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**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<br>vs.<br>Jun-07 | Qtr Ended<br>6/30/07 | Jul-07<br>vs.<br>Qtr Ended<br>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

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