Capital One | fourth quarter 2006 results

January 18, 2007

Forward looking statements

Forward-Looking Information

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 the Company from time to time, are forward-looking statements, including those that discuss strategies, goals, outlook or other non-historical matters; project revenues, income, returns, earnings per share or other financial measures for Capital One and/or discuss the assumptions that underlie these projects, including future financial and operating results, and the company's plans, objectives, expectations and intentions. To the extent 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 our actual results to differ materially from those described in forward-looking statements, including, among other things: the risk that Capital One's acquired businesses will not be integrated successfully; the risk that synergies from such acquisitions may not be fully realized or may take longer to realize than expected; disruption from the acquisitions making it more difficult to maintain relationships with customers, employees or suppliers; changes in the interest rate environment; continued intense competition from numerous providers of products and services which compete with our businesses; an increase or decrease in credit losses; financial, legal, regulatory or accounting changes or actions; general economic conditions affecting consumer income, spending and repayments; changes in our aggregate accounts or consumer loan balances and the growth rate and composition thereof; the amount of deposit growth; changes in the reputation of the credit card industry and/or the company with respect to practices and products; our ability to access the capital markets at attractive rates and terms to fund our operations and future growth; losses associated with new products or services; the company's ability to execute on its strategic and operational plans; any significant disruption in our operations or technology platform; our ability to effectively control our costs; the success of marketing efforts; our ability to recruit and retain experienced management personnel; and other factors listed from time to time in reports we file with the Securities and Exchange Commission (the "SEC"), including, but not limited to, factors set forth under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2005, and any subsequent quarterly reports on Form 10-Q. 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. A reconciliation of any non-GAAP financial measures included in this presentation can be found in the Company's most recent Form 8-K or Form 10-Q concerning quarterly financial results, available on the Company's website at www.capitalone.com in Investor Relations under "About Capital One."

2006 Highlights

- Successful integration of Hibernia
- Closed acquisition of North Fork
- Credit environment unusually strong in the U.S. and challenging in the U.K.
- Enhanced infrastructure throughout much of the company
- Achieved multiple credit rating upgrades

- Diluted EPS growth of 13% to $7.62
- Organic loan growth of 10% (managed loan growth of 8.4%)
- Ending deposits of $85.8B; approximately 50% of total managed liabilities

We expect to deliver $7.40 to $7.80 in diluted EPS in 2007

	2007	
	NIAT ($M)	EPS
Capital One ex-NFB	**$2,650-2,770**	
NFB stand-alone	**$750-780**	
NFB Deal Impacts:		
Net Synergies	$40	
Financing Costs	($240)	
Expensed Restructuring Charges	($90)	
Purchase Accounting	($100)	
COF GAAP Earnings	**$3,010-3,160**	**$7.40 - $7.80**

Key Assumptions

Credit:
- U.S. unsecured charge-offs return to more normal levels in 2007
- Stable credit in the banking segment

Interest Rates:
- Yield curve remains relatively flat
- Modest deposit growth

Mortgage Market:
- Cyclical weakness continues in 2007
- Likely impact of Q406 FFIEC guidance

Capital Management:
- Strong capital generation
- $2.25B of share buybacks beginning Q207

North Fork Synergies:
- Pre-tax net synergies of $60M expected in 2007
- Continue to target $275M in pre-tax net synergies by late 2008

2006 managed income statement

($Millions except per share data)

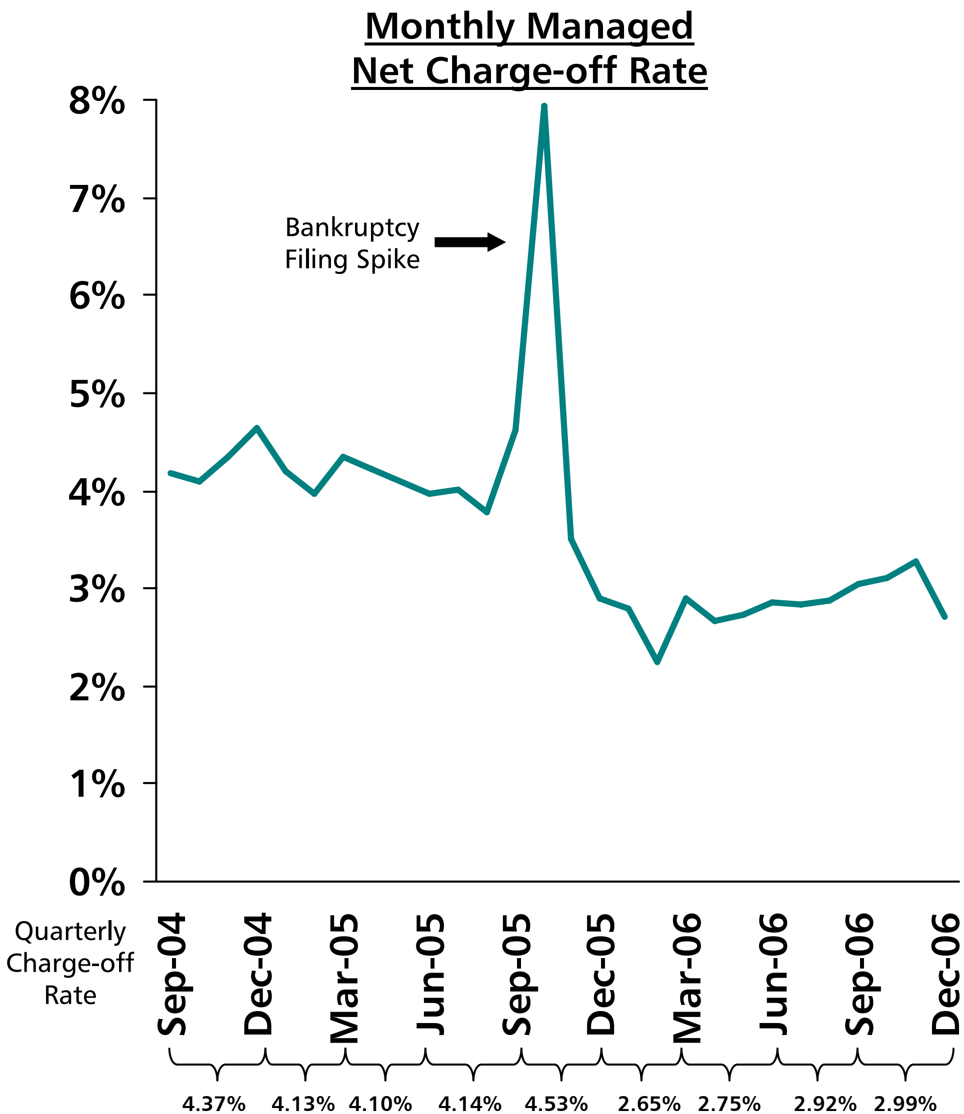
Net Interest Income	$ 8,940.9	$ 7,655.5	$ 1,285.4	17 **%**
Non-Interest Income	4,903.0	4,559.4	343.6	8 **%**
Total Revenue	13,843.9	12,214.9	1,629.0	13 **%**
Net Charge-offs	3,155.0	3,623.2	(468.2)	(13) **%**
Allowance (Release)/Build	164.1	68.6	95.5	139 **%**
Other	(95.2)	(24.2)	(71.0)	n/a
Provision for Loan Losses	3,223.9	3,667.6	(443.7)	(12) **%**
Marketing Expenses	1,444.7	1,379.9	64.8	5 **%**
Operating Expenses	5,522.5	4,338.3	1,184.2	27 **%**
Tax Rate	33.9 %	36.1 %	n/a	220 bps
Net Income After Tax [(1)]	$ 2,414.6	$ 1,809.1	$ 605.5	33 **%**
Shares Used to Compute Diluted EPS	317.0	268.9	n/a	n/a
Fully Diluted EPS	$ 7.62	$ 6.73	$ 0.89	13 **%**
Net Interest Margin	6.86 **%**	7.81 %	n/a	(95) bps
Revenue Margin	10.63	12.46	n/a	(183)
Return on Managed Assets	1.69	1.72	n/a	(3)
Return on Equity	14.90	17.08	n/a	(218)

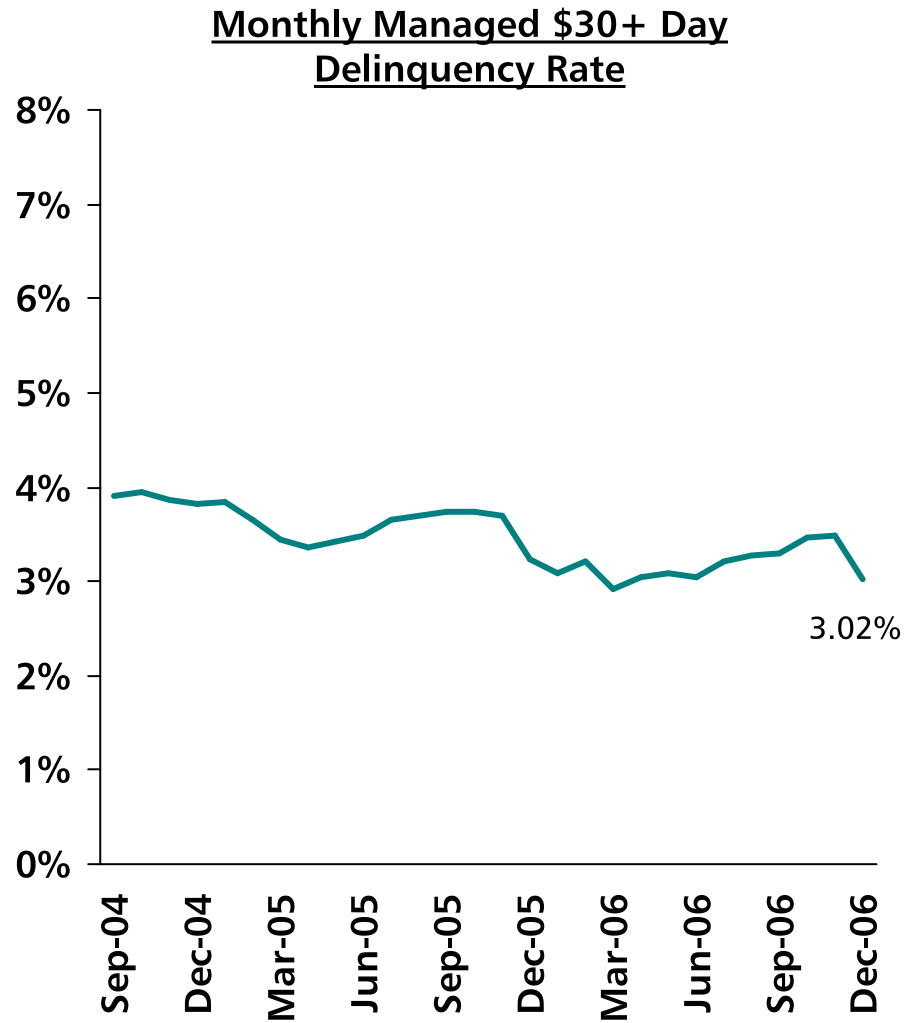
Fourth quarter 2006 managed income statement

($Millions except per share data)

	Q406	Q306	Q405	Q406/Q306 Change $	Q406/Q306 Change %/bps
Net Interest Income	$ 2,347.3	$ 2,217.8	$ 2,075.2	$ 129.5	6 %
Non-Interest Income	1,206.0	1,275.4	1,243.4	(69.4)	(5)
Total Revenue	3,553.3	3,493.2	3,318.6	60.1	2
Net Charge-offs	$ 927.5	$ 806.0	$ 1,066.6	121.5	15 %
Allowance Build	114.1	75.0	126.6	39.1	52 %
Other	(43.5)	(13.1)	(11.4)	(30.4)	n/a
Provision for Loan Losses	998.1	867.9	1,181.8	130.2	15 %
Marketing Expenses	$ 395.7	$ 368.5	$ 447.4	27.2	7 %
Operating Expenses	1,590.5	1,358.1	1,241.7	232.4	17 %
Tax Rate	31.3 %	34.6 %	37.3 %	n/a	(330) bps
Net Income After Tax	$ 390.7	$ 587.8	$ 280.3	$ (197.1)	(34) %
Shares Used to Compute Diluted EPS (MM)	343.8	310.4	287.7	n/a	10.76 %
Diluted EPS	$ 1.14	$ 1.89	$ 0.97	$ (0.75)	(40) %
Net Interest Margin	6.40 %	6.95 %	7.53 %	n/a	(55) bps
Revenue Margin	9.69	10.95	12.04	n/a	(126)
Return on Managed Assets	0.96	1.68	0.94	n/a	(72)
Return on Equity	8.53	14.42	8.95	n/a	(589)

Credit loss and delinquency rates reflect the offsetting impacts of the North Fork acquisition and credit normalization





Credit normalization and loan growth drove modest increases in both provision and allowance

Charge-offs and Allowance for Loan Losses ($Millions)

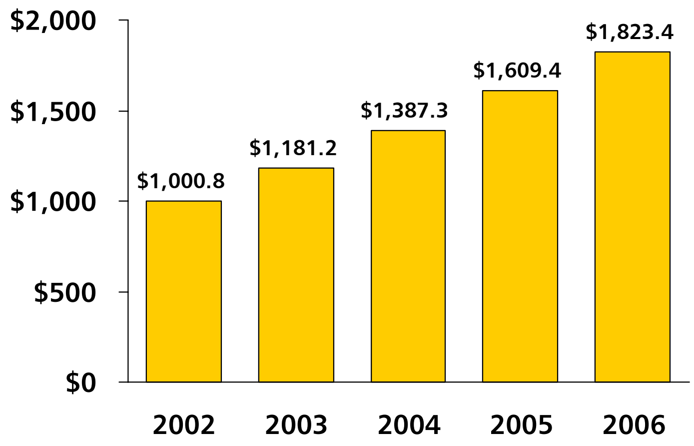
	Q406	Q306	Q405	Q406/Q306 Change $	Q406/Q306 Change %/bps
Managed Net Charge-offs	$ 927.5	$ 806.0	$ 1,066.6	$ 121.5	15 %
Allowance Build/(Release)	114.1	75.0	126.6	39.1	52
Other	(43.5)	(13.1)	(11.4)	(30.4)	n/a
Managed Provision for Loan Losses	998.1	867.9	1,181.8	130.2	15 %
Reported Loans	$ 96,512	$ 63,612	$ 59,848	$ 32,900	52 %
Allowance for Loan Losses	2,180	1,840	1,790	340	18
Reported $30+ Day Delinquencies	2,648	2,060	1,879	588	29
Reported $30+ Delinquency Rate	2.74 %	3.24 %	3.14 %	n/a	(50) bps
Reported Net Charge-off Rate	2.37	2.36	3.70	n/a	1

Finance Charge & Fee Revenue Recognition ($Millions)

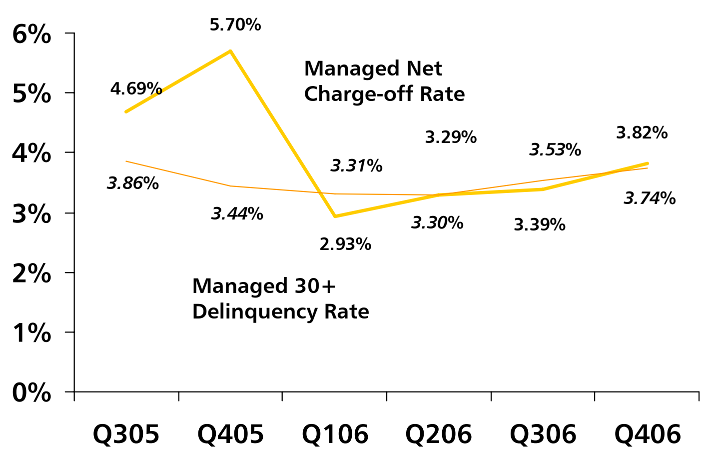
	Q406	Q306	Q405	Q406/Q306 Change $	Q406/Q306 Change %
Amounts Billed to Customers but not Recognized as Revenue	$ 248.3	$ 226.3	$ 227.9	$ 22.0	10 %

US card continued to deliver solid loan and profit growth in 2006

Net Income After Tax[1] ($M)



Credit Risk Metrics



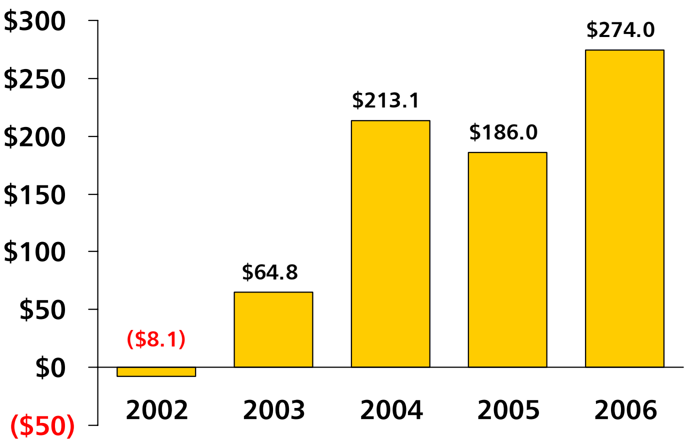
Highlights

- 2006 NIAT up $214M from 2005
  - Q406 NIAT up $100M from Q405
- Risk metrics reflect seasonality and post-bankruptcy spike normalization
- Managed loans of $54B, up 8.4% from 2005
- Purchase volume up 13% from 2005
  - Purchase volume up 7.5% from Q405
- Revenue margin down 105bp from Q306, and 191bp from Q405
- Despite continued intense competition, portfolio attrition is at historically low levels

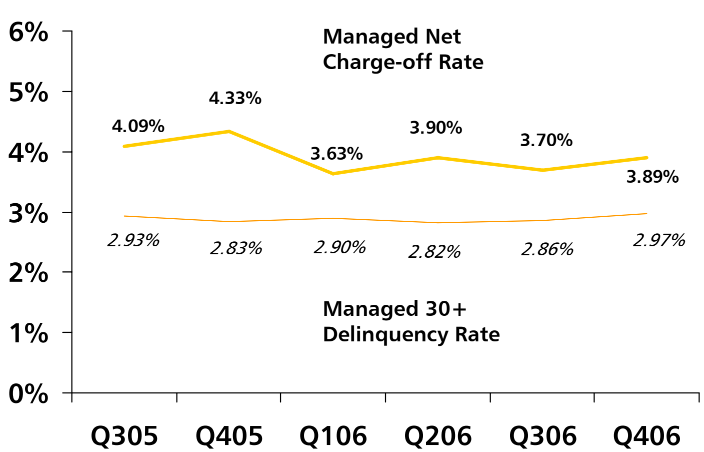
(1) Based on internal allocations of consolidated results

GFS continued to deliver strong loan and profit growth in 2006

Net Income After Tax[1] ($M)



Credit Risk Metrics

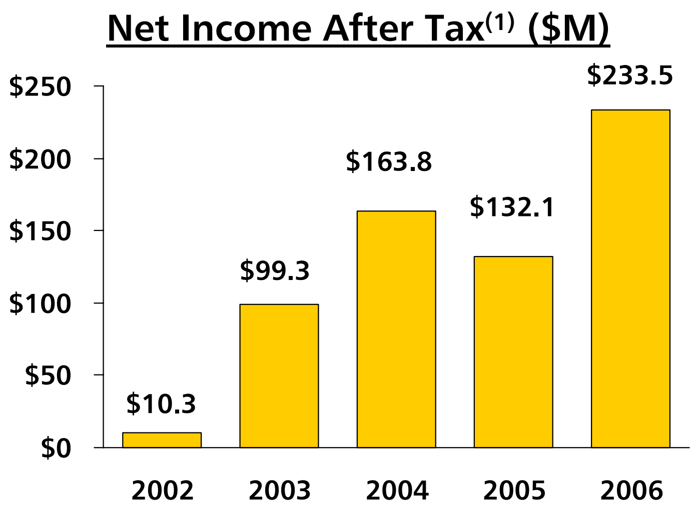


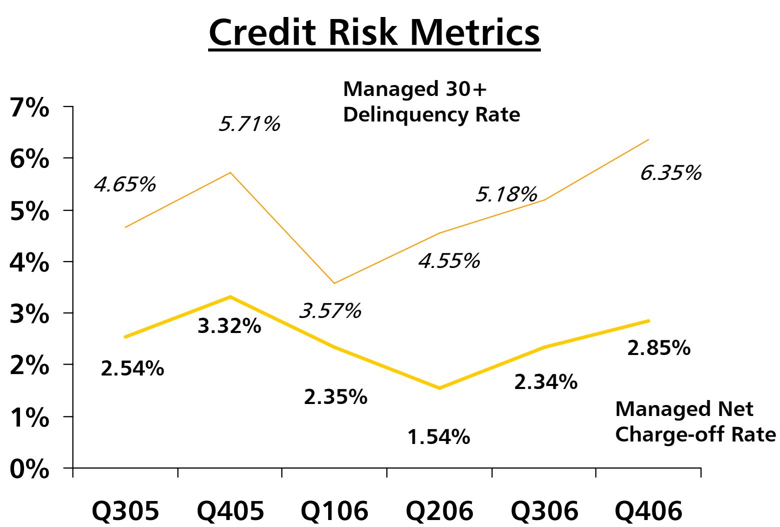
Highlights

- Net income up $88M, or 47%, in 2006
  - Q4 net income of $2M, down $5M from Q405
- Loan growth of $3.6B, or 15%, in 2006
- Revenue margin down 20bp since Q306, and down 29bp since Q405
- Risk metrics remain relatively stable
- North American GFS businesses continue to drive strong loan and profit growth
- UK business continues to face a challenging credit environment

(1) Based on internal allocations of consolidated results

Auto Finance delivered strong loan and profit growth in 2006





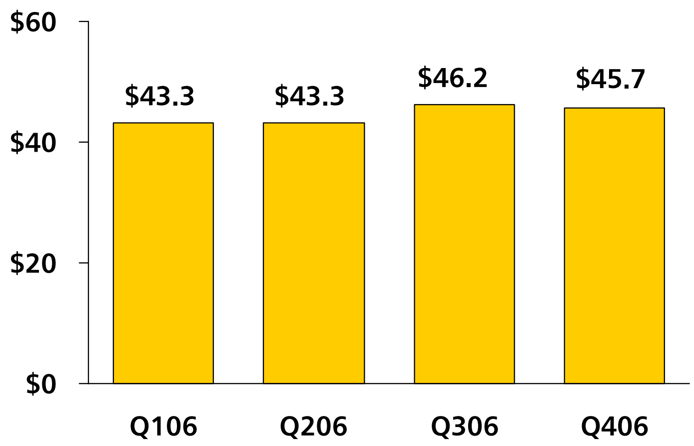
Highlights

- Net income up $101M, or 76%, in 2006
  - Q4 net income $34M, in line with Q405
- $3.1B in originations in Q406
  - $22B in managed loans at 12/31/06
- Net interest margin down 16bp from Q306, and down 95bp from Q405, largely driven by prime portfolio acquisitions
- Credit metrics reflect expected seasonal impacts, normalization, and targeted risk expansion in non-prime
- While competition remains intense as the industry consolidates, our multi-channel, full-spectrum strategy enables us to efficiently grow loans and profits

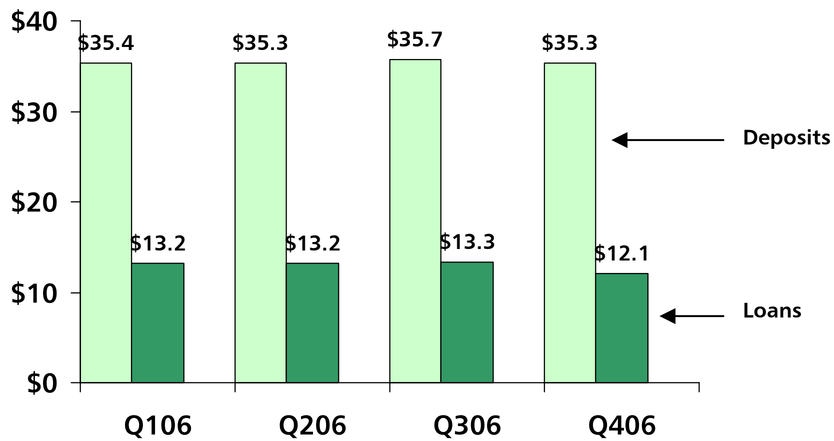
(1) Based on internal allocations of consolidated results

Banking delivered solid and stable performance in 2006

Net Income After Tax[1] ($M)



Deposit and Loan Portfolio ($B)



Highlights

- NIAT of $45.7M in Q406; $178M in 2006
- Loans grew modestly in the quarter, but were offset by $1.5B of mortgage sales
- Deposits declined in hurricane impacted areas, and were partially offset by growth in the rest of the branch network
- Strong credit in hurricane impacted areas led to a $26M allowance release
- Opened 39 de novo branches since the beginning of 2006
  - 31 opened in 2006
  - 8 opened in early 2007
- Hibernia integration expected to be completed February 2007 – On track to achieve 2007 synergies
- North Fork integration underway

(1) Based on internal allocations of consolidated results