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**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR APRIL 2009**

New York, May 13, 2009 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for April. The Company ended the month with record total accounts of 4.5 million, which included record brokerage accounts of 2.7 million. This included gross new brokerage accounts of 56,000 and net new brokerage accounts of 32,550. Total Daily Average Revenue Trades (“DARTs”) increased 7.2 percent sequentially and 34.5 percent from the prior year to 230,345.

Asset flows continued to be positive, as the Company realized \$300 million in net new customer assets during April, marking the seventh consecutive month of positive inflows. Total customer cash and deposits (including brokerage related cash) increased slightly during the month, while total customer assets were up 10.3 percent. Customers were net buyers of approximately \$300 million in securities in April.

(more)

Monthly Activity Data

| | <u>Apr-09</u> | <u>Mar-09</u> | <u>Apr-08⁽¹⁾</u> | <u>% Chg. M/M</u> | <u>% Chg. Y/Y</u> |
|--|-------------------|-------------------|-----------------------------|-------------------|-------------------|
| Trading days | 21.0 | 22.0 | 22.0 | N.M. | N.M. |
| Daily Average Revenue Trades | 230,345 | 214,867 | 171,235 | 7.2 % | 34.5 % |
| Gross new brokerage accounts | 56,000 | 75,524 | 48,653 | (25.9)% | 15.1 % |
| Gross new stock plan accounts | 12,213 | 14,522 | 13,701 | (15.9)% | (10.9)% |
| Gross new banking accounts | 7,411 | 11,220 | 18,683 | (33.9)% | (60.3)% |
| Total gross new accounts | <u>75,624</u> | <u>101,266</u> | <u>81,037</u> | (25.3)% | (6.7)% |
| Net new brokerage accounts | 32,550 | 37,587 | 20,215 | N.M. | N.M. |
| Net new stock plan accounts | 3,520 | (8,069) | (26,058) | N.M. | N.M. |
| Net new banking accounts | <u>(6,677)</u> | <u>(4,069)</u> | <u>(100)</u> | N.M. | N.M. |
| Net new accounts | <u>29,393</u> | <u>25,449</u> | <u>(5,943)</u> | N.M. | N.M. |
| End of period brokerage accounts | 2,693,134 | 2,660,584 | 2,498,107 | 1.2 % | 7.8 % |
| End of period stock plan accounts | 1,006,382 | 1,002,862 | 1,002,556 | 0.4 % | 0.4 % |
| End of period banking accounts | 819,122 | 825,799 | 799,472 | (0.8)% | 2.5 % |
| End of period total accounts | <u>4,518,638</u> | <u>4,489,245</u> | <u>4,300,135</u> | 0.7 % | 5.1 % |
| <u>Customer Assets (\$MM)</u> | | | | | |
| Security holdings | \$ 87,096 | \$ 76,083 | \$ 135,841 | 14.5 % | (35.9)% |
| Brokerage related cash | 18,013 | 17,201 | 17,702 | 4.7 % | 1.8 % |
| Other customer cash and deposits | <u>16,670</u> | <u>17,153</u> | <u>15,841</u> | (2.8)% | 5.2 % |
| Total customer assets | <u>\$ 121,779</u> | <u>\$ 110,437</u> | <u>\$ 169,384</u> | 10.3 % | (28.1)% |
| Net new customer assets (\$B) ⁽²⁾ | \$ 0.3 | \$ 1.1 | \$ (0.5) | N.M. | N.M. |

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

⁽²⁾ Net new customer assets for April 2008 excludes an outflow of \$0.9 billion related to the sale of Retirement Advisors of America.

Historical Monthly Activity Data from January 2006 to April 2009 can be found on the E*TRADE FINANCIAL investor relations site at <https://investor.etrade.com>.

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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, including changes to the U.S. Treasury's Troubled Asset Relief Program, 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. Any forward-looking statement included in this release speaks only as of the date of this communication; the Company disclaims any obligation to update any information.

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