First Quarter 2009 Results

April 21, 2009

Forward looking statements

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Continuing economic deterioration and our actions to further fortify the company drove a net loss in the first quarter of 2009

- **Net loss from continuing operations of ($87) MM, or $(0.39) per share; Total Company net loss of $(112) MM, or $(0.45) per share**
  - $1.3 B sequential quarter improvement in net operating loss
  - $124 MM allowance build increased allowance coverage ratio by 36 basis points to 4.8%
  - $23 MM expenses related to completion and integration of Chevy Chase acquisition
  - $119M I/O write-down; Remaining I/O strip at 3/31/09 is $13 MM

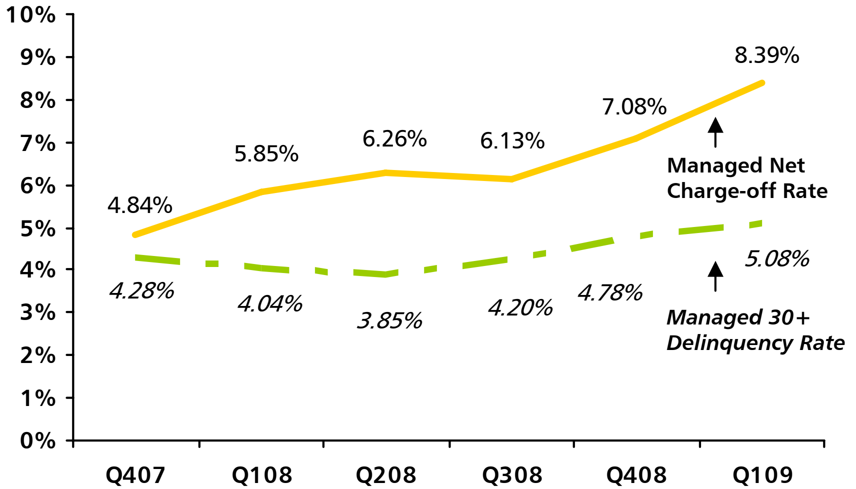
- **Significant economic deterioration drove rising credit losses across most of the loan portfolio**
  - Managed charge-off rate up 54 basis points from Q408 to 5.52%
  - Managed 30+ delinquency rate down 13 basis points from Q408 to 4.36%

- **Pre-provision, pre-tax earnings declined modestly in the quarter**
  - Revenue declined $221 MM in the quarter as a result of declining purchase volumes, changes in the mix of earning assets, and the combination of improving early stage delinquencies and worsening later stage delinquencies
  - Non-interest expense improvements of $202 MM, largely offsetting the revenue decline

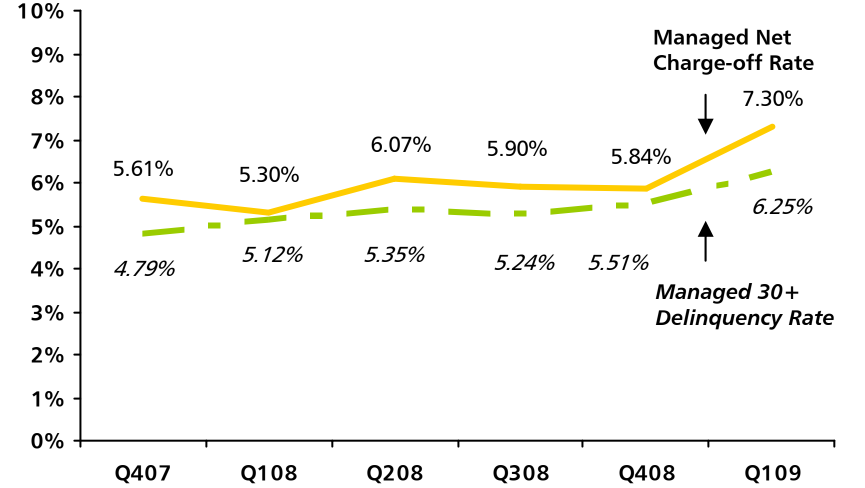
- **Balance sheet remains a source of strength, and positions us to weather the storm and create LT value**
  - Increased allowance coverage ratio to 4.8%
  - Grew high quality investment portfolio to $36 B
  - Added $14 B in deposits with the Chevy Chase acquisition; total deposits at 3/31/09 = $121 B
  - Increased TCE ratio to 4.8%, up 20 basis points from 12/31/08 pro forma TCE of 4.6%

The worsening economy drove rising delinquency and loss trends across most of our lending businesses

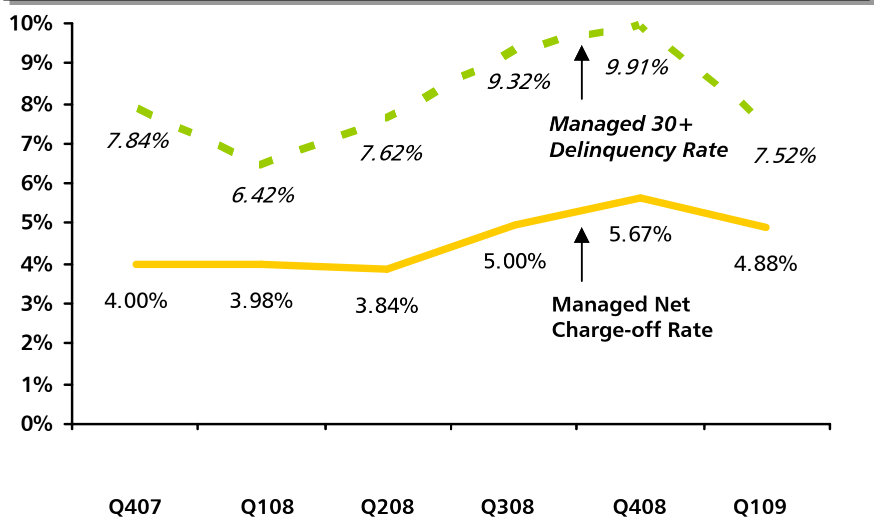
US Card



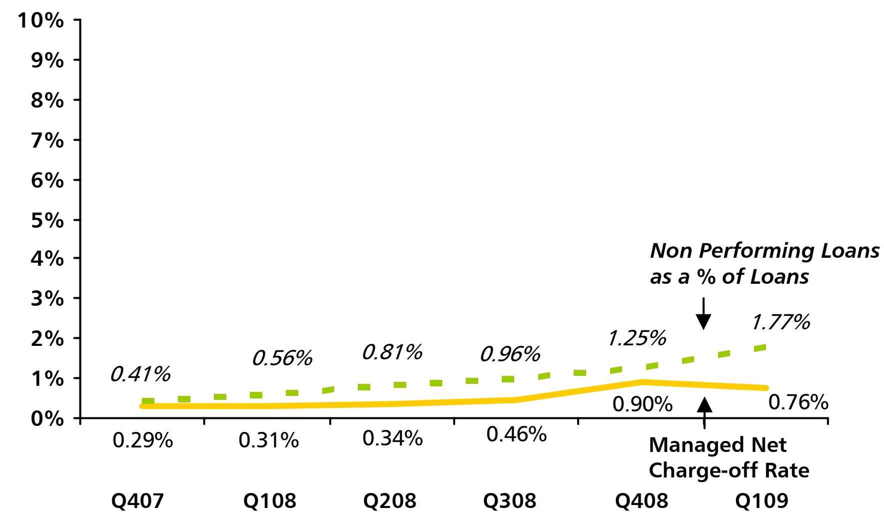
International



Auto Finance

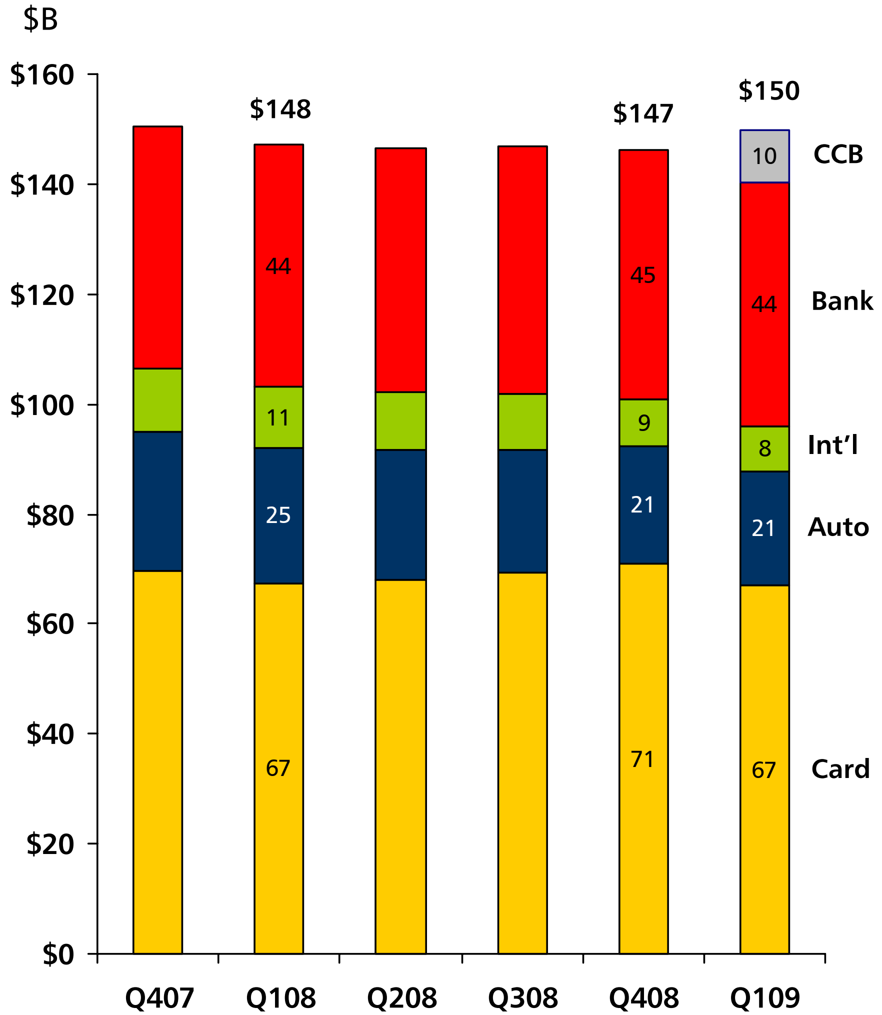


Local Banking

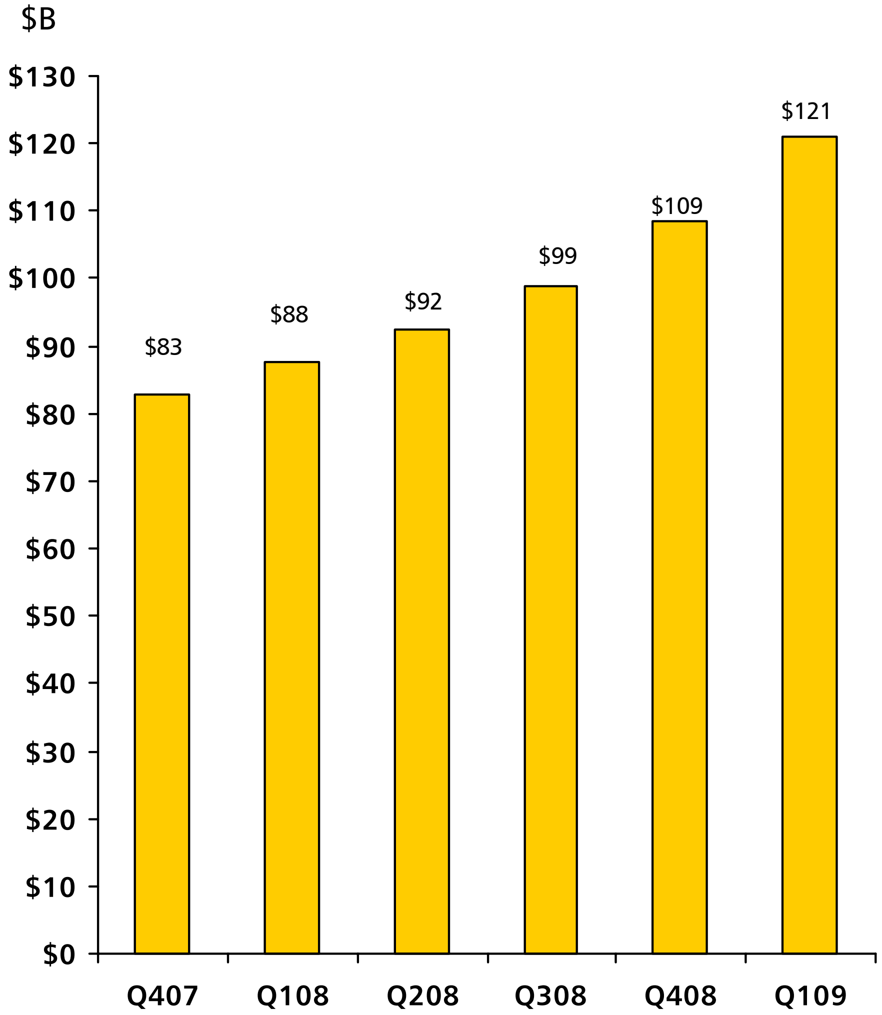


The mix of loans continued to shift in Q1

Managed Loans (End of Period)

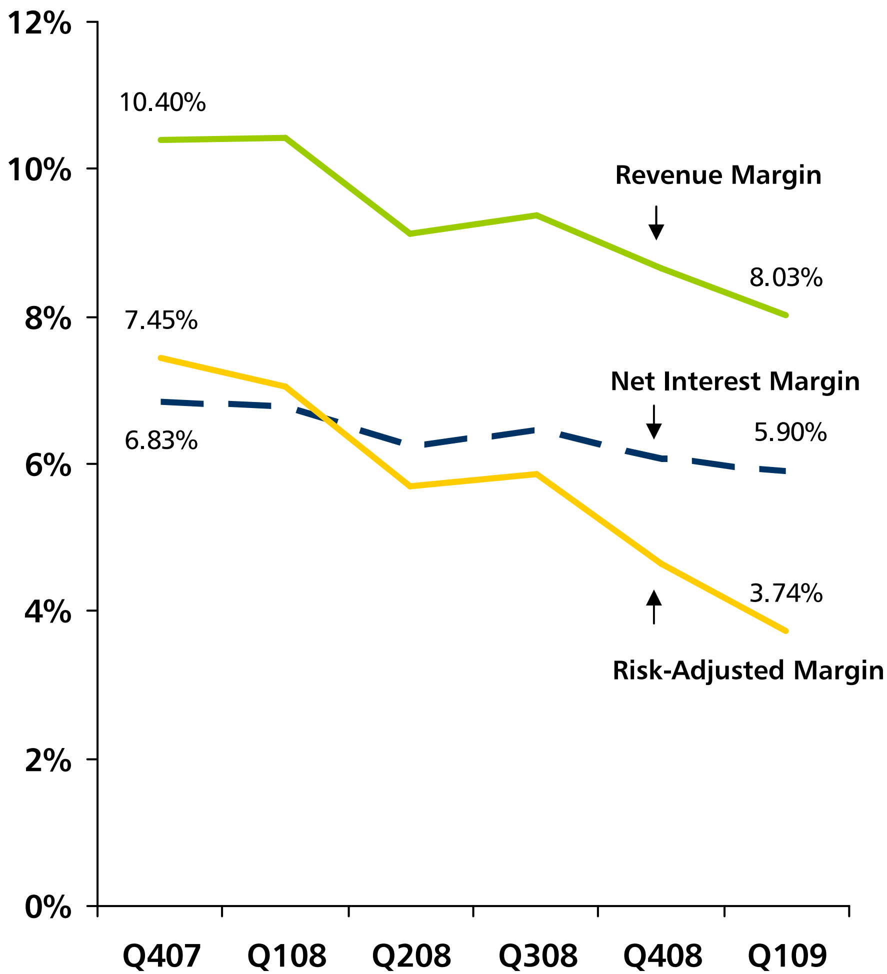


Total Company Ending Deposits



Margins declined as compared to both the sequential quarter and the prior year quarter

Margins as % of Managed Assets

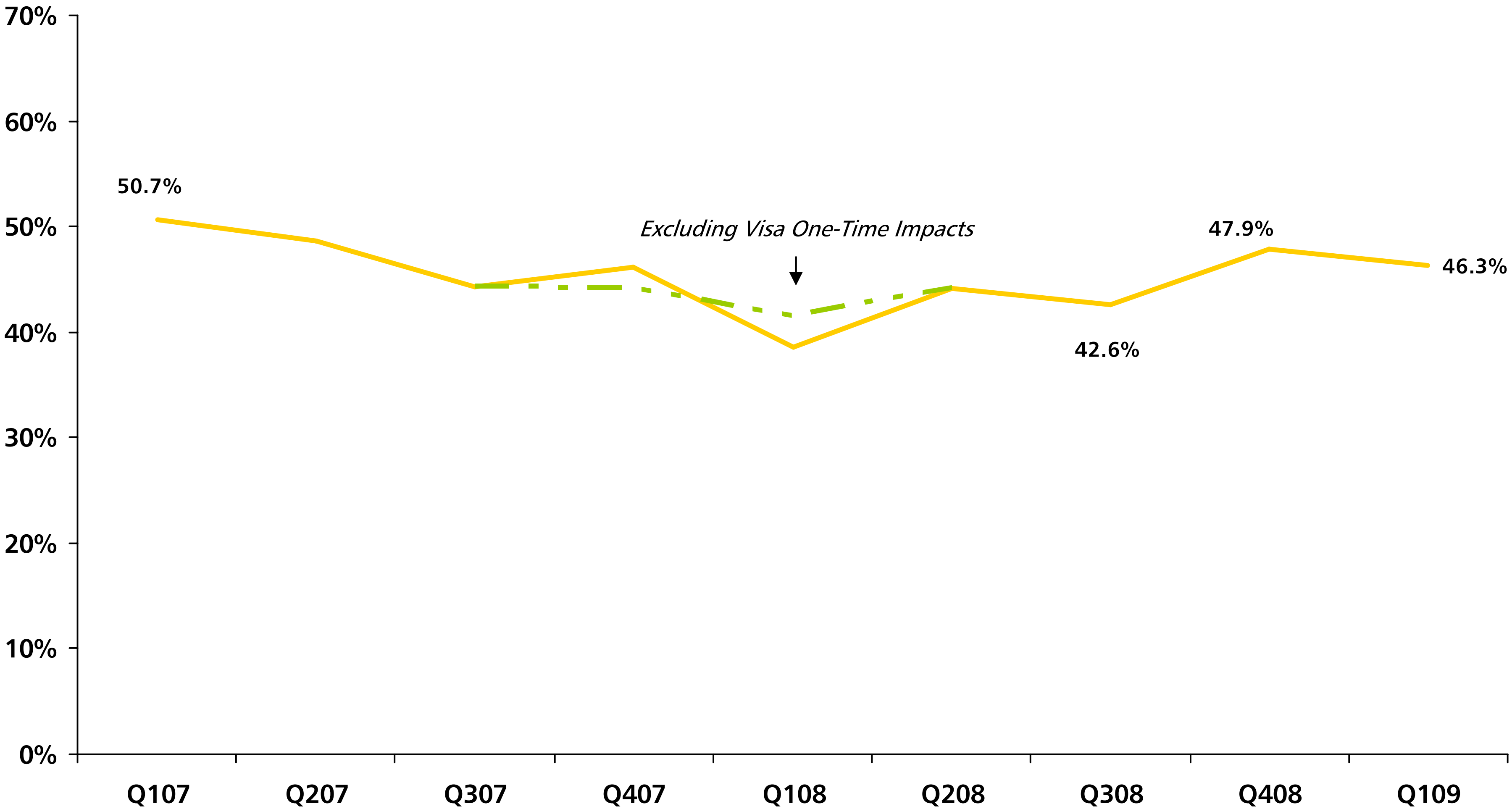


Comments

- **Credit & Consumer Behavior Impacts**
  - Declining purchase volumes in US Card
  - Lower early stage delinquencies
  - Lower overlimits
  - Higher late stage delinquency flow rates
  - Write down of retained interests in securitization trusts *
- **Other Impacts**
  - Mix shift from loans to investment securities
  - Addition of lower yielding Chevy Chase loan portfolio

Efficiency Ratio and operating expenses improved as a result of our continuing cost management actions

Efficiency Ratio



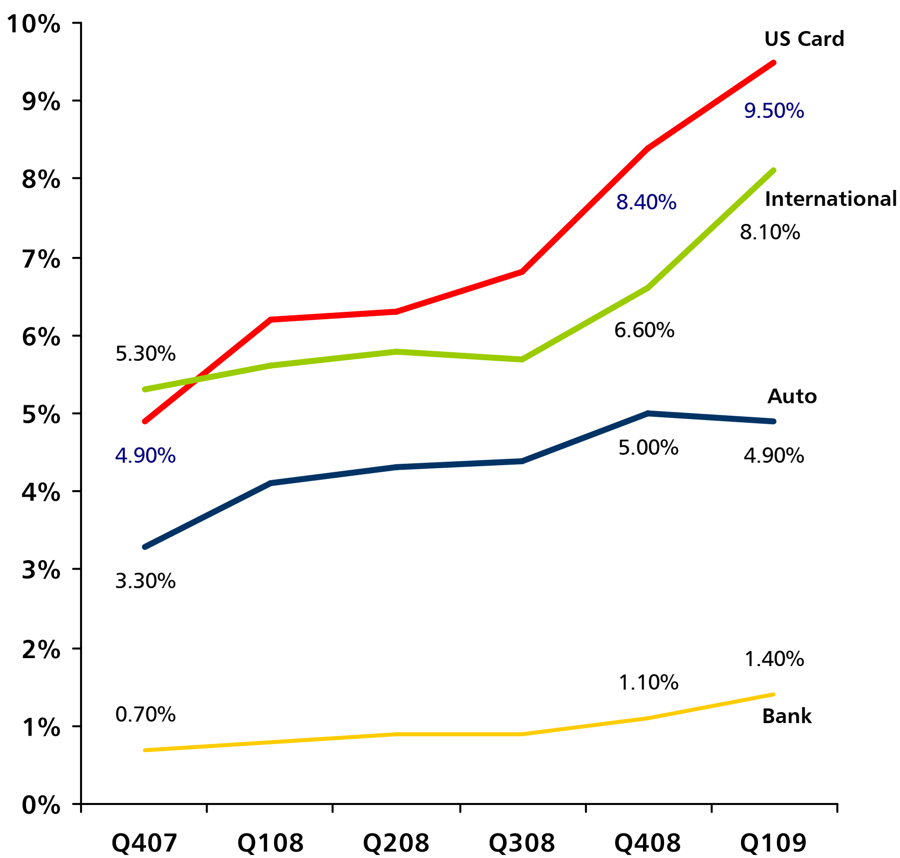
Credit was the primary driver of operating earnings

	Q4'08	Q1'09
Revenue excl. I/O Strip & Supression	4,673	4,388
I/O Strip valuation change	(131)	(119)
Revenue Suppression*	(591)	(540)
Revenue	**3,951**	**3,730**
Marketing	265	163
Operating Expense	1,629	1,565
Restructuring	53	18
Non Interest Expense	**1,947**	**1,745**
Pre Provision Earnings (before tax)	**2,004**	**1,985**
Net Charge Offs	1,826	1,991
Other		17
Allowance Build	1,053	124
Provision	**2,879**	**2,132**
Operating Earnings (after tax)	**(585)**	**(87)**
Goodwill Impairment	811	
Continuing Operations (after tax)	**(1,396)**	**(87)**
	($3.67) EPS	*($0.39) EPS*
Discontinued Ops	(25)	(25)
	($0.07) EPS	*($0.06) EPS*
Total Company (after tax)	**(1,422)**	**(112)**
	($3.74) EPS	*($0.45) EPS*

***** *In line with the Company's finance charge and fee revenue recognition policy, amounts billed to customers but not recognized as revenue*

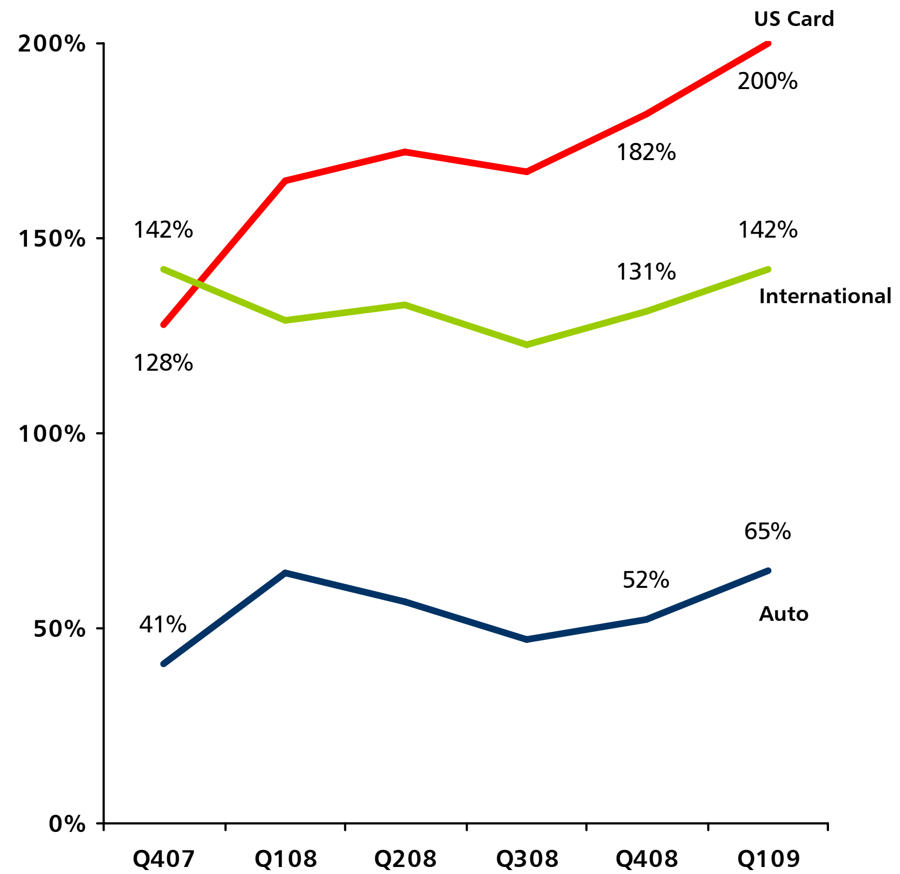
We continued to increase allowance coverage ratios

Allowance as % of Reported Loans



Total Company:	**2.91%**	**3.33%**	**3.41%**	**3.59%**	**4.48%**	**4.84%**

National Lending Allowance as % of Reported 30+ Delinquencies



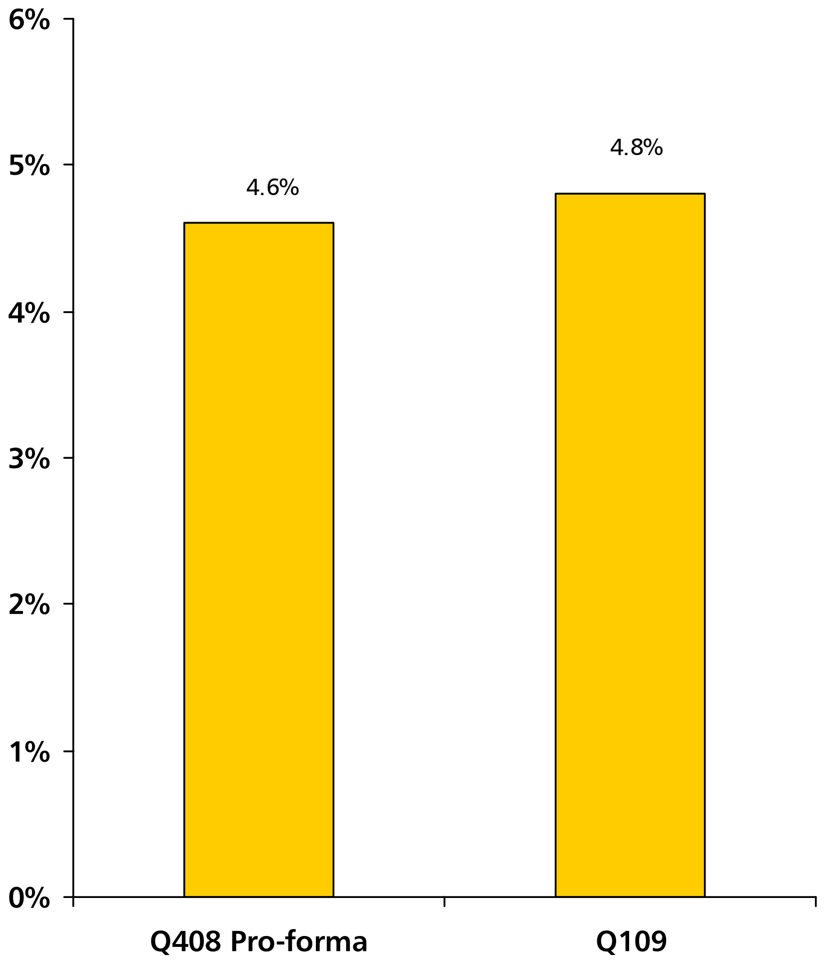
We continued to grow our low risk investment portfolio

$MM	December 31, 2008 Book Value	December 31, 2008 Net Unrealized Gain/(Loss)	March 31, 2009 Book Value	March 31, 2009 Net Unrealized Gain/(Loss)
Treasuries/Agencies	$1,549	61	$1,514	56
Agency MBS	21,844	217	25,908	528
Non-Agency MBS	3,789	(1,035)	3,533	(997)
ABS	3,356	(200)	4,475	(74)
CMBS	1,082	(142)	1,070	(121)
Other	496	(14)	384	(7)
Total	**$32,116**	**(1,113)**	**$36,884**	**(615)**

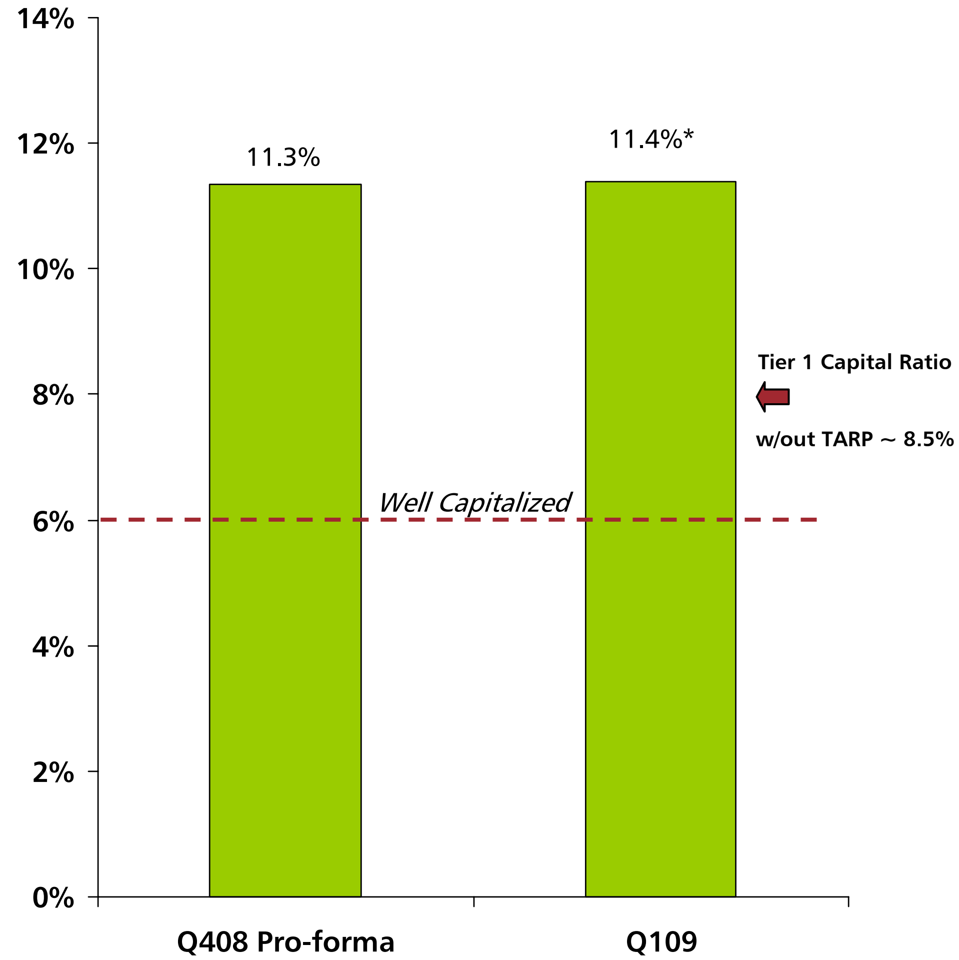
- **Our investment portfolio is comprised of high quality securities**
  - No SIV's, CDO's, leveraged loans
  - No exposure to equity or hybrids
  - No securities backed by Option ARMs
- **Non-Agency MBS Securities are high quality**
  - Prime Jumbo collateral (Average FICO 742)
  - 69% of securities have super senior credit enhancement
- **Other than temporary impairment (OTTI) was $0.4MM**
- **Significant improvement in unrealized loss position; no change in valuation methodology**

Our capital ratios remain strong while we continue to de-risk our balance sheet

Tangible Common Equity to Tangible Managed Assets



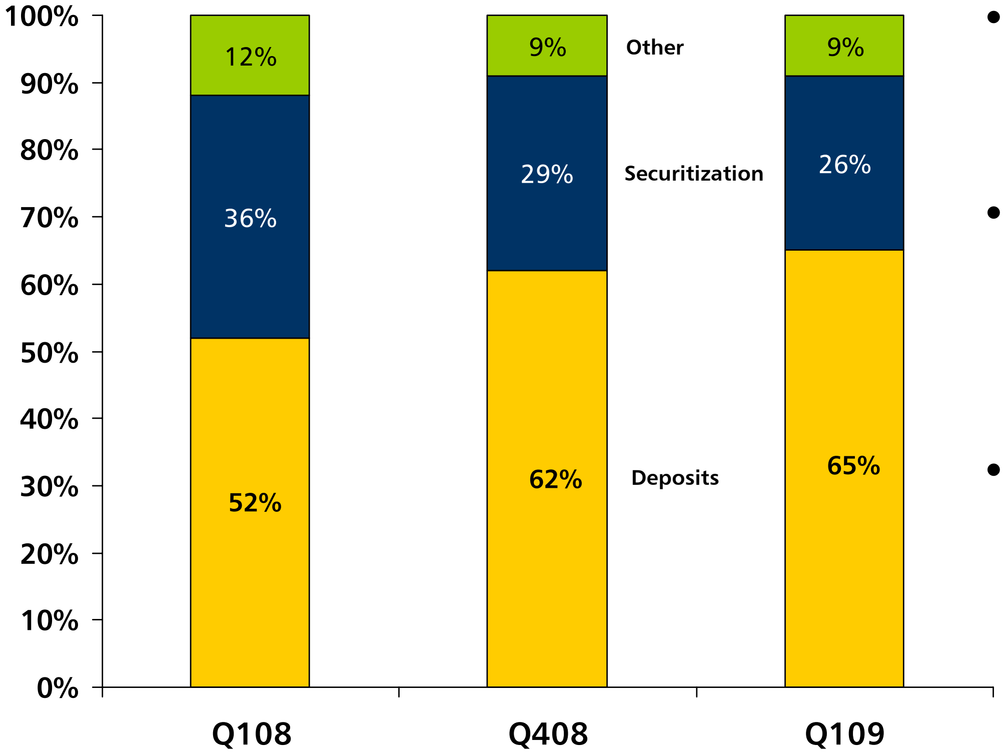
Tier 1 Capital to Risk Weighted Assets



** Estimated*

Deposits now represent two-thirds of our funding

Funding Mix



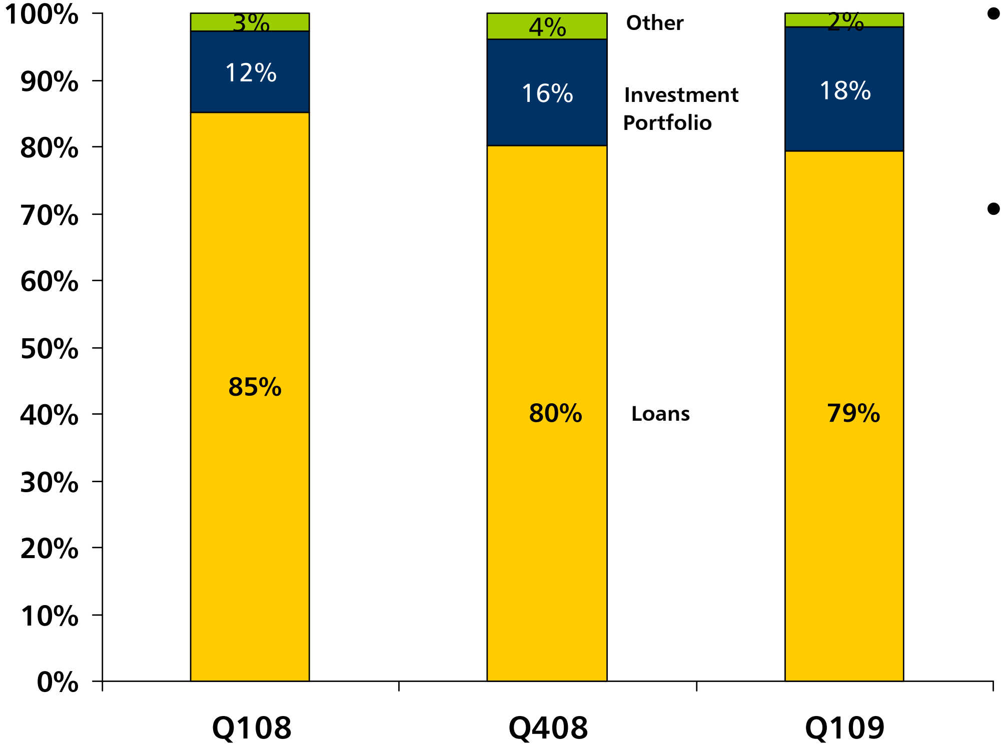
	Q108	Q408	Q109
Ending Loan/ Deposit Ratio:	1.68	1.35	1.24
Weighted Avg Cost of Funds	4.15%	3.52%	2.76%

Comments

- Our use of wholesale funding continues to fall
- We have not participated in any government-assisted funding programs (e.g., TLPG, TALF, CPFF)
- Cheaper retail deposits will continue to replace wholesale funding as it matures over time, improving cost of funds

Increasing the share of investment assets contributes to the de-risking of our balance sheet at this point in the cycle

Asset Type as a % of Average Earning Assets



	Q108	Q408	Q109
Weighted Avg Yield of Loans	11.53%	10.39%	9.44%
Weighted Avg Yield on Securities	4.86%	5.08%	4.62%

Comments

- Grew investment portfolio in Q1 to take advantage of attractive marginal opportunities
- As cycle turns, we expect to reduce investment portfolio share of balance sheet

Our strong and transparent balance sheet positions us to weather the storm and deliver long-term value

Weather the Storm	Deliver Long-Term Value
• Historically high coverage ratios • Conservative investment portfolio • Strong capital and balance sheet	• Strong and growing deposit franchise • Capital and funding provide significant balance sheet flexibility • Ready to shift back to higher margin loans as the cycle turns

Capital One℠