

**FOR IMMEDIATE RELEASE**

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**E\*TRADE FINANCIAL CORPORATION ANNOUNCES SECOND-QUARTER  
2008 EARNINGS CONFERENCE CALL**

*Company Comments on Retail Business Trends and Updates Progress of Parent Company  
Debt Reduction*

**New York, June 30, 2008** – E\*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today announced that it will report its second-quarter 2008 financial results after the close of the U.S. financial markets on Tuesday, July 22, 2008. The Company will host a conference call to discuss the results beginning at 5:00 p.m. (EDT). This conference call will be available to domestic participants by dialing 800-683-1525 and 973-872-3197 for international participants. The conference ID number is 54304105. A live audio webcast and replay of this conference call will also be accessible at <https://investor.etrade.com>.

The Company also announced that it continued to experience strong performance in its retail franchise during the second quarter, generating positive trends in net new customer accounts and asset flows. While the overall credit environment remains highly challenging, the strength and stability of the Company's retail business continues to generate earnings in the Bank to absorb credit losses in excess of management's current three-year forecast. The Company also affirmed that it continues to expect excess risk-based capital at the Bank (excess to the regulatory minimum threshold for "well capitalized") to approach \$1 billion by year end.

Additionally, the Company completed actions during the second quarter that further reduced Parent Company debt by approximately \$95.8 million, for total year-to-date reduction of \$155.8 million. The second quarter reduction was achieved through a series of debt-for-equity exchanges ("3(a)(9) exchanges"). As previously announced, such exchanges serve to reduce leverage and debt service requirements at the Parent Company, and represent the principal means of capital raising expected in connection with the 2008 Turnaround Plan. The Company

believes that these exchanges continue to provide a cost-effective and shareholder-friendly way of reducing corporate interest expense and leverage at the Parent Company.

### **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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