First Quarter 2023 Results

April 27, 2023

Forward-Looking Statements

This presentation and related communications should be read in conjunction with the financial statements, notes, and other information contained in Capital One’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. Please note that the following materials containing information regarding Capital One’s financial performance is preliminary and based on Capital One’s data available at the time of the earnings presentation. It speaks 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.

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Forward-looking statements often use words such as “will,” “anticipate,” “target,” “expect,” “think,” “estimate,” “intend,” “plan,” “goal,” “believe,” “forecast,” “outlook” or other words of similar meaning. 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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, unless otherwise noted. This presentation includes certain non-GAAP financial measures as defined by SEC rules. These non-GAAP financial measures may be useful to investors but should not be viewed in isolation from, or as a substitute for, GAAP results, nor are they necessarily comparably to non-GAAP measures that may be presented by other companies. A reconciliation of any non-GAAP financial measures included in this presentation to the comparative GAAP measure can be found in Capital One’s Current Report on Form 8-K filed on April 27, 2023, available on its website at www.capitalone.com under “Investors.”

Q1 2023 Company Highlights[1]

- Net income of $960 million, or $2.31 per diluted common share
- Pre-provision earnings[2] remained flat at $4.0 billion
- Provision for credit losses of $2.8 billion
- Efficiency ratio of 55.54%
- Operating efficiency ratio of 45.47%
- Common equity Tier 1 capital ratio under Basel III Standardized Approach of 12.5% at March 31, 2023
- Period-end loans held for investment decreased 1% or $3.5 billion to $308.8 billion
- Average loans held for investment increased less than 1% or $875 million to $307.8 billion
- Period-end total deposits increased $16.8 billion to $349.8 billion
    - Period-end insured deposits of $273.4 billion, 78% of total deposits
- Average total deposits increased $13.6 billion to $340.1 billion

(1) All comparisons are for the first quarter of 2023 compared with the fourth quarter of 2022 unless otherwise noted. Regulatory capital metrics and capital ratios as of March 31, 2023 are preliminary and therefore subject to change.

(2) Pre-provision earnings is a non-GAAP metric calculated based on total net revenue less non-interest expense for the period. Management believes that this financial metric is useful in assessing the ability of a lending institution to generate income in excess of its provision for credit losses. See appendix slides 15 - 16 for the reconciliation of non-GAAP measures to our reported results.

Allowance for Credit Losses

(Dollars in millions)	Credit Card	Consumer Banking	Commercial Banking	Total
Allowance for credit losses:				
Balance as of December 31, 2022	$ 9,545	$ 2,237	$ 1,458	$ 13,240
Cumulative effects of accounting standards adoption[1]	**(63)**	**—**	**—**	**(63)**
Balance as of January 1, 2023	**9,482**	**2,237**	**1,458**	**13,177**
Charge-offs	**(1,688)**	**(531)**	**(24)**	**(2,243)**
Recoveries	**319**	**224**	**3**	**546**
Net charge-offs	**(1,369)**	**(307)**	**(21)**	**(1,697)**
Provision for credit losses[2]	**2,261**	**275**	**266**	**2,802**
Allowance build (release) for credit losses[2]	**892**	**(32)**	**245**	**1,105**
Other changes[3]	**36**	**—**	**—**	**36**
Balance as of March 31, 2023	**$ 10,410**	**$ 2,205**	**$ 1,703**	**$ 14,318**
Allowance coverage ratio as of March 31, 2023	**7.59%**	**2.82%**	**1.82%**	**4.64%**

First Quarter 2023 Highlights

- Allowance build of $1.1 billion primarily driven by worsening credit in our Domestic Credit Card portfolio and continued uncertainty in commercial office real estate
- Allowance coverage ratio of 4.64% at March 31, 2023, compared to 4.24% at December 31, 2022

(1) Impact from the adoption of ASU 2022-02, *Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures* as of January 1, 2023.

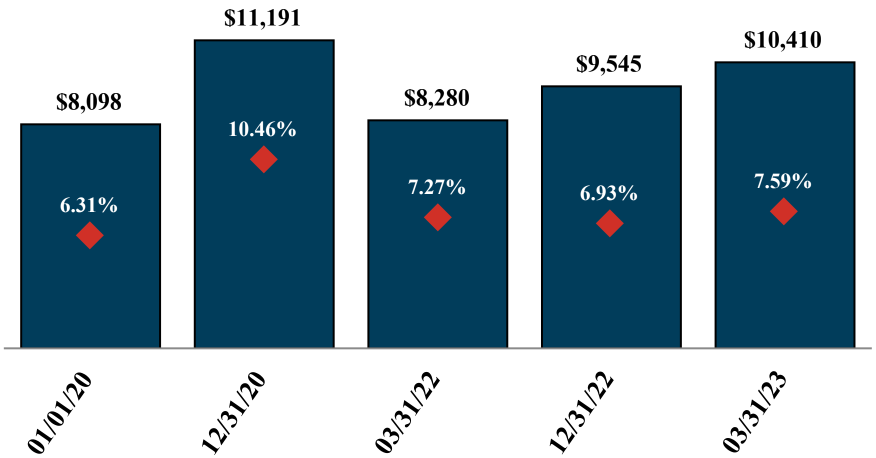
(2) Does not include $(7) million of provision (benefit) related to unfunded lending commitments that is recorded in other liabilities in Commercial Banking.

(3) Primarily represents the initial allowance for purchased credit-deteriorated loans of $32 million for loans acquired in the three months ended March 31, 2023 and foreign currency translation adjustments.

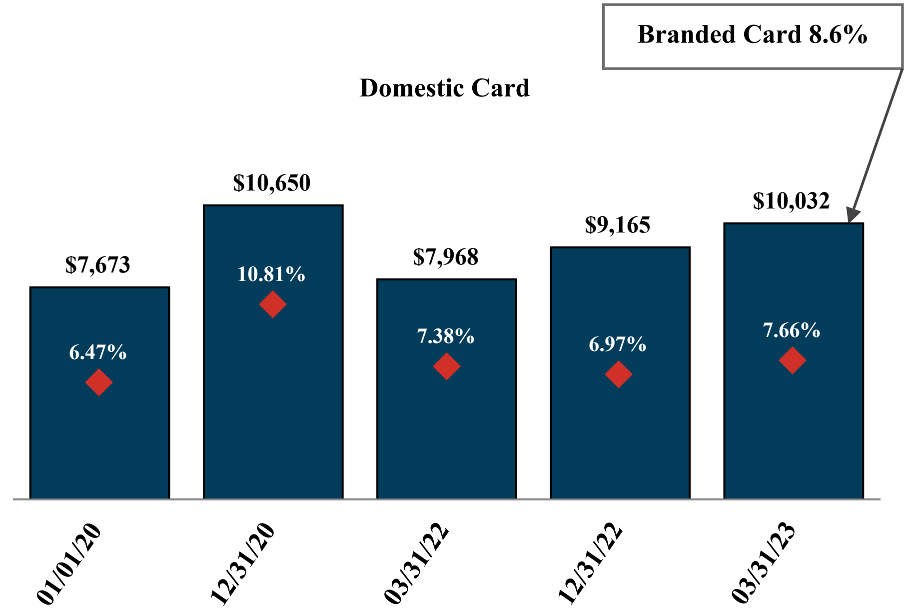
Allowance Coverage Ratios by Segment

Allowance for credit losses ($M)
Allowance Coverage Ratio

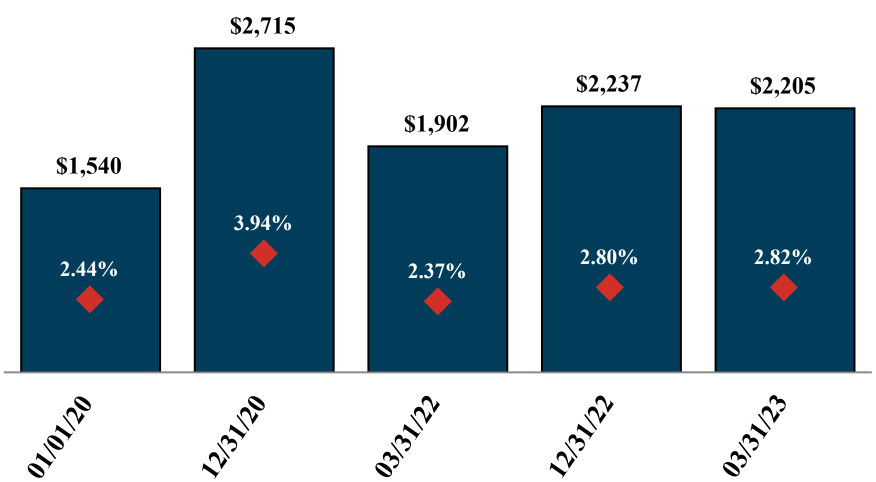
Credit Card



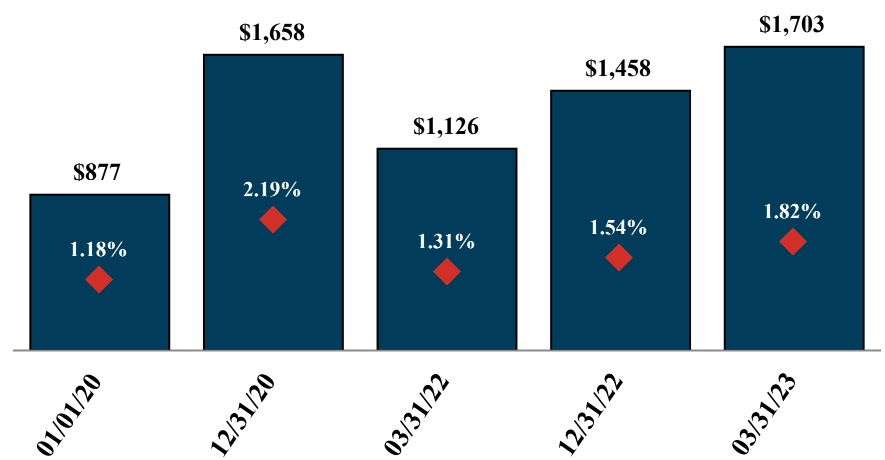
Domestic Card



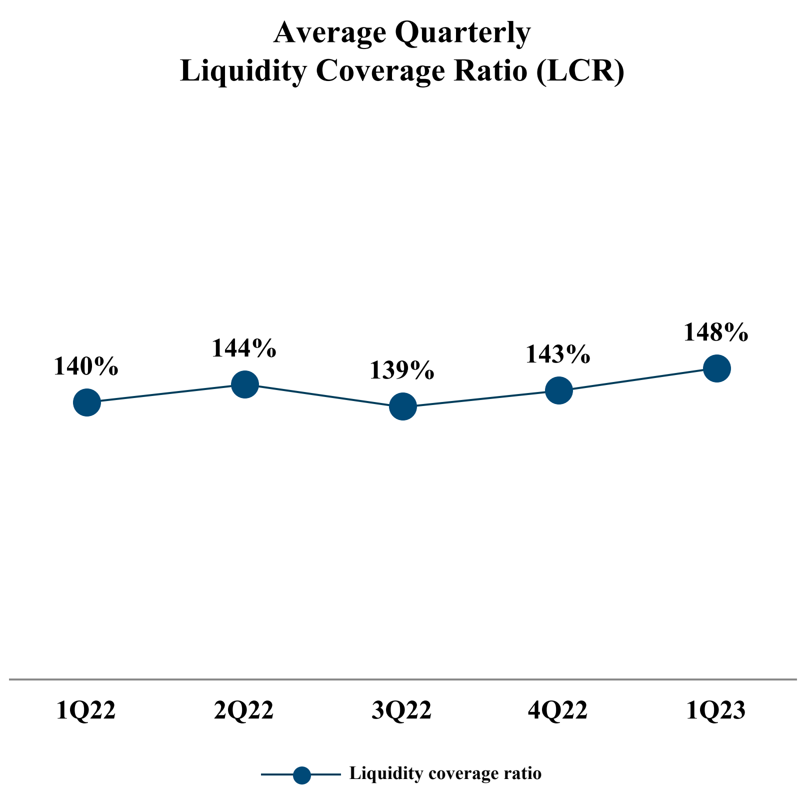
Consumer Banking

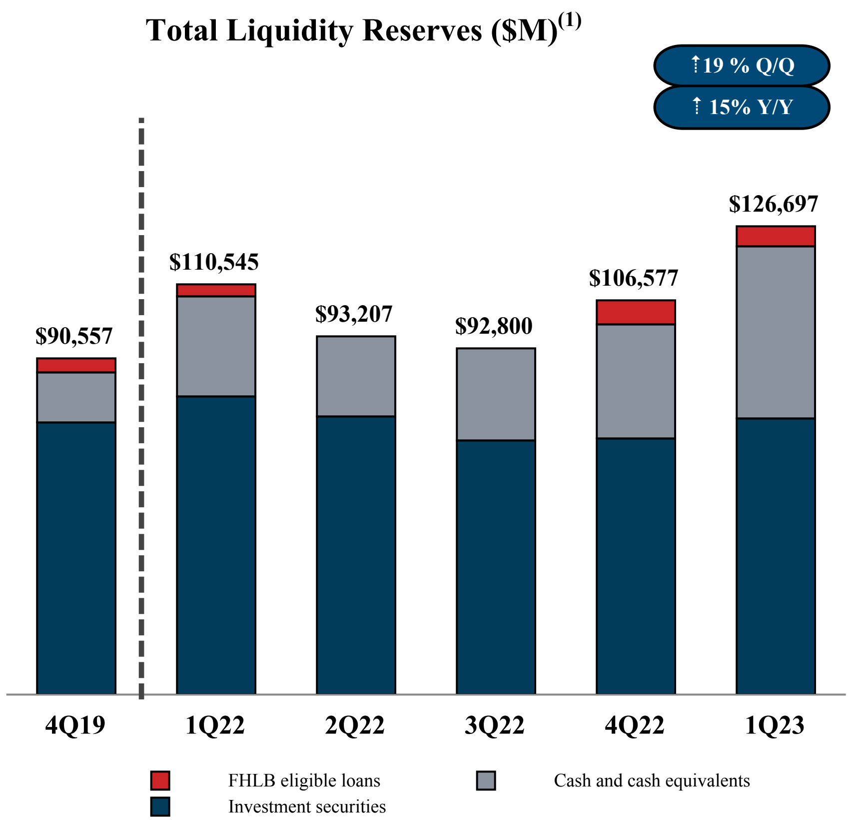


Commercial Banking



Liquidity





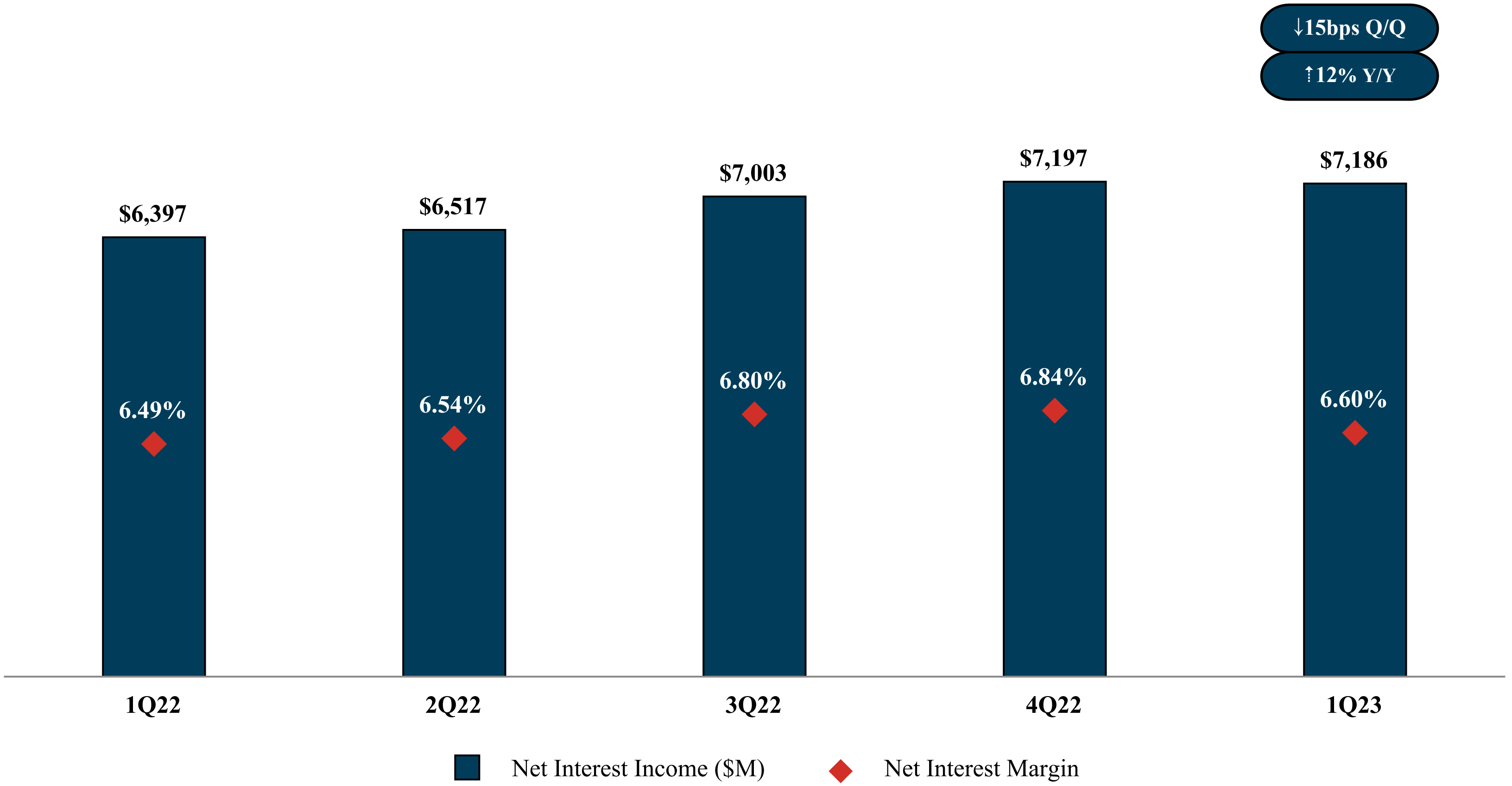
First Quarter 2023 Highlights

- Average quarterly liquidity coverage ratio of 148%
- Total liquidity reserves of $126.7 billion as of March 31, 2023
    - $46.5 billion in cash and cash equivalents

Note: 1Q23 Liquidity Coverage Ratio is preliminary and therefore subject to change.

(1) Amount above represents unencumbered liquidity reserves. Securities pledged and eligible to secure FHLB borrowing capacity are presented within investment securities above.

Net Interest Income and Net Interest Margin



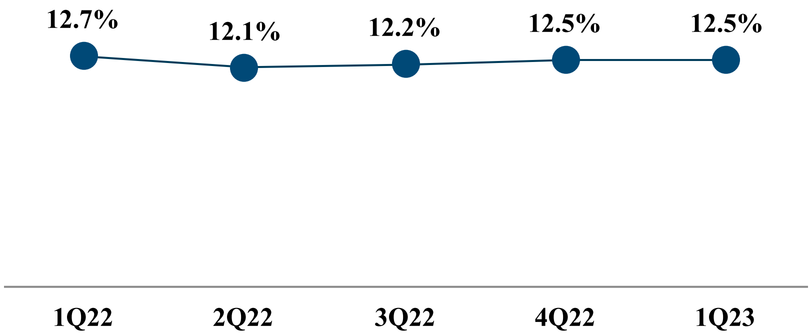
First Quarter 2023 Highlights

- Net interest margin decreased 24 basis points quarter-over-quarter driven by lower day count and higher cash balances
- Net interest margin increased 11 basis points year-over-year driven by higher yields in our Credit Card and Commercial Banking loan portfolios offset by higher rates paid on interest-bearing deposits

Capital

(Dollars in millions)	Amount	Ratio
Common equity Tier 1 (CET1) as of December 31, 2022	$ 44,731	12.5%
Q1 2023 Net income	**960**	**27 bps**
CECL Transition Provisions	**(599)**	**(17)bps**
Common & Preferred Stock Dividends	**(294)**	**(8)bps**
Share Repurchases	**(150)**	**(4)bps**
Other quarterly activities[1]	**(14)**	**(1)bps**
Risk Weighted Assets changes	**N/A**	**6 bps**
CET1 as of March 31, 2023	**$ 44,634**	**12.5%**

Common Equity Tier 1 Capital Ratio



First Quarter 2023 Highlights

- CET1 capital ratio of 12.5% at March 31, 2023
- Repurchased 1.4 million common shares for $150 million in the first quarter of 2023

Note: Regulatory capital metrics and capital ratios as of March 31, 2023 are preliminary and therefore subject to change.

(1) Includes the impacts of acquired purchased credit card relationship ("PCCR") intangibles, net of deferred taxes, employee stock net issuances and the adoption of ASU 2022-02..

Financial Summary—Business Segment Results

(Dollars in millions)	Three Months Ended March 31, 2023				
	Credit Card	Consumer Banking	Commercial Banking	Other	Total
Net interest income (loss)	$ 4,657	$ 2,360	$ 648	$ (479)	$ 7,186
Non-interest income	1,363	135	212	7	1,717
Total net revenue (loss)	6,020	2,495	860	(472)	8,903
Provision for credit losses	2,261	275	259	—	2,795
Non-interest expense	3,038	1,283	530	94	4,945
Income (loss) from continuing operations before income taxes	721	937	71	(566)	1,163
Income tax provision (benefit)	172	221	17	(207)	203
Income (loss) from continuing operations, net of tax	$ 549	$ 716	$ 54	$ (359)	$ 960

Credit Card

(Dollars in millions, except as noted)	2023 Q1	2022 Q4	2022 Q1	2023 Q1 vs. 2022 Q4	2023 Q1 vs. 2022 Q1
Earnings:					
Net interest income	**$ 4,657**	$ 4,533	$ 3,839	3%	21%
Non-interest income	**1,363**	1,449	1,458	(6)	(7)
Total net revenue	**6,020**	5,982	5,297	1	14
Provision for credit losses	**2,261**	1,878	545	20	**
Non-interest expense	**3,038**	3,069	2,783	(1)	9
Pre-tax income	**721**	1,035	1,969	(30)	(63)
Selected performance metrics:					
Period-end loans held for investment	**$ 137,142**	$ 137,730	$ 113,962	—	20%
Average loans held for investment	**134,670**	130,652	111,480	3%	21
Total net revenue margin	**17.88%**	18.32%	18.56%	(44)bps	(68)bps
Net charge-off rate	**4.06**	3.27	2.18	79	188
Purchase volume	**$ 141,658**	$ 155,633	$ 133,662	(9)%	6%

First Quarter 2023 Highlights

- Ending loans held for investment up $23.2 billion, or 20%, year-over-year; average loans held for investment up $23.2 billion, or 21%, year-over-year
- Purchase volume up 6% year-over-year
- Revenue up $723 million, or 14%, year-over-year
- Revenue margin of 17.88%
- Non-interest expense up $255 million, or 9%, year-over-year
- Provision for credit losses up $1.7 billion year-over-year
- Net charge-off rate of 4.06%

** Not meaningful.

Domestic Card

(Dollars in millions, except as noted)	2023 Q1	2022 Q4	2022 Q1	2023 Q1 vs. 2022 Q4	2023 Q1 vs. 2022 Q1
Earnings:					
Net interest income	**$ 4,390**	$ 4,280	$ 3,620	3%	21%
Non-interest income	**1,298**	1,392	1,248	(7)	4
Total net revenue	**5,688**	5,672	4,868	—	17
Provision for credit losses	**2,174**	1,800	559	21	**
Non-interest expense	**2,847**	2,866	2,564	(1)	11
Pre-tax income	**667**	1,006	1,745	(34)	(62)
Selected performance metrics:					
Period-end loans held for investment	**$ 130,980**	$ 131,581	$ 107,987	—	21%
Average loans held for investment	**128,562**	124,816	105,536	3%	22
Total net revenue margin	**17.70%**	18.18%	18.28%	(48)bps	(58)bps
Net charge-off rate	**4.04**	3.22	2.12	82	192
30+ day performing delinquency rate	**3.66**	3.43	2.32	23	134
Purchase volume	**$ 138,310**	$ 151,995	$ 126,284	(9)%	10%

First Quarter 2023 Highlights

- Ending loans held for investment up $23.0 billion, or 21%, year-over-year; average loans held for investment up $23.0 billion, or 22%, year-over-year
- Purchase volume up 10% year-over-year
- Revenue up $820 million, or 17%, year-over-year
- Revenue margin of 17.70%
- Non-interest expense up $283 million, or 11%, year-over-year
- Provision for credit losses up $1.6 billion year-over-year
- Net charge-off rate of 4.04%

** Not meaningful.

Consumer Banking

(Dollars in millions, except as noted)	2023 Q1	2022 Q4	2022 Q1	2023 Q1 vs. 2022 Q4	2023 Q1 vs. 2022 Q1
Earnings:					
Net interest income	**$ 2,360**	$ 2,394	$ 2,113	(1)%	12%
Non-interest income	**135**	139	105	(3)	29
Total net revenue	**2,495**	2,533	2,218	(2)	12
Provision for credit losses	**275**	477	130	(42)	112
Non-interest expense	**1,283**	1,450	1,236	(12)	4
Pre-tax income	**937**	606	852	55	10
Selected performance metrics:					
Period-end loans held for investment	**$ 78,151**	$ 79,925	$ 80,330	(2)%	(3)%
Average loans held for investment	**78,994**	80,700	78,689	(2)	—
Auto loan originations	**6,211**	6,635	11,713	(6)	(47)
Period-end deposits	**291,163**	270,592	258,359	8	13
Average deposits	**278,772**	262,844	255,265	6	9
Average deposits interest rate	**1.96%**	1.42%	0.29%	54 bps	167 bps
Net charge-off rate	**1.56**	1.73	0.75	(17)	81

First Quarter 2023 Highlights

- Ending loans held for investment down $2.2 billion, or 3%, year-over-year; average loans held for investment substantially flat year-over-year
- Ending deposits up $32.8 billion, or 13%, year-over-year
- Revenue up $277 million, or 12%, year-over-year
- Non-interest expense up $47 million, or 4%, year-over-year
- Provision for credit losses up $145 million year-over-year
- Net charge-off rate of 1.56%

Commercial Banking

(Dollars in millions, except as noted)	2023 Q1	2022 Q4	2022 Q1	2023 Q1 vs. 2022 Q4	2023 Q1 vs. 2022 Q1
Earnings:					
Net interest income [1]	**$ 648**	$ 520	$ 607	25%	7%
Non-interest income	**212**	261	277	(19)	(23)
Total net revenue	**860**	781	884	10	(3)
Provision for credit losses	**259**	62	8	**	**
Non-interest expense	**530**	555	488	(5)	9
Pre-tax income	**71**	164	388	(57)	(82)
Selected performance metrics:					
Period-end loans held for investment	**$ 93,543**	$ 94,676	$ 86,174	(1)%	9%
Average loans held for investment	**94,092**	95,529	85,173	(2)	10
Period-end deposits	**38,380**	40,808	45,232	(6)	(15)
Average deposits	**39,941**	42,779	45,008	(7)	(11)
Average deposits interest rate	**2.34%**	1.80%	0.12%	54 bps	222 bps
Net charge-off rate	**0.09**	0.06	0.06	3	3
Risk category as a percentage of period-end loans held for investment:[2]					
Criticized performing	**7.31%**	6.71%	5.68%	60 bps	163 bps
Criticized nonperforming	**0.79**	0.74	0.81	5	(2)

First Quarter 2023 Highlights

- Ending loans held for investment down $1.1 billion, or 1%, quarter-over-quarter; average loans held for investment down $1.4 billion, or 2%, quarter-over-quarter
- Ending deposits down $2.4 billion, or 6%, quarter-over-quarter; average deposits down $2.8 billion, or 7%, quarter-over-quarter
- Revenue up $79 million, or 10%, quarter-over-quarter
- Non-interest expense down $25 million, or 5%, quarter-over-quarter
- Provision for credit losses up $197 million quarter-over-quarter
- Net charge-off rate of 0.09%
- Criticized performing loan rate of 7.31% and criticized nonperforming loan rate of 0.79%

(1) Net interest income was reduced in Q4 2022 due to an internal funds transfer pricing impact that was offset by an equivalent increase in the Other category, and was therefore neutral to the company.

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

** Not meaningful.

Appendix

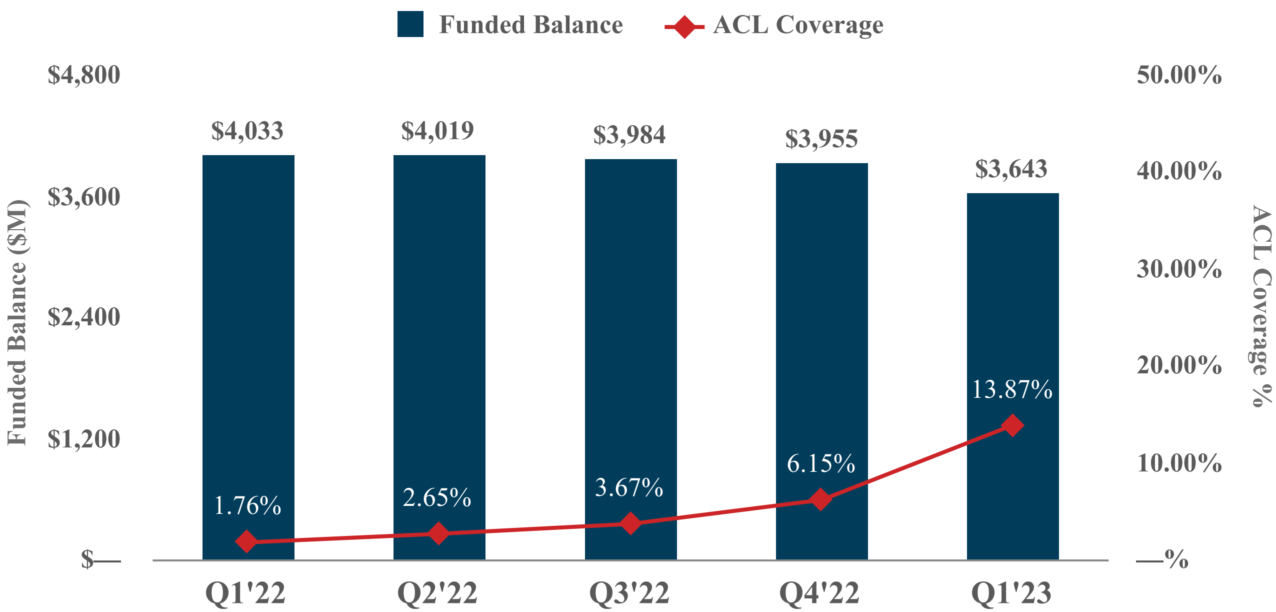
Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share data and as noted)	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1
Adjusted diluted earnings per share ("EPS"):					
Net income available to common stockholders (GAAP)	**$ 887**	$ 1,161	$ 1,616	$ 1,949	$ 2,318
Insurance recoveries and legal reserve activity	**—**	(177)	—	—	—
Restructuring Charges	**—**	72	—	—	—
Adjusted net income available to common stockholders before income tax impacts (non-GAAP)	**887**	1,056	1,616	1,949	2,318
Income tax impacts	**—**	25	—	—	—
Adjusted net income available to common stockholders (non-GAAP)	**$ 887**	$ 1,081	$ 1,616	$ 1,949	$ 2,318
Diluted weighted-average common shares outstanding (in millions) (GAAP)	**383.8**	383.7	384.6	392.6	412.2
Diluted EPS (GAAP)	**$ 2.31**	$ 3.03	$ 4.20	$ 4.96	$ 5.62
Impact of adjustments noted above	**—**	(0.21)	—	—	—
Adjusted diluted EPS (non-GAAP)	**$ 2.31**	$ 2.82	$ 4.20	$ 4.96	$ 5.62
Adjusted efficiency ratio:					
Non-interest expense (GAAP)	**$ 4,945**	$ 5,080	$ 4,949	$ 4,583	$ 4,551
Insurance recoveries and legal reserve activity	**—**	177	—	—	—
Restructuring Charges	**—**	(72)	—	—	—
Adjusted non-interest expense (non-GAAP)	**$ 4,945**	$ 5,185	$ 4,949	$ 4,583	$ 4,551
Total net revenue (GAAP)	**$ 8,903**	$ 9,040	$ 8,805	$ 8,232	$ 8,173
Efficiency ratio (GAAP)	**55.54%**	56.19%	56.21%	55.67%	55.68%
Impact of adjustments noted above	**—**	117 bps	—	—	—
Adjusted efficiency ratio (non-GAAP)	**55.54%**	57.36%	56.21%	55.67%	55.68%
Adjusted operating efficiency ratio:					
Operating expense (GAAP)	**$ 4,048**	$ 3,962	$ 3,971	$ 3,580	$ 3,633
Legal reserve activity, including insurance recoveries	**—**	177	—	—	—
Restructuring Charges	**—**	(72)	—	—	—
Adjusted operating expense (non-GAAP)	**$ 4,048**	$ 4,067	$ 3,971	$ 3,580	$ 3,633

Reconciliation of Non-GAAP Measures

(Dollars in millions)	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1
Total net revenue (GAAP)	**$ 8,903**	$ 9,040	$ 8,805	$ 8,232	$ 8,173
Operating efficiency ratio (GAAP)	**45.47%**	43.83%	45.10%	43.49%	44.45%
Impact of adjustments noted above	**—**	116 bps	—	—	—
Adjusted operating efficiency ratio (non-GAAP)	**45.47%**	44.99%	45.10%	43.49%	44.45%
Pre- Provision Earnings					
Total net revenue	**$ 8,903**	$ 9,040	$ 8,805	$ 8,232	$ 8,173
Non-interest expense	**(4,945)**	(5,080)	(4,949)	(4,583)	(4,551)
Pre-provision earnings	**$ 3,958**	$ 3,960	$ 3,856	$ 3,649	$ 3,622

Commercial Office Real Estate



	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Net charge-off rate[1]	— %	— %	— %	0.37 %	1.84 %
Total criticized rate	18.9 %	26.0 %	27.8 %	35.4 %	43.3 %
Nonperforming loan rate	3.9 %	3.4 %	2.6 %	3.0 %	5.5 %
% of Total Loans HFI	1.4 %	1.4 %	1.3 %	1.3 %	1.2 %

First Quarter 2023 Highlights

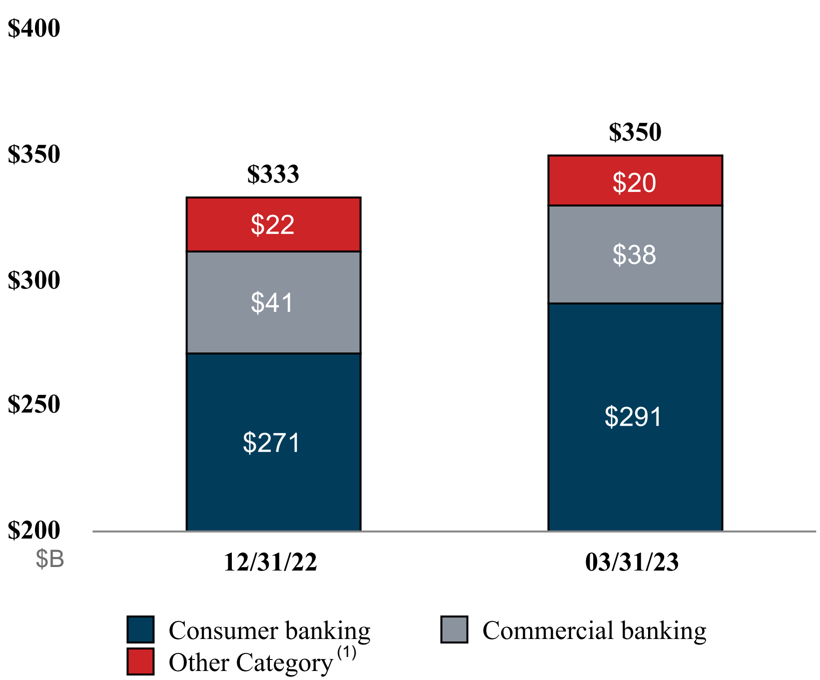
- As of March 31, 2023, no delinquencies in our Commercial Office loan portfolio
- Commercial Office represented 3.9% of our Commercial Banking loan portfolio and 1.2% of total loans HFI

Note: Excludes loans in our Healthcare Real Estate business secured by Medical Office properties and loans to office real estate investment trusts and real estate investment funds.

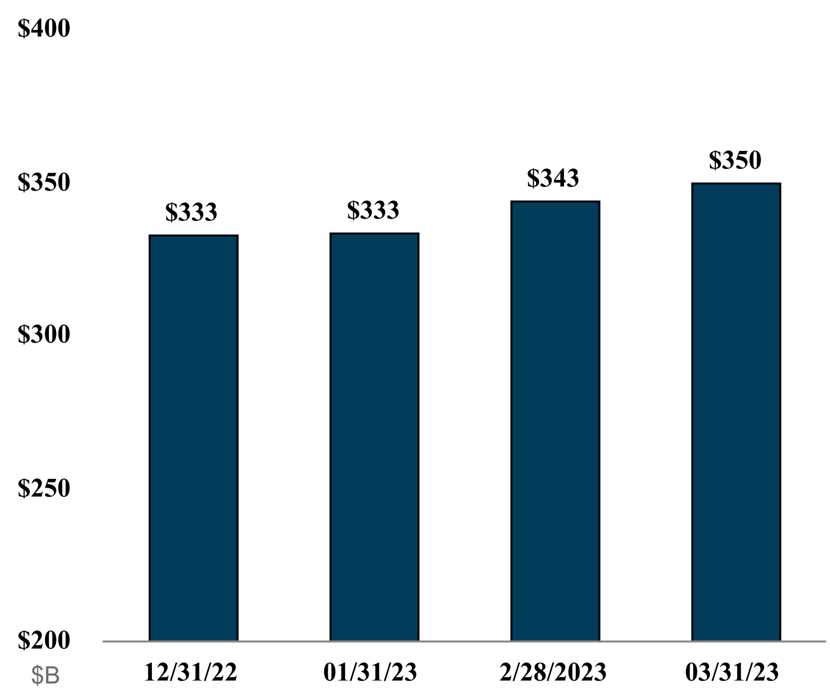
(1) Net charge-off rate is calculated based on annualized net charge-offs for the period divided by average loans held for investment for the period.

Deposits

Deposits by Segment



Total Deposits



First Quarter 2023 Highlights

- Insured deposits were $273.4 billion or 78% of total deposits as of March 31, 2023 and $252.3 billion or 76% of total deposits as of December 31, 2022

Note: Amounts displayed may not total due to rounding

(1) Includes brokered deposits of $19.2 billion and $20.6 billion as of March 31, 2023 and December 31, 2022, respectively.