

FOR IMMEDIATE RELEASE

E*TRADE FINANCIAL Media Relations Contact

Pam Erickson

617-296-6080

pam.erickson@etrade.com

E*TRADE FINANCIAL Investor Relations Contact

Brett Goodman

646-521-4406

brett.goodman@etrade.com

**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR APRIL 2009**

New York, May 13, 2009 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for April. The Company ended the month with record total accounts of 4.5 million, which included record brokerage accounts of 2.7 million. This included gross new brokerage accounts of 56,000 and net new brokerage accounts of 32,550. Total Daily Average Revenue Trades (“DARTs”) increased 7.2 percent sequentially and 34.5 percent from the prior year to 230,345.

Asset flows continued to be positive, as the Company realized \$300 million in net new customer assets during April, marking the seventh consecutive month of positive inflows. Total customer cash and deposits (including brokerage related cash) increased slightly during the month, while total customer assets were up 10.3 percent. Customers were net buyers of approximately \$300 million in securities in April.

(more)

Monthly Activity Data

	<u>Apr-09</u>	<u>Mar-09</u>	<u>Apr-08⁽¹⁾</u>	<u>% Chg. M/M</u>	<u>% Chg. Y/Y</u>
Trading days	21.0	22.0	22.0	N.M.	N.M.
Daily Average Revenue Trades	230,345	214,867	171,235	7.2 %	34.5 %
Gross new brokerage accounts	56,000	75,524	48,653	(25.9)%	15.1 %
Gross new stock plan accounts	12,213	14,522	13,701	(15.9)%	(10.9)%
Gross new banking accounts	7,411	11,220	18,683	(33.9)%	(60.3)%
Total gross new accounts	<u>75,624</u>	<u>101,266</u>	<u>81,037</u>	(25.3)%	(6.7)%
Net new brokerage accounts	32,550	37,587	20,215	N.M.	N.M.
Net new stock plan accounts	3,520	(8,069)	(26,058)	N.M.	N.M.
Net new banking accounts	<u>(6,677)</u>	<u>(4,069)</u>	<u>(100)</u>	N.M.	N.M.
Net new accounts	<u>29,393</u>	<u>25,449</u>	<u>(5,943)</u>	N.M.	N.M.
End of period brokerage accounts	2,693,134	2,660,584	2,498,107	1.2 %	7.8 %
End of period stock plan accounts	1,006,382	1,002,862	1,002,556	0.4 %	0.4 %
End of period banking accounts	819,122	825,799	799,472	(0.8)%	2.5 %
End of period total accounts	<u>4,518,638</u>	<u>4,489,245</u>	<u>4,300,135</u>	0.7 %	5.1 %
<u>Customer Assets (\$MM)</u>					
Security holdings	\$ 87,096	\$ 76,083	\$ 135,841	14.5 %	(35.9)%
Brokerage related cash	18,013	17,201	17,702	4.7 %	1.8 %
Other customer cash and deposits	<u>16,670</u>	<u>17,153</u>	<u>15,841</u>	(2.8)%	5.2 %
Total customer assets	<u>\$ 121,779</u>	<u>\$ 110,437</u>	<u>\$ 169,384</u>	10.3 %	(28.1)%
Net new customer assets (\$B) ⁽²⁾	\$ 0.3	\$ 1.1	\$ (0.5)	N.M.	N.M.

⁽¹⁾ These metrics have been re-presented to exclude activity from discontinued operations.

⁽²⁾ Net new customer assets for April 2008 excludes an outflow of \$0.9 billion related to the sale of Retirement Advisors of America.

Historical Monthly Activity Data from January 2006 to April 2009 can be found on the E*TRADE FINANCIAL investor relations site at <https://investor.etrade.com>.

About E*TRADE FINANCIAL

The E*TRADE FINANCIAL family of companies provides financial services including trading, investing and related banking products and services to retail investors. 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.

###

Important Notice

E*TRADE FINANCIAL, E*TRADE and the E*TRADE logo are trademarks or registered trademarks of E*TRADE FINANCIAL Corporation. The statements contained in this news release that are forward-looking are based on current expectations that are subject to a number of uncertainties and risks, and actual results may differ materially. The uncertainties and risks include, but are not limited to, changes in market activity, anticipated increases in the rate of new customer acquisition, the conversion of new visitors to the site to customers, the activity of customers and assets held at the institution, seasonality, macro trends of the economy in general and the residential real estate market, instability in the consumer credit markets and credit trends, rising mortgage interest rates, tighter mortgage lending guidelines

across the industry, increased mortgage loan delinquency and default rates, portfolio growth, portfolio seasoning and resolution through collections, sales or charge-offs, the development and enhancement of products and services, competitive pressures (including price competition), system failures, economic and political conditions, including changes to the U.S. Treasury's Troubled Asset Relief Program, changes in consumer behavior and the introduction of competing products having technological and/or other advantages. Further information about these risks and uncertainties can be found in the information included in the annual reports previously filed by E*TRADE FINANCIAL Corporation with the SEC on Form 10-K (including information under the caption "Risk Factors") and quarterly reports on Form 10-Q. 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.

© 2009 E*TRADE FINANCIAL Corporation. All rights reserved.