

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.

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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