

FOR IMMEDIATE RELEASE

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E*TRADE ANNOUNCES PRICING OF PREFERRED STOCK OFFERING

Proceeds to fund the purchase of TCA

NEW YORK, November 27, 2017 – E*TRADE Financial Corporation (NASDAQ: ETFC) today announced the pricing of its offering of \$300 million of depositary shares with a liquidation preference of \$1,000 per share, each representing a 1/100th interest in a share of fixed-to-floating rate non-cumulative perpetual preferred stock.

The securities will accrue dividends on a non-cumulative basis at a fixed rate of 5.30%, payable semi-annually up to, but excluding, March 15, 2023. Thereafter, the securities will be callable and accrue dividends on a non-cumulative basis at a floating rate equivalent to three-month U.S. dollar LIBOR plus 3.16%, payable quarterly. Dividend payments on the securities will occur only when declared by E*TRADE's Board of Directors. E*TRADE may also redeem the preferred stock at any time within 90 days of a regulatory capital treatment event.

E*TRADE intends to use the net proceeds from this offering to fund the purchase of Trust Company of America (TCA). The transaction is expected to close in the first half of 2018, subject to customary closing conditions and regulatory approvals. If the purchase of TCA does not occur, the proceeds will be used for general corporate purposes.

Credit Suisse, J.P. Morgan, and Wells Fargo Securities are serving as joint book-running managers for the offering.

E*TRADE has filed an effective registration statement (including a preliminary prospectus supplement, free writing prospectus and accompanying base prospectus) with the Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the effective registration statement (including the preliminary prospectus supplement, free writing prospectus and accompanying base prospectus) for more complete information about E*TRADE and this offering. You may obtain these documents and, when available, the final prospectus supplement, for free by visiting EDGAR on the SEC website at www.sec.gov.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities, nor will there be any sale of securities in any state or jurisdiction in which such an offer, solicitation, or sale is not permitted.

About E*TRADE Financial

E*TRADE Financial and its subsidiaries provide financial services including online brokerage 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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Important Notices

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Forward looking statements

The statements contained in this news release that are forward looking, including statements regarding the completion, timing, and size of the proposed public offering and the completion and timing of the acquisition of TCA are “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 and are subject to a number of uncertainties and risks. Actual results may differ materially from those indicated in the forward-looking statements. The uncertainties and risks include, but are not limited to, uncertainties and risks related to market volatility and other market conditions, customary closing conditions related to the public offering and the TCA acquisition may impede or delay closing of either transaction; expected synergies and other financial benefits of the acquisition of TCA may not be realized; integration of TCA after the completion of the acquisition may not occur as anticipated; regulatory risks associated with the transaction may arise and the regulatory treatment of the offered securities or preferred stock may change; unanticipated restructuring costs may be incurred or undisclosed liabilities assumed; and attempts to retain key personnel and customers may not succeed; along with other risks and uncertainties. Further information about these risks and uncertainties can be found in the preliminary prospectus supplement as well as the annual, quarterly, and current reports on Form 10-K, Form 10-Q, and Form 8-K previously filed by E*TRADE Financial Corporation with the Securities and Exchange Commission (including information in these reports under the caption “Risk Factors”). 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.

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