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**E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY
ACTIVITY FOR OCTOBER 2004**

- *Retail DARTs increased 21.0 percent from September, Professional DARTs increased 34.7 percent and Total DARTs increased 25.8 percent*
- *Month-end margin debt balances decreased 1.0 percent, or by \$21 million, to \$2.02 billion*
- *Total assets and deposits in customer accounts increased 6.3 percent to \$88.6 billion*
- *Gross new accounts totaled 78,109*

New York, November 15, 2004 – E*TRADE FINANCIAL Corporation (NYSE: ET) today released its Monthly Activity Report for October. The Company reported monthly Retail Daily Average Revenue Trades (DARTs) of 77,100 and Professional DARTs of 46,000 for Total DARTs of 123,100 – the highest level since April 2004. Margin debt balances decreased 1.0 percent sequentially to \$2.02 billion at month end.

“Our integrated financial products position us to capitalize on both increased trading volumes and growth in customer cash balances driven by improving investor confidence,” said R. Jarrett Lilien, President and Chief Operating Officer of E*TRADE FINANCIAL. “Inflows into existing customer accounts so far in the fourth quarter through the first week of November have generated organic growth in our Sweep Deposit Account of nearly \$230 million out of approximately \$728 million since inception just over a year ago, leading to total SDA balances of over \$5.8 billion.”

Monthly Activity Data

	Oct-04	Sep-04	Oct-04 vs. Sep-04	Qtr Ended 9/30/04	Oct-04 vs. Qtr Ended 9/30/04
Trading days	21.0	21.0	N.M.	64.0	N.M.
<u>Daily Average Revenue Trades (DARTs)</u>					
Retail	77,117	63,710	21.0 %	62,771	22.9 %
US	64,856	53,077	22.2 %	53,050	22.3 %
International	12,261	10,633	15.3 %	9,721	26.1 %
Professional	45,995	34,144	34.7 %	34,633	32.8 %
Total DARTs	123,112	97,854	25.8 %	97,404	26.4 %
<u>Market Making</u>					
Equity shares traded (MM)	30,871	17,784	73.6 %	65,037	N.M.
<u>Gross New Accounts</u>					
Brokerage	58,466	25,583	N.M.	105,870	N.M.
Banking	19,643	14,284	N.M.	60,998	N.M.
Total gross new accounts	78,109	39,867	N.M.	166,868	N.M.
<u>Active Accounts</u>					
Brokerage	2,921,776	2,895,106	0.9 %	2,895,106	0.9 %
Banking	637,540	632,328	0.8 %	632,328	0.8 %
Total active accounts end of period	3,559,316	3,527,434	0.9 %	3,527,434	0.9 %
End of period margin debt (\$MM)	\$2,021	\$2,042	(1.0)%	\$2,042	(1.0)%
<u>Total Assets / Deposits (\$MM)</u>					
Total client assets in investing accounts	\$76,590	\$71,399	7.3 %	\$71,399	7.3 %
Total deposits in banking accounts	\$12,052	\$12,027	0.2 %	\$12,027	0.2 %
Total assets / deposits in customer accounts	\$88,642	\$83,426	6.3 %	\$83,426	6.3 %
<u>Loan Originations (\$MM)</u>					
Direct mortgage originations	\$238	\$243	(2.2)%	\$646	N.M.
Consumer loan originations, incl. HELOCs	\$189	\$164	15.2 %	\$563	N.M.

Historical monthly metric data from January 2003 to October 2004 can be found on the E*TRADE FINANCIAL investor relations site at www.etrade.com.

About E*TRADE FINANCIAL

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