

FOR IMMEDIATE RELEASE

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E*TRADE FINANCIAL MOVES COMMON STOCK LISTING TO NASDAQ

New York, December 14, 2006 – E*TRADE FINANCIAL today announced that it will list its common stock on the NASDAQ® Global Select Market under the symbol ETFC. The Company will also list certain mandatory convertible notes known as Equity Units on NASDAQ under the symbol ETFCP.

“We are pleased to join NASDAQ, a true innovator whose value proposition parallels our own, leveraging technology to provide customers with low fees, superior service and fair, efficient and transparent market access and execution,” said Mitchell H. Caplan, Chief Executive Officer, E*TRADE FINANCIAL Corporation.

“NASDAQ, E*TRADE FINANCIAL, and the companies that list with us share a desire to move beyond old ways of doing business and lead through innovation. We are proud that E*TRADE FINANCIAL, a pioneer in online financial services, has chosen to list on NASDAQ. We welcome them to our family of 3,200 companies,” said Bob Greifeld, President and Chief Executive Officer of The Nasdaq Stock Market, Inc.

E*TRADE FINANCIAL plans to cease trading on the New York Stock Exchange and elsewhere under its NYSE symbol ET effective with the market close on Tuesday, December 26, 2006. The Company’s stock will begin trading on the NASDAQ Global Select Market under the new symbol ETFC at market open Wednesday, December 27, 2006. Similarly, the Company plans to cease trading of the Equity Units under its NYSE symbol ET Pr effective with the market close on Tuesday, December 26, 2006 and to begin trading on the NASDAQ Global Market under the symbol ETFCP at the market open Wednesday, December 27, 2006.

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.

About NASDAQ

NASDAQ is the largest U.S. electronic stock market. With approximately 3,200 companies, it lists more companies and, on average, trades more shares per day than any other U.S. market. It is home to companies that are leaders across all areas of business including technology, retail, communications, financial services, transportation, media and biotechnology. NASDAQ is the primary market for trading NASDAQ-listed stocks. For more information about NASDAQ, visit the NASDAQ Web site at <http://www.nasdaq.com> or the NASDAQ Newsroom at <http://www.nasdaq.com/newsroom/>.

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E*TRADE FINANCIAL and the E*TRADE FINANCIAL logo are registered trademarks or trademarks of E*TRADE FINANCIAL Corporation. The statements contained in this news release that are forward-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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