



FOR IMMEDIATE RELEASE

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E*TRADE FINANCIAL ANNOUNCES SECONDARY OFFERING OF 27,394,448 SHARES OF COMMON STOCK BY AN AFFILIATE OF CITADEL LLC

NEW YORK, March 13, 2013 – E*TRADE Financial Corporation (NASDAQ: ETFC) today announced that Citadel Equity Fund Ltd., an affiliate of Citadel LLC, plans to offer 27,394,448 shares of E*TRADE's common stock in an underwritten offering. The closing of the offering is expected to occur on or about March 19, 2013, subject to customary closing conditions. E*TRADE will not receive any proceeds from the sale of common stock by the selling stockholders in the offering, and its total number of common shares outstanding will not change as a result of the offering.

Citigroup will be the sole underwriter of this offering. Citigroup proposes to offer the shares from time to time for sale in negotiated transactions or otherwise, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices.

A copy of the prospectus supplement relating to the offering may be obtained by contacting: Citigroup, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717 (Tel: 800-831-9146).

A shelf registration statement relating to the offering was filed with the Securities and Exchange Commission on May 14, 2012 and became effective automatically upon filing. The offering is being made solely by means of a prospectus supplement and accompanying prospectus. This press release does not constitute an offer to sell or the solicitation of an offer to buy securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

About E*TRADE Financial

The E*TRADE Financial family of companies provides financial services including online brokerage and related banking products and services to retail investors. Specific business segments include Trading and Investing and Balance Sheet Management. Securities products and services are offered by E*TRADE Securities LLC (Member FINRA/SIPC). Bank products and services are offered by E*TRADE Bank, a Federal savings bank, Member FDIC, or its subsidiaries and affiliates.

Important Notices

E*TRADE Financial, E*TRADE and the E*TRADE logo are trademarks or registered trademarks of E*TRADE Financial Corporation. ETFC-G

Forward-Looking Statements: This press release contains forward-looking statements relating to E*TRADE's expectations regarding the completion of the offering. These forward-looking

statements are subject to a number of uncertainties and risks, which include, but are not limited to, uncertainties and risks related to the satisfaction of customary closing conditions relating to the public offering. There can be no assurance that the public offering will be completed on the anticipated timeframe or at all. Additional risks and uncertainties can be found in the annual, quarterly and current reports on Form 10-K, Form 10-Q, and Form 8-K previously filed by E*TRADE with the Securities and Exchange Commission (including information in these reports under the caption "Risk Factors"). Any forward-looking statement included in this release speaks only as of the date of this communication; the Company disclaims any obligation to update any information.

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