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**E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY ACTIVITY FOR
JANUARY 2007**

New York, February 14, 2007 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for January. The Company's total retail client assets increased 1.7 percent sequentially, totaling \$198.3 billion. End of period margin debt balances decreased 1.3 percent sequentially to \$6.9 billion, with average margin debt balances decreasing 2.2 percent to approximately \$6.9 billion. Total Daily Average Revenue Trades ("DARTs") were 174,529, up almost 17 percent sequentially. Gross new retail accounts for the month totaled 123,361 – resulting in total end-of-period retail accounts of 4,456,016.

"Our investments in marketing and service continue to improve the value and quality of our account base," said R. Jarrett Lilien, President and Chief Operating Officer, E*TRADE FINANCIAL Corporation. "We continue to see significant success in attracting, retaining and migrating clients into our highest value customer segments which translated into strong growth in deposits, assets and transactions in January."

(more)

Monthly Activity Data

	Jan-07	Dec-06	Jan-07 vs. Dec-06	Qtr Ended 12/31/06	Jan-07 vs. Qtr Ended 12/31/06
Trading days	20.0	20.0	N.M.	62.5	N.M.
<u>DARTs</u>					
US	146,779	127,850	14.8 %	132,716	10.6 %
International	27,750	21,664	28.1 %	22,910	21.1 %
Total DARTs	174,529	149,514	16.7 %	155,626	12.1 %
<u>Market Making</u>					
Equity shares traded (MM)	13,897	11,903	16.8 %	41,645	N.M.
Average revenue capture per 1,000 equity shares	\$0.547	\$0.636	(14.0)%	\$0.551	(0.7)%
<u>Gross New Retail Accounts</u>					
Investing/trading accounts	63,389	50,357	N.M.	159,145	N.M.
Deposit/lending accounts	59,972	51,834	N.M.	112,456	N.M.
Total gross new retail accounts	123,361	102,191	N.M.	271,601	N.M.
<u>End of Period Retail Accounts</u>					
Investing/trading accounts	3,600,639	3,606,582	(0.2)%	3,606,582	(0.2)%
Deposit/lending accounts	855,377	821,088	4.2 %	821,088	4.2 %
Total end of period retail accounts	4,456,016	4,427,670	0.6 %	4,427,670	0.6 %
End of period margin debt (\$MM)	\$6,912	\$7,003	(1.3)%	\$7,003	(1.3)%
Average margin debt (\$MM)	\$6,855	\$7,008	(2.2)%	\$6,722	2.0 %
<u>Retail Client Assets (\$MM)</u>					
Client assets in investing/trading accounts	\$174,130	\$171,320	1.6 %	\$171,320	1.6 %
Client assets in deposit accounts	24,187	23,587	2.5 %	23,587	2.5 %
Total retail client assets	\$198,317	\$194,907	1.7 %	\$194,907	1.7 %

Historical monthly metric data from January 2003 to January 2007 can be found on the E*TRADE FINANCIAL investor relations site at www.etrade.com.

About E*TRADE FINANCIAL

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