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E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY ACTIVITY FOR MAY 2008

New York, June 18, 2008 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for May. The Company's total retail customer assets increased 3.9 percent sequentially to \$180.9 billion. Total Daily Average Revenue Trades increased 4.1 percent month over month. Net new retail accounts grew by more than 21,000.

"The growth in customer accounts, assets and activity in May further supports the restored confidence of our retail customer base," said Donald H. Layton, Chairman and Chief Executive Officer, E*TRADE FINANCIAL Corporation. "Additionally, the quality of the underlying accounts has continued to improve with May marking the third consecutive month of growth in our highest value customer segments."

Monthly Activity Data

	<u>May-08</u>	<u>Apr-08</u>	<u>May-07</u>	<u>% Chg. M/M</u>	<u>% Chg. Y/Y</u>
Trading days	21.0	22.0	22.0	N.M.	N.M.
Daily Average Revenue Trades	188,333	180,970	171,387	4.1 %	9.9 %
Gross new retail accounts	80,315	84,115	101,175	N.M.	N.M.
End of period retail accounts	4,793,219	4,771,844	4,613,232	0.4 %	3.9 %
<u>Retail Customer Assets (\$MM)</u>					
Customer securities holdings	\$ 145,832	\$ 139,635	\$ 176,218	4.4 %	(17.2)%
Customer cash and deposits	35,105	34,497	38,184	1.8 %	(8.1)%
Total retail customer assets	<u>\$ 180,937</u>	<u>\$ 174,132</u>	<u>\$ 214,402</u>	3.9 %	(15.6)%

Historical monthly metrics data from January 2003 to May 2008 can be found on the E*TRADE FINANCIAL investor relations site at <https://investor.etrade.com>.

About E*TRADE FINANCIAL

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