

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 LAUNCHES ONLINE ADVISOR

Intuitive Online Tool Provides Investment Guidance According to Individual Preferences, Risk Tolerance and Goals

NEW YORK, NY – June 8, 2009 – E*TRADE FINANCIAL Corp. (NASDAQ: ETFC) announced today that E*TRADE Securities LLC introduced Online Advisor, a straightforward tool designed to provide investors with actionable investment guidance, including recommended asset allocations and solutions ranging from fully self-directed investing to 100 percent discretionary portfolio management from a registered investment adviser affiliate. Online Advisor is available at no additional cost to all investors at <https://us.etrade.com/e/t/cio/landingpage>.

Online Advisor analyzes information it collects on an investor's risk tolerance, time horizon and general investing preferences, and recommends an asset allocation, followed by an online or offline investment solution suited to the investor. If the investor has an E*TRADE brokerage account, Online Advisor presents an analysis of that account alongside the recommended allocation, with the option to implement the solution immediately, view other solutions appropriate to their circumstances, or save the recommended solution for a future visit. Customers seeking more assistance can work with one of E*TRADE's advisors. All investors can easily update their plans as circumstances change.

"Ahead of the summer season, many investors are reassessing their financial portfolios," said Michael Curcio, President, E*TRADE Securities. "E*TRADE's Online Advisor helps investors quickly reevaluate their risk tolerance and goals — and immediately implement any changes through our website or one of our professional advisors. Online Advisor is designed to help E*TRADE customers become smarter, more effective investors."

Online Advisor guides customers and other investors to one of six investing solutions available at a value price with a low barrier to entry:

- **Select ETF Portfolio** from E*TRADE Securities (one-time commission-based, \$10,000 minimum investment)
- **Managed ETF Portfolio** from E*TRADE Capital Management (annual advisory fee ranging from .50% to .75%, \$10,000 minimum investment)
- **Select Mutual Fund Portfolio** from E*TRADE Securities (one-time no-load, no transaction fee funds, \$50,000 minimum investment)

- **Financial Advisor** from E*TRADE Securities, providing recommendations on a mix of stocks, bonds, mutual funds, ETFs, options, CDs and more (commissioned and/or loads, \$50,000 minimum investment)
- **Wealth Manager** for full portfolio management (annual advisory fee of .75% to 1.25%, \$250,000 minimum investment) provided by E*TRADE Capital Management, LLC, Kobren Insight Management, Inc. and Howard Capital Management, Inc.
- **Build-your-own portfolio** online through E*TRADE Securities (commission-based, no minimum investment)

Curcio added, “E*TRADE is continually working to better address the evolving needs of individual investors. Our new tools take a needs-based approach to financial services — helping investors achieve their financial goals in a way that is best suited for them.”

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.

Full portfolio management services are offered by E*TRADE Capital Management, LLC, Kobren Insight Management, Inc. and Howard Capital Management, Inc., investment advisers registered with the SEC. Form ADV Part II available upon request.

E*TRADE Securities LLC, E*TRADE Bank, E*TRADE Capital Management, LLC, Kobren Insight Management, Inc. and Howard Capital Management, Inc. are separate but affiliated companies.

###

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 US 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.