

FOR IMMEDIATE RELEASE

E*TRADE Media Relations

Thayer Fox
646-521-4418
thayer.fox@etrade.com

E*TRADE Investor Relations

Brett Goodman
646-521-4406
brett.goodman@etrade.com

**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR FEBRUARY 2016**

NEW YORK, March 14, 2016 – E*TRADE Financial Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for February 2016.

Daily Average Revenue Trades ("DARTs") for February were 164,077, a six percent decrease from January and a nine percent decrease from the year-ago period. The Company added 38,494 gross new brokerage accounts in February and ended the month with approximately 3.2 million brokerage accounts — an increase of 17,875 from January.

Net new brokerage assets were \$0.9 billion in the month. During the month, customer security holdings increased by \$2.2 billion, and brokerage-related cash increased by \$0.1 billion to \$41.1 billion. Bank-related cash and deposits remained flat, ending the month at \$5.3 billion. Customers were net buyers of approximately \$0.7 billion in securities during the month.

(more)

Monthly Activity Data

	Feb-16	Jan-16	Feb-15	% Chg. M/M	% Chg. Y/Y
Trading days	20.0	19.0	19.0	N.M.	N.M.
DARTs	164,077	175,346	179,420	(6.4)%	(8.6)%
Gross new brokerage accounts	38,494	29,666	37,224	29.8 %	3.4 %
Gross new stock plan accounts	16,300	25,145	15,166	(35.2)%	7.5 %
Gross new banking accounts	363	377	422	(3.7)%	(14.0)%
Total gross new accounts	55,157	55,188	52,812	(0.1)%	4.4 %
Net new brokerage accounts ⁽¹⁾	17,875	4,815	20,715	N.M.	N.M.
Net new stock plan accounts	(1,017)	11,395	(4,307)	N.M.	N.M.
Net new banking accounts	(1,310)	(1,580)	(1,373)	N.M.	N.M.
Net new accounts	15,548	14,630	15,035	N.M.	N.M.
End of period brokerage accounts ⁽¹⁾	3,236,231	3,218,356	3,171,672	0.6 %	2.0 %
End of period stock plan accounts	1,418,531	1,419,548	1,269,249	(0.1)%	11.8 %
End of period banking accounts	336,998	338,308	359,108	(0.4)%	(6.2)%
End of period total accounts	4,991,760	4,976,212	4,800,029	0.3 %	4.0 %
Customer Assets (\$B)					
Security holdings	\$ 192.6	\$ 190.4	\$ 216.0	1.2 %	(10.8)%
Customer payables (cash)	6.4	6.2	6.7	3.2 %	(4.5)%
Customer assets held by third parties ⁽²⁾	10.9	11.0	16.1	(0.9)%	(32.3)%
Sweep deposits	23.8	23.8	19.3	0.0 %	23.3 %
Brokerage customer assets	233.7	231.4	258.1	1.0 %	(9.5)%
Unexercised stock plan customer holdings (vested)	28.6	29.2	39.6	(2.1)%	(27.8)%
Savings, checking and other banking customer assets	5.3	5.3	5.8	0.0 %	(8.6)%
Total customer assets	267.6	265.9	303.5	0.6 %	(11.8)%
Net new brokerage assets (\$B) ⁽³⁾	\$ 0.9	\$ 1.0	\$ 1.7	N.M.	N.M.
Net new banking assets (\$B) ⁽³⁾	0.0	(0.1)	0.1	N.M.	N.M.
Net new customer assets (\$B) ⁽³⁾	\$ 0.9	\$ 0.9	\$ 1.8	N.M.	N.M.
Brokerage related cash (\$B)	\$ 41.1	\$ 41.0	\$ 42.1	0.2 %	(2.4)%
Other customer cash and deposits (\$B)	5.3	5.3	5.8	0.0 %	(8.6)%
Total customer cash and deposits (\$B)	\$ 46.4	\$ 46.3	\$ 47.9	0.2 %	(3.1)%
Customer net (buy) / sell activity (\$B)	\$ (0.7)	\$ (1.2)	\$ 0.8	N.M.	N.M.

- (1) Net new brokerage accounts include the closure of 1,524 accounts in February 2016 and 1,440 accounts in January 2016 related to the shutdown of the Company's Hong Kong and Singapore operations.
- (2) Customer assets held by third parties are held outside E*TRADE Financial and include money market funds and sweep deposit accounts at unaffiliated financial institutions. Customer assets held by third parties are not reflected in the Company's consolidated balance sheet and are not immediately available for liquidity purposes. However, the Company maintains the ability to transfer approximately half of these customer assets to its balance sheet with notification to the third party institutions and customer consent, as appropriate.
- (3) 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 brokerage assets and net new banking assets metrics treat asset flows between E*TRADE entities in the same manner as unrelated third party accounts.

Historical metrics and financials can be found on E*TRADE Financial's corporate website at <https://about.etrade.com>.

(more)

About E*TRADE Financial

E*TRADE Financial and its subsidiaries provide 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. More information is available at www.etrade.com.

###

Important Notices

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

© 2016 E*TRADE Financial Corporation. All rights reserved.