First Quarter 2022 Results

April 26, 2022

Forward-Looking Statements

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You should carefully consider the factors referred to 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 April 26, 2022, available on its website at www.capitalone.com under “Investors.”

Q1 2022 Company Highlights

- Net income of $2.4 billion, or $5.62 per diluted common share
- Pre-provision earnings increased 5% to $3.6 billion[(1)]
- Provision for credit losses of $677 million
- Efficiency ratio of 55.68%
- Operating efficiency ratio of 44.45%
- There were no adjusting items in the quarter
- The quarter included the following notable item:

(Dollars in millions, except per share data)	Pre-Tax Impact	Diluted EPS Impact
Gain on sale of partnership card portfolios	$ 192	$ 0.35

- Common equity Tier 1 capital ratio under Basel III Standardized Approach of 12.7% at March 31, 2022
- Period-end loans held for investment increased $3.1 billion to $280.5 billion
- Average loans held for investment increased $8.2 billion to $275.3 billion
- Period-end total deposits increased $2.4 billion to $313.4 billion
- Average total deposits increased $2.3 billion to $309.6 billion

Note: All comparisons are for the first quarter of 2022 compared with the fourth quarter of 2021 unless otherwise noted. Regulatory capital metrics and capital ratios as of March 31, 2022 are preliminary and therefore subject to change.

(1) Pre-provision earnings is calculated based on the sum of net interest income and non-interest income, less non-interest expense for the period. Management believes that this financial metric is useful in enabling investors and others to assess the Company's ability to generate income to cover credit losses through a credit cycle, which can vary significantly between periods.

Allowance for Credit Losses

(Dollars in millions)	Credit Card	Consumer Banking	Commercial Banking	Total
Allowance for credit losses:				
Balance as of December 31, 2021	$ 8,345	$ 1,918	$ 1,167	$ 11,430
Charge-offs	**(955)**	**(349)**	**(17)**	**(1,321)**
Recoveries	**348**	**203**	**3**	**554**
Net charge-offs	**(607)**	**(146)**	**(14)**	**(767)**
Provision (benefit) for credit losses[1][2]	**545**	**130**	**(27)**	**648**
Allowance build (release) for credit losses[1]	**(62)**	**(16)**	**(41)**	**(119)**
Other changes[3]	**(3)**	**—**	**—**	**(3)**
Balance as of March 31, 2022	**$ 8,280**	**$ 1,902**	**$ 1,126**	**$ 11,308**
Allowance coverage ratio as of March 31, 2022	**7.27%**	**2.37%**	**1.31%**	**4.03%**

First Quarter 2022 Highlights

- Allowance release of $119 million
- Allowance coverage ratio of 4.03% at March 31, 2022, compared to 4.12% at December 31, 2021

(1) Does not include $35 million of provision related to unfunded lending commitments that is recorded in other liabilities in Commercial Banking.

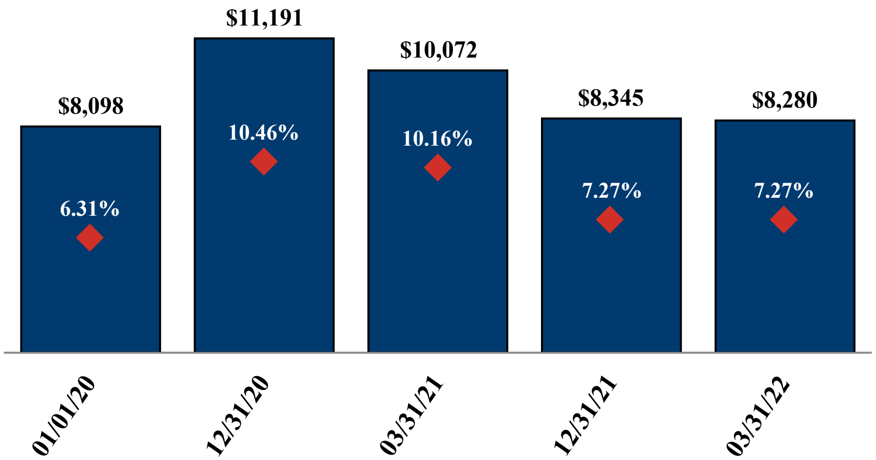
(2) Does not include $(6) million of provision (benefit) related to available for sale securities.

(3) Primarily represents foreign currency translation adjustments.

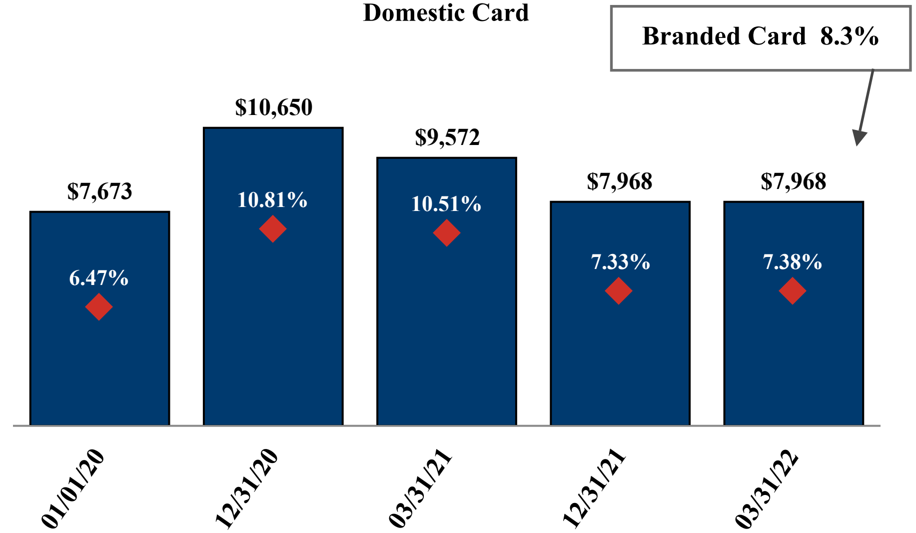
Allowance Coverage Ratios by Segment

- Allowance for credit losses ($M)
- Allowance Coverage Ratio

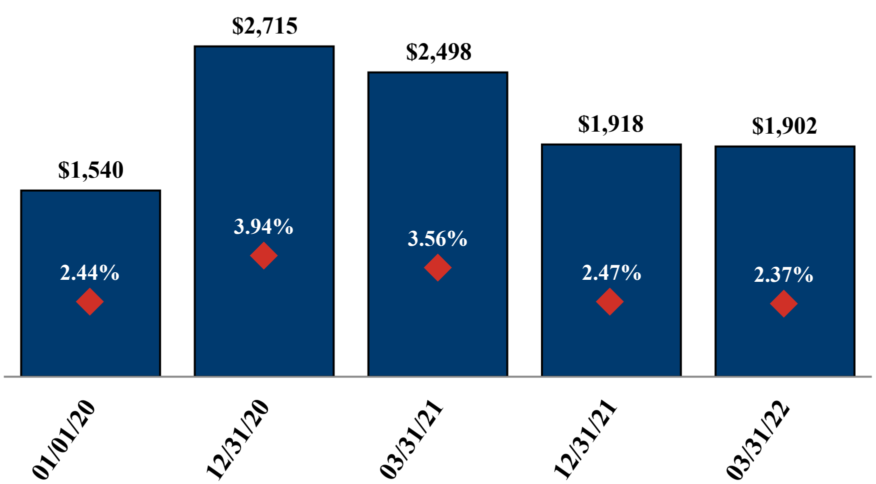
Credit Card



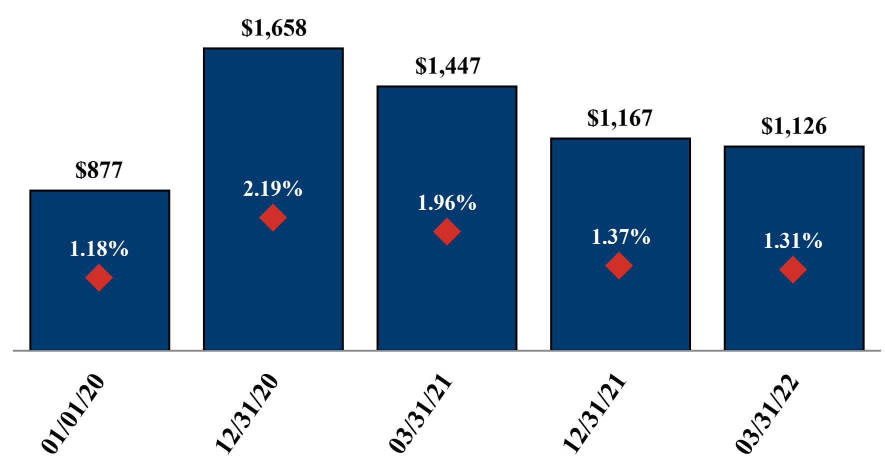
Domestic Card



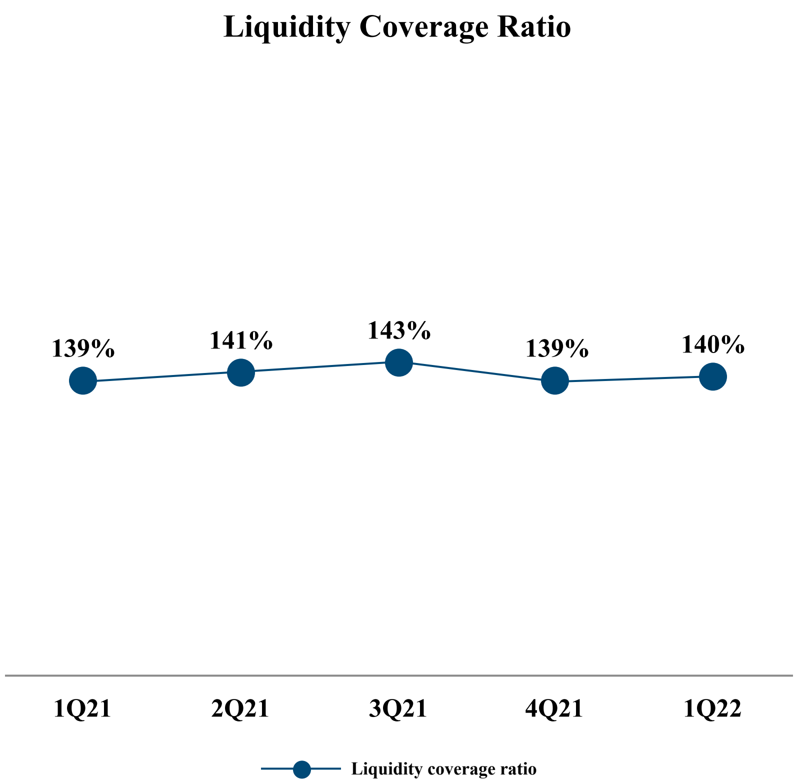
Consumer Banking

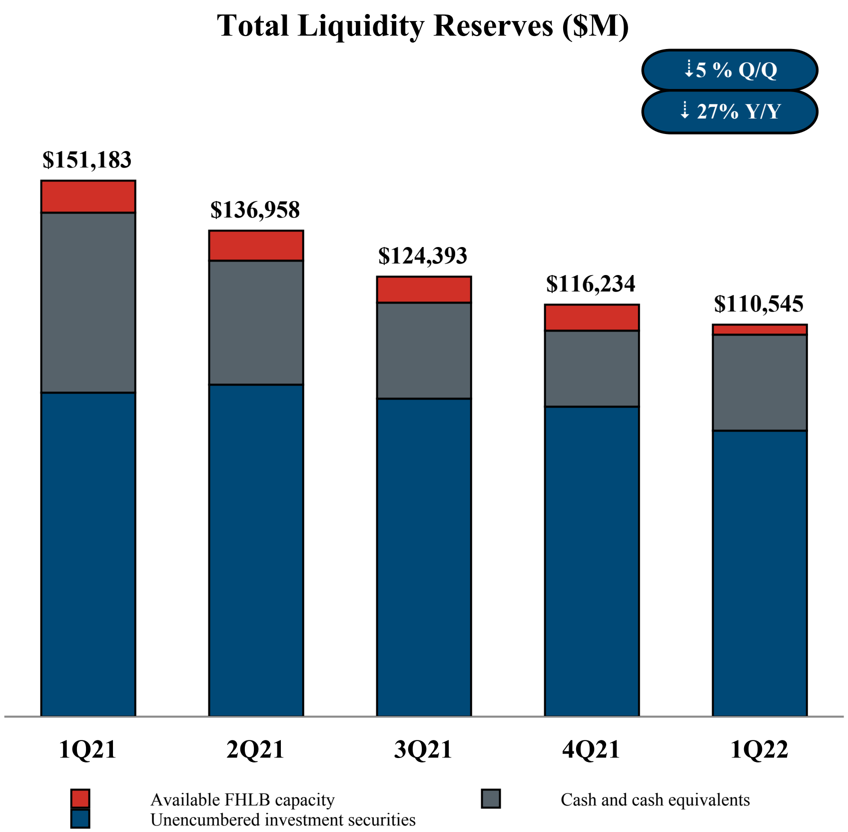


Commercial Banking



Liquidity



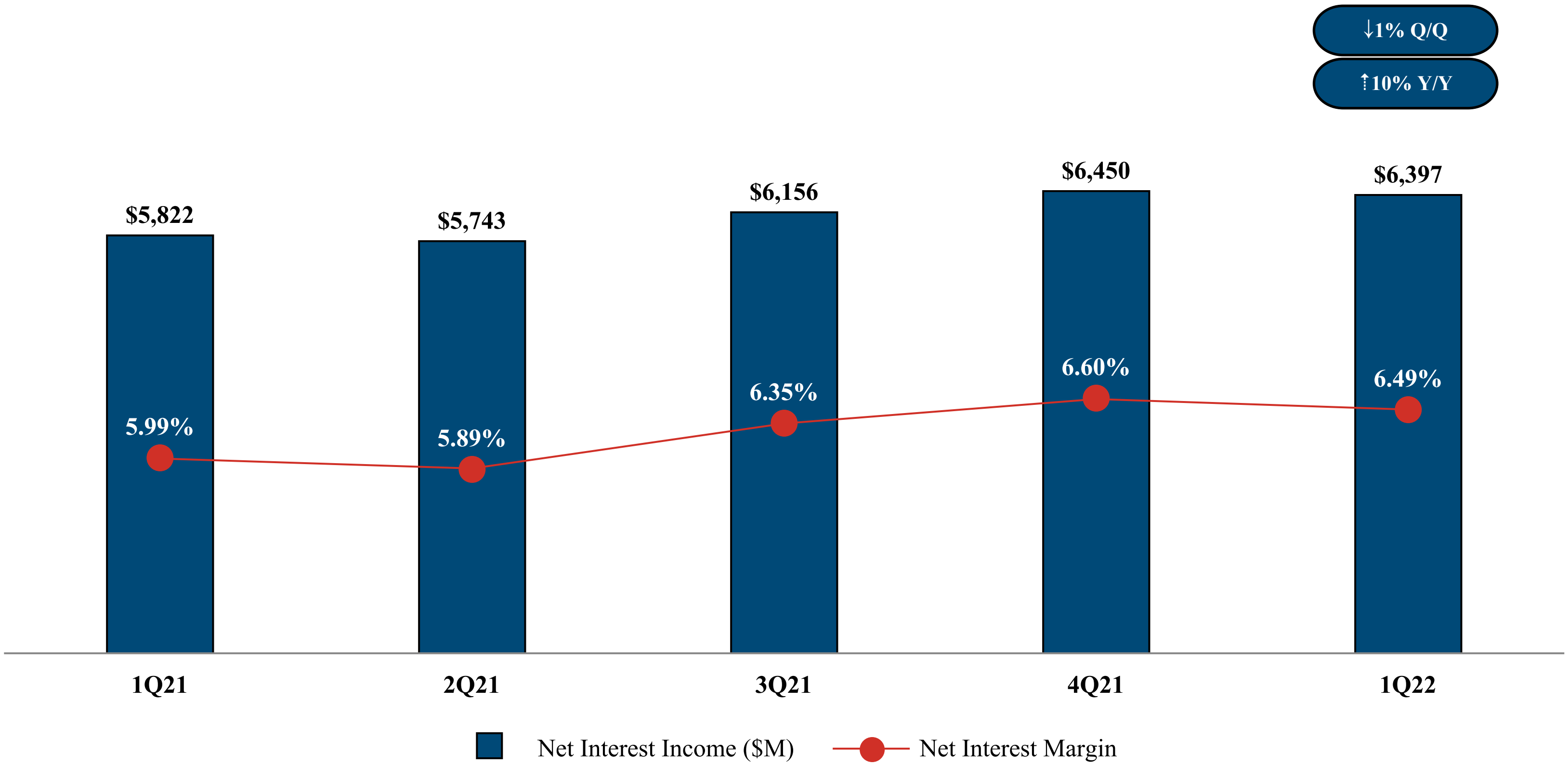


First Quarter 2022 Highlights

- Average quarterly liquidity coverage ratio of 140%
- Total liquidity reserves of $110.5 billion as of March 31, 2022
  - $26.8 billion in cash and cash equivalents

Note: 1Q22 Liquidity Coverage Ratio is preliminary and therefore subject to change.

Net Interest Income and Net Interest Margin



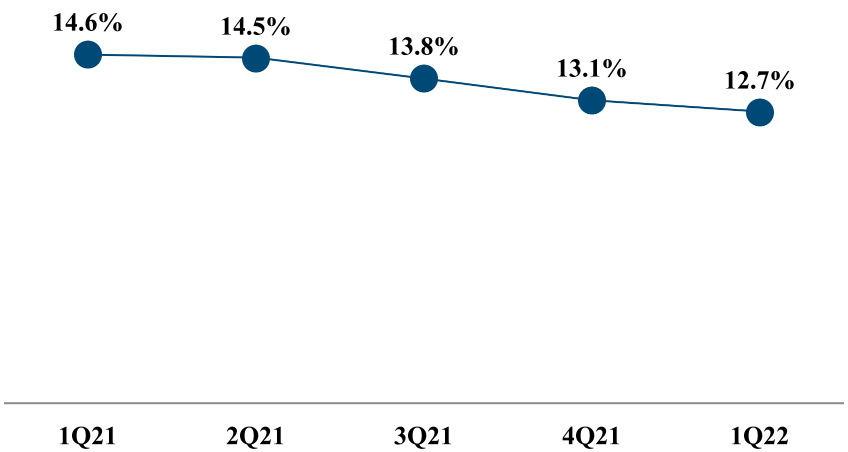
First Quarter 2022 Highlights

- Net interest margin decreased 11 basis points quarter-over-quarter primarily driven by lower day count.
- Net interest margin increased 50 basis points year-over-year primarily driven by lower cash balances and higher average loan balances.

Capital

(Dollars in millions)	Amount	Ratio
Common equity Tier 1 (CET1) as of December 31, 2021	$ 43,501	13.1%
Q1 2022 Net income	**2,403**	**72 bps**
CECL Transition Provisions	**(599)**	**(18)bps**
Share Repurchases	**(2,368)**	**(71)bps**
Other quarterly activities[(1)]	**(236)**	**(7)bps**
Risk Weighted Assets changes	**N/A**	**(16)bps**
CET1 as of March 31, 2022	**42,701**	**12.7%**

Common Equity Tier 1 Capital Ratio



First Quarter 2022 Highlights

- CET1 capital ratio of 12.7% at March 31, 2022
- Repurchased 16.7 million common shares for $2.4 billion from the $5.0 billion authorized in January 2022
- In April 2022, our Board of Directors authorized the repurchase of up to an additional $5.0 billion of shares of the Company's common stock beginning in the third quarter of 2022

Note: Regulatory capital metrics and capital ratios as of March 31, 2022 are preliminary and therefore subject to change.

(1) Primarily represents quarterly common and preferred stock dividends, as well as common stock issuances arising from share-based payment award activity

Financial Summary—Business Segment Results

(Dollars in millions)	Three Months Ended March 31, 2022				
	Credit Card	Consumer Banking	Commercial Banking	Other	Total
Net interest income (loss)	$ 3,839	$ 2,113	$ 607	$ (162)	$ 6,397
Non-interest income (loss)	1,458	105	277	(64)	1,776
Total net revenue (loss)	5,297	2,218	884	(226)	8,173
Provision (benefit) for credit losses	545	130	8	(6)	677
Non-interest expense	2,783	1,236	488	44	4,551
Income (loss) from continuing operations before income taxes	1,969	852	388	(264)	2,945
Income tax provision (benefit)	469	202	92	(221)	542
Income (loss) from continuing operations, net of tax	$ 1,500	$ 650	$ 296	$ (43)	$ 2,403

Credit Card

(Dollars in millions, except as noted)	2022 Q1	2021 Q4	2021 Q1	2022 Q1 vs. 2021 Q4	2022 Q1 vs. 2021 Q1
Earnings:					
Net interest income	**$ 3,839**	$ 3,865	$ 3,372	(1) %	14 %
Non-interest income	**1,458**	1,261	1,029	16	42
Total net revenue	**5,297**	5,126	4,401	3	20
Provision (benefit) for credit losses	**545**	423	(492)	29	**
Non-interest expense	**2,783**	2,799	2,135	(1)	30
Pre-tax income	**1,969**	1,904	2,758	3	(29)
Selected performance metrics:					
Period-end loans held for investment	**$ 113,962**	$ 114,772	$ 99,127	(1) %	15 %
Average loans held for investment	**111,480**	108,588	100,534	3	11
Total net revenue margin	**18.56 %**	18.11 %	17.17 %	45 bps	139 bps
Net charge-off rate	**2.18**	1.42	2.52	76	(34)
Purchase volume	**$ 133,662**	$ 149,982	$ 108,333	(11) %	23 %

First Quarter 2022 Highlights

- Ending loans held for investment up $14.8 billion, or 15%, year-over-year; average loans held for investment up $10.9 billion, or 11%, year-over-year
- Purchase volume up 23% year-over-year
- Revenue up $896 million, or 20%, year-over-year
- Revenue margin of 18.56%
- Non-interest expense up $648 million, or 30%, year-over-year
- Provision for credit losses up $1.0 billion year-over-year
- Net charge-off rate of 2.18%

Domestic Card

(Dollars in millions, except as noted)	2022 Q1	2021 Q4	2021 Q1	2022 Q1 vs. 2021 Q4	2022 Q1 vs. 2021 Q1
Earnings:					
Net interest income	**$ 3,620**	$ 3,558	$ 3,095	2 %	17 %
Non-interest income	**1,248**	1,190	959	5	30
Total net revenue	**4,868**	4,748	4,054	3	20
Provision (benefit) for credit losses	**559**	384	(491)	46	**
Non-interest expense	**2,564**	2,564	1,923	—	33
Pre-tax income	**1,745**	1,800	2,622	(3)	(33)
Selected performance metrics:					
Period-end loans held for investment	**$ 107,987**	$ 108,723	$ 91,099	(1) %	19 %
Average loans held for investment	**105,536**	102,717	92,594	3	14
Total net revenue margin	**18.28 %**	18.14 %	17.15 %	14 bps	113 bps
Net charge-off rate	**2.12**	1.49	2.54	63	(42)
30+ day performing delinquency rate	**2.32**	2.22	2.24	10	8
Purchase volume	**$ 126,284**	$ 138,825	$ 99,960	(9) %	26 %

First Quarter 2022 Highlights

- Ending loans held for investment up $16.9 billion, or 19%, year-over-year; average loans held for investment up $12.9 billion, or 14%, year-over-year
- Purchase volume up 26% year-over-year
- Revenue up $814 million, or 20%, year-over-year
- Revenue margin of 18.28%
- Non-interest expense up $641 million, or 33%, year-over-year
- Provision for credit losses up $1.1 billion year-over-year
- Net charge-off rate of 2.12%

Consumer Banking

(Dollars in millions, except as noted)	2022 Q1	2021 Q4	2021 Q1	2022 Q1 vs. 2021 Q4	2022 Q1 vs. 2021 Q1
Earnings:					
Net interest income	**$ 2,113**	$ 2,158	$ 2,030	(2) %	4 %
Non-interest income	**105**	142	141	(26)	(26)
Total net revenue	**2,218**	2,300	2,171	(4)	2
Provision (benefit) for credit losses	**130**	2	(126)	**	**
Non-interest expense	**1,236**	1,285	1,117	(4)	11
Pre-tax income	**852**	1,013	1,180	(16)	(28)
Selected performance metrics:					
Period-end loans held for investment	**$ 80,330**	$ 77,646	$ 70,202	3 %	14 %
Average loans held for investment	**78,689**	77,444	69,234	2	14
Auto loan originations	**11,713**	9,721	8,833	20	33
Period-end deposits	**258,359**	256,407	254,001	1	2
Average deposits	**255,265**	253,372	249,499	1	2
Average deposits interest rate	**0.29 %**	0.30 %	0.36 %	(1)bps	(7)bps
Net charge-off rate	**0.75**	0.75	0.52	—	23

First Quarter 2022 Highlights

- Ending loans held for investment up $10.1 billion, or 14%, year-over-year; average loans held for investment up $9.5 billion, or 14%, year-over-year
- Ending deposits up $4.4 billion, or 2%, year-over-year
- Auto loan originations up $2.9 billion, or 33%, year-over-year
- Revenue up $47 million, or 2%, year-over-year
- Non-interest expense up $119 million, or 11%, year-over-year
- Provision for credit losses up $256 million year-over-year
- Net charge-off rate of 0.75%

Commercial Banking

(Dollars in millions, except as noted)	2022 Q1	2021 Q4	2021 Q1	2022 Q1 vs. 2021 Q4	2022 Q1 vs. 2021 Q1
Earnings:					
Net interest income	**$ 607**	$ 595	$ 520	2 %	17 %
Non-interest income	**277**	345	240	(20)	15
Total net revenue	**884**	940	760	(6)	16
Provision (benefit) for credit losses	**8**	(44)	(203)	**	**
Non-interest expense	**488**	520	419	(6)	16
Pre-tax income	**388**	464	544	(16)	(29)
Selected performance metrics:					
Period-end loans held for investment	**$ 86,174**	$ 84,922	$ 73,802	1 %	17 %
Average loans held for investment	**85,173**	81,127	74,169	5	15
Period-end deposits	**45,232**	44,809	41,552	1	9
Average deposits	**45,008**	44,206	40,107	2	12
Average deposits interest rate	**0.12 %**	0.12 %	0.18 %	—	(6)bps
Net charge-off rate	**0.06**	(0.02)	0.09	8 bps	(3)
Risk category as a percentage of period-end loans held for investment:[(1)]					
Criticized performing	**5.7 %**	6.1 %	9.2 %	(40)bps	(350)bps
Criticized nonperforming	**0.8**	0.8	0.9	—	(10)

First Quarter 2022 Highlights

- Ending loans held for investment up $12.4 billion, or 17%, year-over-year; average loans held for investment up $11.0 billion, or 15%, year-over-year
- Ending deposits up $3.7 billion, or 9%, year-over-year; average deposits up $4.9 billion, or 12%, year-over-year
- Revenue up $124 million, or 16%, year-over-year
- Non-interest expense up $69 million, or 16%, year-over-year
- Provision for credit losses up $211 million year-over-year
- Net charge-off rate of 0.06%
- Criticized performing loan rate of 5.7% and criticized nonperforming loan rate of 0.8%

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

Appendix

Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share data and as noted)	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1
Adjusted diluted EPS:					
Net income available to common stockholders (GAAP)	**$ 2,318**	$ 2,296	$ 2,987	$ 3,446	$ 3,236
Legal reserve activity, including insurance recoveries	**—**	—	45	55	—
Adjusted net income available to common stockholders before income tax impacts (non-GAAP)	**2,318**	2,296	3,032	3,501	3,236
Income tax impacts	**—**	—	(11)	(13)	—
Adjusted net income available to common stockholders (non-GAAP)	**$ 2,318**	$ 2,296	$ 3,021	$ 3,488	$ 3,236
Diluted weighted-average common shares outstanding (in millions) (GAAP)	**412.2**	424.3	440.5	452.3	460.1
Diluted EPS (GAAP)	**$ 5.62**	$ 5.41	$ 6.78	$ 7.62	$ 7.03
Impact of adjustments noted above	**—**	—	0.08	0.09	—
Adjusted diluted EPS (non-GAAP)	**$ 5.62**	$ 5.41	$ 6.86	$ 7.71	$ 7.03
Adjusted efficiency ratio:					
Non-interest expense (GAAP)	**$ 4,551**	$ 4,678	$ 4,186	$ 3,966	$ 3,740
Legal reserve activity, including insurance recoveries	**—**	—	(45)	(55)	—
Adjusted non-interest expense (non-GAAP)	**$ 4,551**	$ 4,678	$ 4,141	$ 3,911	$ 3,740
Total net revenue (GAAP)	**$ 8,173**	$ 8,118	$ 7,830	$ 7,374	$ 7,113
Efficiency ratio (GAAP)	**55.68%**	57.63 %	53.46 %	53.78 %	52.58%
Impact of adjustments noted above	**—**	—	(57)bps	(74)bps	—
Adjusted efficiency ratio (non-GAAP)	**55.68%**	57.63%	52.89%	53.04%	52.58%
Adjusted operating efficiency ratio:					
Operating expense (GAAP)	**$ 3,633**	$ 3,679	$ 3,435	$ 3,346	$ 3,239
Legal reserve activity, including insurance recoveries	**—**	—	(45)	(55)	—
Adjusted operating expense (non-GAAP)	**$ 3,633**	$ 3,679	$ 3,390	$ 3,291	$ 3,239
Total net revenue (GAAP)	**$ 8,173**	$ 8,118	$ 7,830	$ 7,374	$ 7,113
Operating efficiency ratio (GAAP)	**44.45%**	45.32%	43.87%	45.38%	45.54%
Impact of adjustments noted above	**—**	—	(57)bps	(75)bps	—
Adjusted operating efficiency ratio (non-GAAP)	**44.45%**	45.32%	43.30%	44.63%	45.54%