

News Release

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NEW ADVICE SERVICES HELP FUEL RETIREMENT PLAN GROWTH FOR SCHWAB

**Firm Reports Recent Commitments of \$2.5 Billion in New Bundled Plan Assets,
Continues Expansion in Large Plan Segment**

SAN FRANCISCO, January 27, 2004 — Citing new retirement plan advice services as a key driver, Charles Schwab Corporate Services has won commitments for 80 new retirement plans since September. The plans range in asset size from \$2 million to \$350 million and total \$2.5 billion in new assets. More than 70,000 eligible participants in these plans will have access to 401(k) advice services at no additional cost.*

"By offering personalized advice without charging additional fees, we took a major step forward in breaking down the biggest barriers associated with effective retirement investing: cost, access and expertise," said Walt Bettinger, president, Charles Schwab Corporate Services. "When we introduced these services a few months ago, we predicted that the market would reward us for doing the right thing. The new business we have earned since clearly bears this out."

Schwab's New 401(k) Advice Services

In September, Charles Schwab & Co., Inc. announced that it would offer comprehensive retirement advice at no additional charge to participants in 401(k) plans serviced by Schwab Retirement Plan Services, Inc., a division of Charles Schwab Corporate Services.

Participants have access to personalized advice either online, by phone or in-person, including specific recommendations among the core investment fund choices available in a retirement plan as well as specific recommended savings rates. Participants also have the option to elect automatic account rebalancing. The advice, including the rebalancing feature, is provided by a third party, GuidedChoice™, Inc., an innovator in the development and delivery of investment advice.**

Large Plans Play Larger Role

"While we continued very strong growth in the small- and mid-plan segments, we also succeeded in expanding further into the large retirement plan segment, which includes plans with assets exceeding \$200 million," said Ben Brigeman, senior vice president, Charles Schwab Corporate Services.

Since September, the firm has been named retirement plan provider for several large-segment 401(k) plans, including HealthSouth, with \$350 million in assets, and Guardian Industries Corp., with \$265 million in assets.

Other new retirement plans include well-known names such as Benjamin Moore & Co., The Oakland Athletics and Williams-Sonoma, Inc.

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About Charles Schwab Corporate Services

Charles Schwab Corporate Services provides individual investing support services through employers, including employee retirement and stock option plans, IRA rollovers, individual/personal accounts and monitored trading. Charles Schwab Corporate Services also offers retirement plan services including recordkeeping and related services through Schwab Retirement Plan Services, Inc., proprietary retirement plan recordkeeping systems through Schwab Retirement Technologies[®], trustee and custodial services through The Charles Schwab Trust Company, and the Schwab Personal Choice Retirement Account[®] (PCRA) (self-directed brokerage account through Charles Schwab & Co., Inc.). These entities are affiliates of each other and are wholly owned subsidiaries of The Charles Schwab Corporation. Total client assets in employer-sponsored retirement plans at Schwab equaled \$114 billion at the end of December 2003.

The Charles Schwab Corporation (NYSE:SCH), through Charles Schwab & Co., Inc. (Member SIPC/NYSE), U.S. Trust Corporation, CyberTrader, Inc. (Member SIPC/NASD) and its other operating subsidiaries, is one of the nation's largest financial services firms.

*"At no extra or additional cost" means that there is no cost for service outside the fees paid to SRPS and CS&Co. for recordkeeping and related services, including trustee and custodial fees paid to The Charles Schwab Trust Company.

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