

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

April 15, 1999

-----  
(Date of earliest event reported)

Capital One Financial Corporation

-----  
(Exact name of registrant as specified in its charter)

Delaware

1-13300

54-1719854

-----  
(State of incorporation  
or organization)

-----  
(Commission File  
Number)

-----  
(IRS Employer  
Identification No.)

2980 Fairview Park Drive  
Suite 1300  
Falls Church, Virginia

22042

-----  
(Address of principal executive offices)

-----  
(Zip Code)

Registrant's telephone number, including area code: (703) 205-1000

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Item 5. Other Events.

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(a) See attached press release.

(b) Cautionary Factors

The attached press release contains forward-looking statements which involve a number of risks and uncertainties. The Company cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information as a result of various factors including, but not limited to, the following: continued intense competition from numerous providers of products and services which compete with the Company's businesses; with respect to financial products, changes in the Company's aggregate accounts or consumer loan balances and the growth rate thereof, including changes resulting from factors such as shifting product mix, amount of actual marketing expenses made by the Company and attrition of accounts and loan balances; an increase in credit losses (including increases due to a worsening of general economic conditions); the ability of the Company to continue to securitize its credit cards and consumer loans and to otherwise access the capital markets at attractive rates and terms to fund its operations and future growth; difficulties or delays in the development, production, testing and marketing of new products or services; losses associated with new products or services or expansion internationally; financial, legal, regulatory or other difficulties that may affect investment in, or the overall performance of, a product or business, including changes in existing laws to regulate further the credit card and consumer loan industry and the financial services industry, in general; the amount of, and rate of growth in, the Company's expenses (including salaries and associate benefits and marketing expenses) as the Company's business develops or changes or as it expands into new market areas; the availability of capital necessary to fund the Company's new businesses; the ability of the Company to build the operational and organizational infrastructure necessary to engage in new businesses or to expand internationally; the ability of the Company to recruit experienced personnel to assist in the management and operations of new products and services; the ability of the Company and its suppliers to successfully address Year 2000 compliance issues; and other factors listed from time to time in the Company's SEC reports, including, but not limited to, the Annual Report on Form 10-K for the year ended December 31, 1998 (Part I, Item 1, Risk Factors).

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

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99.1. Press Release of the Company dated April 15, 1999.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereto duly authorized.

CAPITAL ONE FINANCIAL CORPORATION

Dated: April 15, 1999

By: /s/ John G. Finneran, Jr.

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John G. Finneran, Jr.  
Senior Vice President, General Counsel  
and Corporate Secretary

EXHIBIT INDEX

99.1 Press Release of the Company dated April 15, 1999.

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FOR IMMEDIATE RELEASE: Contact: Paul Paquin

Sam Wang

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V.P., Investor Relations

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April 15, 1999

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#### CAPITAL ONE REPORTS RECORD FIRST QUARTER EARNINGS

FALLS CHURCH, VA., (April 15, 1999) --- Capital One Financial Corporation (NYSE: COF) today announced record first quarter 1999 earnings of \$82.4 million, or \$1.18 per share, versus earnings of \$72.7 million, or \$1.04 per share, for the fourth quarter of 1998 and \$65.7 million, or \$.96 per share, for the comparable period in the prior year.

"Capital One enjoyed another quarter of record earnings, fueled by record revenues and exceptional credit quality," said Richard D. Fairbank, Capital One's Chairman and Chief Executive Officer. "And we continued our rapid growth trajectory, growing by more than one million customers for the third consecutive quarter."

The managed net charge-off rate decreased significantly to 3.93 percent for the first quarter of 1999 versus 4.51 percent for the fourth quarter of 1998 and 6.04 percent for the comparable period in the prior year. The managed delinquency rate (30+ days) decreased to 4.56 percent as of March 31, 1999, compared with 4.70 percent as of December 31, 1998.

"Our charge-off rate has declined for the sixth straight quarter and is the lowest among industry leaders, as well as the lowest we've seen in three years," said Nigel W. Morris, Capital One's President and Chief Operating Officer. "Our improving credit picture helped to boost our risk adjusted margin to a record 14.42 percent."

The managed net interest margin increased to a record 10.59 percent in the first quarter of 1999 versus 9.48 percent in the fourth quarter of 1998 and 10.40 percent in the same period of 1998. The increased margin, higher non-interest income, and the aforementioned decrease in net charge-offs each contributed to the risk adjusted margin of 14.42 percent, which compares to 12.21 percent for the fourth quarter of 1998.

-more-

During the first quarter of 1999, the Company added 1.3 million net new accounts, bringing total accounts to 18.0 million. First quarter 1999 revenue, defined as managed net interest income and non-interest income, rose to \$873 million versus \$771 million in the fourth quarter of 1998 and \$637 million for the comparable period in the prior year. For the quarter, Capital One's managed consumer loan balances increased by \$49 million to \$17.4 billion. This modest increase compares favorably to the typical first quarter decline that results after repricings and seasonal paydown.

Marketing expense for the first quarter of 1999 increased to a record \$176 million versus \$159 million in the fourth quarter of 1998 and \$75 million in the comparable period of the prior year. Other non-interest expenses (excluding marketing) for the first quarter of 1999 were \$374 million versus \$309 million for the fourth quarter of 1998 and \$214 million in the comparable period of the prior year. Operating expenses continue to reflect increased investment in staff levels associated with the Company's growing account base and the impact of expansion and diversification into new businesses and markets.

The allowance for loan losses increased by \$20 million during the first quarter to \$251 million or 3.46 percent of on-balance sheet receivables as of March 31, 1999, compared to 3.75 percent as of December 31, 1998. Capital ratios were strong as of March 31, 1999, at 13.96 percent of reported assets and 6.98 percent of managed assets.

Headquartered in Falls Church, Virginia, Capital One Financial Corporation ([www.capitalone.com](http://www.capitalone.com)) is a holding company whose principal subsidiaries, Capital One Bank and Capital One, F.S.B., offer consumer lending products. Capital One's subsidiaries collectively had 18.0 million customers and \$17.4 billion in managed loans outstanding as of March 31, 1999, and are among the largest providers of MasterCard and Visa credit cards in the world. Capital One trades on the New York Stock Exchange under the symbol "COF" and is included in the S&P 500 Index. Capital One was recently ranked #41 in Fortune's list of "Best Companies to Work For" and #15 best performer in Business Week's rating of the S&P 500.

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[NOTE: This release and financial information are available on the Internet on Capital One's home page (address: <http://www.capitalone.com>). Click on "Investor Center" to view/download the release and financial information.]

CAPITAL ONE FINANCIAL CORPORATION (COF)  
FINANCIAL & STATISTICAL SUMMARY

(in millions, except per share data and as noted	99 Q1	98 Q4	98 Q3	98 Q2	98 Q1
Earnings (Managed Basis)					
Net Interest Income	\$ 515.7	\$ 443.4	\$ 440.8	\$ 399.5	\$ 416.7
Non-Interest Income	357.6	327.9	264.6	253.2	220.7
Total Revenue	873.3	771.3	705.4	652.7	637.4
Provision for Loan Losses	190.5	186.3	208.9	213.1	242.5
Marketing Expenses	176.1	159.0	126.5	85.8	75.0
Operating Expenses	373.9	308.9	257.0	246.0	213.9
Income Before Taxes	132.9	117.2	112.9	107.8	106.0
Tax Rate	38.0 %	38.0 %	38.0 %	38.0 %	38.0 %
Net Income	\$ 82.4	\$ 72.7	\$ 70.0	\$ 66.9	\$ 65.7
Common Share Statistics					
Basic EPS	\$ 1.25	\$ 1.11	\$ 1.07	\$ 1.02	\$ 1.00
Diluted EPS	\$ 1.18	\$ 1.04	\$ 1.00	\$ 0.96	\$ 0.96
Dividends Per Share	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08
Book Value Per Share (period end)	\$ 20.06	\$ 19.35	\$ 7.83	\$ 16.31	\$ 15.08
Stock Price Per Share (period end)	\$ 151.00	\$ 115.00	\$ 103.06	\$ 124.19	\$ 78.88
Total Market Capitalization (period end)	\$9,929.1	\$7,551.1	\$6,758.0	\$ 8,139.0	\$5,163.7
Shares Outstanding (period end)	65.8	65.7	65.6	65.5	65.5
Shares Used to Compute Basic EPS	65.7	65.7	65.7	65.5	65.4
Shares Used to Compute Diluted EPS	70.0	69.7	70.0	69.5	68.4
Managed Loan Statistics (period avg.)					
Average Loans	\$ 17,436	\$ 16,547	\$ 15,746	\$ 14,417	\$ 14,097
Average Earning Assets	\$ 19,482	\$ 18,702	\$ 17,372	\$ 16,242	\$ 16,020
Average Assets	\$ 20,722	\$ 19,944	\$ 18,597	\$ 17,296	\$ 16,834
Average Equity	\$ 1,302	\$ 1,212	\$ 1,149	\$ 1,037	\$ 950
Net Interest Margin	10.59 %	9.48 %	10.15 %	9.84 %	10.40 %
Risk Adjusted Margin (1)	14.42 %	12.21 %	11.68 %	10.83 %	10.60 %
Return on Average Assets (ROA)	1.59 %	1.46 %	1.51 %	1.55 %	1.56 %
Return on Average Equity (ROE)	25.32 %	23.99 %	24.36 %	25.78 %	27.66 %
Net Charge-Off Rate	3.93 %	4.51 %	5.03 %	5.91 %	6.04 %
Net Charge-Offs	\$ 171.1	\$ 186.5	\$ 198.1	\$ 213.0	\$ 212.7
Managed Loan Statistics (period end)					
Reported Loans	\$ 7,246	\$ 6,157	\$ 5,667	\$ 5,140	\$ 4,748
Securitized Loans	10,198	11,238	10,671	9,829	9,254
Total Loans	\$ 17,444	\$ 17,395	\$ 16,338	\$ 14,969	\$ 14,002
Delinquency Rate (30+ days)	4.56 %	4.70 %	4.90 %	5.14 %	5.75 %
Number of Accounts (000's)	18,022	16,706	14,907	13,588	12,674
Total Assets	\$ 20,318	\$ 20,619	\$ 19,211	\$ 17,462	\$ 16,464
Capital, Including Preferred Interests	\$1,417.2	\$1,368.3	\$1,267.0	\$ 1,167.0	\$1,085.2
Capital to Managed Assets Ratio	6.98 %	6.64 %	6.60 %	6.68 %	6.59 %

(1) Risk adjusted margin is total revenue less net charge-offs as a percentage of average earning assets.



CAPITAL ONE FINANCIAL CORPORATION  
Consolidated Balance Sheets  
(in thousands)(unaudited)

	March 31 1999	December 31 1998	March 31 1998
	-----	-----	-----
Assets:			
Cash and due from banks	\$ 13,276	\$ 15,974	\$ 2,983
Federal funds sold and resale agreements	0	261,800	105,000
Interest-bearing deposits at other banks	34,041	22,393	34,077
	-----	-----	-----
Cash and cash equivalents	47,317	300,167	142,060
Securities available for sale	1,770,398	1,796,787	1,513,398
Consumer loans	7,245,847	6,157,111	4,748,186
Less: Allowance for loan losses	(251,000)	(231,000)	(213,000)
	-----	-----	-----
Net loans	6,994,847	5,926,111	4,535,186
Premises and equipment, net	283,159	242,147	163,757
Interest receivable	66,184	52,917	44,213
Accounts receivable from securitizations	637,563	833,143	696,599
Other	352,159	268,131	128,689
	-----	-----	-----
Total assets	\$ 10,151,627	\$ 9,419,403	\$ 7,223,902
	=====	=====	=====
Liabilities:			
Interest-bearing deposits	\$ 2,204,162	\$ 1,999,979	\$ 1,160,850
Other borrowings	1,171,440	1,644,279	723,614
Senior notes	4,610,049	3,739,393	3,464,176
Deposit notes	0	0	299,996
Interest payable	87,501	91,637	67,544
Other	661,279	575,788	422,480
	-----	-----	-----
Total liabilities	8,734,431	8,051,076	6,138,660
Guaranteed Preferred Beneficial Interests			
In Capital One Bank's Floating Rate Junior			
Subordinated Capital Income Securities	97,984	97,921	97,727
Stockholders' Equity:			
Common stock	666	666	666
Paid-in capital, net	606,929	599,498	543,179
Retained earnings and cumulative other comprehensive income	779,625	740,493	488,075
Less: Treasury stock, at cost	(68,008)	(70,251)	(44,405)
	-----	-----	-----
Total stockholders' equity	1,319,212	1,270,406	987,515
	-----	-----	-----
Total liabilities and stockholders' equity	\$ 10,151,627	\$ 9,419,403	\$ 7,223,902
	=====	=====	=====

CAPITAL ONE FINANCIAL CORPORATION  
Consolidated Statements of Income  
(in thousands, except per share data)(unaudited)

	March 31 1999	Three Months Ended December 31 1998	March 31 1998
	-----	-----	-----
Interest Income:			
Consumer loans, including fees	\$ 325,067	\$ 269,016	\$ 229,638
Federal funds sold and resale agreements	1,487	4,389	5,078
Other	26,517	25,542	23,326
	-----	-----	-----
Total interest income	353,071	298,947	258,042
Interest Expense:			
Deposits	23,942	23,901	14,138
Other borrowings	23,837	27,420	16,053
Senior and deposit notes	72,495	64,444	63,029
	-----	-----	-----
Total interest expense	120,274	115,765	93,220
	-----	-----	-----
Net interest income	232,797	183,182	164,822
Provision for loan losses	74,586	54,580	85,866
	-----	-----	-----
Net interest income after provision for loan losses	158,211	128,602	78,956
Non-Interest Income:			
Servicing and securitizations	271,954	248,683	168,655
Service charges and other fees	222,453	179,695	132,445
Interchange	30,219	28,098	14,799
	-----	-----	-----
Total non-interest income	524,626	456,476	315,899
Non-Interest Expense:			
Salaries and associate benefits	179,194	138,901	107,953
Marketing	176,088	158,972	75,000
Communications and data processing	58,072	47,602	29,363
Supplies and equipment	36,704	29,702	22,615
Occupancy	13,914	12,488	10,644
Other	85,996	80,205	43,308
	-----	-----	-----
Total non-interest expense	549,968	467,870	288,883
	-----	-----	-----
Income before income taxes	132,869	117,208	105,972
Income taxes	50,490	44,539	40,269
	-----	-----	-----
Net income	\$ 82,379	\$ 72,669	\$ 65,703
	=====	=====	=====
Basic earnings per share	\$ 1.25	\$ 1.11	\$ 1.00
	=====	=====	=====
Diluted earnings per share	\$ 1.18	\$ 1.04	\$ 0.96
	=====	=====	=====
Dividends paid per share	\$ 0.08	\$ 0.08	\$ 0.08
	=====	=====	=====

CAPITAL ONE FINANCIAL CORPORATION  
Statements of Average Balances, Income and Expense, Yields and Rates  
(dollars in thousands)(unaudited)

Managed (1)	Quarter Ended 3/31/99			Quarter Ended 12/31/98		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning assets:						
Consumer loans	\$17,435,530	\$ 745,643	17.11 %	\$16,546,962	\$ 689,907	16.68 %
Federal funds sold and resale agreements	126,493	1,487	4.70	343,987	4,389	5.10
Other	1,920,191	26,517	5.52	1,810,761	25,542	5.64
Total earning assets	\$19,482,214	\$ 773,647	15.88 %	\$18,701,710	\$ 719,838	15.40 %
Interest-bearing liabilities:						
Deposits	\$ 2,101,086	\$ 23,942	4.56 %	\$ 1,885,960	\$ 23,901	5.07 %
Other borrowings	1,680,026	23,837	5.68	1,605,798	27,420	6.83
Senior and deposit notes	4,189,839	72,495	6.92	3,741,707	64,444	6.89
Securitization liability	10,570,532	137,720	5.21	10,751,360	160,625	5.98
Total interest-bearing liabilities	\$18,541,483	\$ 257,994	5.57 %	\$17,984,825	\$ 276,390	6.15 %
Net interest spread			10.31 %			9.25 %
Interest income to average earning assets			15.88 %			15.40 %
Interest expense to average earning assets			5.29			5.92
Net interest margin			10.59 %			9.48 %
Net interest margin						

Quarter Ended 3/31/98			
	Average Balance	Income/ Expense	Yield/ Rate
Earning assets:			
Consumer loans	\$14,097,475	\$ 615,053	17.45 %
Federal funds sold and resale agreements	362,680	5,078	5.60
Other	1,559,732	23,326	5.98
Total earning assets	\$16,019,887	\$ 643,457	16.06 %
Interest-bearing liabilities:			
Deposits	\$ 1,266,064	\$ 14,138	4.47 %
Other borrowings	1,077,082	16,053	5.96
Senior and deposit notes	3,683,113	63,029	6.85
Securitization liability	9,297,590	133,526	5.74
Total interest-bearing liabilities	\$15,323,849	\$ 226,746	5.92 %
Net interest spread	10.31 %	9.25 %	10.14 %
Interest income to average earning assets			16.06 %
Interest expense to average earning assets			5.66
Net interest margin			10.40 %

(1) The information in this table reflects the adjustment to add back the effect of securitized loans.