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E*TRADE FINANCIAL ANNOUNCES LAUNCH OF HIGH YIELD CHECKING ACCOUNT

Broadens cash management offerings with a 3.25% APY checking account

New York, NY, March 13, 2007 — E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today announced the launch of E*TRADE Bank's high-yield checking account which includes the full-functionality of a traditional checking account plus unlimited ATM fee refunds nationwide. The E*TRADE Max-Rate Checking Account features an Annual Percentage Yield as high as 3.25%¹ – over 9X the national average of 0.36%² – with unlimited check writing, ATM fee refunds³, free Quick Transfer, online bill pay and a Visa-branded debit card.

"Consumers want a high yield on their transactional cash but not at the expense of functionality," said Michael Curcio, Managing Director, E*TRADE FINANCIAL Corporation. "We've leveraged technology to provide customers with the tools and services to help them optimize their savings and investments. Now we are doing the same for their every day cash."

The Max-Rate checking account is built on E*TRADE Bank's industry-leading online banking platform which features advanced technology such as:

- Free online bill pay
- Automatic ATM fee refunds for all ATM transactions nationwide
- Free Quick Transfers for easy, secure money movement between E*TRADE accounts and other financial institutions⁴
- Automatic payment and balance alerts
- Online checking and deposit images

The Max-Rate Checking Account complements E*TRADE's full suite of investing, trading, cash management and lending solutions, including:

- E*TRADE Complete™ Investment Account with low, customized stock and options commissions from \$6.99-12.99 based on a customer's combined account balances and/or trading activity⁵
- Complete Savings Account offering 5.05% APY with no minimum balance and no account fees⁶
- Certificates of Deposit with terms from 3 months to 5 years, with the 1 year CD offering a current yield of 5.16% APY⁷
- E*TRADE Money Market Account with yields as high as 4.20% APY⁸, check writing capabilities and an ATM/debit card with unlimited free ATM fee refunds nationwide
- Low mortgage and home equity rates with E*TRADE Mortgage's comprehensive Up-Front Price Promise with a single quote for all fees

All E*TRADE bank, brokerage and lending accounts are backed by the E*TRADE Complete™ Protection Guarantee, a guarantee that covers specified losses resulting from the unauthorized online use of a customer's E*TRADE account. In addition, E*TRADE empowers customers to protect themselves from unauthorized access to their accounts by offering customers the Digital Security ID. Known as "two-factor authentication," this innovative and easy-to-use key from RSA®, the Security Division of EMC, provides a unique six-digit code that changes every 60 seconds, which when used in conjunction with a customer's user name and password, makes unauthorized logins to a customer's account virtually impossible⁹.

For more information about the Max-Rate Checking Account or E*TRADE's banking, lending or investing products and services, please 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. Bank deposits are FDIC insured up to \$100,000. Lending products subject to credit approval.

¹ As of 3/9/07, the Annual Percentage Yield (APY) of the Max-Rate Checking Account is 3.25% for balances of \$50,000 or more, 3.25% for balances of \$5,000 - \$49,999, and 0.50% for balances of less than \$5,000. Rates are subject to change daily and fees may reduce earnings. **A \$100 minimum deposit is required to open a new account. Account holders must maintain a minimum average monthly balance of \$5,000 to avoid a \$15 monthly fee.** See etrade.com/maxrate for other ways to avoid this fee.

² The APY of the Max-Rate Checking Account as of 2/28/2007 is more than 9 times the national average APY for checking accounts with balances of \$5,000. Source: Informa Research Services, Inc., Calabasas, CA.

www.informars.com. Although the information has been obtained from the various institutions themselves, the accuracy cannot be guaranteed.

3. With Max-Rate Checking and the E*TRADE Money Market Account, E*TRADE Bank will not charge you a fee for withdrawing funds from any institution's ATM nationwide but the owner/operator of the ATM may. These fees will automatically be credited to your account. E*TRADE Bank does impose a charge equal to 1% of the transaction amount (including credits and reversals) for non-U.S. currency transactions. In the event E*TRADE Bank in its sole discretion determines that there has been either fraudulent or excessive use of the feature on a given account, E*TRADE Bank reserves the right to remove this feature and not refund the ATM fees. For additional information and important details about how the ATM fee refund will be applied, **please visit www.etrade.com/atmrefundpolicy**.

4. **For details and important information about Quick Transfer, please visit etrade.com/quicktransfer** for a listing of the limitations, restrictions and deadlines associated with this service.

⁵ To qualify for Power E*TRADE, you must execute at least 30 stock or options trades during a calendar quarter. Commission rates for Power E*TRADE customers that execute between 30-149 stock or options trades a quarter are \$9.99 (plus an additional \$0.75 per options contract) and \$6.99 for Power E*TRADE customers that execute at least 1,500 stock or options trades a quarter (plus an additional \$0.75 per options contract). To continue receiving Power E*TRADE commission rates, you must re-qualify by making at least 30 trades by the end of the following quarter. Other commission rates apply to customers who trade less than 30 times per quarter. **For additional details and important information about Power E*TRADE please visit www.powertrade.com**.

⁶ Annual Percentage Yield (APY) on Complete Savings Accounts is effective 3/6/07 and is subject to change. A \$1 minimum deposit is required to open a new account. Withdrawal limits apply. Online statements required.

⁷ Annual Percentage Yield (APY) on certificates of deposit applies for terms specified. Must be a new account with new funds. Minimum deposit of \$1,000 required. Penalty for withdrawal of principal before maturity date equal to 1/2 of the simple interest for the term of the CD, earned or unearned.

⁸ Annual Percentage Yield (APY) on Money Market Accounts of 4.20% as 3/6/07 and applies to balances of \$50,000 or more. Balances of \$5,000-\$49,999 will earn 3.10% APY and balances of less than \$5,000 will earn 0.30% APY. **A \$100 minimum deposit is required to open account and account holders must maintain a minimum average monthly balance of \$1,000, or \$5,000 in total E*TRADE Bank deposits, by the end of their second statement cycle to avoid a \$10 monthly fee.** This fee is waived for qualified customers with \$50,000 or more in combined E*TRADE Securities and E*TRADE Bank accounts or who average at least 30 stock or options trades during a calendar quarter. A \$10 early closeout fee will be assessed if account is closed within 120 days of opening. Certain fees may reduce earnings on account. Yields are subject to change daily. Withdrawal limits apply. Under Federal regulations related to these types of accounts, account holders are allowed up to six withdrawals or transfers (for example, using Quick Transfer) from their account in any calendar month, with a maximum of three withdrawals by check or a merchant initiated account debit. ATM withdrawals and inbound Quick Transfers are not subject to any limits.

⁹ E*TRADE FINANCIAL is proud to offer this state-of-the-art security authentication system used by more than 15 million user identities, safeguards trillions of business transactions annually, and manages the confidentiality of data in tens of thousands of applications worldwide. If used properly, this security technology will not permit unauthorized access. While we continually strive to provide the best available security technology, no guarantee can be made that new methods may not emerge to circumvent this technology.

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previously filed by E*TRADE Group, Inc. or 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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