



E*TRADE FINANCIAL CORPORATION ANNOUNCES RESULTS OF CALL FOR REMAINING BALANCE OF ITS OUTSTANDING 6% CONVERTIBLE SUBORDINATED NOTES

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New York, April 27, 2006-E*TRADE FINANCIAL Corporation (NYSE: ET) announced today that it has completed the redemption of remaining \$92.4 million in principal amount of its outstanding 6% Convertible Subordinated Notes due 2007 (the "Convertible Notes") announced originally on April 5, 2006. Holders of Convertible Notes called for redemption elected to convert approximately \$91.6 million in Notes for 3.9 million shares of E*TRADE FINANCIAL Corporation common stock at a conversion price of \$23.60. The remaining principal amount of called Convertible Notes was redeemed for approximately \$867,000 in cash (including premium, accrued and unpaid interest and cash in lieu of fractional shares in accordance with the terms of the Convertible Notes).

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.

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