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E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY ACTIVITY FOR AUGUST 2008

New York, September 17, 2008 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for August. The Company's total retail customer assets grew \$1.3 billion from July to total \$163.5 billion. Total Daily Average Revenue Trades ("DARTs") decreased 17 percent sequentially to 151,722. Net new retail accounts were 16,210.

"We are pleased to see strong growth in new accounts continue through a seasonally slow August," said Donald H. Layton, Chairman and Chief Executive Officer, E*TRADE FINANCIAL Corporation. "Our retail franchise continued its forward momentum as we grew retail customer assets and set yet another record for total retail accounts."

Monthly Activity Data

	<u>Aug-08</u>	<u>Jul-08</u>	<u>Aug-07⁽¹⁾</u>	<u>% Chg. M/M</u>	<u>% Chg. Y/Y</u>
Trading days	21.0	21.5	23.0	N.M.	N.M.
Daily Average Revenue Trades	151,722	182,835	189,057	(17.0)%	(19.7)%
Gross new retail accounts	60,349	76,340	92,750	N.M.	N.M.
End of period retail accounts	4,431,130	4,414,920	4,248,845	0.4 %	4.3 %
<u>Retail Customer Assets (\$MM)</u>					
Customer security holdings	\$ 129,666	\$ 128,602	\$ 168,410	0.8 %	(23.0)%
Customer cash and deposits	33,832	33,561	36,994	0.8 %	(8.5)%
Total retail customer assets	<u>\$ 163,498</u>	<u>\$ 162,163</u>	<u>\$ 205,404</u>	0.8 %	(20.4)%

(1) These metrics have been represented to exclude activity from discontinued operations.

Historical monthly metrics data from July 2004 to August 2008 can be found on the E*TRADE FINANCIAL investor relations site at <https://investor.etrade.com>.

About E*TRADE FINANCIAL

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