

**FOR IMMEDIATE RELEASE**

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**E\*TRADE FINANCIAL CORPORATION ANNOUNCES RESULTS OF ANNUAL  
SHAREHOLDER MEETING**

**New York, NY, May 16, 2008** – E\*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today announced the results of its Annual Shareholder Meeting held today, May 16, 2008, in Arlington, VA. Over 83 percent of all outstanding shares were voted. Shareholders voted in favor of all the proposals on the proxy, including the election of four directors; the proposal to amend Article Fourth of the Company's Certificate of Incorporation to increase the number of authorized shares of common stock from 600 million to 1.2 billion; and the ratification of the selection of Deloitte & Touche LLP as the Company's auditors.

Donald H. Layton, Chairman and Chief Executive Officer, E\*TRADE FINANCIAL Corporation; Robert Druskin, Retired Chief Operating Officer of Citigroup; Frederick W. Kanner, Partner, Dewey & LeBoeuf LLP; C. Cathleen Raffaeli, Managing Partner, The Hamilton White Group, LLC; were each elected or re-elected to the Company's Board of Directors for a term that will end at the Company's Annual Shareholder Meeting in 2011.

The Company's Corporate Report is currently available at [www.etrade.com](http://www.etrade.com).

**About E\*TRADE FINANCIAL**

The E\*TRADE FINANCIAL family of companies provides financial services including trading, investing and banking for retail and institutional customers. 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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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, 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.

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