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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 JULY 2007**

New York, August 15, 2007 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for July. Total Daily Average Revenue Trades (“DARTs”) increased 20.8 percent sequentially to 199,184. Total retail client assets decreased 1.9 percent sequentially to \$208.8 billion. End of period margin debt balances increased 5.5 percent sequentially to \$7.9 billion, with average margin debt balances increasing 5.0 percent to almost \$7.6 billion. The Company opened 100,787 gross new retail accounts for the month – resulting in total end of period retail accounts of 4,658,228.

“Retail engagement was strong in July, generating continued growth in cash, trading and margin. Our customers maintain a healthy perspective, navigating the market in a disciplined and prudent manner,” said R. Jarrett Lilien, President and Chief Operating Officer, E*TRADE FINANCIAL Corporation. “Our franchise is strong, and we do not believe the current market capitalization accurately reflects the performance of the company. As a result, we have accelerated our share repurchase activity over the past two weeks and view this as an attractive use of our capital at these levels.”

(more)

Monthly Activity Data

	Jul-07	Jun-07	Jul-07 vs. Jun-07	Qtr Ended 6/30/07	Jul-07 vs. Qtr Ended 6/30/07
Trading days	20.5	21.0	N.M.	63.0	N.M.
<u>DARTs</u>					
US	167,858	136,790	22.7 %	141,606	18.5 %
International	31,326	28,095	11.5 %	27,516	13.8 %
Total DARTs	199,184	164,885	20.8 %	169,122	17.8 %
<u>Market Making</u>					
Equity shares traded (MM)	17,463	16,091	8.5 %	59,988	N.M.
Average revenue capture per 1,000 equity shares	\$0.376	\$0.475	(20.8)%	\$0.433	(13.2)%
<u>Gross New Retail Accounts</u>					
Investing/trading accounts	61,018	64,996	N.M.	198,538	N.M.
Deposit/lending accounts	39,769	36,390	N.M.	125,179	N.M.
Total gross new retail accounts	100,787	101,386	N.M.	323,717	N.M.
<u>End of Period Retail Accounts</u>					
Investing/trading accounts	3,651,196	3,653,413	(0.1)%	3,653,413	(0.1)%
Deposit/lending accounts	1,007,032	993,807	1.3 %	993,807	1.3 %
Total end of period retail accounts	4,658,228	4,647,220	0.2 %	4,647,220	0.2 %
End of period margin debt (\$MM)	\$7,933	\$7,519	5.5 %	\$7,519	5.5 %
Average margin debt (\$MM)	\$7,577	\$7,217	5.0 %	\$7,125	6.3 %
<u>Retail Client Assets (\$MM)</u>					
Client assets in investing/trading accounts	\$181,051	\$185,473	(2.4)%	\$185,473	(2.4)%
Client assets in deposit accounts	27,700	27,364	1.2 %	27,364	1.2 %
Total retail client assets	\$208,751	\$212,837	(1.9)%	\$212,837	(1.9)%

Historical monthly metric data from January 2003 to July 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 FINRA/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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