Fourth Quarter 2013 Results

January 16, 2014

Forward-Looking Statements

Please note that the following materials containing information regarding Capital One's financial performance speak only as of the particular date or dates indicated in these materials. Capital One does not undertake any obligation to update or revise any of the information contained herein whether as a result of new information, future events or otherwise.

Certain statements in this presentation and other oral and written statements made by Capital One from time to time are forward-looking statements, including those that discuss, among other things: strategies, goals, outlook or other non-historical matters; projections, revenues, income, returns, expenses, capital measures, accruals for claims in litigation and for other claims against Capital One, earnings per share or other financial measures for Capital One; future financial and operating results; Capital One's plans, objectives, expectations and intentions; the projected impact and benefits of the acquisitions of ING Direct and HSBC's U.S. credit card business (the "Acquisitions"); and the assumptions that underlie these matters.

To the extent that any such information is forward-looking, it is intended to fit within the safe harbor for forward-looking information provided by the Private Securities Litigation Reform Act of 1995. Numerous factors could cause Capital One's actual results to differ materially from those described in such forward-looking statements, including, among other things: general economic and business conditions in the U.S., the U.K., Canada or Capital One's local markets, including conditions affecting employment levels, interest rates, consumer income and confidence, spending and savings that may affect consumer bankruptcies, defaults, charge-offs and deposit activity; an increase or decrease in credit losses (including increases due to a worsening of general economic conditions in the credit environment); financial, legal, regulatory, tax or accounting changes or actions, including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder and regulations governing bank capital and liquidity standards, including Basel-related initiatives and potential changes to financial accounting and reporting standards; the possibility that Capital One may not fully realize the projected cost savings and other projected benefits of the Acquisitions; difficulties and delays in integrating the assets and businesses acquired in the Acquisitions; business disruption following the Acquisitions; diversion of management time on issues related to the Acquisitions, including integration of the assets and businesses acquired; reputational risks and the reaction of customers and counterparties to the Acquisitions; disruptions relating to the Acquisitions negatively impacting Capital One's ability to maintain relationships with customers, employees and suppliers; changes in asset quality and credit risk as a result of the Acquisitions; developments, changes or actions relating to any litigation matter involving Capital One; the inability to sustain revenue and earnings growth; increases or decreases in interest rates; Capital One's ability to access the capital markets at attractive rates and terms to capitalize and fund its operations and future growth; the success of Capital One's marketing efforts in attracting and retaining customers; increases or decreases in Capital One's aggregate loan balances or the number of customers and the growth rate and composition thereof, including increases or decreases resulting from factors such as shifting product mix, amount of actual marketing expenses Capital One incurs and attrition of loan balances; the level of future repurchase or indemnification requests Capital One may receive, the actual future performance of mortgage loans relating to such requests, the success rates of claimants against Capital One, any developments in litigation and the actual recoveries Capital One may make on any collateral relating to claims against Capital One; the amount and rate of deposit growth; changes in the reputation of or expectations regarding the financial services industry or Capital One with respect to practices, products or financial condition; any significant disruption in Capital One's operations or technology platform; Capital One's ability to maintain a compliance infrastructure suitable for the nature of our business; Capital One's ability to control costs; the amount of, and rate of growth in, Capital One's expenses as its business develops or changes or as it expands into new market areas; Capital One's ability to execute on its strategic and operational plans; any significant disruption of, or loss of public confidence in, the United States Mail service affecting Capital One's response rates and consumer payments; any significant disruption of, or loss of public confidence in, the internet affecting the ability of Capital One's customers to access their accounts and conduct banking transactions; Capital One's ability to recruit and retain experienced personnel to assist in the management and operations of new products and services; changes in the labor and employment markets; fraud or misconduct by Capital One's customers, employees or business partners; competition from providers of products and services that compete with Capital One's businesses; and other risk factors set forth from time to time in reports that Capital One files with the Securities and Exchange Commission, including, but not limited to, the Annual Report on Form 10-K for the year ended December 31, 2012.

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 Current Report on Form 8-K filed January 16, 2014, available on its website at www.capitalone.com under "Investors."

Fourth Quarter 2013 Results

Income Statement

(Dollars in millions, except per share data and as noted) (unaudited)	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
Earnings					
Net interest income	**$ 4,423**	$ 4,560	$ 4,553	$ 4,570	$ 4,528
Non-interest income	**1,121**	1,091	1,085	981	1,096
Total net revenue	**5,544**	5,651	5,638	5,551	5,624
Provision for credit losses	**957**	849	762	885	1,151
Non-interest expense:					
Marketing	**427**	299	330	317	393
Amortization of intangibles	**166**	161	167	177	191
Acquisition-related	**60**	37	50	46	69
Operating expenses	**2,627**	2,650	2,512	2,488	2,602
Total non-interest expense	**3,280**	3,147	3,059	3,028	3,255
Income from continuing operations before income taxes	**1,307**	1,655	1,817	1,638	1,218
Income tax provision	**425**	525	581	494	370
Income from continuing operations, net of tax	**882**	1,130	1,236	1,144	848
Loss from discontinued operations, net of tax	**(23)**	(13)	(119)	(78)	(5)
Net income	**859**	1,117	1,117	1,066	843
Dividends and undistributed earnings allocated to participating securities	**(4)**	(5)	(4)	(5)	(3)
Preferred stock dividends	**(13)**	(13)	(13)	(13)	(15)
Net income available to common stockholders	**$ 842**	$ 1,099	$ 1,100	$ 1,048	$ 825
Net income per common share	**$ 1.45**	$ 1.86	$ 1.87	$ 1.79	$ 1.41

Fourth Quarter 2013 Highlights

- Q4 2013 net income of $859 million, or $1.45 per share
- Q4 2013 non-GAAP deal-adjusted net income of $1.0 billion, or $1.75 per share (see Appendix A for reconciliation)
- Pre-provision earnings before tax of $2.3 billion
- Higher non-interest expense – higher acquisition-related & marketing expenses partially offset by lower operating expenses
- Higher provision expense – net charge-offs of $969 million; $14 million allowance release

Net Interest Margin

Average Balances, Net Interest Income and Net Interest Margin

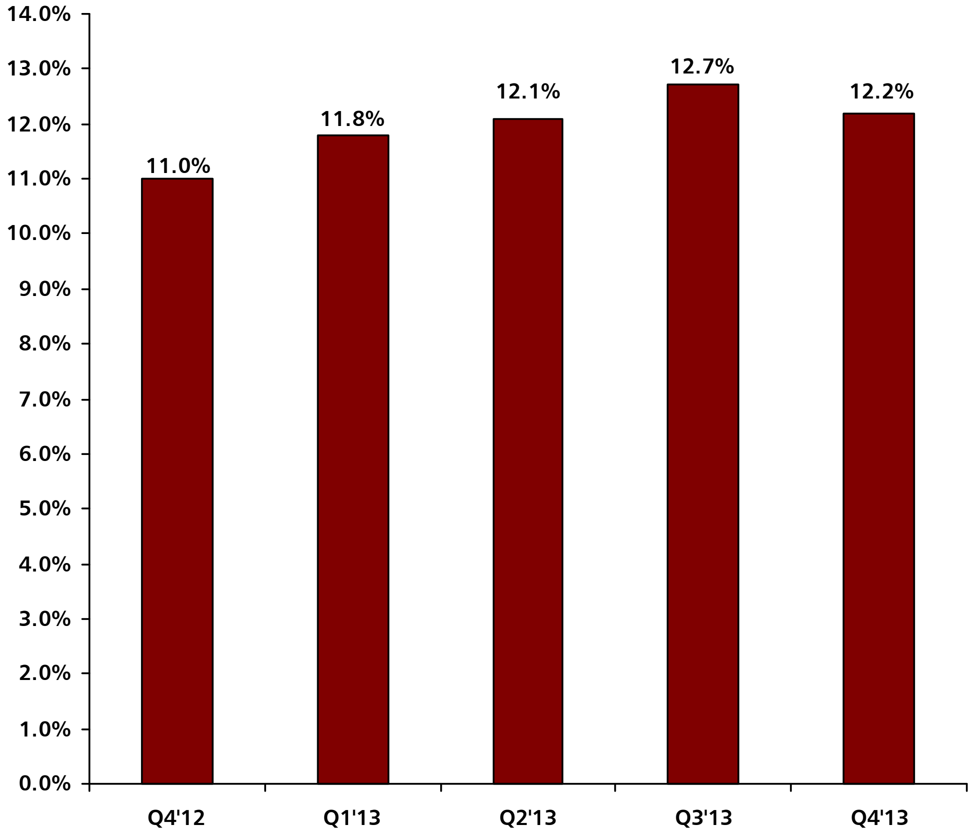
(Dollars in millions)(unaudited)	2013 Q4 Average Balance	2013 Q4 Interest Income/ Expense	2013 Q4 Yield/ Rate	2013 Q3 Average Balance	2013 Q3 Interest Income/ Expense	2013 Q3 Yield/ Rate	2012 Q4 Average Balance	2012 Q4 Interest Income/ Expense	2012 Q4 Yield/ Rate
Interest-earning assets:									
Loans, including loans held for sale	**$ 193,368**	**$ 4,398**	**9.10 %**	$ 195,839	$ 4,579	9.35 %	$ 203,132	$ 4,727	9.31 %
Investment securities	**62,919**	**414**	**2.63**	63,317	396	2.50	64,174	361	2.25
Cash equivalents and other	**6,670**	**27**	**1.62**	5,640	23	1.63	10,580	27	1.02
Total interest-earning assets	**$ 262,957**	**$ 4,839**	**7.36 %**	$ 264,796	$ 4,998	7.55 %	$ 277,886	$ 5,115	7.36 %
Interest-bearing liabilities:									
Interest-bearing deposits	**$ 184,206**	**$ 288**	**0.63 %**	$ 186,752	$ 309	0.66 %	$ 192,122	$ 348	0.72 %
Securitized debt obligations	**9,873**	**40**	**1.62**	10,243	42	1.64	12,119	58	1.91
Senior and subordinated notes	**12,765**	**75**	**2.35**	12,314	76	2.47	11,528	85	2.95
Other borrowings	**13,825**	**13**	**0.38**	13,798	11	0.32	20,542	96	1.87
Total interest-bearing liabilities	**$ 220,669**	**$ 416**	**0.75 %**	$ 223,107	$ 438	0.79 %	$ 236,311	$ 587	0.99 %
Net interest income/spread		**$ 4,423**	**6.61 %**		$ 4,560	6.76 %		$ 4,528	6.37 %
Impact of non-interest bearing funding			**0.12**			0.13			0.15
Net interest margin			**6.73 %**			6.89 %			6.52 %

Fourth Quarter 2013 Highlights

- Total interest-earning assets down quarter-over-quarter
  - Driven by full quarter impact of Q3 Card portfolio sale and expected run-off in home loans partially offset by growth in Commercial and Automobile
- Total interest-bearing liabilities down quarter-over-quarter
  - Driven by lower funding needs
- 16 bps decrease in Net Interest Margin quarter-over-quarter
  - Primarily driven by Q3 Card portfolio sale

Capital Generation

Tier 1 Common Ratio (Basel I)[1]



Highlights

- **Basel I Tier 1 common ratio 12.2% as of December 31, 2013**
- **Estimated pro forma, fully phased-in Basel III Standardized Tier 1 Common Equity ~ 10.9% as of December 31, 2013**
- **Tier 1 common ratio Basel III Advanced Approaches equivalent is above Basel III target of 8%[2] as of December 31, 2013**

1 Tier 1 common ratio is a regulatory capital measure calculated based on Tier 1 common capital divided by risk-weighted assets. Regulatory capital ratios as of the end of Q4 2013 are preliminary and therefore subject to change. See "Exhibit 99.2—Table 13: Reconciliation of Non-GAAP Measures and Calculation of Regulatory Capital Measures Under Basel I" for the calculation of this ratio.

2 Estimated based on our current interpretation, expectations and understanding of the Basel III estimated Advanced Approaches capital rules and other capital regulations issued by U.S. regulators and the application of such rules to our businesses as currently conducted. Basel III estimated calculations are necessarily subject to change based on, among other things, further changes to final rules and regulations, model calibration and other implementation guidance, changes in our businesses and certain actions of management, including those affecting the composition of our balance sheet. We believe our estimate of this capital ratio provides useful information to investors and others relative to an expected future regulatory capital standard.

Credit Card

Credit Card Performance Metrics

(Dollars in millions) (unaudited)	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
Credit Card					
Earnings:					
Net interest income	**$ 2,576**	$ 2,757	$ 2,804	$ 2,830	$ 2,849
Non-interest income	**833**	834	832	821	883
Total net revenue	**3,409**	3,591	3,636	3,651	3,732
Provision for credit losses	**751**	617	713	743	1,000
Non-interest expense	**1,868**	1,904	1,819	1,848	1,933
Income from continuing operations before taxes	**790**	1,070	1,104	1,060	799
Income tax provision	**274**	376	385	374	279
Income from continuing operations, net of tax	**$ 516**	$ 694	$ 719	$ 686	$ 520
Selected performance metrics:					
Period-end loans held for investment	**$ 81,305**	$ 77,967	$ 78,310	$ 78,397	$ 91,755
Average loans held for investment	**78,267**	77,729	77,946	82,952	89,090
Average yield on loans held for investment	**14.64 %**	15.72 %	15.94 %	15.16 %	14.33 %
Total net revenue margin	**17.43**	18.48	18.66	17.61	16.76
Net charge-off rate	**3.98**	3.78	4.36	4.45	4.32
30+ day performing delinquency rate	**3.46**	3.51	3.13	3.44	3.61
30+ day delinquency rate	**3.54**	3.60	3.22	3.53	3.69
Nonperforming loan rate	**0.11**	0.12	0.12	0.12	0.11
Card loan premium amortization and other intangible accretion	**$ 39**	$ 45	$ 57	$ 57	$ 65
PCCR intangible amortization	**102**	106	110	116	127
Purchase volume	**54,245**	50,943	50,788	45,098	52,853

Domestic Card

Domestic Card Performance Metrics

(Dollars in millions) (unaudited)	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
Domestic Card					
Earnings:					
Net interest income	**$ 2,303**	$ 2,492	$ 2,536	$ 2,556	$ 2,583
Non-interest income	**747**	749	737	724	798
Total net revenue	**3,050**	3,241	3,273	3,280	3,381
Provision for credit losses	**679**	529	647	647	911
Non-interest expense	**1,664**	1,713	1,635	1,633	1,727
Income from continuing operations before taxes	**707**	999	991	1,000	743
Income tax provision	**252**	355	353	356	263
Income from continuing operations, net of tax	**$ 455**	$ 644	$ 638	$ 644	$ 480
Selected performance metrics:					
Period-end loans held for investment	**$ 73,255**	$ 69,936	$ 70,490	$ 70,361	$ 83,141
Average loans held for investment	**70,368**	69,947	69,966	74,714	80,718
Average yield on loans held for investment	**14.44 %**	15.65 %	15.91 %	15.07 %	14.20 %
Total net revenue margin	**17.34**	18.53	18.71	17.56	16.75
Net charge-off rate	**3.89**	3.67	4.28	4.43	4.35
30+ day performing delinquency rate	**3.43**	3.46	3.05	3.37	3.61
30+ day delinquency rate	**3.43**	3.46	3.05	3.37	3.61
Purchase volume	**$ 50,377**	$ 47,420	$ 47,273	$ 41,831	$ 48,918

Fourth Quarter 2013 Highlights

- Ending loans up seasonally ~5% from Q3 2013; ending loans down ~12% from prior year, driven by Q3 card portfolio sale & planned portfolio run-off
- Purchase volume on general purpose credit cards[1] up ~8% year-over-year
- Revenue margin of 17.3%
  - Down from Q3 reported margin due to the absence of HFS accounting impacts
  - Adjusting for the HFS accounting impact in Q3, underlying revenue margin up modestly
- Net charge-off rate of 3.89%, up 22 basis points from Q3 2013

[1] Includes Branded & Co-Branded credit cards

Consumer Banking

Consumer Banking Performance Metrics

(Dollars in millions) (unaudited)	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
Consumer Banking					
Earnings:					
Net interest income	**$ 1,468**	$ 1,481	$ 1,478	$ 1,478	$ 1,503
Non-interest income	**195**	184	189	181	161
Total net revenue	**1,663**	1,665	1,667	1,659	1,664
Provision for credit losses	**212**	202	67	175	169
Non-interest expense	**1,018**	927	910	890	992
Income from continuing operations before taxes	**433**	536	690	594	503
Income tax provision	**154**	191	246	211	178
Income from continuing operations, net of tax	**$ 279**	$ 345	$ 444	$ 383	$ 325
Selected performance metrics:					
Period-end loans held for investment	**$ 70,762**	$ 71,285	$ 72,218	$ 73,613	$ 75,127
Average loans held for investment	**71,033**	71,664	72,930	74,286	76,098
Average yield on loans held for investment	**6.30 %**	6.21 %	5.99 %	5.93 %	5.94 %
Auto loan originations	**$ 4,322**	$ 4,752	$ 4,525	$ 3,789	$ 3,479
Period-end deposits	**167,652**	168,437	169,789	172,605	172,396
Average deposits	**167,870**	169,082	170,733	171,089	172,654
Deposit interest expense rate	**0.60 %**	0.63 %	0.64 %	0.64 %	0.68 %
Core deposit intangible amortization	**$ 32**	$ 34	$ 35	$ 37	$ 39
Net charge-off rate	**1.09 %**	0.95 %	0.60 %	0.78 %	0.88 %
30+ day performing delinquency rate	**3.20**	2.82	2.55	2.24	2.65
30+ day delinquency rate	**3.89**	3.46	3.15	2.81	3.34
Nonperforming loan rate	**0.86**	0.79	0.78	0.74	0.85
Nonperforming asset rate	**1.12**	1.01	0.97	0.91	1.02
Period-end loans serviced for others	**$ 7,665**	$ 14,043	$ 14,313	$ 14,869	$ 15,333

Fourth Quarter 2013 Highlights

- Period-end loans declined $523 million from Q3 2013; expected portfolio run-off in Home Loans partially offset by continued growth in Automobile
- Revenue stable; lower volumes and margin compression in Automobile, offset by increase in Home Loan yields
- Provision for credit losses stable; Net charge-off rate 1.1%

Commercial Banking

Commercial Banking Performance Metrics

(Dollars in millions) (unaudited)	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
Commercial Banking					
Earnings:					
Net interest income	**$ 504**	$ 480	$ 457	$ 454	$ 450
Non-interest income	**131**	87	93	84	86
Total net revenue	**635**	567	550	538	536
Provision for credit losses	**(6)**	31	(14)	(35)	(20)
Non-interest expense	**326**	266	269	258	294
Income from continuing operations before taxes	**315**	270	295	315	262
Income tax provision	**113**	96	105	112	93
Income from continuing operations, net of tax	**$ 202**	$ 174	$ 190	$ 203	$ 169
Selected performance metrics:					
Period-end loans held for investment	**$ 45,011**	$ 42,399	$ 40,805	$ 39,150	$ 38,820
Average loans held for investment	**43,359**	41,576	39,512	38,576	37,598
Average yield on loans held for investment	**3.92 %**	3.87	3.84 %	3.91 %	4.15 %
Period-end deposits	**$ 30,567**	$ 30,592	$ 30,869	$ 30,275	$ 29,866
Average deposits	**31,033**	30,685	30,746	30,335	29,476
Deposit interest expense rate	**0.25 %**	0.27 %	0.26 %	0.28 %	0.28 %
Core deposit intangible amortization	**$ 6**	$ 6	$ 8	$ 7	$ 8
Net charge-off rate	**(0.05) %**	0.07 %	0.04 %	0.07 %	0.10 %
Nonperforming loan rate	**0.33**	0.47	0.60	0.71	0.73
Nonperforming asset rate	**0.37**	0.56	0.62	0.74	0.77

Fourth Quarter 2013 Highlights

- Period-end loans grew 6% from Q3 2013 and 16% year-over-year, driven by growth in specialized industry verticals in C&I and CRE
- Revenue up 12% from Q3 2013 and 18% year-over-year, driven by higher balances and spreads and the addition of a partial quarter impact of the Beech Street acquisition
- Credit remains strong

We remain focused on delivering value

Improve Profitability

- Costs
- Credit
- Growth

Return Capital

- Strong capital & liquidity
- High, sustainable returns
- Strong strategic footprint
- Near-term asset run-off

Appendix A — Non-GAAP Deal Adjusted Net Income Reconciliation

(Dollars in millions, except per share data and as noted) (unaudited)	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
Non-GAAP Deal Adjusted Net Income					
Net income	**$ 859**	$ 1,117	$ 1,117	$ 1,066	$ 843
Add back:					
Card loan premium amortization and other intangible accretion	**39**	45	57	57	65
Amortization of intangibles	**166**	161	167	177	191
Acquisition-related costs	**60**	37	50	46	69
Total deal-related items, pre-tax	**265**	243	274	280	325
Income tax effect	**(86)**	(77)	(88)	(85)	(99)
Total deal-related items, net of tax [1]	**179**	166	186	195	226
Non-GAAP deal adjusted net income	**$ 1,038**	$ 1,283	$ 1,303	$ 1,261	$ 1,069
Dividends and undistributed earnings allocated to participating securities	**(4)**	(5)	(4)	(5)	(3)
Preferred stock dividends	**(13)**	(13)	(13)	(13)	(15)
Non-GAAP deal adjusted net income available to common shareholders	**$ 1,021**	$ 1,265	$ 1,286	$ 1,243	$ 1,051
Weighted average shares outstanding (in millions) for diluted EPS	**582.6**	591.1	588.8	586.3	585.6
Non-GAAP diluted EPS	**$ 1.75**	$ 2.14	$ 2.18	$ 2.12	$ 1.79

[1] Calculated based on the effective tax rate for each respective quarter