

FOR IMMEDIATE RELEASE

E*TRADE FINANCIAL Media Relations Contact

Pam Erickson
617-296-6080
pam.erickson@etrade.com

E*TRADE FINANCIAL Investor Relations Contact

Robert Simmons
646-521-4406
robert.simmons@etrade.com

E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY ACTIVITY FOR OCTOBER 2008

New York, November 19, 2008 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for October. The Company's gross new retail accounts opened in October were 131,475 with net new retail accounts of 63,538. Total Daily Average Revenue Trades ("DARTs") increased 15 percent over September levels to 248,817. The Company's total retail customer assets declined \$22.8 billion from September to total \$119.4 billion driven by the declining stock market.

"October was our best month in over five years for new account openings," said Donald H. Layton, Chairman and Chief Executive Officer, E*TRADE FINANCIAL Corporation. "Our customers continued to reduce their use of margin in this volatile environment; however, they were net buyers of close to \$1 billion of securities. Net new customer asset flows of \$1.6 billion in October were double September levels."

Monthly Activity Data

	<u>Oct-08</u>	<u>Sep-08</u>	<u>Oct-07⁽¹⁾</u>	<u>% Chg. M/M</u>	<u>% Chg. Y/Y</u>
Trading days	23.0	21.0	23.0	N.M.	N.M.
Daily Average Revenue Trades	248,817	216,538	216,547	14.9 %	14.9 %
Gross new retail accounts	131,475	78,652	101,954	67.2 %	29.0 %
End of period retail accounts	4,499,763	4,436,225	4,311,166	1.4 %	4.4 %
<u>Retail Customer Assets (\$MM)</u>					
Security holdings	\$ 87,548	\$ 108,751	\$ 181,704	(19.5)%	(51.8)%
Brokerage related cash	16,444	17,745	21,946	(7.3)%	(25.1)%
Other customer cash and deposits	15,386	15,691	17,411	(1.9)%	(11.6)%
Total retail customer assets	<u>\$ 119,378</u>	<u>\$ 142,187</u>	<u>\$ 221,061</u>	(16.0)%	(46.0)%

⁽¹⁾ These metrics have been re-presented to exclude activity from discontinued operations.

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

About E*TRADE FINANCIAL

The E*TRADE FINANCIAL family of companies provides financial services including trading, investing and banking for retail and institutional customers. Securities products and services are offered by E*TRADE Securities LLC (Member FINRA/SIPC). Bank products and services are offered by E*TRADE Bank, a Federal savings bank, Member FDIC, or its subsidiaries.

#

Important Notice

E*TRADE FINANCIAL, E*TRADE and the E*TRADE logo are trademarks or registered trademarks of E*TRADE FINANCIAL Corporation. The statements contained in this news release that are forward-looking are based on current expectations that are subject to a number of uncertainties and risks, and actual results may differ materially. The uncertainties and risks include, but are not limited to, changes in market activity, anticipated increases in the rate of new customer acquisition, the conversion of new visitors to the site to customers, the activity of customers and assets held at the institution, seasonality, macro trends of the economy in general and the residential real estate market, instability in the consumer credit markets and credit trends, rising mortgage interest rates, tighter mortgage lending guidelines across the industry, increased mortgage loan delinquency and default rates, portfolio growth, portfolio seasoning and resolution through collections, sales or charge-offs, the development and enhancement of products and services, competitive pressures (including price competition), system failures, economic and political conditions, changes in consumer behavior and the introduction of competing products having technological and/or other advantages. Further information about these risks and uncertainties can be found in the information included in the annual reports previously filed by E*TRADE FINANCIAL Corporation with the SEC on Form 10-K (including information under the caption "Risk Factors") and quarterly reports on Form 10-Q.

© 2008 E*TRADE FINANCIAL Corporation. All rights reserved.