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**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR JANUARY 2010**

New York, February 17, 2010 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for January 2010. The Company ended the month with more than 2.6 million U.S. brokerage accounts – including gross new brokerage accounts of 31,494 – and more than 4.4 million total accounts. U.S. brokerage accounts decreased by 2,392 in the month, including a reduction of 5,870 escheated accounts. Daily Average Revenue Trades (“DARTs”) from U.S. operations for January were 172,445, an increase of 21 percent from December and up four percent from the year ago period.

U.S. net new brokerage assets were positive \$0.6 billion in the month, reflecting the Company's focus on growing the online brokerage business. During the month, customer security holdings declined by four percent, or \$4.4 billion, and brokerage-related cash declined by \$0.5 billion to \$20 billion. Customers were net buyers of approximately \$1.4 billion in securities in January. Bank-related cash and deposits declined by \$0.4 billion, as the Company continued to execute its ongoing strategy to reduce bank-related deposits.

(more)

Monthly Activity Data

| | Jan-10 | Dec-09 | Jan-09 | % Chg. M/M | % Chg. Y/Y |
|---|------------|------------|------------|------------|------------|
| Trading days | 19.0 | 21.5 | 20.0 | N.M. | N.M. |
| DARTs from U.S. operations | 172,445 | 143,101 | 165,296 | 20.5 % | 4.3 % |
| DARTs from International local operations | 11,420 | 12,460 | 18,862 | (8.3)% | (39.5)% |
| Total DARTs | 183,865 | 155,561 | 184,158 | 18.2 % | (0.2)% |
| Gross new brokerage accounts | 31,494 | 30,566 | 36,022 | 3.0 % | (12.6)% |
| Gross new stock plan accounts | 16,364 | 10,990 | 15,717 | 48.9 % | 4.1 % |
| Gross new banking accounts | 2,292 | 1,910 | 23,402 | 20.0 % | (90.2)% |
| Total gross new accounts | 50,150 | 43,466 | 75,141 | 15.4 % | (33.3)% |
| Net new brokerage accounts | (2,392) | (12,606) | 12,305 | N.M. | N.M. |
| Net new stock plan accounts | 1,017 | (1,253) | (3,258) | N.M. | N.M. |
| Net new banking accounts | (10,546) | (11,395) | 9,418 | N.M. | N.M. |
| Net new international local brokerage accounts | (22) | (7,679) | 1,351 | N.M. | N.M. |
| Net new accounts | (11,943) | (32,933) | 19,816 | N.M. | N.M. |
| End of period brokerage accounts | 2,627,687 | 2,630,079 | 2,528,111 | (0.1)% | 3.9 % |
| End of period stock plan accounts | 1,026,830 | 1,025,813 | 1,015,472 | 0.1 % | 1.1 % |
| End of period banking accounts | 712,858 | 723,404 | 826,641 | (1.5)% | (13.8)% |
| End of period international local brokerage accounts | 82,417 | 82,439 | 82,888 | 0.0 % | (0.6)% |
| End of period total accounts | 4,449,792 | 4,461,735 | 4,453,112 | (0.3)% | (0.1)% |
| Customer Assets (\$MM) | | | | | |
| Security holdings | \$ 114,972 | \$ 119,399 | \$ 76,373 | (3.7)% | 50.5 % |
| Brokerage related cash | 19,986 | 20,443 | 15,487 | (2.2)% | 29.1 % |
| International local brokerage cash | 449 | 476 | 394 | (5.7)% | 14.0 % |
| Other customer cash and deposits | 12,469 | 12,916 | 16,720 | (3.5)% | (25.4)% |
| Total customer assets | \$ 147,876 | \$ 153,234 | \$ 108,974 | (3.5)% | 35.7 % |
| Net new brokerage assets (\$B) ⁽¹⁾ | \$ 0.6 | \$ 0.4 | \$ 0.5 | N.M. | N.M. |
| Net new banking assets (\$B) ⁽¹⁾ | (0.5) | (0.4) | 0.7 | N.M. | N.M. |
| Net new international local brokerage assets (\$B) ⁽¹⁾ | 0.1 | (0.4) | - | N.M. | N.M. |
| Net new customer assets (\$B) ⁽¹⁾ | \$ 0.2 | \$ (0.4) | \$ 1.2 | N.M. | N.M. |

⁽¹⁾ Net new customer assets are total inflows to all new and existing customer accounts less total outflows from all closed and existing customer accounts. The net new banking assets and net new brokerage assets metrics treat asset flows between E*TRADE entities in the same manner as unrelated third party accounts.

Historical Monthly Activity Data from January 2007 to January 2010 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 online brokerage and related banking products and services to retail investors. Specific business segments include Trading and Investing, and Balance Sheet Management. 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.

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