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E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY BUSINESS METRICS FOR FEBRUARY 2005

- *Retail DARTs increased 0.9 percent from January, Professional DARTs decreased 17.5 percent and Total DARTs decreased 6.0 percent*
- *Average margin debt balances decreased 0.5 percent, or by \$11 million, to \$2.23 billion*
- *Total retail assets and deposits in customer accounts increased 2.0 percent to \$97.1 billion*
- *Gross new accounts totaled 55,028*

New York, March 16, 2005 – E*TRADE FINANCIAL Corporation (NYSE: ET) today released its Monthly Activity Report for February. The Company reported monthly Retail Daily Average Revenue Trades (DARTs) of 90,200 and Professional DARTs of 44,800 for Total DARTs of 135,000. Average margin debt balances decreased 0.5 percent sequentially to \$2.23 billion, and month-end margin debt balances increased 3.3 percent to \$2.32 billion. Total retail assets and deposits in customer accounts increased 2.0 percent month-over-month, driven by a 2.4 percent increase in client assets in trading/investing accounts.

“In February we made enhancements to our customer value proposition as a part of our long-term strategic plan,” said R. Jarrett Lilien, President and Chief Operating Officer, E*TRADE FINANCIAL. “By creating additional customer segmentation based on trading behavior and asset levels, we have developed an offering that rewards customers as they broaden their engagement with E*TRADE FINANCIAL.”

Key Performance Metrics

	Feb-05	Jan-05	Feb-05 vs. Jan-05	Q105 QTD *	Qtr Ended 12/31/04	Q105 QTD * vs. Qtr Ended 12/31/04
Trading days	19.0	20.0	N.M.	39.0	63.5	N.M.
<u>Daily Average Revenue Trades (DARTs)</u>						
Retail	90,213	89,383	0.9 %	89,787	89,604	0.2 %
US	74,992	76,287	(1.7)%	75,656	76,955	(1.7)%
International	15,221	13,096	16.2 %	14,131	12,649	11.7 %
Professional	44,816	54,293	(17.5)%	49,676	46,529	6.8 %
Total DARTs	135,029	143,676	(6.0)%	139,463	136,133	2.4 %
<u>Market Making</u>						
Equity shares traded (MM)	19,948	23,019	(13.3)%	42,967	75,717	N.M.
Average revenue capture per 1,000 shares	\$0.296	\$0.301	(1.7)%	\$0.299	\$0.318	(6.0)%
<u>Gross New Accounts</u>						
Trading/investing accounts	42,713	52,271	N.M.	94,984	161,737	N.M.
Deposit/lending accounts	12,315	18,540	N.M.	30,855	42,072	N.M.
Total gross new accounts	55,028	70,811	N.M.	125,839	203,809	N.M.
<u>Active Accounts</u>						
Trading/investing accounts	2,985,215	2,972,542	0.4 %	2,985,215	2,956,090	1.0 %
Deposit/lending accounts	632,026	631,954	0.0 %	632,026	626,673	0.9 %
Total active accounts end of period	3,617,241	3,604,496	0.4 %	3,617,241	3,582,763	1.0 %
End of period margin debt (\$MM)	\$2,318	\$2,244	3.3 %	\$2,318	\$2,236	3.7 %
Average margin debt (\$MM)	\$2,227	\$2,238	(0.5)%	\$2,232	\$2,085	7.1 %
<u>Total Retail Client Assets (\$MM)</u>						
Client assets in trading/investing accounts	\$85,119	\$83,143	2.4 %	\$85,119	\$88,137	(3.4)%
Deposits in customer accounts	\$12,024	\$12,071	(0.4)%	\$12,024	\$12,303	(2.3)%
Total retail assets / deposits	\$97,143	\$95,214	2.0 %	\$97,143	\$100,440	(3.3)%
<u>Loan Originations (\$MM)</u>						
Direct mortgage originations	\$177	\$172	3.0 %	\$350	\$701	N.M.
Consumer loan originations, incl HELOCs	\$175	\$131	33.6 %	\$306	\$527	N.M.

*Q105 quarter-to-date (QTD) includes results for the two months ended February 28, 2005

Historical monthly metric data from January 2003 to February 2005 can be found on the E*TRADE FINANCIAL investor relations site at www.etrade.com.

About E*TRADE FINANCIAL

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