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E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY ACTIVITY FOR NOVEMBER 2008

New York, December 17, 2008 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for November. The Company opened 80,271 gross new retail accounts in November, with net new retail accounts of 25,816. Total Daily Average Revenue Trades (“DARTs”) for the month were the second highest this year at 217,838, decreasing 12.5 percent from October’s record levels.

The Company’s asset flows for the month continued to be positive, as the firm attracted nearly \$1 billion in net new customer assets, bringing the total to \$2.6 billion for the quarter. Total retail customer assets, which also reflect market value changes, declined \$9.2 billion from October to a total of \$110 billion.

“We are quite pleased with the continued impressive results both in asset flows and trading volumes, which were delivered by our retail franchise,” said Donald H. Layton, Chairman and Chief Executive Officer, E*TRADE FINANCIAL Corporation. “Our customers remain engaged in this challenging market, as they were net buyers of over \$800 million of securities in November.”

Monthly Activity Data

| | <u>Nov-08</u> | <u>Oct-08</u> | <u>Nov-07⁽¹⁾</u> | <u>% Chg. M/M</u> | <u>% Chg. Y/Y</u> |
|--------------------------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------|
| Trading days | 18.5 | 23 | 20.5 | N.M. | N.M. |
| Daily Average Revenue Trades | 217,838 | 248,817 | 222,209 | (12.5)% | (2.0)% |
| Gross new retail accounts | 80,271 | 131,475 | 80,874 | (38.9)% | (0.7)% |
| End of period retail accounts | 4,525,579 | 4,499,763 | 4,293,726 | 0.6 % | 5.4 % |
| <u>Retail Customer Assets (\$MM)</u> | | | | | |
| Security holdings | \$ 78,697 | \$ 87,548 | \$ 158,558 | (10.1)% | (50.4)% |
| Brokerage related cash | 15,935 | 16,444 | 18,166 | (3.1)% | (12.3)% |
| Other customer cash and deposits | 15,513 | 15,386 | 14,281 | 0.8 % | 8.6 % |
| Total retail customer assets | <u>\$ 110,145</u> | <u>\$ 119,378</u> | <u>\$ 191,005</u> | (7.7)% | (42.3)% |

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

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

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