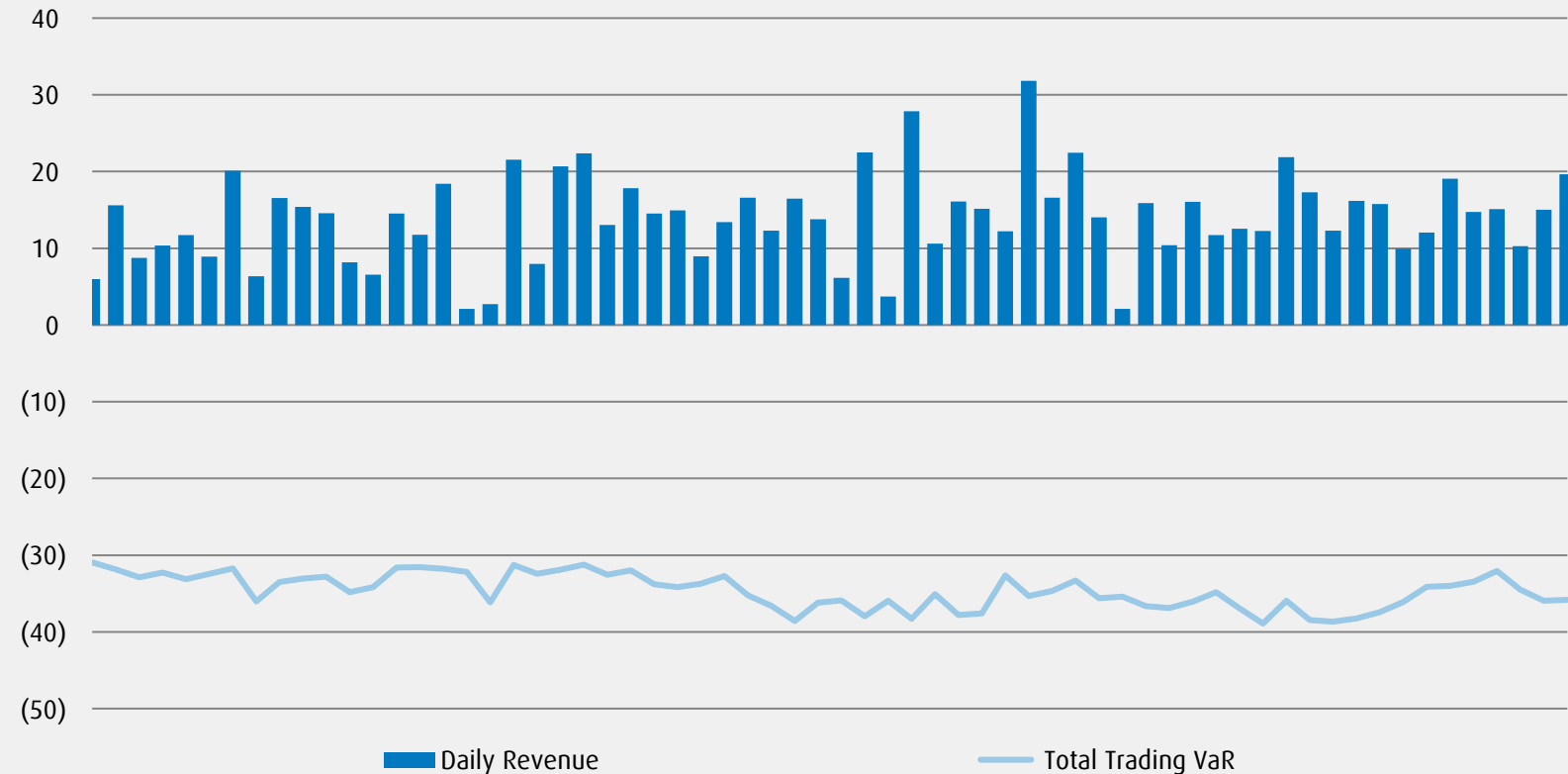


<sup>1</sup> Variable rate mortgages in negative amortization, with all of the contractual payments currently being applied to interest, and the portion of interest due that is not met by each payment is added to the principal  
<sup>2</sup> Loan-to-value (LTV) is the ratio of outstanding mortgage balance or the HELOC authorization to the original property value indexed using Teranet data. Portfolio LTV is the combination of each individual mortgage or HELOC LTV weighted by the mortgage balance or HELOC authorization  
<sup>3</sup> The average payment increase reflects an assumed interest rate of 5.25% at renewal and includes regular payments and additional pre-payments made to-date

# Trading-Related Net Revenue and Value-at-Risk

May 1, 2024 to July 31, 2024

(pre-tax basis and in millions of Canadian dollars)



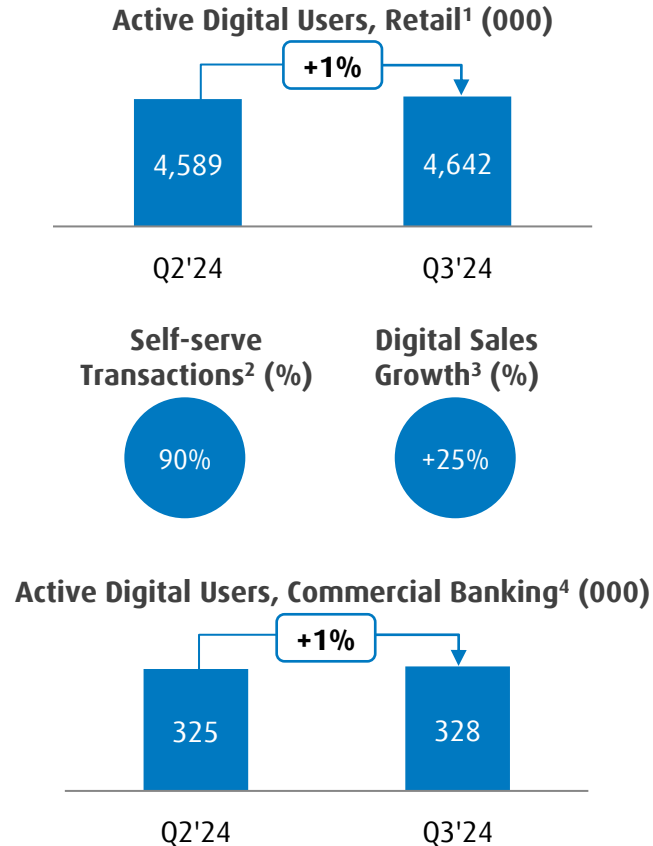


# Advancing our Digital First strategy

## Delivering on our Digital First agenda, powered by AI, data and tech modernization

- Driving tangible customer and business value through **AI and advanced analytics**, including:
  - ~**3MM AI-enabled** customer interactions with **BMO Assist**
  - >**150MM AI-powered BMO Insights** enabling real financial progress
- Enhanced our **U.S. Small Business** customer's user experience by enabling single sign on functionality for their Business Credit Card Online access
- Integration of **FX trading** with Online Business Banking enabling **seamless cross border money movement**
- Launched **V-Payo Card Plus** for Canadian Commercial Banking clients, enhancing the automation, process efficiency and digitization of our integrated payables solution

## Driving tangible customer and business value



## Being recognized as an industry leader and innovator

- Ranked #1** in the **EMARKETER Canada Mobile Banking Emerging Features Benchmark 2024**
- Recognized as one of the **World's Most Innovative Companies** by Fast Company
- Celent Model Bank Award for **Integration Excellence** for the Bank of the West conversion
- Digital Banker Awards for **best digital innovation** for **BMO Smart Progress** and **BMO Savings Goals**
- BAI Global Innovation Award** in Retail Customer Experience for **"New to Canada" pre-arrival account opening**
- Recognized as one of the **leaders in the Financial Fitness Category** within Javelin's 2024 Online Banking Scorecard
- Red Dot Award: Design Concept 2024** for re-imagined digital banking experience for small and medium enterprises



<sup>1</sup> Active digital users is number of retail deposit customers in North America that logged into online or mobile in the last 90 days

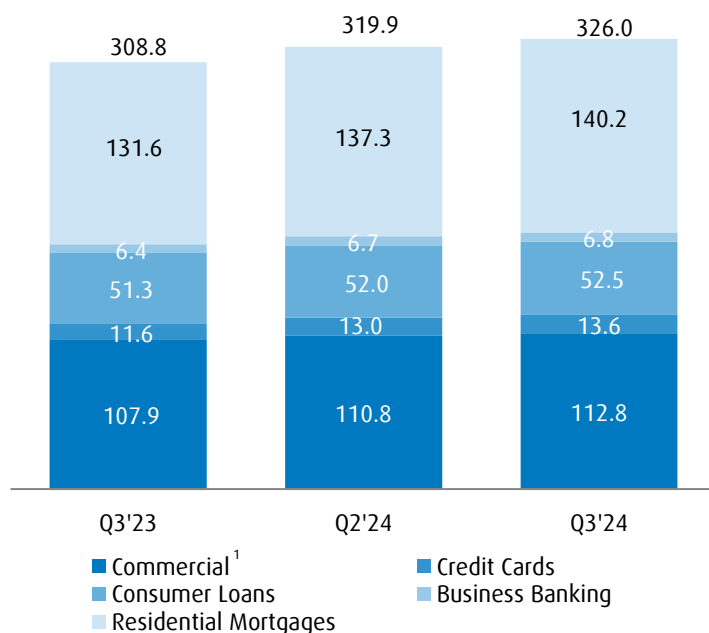
<sup>2</sup> Self-serve transactions are transactions that occur in online, mobile, ATM, telephone banking; May 2024 – July 2024

<sup>3</sup> Digital sales is 12 month rolling average for the 12-months preceding the end of the fiscal quarter and include chequing, savings, credit card, loans, mortgage, overdraft (CAD) and CD, MM (US); % growth is Q3'24 over Q2'24

<sup>4</sup> On-Line Business Banking (OLBB) clients in North American commercial, corporate and business banking

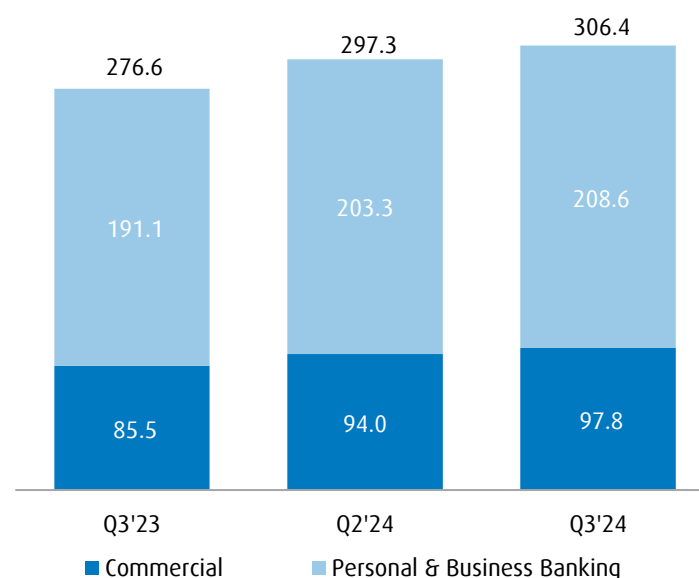
# Canadian Personal & Commercial Banking – Balances

## Average Gross Loans & Acceptances (\$B)



- Average loans & acceptances up 6% Y/Y and 2% Q/Q
  - Residential Mortgages (including amortizing HELOC) up 6% Y/Y and up 2% Q/Q
  - Cards up 18% Y/Y and 5% Q/Q
  - Business Banking up 6% Y/Y and up 1% Q/Q
  - Commercial<sup>1</sup> up 5% Y/Y and 2% Q/Q

## Average Deposits (\$B)



- Average deposits up 11% Y/Y and 3% Q/Q
  - Personal & Business Banking up 9% Y/Y and 3% Q/Q
    - Chequing and Savings down 6% Y/Y and up 1% Q/Q
    - Term up 24% Y/Y and 4% Q/Q
  - Commercial up 14% Y/Y and 4% Q/Q

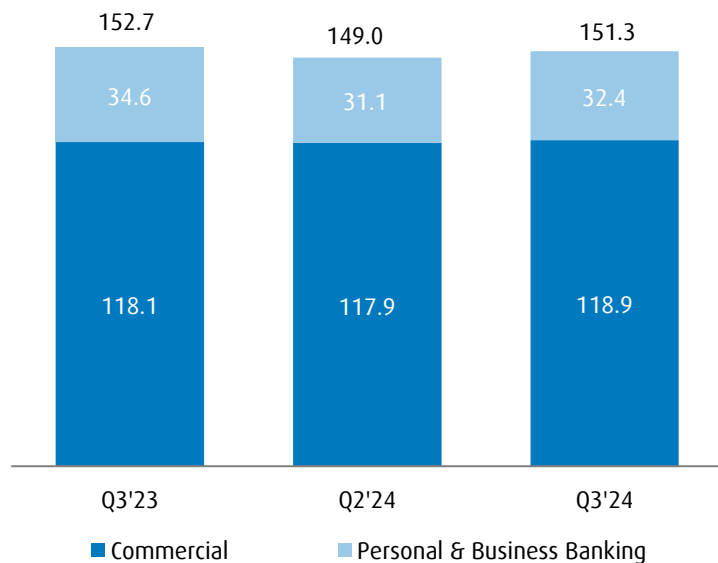
Prior period amounts have been reclassified to conform with the current period presentation

<sup>1</sup> Commercial lending excludes commercial and small business cards. Commercial and small business cards balances represented 13% of total credit card portfolio in Q3'24, Q2'24 and Q3'23

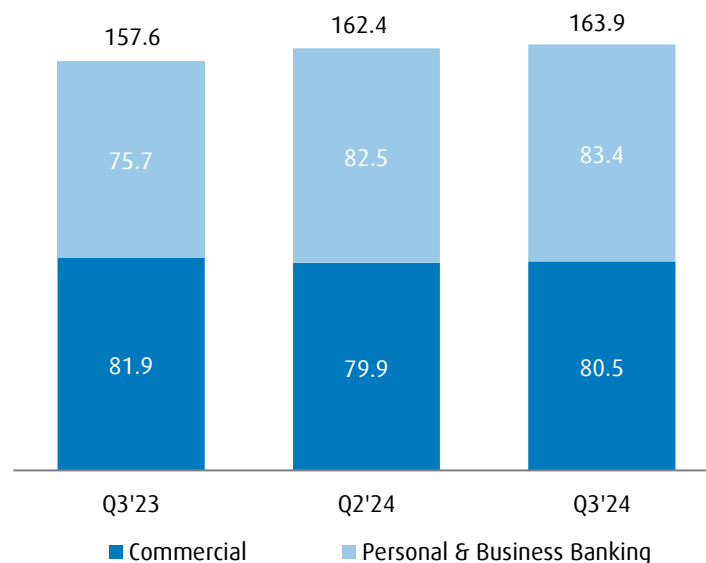
# U.S. Personal & Commercial Banking – Balances

Amounts on this slide are in U.S. dollars<sup>1</sup>

## Average Gross Loans & Acceptances (US\$B)



## Average Deposits (US\$B)



- Average loans & acceptances down 1% Y/Y (up 4% excluding sale of RV loan portfolio<sup>2</sup>) and up 2% Q/Q
  - Commercial up 1% Y/Y and up 1% Q/Q
  - Personal & Business Banking down 6% Y/Y (up 18% excluding sale of RV loan portfolio<sup>2</sup>) and up 4% Q/Q

- Average deposits up 4% Y/Y and up 1% Q/Q
  - Commercial down 2% Y/Y and up 1% Q/Q
  - Personal & Business Banking up 10% Y/Y and up 1% Q/Q

Prior period amounts have been reclassified to conform with the current period presentation

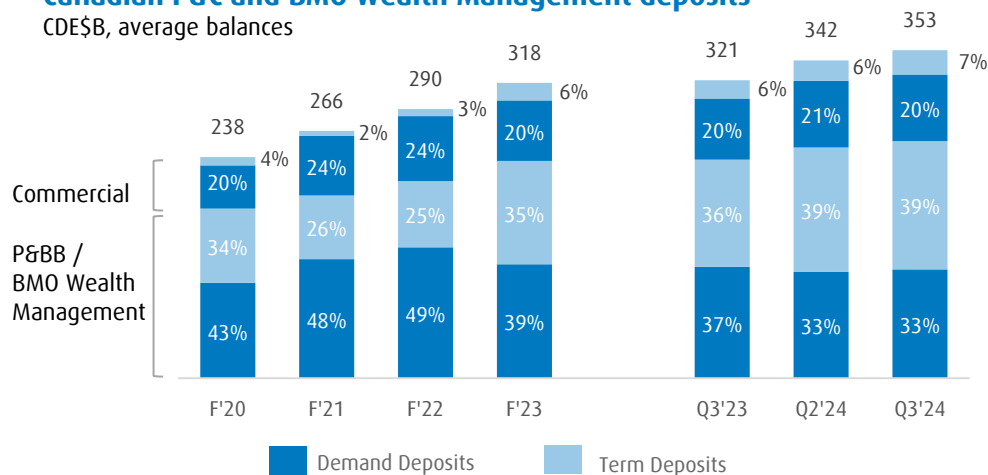
<sup>1</sup> Average FX rates (CAD/US dollar): Q3'24 1.3705, Q2'24 1.3625, and Q3'23 1.3331

<sup>2</sup> Recreational Vehicle (RV) loan portfolio sale reduced average balances by US\$7.2B compared with Q3'23

# Canadian and U.S. deposit trends

## Canadian P&C and BMO Wealth Management deposits

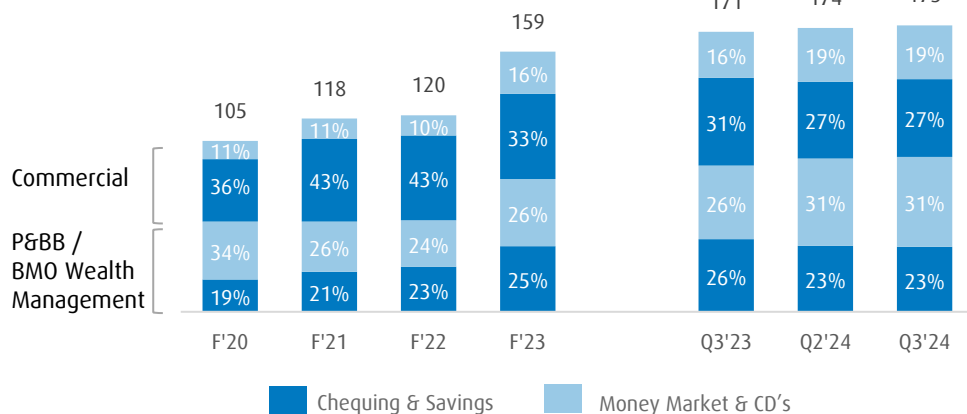
CDE\$B, average balances



- Total Canadian deposits grew 10% Y/Y due to new customer acquisition, a comprehensive onboarding program and increased customer primacy
- 3% Q/Q growth with increases in both demand deposits and term during the quarter, as migration is abating

## U.S. P&C and BMO Wealth Management deposits

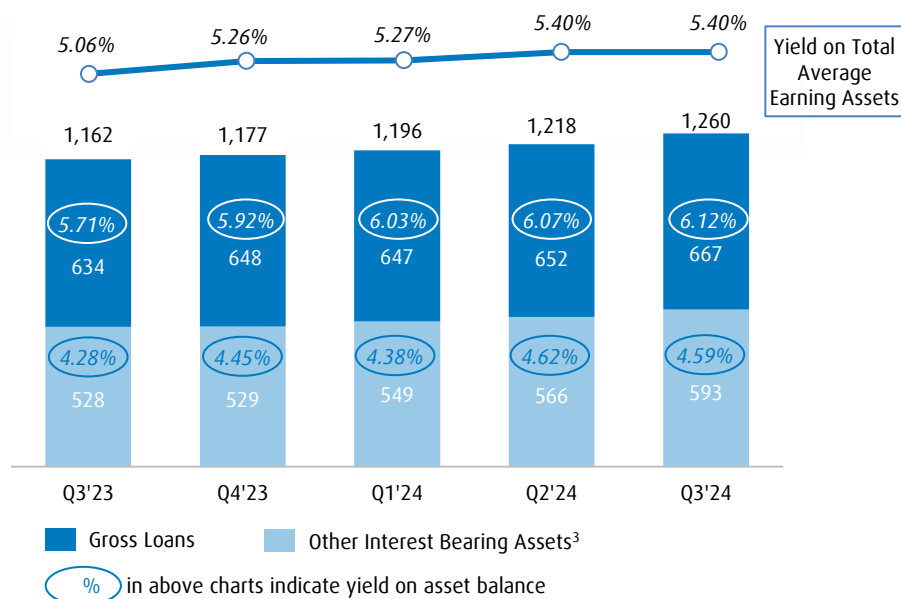
US\$B, average balances



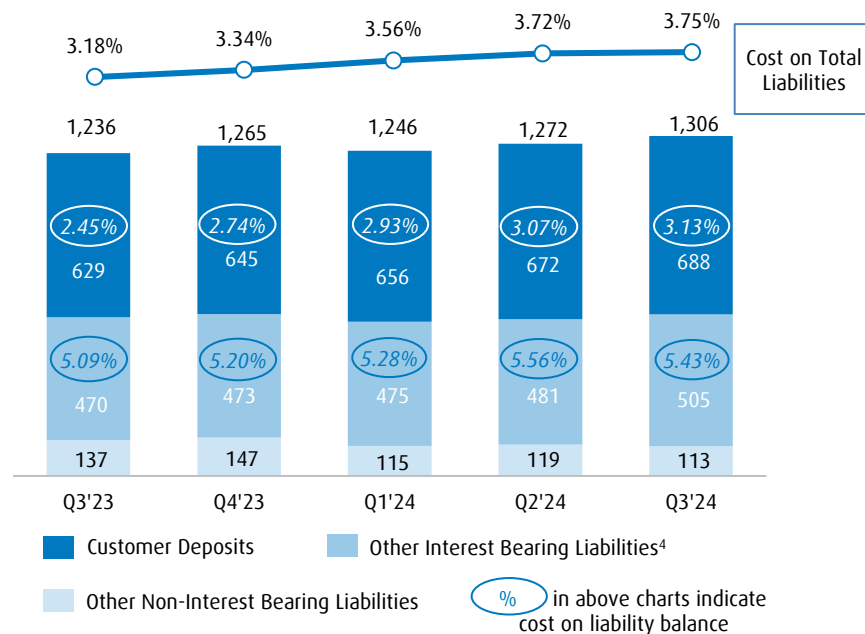
- Total U.S. deposits increased 2% Y/Y and 1% Q/Q as we continued to grow new customers and deposits through competitive tools, products and channels, including national digital retail banking and treasury and payments solutions platforms
- Current environment reflects an easing of deposit competition and customer migration to money markets and CD's

# Asset Yields<sup>1</sup> and Liabilities Costs<sup>2</sup>

## Average Earning Assets (\$B) and Yield<sup>1</sup> (%)



## Average Liabilities (\$B) and Costs<sup>2</sup> (%)



<sup>1</sup> Gross loan yield is calculated as interest income on loans as a percentage of average gross loans

<sup>2</sup> Liabilities cost is calculated as total interest expense as a percentage of average liabilities

<sup>3</sup> Other interest bearing assets balances include deposits with other banks, securities, securities borrowed or purchased under resale agreements and other interest bearing assets. Yield on other interest bearing assets is calculated as interest and dividend income on deposits with other banks, securities, securities borrowed or purchased under resale agreements and other interest bearing assets as a percentage of associated average balances

<sup>4</sup> Other interest bearing liabilities balances include wholesale funding, securities sold but not yet purchased and securities lent or sold, subordinated debt and other interest bearing liabilities. Cost on other interest bearing liabilities is calculated as interest expense on wholesale funding, securities sold but not yet purchased and securities lent or sold, subordinated debt and other interest bearing liabilities as a percentage of associated average balances

# Non-GAAP and Other Financial Measures

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Results and measures in this document are presented on a GAAP basis. Unless otherwise indicated, all amounts are in Canadian dollars and have been derived from our audited annual consolidated financial statements and our unaudited interim consolidated financial statements, prepared in accordance with International Financial Reporting Standards (IFRS). References to GAAP mean IFRS. We use a number of financial measures to assess our performance, as well as the performance of our operating segments, including amounts, measures and ratios that are presented on a non-GAAP basis, as described below. We believe that these non-GAAP amounts, measures and ratios, read together with our GAAP results, provide readers with a better understanding of how management assesses results.

Management considers both reported and adjusted results and measures useful in assessing underlying ongoing business performance. Adjusted results and measures remove certain specified items from revenue, non-interest expense and income taxes, as detailed on page 39. Adjusted results and measures presented in this document are non-GAAP. Presenting results on both a reported basis and an adjusted basis permits readers to assess the impact of certain items on results for the periods presented, and to better assess results excluding those items that may not be reflective of ongoing business performance. As such, the presentation may facilitate readers' analysis of trends. Except as otherwise noted, management's discussion of changes in reported results in this document applies equally to changes in the corresponding adjusted results.

Non-GAAP amounts, measures and ratios do not have standardized meanings under GAAP. They are unlikely to be comparable to similar measures presented by other companies and should not be viewed in isolation from, or as a substitute for, GAAP results.

Examples of non-GAAP amounts, measures or ratios include: pre-provision pre-tax income, tangible common equity, amounts presented net of applicable taxes, adjusted net income, revenues, non-interest expenses, provision for credit losses, earnings per share, return on equity, return on tangible common equity, and adjusted efficiency, leverage and PCL ratios, growth rates and other measures calculated using adjusted results, which exclude the impact of certain items such as acquisition and integration costs, amortization of acquisition-related intangible assets, impact of divestitures, management of fair value changes on the purchase of Bank of the West, and initial provision for credit losses on Bank of the West purchased loan portfolio. BMO provides supplemental information on combined operating segments to facilitate comparisons to peers.

Certain information contained in BMO's Management's Discussion and Analysis dated August 27, 2024, for the quarter ended July 31, 2024 ("Third Quarter 2024 MD&A") is incorporated by reference into this document, including the Summary Quarterly Earnings Trend section in the Third Quarter 2024 MD&A. Quantitative reconciliations of non-GAAP and other financial measures to the most directly comparable financial measures in BMO's financial statements for the period ended July 31, 2024, an explanation of how non-GAAP and other financial measures provide useful information to investors and any additional purposes for which management uses such measures, can be found in the Non-GAAP and Other Financial Measures section of the Third Quarter 2024 MD&A. Further information regarding the composition of our non-GAAP and other financial measures is provided in the Glossary of Financial Terms section of the Third Quarter 2024 MD&A. The Third Quarter 2024 MD&A is available on the Canadian Securities Administrators' website at [www.sedarplus.ca](http://www.sedarplus.ca) and BMO's website at [www.bmo.com/investorrelations](http://www.bmo.com/investorrelations).

Prior period amounts have been reclassified to conform with the current period presentation, including the retrospective application of IFRS 17.

# Non-GAAP and Other Financial Measures<sup>9</sup>

(Canadian \$ in millions, except as noted)		Q3 24	Q2 24	Q3 23	YTD 24	YTD 23
<b>Reported Results</b>	Net interest income	4,794	4,515	4,905	14,030	13,740
	Non-interest revenue	3,398	3,459	3,147	9,808	7,200
	Revenue	8,192	7,974	8,052	23,838	20,940
	Provision for credit losses	(906)	(705)	(492)	(2,238)	(1,732)
	Non-interest expense	(4,839)	(4,844)	(5,572)	(15,072)	(15,455)
	Income before income taxes	2,447	2,425	1,988	6,528	3,753
	Provision for income taxes	(582)	(559)	(423)	(1,505)	(1,026)
	Net income	1,865	1,866	1,565	5,023	2,727
	Diluted EPS (\$)	2.48	2.36	2.12	6.57	3.56
<b>Adjusting Items (Pre-tax)</b>	Management of fair value changes on the purchase of Bank of the West (1)	—	—	—	—	(2,011)
	Legal provision (recorded in revenue) (2)	(14)	(14)	(3)	(42)	(16)
	Impact of loan portfolio sale (3)	—	—	—	(164)	—
	Impact of Canadian tax measures (recorded in revenue) (4)	—	—	(138)	—	(138)
	Impact of adjusting items on revenue (pre-tax)	(14)	(14)	(141)	(206)	(2,165)
	Initial provision for credit losses on purchased performing loans (pre-tax) (5)	—	—	—	—	(705)
	Acquisition and integration costs (6)	(25)	(36)	(497)	(137)	(1,463)
	Amortization of acquisition-related intangible assets (7)	(107)	(107)	(115)	(326)	(238)
	Legal provision (including legal fees) (2)	(4)	(1)	7	(6)	5
	FDIC special assessment (8)	(6)	(67)	—	(490)	—
	Impact of Canadian tax measures (recorded in non-interest expense) (4)	—	—	(22)	—	(22)
	Impact of adjusting items on non-interest expense (pre-tax)	(142)	(211)	(627)	(959)	(1,718)
	Impact of adjusting items on reported net income (pre-tax)	(156)	(225)	(768)	(1,165)	(4,588)
<b>Adjusting Items (After-tax)</b>	Management of fair value changes on the purchase of Bank of the West (1)	—	—	—	—	(1,461)
	Legal provision (recorded in revenue) (2)	(11)	(11)	(2)	(32)	(13)
	Impact of loan portfolio sale (3)	—	—	—	(136)	—
	Impact of Canadian tax measures (recorded in revenue) (4)	—	—	(115)	—	(115)
	Impact of adjusting items on revenue (after-tax)	(11)	(11)	(117)	(168)	(1,589)
	Initial provision for credit losses on purchased performing loans (after-tax) (5)	—	—	—	—	(517)
	Acquisition and integration costs (6)	(19)	(26)	(370)	(102)	(1,100)
	Amortization of acquisition-related intangible assets (7)	(79)	(79)	(85)	(242)	(176)
	Legal provision (including legal fees) (2)	(2)	(1)	5	(4)	4
	FDIC special assessment (8)	(5)	(50)	—	(368)	—
	Impact of Canadian tax measures (recorded in non-interest expense) (4)	—	—	(16)	—	(16)
	Impact of adjusting items on non-interest expense (after-tax)	(105)	(156)	(466)	(716)	(1,288)
	Impact of Canadian tax measures - provision for income taxes (4)	—	—	—	—	(371)
	Impact of adjusting items on reported net income (after-tax)	(116)	(167)	(583)	(884)	(3,765)
	Impact on diluted EPS (\$)	(0.16)	(0.23)	(0.81)	(1.21)	(5.32)
<b>Adjusted Results</b>	Net interest income	4,808	4,529	4,908	14,072	14,139
	Non-interest revenue	3,398	3,459	3,285	9,972	8,966
	Revenue	8,206	7,988	8,193	24,044	23,105
	Provision for credit losses	(906)	(705)	(492)	(2,238)	(1,027)
	Non-interest expense	(4,697)	(4,633)	(4,945)	(14,113)	(13,737)
	Income before income taxes	2,603	2,650	2,756	7,693	8,341
	Provision for income taxes	(622)	(617)	(608)	(1,786)	(1,849)
	Net income	1,981	2,033	2,148	5,907	6,492
	Diluted EPS (\$)	2.64	2.59	2.94	7.78	8.88

(1) Reported net income in Q1-2023 included losses of \$1,461 million (\$2,011 million pre-tax) related to the acquisition of Bank of the West, comprising \$1,628 million of mark-to-market losses on certain interest rate swaps recorded in non-interest trading revenue and \$383 million of losses on a portfolio of primarily U.S. treasuries and other balance sheet instruments recorded in net interest income, in Corporate Services.

(2) Reported net income included the impact of a lawsuit associated with a predecessor bank, M&I Marshall and Ilsley Bank: Q3-2024 included \$13 million (\$18 million pre-tax), comprising \$14 million interest expense and non-interest expense of \$4 million; Q2-2024 included \$12 million (\$15 million pre-tax), comprising \$14 million interest expense and non-interest expense of \$1 million; Q1-2024 included \$11 million (\$15 million pre-tax), comprising \$14 million interest expense and non-interest expense of \$1 million; Q3-2023 included a net recovery of \$3 million (\$4 million pre-tax), comprising \$3 million interest expense, and a \$7 million recovery of non-interest expense; Q2-2023 included \$6 million (\$7 million pre-tax) of interest expense; and Q1-2023 included \$6 million (\$8 million pre-tax), comprising interest expense of \$6 million and a non-interest expense of \$2 million. These amounts were recorded in Corporate Services.

(3) Reported net income in Q1-2024 included a net accounting loss on the sale of a portfolio of recreational vehicle loans related to balance sheet optimization of \$136 million (\$164 million pre-tax), recorded in Corporate Services.

(4) Reported net income included the impact of certain tax measures enacted by the Canadian government, comprising a charge of \$131 million (\$160 million pre-tax) related to the amended GST/HST definition for financial services in Q3-2023 and a one-time tax expense of \$371 million in Q1-2023, primarily related to the Canada Recovery Dividend. These amounts were recorded in Corporate Services.

(5) Reported net income in Q2-2023 included an initial provision for credit losses of \$517 million (\$705 million pre-tax) on the purchased Bank of the West performing loan portfolio, recorded in Corporate Services.

(6) Reported net income included acquisition and integration costs, recorded in non-interest expense. Costs related to the acquisition of Bank of the West were recorded in Corporate Services: Q3-2024 included \$16 million (\$21 million pre-tax); Q2-2024 included \$22 million (\$30 million pre-tax); Q1-2024 included \$46 million (\$61 million pre-tax); Q3-2023 included \$363 million (\$487 million pre-tax); Q2-2023 included \$545 million (\$722 million pre-tax); Q1-2023 included \$178 million (\$235 million pre-tax). Costs related to the acquisitions of Radicle and Clearpool were recorded in BMO Capital Markets: Q3-2024 included \$1 million (\$1 million pre-tax); Q2-2024 included \$2 million (\$3 million pre-tax); Q1-2024 included \$10 million (\$14 million pre-tax); Q3-2023 included \$1 million (\$2 million pre-tax); Q2-2023 included \$2 million (\$2 million pre-tax); and Q1-2023 included \$3 million (\$4 million pre-tax). Costs related to the acquisition of AIR MILES were recorded in Canadian P&C: Q3-2024 and Q2-2024 both included \$2 million (\$3 million pre-tax); Q1-2024 included \$1 million (\$1 million pre-tax); Q3-2023 included \$6 million (\$8 million pre-tax); Q2-2023 included \$2 million (\$3 million pre-tax).

(7) Reported net income included amortization of acquisition-related intangible assets recorded in non-interest expense in the related operating group: Q3-2024 and Q2-2024 both included \$79 million (\$107 million pre-tax); Q1-2024 included \$84 million (\$112 million pre-tax); Q3-2023 and Q2-2023 both included \$85 million (\$115 million pre-tax); Q1-2023 included \$6 million (\$8 million pre-tax).

(8) Reported net income included the impact of a U.S. Federal Deposit Insurance Corporation (FDIC) special assessment of \$5 million (\$6 million pre-tax) in Q3-2024; \$50 million (\$67 million pre-tax) in Q2-2024; and \$313 million (\$417 million pre-tax) in Q1-2024, recorded in non-interest expense in Corporate Services.

(9) For more information, refer to slide 38 and the Non-GAAP and Other Financial Measures section of BMO's Third Quarter 2024 MD&A. Prior period amounts have been reclassified to conform with the current period presentation.

# Summary of Reported and Adjusted Results by Operating Group

(Canadian \$ in millions unless otherwise stated)		Q3 24	Q2 24	Q1 24	Q4 23	Q3 23	YTD 24	YTD 23
<b>Total Bank</b>	Reported Net Income	1,865	1,866	1,292	1,710	1,565	5,023	2,727
	Management of Fair Value Changes on the Purchase of Bank of the West	—	—	—	—	—	—	1,461
	Acquisition and integration costs	19	26	57	433	370	102	1,100
	Amortization of acquisition-related intangible assets	79	79	84	88	85	242	176
	Legal Provisions	13	12	11	12	(3)	36	9
	Impact of Canadian tax measures	—	—	—	—	131	—	502
	Initial provision for credit losses on purchased performing loans	—	—	—	—	—	—	517
	Net loss on RV loan portfolio sale	—	—	136	—	—	136	—
	FDIC special assessment	5	50	313	—	—	368	—
	<b>Adjusted Net Income</b>	<b>1,981</b>	<b>2,033</b>	<b>1,893</b>	<b>2,243</b>	<b>2,148</b>	<b>5,907</b>	<b>6,492</b>
<b>U.S. Segment (USD)</b>	Reported Net Income	439	559	184	364	343	1,182	(349)
	Management of Fair Value Changes on the Purchase of Bank of the West	—	—	—	—	—	—	1,093
	Acquisition and integration costs	11	17	39	317	275	67	807
	Amortization of acquisition-related intangible assets	55	54	59	61	60	168	125
	Legal provision	10	9	8	8	(2)	27	7
	Initial provision for credit losses on purchased performing loans	—	—	—	—	—	—	379
	Net loss on RV loan portfolio sale	—	—	102	—	—	102	—
	FDIC special assessment	3	37	231	—	—	271	—
	<b>Adjusted Net Income</b>	<b>518</b>	<b>676</b>	<b>623</b>	<b>750</b>	<b>676</b>	<b>1,817</b>	<b>2,062</b>
<b>Canadian P&amp;C</b>	Reported Net Income	914	872	921	922	881	2,707	2,651
	Acquisition and integration costs	2	2	1	1	6	5	8
	Amortization of acquisition-related intangible assets	4	3	3	3	2	10	3
	<b>Adjusted Net Income</b>	<b>920</b>	<b>877</b>	<b>925</b>	<b>926</b>	<b>889</b>	<b>2,722</b>	<b>2,662</b>
<b>U.S. P&amp;C (USD)</b>	Reported Net Income	344	398	419	433	376	1,161	1,410
	Amortization of acquisition-related intangible assets	51	51	56	57	58	158	116
	<b>Adjusted Net Income</b>	<b>395</b>	<b>449</b>	<b>475</b>	<b>490</b>	<b>434</b>	<b>1,319</b>	<b>1,526</b>
<b>BMO Wealth Management</b>	Reported Net Income	362	320	240	351	396	922	795
	Amortization of acquisition-related intangible assets	2	2	1	1	1	5	3
	<b>Adjusted Net Income</b>	<b>364</b>	<b>322</b>	<b>241</b>	<b>352</b>	<b>397</b>	<b>927</b>	<b>798</b>
<b>BMO Capital Markets</b>	Reported Net Income	389	459	393	472	295	1,241	1,153
	Acquisition and integration costs	1	2	10	(2)	1	13	6
	Amortization of acquisition-related intangible assets	4	5	5	5	5	14	15
	<b>Adjusted Net Income</b>	<b>394</b>	<b>466</b>	<b>408</b>	<b>475</b>	<b>301</b>	<b>1,268</b>	<b>1,174</b>
<b>Corporate Services</b>	Reported Net Income	(270)	(328)	(822)	(626)	(509)	(1,420)	(3,770)
	Management of Fair Value Changes on the Purchase of Bank of the West	—	—	—	—	—	—	1,461
	Acquisition and integration costs	16	22	46	434	363	84	1,086
	Legal provision	13	12	11	12	(3)	36	9
	Impact of Canadian tax measures	—	—	—	—	131	—	502
	Initial provision for credit losses on purchased performing loans	—	—	—	—	—	—	517
	Net loss on RV loan portfolio sale	—	—	136	—	—	136	—
	FDIC special assessment	5	50	313	—	—	368	—
	<b>Adjusted Net Income</b>	<b>(236)</b>	<b>(244)</b>	<b>(316)</b>	<b>(180)</b>	<b>(18)</b>	<b>(796)</b>	<b>(195)</b>

Adjusted results and measures are non-GAAP. Refer to footnotes (1) to (8) in the Non-GAAP and other Financial Measures table on slide 39 for details on adjusting items, and the Non-GAAP and Other Financial Measures and Summary Quarterly Earnings Trend sections of BMO's Third Quarter 2024 MD&A for further information



# Pre-Provision, Pre-Tax Earnings (PPPT) Reconciliation

(Canadian \$ in millions unless otherwise stated)		Q3 24	Q2 24	Q1 24	Q4 23	Q3 23	YTD 24	YTD 23
<b>Total Bank</b>	Reported Income before taxes	2,447	2,425	1,656	2,194	1,988	6,528	3,753
	Total provision for (recovery of) credit losses	906	705	627	446	492	2,238	1,732
	Reported Pre-Provision, Pre-Tax Earnings (PPPT)	3,353	3,130	2,283	2,640	2,480	8,766	5,485
	Acquisition and integration costs	25	36	76	582	497	137	1,463
	Amortization of acquisition-related intangible assets	107	107	112	119	115	326	238
	Legal provision	18	15	15	16	(4)	48	11
	FDIC special assessment	6	67	417	—	—	490	—
	Net loss on RV loan portfolio sale	—	—	164	—	—	164	—
	Management of Fair Value Changes on the Purchase of Bank of the West	—	—	—	—	—	—	2,011
	Impact of Canadian tax measures	—	—	—	—	160	—	160
	Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	3,509	3,355	3,067	3,357	3,248	9,931	9,368
<b>U.S. Segment (USD)</b>	Reported Income (loss) before taxes	531	701	207	452	442	1,439	(590)
	Total provision for (recovery of) credit losses	364	223	226	135	165	813	779
	Reported Pre-Provision, Pre-Tax Earnings (PPPT)	895	924	433	587	607	2,252	189
	Acquisition and integration costs	15	22	52	426	369	89	1,074
	Management of Fair Value Changes on the Purchase of Bank of the West	—	—	—	—	—	—	1,505
	Net loss on RV loan portfolio sale	—	—	122	—	—	122	—
	FDIC special assessment	4	49	308	—	—	361	—
	Amortization of acquisition-related intangible assets	73	73	79	82	82	225	169
	Legal provision	13	12	11	11	(3)	36	9
	Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	1,000	1,080	1,005	1,106	1,055	3,085	2,946
<b>Canadian P&amp;C</b>	Reported Income before taxes	1,260	1,205	1,273	1,271	1,213	3,738	3,656
	Total provision for (recovery of) credit losses	388	398	295	265	259	1,081	644
	Reported Pre-Provision, Pre-Tax Earnings (PPPT)	1,648	1,603	1,568	1,536	1,472	4,819	4,300
	Amortization of acquisition-related intangible assets	5	5	4	4	3	14	4
	Acquisition and integration costs	3	3	1	2	8	7	11
	Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	1,656	1,611	1,573	1,542	1,483	4,840	4,315
<b>U.S. P&amp;C (USD)</b>	Reported Income before taxes	414	489	522	555	493	1,425	1,836
	Total provision for (recovery of) credit losses	286	206	217	129	154	709	247
	Reported Pre-Provision, Pre-Tax Earnings (PPPT)	700	695	739	684	647	2,134	2,083
	Amortization of acquisition-related intangible assets	69	68	75	76	78	212	157
	Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	769	763	814	760	725	2,346	2,240
<b>BMO Wealth Management</b>	Reported Income before taxes	479	422	318	474	528	1,219	1,041
	Total provision for (recovery of) credit losses	(9)	(7)	13	1	7	(3)	17
	Reported Pre-Provision, Pre-Tax Earnings (PPPT)	470	415	331	475	535	1,216	1,058
	Amortization of acquisition-related intangible assets	3	3	1	2	2	7	5
	Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	473	418	332	477	537	1,223	1,063
<b>BMO Capital Markets</b>	Reported Income before taxes	491	581	495	598	378	1,567	1,498
	Total provision for (recovery of) credit losses	128	52	(22)	1	10	158	17
	Reported Pre-Provision, Pre-Tax Earnings (PPPT)	619	633	473	599	388	1,725	1,515
	Acquisition and integration costs	1	3	14	(3)	2	18	8
	Amortization of acquisition-related intangible assets	5	6	7	7	7	18	20
	Adjusted Pre-Provision, Pre-Tax Earnings (PPPT)	625	642	494	603	397	1,761	1,543

Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information. Adjusted results and measures are non-GAAP. Refer to footnotes (1) to (8) in the Non-GAAP and Other Financial Measures table on slide 39 for details on adjusting items, and the Non-GAAP and Other Financial Measures and Summary Quarterly Earnings Trend sections of BMO's Third Quarter 2024 MD&A for further information.

# Revenue, Non-Interest Expense and Efficiency Ratio Reconciliation

(Canadian \$ in millions unless otherwise stated)		Q3 24	Q2 24	Q1 24	Q4 23	Q3 23	YTD 24	YTD 23	F2023	F2022
<b>Total Bank</b>	Reported Revenue	8,192	7,974	7,672	8,319	8,052	23,838	20,940	29,259	33,710
	Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	—	—	—	—	—	—	—	—	(683)
	Reported Revenue, net of CCPB	8,192	7,974	7,672	8,319	8,052	23,838	20,940	29,259	34,393
	Impact of divestitures	—	—	—	—	—	—	—	—	21
	Management of Fair Value Changes on the Purchase of Bank of the West	—	—	—	—	—	—	2,011	2,011	(7,713)
	Legal provision (Net interest income)	14	14	14	14	3	42	16	30	515
	Impact of Canadian tax measures	—	—	—	—	138	—	138	138	—
	Net loss on RV loan portfolio sale	—	—	164	—	—	164	—	—	—
	Adjusted Revenue, net of CCPB	8,206	7,988	7,850	8,333	8,193	24,044	23,105	31,438	27,216
	Reported Expenses	4,839	4,844	5,389	5,679	5,572	15,072	15,455	21,134	16,194
	Acquisition and integration costs	(25)	(36)	(76)	(582)	(497)	(137)	(1,463)	(2,045)	(326)
	Amortization of acquisition-related intangible assets	(107)	(107)	(112)	(119)	(115)	(326)	(238)	(357)	(31)
	Impact of divestitures	—	—	—	—	—	—	—	—	(16)
	Legal provision	(4)	(1)	(1)	(2)	7	(6)	5	3	(627)
<b>U.S. Segment (USD)</b>	Impact of Canadian tax measures	—	—	—	—	(22)	—	(22)	(22)	—
	FDIC special assessment	(6)	(67)	(417)	—	—	(490)	—	—	—
	Adjusted Expenses	4,697	4,633	4,783	4,976	4,945	14,113	13,737	18,713	15,194
	Reported Efficiency Ratio	59.1 %	60.7 %	70.2 %	68.3 %	69.2 %	63.2 %	73.8 %	72.2 %	59.5 %
	Adjusted Efficiency Ratio	57.3 %	58.0 %	60.9 %	59.7 %	60.3 %	58.7 %	59.4 %	59.5 %	55.8 %
	Reported Revenue	2,527	2,571	2,512	2,795	2,770	7,610	5,961	8,756	13,035
	Impact of divestitures	—	—	—	—	—	—	—	—	(7)
	Management of Fair Value Changes on the Purchase of Bank of the West	—	—	—	—	—	—	1,505	1,505	(5,869)
	Legal provision (Net interest income)	10	11	10	10	2	31	12	22	378
	Net loss on RV loan portfolio sale	—	—	122	—	—	122	—	—	—
	Adjusted Revenue	2,537	2,582	2,644	2,805	2,772	7,763	7,478	10,283	7,537
	Reported Expenses	1,632	1,647	2,079	2,208	2,163	5,358	5,772	7,980	4,968
	Impact of divestitures	—	—	—	—	—	—	—	—	57
	Acquisition and integration costs	(15)	(22)	(52)	(426)	(369)	(89)	(1,074)	(1,500)	(247)
<b>U.S. Segment (USD)</b>	Amortization of acquisition-related intangible assets	(73)	(73)	(79)	(82)	(82)	(225)	(169)	(251)	(22)
	Legal provision	(3)	(1)	(1)	(1)	5	(5)	3	2	(460)
	FDIC special assessment	(4)	(49)	(308)	—	—	(361)	—	—	—
	Adjusted Expenses	1,537	1,502	1,639	1,699	1,717	4,678	4,532	6,231	4,296
	Reported Efficiency Ratio	64.6 %	64.0 %	82.8 %	79.0 %	78.1 %	70.4 %	96.8 %	91.1 %	38.1 %
	Adjusted Efficiency Ratio	60.6 %	58.2 %	62.0 %	60.6 %	62.0 %	60.3 %	60.6 %	60.6 %	57.0 %

Adjusted results and measures are non-GAAP. Refer to footnotes (1) to (8) in the Non-GAAP and other Financial Measures table on slide 39 for details on adjusting items, and the Non-GAAP and Other Financial Measures and Summary Quarterly Earnings Trend sections of BMO's Third Quarter 2024 MD&A for further information

# Summary of Reported and Adjusted Results by Operating Group

(Canadian \$ in millions unless otherwise stated)		Reported			Adjusted		
		Q3 24	Q2 24	Q3 23	Q3 24	Q2 24	Q3 23
<b>Total Bank</b>	Revenue	8,192	7,974	8,052	8,206	7,988	8,193
	Expenses	4,839	4,844	5,572	4,697	4,633	4,945
	Pre-Provision, Pre-tax Earnings <sup>1</sup>	3,353	3,130	2,480	3,509	3,355	3,248
	Total PCL (recovery)	906	705	492	906	705	492
	Net Income	1,865	1,866	1,565	1,981	2,033	2,148
	U.S. Segment Net Income (US\$)	439	559	343	518	676	676
	Diluted EPS (\$)	2.48	2.36	2.12	2.64	2.59	2.94
	Efficiency Ratio (%)	59.1	60.7	69.2	57.3	58.0	60.3
	ROE (%)	10.0	9.9	9.0	10.6	10.9	12.5
	ROTCE <sup>2</sup> (%)	13.9	14.0	13.0	14.2	14.6	17.1
<b>Canadian P&amp;C</b>	Net Interest Income	2,253	2,154	2,061	2,253	2,154	2,061
	Non-Interest Revenue	655	665	655	655	665	655
	Revenue	2,908	2,819	2,716	2,908	2,819	2,716
	Expenses	1,260	1,216	1,244	1,252	1,208	1,233
	Pre-Provision, Pre-tax Earnings <sup>1</sup>	1,648	1,603	1,472	1,656	1,611	1,483
	Total PCL (recovery)	388	398	259	388	398	259
	Net Income	914	872	881	920	877	889
	Efficiency Ratio (%)	43.3	43.2	45.8	43.1	42.9	45.4
	ROE (%)	22.3	22.3	25.3	22.4	22.4	25.5
<b>US P&amp;C<sup>3</sup> (USD)</b>	Net Interest Income (teb)	1,500	1,463	1,497	1,500	1,463	1,497
	Non-Interest Revenue	289	290	314	289	290	314
	Revenue (teb)	1,789	1,753	1,811	1,789	1,753	1,811
	Expenses	1,089	1,058	1,164	1,020	990	1,086
	Pre-Provision, Pre-tax Earnings <sup>1</sup>	700	695	647	769	763	725
	Total PCL (recovery)	286	206	154	286	206	154
	Net Income	344	398	376	395	449	434
	Net Income (CDE\$)	470	543	502	539	612	579
	Efficiency Ratio (%)	60.8	60.3	64.2	57.0	56.4	60.0
	ROE (%)	5.5	6.5	6.1	6.3	7.3	7.1
<b>BMO Wealth Management</b>	Wealth & Asset Management	1,342	1,291	1,260	1,342	1,291	1,260
	Insurance	97	102	265	97	102	265
	Revenue	1,439	1,393	1,525	1,439	1,393	1,525
	Expenses	969	978	990	966	975	988
	Pre-Provision, Pre-tax Earnings <sup>1</sup>	470	415	535	473	418	537
	Total PCL (recovery)	(9)	(7)	7	(9)	(7)	7
	Net Income	362	320	396	364	322	397
	Wealth & Asset Management NI	300	252	209	302	254	210
	Insurance NI	62	68	187	62	68	187
	Efficiency Ratio (%)	67.3	70.3	64.9	67.1	70.1	64.8
	ROE (%)	29.7	27.2	31.7	29.8	27.4	31.7
<b>BMO Capital Markets<sup>3</sup></b>	Global Markets	1,000	1,008	863	1,000	1,008	863
	I&CB	666	653	600	666	653	600
	Revenue (teb)	1,666	1,661	1,463	1,666	1,661	1,463
	Expenses	1,047	1,028	1,075	1,041	1,019	1,066
	Pre-Provision, Pre-tax Earnings <sup>1</sup>	619	633	388	625	642	397
	Total PCL (recovery)	128	52	10	128	52	10
	Net Income	389	459	295	394	466	301
	U.S. Net Income (\$US)	55	121	64	57	124	67
	Efficiency Ratio (%)	62.9	61.9	73.5	62.5	61.3	72.9
	ROE (%)	11.4	14.1	9.7	11.6	14.3	9.9
<b>Corporate Services<sup>3</sup></b>	Revenue	(266)	(277)	23	(252)	(263)	164
	Group teb offset	(8)	(11)	(89)	(8)	(11)	(89)
	Revenue (teb)	(274)	(288)	(66)	(260)	(274)	75
	Expenses	71	181	712	40	83	210
	Total PCL (recovery)	5	(19)	12	5	(19)	12
	Net Income	(270)	(328)	(509)	(236)	(244)	(18)

Adjusted results and measures are non-GAAP. Refer to slide 39 for adjustments to reported results and slide 38 and the Non-GAAP and Other Financial Measures sections of BMO's Third Quarter 2024 MD&A for more information

<sup>1</sup> Reported and adjusted pre-provision pre-tax earnings (PPPT) are non-GAAP measures. Refer to slide 38 for more information and slide 41 for calculation of PPPT

<sup>2</sup> Reported and adjusted return on tangible common equity (ROTCE) are non-GAAP measures. Refer to slide 38 and Non-GAAP and Other Financial Measures section of BMO's Third Quarter 2024 MD&A for more information

<sup>3</sup> U.S P&C and BMO Capital Markets operating group results are presented on a taxable equivalent basis (teb). This teb adjustment is offset in Corporate Services

BMO Financial Group

# Investor Relations

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