

**Statement Regarding Adjustment of
Capital One Financial Corporation Warrants (CUSIP NO.: 14040H 139)
to Purchase Shares of Capital One Financial Corporation Common Stock**

August 3, 2018

As of August 2nd, 2018, Capital One Financial Corporation (“COF”) has outstanding 890,986 warrants to purchase shares of COF common stock (the “Warrants”).

The Warrant Share Number and the Exercise Price (each as defined in the Warrant Certificate evidencing the Warrants) for the Warrants are subject to adjustment upon the occurrence of certain events, including in the event COF declares and pays a regular quarterly cash dividend to holders of COF’s common stock in excess of \$0.375 per share (as adjusted for any stock split, reverse stock split, reclassification or similar transaction).

On July 26, 2018, the Board of Directors of COF declared a quarterly common stock dividend of \$0.40 per share payable on August 16, 2018 to stockholders of record as of August 6, 2018. The table below sets forth the effect of this common stock dividend on the Warrant Share Number and the Exercise Price of the Warrants, as calculated in accordance with the terms of the Warrant Certificate evidencing the Warrants, the form of which was filed with the Securities Exchange Commission on December 4, 2009.

Adjustments to Warrants to Purchase COF Common Stock		
Record Date	Warrant Share Number after Record Date	Exercise Price after Record Date
Original Terms	1.00	\$42.130
May 11, 2015	1.00	\$42.117
August 10, 2015	1.00	\$42.104
November 9, 2015	1.00	\$42.091
February 16, 2016	1.00	\$42.074
May 16, 2016	1.00	\$42.059
August 8, 2016	1.00	\$42.043
November 14, 2016	1.00	\$42.029
February 13, 2017	1.00	\$42.017
May 15, 2017	1.00	\$42.004
August 7, 2017	1.00	\$41.991
November 13, 2017	1.00	\$41.979
February 12, 2018	1.00	\$41.968
May 14, 2018	1.00	\$41.956
August 6, 2018	1.00	\$41.945

The Exercise Price for the Warrants effective after the August 6, 2018 record date was calculated based on the last reported sale price of COF’s common stock on the New York Stock Exchange of \$95.77 per share on August 2, 2018. As noted in the table above, the July 26, 2018 common stock dividend declaration did not result in a change in the Warrant Share Number for the Warrants.

All calculations are made to the nearest one-hundredth (1/100th) of a share or one-tenth (1/10th) of a cent. According to the provisions of the Warrant Certificate evidencing the Warrants, no adjustment to the Warrant Share Number or Exercise Price will be made if the amount of such adjustment would be less than one-tenth (1/10th) of a share of COF common stock or \$0.01, but any such amount (the “Carry-Forward Amount”) will be carried forward until the earlier to occur of (i) a subsequent event contemplated by Section 12 of the Warrant Certificate resulting in an adjustment that, when added to the Carry-Forward Amount, equals or exceeds one-tenth (1/10th) of a share of COF

common stock or \$0.01, as applicable, or (ii) the exercise of a Warrant, at which time an adjustment would be made rounding to the nearest one-hundredth ($1/100^{\text{th}}$) of a share or one-tenth ($1/10^{\text{th}}$) of a cent. Following the August 6, 2018 record date the Carry-Forward Amount for the Warrant Share Number will be .004.

Below is a general summary regarding the application of certain U.S. federal income tax laws and regulations to the adjustments described above. Such information does not constitute tax advice and is not intended to be complete or to describe the consequences that may apply to particular categories of Warrantholders.

Based on currently available information, the anti-dilution adjustments to the Warrant Exercise Price should be treated for U.S. federal income tax purposes as taxable qualified dividend distributions (subject to the applicable holding period) to Warrantholders, as of the following dates in the following amounts:

Record Date	Taxable Dividend Per Warrant
May 11, 2015	\$0.01
August 10, 2015	\$0.01
November 9, 2015	\$0.01
February 16, 2016	\$0.02
May 16, 2016	\$0.02
August 8, 2016	\$0.02
November 14, 2016	\$0.01
February 13, 2017	\$0.01
May 15, 2017	\$0.01
August 7, 2017	\$0.01
November 13, 2017	\$0.01
February 12, 2018	\$0.01
May 14, 2018	\$0.01
August 6, 2018	\$0.01

For non-U.S. Warrantholders, any such distributions may be subject to U.S. federal withholding tax. Each Warrantholder should consult their own tax advisor concerning the U.S. federal income tax consequences of any distribution in light of their particular circumstances, as well as any consequences arising under the laws of any other applicable taxing jurisdiction.