

**FOR IMMEDIATE RELEASE**

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**E\*TRADE FINANCIAL CORPORATION REPORTS  
MONTHLY ACTIVITY FOR MAY 2010;  
PROVIDES UPDATES TO ITS LOAN DELINQUENCIES**

**New York, June 16, 2010** – E\*TRADE Financial Corporation (NASDAQ: ETFCD) today released its Monthly Activity Report for May 2010.

Daily Average Revenue Trades (“DARTs”) for May were 196,074, an eight percent increase from April and a 10 percent decrease from the year ago period. The Company ended the month with nearly 2.7 million brokerage accounts – including gross new brokerage accounts of 30,349 and net new brokerage accounts of 5,055 during the month, totaling 22,682 net new brokerage accounts quarter-to-date. Total accounts ended the month at approximately 4.3 million.

Net new brokerage assets were positive \$1.0 billion in the month, totaling \$3.9 billion year-to-date. During the month, customer security holdings decreased by six percent, or \$7.1 billion, and brokerage-related cash declined by \$0.6 billion to \$20.9 billion, as customers were net buyers of approximately \$1.6 billion in securities in May. Bank-related cash and deposits declined by \$0.5 billion in the month.

The Company also updated delinquency statistics in its loan portfolio. For the Company’s entire loan portfolio, total special mention delinquencies (30 to 89 days delinquent) declined by 12 percent from March 31, 2010 to May 31, 2010, while total “at risk” delinquencies (30 to 179 days delinquent) declined by 10 percent during the same period.

Detailed information concerning loan delinquencies is provided below, in the second table of this release.

(more)

## Monthly Activity Data

	May-10	Apr-10	May-09 <sup>(1)</sup>	% Chg. M/M	% Chg. Y/Y
Trading days	20.0	21.0	20.0	N.M.	N.M.
DARTs	196,074	181,556	218,754	8.0 %	(10.4)%
Gross new brokerage accounts	30,349	45,744	41,540	(33.7)%	(26.9)%
Gross new stock plan accounts	17,472	13,108	16,611	33.3 %	5.2 %
Gross new banking accounts	2,124	2,296	4,865	(7.5)%	(56.3)%
Total gross new accounts	49,945	61,148	63,016	(18.3)%	(20.7)%
Net new brokerage accounts	5,055	17,627	23,115	N.M.	N.M.
Net new stock plan accounts	4,707	158	10,383	N.M.	N.M.
Net new banking accounts	(11,055)	(11,326)	(10,307)	N.M.	N.M.
Net new accounts	(1,293)	6,459	23,191	N.M.	N.M.
End of period brokerage accounts	2,654,659	2,649,604	2,629,834	0.2 %	0.9 %
End of period stock plan accounts	1,031,068	1,026,361	1,016,765	0.5 %	1.4 %
End of period banking accounts	578,219	589,274	808,815	(1.9)%	(28.5)%
End of period total accounts	4,263,946	4,265,239	4,455,414	0.0 %	(4.3)%
<b>Customer Assets (\$B)</b>					
Security holdings	\$ 103.8	\$ 110.9	\$ 80.0	(6.4)%	29.8 %
Customer payables (cash)	3.8	5.1	4.2	(25.5)%	(9.5)%
Customer cash balances held by third parties	3.1	3.1	2.7	0.0 %	14.8 %
Unexercised stock plan customer options (vested)	16.4	19.3	12.3	(15.0)%	33.3 %
Customer assets in brokerage and stock plan accounts	127.1	138.4	99.2	(8.2)%	28.1 %
Sweep deposit accounts	14.0	13.3	10.8	5.3 %	29.6 %
Savings and transaction accounts	9.3	9.7	14.3	(4.1)%	(35.0)%
CDs	0.9	1.0	1.9	(10.0)%	(52.6)%
Customer assets in banking accounts	24.2	24.0	27.0	0.8 %	(10.4)%
Total customer assets	\$ 151.3	\$ 162.4	\$ 126.2	(6.8)%	19.9 %
Net new brokerage assets (\$B) <sup>(2)</sup>	\$ 1.0	\$ 0.7	\$ 0.8	N.M.	N.M.
Net new banking assets (\$B) <sup>(2)</sup>	(0.4)	(0.5)	(0.5)	N.M.	N.M.
Net new customer assets (\$B) <sup>(2)</sup>	\$ 0.6	\$ 0.2	\$ 0.3	N.M.	N.M.
Brokerage related cash (\$B)	\$ 20.9	\$ 21.5	\$ 17.7	(2.8)%	18.1 %
Other customer cash and deposits (\$B)	10.2	10.7	16.2	(4.7)%	(37.0)%
Total customer cash and deposits (\$B)	\$ 31.1	\$ 32.2	\$ 33.9	(3.4)%	(8.3)%

<sup>(1)</sup> The period presented has been updated to exclude international local activity.

<sup>(2)</sup> Net new customer assets are total inflows to all new and existing customer accounts less total outflows from all closed and existing customer accounts. The net new banking assets and net new brokerage assets metrics treat asset flows between E\*TRADE entities in the same manner as unrelated third party accounts.

## Loan Delinquency Data

	May-10	Apr-10	Mar-10	% Chg. May 10 - Apr 10	% Chg. Apr 10 - Mar 10	% Chg. May 10 - Mar 10
<i>One- to Four-Family (\$MM)</i>						
Current	\$ 7,787	\$ 7,950	\$ 8,038	(2)%	(1)%	(3)%
30-89 days delinquent	443	456	527	(3)%	(13)%	(16)%
90-179 days delinquent	313	316	339	(1)%	(7)%	(8)%
Total 30-179 days delinquent	756	772	866	(2)%	(11)%	(13)%
180+ days delinquent <sup>(3)</sup>	878	880	881	(0)%	(0)%	(0)%
Total delinquent loans	1,634	1,652	1,747	(1)%	(5)%	(6)%
Gross loans receivable <sup>(4)</sup>	\$ 9,421	\$ 9,602	\$ 9,785	(2)%	(2)%	(4)%
<i>Home Equity (\$MM)</i>						
Current	\$ 6,876	\$ 6,989	\$ 7,086	(2)%	(1)%	(3)%
30-89 days delinquent	207	197	214	5 %	(8)%	(3)%
90-179 days delinquent	155	163	170	(5)%	(4)%	(9)%
Total 30-179 days delinquent	362	360	384	1 %	(6)%	(6)%
180+ days delinquent <sup>(3)</sup>	61	63	56	(3)%	13 %	9 %
Total delinquent loans	423	423	440	0 %	(4)%	(4)%
Gross loans receivable <sup>(4)</sup>	\$ 7,299	\$ 7,412	\$ 7,526	(2)%	(2)%	(3)%
<i>Consumer and Other (\$MM)</i>						
Current	\$ 1,688	\$ 1,720	\$ 1,750	(2)%	(2)%	(4)%
30-89 days delinquent	26	27	28	(4)%	(4)%	(7)%
90-179 days delinquent	6	6	5	0 %	20 %	20 %
Total 30-179 days delinquent	32	33	33	(3)%	0 %	(3)%
180+ days delinquent <sup>(3)</sup>	1	1	1	0 %	0 %	0 %
Total delinquent loans	33	34	34	(3)%	0 %	(3)%
Gross loans receivable <sup>(4)</sup>	\$ 1,721	\$ 1,754	\$ 1,784	(2)%	(2)%	(4)%
<i>Total Loans Receivable (\$MM)</i>						
Current	\$ 16,351	\$ 16,659	\$ 16,874	(2)%	(1)%	(3)%
30-89 days delinquent	676	680	769	(1)%	(12)%	(12)%
90-179 days delinquent	474	485	514	(2)%	(6)%	(8)%
Total 30-179 days delinquent	1,150	1,165	1,283	(1)%	(9)%	(10)%
180+ days delinquent <sup>(3)</sup>	940	944	938	(0)%	1 %	0 %
Total delinquent loans	2,090	2,109	2,221	(1)%	(5)%	(6)%
Total gross loans receivable <sup>(4)</sup>	\$ 18,441	\$ 18,768	\$ 19,095	(2)%	(2)%	(3)%

<sup>(3)</sup> Loans that are delinquent for 180+ days have been written down to estimated current property value.

<sup>(4)</sup> Includes unpaid principal balances and premiums (discounts).

Historical metrics and financials through May 2010 can be found on the E\*TRADE Financial investor relations site at <https://investor.etrade.com>.

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The E\*TRADE Financial family of companies provides financial services including online brokerage and related banking products and services to retail investors. Specific business segments include Trading and Investing, and Balance Sheet Management. 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. ETFC-G

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