

Capital One Capital III  
Form FWP  
July 26, 2006

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File Nos. 333-133943 and 333-133943-02

July 26, 2006

**CAPITAL ONE CAPITAL III**

**\$650,000,000**

**7.686% CAPITAL SECURITIES**

|   |  |
|---|--|
| <b>Issuer:</b>                                      | Capital One Capital III (the Trust), a Delaware statutory trust, the sole asset of which will be junior subordinated debt securities issued by Capital One Financial Corporation (Capital One). Capital One will own all common securities of the Trust. |
| <b>Guarantor:</b>                                   | Capital One Financial Corporation  |
| <b>Securities:</b>                                  | 7.686% Capital Securities  |
| <b>Legal Format:</b>                                | SEC Registered   |
| <b>Amount:</b>                                      | \$650,000,000  |
| <b>Liquidation Amount:</b>                          | \$1,000 per capital security   |
| <b>Coupon:</b>                                      | 7.686% until Scheduled Maturity Date   |
| <b>CUSIP/ISIN:</b>                                  | 14042BAA4 / US14042BAA44   |
| <b>Ratings:</b>                                     | Moody's Investors Service: Baa3<br><br>Standard & Poor's: BB+<br><br>Fitch: BBB-   |
| <b>Settlement Date:</b>                             | August 1, 2006 (T+4)   |
| <b>Scheduled Maturity Date:</b>                     | August 15, 2036  |
| <b>Final Repayment Date:</b>                        | August 1, 2066   |
| <b>Interest Payment Dates:</b>                      | Paid semi-annually on each February 15 and August 15, commencing February 15, 2007, until Scheduled Maturity Date  |
| <b>Reference Treasury Benchmark Yield:</b>          | 5.186% (5.375% due February 15, 2031)  |
| <b>Spread to Benchmark Treasury:</b>                | 250 basis points (2.50%)   |
| <b>Day Count Convention:</b>                        | 30/360, until Scheduled Maturity Date  |
| <b>Interest Rate after Scheduled Maturity Date:</b> | One-month LIBOR plus 2.95% payable the 15th day of each calendar month based on Actual/360   |
| <b>Redemption at Par:</b>                           | Anytime after Scheduled Maturity Date  |
| <b>Make-Whole prior to Scheduled Maturity Date:</b> | Discounted present value of Treasury plus 37.5 basis points  |
| <b>Redemption for Tax Event:</b>                    | Greater of par and discounted present value of Treasury plus 75 basis points.  |
| <b>Deferral Provision:</b>                          | The Trust will defer payments on the 7.686% Capital Securities for up to 10 years if Capital One defers payments on the underlying junior subordinated debt securities. Payments cannot be deferred  |

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beyond the maturity date of the junior subordinated debt securities on August 1, 2066. Any deferred payments will accrue additional interest at the then applicable rate, compounded on each interest payment date.

**Replacement Capital Covenant:**

A replacement capital covenant will apply until August 1, 2056. The dates referred to in the prospectus supplement on which the applicable percentage and the types of securities that constitute qualifying capital securities (as therein defined) will change are August 1, 2016 and August 1, 2036.

**Public Offering Price:**

\$999.94

**Underwriting Commissions:**

\$8,125,000

**Denominations:**

\$1,000

**Use of Proceeds:**

To finance in part the acquisition of North Fork Bancorporation, Inc. and for general corporate purposes.

**Sole Structuring Advisor and Joint Bookrunner:**

J.P. Morgan Securities Inc.

**Joint Bookrunners:**

Citigroup Global Markets Inc. and Lehman Brothers Inc.

**Co-Managers:**

Banc of America Securities LLC, Barclays Capital Inc., Deutsche Bank Securities Inc. and Wachovia Capital Markets, LLC

**Allocation:**

J.P. Morgan Securities Inc.  
Citigroup Global Markets Inc.  
Lehman Brothers Inc.  
Banc of America Securities LLC  
Barclays Capital Inc.  
Deutsche Bank Securities Inc.  
Wachovia Capital Markets, LLC  
Total

**Liquidation Amount**

**\$ 162,500,000**  
**\$ 162,500,000**  
**\$ 162,500,000**  
**\$ 40,625,000**  
**\$ 40,625,000**  
**\$ 40,625,000**  
**\$ 40,625,000**  
**\$ 650,000,000**

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling collect 1-212-834-4533.

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