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**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 ⁽¹⁾	Qtr Ended 3/31/07	Q207 QTD ⁽¹⁾ vs. Qtr Ended 3/31/07
Trading days	22.0	20.0	N.M.	42.0	61.0	N.M.
DARTs						
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 %
Market Making						
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)%
Gross New Retail Accounts						
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.
End of Period Retail Accounts						
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 %
Retail Client Assets (\$MM)						
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 %

⁽¹⁾ 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

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