1680 Capital One Drive McLean, VA 22102-3491

News Release

FOR IMMEDIATE RELEASE: October 20, 2005

Contacts: **Investor Relations**
Mike Rowen
703-720-2455

Media Relations
Tatiana Stead 703-720-2352
Julie Rakes 804-284-5800

Capital One Reports Third Quarter Earnings

McLean, Va. (October 20, 2005) – Capital One Financial Corporation (NYSE: COF) today announced that its earnings for the third quarter of 2005 were $491.1 million, or $1.81 per share (diluted), compared with $490.2 million, or $1.97 per share (diluted), for the third quarter of 2004, and $531.1 million, or $2.03 per share (diluted), for the second quarter of 2005.

The results for the quarter include the impact of two one-time events: First, a $44 million impact related to the Gulf Coast hurricanes; and second, a $75 million impact from the unprecedented number of bankruptcy filings made last week immediately in advance of the new legislation, effective October 17, 2005. As a result of these two events, the company expects its 2005 earnings to be on the lower end of its range of between $6.60 and $7.00 per share (diluted), including the expected impact of completing the acquisition of Hibernia Corporation.

"Capital One had another solid quarter of revenue growth and profitability," said Richard D. Fairbank, Capital One's Chairman and Chief Executive Officer. "The strength and resilience of our diversified businesses positions us well to weather one-time events, such as the temporary spike in bankruptcy filings, while continuing to deliver strong results and profitable growth."

Managed loans grew to $84.8 billion as of September 30, 2005, up $1.8 billion, or 9 percent annualized, from the previous quarter, and up $9.3 billion, or 12 percent, from the third quarter of 2004. The company currently expects that managed loans will grow at a rate of approximately 12 percent during 2005, excluding the impact of the Hibernia transaction. The company continues to expect its US Card loan growth rate to be in the low single digits, and its Auto Finance and Global Financial Services businesses to grow at a faster rate than US Card.

The managed charge-off rate increased to 4.14 percent in the third quarter of 2005 from 4.10 percent in the previous quarter, and from 4.05 percent in the third quarter of 2004. Due to the unprecedented volume of bankruptcy filings made in October, management estimates the impact of the increased bankruptcy filings on its managed net charge-off rate in the fourth quarter of 2005 to be approximately 50 to 100 basis points. As a result, the company now expects its managed net charge-off rate for the fourth quarter of 2005 to be approximately five percent, excluding the impact of the Hibernia transaction.

The company increased its allowance for loan losses in the third quarter of 2005 by $42.0 million. The increase was driven by strong growth in auto loans, the increase in bankruptcy filings, and a build in allowance for loan losses related to the impact of the Gulf Coast hurricanes. The company expects a net build in allowance for the full year of 2005, excluding the impact of the Hibernia transaction.

The managed delinquency rate (30+ days) increased to 3.73 percent as of September 30, 2005 from 3.49 percent as of the end of the previous quarter. The managed delinquency rate as of September 30, 2004 was 3.90 percent.

Capital One's managed revenue margin decreased to 12.54 percent in the third quarter of 2005 from 12.65 percent in the previous quarter, and from 13.03 percent in the third quarter of 2004. The company continues to expect a modest decline in managed revenue margin over time due to its diversification and bias towards lower loss assets.

Marketing expenses for the third quarter of 2005 were $343.7 million, up $66.7 million from the $277.0 million spent in the second quarter of 2005. Marketing expenses were $317.7 million in the comparable quarter of the prior year. The company expects annual marketing spend for 2005 to be approximately $1.4 billion, excluding the impact of the Hibernia transaction.

Annualized operating expenses as a percentage of average managed loans decreased to 4.88 percent in the third quarter of 2005, down from 5.13 percent in the previous quarter and down from 5.35 percent in the third quarter of 2004.

The company continues to expect a return on managed assets of between 1.7 and 1.8 percent in 2005, with some quarterly variability, excluding the impact of the Hibernia transaction.

"These results keep us on track to deliver diluted earnings of between $6.60 and $7.00 per share in 2005, including the expected impact of completing the acquisition of Hibernia Corporation, albeit more likely at the lower end of the range," said Gary L. Perlin, Capital One's Chief Financial Officer. "While the anticipated closing of the acquisition has been delayed, it is not expected to have a material impact on the integration costs or synergies that Capital One expects to realize from the acquisition."

The acquisition of Hibernia is scheduled to close two business days following the special meeting of Hibernia shareholders, which is scheduled for November 14, 2005, subject to Hibernia shareholders' approval of the amended merger agreement.

The company generates earnings from its managed loan portfolio, which includes both on-balance sheet loans and securitized (off-balance sheet) loans. For this reason, the company believes managed financial measures to be useful to stakeholders. In compliance with Regulation G of the Securities and Exchange Commission, the company is providing a numerical reconciliation of managed financial measures to comparable measures calculated on a reported basis using generally accepted accounting principles (GAAP). Please see the schedule titled “Reconciliation to GAAP Financial Measures” attached to this release for more information.

The company cautions that its current expectations in this release, in the presentation slides available on the company’s website and on its Form 8-K dated October 20, 2005 for 2005 earnings, charge-off rates, revenue margins, return on assets, allowance for loan losses, loan growth rates, marketing, the composition of loan growth, restructuring charges, the benefits of the business combination transaction involving Capital One and Hibernia, including future financial and operating results, and the new company’s plans, objectives, expectations and intentions are forward-looking statements and actual results could differ materially from current expectations due to a number of factors, including: continued intense competition from numerous providers of products and services which compete with our businesses; changes in our aggregate accounts and balances, and the growth rate and composition thereof; the company’s ability to continue to diversify its assets; the company’s ability to access the capital markets at attractive rates and terms to fund its operations and future growth; changes in the reputation of the credit card industry and/or the company with respect to practices or products; the success of the company’s marketing efforts; the company’s ability to execute on its strategic and operating plans; and general economic conditions affecting interest rates and consumer income and spending, which may affect consumer bankruptcies, defaults, and charge-offs; the failure of Hibernia stockholders to approve the Capital One – Hibernia transaction; the risk that the Hibernia businesses will not be integrated successfully; the risk that the cost savings and any other synergies from the Hibernia transaction may not be fully realized or may take longer to realize than expected; disruption from the Hibernia transaction making it more difficult to maintain relationships with customers, employees or suppliers; the impact of property, credit and other losses expected as the result of Hurricane Katrina and Hurricane Rita; the amount of government, private and philanthropic investment, including deposits, in the geographic regions impacted by Hurricane Katrina and Hurricane Rita; the pace and magnitude of economic recovery in the region impacted by Hurricane Katrina and Hurricane Rita; and the potential impact of damages from future hurricanes and other storms.

A discussion of these and other factors can be found in Capital One’s annual report and other reports filed with the Securities and Exchange Commission, including, but not limited to, Capital One’s report on Form 10-K for the fiscal year ended December 31, 2004.

Additional Information About the Hibernia Transaction

Hibernia shareholders are urged to read the definitive proxy statement/prospectus regarding the proposed merger of Capital One Financial Corp. (“Capital One”) and Hibernia Corporation (“Hibernia”), which was first mailed to Hibernia shareholders on or about October 1, 2005 because it contains important information. You may obtain a free copy of the definitive proxy statement/prospectus and other related documents filed by Capital One and Hibernia with the Securities and Exchange Commission (“SEC”) at the SEC’s website at www.sec.gov. The definitive proxy statement/prospectus and the other documents may also be obtained for free by accessing Capital One’s website at www.capitalone.com under the tab “Investors” and then under the heading “SEC & Regulatory Filings” or by accessing Hibernia’s website at www.hibernia.com under the tab “About Hibernia” and then under the heading “Investor Relations—SEC Filings.”

Capital One, Hibernia and their respective directors, executive officers and certain other members of management and employees may be soliciting proxies from Hibernia stockholders in favor of the merger. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the Hibernia stockholders in connection with the proposed merger is set forth in the definitive proxy statement/prospectus filed with the SEC. You can find information about Capital One’s executive officers and directors in its definitive proxy statement filed with the SEC on March 21, 2005. You can find information about Hibernia’s executive officers and directors in its definitive proxy statement filed with the SEC on March 15, 2005. You can obtain free copies of these documents from Capital One and Hibernia using the contact information above.

About Capital One

Headquartered in McLean, Virginia, Capital One Financial Corporation (www.capitalone.com) is a financial holding company whose principal subsidiaries, Capital One Bank, Capital One, F.S.B. and Capital One Auto Finance, Inc. offer a variety of consumer lending products. Capital One's subsidiaries collectively had 49.2 million accounts and $84.8 billion in managed loans outstanding as of September 30, 2005. Capital One is a Fortune 500 company and, through its subsidiaries, is one of 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.

###

NOTE: Third quarter 2005 financial results, SEC Filings, and third quarter earnings conference call slides are accessible on Capital One’s home page (www.capitalone.com). Choose “Investors” on the bottom right corner of the home page to view and download the earnings press release, slides, and other financial information. Additionally, a webcast of today’s 5:00 pm (EDT) earnings conference call is accessible through the same link.