Fourth Quarter 2011 Results

January 19, 2012

Forward-Looking Statements

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You should carefully consider the factors discussed above in evaluating these forward-looking statements. All information in these slides is based on the consolidated results of Capital One Financial Corporation, unless otherwise noted. A reconciliation of any non-GAAP financial measures included in this presentation can be found in Capital One's most recent Current Report on Form 8-K filed January 19, 2012, available on Capital One's website at www.capitalone.com under "Investors."

Fourth Quarter and Full Year 2011 Highlights

- **Q4 2011 net income was $407MM or $0.88 per share**
  - 5% loan growth over Q311
  - Slightly lower revenue due to impact of UK reserve and the absence of Q311 FCFR release
  - Higher non-interest expense driven by increased marketing & operating expenses, including litigation reserves
  - Higher provision expense driven by seasonally higher charge-offs and stabilizing allowance

- **Full year 2011 net income was $3.1B or $6.80 per share**
  - Strong and stable revenue margins
  - Increased marketing & operating expenses
  - Significant credit improvement, now stabilizing at strong levels
  - Return to loan growth
  - Deposit growth with disciplined pricing
  - Enhanced balance sheet strength, Tier 1 Common Ratio near 10%

Fourth Quarter 2011 earnings were $407MM, or $0.88 per share, compared with $813MM, or $1.77 per share, in Third Quarter 2011

$MM	Q411	Q311	Q410
Net interest income	3,182	3,283	3,023
Non-interest income	868	871	939
Revenue	**4,050**	**4,154**	**3,962**
Marketing expense	420	312	308
Operating expense	2,198	1,985	1,783
Non-Interest Expense	**2,618**	**2,297**	**2,091**
Pre-Provision Earnings (before tax)	**1,432**	**1,857**	**1,871**
Net charge-offs	884	812	1,394
Other	7	18	(14)
Allowance build (release)	(30)	(208)	(547)
Provision Expense	**861**	**622**	**839**
Pretax income	**571**	**1,235**	**1,032**
Tax expense	**160**	**370**	**331**
Operating Earnings (after tax)	**411**	**865**	**701**
Discontinued operations, net of tax	(4)	(52)	(4)
Total company (after tax)	**407**	**813**	**697**
EPS	$0.88	$1.77	$1.52

Highlights

- Revenue negatively impacted by absence of Q311 FCFR release of $83MM and by UK PPI Reserve ($81MM) in Q411
- OpEx increase includes $90MM of litigation related expenses and accelerated infrastructure build
- Provision expense increased with seasonally higher charge-offs and smaller allowance release

Loan balances increased and net interest margin was stable in the fourth quarter

Average Balances & Margin Highlights

(Dollars in millions)	Quarter Ended 12/31/11 Average Balance	Quarter Ended 12/31/11 Yield/ Rate		Quarter Ended 09/30/11 Average Balance	Quarter Ended 09/30/11 Yield/ Rate	
Interest-earning assets:						
Loans held for investment	$ 131,581	10.46	%	$ 129,043	11.00	%
Investment securities	39,005	2.50		37,189	2.84	
Cash equivalents and other	5,681	1.20		11,478	0.73	
Total interest-earning assets	$ 176,267	8.40	%	$ 177,710	8.63	%
Interest-bearing liabilities:						
Total interest-bearing deposits	$ 109,914	0.96	%	$ 110,750	1.0	%
Securitized debt obligations	16,780	1.91		18,478	1.93	
Senior and subordinated notes	10,237	3.48		10,519	3.19	
Other borrowings	7,794	4.41		8,369	4.06	
Total interest-bearing liabilities	$ 144,725	1.43	%	$ 148,116	1.49	%
Impact of non-interest bearing funding		0.25	%		0.25	%
Net interest margin		7.22	%		7.39	%

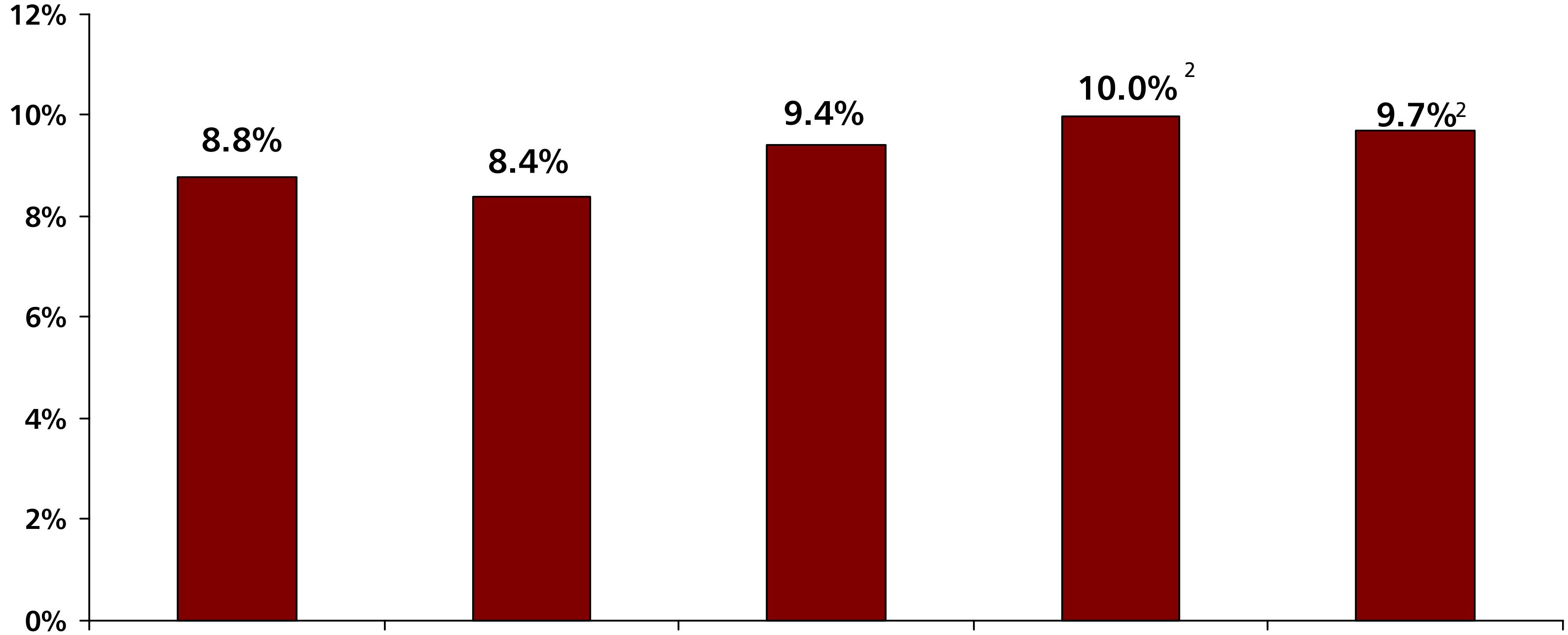
Full year 2011 earnings were $3,147MM, or $6.80 per share, compared with $2,743MM, or $6.01 per share, in full year 2010

$MM	2011	2010	Fav/(Unfav) ($)
Net interest income	12,741	12,457	284
Non-interest income	3,538	3,714	(176)
Revenue	**16,279**	**16,171**	**108**
Marketing expense	1,337	958	(379)
Operating expense	7,995	6,976	(1,019)
Non-Interest Expense	**9,332**	**7,934**	**(1,398)**
Pre-Provision Earnings (before tax)	**6,947**	**8,237**	**(1,290)**
Net charge-offs	3,772	6,651	2,879
Other	(34)	72	106
Allowance build (release)	(1,378)	(2,816)	(1,438)
Provision Expense	**2,360**	**3,907**	**1,547**
Pretax income	**4,587**	**4,330**	**257**
Tax expense	**1,334**	**1,280**	**(54)**
Operating Earnings (after tax)	**3,253**	**3,050**	**203**
Discontinued operations, net of tax	(106)	(307)	201
Total company (after tax)	**3,147**	**2,743**	**404**
EPS	$6.80	$6.01	$0.79

Period-End Loans Held For Investment	$ 135,892	$ 125,947	$ 9,945
Average Loans Held For Investment	$ 128,424	$ 128,526	$ (102)
Revenue Margin	9.28%	9.20%	8 bps
Net Interest Margin	7.27%	7.09%	18bps

Our capital position remains strong

Tier 1 Common Equity to Risk-Weighted Assets (Basel I)[1]



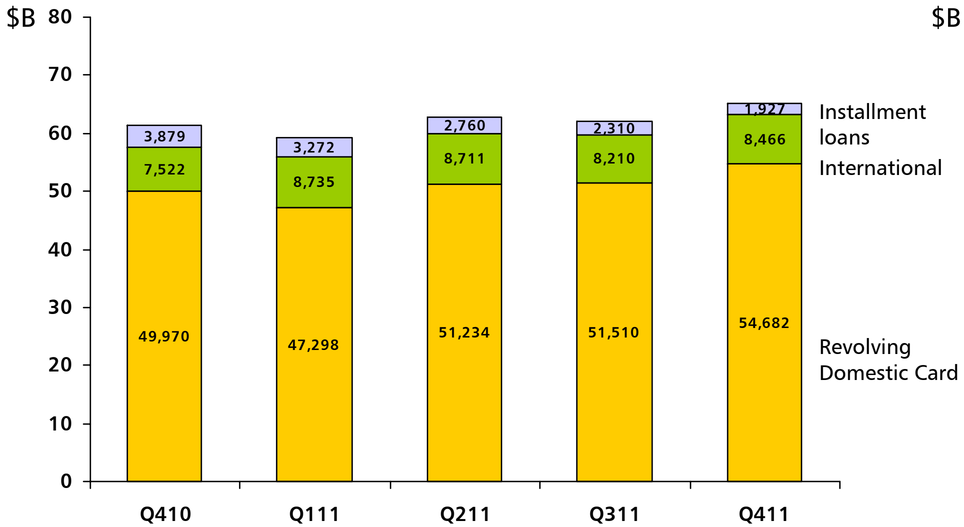
($B)	Q410	Q111	Q211	Q311	Q411
Tier 1 Common excluding disallowed DTA	12.4	13.4	14.3	15.1	15.6
Disallowed DTA	(1.2)	(1.4)	(0.6)	(0.2)	(0.5)
Tier 1 Common	11.2	12.0	13.7	14.9	15.1
RWA	127	142	146	149	155
EOP Loans	126	124	129	130	136

1 Tier 1 Common Equity ratio is a non-GAAP measure calculated based on Tier 1 common equity divided by risk-weighted assets. See "Exhibit 99.2—Table 12: Reconciliation of Non-GAAP Measures and Calculation of Regulatory Capital Measures" for the calculation of this ratio.

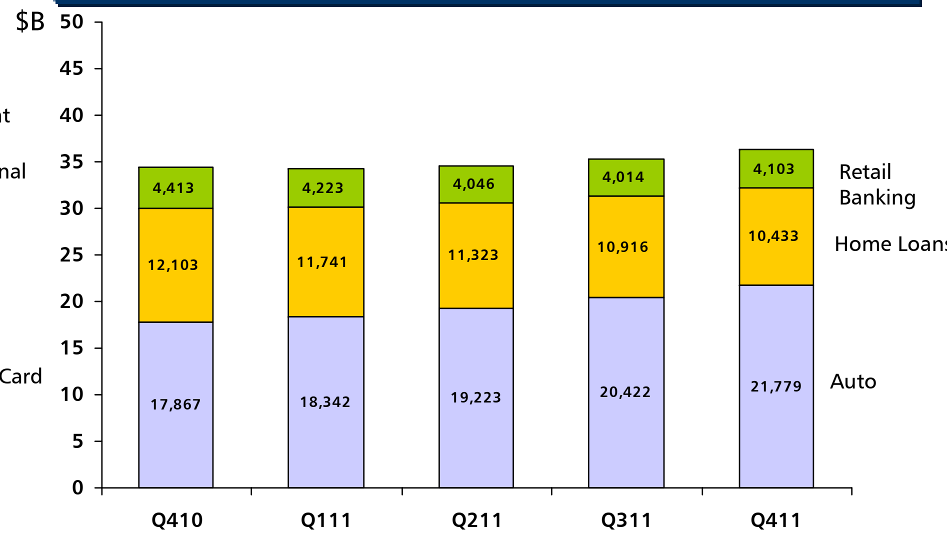
2 Tier 1 Common Equity ratio as of the quarter end does not reflect any impact from the equity forward sale agreements executed in July 2011 which have not been settled in whole or in part.

Loan balances grew across all business segments in the fourth quarter and the full year

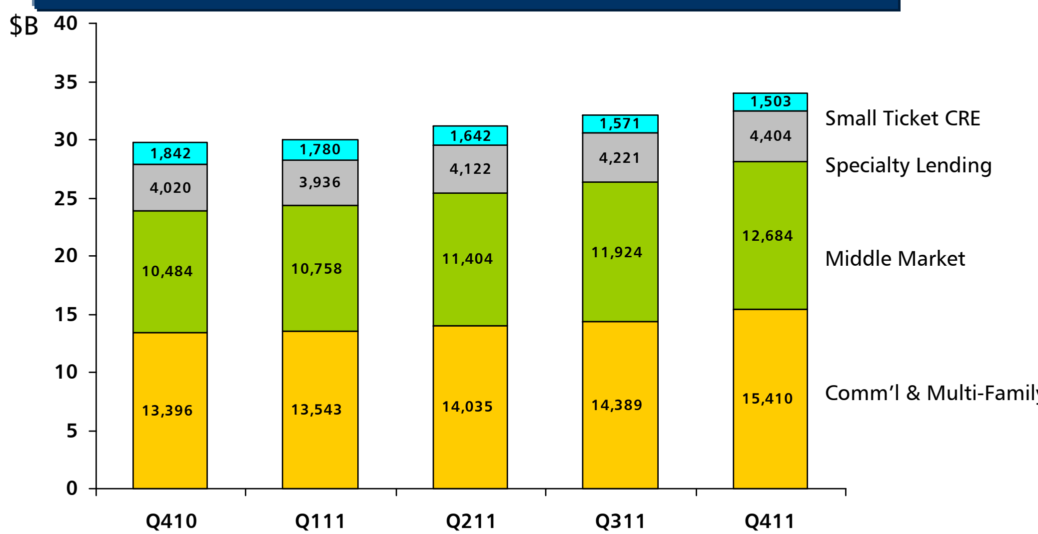
Credit Card (EOP)



Consumer Banking (EOP)

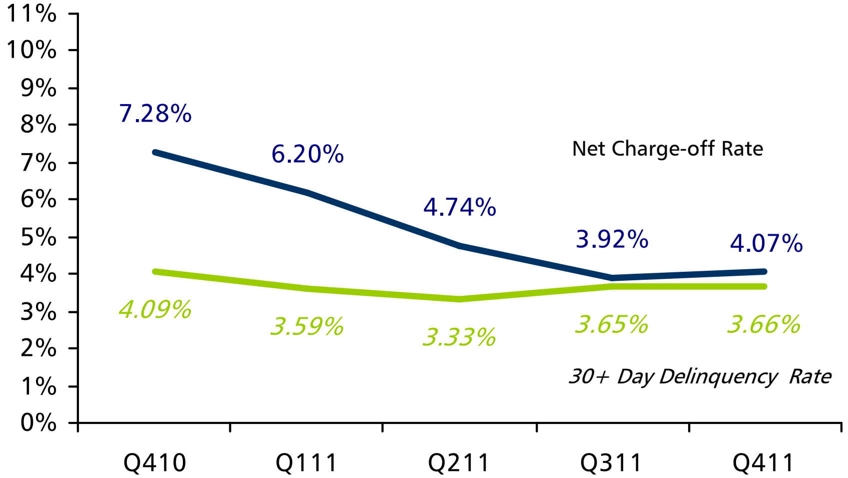


Commercial Banking (EOP)

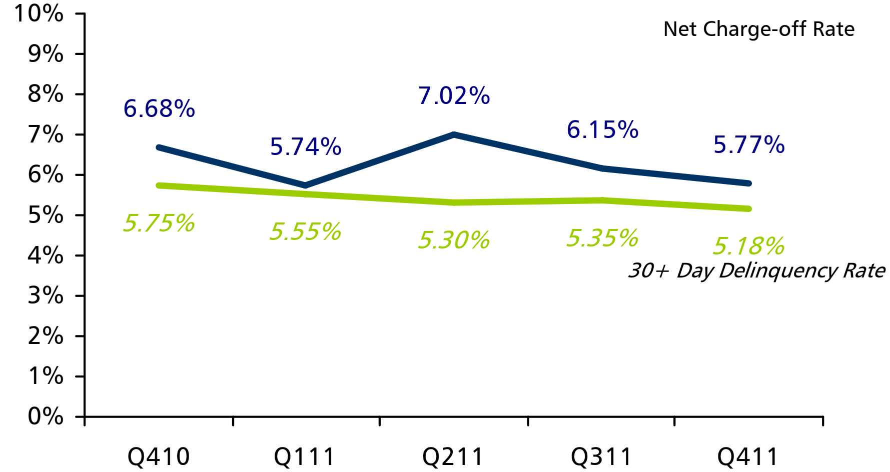


Consumer credit is exhibiting expected seasonal patterns

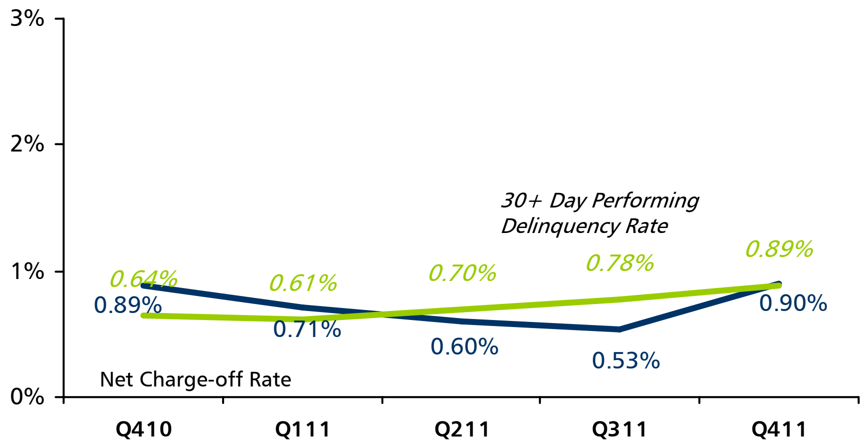
Domestic Credit Card ($54.4B*)



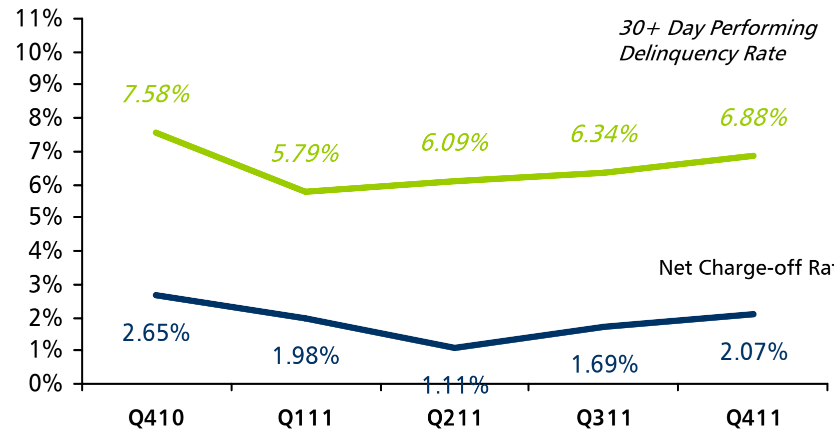
International Credit Card ($8.4B*)



Home Loan ($10.7B*)

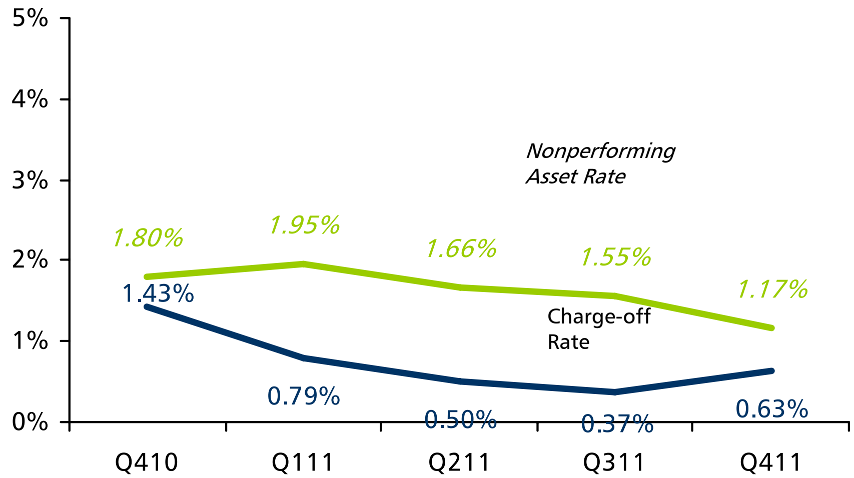


Auto ($21.1B*)

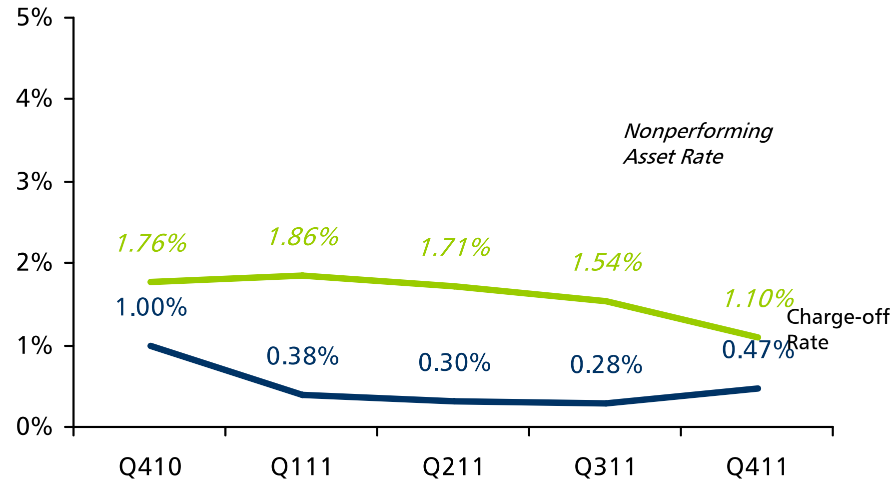


Commercial Banking credit metrics have stabilized and improved over the last five quarters

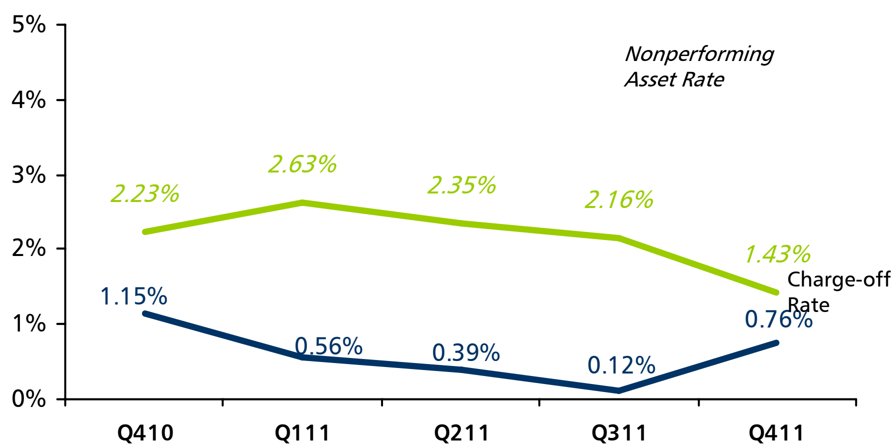
Total Commercial Banking ($32.6B*)



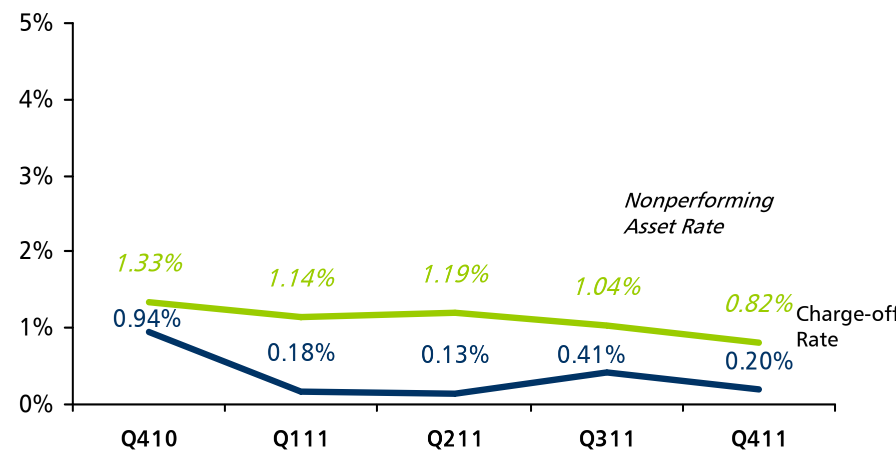
Total Commercial Lending Excluding Small Ticket CRE ($31.0B*)



Commercial & Multi-Family Real Estate ($14.6B*)



Middle Market ($12.1B*)



** Average Loans for Q4 2011*

We are in a strong position to deliver sustained shareholder value

2011 Results

- Strong and stable margins and revenue
- Significant credit improvement offset growth in non-interest expense
  - Invested in infrastructure
  - Prepared for acquisitions
  - "Primed the pump" for growth
- Returned to loan growth
- Deposit growth with improving interest expense rate

Outlook

- Expect acquisitions will have significant impacts on reported results, especially in 2012
  - Purchase accounting impacts
  - Integration expenses
  - Partial-year results
- Expect continuing strength in underlying businesses
- Positioned to deliver sustained shareholder value
  - Growth potential (off a larger base)
  - Strong returns and capital generation
  - Strong balance sheet and financial resilience

Capital One℠