

**FOR IMMEDIATE RELEASE**

**E\*TRADE FINANCIAL Media Relations Contact**

Pam Erickson  
E\*TRADE FINANCIAL Corporation  
617-296-6080  
pam.erickson@etrade.com

**E\*TRADE FINANCIAL Investor Relations Contact**

Adam Townsend  
E\*TRADE FINANCIAL Corporation  
703-236-8719  
adam.townsend@etrade.com

**E\*TRADE FINANCIAL CORPORATION REPORTS  
MONTHLY ACTIVITY FOR MAY 2007**

**New York, June 13, 2007** – E\*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for May. The Company's total retail client assets increased 3.3 percent sequentially to a record \$214.4 billion. End of period margin debt balances decreased 0.2 percent sequentially to \$7.1 billion, with average margin debt balances decreasing 0.9 percent to just over \$7.0 billion. Total Daily Average Revenue Trades ("DARTs") increased 0.2 percent sequentially to 171,387. Gross new retail accounts for the month totaled 101,175 – resulting in total end of period retail accounts of 4,613,232.

"In May we were pleased by the continuation of positive engagement trends within our retail business," said R. Jarrett Lilien, President and Chief Operating Officer, E\*TRADE FINANCIAL Corporation. "The solid growth in accounts and assets is evidence of the success of our integrated product offering and its appeal to the expanding universe of retail clients who seek to build wealth through our high-value solutions."

(more)

## Monthly Activity Data

	May-07	Apr-07	May-07 vs. Apr-07	Q207 QTD <sup>(1)</sup>	Qtr Ended 3/31/07	Q207 QTD <sup>(1)</sup> vs. Qtr Ended 3/31/07
Trading days	22.0	20.0	N.M.	42.0	61.0	N.M.
<b>DARTs</b>						
US	144,050	143,974	0.1 %	144,014	141,238	2.0 %
International	27,337	27,104	0.9 %	27,226	28,798	(5.5)%
Total DARTs	171,387	171,078	0.2 %	171,240	170,036	0.7 %
<b>Market Making</b>						
Equity shares traded (MM)	22,053	21,844	1.0 %	43,897	47,425	N.M.
Average revenue capture per 1,000 equity shares	\$0.403	\$0.434	(7.1)%	\$0.418	\$0.576	(27.4)%
<b>Gross New Retail Accounts</b>						
Investing/trading accounts	61,909	71,633	N.M.	133,542	170,672	N.M.
Deposit/lending accounts	39,266	49,523	N.M.	88,789	179,547	N.M.
Total gross new retail accounts	101,175	121,156	N.M.	222,331	350,219	N.M.
<b>End of Period Retail Accounts</b>						
Investing/trading accounts	3,635,160	3,620,366	0.4 %	3,635,160	3,613,762	0.6 %
Deposit/lending accounts	978,072	958,337	2.1 %	978,072	932,782	4.9 %
Total end of period retail accounts	4,613,232	4,578,703	0.8 %	4,613,232	4,546,544	1.5 %
End of period margin debt (\$MM)	\$7,055	\$7,067	(0.2)%	\$7,055	\$7,032	0.3 %
Average margin debt (\$MM)	\$7,047	\$7,113	(0.9)%	\$7,079	\$6,910	2.4 %
<b>Retail Client Assets (\$MM)</b>						
Client assets in investing/trading accounts	\$187,135	\$181,237	3.3 %	\$187,135	\$174,674	7.1 %
Client assets in deposit accounts	27,267	26,316	3.6 %	27,267	25,809	5.6 %
Total retail client assets	\$214,402	\$207,553	3.3 %	\$214,402	\$200,483	6.9 %

<sup>(1)</sup> Q207 quarter-to-date ("QTD") includes results for the two months ended May 31, 2007.

Historical monthly metric data from January 2003 to May 2007 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, banking and lending for retail and institutional customers. Securities products and services are offered by E\*TRADE Securities LLC (Member NASD/SIPC). Bank and lending products and services are offered by E\*TRADE Bank, a Federal savings bank, Member FDIC, or its subsidiaries.

###

#### Important Notice

E\*TRADE FINANCIAL and the E\*TRADE FINANCIAL logo are registered trademarks or 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, the development and enhancement of products and services, competitive pressures (including price competition), system failures, economic and political conditions, 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 Group, Inc. or 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.

© 2007 E\*TRADE FINANCIAL Corporation. All rights reserved.