# Third Quarter 2018 Results

**October 23, 2018**

# 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; 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, tariffs, collateral values, consumer income, credit worthiness 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, and the impact of inaccurate estimates or inadequate reserves; compliance with financial, legal, regulatory, tax or accounting changes or actions, including the impacts of the Tax Act, the Dodd-Frank Act, and other regulations governing bank capital and liquidity standards; developments, changes or actions relating to any litigation, governmental investigation or regulatory enforcement action or 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; 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 amount and rate of deposit growth; Capital One's ability to execute on its strategic and operational plans; restructuring activities or other charges; Capital One's response to competitive pressures; changes in retail distribution strategies and channels, including the emergence of new technologies and product delivery systems; the success of Capital One's marketing efforts in attracting and retaining customers; 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 in the technology platforms on which Capital One relies, including cybersecurity, business continuity and related operational risks, as well as other security failures or breaches of Capital One's systems or those of its customers, partners, service providers or other third parties; Capital One's ability to maintain a compliance and technology infrastructure suitable for the nature of its business; Capital One's ability to develop and adapt to rapid changes in digital technology to address the needs of its customers and comply with applicable regulatory standards, including Capital One's increasing reliance on third party infrastructure and compliance with data protection and privacy standards; the effectiveness of Capital One's risk management strategies; Capital One's ability to control costs, including the amount of, and rate of growth in, its expenses as Capital One's business develops or changes or as Capital One expands into new market areas; the extensive use, reliability and accuracy of the models and data Capital One relies on in its business; Capital One's ability to recruit and retain talented and experienced personnel; the impact from, and Capital One's ability to respond to, natural disasters and other catastrophic events; changes in the labor and employment markets; fraud or misconduct by Capital One's customers, employees, business partners or third parties; merchants' increasing focus on the fees charged by credit card networks; and other risk factors listed 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, 2017.

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 October 23, 2018, available on its website at www.capitalone.com under "Investors."

# Company Highlights

- Net income for the third quarter of 2018 of $1.5 billion, or $2.99 per diluted common share.
  - Excluding adjusting items, net income per diluted common share was $3.12[1].
- Pre-provision earnings decreased 15% to $3.2 billion for the third quarter of 2018[2].
- Efficiency ratio of 54.19% for the third quarter of 2018.
  - Efficiency ratio excluding adjusting items was 52.70% for the third quarter of 2018[1].
- Operating efficiency ratio of 46.95% for the third quarter of 2018.
  - Operating efficiency ratio excluding adjusting items was 45.29% for the third quarter of 2018[1].
- Adjusting items in the quarter, which are excluded from diluted EPS and efficiency ratio metrics (see slide 13 for additional information):

| | Pre-Tax | Diluted EPS |
|---|---|---|
| *(Dollars in millions, except per share data)* | Impact | Impact |
| Net gains on the sales of exited businesses | $ 141 | $ 0.22 |
| Legal reserve build | (170) | (0.35) |

- Notable item in the quarter included:

| | Pre-Tax | Diluted EPS |
|---|---|---|
| *(Dollars in millions, except per share data)* | Impact | Impact |
| Investment portfolio impairment charges | $ (200) | $ (0.32) |

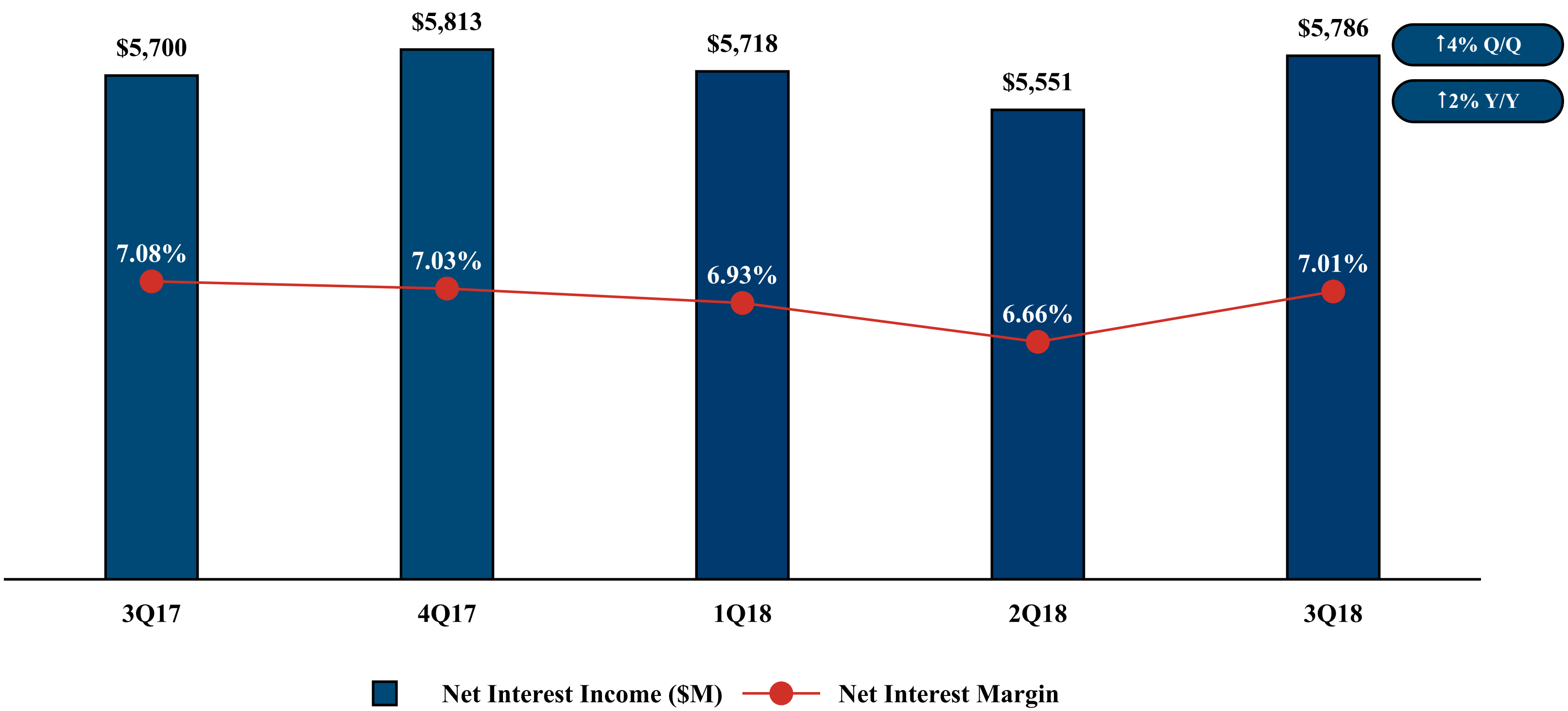
- Common equity Tier 1 capital ratio under Basel III Standardized Approach of 11.2% at September 30, 2018.
- Period-end loans held for investment increased $2.6 billion, or 1%, to $238.8 billion.
- Average loans held for investment decreased $4.0 billion, or 2%, to $236.8 billion.
- Period-end total deposits decreased $1.0 billion, or less than 1%, to $247.2 billion.
- Average total deposits decreased $2.1 billion, or 1%, to $246.7 billion.

Note: All comparisons are for the third quarter of 2018 compared with the second quarter of 2018 unless otherwise noted. Regulatory capital metrics and capital ratios as of September 30, 2018 are preliminary and therefore subject to change.

(1) Amounts excluding adjusting items are non-GAAP measures. See Appendix Slides 13 and 14 for the reconciliation of non-GAAP measures to our reported results.

(2) Pre-provision earnings is calculated based on the sum of net interest income and non-interest income, less non-interest expense for the period.

# Net Interest Income and Net Interest Margin

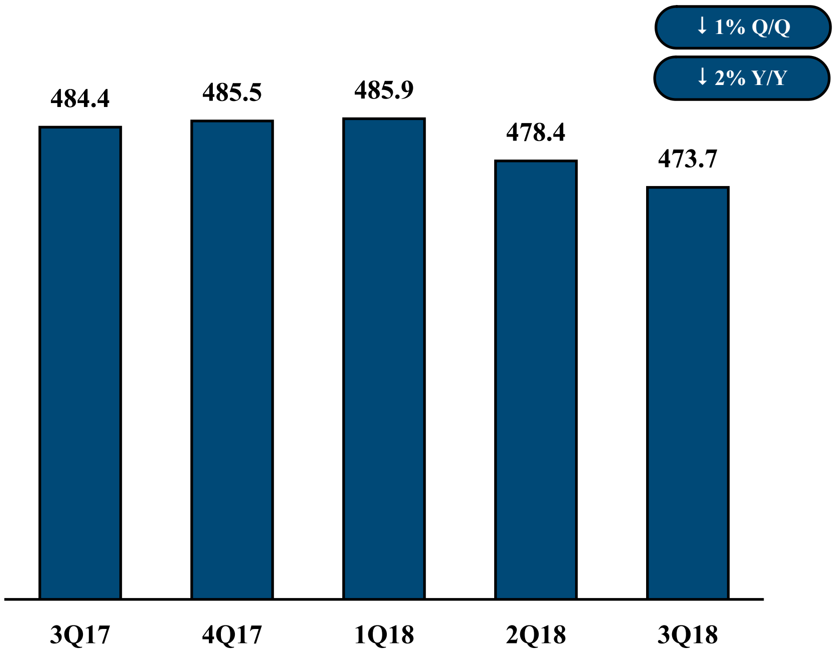



## Third Quarter 2018 Highlights

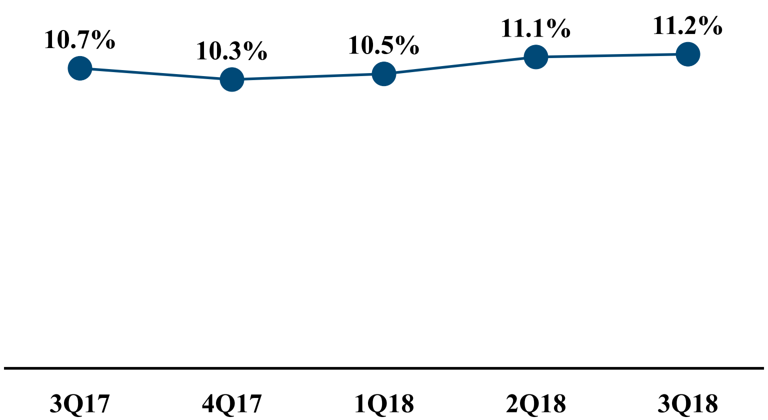
- Net interest margin increased 35 basis points quarter-over-quarter primarily driven by higher rates on interest-earning assets and one additional day to recognize income, partially offset by higher rates on interest-bearing liabilities.
- Net interest margin decreased 7 basis points year-over-year primarily driven by higher rates on interest-bearing liabilities, largely offset by higher rates on interest-earning assets and product mix changes.

# Capital and Liquidity

## Ending Common Shares Outstanding (M)




## Common Equity Tier 1 Capital Ratio



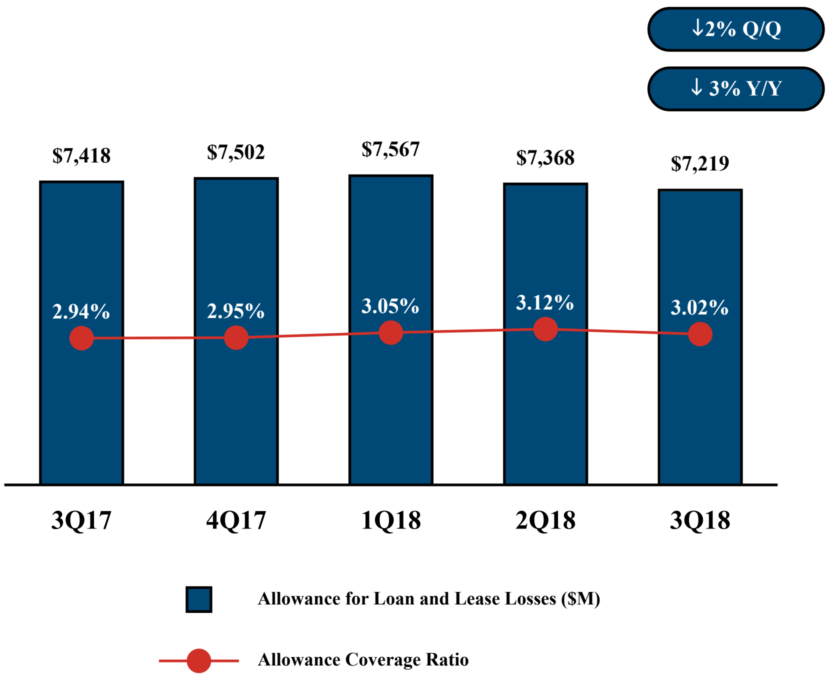

### Third Quarter 2018 Highlights

- Common equity Tier 1 capital ratio under Basel III Standardized Approach of 11.2% at September 30, 2018.
- We exceeded the fully phased-in LCR requirement at September 30, 2018.

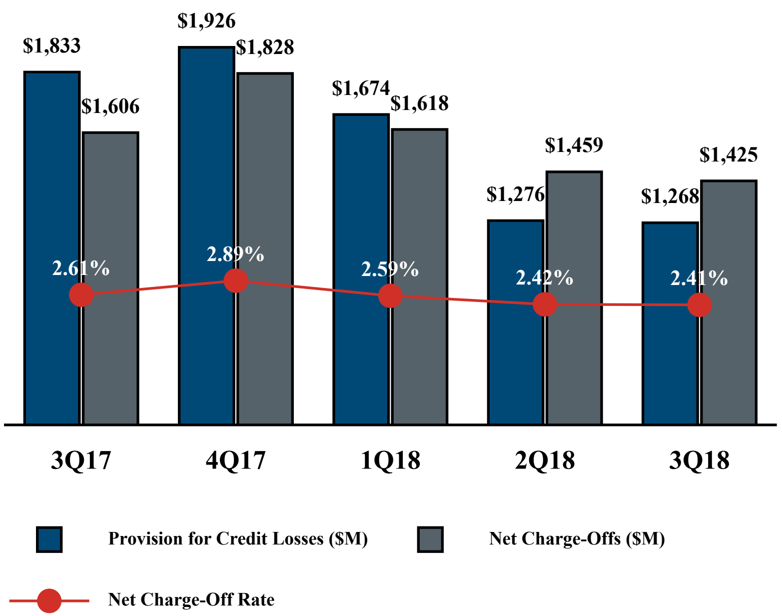
Note: Regulatory capital metrics and capital ratios as of September 30, 2018 are preliminary and therefore subject to change.

# Credit Quality

## Allowance for Loan and Lease Losses




## Provision for Credit Losses and Net Charge-Offs




## Third Quarter 2018 Highlights

- Net charge-off rate of 2.41%.
- Allowance for loan and lease losses decreased to $7.2 billion.
- Allowance as a percentage of loans held for investment of 3.02%.

# Financial Summary—Business Segment Results

| *(Dollars in millions)* | Three Months Ended September 30, 2018 | | | | |
|---|---|---|---|---|---|
| | Credit Card | Consumer Banking | Commercial Banking | Other | Total |
| Net interest income | $ 3,596 | $ 1,636 | $ 539 | $ 15 | $ 5,786 |
| Non-interest income | 893 | 155 | 189 | (61) | 1,176 |
| Total net revenue (loss) | 4,489 | 1,791 | 728 | (46) | 6,962 |
| Provision (benefit) for credit losses | 1,031 | 184 | 54 | (1) | 1,268 |
| Non-interest expense | 2,103 | 979 | 408 | 283 | 3,773 |
| Income (loss) from continuing operations before income taxes | 1,355 | 628 | 266 | (328) | 1,921 |
| Income tax provision (benefit) | 315 | 146 | 62 | (103) | 420 |
| Income (loss) from continuing operations, net of tax | $ 1,040 | $ 482 | $ 204 | $ (225) | $ 1,501 |

# Credit Card

| (Dollars in millions, except as noted) | 2018 Q3 | 2018 Q2 | 2017 Q3 | 2018 Q3 vs. 2018 Q2 | 2018 Q3 vs. 2017 Q3 |
|---|---|---|---|---|---|
| **Earnings:** | | | | | |
| Net interest income | **$ 3,596** | $ 3,396 | $ 3,440 | 6% | 5% |
| Non-interest income | **893** | 884 | 865 | 1 | 3 |
| Total net revenue | **4,489** | 4,280 | 4,305 | 5 | 4 |
| Provision for credit losses | **1,031** | 1,171 | 1,466 | (12) | (30) |
| Non-interest expense | **2,103** | 1,904 | 1,961 | 10 | 7 |
| Pre-tax income | **1,355** | 1,205 | 878 | 12 | 54 |
| **Selected performance metrics:** | | | | | |
| Period-end loans held for investment | **$ 110,685** | $ 109,777 | $ 109,130 | 1% | 1% |
| Average loans held for investment | **109,510** | 107,893 | 102,545 | 1 | 7 |
| Total net revenue margin | **16.40%** | 15.87% | 16.79% | 53bps | (39)bps |
| Net charge-off rate | **4.15** | 4.67 | 4.51 | (52) | (36) |
| Purchase volume | **$ 97,469** | $ 97,392 | $ 84,505 | — | 15% |

## Third Quarter 2018 Highlights

- Ending loans up $1.6 billion, or 1%, year-over-year; average loans up $7.0 billion, or 7%, year-over-year.
- Purchase volume up 15% year-over-year.
- Revenue up $184 million, or 4%, year-over-year.
- Revenue margin of 16.40%.
- Non-interest expense up $142 million, or 7%, year-over-year.
- Provision for credit losses down $435 million, or 30%, year-over-year.
- Net charge-off rate of 4.15%.

# Domestic Card

| *(Dollars in millions, except as noted)* | 2018 Q3 | 2018 Q2 | 2017 Q3 | 2018 Q3 vs. 2018 Q2 | 2018 Q3 vs. 2017 Q3 |
|---|---|---|---|---|---|
| **Earnings:** | | | | | |
| Net interest income | **$ 3,280** | $ 3,108 | $ 3,132 | 6% | 5% |
| Non-interest income | **819** | 818 | 787 | — | 4 |
| Total net revenue | **4,099** | 3,926 | 3,919 | 4 | 5 |
| Provision for credit losses | **950** | 1,094 | 1,417 | (13) | (33) |
| Non-interest expense | **1,890** | 1,683 | 1,754 | 12 | 8 |
| Pre-tax income | **1,259** | 1,149 | 748 | 10 | 68 |
| **Selected performance metrics:** | | | | | |
| Period-end loans held for investment | **$ 101,564** | $ 100,714 | $ 99,981 | 1% | 2% |
| Average loans held for investment | **100,566** | 98,895 | 93,729 | 2 | 7 |
| Total net revenue margin | **16.30%** | 15.88% | 16.72% | 42bps | (42)bps |
| Net charge-off rate | **4.35** | 4.72 | 4.64 | (37) | (29) |
| 30+ day delinquency rate | **3.80** | 3.32 | 3.94 | 48 | (14) |
| Purchase volume | **$ 89,205** | $ 88,941 | $ 76,806 | — | 16% |

## Third Quarter 2018 Highlights

- Ending loans up $1.6 billion, or 2%, year-over-year; average loans up $6.8 billion, or 7%, year-over-year.
- Purchase volume up 16% year-over-year.
- Revenue up $180 million, or 5%, year-over-year.
- Revenue margin of 16.30%.
- Non-interest expense up $136 million, or 8%, year-over-year.
- Provision for credit losses down $467 million, or 33%, year-over-year.
- Net charge-off rate of 4.35%.

# Consumer Banking

| (Dollars in millions, except as noted) | 2018 Q3 | 2018 Q2 | 2017 Q3 | 2018 Q3 vs. 2018 Q2 | 2018 Q3 vs. 2017 Q3 |
|---|---|---|---|---|---|
| **Earnings:** | | | | | |
| Net interest income | **$ 1,636** | $ 1,609 | $ 1,649 | 2% | (1)% |
| Non-interest income | **155** | 175 | 192 | (11) | (19) |
| Total net revenue | **1,791** | 1,784 | 1,841 | — | (3) |
| Provision for credit losses | **184** | 118 | 293 | 56 | (37) |
| Non-interest expense | **979** | 963 | 1,051 | 2 | (7) |
| Pre-tax income | **628** | 703 | 497 | (11) | 26 |
| **Selected performance metrics:** | | | | | |
| Period-end loans held for investment | **$ 59,329** | $ 58,727 | $ 75,564 | 1% | (21)% |
| Average loans held for investment | **59,220** | 66,480 | 75,363 | (11) | (21) |
| Auto loan originations | **6,643** | 6,994 | 7,043 | (5) | (6) |
| Period-end deposits | **196,635** | 194,962 | 184,719 | 1 | 6 |
| Average deposits | **194,687** | 193,278 | 185,072 | 1 | 5 |
| Average deposits interest rate | **1.00%** | 0.88% | 0.62% | 12bps | 38bps |
| Net charge-off rate | **1.77** | 1.19 | 1.47 | 58 | 30 |

## Third Quarter 2018 Highlights

- Ending loans down $16.2 billion, or 21%, year-over-year; average loans down $16.1 billion, or 21%, year-over-year.
- Ending deposits up $11.9 billion, or 6%, year-over-year.
- Revenue down $50 million, or 3%, year-over-year.
- Non-interest expense down $72 million, or 7%, year-over-year.
- Provision for credit losses down $109 million, or 37%, year-over-year.
- Net charge-off rate of 1.77%.

# Commercial Banking

| (Dollars in millions, except as noted) | 2018 Q3 | 2018 Q2 | 2017 Q3 | 2018 Q3 vs. 2018 Q2 | 2018 Q3 vs. 2017 Q3 |
|---|---|---|---|---|---|
| **Earnings:** | | | | | |
| Net interest income | **$ 539** | $ 549 | $ 560 | (2)% | (4)% |
| Non-interest income | **189** | 209 | 179 | (10) | 6 |
| Total net revenue | **728** | 758 | 739 | (4) | (1) |
| Provision for credit losses | **54** | 34 | 63 | 59 | (14) |
| Non-interest expense | **408** | 409 | 394 | — | 4 |
| Pre-tax income | **266** | 315 | 282 | (16) | (6) |
| **Selected performance metrics:** | | | | | |
| Period-end loans held for investment | **$ 68,747** | $ 67,609 | $ 67,670 | 2% | 2% |
| Average loans held for investment | **68,036** | 66,364 | 67,859 | 3 | — |
| Period-end deposits | **30,474** | 31,078 | 32,783 | (2) | (7) |
| Average deposits | **31,061** | 32,951 | 33,197 | (6) | (6) |
| Average deposits interest rate | **0.79%** | 0.65% | 0.42% | 14bps | 37bps |
| Net charge-off (recovery) rate | **0.16** | (0.04) | 0.96 | 20 | (80) |
| **Risk category as a percentage of period-end loans held for investment:[1]** | | | | | |
| Criticized performing | **3.2%** | 3.1% | 4.3% | 10bps | (110)bps |
| Criticized nonperforming | **0.4** | 0.3 | 1.2 | 10 | (80) |

[1] Criticized exposures correspond to the “Special Mention,” “Substandard” and “Doubtful” asset categories defined by bank regulatory authorities.

## Third Quarter 2018 Highlights

- Ending loans up $1.1 billion, or 2%, year-over-year; average loans flat year-over-year.
- Ending deposits down $2.3 billion, or 7%, year-over-year; average deposits down $2.1 billion, or 6%, year-over-year.
- Revenue down $11 million, or 1%, year-over-year.
- Non-interest expense up $14 million, or 4%, year-over-year.
- Provision for credit losses down $9 million, or 14%, year-over-year.
- Net charge-off rate of 0.16%.
- Criticized performing loan rate of 3.2% and criticized nonperforming loan rate of 0.4%.

# Appendix

# Non-GAAP Measures

| (Dollars in millions, except per share data and as noted) | 2018 Q3 Reported Results | 2018 Q3 Adj.(1) | 2018 Q3 Adjusted Results | 2018 Q2 Reported Results | 2018 Q2 Adj.(1) | 2018 Q2 Adjusted Results | 2018 Q1 Reported Results | 2018 Q1 Adj.(1) | 2018 Q1 Adjusted Results | Nine Months Ended September 30, 2018 Reported Results | Nine Months Ended September 30, 2018 Adj.(1) | Nine Months Ended September 30, 2018 Adjusted Results |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Selected income statement data:** | | | | | | | | | | | | |
| Net interest income | **$ 5,786** | **—** | **$ 5,786** | $ 5,551 | $ 26 | $ 5,577 | $ 5,718 | — | $ 5,718 | **$ 17,055** | **$ 26** | **$ 17,081** |
| Non-interest income | **1,176** | **$ (155)** | **1,021** | 1,641 | (361) | 1,280 | 1,191 | $ 2 | 1,193 | **4,008** | **(514)** | **3,494** |
| Total net revenue | **6,962** | **(155)** | **6,807** | 7,192 | (335) | 6,857 | 6,909 | 2 | 6,911 | **21,063** | **(488)** | **20,575** |
| Provision for credit losses | **1,268** | **2** | **1,270** | 1,276 | 46 | 1,322 | 1,674 | — | 1,674 | **4,218** | **48** | **4,266** |
| Non-interest expense | **3,773** | **(186)** | **3,587** | 3,424 | (45) | 3,379 | 3,573 | (17) | 3,556 | **10,770** | **(248)** | **10,522** |
| Income from continuing operations before income taxes | **1,921** | **29** | **1,950** | 2,492 | (336) | 2,156 | 1,662 | 19 | 1,681 | **6,075** | **(288)** | **5,787** |
| Income tax provision (benefit) | **420** | **(33)** | **387** | 575 | (92) | 483 | 319 | 4 | 323 | **1,314** | **(121)** | **1,193** |
| Income from continuing operations, net of tax | **1,501** | **62** | **1,563** | 1,917 | (244) | 1,673 | 1,343 | 15 | 1,358 | **4,761** | **(167)** | **4,594** |
| Income (loss) from discontinued operations, net of tax | **1** | **—** | **1** | (11) | — | (11) | 3 | — | 3 | **(7)** | **—** | **(7)** |
| Net income | **1,502** | **62** | **1,564** | 1,906 | (244) | 1,662 | 1,346 | 15 | 1,361 | **4,754** | **(167)** | **4,587** |
| Dividends and undistributed earnings allocated to participating securities(2) | **(9)** | **—** | **(9)** | (12) | 2 | (10) | (10) | — | (10) | **(32)** | **1** | **(31)** |
| Preferred stock dividends | **(53)** | **—** | **(53)** | (80) | — | (80) | (52) | — | (52) | **(185)** | **—** | **(185)** |
| Net income available to common stockholders | **$ 1,440** | **$ 62** | **$ 1,502** | $ 1,814 | $ (242) | $ 1,572 | $ 1,284 | $ 15 | $ 1,299 | **$ 4,537** | **$ (166)** | **$ 4,371** |
| **Selected performance metrics:** | | | | | | | | | | | | |
| Diluted EPS(2) | **$ 2.99** | **$ 0.13** | **$ 3.12** | $ 3.71 | $ (0.49) | $ 3.22 | $ 2.62 | $ 0.03 | $ 2.65 | **$ 9.32** | **$ (0.34)** | **$ 8.98** |
| Efficiency ratio | **54.19%** | **(149)bps** | **52.70%** | 47.61% | 167bps | 49.28% | 51.72% | (27)bps | 51.45% | **51.13%** | **1bps** | **51.14%** |
| Operating efficiency ratio | **46.95** | **(166)** | **45.29** | 41.70 | 138 | 43.08 | 45.72 | (26) | 45.46 | **44.76** | **(15)** | **44.61** |

# Non-GAAP Measures

Capital One

| (Dollars in millions, except per share data and as noted) | 2017 Q3 Reported Results | 2017 Q3 Adj.[1] | 2017 Q3 Adjusted Results | 2017 Q2 Reported Results | 2017 Q2 Adj.[1] | 2017 Q2 Adjusted Results | 2017 Q1 Reported Results | 2017 Q1 Adj.[1] | 2017 Q1 Adjusted Results | Nine Months Ended September 30, 2017 Reported Results | Nine Months Ended September 30, 2017 Adj.[1] | Nine Months Ended September 30, 2017 Adjusted Results |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Selected income statement data:** | | | | | | | | | | | | |
| Net interest income | $ 5,700 | — | $ 5,700 | $ 5,473 | — | $ 5,473 | $ 5,474 | $ 33 | $ 5,507 | $ 16,647 | $ 33 | $ 16,680 |
| Non-interest income | 1,285 | — | 1,285 | 1,231 | — | 1,231 | 1,061 | 37 | 1,098 | 3,577 | 37 | 3,614 |
| Total net revenue | 6,985 | — | 6,985 | 6,704 | — | 6,704 | 6,535 | 70 | 6,605 | 20,224 | 70 | 20,294 |
| Provision for credit losses | 1,833 | $ (88) | 1,745 | 1,800 | — | 1,800 | 1,992 | — | 1,992 | 5,625 | (88) | 5,537 |
| Non-interest expense | 3,567 | (125) | 3,442 | 3,414 | $ (12) | 3,402 | 3,434 | (29) | 3,405 | 10,415 | (166) | 10,249 |
| Income from continuing operations before income taxes | 1,585 | 213 | 1,798 | 1,490 | 12 | 1,502 | 1,109 | 99 | 1,208 | 4,184 | 324 | 4,508 |
| Income tax provision (benefit) | 448 | 79 | 527 | 443 | 4 | 447 | 314 | (1) | 313 | 1,205 | 82 | 1,287 |
| Income from continuing operations, net of tax | 1,137 | 134 | 1,271 | 1,047 | 8 | 1,055 | 795 | 100 | 895 | 2,979 | 242 | 3,221 |
| Income (loss) from discontinued operations, net of tax | (30) | — | (30) | (11) | — | (11) | 15 | — | 15 | (26) | — | (26) |
| Net income | 1,107 | 134 | 1,241 | 1,036 | 8 | 1,044 | 810 | 100 | 910 | 2,953 | 242 | 3,195 |
| Dividends and undistributed earnings allocated to participating securities[2] | (8) | — | (8) | (8) | — | (8) | (5) | — | (5) | (21) | — | (21) |
| Preferred stock dividends | (52) | — | (52) | (80) | — | (80) | (53) | — | (53) | (185) | — | (185) |
| Net income available to common stockholders | $ 1,047 | $ 134 | $ 1,181 | $ 948 | $ 8 | $ 956 | $ 752 | $ 100 | $ 852 | $ 2,747 | $ 242 | $ 2,989 |
| **Selected performance metrics:** | | | | | | | | | | | | |
| Diluted EPS[2] | $ 2.14 | $ 0.28 | $ 2.42 | $ 1.94 | $ 0.02 | $ 1.96 | $ 1.54 | $ 0.21 | $ 1.75 | $ 5.63 | $ 0.49 | $ 6.12 |
| Efficiency ratio | 51.07% | (179)bps | 49.28% | 50.92% | (17)bps | 50.75% | 52.55% | (100)bps | 51.55% | 51.50% | (100)bps | 50.50% |
| Operating efficiency ratio | 45.64 | (179) | 43.85 | 44.44 | (18) | 44.26 | 46.49 | (93) | 45.56 | 45.52 | (98) | 44.54 |

Note: We believe these selected non-GAAP measures help investors and users of our financial information understand the effect of the adjustments on our selected reported results and provide an alternate measurement of our performance. These non-GAAP measures should not be viewed as a substitute for our reported results determined in accordance with accounting principles generally accepted in the U.S. ("GAAP"), nor are they necessarily comparable to non-GAAP measures that may be presented by other companies.

(1) Adjustments for the following periods consist of:

| (Dollars in millions) | 2018 Q3 | 2018 Q2 | 2018 Q1 | Nine Months Ended September 30, 2018 | 2017 Q3 | 2017 Q2 | 2017 Q1 | Nine Months Ended September 30, 2017 |
|---|---|---|---|---|---|---|---|---|
| Net gains on the sales of exited businesses | **$ (141)** | $ (400) | — | **$ (541)** | — | — | — | — |
| Legal reserve build | **170** | — | — | **170** | — | — | — | — |
| Restructuring charges | **—** | 15 | $ 19 | **34** | $ 108 | — | — | $ 108 |
| U.K. Payment Protection Insurance customer refund reserve ("U.K. PPI Reserve") | **—** | 49 | — | **49** | — | — | $ 99 | 99 |
| Charges related to the Cabela's acquisition | **—** | — | — | **—** | 105 | $ 12 | — | 117 |
| Total | **29** | (336) | 19 | **(288)** | 213 | 12 | 99 | 324 |
| Income tax provision (benefit) | **(33)** | (92) | 4 | **(121)** | 79 | 4 | (1) | 82 |
| Net income | **$ 62** | $ (244) | $ 15 | **$ (167)** | $ 134 | $ 8 | $ 100 | $ 242 |

(2) Dividends and undistributed earnings allocated to participating securities and earnings per share are computed independently for each period. Accordingly, the sum of each quarterly amount may not agree to the year-to-date total.