TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Capital One Financial Corporation | **Submission date: 3/30/2009** | **Person to be contacted about this report: Kevin Murray**

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions $)	2008 DEC	2009 JAN	2009 FEB	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	$7,204	$7,144	$7,024	Mortgage and Home Equity numbers are end of month figures rather than averages and include run-off portfolios inherited from GreenPoint Mortgage	**Capital One has through most of its history not been an originator of, or investor in, residential mortgage loans. GreenPoint Mortgage - a subsidiary of NorthFork Bancorp - was acquired along with NorthFork in December 2006 but its origination business was closed in August 2007. Mortgage loan balances largely reflect assets acquired from NorthFork which are currently in run-off mode**
b. Total Originations	$4	$3	$2		
(1) Refinancings	$0	$2	$1		
(2) New Home Purchases	$4	$1	$1		
2. Home Equity					
a. Average Total Loan Balance	$3,466	$3,392	$3,357	Mortgage and Home Equity numbers are end of month figures rather than averages and include run-off portfolios inherited from GreenPoint Mortgage	**Fluctuations in volume in the measured time period reflect idiosyncratic factors; there have been no changes in credit standards. We continue to originate home equity loans to our customers in our footprint.**
b. Originations (New Lines+Line Increases)	$22	$12	$14		
c. Total Used and Unused Commitments	$4,456	$4,405	$4,349		
3. US Card - Managed					
a. Average Total Loan Balance - Managed	$53,568	$53,944	$52,986	US Card reflects only consumer card volumes; All numbers reflect managed portfolio	**The reduction in average outstandings in February primarily reflects the typical seasonal pattern in credit card outstandings as customers pay down balances from the holidays. Despite weak economic growth, we continue to originate new credit card accounts through our direct mail and internet channels.**
b. New Account Originations (Initial Line Amt)	$960	$1,027	$749		
c. Total Used and Unused Commitments	$178,091	$178,150	$177,710		
4. Other Consumer					
a. Average Total Loan Balance	$32,850	$32,280	$31,736	Other consumer non-revolving loans includes auto loans, unsecured installment loans and other non-revolving loans secured by boats, RVs, money-market accounts, etc and approximately $200 million of unsecured other consumer revolving lines	**We've observed greater increases in the risk of closed-end loan customers in "Boom and Bust" housing markets as compared to the risk of credit card customers in those housing markets. In response to adverse credit trends, we've had to be very disciplined in originating most closed-end loans. Trends in auto lending continue to show the impacts of the broad economic worsening and falling auto sales.**
b. Originations	$664	$655	$620	For the small volume of revolving loans, the line extended is included in originations.	

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SCHEDULE B: COMMERCIAL LENDING (Millions $)	DEC	JAN	FEB	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	$23,921	$23,919	$23,810	Small Business credit cards are included in C&I avg balance and new commitments numbers.	**Commercial and Industrial lending balances were flat, driven by weak demand. C&I loan demand was moderately weaker for large and middle market firms. For smaller firms, loan demand was substantially weaker, with new loan applications down by 30% or more compared to the same period last year. The decrease in demand was attributable to decreasing needs for the financing of plant, equipment, inventory and accounts receivable as businesses maintain a cautious outlook in the face of economic uncertainty. Not withstanding deteriorating economic conditions, we continue to make new loans across a variety of industry segments.**
b. Renewal of Existing Accounts	$167	$173	$310		
c. New Commitments	$699	$446	$404	Unutilized capacity of both small business cards, and more broadly C&I lending, is not captured anywhere on the "Snapshot."	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	$17,548	$17,695	$17,812		**Despite deteriorating economic conditions, we continue to increase our CRE portfolio modestly. The Retail asset class has softened overall as many retailers have cut back expansion plans or gone into bankruptcy. We see softness in construction and development activity due to limited demand and excess supply in some markets. We are watching rents and vacancies in retail and office space closely and factoring trends into new lending decisions. In all sectors, we are maintaining strong covenants and coverage ratios. This has translated into significant declines in new construction projects in all of our markets and cautious growth in other segments.**
b. Renewal of Existing Accounts	$102	$37	$67		
c. New Commitments	$406	$178	$109		
SCHEDULE C: OTHER INTERMEDIATION ACTIVITIES (Millions $)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	$1,548	$2,532	$453		**Asset Backed Securities are predominantly made up of securities backed by credit card and auto loan receivables. Uncertainty surrounding potential legislative changes to bankruptcy laws has impacted the non-agency markets.**
b. Asset Backed Securities	$568	$601	$270		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo)[1]	N/A	N/A	N/A	Secured Lending and Underwriting not applicable	
b. Average Total Debit Balances[2]	N/A	N/A	N/A	Secured Lending and Underwriting not applicable	
3. Underwriting					
a. Total Equity Underwriting	N/A	N/A	N/A	Secured Lending and Underwriting not applicable	
b. Total Debt Underwriting	N/A	N/A	N/A	Secured Lending and Underwriting not applicable	

Notes:
1. Not applicable if matched book activity does not exceed $50 billion.
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.

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PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

Capital One Financial Corporation (Capital One) is a bank holding company with subsidiary banks serving consumers, small businesses, middle-market firms, and commercial real-estate firms in New York, New Jersey, Louisiana and Texas; credit card and auto loan customers throughout the United States; and credit card customers in Canada and the UK. Capital One and its subsidiaries collectively had $109 billion in deposits and $147 billion in managed loans (i.e., inclusive of credit card and other securitizations) outstanding as of December 31, 2008. Headquartered in McLean, Virginia, Capital One's subsidiaries have over 700 branches and other locations, primarily in New York, New Jersey, Louisiana and Texas. Capital One, through its bank subsidiaries, offers a broad spectrum of financial products and services to consumers, small businesses and commercial clients.

On February 27, 2009, Capital One completed its acquisition of Chevy Chase Bank, F.S.B. (Chevy Chase). Chevy Chase is a federally chartered savings bank whose primary federal regulator is the Office of Thrift Supervision. Chevy Chase is headquartered in Bethesda, Maryland and has over 200 branches throughout the greater Washington, D.C. metropolitan area. Beginning with the next Monthly Intermediation Snapshot (covering the three month reporting period through March 2009), Capital One will include figures for Chevy Chase in its submission.

Consumer Lending

Economic data continued to worsen through February 2009, and the recent Federal Reserve forecast expects no improvement before late 2009 or early 2010. GDP is now estimated to have contracted at a rate of 6.3% in the fourth quarter, revised downward from a previous estimate of 3.8%, which represents the worst contraction since 1982. Consumer confidence fell again in February weighed down by job losses and declining stock prices and home values. U.S companies continue to lower the size of their workforces, perpetuating the negative employment trend as an additional approximately 650,000 workers lost their jobs in February and the unemployment rate rose in February to 8.1%, from 7.6% in January, the highest unemployment level in more than 25 years.

We continue to maintain prudent risk management standards in the face of a worsening economy in order to protect the U.S. Treasury's investment and ensure an appropriate return. Consumers with strong credit are borrowing less while consumers with weak credit are becoming riskier. Under these conditions, we continue to expect that loan balances will decline going forward even though we remain

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an active lender across our businesses. During the period December 2008 through February 2009, we continued to originate new credit card accounts through our direct mail and internet channels and extended those new accounts more than $2.7 billion in new credit lines.

Other consumer lending continued to decline in line with factors such as the continuing fall in new car sales and consumer confidence. Despite these headwinds, Capital One originated more than $1.9 billion in "other consumer loans", such as auto loans, in the three months ending February 2009.

While we originated billions of dollars of new consumer loans, the total of the outstanding loan balances for the sum of the consumer lending portfolios in Schedule A declined across the time period December 2008 to February 2009. Several factors have a negative impact on ending loan balances, these factors include: rising charge-offs; normal amortization and attrition; declining purchase volumes; and seasonality. Together, these factors offset new loan originations. Of particular note is the typical seasonal pattern of consumer credit card usage. Consumer credit card outstandings typically peak around year-end, and then fall as consumers pay down their balances from the holidays. That said, our US Consumer Credit Card customers, in total, continue to have access to more than $120 billion in "open-to-buy" or unused credit lines on their cards.

Commercial and Small Business Lending and Commercial Real Estate Lending

Commercial and Industrial lending balances were flat, driven by weak demand. C&I loan demand was moderately weaker for large and middle market firms. For smaller firms, loan demand is substantially weaker, with new loan applications down by 30% or more compared to the same period last year. The decrease in demand was attributed to decreasing needs for the financing of plant, equipment, inventory and accounts receivable as businesses maintain a cautious outlook in the face of economic uncertainty. Not withstanding deteriorating economic conditions, we continue to make new C&I loans across a variety of industry segments as evidenced by our more than $2.1 billion in new commitments and renewals of existing accounts in the three months through February 2009.

We continued to increase our Commercial Real Estate portfolio modestly. We see continued softness in construction and development activity due to limited demand and excess supply in some markets. We are watching rents and vacancies in retail and office space closely and factoring trends into new lending decisions. In all sectors, we are maintaining strong covenants and coverage ratios. This has translated into significant declines in new construction projects in all of our markets and cautious growth in other segments. We continue to make new Commercial Real Estate loans across a variety of industry segments, as well as lending in new markets, which contributed to the $900 million dollars in new commitments and renewals of existing accounts in the three months through February 2009, a modest decline compared to the prior three month period ending January 2009.

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Investment Activity in Support of Consumer Lending

Agency MBS and ABS spreads improved as a result of the expectation of expanded government investment in these securities. However, non agency spreads widened due to uncertainty surrounding possible changes in bankruptcy legislation that would impact residential mortgages (bankruptcy cramdown). We continue to expect volatility in credit spreads, with future government programs such as the expanded TALF and the newly-announced asset purchase plan likely helping the credit markets and exogenous risks, such as proposed changes in the way certain mortgages are treated in bankruptcy, potentially hurting them.

To the extent that falling loan demand limits the extension of new credit directly to our customers, we continue to purchase high quality securities backed by consumer loans. Most often, these loans were originated to help consumers to buy homes, autos and a range of discretionary items. In the three months through February 2009, we purchased $5.9 billion of high quality investment securities backed by mortgage and consumer loans. Due to the market disruptions caused by the uncertainty surrounding bankruptcy cramdown legislation described above, our investments in these securities fell in the month of February. Nevertheless, in the current economic and market environment, we continue to believe that investing in high-quality, short-duration securities provides appropriate risk-adjusted returns for our shareholders, and supports the recovery and stabilization of secondary markets that are critical to consumer lending and the economy.