

FOR IMMEDIATE RELEASE

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R. JARRETT LILIEN JOINS E*TRADE FINANCIAL BOARD OF DIRECTORS

New York, November 8, 2006 – E*TRADE FINANCIAL Corporation (NYSE: ET) today announced that R. Jarrett Lilien has joined the Company's Board of Directors, effective November 7, 2006. Mr. Lilien will remain in his current position as President and Chief Operating Officer, E*TRADE FINANCIAL. He will not be a member of any committees of the Board.

"Jarrett's unmatched depth of operational experience and his insight into the needs of retail and institutional customers make him an important addition to the board," said George Hayter, Chairman of the Board, E*TRADE FINANCIAL.

Mr. Lilien joined E*TRADE FINANCIAL in August 1999. Prior to his election as President and COO in March 2003, Mr. Lilien served as Chief Brokerage Officer and President, E*TRADE Securities. He has also served the Company as Managing Director, Asia-Pacific and Latin America.

"E*TRADE FINANCIAL has benefited greatly from Jarrett's focused pursuit of revenue growth and enhanced profitability for the Company," said Mitchell H. Caplan, Chief Executive Officer, E*TRADE FINANCIAL Corporation. "As we continue to build upon our integrated approach to personal finance management and expand our global footprint, Jarrett's strategic contributions will be invaluable."

About E*TRADE FINANCIAL

The E*TRADE FINANCIAL family of companies provides financial services including trading, investing, banking and lending for Retail and Institutional customers. Securities products and services are offered by E*TRADE Securities LLC (Member NASD/SIPC). Bank and lending products and services are offered by E*TRADE Bank, a Federal savings bank, Member FDIC, or its subsidiaries.

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looking are based on current expectations that are subject to a number of uncertainties and risks, and actual results may differ materially. The uncertainties and risks include, but are not limited to, changes in market activity, anticipated increases in the rate of new customer acquisition, the conversion of new visitors to the site to customers, the activity of customers and assets held at the institution, seasonality, the development and enhancement of products and services, competitive pressures (including price competition), system failures, economic and political conditions, 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.

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