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**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR NOVEMBER 2011;
PROVIDES UPDATES TO ITS LOAN DELINQUENCIES**

NEW YORK, December 14, 2011 – E*TRADE Financial Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for November 2011.

Daily Average Revenue Trades (“DARTs”) for November were 141,361, a 10 percent decrease from October and an 11 percent decrease from the year-ago period. The company ended the month with approximately 2.8 million brokerage accounts – including gross new brokerage accounts of 24,541 and net new brokerage accounts of 207 during the month. Total accounts ended the month at approximately 4.3 million.

Net new brokerage assets were positive \$0.6 billion in the month. During the month, customer security holdings declined by one percent, or \$1.2 billion, and brokerage-related cash declined by \$0.8 billion to \$26.3 billion, as customers were net purchasers of approximately \$1.6 billion in securities. Bank-related cash and deposits ended the month unchanged, at \$7.8 billion.

The company also updated delinquency statistics in its loan portfolio. For the company’s entire loan portfolio, total special mention delinquencies (30 to 89 days delinquent) were unchanged from September 30, 2011 to November 30, 2011 and increased five percent from October 31, 2011 to November 30, 2011, while total “at risk” delinquencies (30 to 179 days delinquent) were unchanged from September 30, 2011 to November 30, 2011 and increased two percent from October 31, 2011 to November 30, 2011. Additional loan delinquency data is provided in the second table of this release.

Monthly Activity Data

	Nov-11	Oct-11	Nov-10	% Chg. M/M	% Chg. Y/Y
Trading days	20.5	21.0	20.5	N.M.	N.M.
DARTs	141,361	157,713	158,770	(10.4)%	(11.0)%
Gross new brokerage accounts	24,541	22,723	30,355	8.0 %	(19.2)%
Gross new stock plan accounts	11,383	12,147	12,305	(6.3)%	(7.5)%
Gross new banking accounts	1,391	1,697	1,688	(18.0)%	(17.6)%
Total gross new accounts	37,315	36,567	44,348	2.0 %	(15.9)%
Net new brokerage accounts	207	(836)	5,182	N.M.	N.M.
Net new stock plan accounts	(781)	1,597	2,363	N.M.	N.M.
Net new banking accounts	(3,541)	(3,218)	(7,514)	N.M.	N.M.
Net new accounts	(4,115)	(2,457)	31	N.M.	N.M.
End of period brokerage accounts	2,772,187	2,771,980	2,666,051	0.0 %	4.0 %
End of period stock plan accounts	1,062,904	1,063,685	1,036,134	(0.1)%	2.6 %
End of period banking accounts	466,024	469,565	521,799	(0.8)%	(10.7)%
End of period total accounts	4,301,115	4,305,230	4,223,984	(0.1)%	1.8 %
Customer Assets (\$B)					
Security holdings	\$ 120.1	\$ 121.3	\$ 114.4	(1.0)%	5.0 %
Customer payables (cash)	5.1	5.7	4.9	(10.5)%	4.1 %
Customer cash balances held by third parties	3.3	3.4	3.3	(2.9)%	0.0 %
Unexercised stock plan customer options (vested)	19.1	19.8	19.9	(3.5)%	(4.0)%
Customer assets in brokerage and stock plan accounts	147.6	150.2	142.5	(1.7)%	3.6 %
Sweep deposits	17.9	18.0	15.6	(0.6)%	14.7 %
Savings, transaction and other	7.8	7.8	9.0	0.0 %	(13.3)%
Customer assets in banking accounts	25.7	25.8	24.6	(0.4)%	4.5 %
Total customer assets	\$ 173.3	\$ 176.0	\$ 167.1	(1.5)%	3.7 %
Net new brokerage assets (\$B) ⁽¹⁾	\$ 0.6	\$ 0.6	\$ 0.8	N.M.	N.M.
Net new banking assets (\$B) ⁽¹⁾	(0.1)	-	(0.1)	N.M.	N.M.
Net new customer assets (\$B) ⁽¹⁾	\$ 0.5	\$ 0.6	\$ 0.7	N.M.	N.M.
Brokerage related cash (\$B)	\$ 26.3	\$ 27.1	\$ 23.8	(3.0)%	10.5 %
Other customer cash and deposits (\$B)	7.8	7.8	9.0	0.0 %	(13.3)%
Total customer cash and deposits (\$B)	\$ 34.1	\$ 34.9	\$ 32.8	(2.3)%	4.0 %

(1) Net new customer assets are total inflows to all new and existing customer accounts less total outflows from all closed and existing customer accounts. The net new banking assets and net new brokerage assets metrics treat asset flows between E*TRADE entities in the same manner as unrelated third party accounts.

Loan Delinquency Data

	Nov-11	Oct-11	Sep-11	% Chg. Nov 11 - Oct 11	% Chg. Oct 11 - Sep 11	% Chg. Nov 11 - Sep 11
<u>One- to Four-Family (\$MM)</u>						
Current	\$ 5,841	\$ 5,941	\$ 6,000	(2)%	(1)%	(3)%
30-89 days delinquent	289	275	292	5 %	(6)%	(1)%
90-179 days delinquent	142	145	141	(2)%	3 %	1 %
Total 30-179 days delinquent	431	420	433	3 %	(3)%	(0)%
180+ days delinquent	497	529	556	(6)%	(5)%	(11)%
Total delinquent loans ⁽¹⁾	928	949	989	(2)%	(4)%	(6)%
Gross loans receivable ⁽²⁾	\$ 6,769	\$ 6,890	\$ 6,989	(2)%	(1)%	(3)%
<u>Home Equity (\$MM)</u>						
Current	\$ 5,157	\$ 5,246	\$ 5,330	(2)%	(2)%	(3)%
30-89 days delinquent	154	145	147	6 %	(1)%	5 %
90-179 days delinquent	108	114	109	(5)%	5 %	(1)%
Total 30-179 days delinquent	262	259	256	1 %	1 %	2 %
180+ days delinquent	53	51	51	4 %	0 %	4 %
Total delinquent loans ⁽¹⁾	315	310	307	2 %	1 %	3 %
Gross loans receivable ⁽²⁾	\$ 5,472	\$ 5,556	\$ 5,637	(2)%	(1)%	(3)%
<u>Consumer and Other (\$MM)</u>						
Current	\$ 1,128	\$ 1,152	\$ 1,170	(2)%	(2)%	(4)%
30-89 days delinquent	18	17	20	6 %	(15)%	(10)%
90-179 days delinquent	4	3	4	33 %	(25)%	0 %
Total 30-179 days delinquent	22	20	24	10 %	(17)%	(8)%
180+ days delinquent	-	-	-	N.M.	N.M.	N.M.
Total delinquent loans	22	20	24	10 %	(17)%	(8)%
Gross loans receivable ⁽²⁾	\$ 1,150	\$ 1,172	\$ 1,194	(2)%	(2)%	(4)%
<u>Total Loans Receivable (\$MM)</u>						
Current	\$ 12,126	\$ 12,339	\$ 12,500	(2)%	(1)%	(3)%
30-89 days delinquent	461	437	459	5 %	(5)%	0 %
90-179 days delinquent	254	262	254	(3)%	3 %	0 %
Total 30-179 days delinquent	715	699	713	2 %	(2)%	0 %
180+ days delinquent	550	580	607	(5)%	(4)%	(9)%
Total delinquent loans	1,265	1,279	1,320	(1)%	(3)%	(4)%
Total gross loans receivable ⁽²⁾	\$ 13,391	\$ 13,618	\$ 13,820	(2)%	(1)%	(3)%

⁽¹⁾ Delinquent loans include charge-offs for loans that are in bankruptcy or are 180 days past due which have been written down to their fair value.

⁽²⁾ Includes unpaid principal balances and premiums (discounts).

Historical metrics and financials through November 2011 can be found on E*TRADE Financial's investor relations website at <https://investor.etrade.com>.

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