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KENNETH C. GRIFFIN JOINS E*TRADE FINANCIAL BOARD OF DIRECTORS

New York, June 9, 2009 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today announced that Kenneth C. Griffin, Founder and Chief Executive Officer of Citadel Investment Group, LLC, has joined the Board of Directors of E*TRADE FINANCIAL Corporation and will serve as a member of the Company's Finance and Risk Oversight Committee.

“Mr. Griffin’s leadership skills and financial markets acumen will make him an outstanding contributor to our Board,” said Donald H. Layton, Chairman of the Board and Chief Executive Officer, E*TRADE FINANCIAL Corporation. “His perspective of the capital markets and on managing a sophisticated investment business will complement the wide range of expertise among the current Board members.”

Citadel Investment Group is a leading global financial institution with a diverse business platform. The Citadel group of companies includes a division that principally executes alternative investment strategies across asset classes; and Citadel Securities, comprised of investment banking, a sales and trading platform, an industry leading market making franchise, and Citadel Solutions, a recognized administrator serving financial institutions.

“E*TRADE is among the most recognized and innovative brands in America,” said Mr. Griffin. “I look forward to working with the members of E*TRADE’s Board to help create and take advantage of the many market opportunities that these unique times provide.”

Citadel is currently a holder of common stock and debt instruments of the Company. With the appointment of Mr. Griffin, 40, Citadel Investment Group has

exercised its right under the 2007 Citadel Investment Agreement to appoint a member to E*TRADE's Board of Directors.

Mr. Griffin's career in finance began when he was a student at Harvard College, where he received a bachelor's degree with honors. He has been Chief Executive Officer of Citadel Investment Group since the firm's founding in 1990. Mr. Griffin also serves as Vice Chairman of the Chicago Public Education Fund and is a member of the Boards of Trustees for the Art Institute of Chicago and the Museum of Contemporary Art. Mr. Griffin is a member of the World Economic Forum, the Economic Club of Chicago, and the Advisory Council for Chicago 2016, working to bring the 2016 Olympic Games to the city.

Mr. Griffin's election to the E*TRADE Board of Directors is effective immediately. Mr. Griffin is appointed as a Class II director and will stand for re-election at the Company's 2010 annual meeting.

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.

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