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**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR FEBRUARY 2013;
PROVIDES UPDATES TO ITS LOAN DELINQUENCIES**

NEW YORK, March 13, 2013 – E*TRADE Financial Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for February 2013.

Daily Average Revenue Trades (“DARTs”) for February were 152,154, a one percent decrease from January and a 10 percent decrease from the year-ago period. The Company added 31,123 gross new brokerage accounts in February, ending the month with approximately 2.9 million brokerage accounts – an increase of 9,941 from January. Total accounts ended the month at approximately 4.5 million.

Net new brokerage assets were positive \$0.9 billion in the month. During the month, customer security holdings increased by one percent, or \$1.1 billion, and brokerage-related cash ended the month unchanged, at \$34.2 billion, while customers were net buyers of approximately \$0.9 billion in securities. Bank-related cash and deposits ended the month unchanged, at \$6.9 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) decreased nine percent from December 31, 2012 to February 28, 2013 and decreased two percent from January 31, 2013 to February 28, 2013, while total “at risk” delinquencies (30 to 179 days delinquent) decreased eight percent from December 31, 2012 to February 28, 2013 and decreased four percent from January 31, 2013 to February 28, 2013. Additional loan delinquency data is provided in the second table of this release.

(more)

Monthly Activity Data

	Feb-13	Jan-13	Feb-12	% Chg. M/M	% Chg. Y/Y
Trading days	19.0	21.0	20.0	N.M.	N.M.
DARTs	152,154	153,580	168,973	(0.9)%	(10.0)%
Gross new brokerage accounts	31,123	31,286	39,023	(0.5)%	(20.2)%
Gross new stock plan accounts	21,256	21,310	19,406	(0.3)%	9.5 %
Gross new banking accounts	933	980	1,695	(4.8)%	(45.0)%
Total gross new accounts	53,312	53,576	60,124	(0.5)%	(11.3)%
Net new brokerage accounts	9,941	9,127	18,120	N.M.	N.M.
Net new stock plan accounts	8,258	9,114	7,608	N.M.	N.M.
Net new banking accounts	(2,122)	(2,841)	(3,184)	N.M.	N.M.
Net new accounts	16,077	15,400	22,544	N.M.	N.M.
End of period brokerage accounts	2,922,259	2,912,318	2,811,173	0.3 %	4.0 %
End of period stock plan accounts	1,164,966	1,156,708	1,096,256	0.7 %	6.3 %
End of period banking accounts	424,309	426,431	457,906	(0.5)%	(7.3)%
End of period total accounts	4,511,534	4,495,457	4,365,335	0.4 %	3.3 %
Customer Assets (\$B)					
Security holdings	\$ 144.9	\$ 143.8	\$ 133.7	0.8 %	8.4 %
Customer payables (cash)	4.9	5.1	5.7	(3.9)%	(14.0)%
Customer cash balances held by third parties ⁽¹⁾	9.5	9.3	3.7	2.2 %	156.8 %
Unexercised stock plan customer options (vested)	25.5	25.2	23.3	1.2 %	9.4 %
Customer assets in brokerage and stock plan accounts	184.8	183.4	166.4	0.8 %	11.1 %
Sweep deposits	19.8	19.8	21.2	0.0 %	(6.6)%
Savings, transaction and other	6.9	6.9	7.9	0.0 %	(12.7)%
Customer assets in banking accounts	26.7	26.7	29.1	0.0 %	(8.2)%
Total customer assets	\$ 211.5	\$ 210.1	\$ 195.5	0.7 %	8.2 %
Net new brokerage assets (\$B) ⁽²⁾	\$ 0.9	\$ 1.0	\$ 1.9	N.M.	N.M.
Net new banking assets (\$B) ⁽²⁾	(0.0)	(0.2)	0.1	N.M.	N.M.
Net new customer assets (\$B) ⁽²⁾	\$ 0.9	\$ 0.8	\$ 2.0	N.M.	N.M.
Brokerage related cash (\$B)	\$ 34.2	\$ 34.2	\$ 30.6	0.0 %	11.8 %
Other customer cash and deposits (\$B)	6.9	6.9	7.9	0.0 %	(12.7)%
Total customer cash and deposits (\$B)	\$ 41.1	\$ 41.1	\$ 38.5	0.0 %	6.8 %
Customer net (purchase) / sell activity (\$B)	\$ (0.9)	\$ (0.3)	\$ 0.0	N.M.	N.M.

(1) Customer cash balances held by third parties are held outside E*TRADE Financial and include money market funds and sweep deposit accounts at unaffiliated financial institutions.

(2) 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.

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Loan Delinquency Data

	Feb-13	Jan-13	Dec-12	% Chg. Feb 13 - Jan 13	% Chg. Jan 13 - Dec 12	% Chg. Feb 13 - Dec 12
<u>One- to Four-Family (\$MM)</u>						
Current	\$ 4,734	\$ 4,799	\$ 4,858	(1)%	(1)%	(3)%
30-89 days delinquent	211	216	233	(2)%	(7)%	(9)%
90-179 days delinquent	93	100	95	(7)%	5 %	(2)%
Total 30-179 days delinquent	304	316	328	(4)%	(4)%	(7)%
180+ days delinquent	272	274	279	(1)%	(2)%	(3)%
Total delinquent loans ⁽¹⁾	576	590	607	(2)%	(3)%	(5)%
Gross loans receivable ⁽²⁾	\$ 5,310	\$ 5,389	\$ 5,465	(1)%	(1)%	(3)%
<u>Home Equity (\$MM)</u>						
Current	\$ 3,947	\$ 4,004	\$ 4,065	(1)%	(2)%	(3)%
30-89 days delinquent	84	85	90	(1)%	(6)%	(7)%
90-179 days delinquent	57	60	64	(5)%	(6)%	(11)%
Total 30-179 days delinquent	141	145	154	(3)%	(6)%	(8)%
180+ days delinquent	42	41	41	2 %	0 %	2 %
Total delinquent loans ⁽¹⁾	183	186	195	(2)%	(5)%	(6)%
Gross loans receivable ⁽²⁾	\$ 4,130	\$ 4,190	\$ 4,260	(1)%	(2)%	(3)%
<u>Consumer and Other (\$MM)</u>						
Current	\$ 791	\$ 812	\$ 829	(3)%	(2)%	(5)%
30-89 days delinquent	17	17	19	0 %	(11)%	(11)%
90-179 days delinquent	4	5	6	(20)%	(17)%	(33)%
Total 30-179 days delinquent	21	22	25	(5)%	(12)%	(16)%
180+ days delinquent	-	-	-	N.M.	N.M.	N.M.
Total delinquent loans	21	22	25	(5)%	(12)%	(16)%
Gross loans receivable ⁽²⁾	\$ 812	\$ 834	\$ 854	(3)%	(2)%	(5)%
<u>Total Loans Receivable (\$MM)</u>						
Current	\$ 9,472	\$ 9,615	\$ 9,752	(1)%	(1)%	(3)%
30-89 days delinquent	312	318	342	(2)%	(7)%	(9)%
90-179 days delinquent	154	165	165	(7)%	0 %	(7)%
Total 30-179 days delinquent	466	483	507	(4)%	(5)%	(8)%
180+ days delinquent	314	315	320	(0)%	(2)%	(2)%
Total delinquent loans ⁽¹⁾	780	798	827	(2)%	(4)%	(6)%
Total gross loans receivable ⁽²⁾	\$ 10,252	\$ 10,413	\$ 10,579	(2)%	(2)%	(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 expected recovery value.

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

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

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