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SMARTMONEY™ RANKS E*TRADE THE #1 ONLINE BROKER

New York, NY, June 3, 2008 – E*TRADE FINANCIAL Corp. (NASDAQ: ETFC) today announced SmartMoney Magazine has ranked E*TRADE Securities the #1 Online Discount Broker with high scores across five categories. The 16th annual Broker Survey, which appears in the June 2008 issue of the magazine, rigorously analyzed the offerings and performance of sixteen online brokers based on: Mutual Funds & Investment Products, Banking Services, Trading Tools, Research, and Customer Service.

“We are proud E*TRADE once again took the top spot in the SmartMoney broker survey,” said Michael Curcio, Managing Director, E*TRADE Securities LLC. “SmartMoney’s ranking highlights what our customers know best: E*TRADE delivers low-cost, easy-to-use, robust trading and investing platforms and high-quality independent research paired with cash management capabilities and old-fashioned customer service.”

E*TRADE ranked #1 overall with the ‘highest scores across the board’ and earned five out of five stars in the Research, Trading Tools, Banking Service and Mutual Funds and Investment Products categories. It received four stars for Customer Service. SmartMoney noted E*TRADE for its new bond and mutual fund centers, intra-day stock commentary, streaming real-time quotes, breaking news on thousands of stocks, ATM fee waivers and free online bill-pay services, and fast response times to log-in and preview a trade order as reported by Gomez, a third-party web site monitoring company.

For more information on the SmartMoney 2008 Broker Survey, visit <http://www.smartmoney.com/mag>.

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

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