



Acquisition of Chevy Chase Bank

December 4, 2008

Forward looking statements

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Chevy Chase is a strategically and financially attractive acquisition

- **A leading local banking franchise in one of the best markets***
 - \$11.6 billion in deposits
 - #1 branch share, #1 ATM share, #5 deposit share
 - Attractive market
 - 9th largest MSA by population, with above average population growth
 - Highest per capita income among the Top 20 MSAs
 - Lowest unemployment rate among the Top 20 MSAs
- **Enhances our local banking business**
 - Further improves our core deposit funding base
 - Expands our portfolio of attractive local banking franchises
 - Adds additional scale in our bank operations
 - Brings outstanding customer and technology platforms
- **Financially attractive and low-risk transaction**
 - Estimated 13%+ IRR
 - Accretive in 2009 to operating EPS (excluding restructuring charges) and on a GAAP EPS basis in 2010
 - Credit risks mitigated by a \$1.75 billion net mark
 - Balance sheet and liquidity remain strong post-acquisition
 - Proximity to Capital One operations and management reduces integration risk and enables synergies
 - Small acquisition relative to the size of Capital One

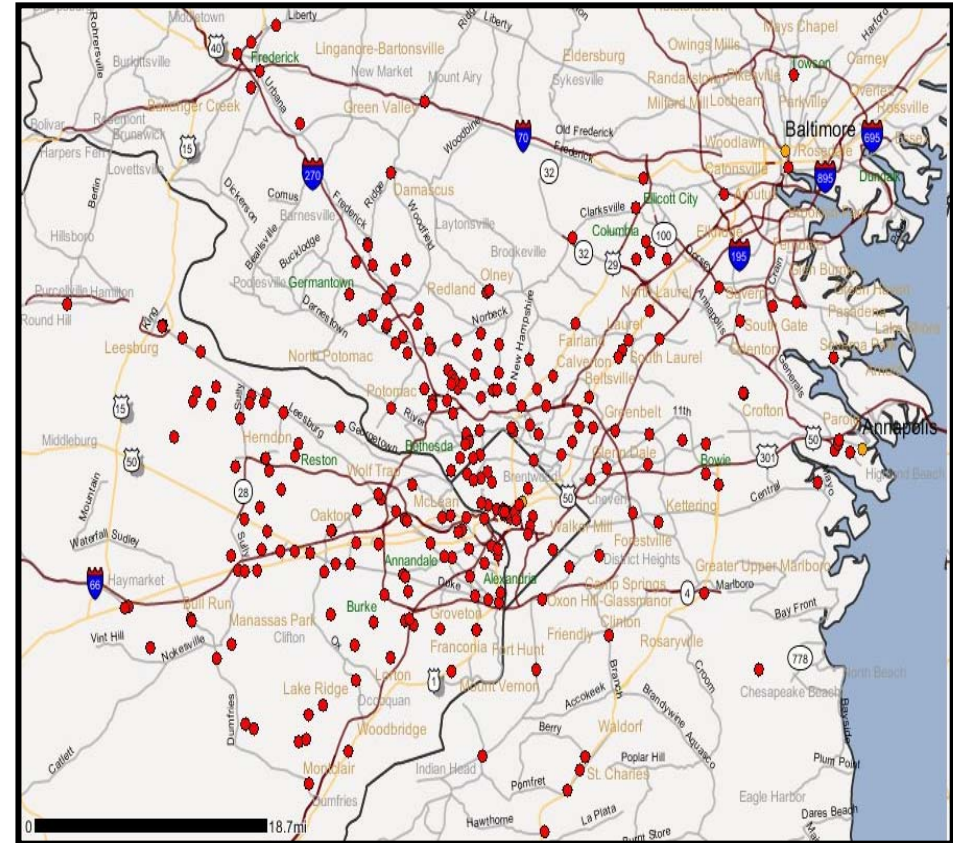
Transaction Summary

<i>Transaction Value*</i>	\$520 Million
<i>Consideration Mix</i>	\$445MM cash; \$75MM COF stock
<i>Expected Close</i>	Q1 2009
<i>Pro-forma Capital Ratios As of 9/30/08</i>	TCE of 5.4% and Tier 1 of approximately 12.9%
<i>Approvals</i>	No shareholder approvals required Customary regulatory approvals

*To the extent that losses on certain of Chevy Chase's Option ARM loans are less than the level reflected in the net credit mark, Capital One will share a portion of this benefit with CCB shareholders. Any sharing will occur after 12/31/13.

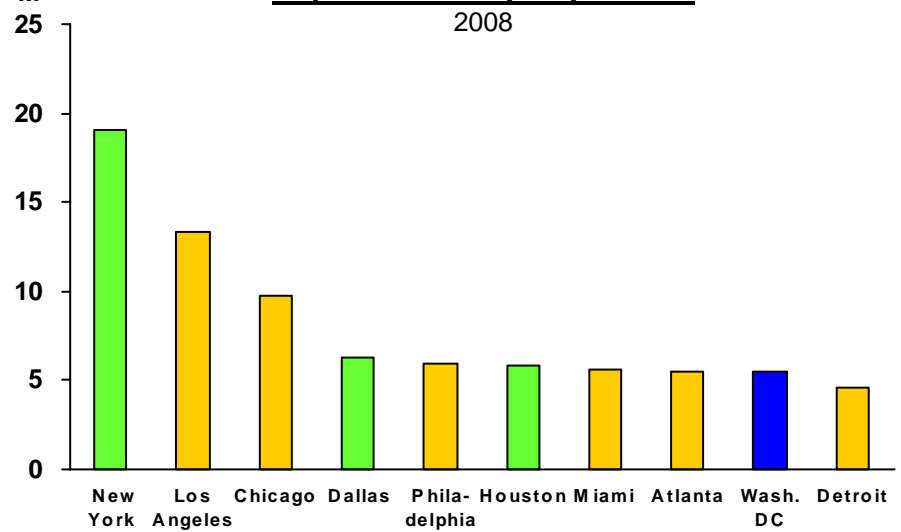
Chevy Chase has a strong presence in the Washington, DC MSA

- **\$15.5B in assets**
- **\$11.6B in deposits (#5 in DC MSA)**
- **244 branches (#1 in DC MSA)**
- **Over 1,000 ATMs (#1 in DC MSA)**
- **Customer service and convenience oriented business and brand**
- **Strong local affiliations/partnerships**
 - Exclusive ATM provider for the Washington area metro system
 - ATMs at the Verizon Center
 - Field naming rights for University of Maryland football stadium
 - Support over 70 local non-profit organizations

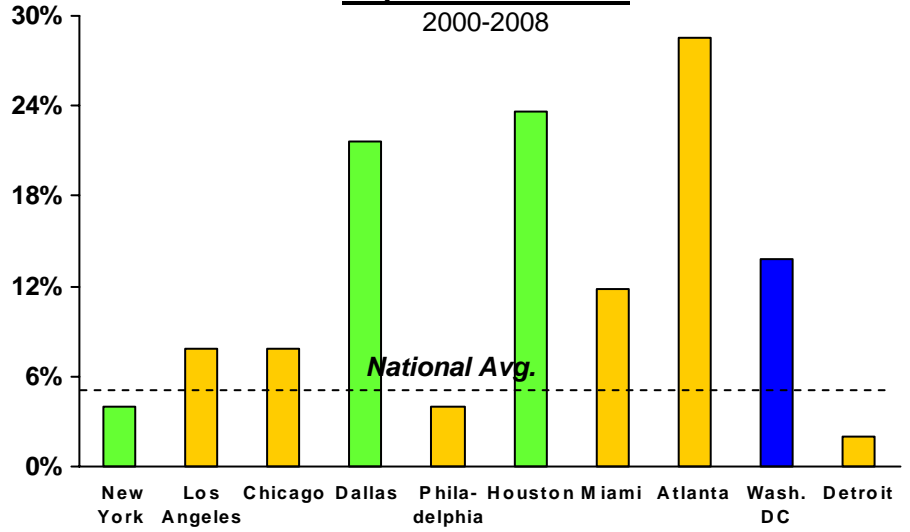


The metro Washington, DC MSA is among the most attractive local banking markets in the U.S.

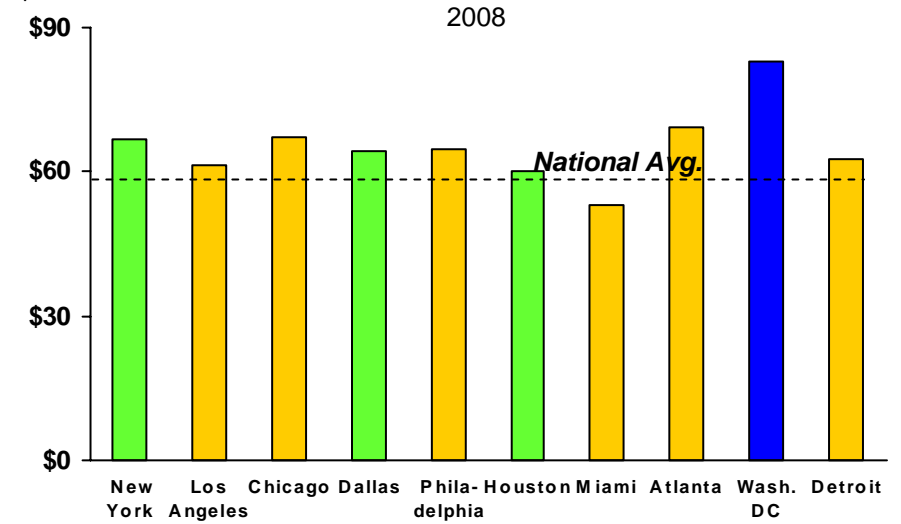
Top 10 MSAs by Population



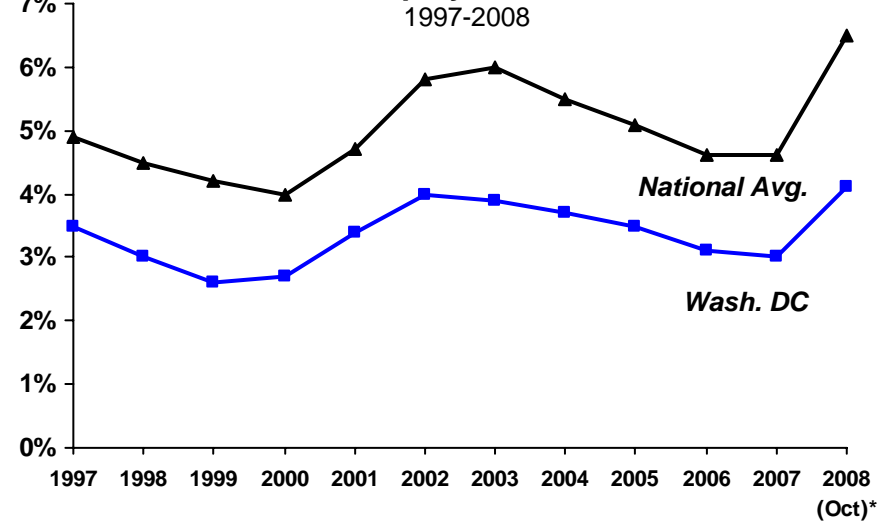
Population Growth



Median Household Income



Unemployment Rate



*Preliminary number for Wash. DC
 Note: Green bars indicate existing Capital One Bank footprint
 Sources: SNL, US Dept of Labor

With Chevy Chase we have several market leadership positions

Local Deposit Market Share

New York MSA

	<u>Deposits</u> (\$B)	<u>%</u> <u>Share</u>
1. JPM Chase	\$97.3	19.7%
2. Citi	\$55.9	11.3%
3. Capital One	\$33.7	6.8%
4. Wells Fargo	\$30.9	6.3%
5. TD	\$30.1	6.1%
6. B of A	\$30.0	6.1%
7. HSBC	\$26.2	5.3%
8. Hudson City	\$15.4	3.1%
9. Sovereign	\$14.6	3.0%
10. Astoria	\$13.3	2.7%

New Orleans MSA

	<u>Deposits</u> (\$B)	<u>%</u> <u>Share</u>
1. Capital One	\$7.6	29.5%
2. JPM Chase	\$4.5	17.6%
3. Whitney	\$3.6	14.2%
4. Regions	\$2.5	9.9%
5. Gulf Coast	\$0.7	2.7%
6. Fidelity	\$0.7	2.7%
7. Omni	\$0.5	2.1%
8. First NBC	\$0.5	2.1%
9. First Trust	\$0.5	2.0%
10. IBERIA	\$0.5	1.9%

Washington, DC MSA

	<u>Deposits</u> (\$B)	<u>%</u> <u>Share</u>
1. B of A	\$13.2	13.5%
2. Wells Fargo	\$13.1	13.5%
3. BB&T	\$11.8	12.2%
4. SunTrust	\$11.8	12.1%
5. COF/Chevy Chase	\$11.0	11.3%
6. PNC	\$6.8	7.0%
7. Citi	\$4.2	4.4%
8. United Bkshrs	\$2.2	2.3%
9. VA Commerce	\$2.1	2.2%
10. M&T	\$2.0	2.0%

We have taken a net credit mark of \$1.75 billion

As of September 30, 2008

Loan Category	Balance (\$MM)	Gross credit mark (\$MM)	Gross credit mark (%)	Allocated ALLL (\$MM)	net credit mark (\$MM)
Option ARM	4,150	1,350	33%	163	1,187
Other mortgage	4,007	240	6%	27	213
Home Equity	1,458	87	6%	17	70
C&I	760	40	5%	3	37
CRE	688	50	7%	2	48
SFR Construction	360	180	50%	10	170
Auto/other consumer	290	4	1%	4	0
Other (R&W, REO)	n/a	24	n/a	-	24
TOTALS	11,713	1,976	17%	226	1,750

The Option ARM mark is equivalent to a 75% default rate with 45% severity

The Chevy Chase acquisition is financially attractive

Cost Savings

- \$125 million annually
- Run-rate fully achieved by mid -2010

Merger Costs

- Restructuring and transaction costs of \$225 million, expensed in 2009 and 2010

IRR

- Estimated 13%+ IRR

EPS Impact

- Accretive in 2009 to operating EPS (excluding restructuring charges) and on a GAAP EPS basis in 2010

