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**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR MAY 2013;
PROVIDES UPDATES TO ITS LOAN DELINQUENCIES**

NEW YORK, June 19, 2013 – E*TRADE Financial Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for May 2013.

Daily Average Revenue Trades (“DARTs”) for May were 162,940, a 15 percent increase from April and an 11 percent increase from the year-ago period. The Company added 32,157 gross new brokerage accounts in May, ending the month with approximately 3.0 million brokerage accounts – an increase of 15,648 from April. Total accounts ended the month at approximately 4.6 million.

Net new brokerage assets were positive \$1.0 billion in the month. During the month, customer security holdings increased by two percent, or \$2.5 billion, and brokerage-related cash increased by \$1.7 billion to \$36.1 billion. Bank-related cash and deposits ended the month unchanged, at \$6.7 billion. Customers were net sellers of approximately \$0.8 billion in securities during the month.

The Company also updated delinquency statistics in its loan portfolio. For the Company’s entire loan portfolio, total special mention delinquencies (30 to 89 days delinquent) decreased 13 percent from March 31, 2013 to May 31, 2013 and decreased eight percent from April 30, 2013 to May 31, 2013, while total “at risk” delinquencies (30 to 179 days delinquent) decreased 14 percent from March 31, 2013 to May 31, 2013 and decreased six percent from April 30, 2013 to May 31, 2013. Additional loan delinquency data is provided in the second table of this release.

(more)

Monthly Activity Data

	May-13	Apr-13	May-12	% Chg. M/M	% Chg. Y/Y
Trading days	22.0	22.0	22.0	N.M.	N.M.
DARTs	162,940	141,255	146,254	15.4 %	11.4 %
Gross new brokerage accounts	32,157	33,090	43,040	(2.8)%	(25.3)%
Gross new stock plan accounts	20,270	17,056	14,050	18.8 %	44.3 %
Gross new banking accounts	871	904	1,449	(3.7)%	(39.9)%
Total gross new accounts	53,298	51,050	58,539	4.4 %	(9.0)%
Net new brokerage accounts	15,648	6,534	28,140	N.M.	N.M.
Net new stock plan accounts	8,858	4,828	4,633	N.M.	N.M.
Net new banking accounts	(2,084)	(3,161)	(3,623)	N.M.	N.M.
Net new accounts	22,422	8,201	29,150	N.M.	N.M.
End of period brokerage accounts	2,955,407	2,939,759	2,866,451	0.5 %	3.1 %
End of period stock plan accounts	1,181,453	1,172,595	1,090,700	0.8 %	8.3 %
End of period banking accounts	416,747	418,831	449,231	(0.5)%	(7.2)%
End of period total accounts	4,553,607	4,531,185	4,406,382	0.5 %	3.3 %
<u>Customer Assets (\$B)</u>					
Security holdings	\$ 154.2	\$ 151.7	\$ 130.3	1.6 %	18.3 %
Customer payables (cash)	5.5	5.1	5.1	7.8 %	7.8 %
Customer cash balances held by third parties ⁽¹⁾	11.5	10.9	3.6	5.5 %	219.4 %
Unexercised stock plan customer options (vested)	28.4	27.9	20.7	1.8 %	37.2 %
Customer assets in brokerage and stock plan accounts	199.6	195.6	159.7	2.0 %	25.0 %
Sweep deposits	19.1	18.4	20.6	3.8 %	(7.3)%
Savings, transaction and other	6.7	6.7	7.5	0.0 %	(10.7)%
Customer assets in banking accounts	25.8	25.1	28.1	2.8 %	(8.2)%
Total customer assets	\$ 225.4	\$ 220.7	\$ 187.8	2.1 %	20.0 %
Net new brokerage assets (\$B) ⁽²⁾	\$ 1.0	\$ 0.0	\$ 1.3	N.M.	N.M.
Net new banking assets (\$B) ⁽²⁾	(0.0)	(0.3)	(0.2)	N.M.	N.M.
Net new customer assets (\$B) ⁽²⁾	\$ 1.0	\$ (0.3)	\$ 1.1	N.M.	N.M.
Brokerage related cash (\$B)	\$ 36.1	\$ 34.4	\$ 29.3	4.9 %	23.2 %
Other customer cash and deposits (\$B)	6.7	6.7	7.5	0.0 %	(10.7)%
Total customer cash and deposits (\$B)	\$ 42.8	\$ 41.1	\$ 36.8	4.1 %	16.3 %
Customer net (purchase) / sell activity (\$B)	\$ 0.8	\$ 0.0	\$ (1.9)	N.M.	N.M.

(1) Customer cash balances held by third parties are held outside E*TRADE Financial and include money market funds and sweep deposit accounts at unaffiliated financial institutions.

(2) 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.

(more)

Loan Delinquency Data

	May-13	Apr-13	Mar-13	% Chg. May 13 - Apr 13	% Chg. Apr 13 - Mar 13	% Chg. May 13 - Mar 13
<u>One- to Four-Family (\$MM)</u>						
Current	\$ 4,542	\$ 4,600	\$ 4,657	(1)%	(1)%	(2)%
30-89 days delinquent	191	211	220	(9)%	(4)%	(13)%
90-179 days delinquent	83	85	100	(2)%	(15)%	(17)%
Total 30-179 days delinquent	274	296	320	(7)%	(8)%	(14)%
180+ days delinquent	266	266	262	0 %	2 %	2 %
Total delinquent loans ⁽¹⁾	540	562	582	(4)%	(3)%	(7)%
Gross loans receivable ⁽²⁾	\$ 5,082	\$ 5,162	\$ 5,239	(2)%	(1)%	(3)%
<u>Home Equity (\$MM)</u>						
Current	\$ 3,761	\$ 3,829	\$ 3,883	(2)%	(1)%	(3)%
30-89 days delinquent	66	68	76	(3)%	(11)%	(13)%
90-179 days delinquent	46	47	52	(2)%	(10)%	(12)%
Total 30-179 days delinquent	112	115	128	(3)%	(10)%	(13)%
180+ days delinquent	41	41	42	0 %	(2)%	(2)%
Total delinquent loans ⁽¹⁾	153	156	170	(2)%	(8)%	(10)%
Gross loans receivable ⁽²⁾	\$ 3,914	\$ 3,985	\$ 4,053	(2)%	(2)%	(3)%
<u>Consumer and Other (\$MM)</u>						
Current	\$ 694	\$ 711	\$ 730	(2)%	(3)%	(5)%
30-89 days delinquent	14	16	16	(13)%	0 %	(13)%
90-179 days delinquent	3	3	2	0 %	50 %	50 %
Total 30-179 days delinquent	17	19	18	(11)%	6 %	(6)%
180+ days delinquent	-	-	-	N.M.	N.M.	N.M.
Total delinquent loans	17	19	18	(11)%	6 %	(6)%
Gross loans receivable ⁽²⁾	\$ 711	\$ 730	\$ 748	(3)%	(2)%	(5)%
<u>Total Loans Receivable (\$MM)</u>						
Current	\$ 8,997	\$ 9,140	\$ 9,270	(2)%	(1)%	(3)%
30-89 days delinquent	271	295	312	(8)%	(5)%	(13)%
90-179 days delinquent	132	135	154	(2)%	(12)%	(14)%
Total 30-179 days delinquent	403	430	466	(6)%	(8)%	(14)%
180+ days delinquent	307	307	304	0 %	1 %	1 %
Total delinquent loans ⁽¹⁾	710	737	770	(4)%	(4)%	(8)%
Total gross loans receivable ⁽²⁾	\$ 9,707	\$ 9,877	\$ 10,040	(2)%	(2)%	(3)%

(1) Delinquent loans include charge-offs for loans that are in bankruptcy or are 180 days past due which have been written down to their expected recovery value.

(2) Includes unpaid principal balances and premiums (discounts).

Historical metrics and financials can be found on E*TRADE Financial's corporate website at <https://about.etrade.com>.

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