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**E*TRADE FINANCIAL ANNOUNCES LAUNCH OF GLOBAL TRADING PLATFORM,
PROVIDING RETAIL INVESTORS ONLINE ACCESS TO FOREIGN MARKETS**

Both Active Traders and Mass Affluent Investors Indicate Strong Interest

NEW YORK, February 20, 2007 — E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today announced that E*TRADE Securities LLC has launched its Global Trading platform. E*TRADE's US retail customers will now have online access to foreign stocks and currencies in the major international markets and will have the ability to buy, hold and sell in the respective local currency. The pilot launch is focused on the major global markets — Canada, France, Germany, Hong Kong, Japan and the United Kingdom — and may be expanded to include online access to up to 42 international markets and related currencies.

“Demand for international investing continues to rise dramatically in the United States,” said R. Jarrett Lilien, President and Chief Operating Officer, E*TRADE FINANCIAL Corporation. “Retail investors see international investments as a key component of overall portfolio diversification and, want the added benefit of direct share ownership. Our Global Trading initiative offers E*TRADE customers online access to six major international markets, making it easy and affordable to own foreign equities.”

A recent survey of E*TRADE brokerage customers indicates that 67% of those polled are interested in trading stocks on foreign exchanges, with Mass Affluent investors as likely as Active Traders to take advantage of direct international investing opportunities. Those surveyed cited the opportunity for enhanced portfolio diversification (85%), currency exposure (59%), and the opportunity to invest in growth sectors/stocks (49%) as the top three reasons why direct investing outside the US is attractive.

Through our online Global Trading platform US brokerage customers can:

- Buy and sell common stock (limit orders) in Canada, France, Germany, Hong Kong, Japan and the United Kingdom
- Buy, sell and hold the following currencies in their accounts¹:
 - US Dollar
 - Canadian Dollar
 - British Pound Sterling
 - Euro
 - Hong Kong Dollar
 - Japanese Yen
- Transfer multiple currencies
- View account information:
 - Multi-market Positions
 - Balances within each currency
 - Order status
 - Transaction details
- View international real-time quotes from exchanges in Canada, France, Germany, Japan and the United Kingdom
- View delayed quotes from Hong Kong
- Access international news, including headlines and company news
- View international charts, including mini-charts for indices

With foreign affiliates that provide access to 42 international markets, as well as 15 international branded websites and eight physical locations outside the US, E*TRADE FINANCIAL is uniquely positioned to provide retail customers with access to foreign markets. In addition to providing online access today to six global markets, E*TRADE offers broker-assisted access to an additional 36 markets, providing customers access to 42 international markets overall. E*TRADE plans, in time, to offer US retail brokerage customers online investing access to all 42 international exchanges and related currencies.

“Last year US investment in international mutual funds was greater than it was in US-based mutual funds — demonstrating the acceptance of investing outside the US as a real option for today’s retail investor,” added Lilien. “The barrier to entry to compete on a global scale is high. E*TRADE FINANCIAL’s existing international network infrastructure allows us to bring global capabilities to US retail investors rapidly and cost-effectively.”

The Global Trading platform will be made widely available to E*TRADE customers in Q2 2007. For more information, visit www.etrade.com.

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.

Editor's Note: E*TRADE FINANCIAL will be distributing a photo news release of the executive team ringing the opening bell at the NASDAQ over BusinessWire today.

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- 1 Currency exchanges are effected by affiliates of E*TRADE Securities on a principal basis, and may include a mark-up or mark-down, as appropriate. More favorable exchange rates may be available through third parties not affiliated with E*TRADE Securities. These transactions are not regulated or overseen by the Securities and Exchange Commission, the Commodities Futures Trading Commission, or any of the securities or commodities self-regulatory organizations.

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