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**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001**

EXPERIMENTAL RATE AND SERVICE CHANGES TO IMPLEMENT NEGOTIATED SERVICE AGREEMENT WITH CAPITAL ONE SERVICES, INC.

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Press Releases

Capital One Reports Record Second Quarter Results: Raises 2002 Earnings per Share Growth Target to 30%

(July 16, 2002) - Capital One Financial Corporation (NYSE: COF) today announced its 20th consecutive quarter of record earnings, driven by a 42 percent year-over-year increase in total revenues. The company also announced that it was raising its target for earnings per share growth for 2002 to 30 percent, up from the previous guidance of 20 percent. The company now expects to report earnings per share of approximately $3.79 for the year ending December 31, 2002. Consistent with its historical financial performance since 1995, the company expects to report earnings per share growth in 2003 of 20 percent or more. The company expects to release specific guidance on its 2003 earnings in October 2002.

Earnings for the second quarter of 2002 were $213.1 million, or $0.92 per share, versus earnings of $155.3 million, or $0.70 per share, for the comparable period in the prior year. Earnings in the first quarter of 2002 were $188.0 million, or $0.83 per share.

Capital One also announced that following a routine regulatory review in connection with a pending application and the normal examination cycle, the company and its subsidiaries, Capital One Bank and Capital One, F.S.B., expect to enter into an informal memorandum of understanding with bank regulators addressing certain regulatory matters as described below. The company's new earnings targets take into account the expected understandings with the regulatory authorities.

"Capital One's earnings power allowed us to increase our 2002 earnings per share growth target to 30 percent," said Richard D. Fairbank, Capital One's Chairman and Chief Executive Officer. "The actions we have taken have strengthened our balance sheet with additional capital and loss allowances at our bank subsidiaries and will make us a stronger company as we position ourselves for future growth."

The managed net charge-off rate increased to 4.36 percent for the second quarter of 2002 compared with 4.00 percent for the first quarter of 2002, consistent with the company's expectations for increasing charge-offs for Capital One and the industry in 2002. The managed delinquency rate (30+ days) decreased to 4.54 percent as of June 30, 2002, compared with 4.80 percent as of March 31, 2002. The company further strengthened its balance sheet in the second quarter by increasing its allowance for loan losses by $247.0 million.

"Revenue grew at a 42 percent annualized rate in the second quarter, a testament to the power of our information based strategy to identify and meet customer needs," said Nigel W. Morris, Capital One's President and Chief Operating Officer. "I'm equally pleased that once again our credit risk management practices enabled us to achieve strong credit performance for the quarter."

Second quarter 2002 revenue, defined as managed net interest income and non-interest income, rose to $2.3 billion versus $2.1 billion in the first quarter of 2002. The company's managed consumer loan balances increased by $4.6 billion in the second quarter to $53.2 billion. In the second quarter, Capital One added 2.0 million net new accounts, bringing total accounts to 48.6 million. The company's managed revenue margin increased to 16.55 percent in the second quarter of 2002 from 16.47 percent in the first quarter of 2002.

The company also announced that, during the second quarter, it sold $1.0 billion of auto loans, with servicing retained by Capital One, and recorded a $17.3 million gain. The sale completely removes these loans from Capital One's managed consumer loan portfolio. Capital One plans to sell auto loans on an ongoing basis.

Marketing expense for the second quarter of 2002 was $320.4 million, down from $353.5 million in the first quarter of 2002. Other non-interest expenses (excluding marketing) for the second quarter of 2002 were $833.2 million versus $806.4 million for the first quarter of 2002. Annualized operating expenses per account decreased to $70 for the second quarter of 2002 from $71 in the prior quarter and from $77 in the second quarter of last year.

Bank regulatory authorities have recently completed a routine review of Capital One Bank and Capital One, F.S.B. in connection with a pending application and the normal examination cycle. Regulators have informed the company that they intend to request the company, Capital One Bank and Capital One, F.S.B., to enter into an informal memorandum of understanding with respect to capital, allowance for loan losses and other regulatory requirements. Further details regarding the expected memorandum of understanding and the company's business outlook can be found in Capital One's report on Form 8-K filed today with the Securities and Exchange Commission and available on the company's website (http://www.capitalone.com).

The company cautioned that its current expectations for 2002 earnings and future growth are forward looking statements and actual results could differ materially from current expectations due to a number of factors, including: competition in the credit card industry; the actual account and balance growth achieved by the company; the company's ability to access the capital markets at attractive rates and terms to fund its operations and future growth; and general economic conditions affecting consumer income and spending, which may affect consumer bankruptcies, defaults and charge-offs. A discussion of these and other factors can be found in Capital One's annual and other reports filed with the Securities and Exchange Commission, including, but not limited to, Capital One's report on Form 10-K for the year ended December 31, 2001.

Headquartered in Falls Church, Virginia, Capital One Financial Corporation (http://www.capitalone.com) is a holding company whose principal subsidiaries, Capital One Bank and Capital One, F.S.B., offer consumer lending products. Capital One's subsidiaries collectively had 48.6 million accounts and $53.2 billion in managed loans outstanding as of June 30, 2002. Capital One, a Fortune 500 company, is one of the largest providers of MasterCard and Visa credit cards in the world. Capital One trades on the New York Stock Exchange under the symbol "COF" and is included in the S&P 500 index.