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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>.

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