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E*TRADE FINANCIAL and SBI E*TRADE Announce Termination of Branding Agreement in Japan

New York, November 9, 2007 — E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today announced plans to regain rights to its E*TRADE brand in Japan. SBI E*TRADE Securities Co., Ltd., the current licensee of the E*TRADE brand in Japan, recently merged with SBI Securities Co., Ltd., and will phase out its use of the E*TRADE brand as part of a new corporate branding strategy. It will announce a new company name no later than July 1, 2008, and will phase out the use of the E*TRADE licensed marks by October 1st, 2008. SBI E*TRADE has been licensing the E*TRADE brand since 1999.

Jarrett Lilien, President and Chief Operating Officer of E*TRADE FINANCIAL, states: "After a long, positive relationship with SBI E*TRADE, it was time for E*TRADE FINANCIAL to reassess its global branding strategy. We appreciate the relationship we have built with SBI E*TRADE and wish them continued success."

The two companies will continue to collaborate on cross-border trades for its retail customers after the branding agreement ends.

As part of its international business model, E*TRADE FINANCIAL licenses the E*TRADE brand to select companies in regions outside of the US. The E*TRADE brand is currently used by licensees in Australia and South Korea.

About E*TRADE FINANCIAL

The E*TRADE FINANCIAL family of companies provide financial services including brokerage, banking and lending for retail, corporate and institutional customers. Securities products and services are offered in the US by E*TRADE Securities LLC (Member NASD/SIPC). Bank and lending products and services are offered in the US by E*TRADE Bank, a Federal savings bank, Member FDIC, or its subsidiaries.

About SBI E*TRADE Securities Co., Ltd.

SBI E*TRADE SECURITIES is a pioneer of the comprehensive online securities firm in Japan, offering investors innovative fee schedules, state-of-the-art functionality, and a broad range of services. Strong investor support has made SBI E*TRADE SECURITIES No.1 in the online securities industry in terms of customer accounts, balances, and stock trading value.