CIT GROUP INC
Form 424B2
July 31, 2012

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-180015

The information in this prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PROSPECTUS SUPPLEMENT (Subject to Completion) Issued July 31, 2012
(To prospectus dated March 9, 2012)

CIT Group Inc.

% SENIOR UNSECURED NOTES DUE 2017
% SENIOR UNSECURED NOTES DUE 2022

Interest payable on February 15 and August 15

We may redeem some or all of the notes of each series offered hereby at any time or from time to time at a redemption price of 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the redemption date, plus a make whole premium. If a Change of Control Triggering Event (as defined herein) occurs, we will be required to offer to purchase the notes from holders at 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the purchase date. The notes will be general senior unsecured obligations and rank equally with our other senior unsecured indebtedness, including all of our other senior unsecured notes issued under the Base Indenture, our existing Series C Notes and the Revolving Credit Facility (each term as defined herein).

Investing in the notes involves risks. See Risk Factors beginning on page S-7 of this prospectus supplement.

PRICE FOR THE 2017 NOTES % AND ACCRUED INTEREST, IF ANY
PRICE FOR THE 2022 NOTES % AND ACCRUED INTEREST, IF ANY

	Per 2017 Note	Total	Per 2022 Note	Total
Price to Public[(1)]	%	$	%	$
Underwriting Discounts and Commissions	%	$	%	$
Proceeds to Company Before Expenses[(1)]	%	$	%	$

(1) Plus accrued interest from ,

2012, if
settlement
occurs
after that
date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, société anonyme, on or about , 2012.

Joint Book-Running Managers

BofA Merrill Lynch	**Deutsche Bank Securities**	**Goldman, Sachs & Co.**	**J.P. Morgan**

Lead Manager

Credit Agricole CIB

Co-Managers

Blaylock Robert Van, LLC

CastleOak Securities, L.P.

Drexel Hamilton

Lebenthal & Co., LLC

Mischler Financial

The Williams Capital Group, L.P.

, 2012

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the prospectus and any applicable pricing supplement or documents to which we refer you in this prospectus supplement, the prospectus or any applicable pricing supplement. We and the underwriters have not authorized anyone else to provide you with different or additional information. We are not making an offer of these notes in any jurisdiction where the offer is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement, the prospectus or any applicable pricing supplement is accurate as of any date other than the date on the front of that document.

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Prospectus

ABOUT THIS PROSPECTUS SUPPLEMENT AND THE PRICING SUPPLEMENT

Except as the context otherwise requires, or as otherwise specified or used in this prospectus supplement or the accompanying prospectus, the terms we, our, us, the Company, CIT, CIT Group and CIT Group Inc. refer Group Inc. and not any of its subsidiaries. References in this prospectus supplement to U.S. dollars or U.S. $ or $ are to the currency of the United States of America.

This prospectus supplement sets forth certain terms of the notes that we may offer. It supplements the description of the notes contained in the prospectus under Description of Debt Securities. If information in this prospectus supplement is inconsistent with the prospectus, this prospectus supplement will control and you should not rely on the information in the prospectus to that extent.

We will provide a pricing supplement to this preliminary prospectus supplement. Any such pricing supplement may add, update or change information in this preliminary prospectus supplement or the prospectus. Information in any such pricing supplement will replace any inconsistent information in this preliminary prospectus supplement or the prospectus.

You should not consider any information in this prospectus supplement, the prospectus or any applicable pricing supplement to be investment, legal or tax advice. You should consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding the purchase of the notes. We are not making any representation to you regarding the legality of an investment in the notes by you under applicable investment or similar laws.

The distribution of this prospectus supplement, the prospectus or any applicable pricing supplement and the offer, sale and delivery of the notes may be restricted by law in some jurisdictions. If you receive this prospectus supplement, the prospectus or any applicable pricing supplement, you must inform yourself about, and observe, any such restrictions. This prospectus supplement, the prospectus or any applicable pricing supplement is not an offer to sell the notes and we are not soliciting an offer to buy the notes in any state where the offer or sale is not permitted.

Offers and sales of the notes are subject to restrictions including in relation to the United Kingdom and the European Economic Area, details of which are set out in Underwriting Notice to Prospective Investors in this prospectus supplement. The distribution of the prospectus, this prospectus supplement and any applicable pricing supplement and the offer, sale and delivery of the notes in other jurisdictions may be restricted by law. Persons who come into possession of the prospectus, this prospectus supplement and any applicable pricing supplement must inform themselves about and observe any applicable restrictions.

You should read and consider all information contained or incorporated by reference in this prospectus supplement, the prospectus and the pricing supplement before making your investment decision.

NON-GAAP FINANCIAL MEASURES

This prospectus supplement contains or incorporates by reference certain financial measures that are not calculated in accordance with accounting principles generally accepted in the United States (GAAP). Non-GAAP financial measures are meant to provide additional information and insight regarding operating results and financial position of the business and in certain cases to provide financial information that is presented to rating agencies and other users of financial information. These measures are not in accordance with GAAP or a substitute for GAAP measures and may be different from or inconsistent with non-GAAP financial measures used by other companies.

Net finance revenues and average earning assets, as presented in this prospectus supplement, are supplemental measures of our performance that are not required by, or presented in accordance with, GAAP. They are not measurements of our financial performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP or as alternatives to cash flows from operating activities as measures of our liquidity. See the Non-GAAP Measurements section of our Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 29, 2012 (the 2011 10-K), our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2012, filed on May 10, 2012 (the First Quarter 10-Q), and our Current Report on Form 8-K, filed on July 30, 2012, which includes preliminary results for the fiscal quarter ended June 30, 2012, in each case incorporated herein by reference, for a reconciliation of non-GAAP to GAAP financial information for such periods.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC s website at http://www.sec.gov. You may also read and copy any document we file at the SEC s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You can also find information about us by visiting our website at www.cit.com. We have included our website address as an inactive textual reference only. Information on our website is not incorporated by reference into and does not form a part of this prospectus supplement.

The SEC allows us to incorporate by reference into this prospectus supplement the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement, and information that we file later with the SEC will automatically update and supersede the previously filed information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), other than any portions of the respective filings that were furnished, under applicable SEC rules, rather than filed, until we complete our offerings of the securities:

our Report on Form 10-K for the year ended December 31, 2011, filed on February 29, 2012;

our Proxy Statement on Schedule 14A for the 2012 Annual Meeting of Stockholders, filed on April 5, 2012;

our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012, filed May 10, 2012; and

our Current Reports on Form 8-K filed with the

SEC on January 19, 2012, February 9, 2012, February 13, 2012, February 14, 2012, March 16, 2012, March 19, 2012, April 3, 2012, April 12, 2012, May 4, 2012, May 8, 2012, May 15, 2012, June 14, 2012, July 20, 2012 and July 30, 2012.

You may request a copy of these filings at no cost by writing or telephoning us at the following address or phone number:

Investor Relations Department
11 West 42nd Street
New York, NY 10036
(866) 54-CITIR
investor.relations@cit.com

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus, the documents incorporated by reference in this prospectus supplement and the accompanying prospectus and other written reports and oral statements made from time to time by the company may contain forward-looking statements within the meaning of the Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations or forecasts of future events. They use words such as anticipate, believe, could, estimate, expect, forecast, project, intend, plan, potential, will terms of similar meaning in connection with a discussion of potential future events, circumstances or future operating or financial performance. You can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. Any forward-looking statements contained in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus are subject to unknown risks, uncertainties and contingencies. Forward-looking statements are included, for example, in the discussions about:

our liquidity risk and capital management, including our capital, leverage, and credit ratings, our liquidity plan, and our plans and the potential transactions designed to optimize our liquidity and capital,

our plans to change our funding mix and to access new sources of funding to broaden our use of deposit taking capabilities,

our credit risk management and credit quality,

our asset/liability risk management,

accretion and amortization of fresh start accounting adjustments,

our funding, borrowing costs and net finance revenue,

our operational risks, including success of systems enhancements and expansion of risk management and control functions,

our mix of portfolio asset classes, including growth initiatives, acquisitions and divestitures, new products, new business and customer retention,

legal risks,

our growth rates,

our commitments to extend credit or purchase equipment, and

how we may be affected by legal proceedings.

All forward-looking statements involve risks and uncertainties, many of which are beyond our control, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Also, forward-looking statements are based upon management s estimates of fair values and of future costs, using currently available information. Therefore, actual results may differ materially from those expressed or implied in those statements. Factors that could cause such differences include, but are not limited to:

capital markets liquidity,

risks of and/or actual economic slowdown, downturn or recession,

industry cycles and trends,

uncertainties associated with risk management, including credit, prepayment, asset/liability, interest rate and currency risks,

estimates and assumptions used to fair value the balance sheet in accordance with fresh start accounting and actual variation between the estimated fair values and the realized values,

adequacy of reserves for credit losses,

risks inherent in changes in market interest rates and quality spreads,

funding opportunities, deposit taking capabilities and borrowing costs,

risks that the restructuring of the company s capital structure did not result in sufficient additional capital or improved liquidity,

risks that the company will be unable to comply with the terms of the Written Agreement with the Federal Reserve Bank of New York,

conditions and/or changes in funding markets and our access to such markets, including secured and unsecured term debt, credit facilities and the asset-backed securitization markets,

risks of implementing new processes, procedures, and systems,

risks associated with the value and recoverability of leased equipment and lease residual values,

application of fair value accounting in volatile markets,

application of goodwill accounting in a recessionary economy,

changes in laws or regulations governing our business and operations,

changes in competitive factors,

demographic trends,

- customer retention rates,
- future acquisitions and dispositions of businesses or asset portfolios, and
- regulatory changes and/or developments.

Any or all of our forward-looking statements here or in other publications may turn out to be wrong, and there are no guarantees about the performance of the Company. We do not assume the obligation to update any forward-looking statement for any reason.

PROSPECTUS SUPPLEMENT SUMMARY

The Company

Founded in 1908, CIT Group Inc., a Delaware corporation, is a bank holding company that, together with its subsidiaries (collectively we, CIT or the Company), provides primarily commercial financing and leasing products and other services to small and middle-market businesses across a wide variety of industries. CIT became a bank holding company in December 2008, and is regulated by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York under the U.S. Bank Holding Company Act of 1956.

CIT operates principally in North America, with additional locations in Europe, Latin America and Asia. Our businesses focus mainly on commercial clients with a particular emphasis on small business and middle-market companies. We provide financing and leasing products to our clients and customers in over 30 industries, including transportation, particularly aerospace and rail, manufacturing and retail, in over 20 countries. We funded $7.8 billion of new business volume during 2011 and had $34.1 billion of financing and leasing assets at March 31, 2012.

Each business has industry alignment and focuses on specific sectors, products and markets, with portfolios diversified by client and geography. Our principal product and service offerings include:

Products	**Services**
Asset-based loans	Financial risk management
Secured lines of credit	Asset management and servicing
Enterprise value and cash flow loans	Debt restructuring
Leases: operating, finance and leveraged	Credit protection
Factoring services	Account receivables collection
Vendor financing	Debt underwriting and syndication
Import and export financing	Merger and acquisition advisory services
Small business loans	Insurance services
Acquisition and expansion financing	
Letters of credit / trade acceptances	
Debtor-in-possession / turnaround financing	
CIT Bank Certificate of Deposit Achiever, Jumbo, and Term, and a retail savings account program	

We source business through marketing efforts directly to borrowers, lessees, manufacturers, vendors and distributors, and through referral sources and other intermediaries. Our business units work together both in referring transactions between units and by combining products and services to meet our customers needs. We also buy and sell participations in syndications of finance receivables and lines of credit and periodically purchase and sell finance receivables on a whole-loan basis.

We generate revenue by earning interest on loans we hold on our balance sheet, collecting rentals on equipment we lease, and earning fee and other income for the financial services we provide. In addition, we strive to syndicate and sell certain finance receivables and equipment to leverage our origination capabilities, reduce concentrations, manage our balance sheet and maintain liquidity.

We set underwriting standards for each business unit and employ portfolio risk management models to achieve desired portfolio demographics. Our collection and servicing operations are organized by businesses and geographies providing efficient client interfaces and uniform customer experiences.

As a bank holding company, we have bank and non-bank subsidiaries. Our primary bank subsidiary is CIT Bank, a state chartered bank located in Salt Lake City, Utah that offers commercial financing and leasing products and services and online banking products. CIT Bank is subject to regulation and examination by the Federal Deposit Insurance Corporation (FDIC) and the Utah Department of Financial Institutions. As of March 31, 2012, the majority of new U.S. business volume in Corporate Finance and Vendor Finance and selected new U.S. business volume in Transportation Finance was being originated in CIT Bank.

We fund our non-bank business in the global capital markets, principally through asset-backed and other secured financing arrangements, various forms of unsecured debt and bank borrowings. CIT Bank funds itself via broker-originated deposits, retail certificates of deposit, retail savings accounts and various forms of secured funding. CIT relies on these diverse funding sources to maintain liquidity and manages interest rate, foreign currency, and other market risks through disciplined matched-funding strategies.

Recent Developments

On July 30, 2012, we issued a press release announcing the financial results of CIT Group Inc. as of and for the quarter ended June 30, 2012, which was filed as an exhibit to a Current Report on Form 8-K, filed with the SEC on July 30, 2012 and incorporated herein by reference. PricewaterhouseCoopers LLP, our independent registered public accounting firm, has not audited, reviewed, compiled or performed any procedures with respect to the financial information in the earnings release. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto. We are currently preparing our Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 which will be reviewed by our independent registered public accounting firm. While we believe the financial information in the earnings release fairly presents, in all material respects, our results of operations and financial condition for and as of the end of such quarter, the preparation of our Quarterly Report on Form 10-Q and the review by our independent registered public accounting firm could result in changes to our reported financial information, and such changes may be material.

The Offering

The following is a brief summary of some of the terms of this offering. For a more complete description of the terms of the notes, see Description of Notes. As used in this The Offering section, the terms CIT Group Inc., CIT, the Company, we, our, us and other similar references refer only to CIT Group Inc. and not to any of its subsidiaries.

Issuer	CIT Group Inc. (CIT)
Notes Offered	$ aggregate principal amount of % senior unsecured notes due 2017 (the 2017 Notes). $ aggregate principal amount of % senior unsecured notes due 2022 (the 2022 Notes, together with the 2017 Notes, the Notes).
Maturity Date	2017 Notes: , 2017. 2022 Notes: , 2022.
Interest	Interest on the Notes will accrue at a rate of % per annum for the 2017 Notes and % per annum for the 2022 Notes, payable semi-annually in cash in arrears on February 15 and August 15 of each year, commencing February 15, 2013.
Ranking	The Notes will rank equally in right of payment with all existing and future unsubordinated unsecured

indebtedness of CIT, including our other senior unsecured notes issued under the Base Indenture, the Series C Notes and Revolving Credit Facility, and will be senior in right of payment to any future indebtedness of CIT that by its terms is expressly subordinated to the Notes.

The Notes will be effectively subordinated to any secured indebtedness of CIT to the extent of the value of the assets securing such indebtedness. The Notes will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries, including guarantees of the Revolving Credit Facility by certain of our subsidiaries. The Notes will not be guaranteed by any of our subsidiaries or any third party. See Risk Factors Risks Relating to the Notes The Notes are the unsecured obligations of CIT and not obligations of our subsidiaries

	and will be effectively subordinated to the claims of our subsidiaries creditors. Structural subordination increases the risk that we will be unable to meet our obligations on the Notes when they mature. Series C Notes refers to our outstanding Series C senior unsecured notes, which were originally issued as Series C Second-Priority Secured Notes but became unsecured on March 9, 2012 pursuant to the terms thereof as a result of our Series A Second-Priority Secured Notes (the Series A Notes) no longer being outstanding.
Optional Redemption	We may redeem the Notes of each series at our option, at any time in whole or from time to time in part. The redemption price for the Notes to be redeemed on any redemption date will be equal to the greater of: (1) the principal amount of the Notes being redeemed plus

accrued and unpaid interest to the redemption date; or (2) the sum of the present values of the principal amount of the Notes to be redeemed, together with the scheduled payments of interest (exclusive of interest to the redemption date) from the redemption date to the maturity date, in each case discounted to the redemption date on a semi-annual basis, at the Treasury Yield (as defined in the Description of Notes Optional Redemption) plus 50 basis points plus accrued and unpaid interest on the principal amount of the Notes being redeemed to the redemption date.

Sinking Fund	None.
Change of Control Triggering Event	If we experience certain kinds of changes of control and certain ratings changes occur within a specified period after such change of control, we must offer to purchase the Notes at 101% of their principal amount, plus accrued and unpaid interest. For more details, see Description of Notes Purchase at the Option of Holders Upon Change of Control Triggering Event.
Certain Covenants	The supplemental indenture contains a covenant that requires CIT to file reports with the Securities and Exchange Commission. The indenture contains covenants that limit CIT s ability to: create liens; and merge or consolidate, or sell, transfer, lease or dispose of all or substantially all of its assets. These covenants are subject to a number of important exceptions, qualifications and limitations. See Description of Notes Reporting Covenant in this prospectus supplement and Description of Debt Securities Certain Covenants in the accompanying prospectus.
Use of Proceeds	We intend to use the net proceeds from the offering of the Notes for general corporate purposes and the refinancing of our outstanding 7% Series C Notes due 2016 and/or 2017.
Risk Factors	Potential investors in the Notes should carefully consider the matters set forth herein under the caption Risk Factors beginning on page S-7 and under the caption Risk Factors in our 2011 10-K, incorporated herein by reference, prior to making an investment decision with respect to the Notes.

Summary Historical Financial Data

The following tables set forth our summary historical financial data. CIT Group Inc. prior to its emergence from bankruptcy on December 10, 2009 is referred to as Predecessor CIT. The Company used an accounting convenience date of December 31, 2009. As such, Fresh Start Accounting (FSA) is reflected in the financial statements as of December 31, 2009. Accretion and amortization of certain FSA adjustments began in 2010. Data subsequent to the Company s adoption of FSA is not comparable to data in periods prior to emergence. CIT post emergence is referred to as CIT. All references to CIT in this Summary Historical Financial Data section include subsidiaries of Predecessor CIT or CIT unless otherwise indicated or the context requires otherwise.

The balance sheet data for Predecessor CIT as of December 31, 2009 reflects the balance sheet inclusive of reorganization items and FSA adjustments. See Note 26 in our 2011 10-K incorporated herein by reference for more information on the reorganization items and FSA adjustments.

The below tables reflect certain revisions to our previously issued financial statements. For more information on the revisions, see Note 1 Business and Summary of Significant Accounting Policies Revisions and Note 27 Selected Quarterly Financial Data in our 2011 10-K, incorporated herein by reference.

	CIT					Predecessor
	Three Months Ended March 31,		Fiscal Years Ended December 31,			Fiscal Years December
($ in millions)	**2012**	**2011**	**2011**	**2010**	**2009**	**2008**
Statement of Operations Data:						
Total interest income	$ 412	$ 639	$ 2,234	$ 3,725	$ 2,362	$ 3,63
Interest expense						
Interest on long-term borrowings	(1,043)	(674)	(2,683)	(2,993)	(2,514)	(3,03
Interest on deposits	(36)	(24)	(111)	(87)	(151)	(10
Total interest expense	(1,079)	(698)	(2,794)	(3,080)	(2,665)	(3,13
Provision for credit losses	(43)	(122)	(270)	(820)	(2,661)	(1,04
Other income						
Rental income on operating leases	439	409	1,666	1,646	1,902	1,96
Other	249	270	956	1,005	(335)	49

Total other income	688	679	2,622	2,651	1,567	2,46
Other expenses						
Depreciation on operating lease equipment	(138)	(160)	(575)	(675)	(1,144)	(1,14
Operating expenses	(223)	(205)	(891)	(1,022)	(1,150)	(1,37
Gain/(loss) on debt extinguishments	(23)		(135)		207	
Goodwill and intangible assets impairment charges					(692)	(46
Total other expenses	(384)	(365)	(1,601)	(1,697)	(2,779)	(2,98
Income (loss) from continuing operations before reorganization items, fresh start accounting adjustments, and income taxes	(406)	132	190	779	(4,176)	(1,07
Reorganization items					10,298	
Fresh start accounting adjustments					(6,072)	
Income (loss) from continuing operations before income taxes	(406)	132	190	779	50	(1,07
(Provision) benefit for income taxes	(40)	(62)	(158)	(251)	133	44
Net income (loss) from continuing	(446)	70	32	528	183	(63

operations before attribution of non-controlling interests												
Loss from discontinued operations												(2,16
Preferred stock dividends										(188)		(6
Net income (loss) available (attributable) to non-controlling interests, after tax		(1)		(4)		(5)		(4)		1		(
Net income (loss) available (attributable) to common stockholders	$	(447)	$	66	$	27	$	524	$	(4)	$	(2,86

($ in millions)	CIT					Predec
	Three Months Ended March 31,		Fiscal Years Ended December 31,			Fiscal Y Decer
	2012	2011	2011	2010	2009	2
Select Period Data:						
Net finance revenue	$ (366)	$ 189	$ 530	$ 1,616	$ 455	$
Average earning assets (AEA)	$ 33,061	$ 35,316	$ 34,337	$ 40,844	$ 59,991	$ 6
Net financing revenue / AEA (%)	(4.43 %)	2.14 %	1.54 %	3.96 %	0.76 %	

($ in millions)	CIT					
	Three Months Ended March 31,		Fiscal Years Ended December 31,			
	2012	2011	2011	2010	2009	
Balance Sheet Data:						
Total cash and short-term investments	$ 7,336	$ 11,844	$ 8,373	$ 11,204	$ 9,826	$
Loans	20,491	23,794	19,886	24,628	35,163	
Allowance for loan losses	(420)	(402)	(408)	(416)		
Total loans, net of allowance for loan losses	20,071	23,392	19,478	24,212	35,163	
Operating lease equipment, net	11,904	11,039	11,992	11,140	10,912	
Total assets	44,148	51,086	45,235	51,420	60,505	
Deposits	6,815	4,288	6,194	4,536	5,178	
Total long-term borrowings	25,101	33,736	26,288	34,029	43,312	
Total liabilities	35,692	42,085	36,344	42,499	52,104	
Total equity and non-controlling interests	8,456	9,001	8,891	8,921	8,401	

Other Financial Data:					
Tier I capital ratio	17.6 %	20.0 %	18.8 %	19.0 %	14.2 %
Total capital ratio	18.5 %	20.9 %	19.7 %	19.9 %	14.2 %

RISK FACTORS

The operation of our business pursuant to a banking model, the continued economic uncertainty in the U.S. and other regions of the world, and the effects of the transactions that were effectuated in our 2009 bankruptcy reorganization each involve various elements of risk and uncertainty. Before making a decision whether to invest in the Notes, you should carefully consider the risks and uncertainties described below, as well as the risks described under Risk Factors in the accompanying prospectus and risks described under Risk Factors in our 2011 10-K and our First Quarter 10-Q, each incorporated herein by reference. Additional risks that are presently unknown to us or that we currently deem immaterial may also impact our business.

Risks Relating to the Notes

We have a substantial amount of indebtedness which could adversely affect our financial position and prevent us from fulfilling our obligations under the Notes.

As of March 31, 2012, we had total debt of approximately $25.1 billion, excluding deposits. We may also incur significant additional indebtedness in the future. Our substantial indebtedness may:

- make it difficult for us to satisfy our financial obligations, including making scheduled principal and interest payments on the Notes and our other indebtedness;

- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions or other general business purposes;

- limit our ability to use

- our cash flow or obtain additional financing for future working capital, capital expenditures, acquisitions or other general business purposes;
- require us to use a substantial portion of our cash flow from operations to make debt service payments;
- limit our flexibility to plan for, or react to, changes in our business and industry;
- place us at a competitive disadvantage compared to less leveraged competitors; and
- increase our vulnerability to the impact of adverse economic and industry conditions.

We may not be able to generate sufficient cash to service our debt obligations, including our obligations under the Notes.

Our ability to make payments on and to refinance our indebtedness, including the Notes, will depend on our financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may be unable to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the Notes.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be unable to provide new loans, other products or to fund our obligations to existing customers and otherwise implement our business plans, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the Notes. As a result, we may be unable to meet our scheduled debt service obligations. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions of assets or to obtain the proceeds that we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due.

The Notes are the unsecured obligations of CIT and not obligations of our subsidiaries and will be effectively subordinated to the claims of our subsidiaries creditors. Structural subordination increases the risk that we will be unable to meet our obligations on the Notes when they mature.

The Notes are exclusively the obligations of CIT and are not obligations of our subsidiaries. We conduct a substantial portion of our business through our subsidiaries. As a result, our cash flow and ability to service our debt, including the Notes, depends upon the earnings of our subsidiaries and the distribution to us of earnings, loans or other payments from our subsidiaries.

Our subsidiaries are separate and distinct legal entities. Our subsidiaries will not guarantee the Notes and are under no obligation to pay any amounts due on the Notes or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other payments. Payments to us from our subsidiaries will also be contingent upon such subsidiaries earnings and business considerations and may be subject to legal and contractual restrictions.

Our right to receive any assets of any of our subsidiaries upon their liquidation or reorganization, and therefore the right of the holders of the Notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary s creditors, including senior and subordinated debt holders and bank and trade creditors. The indenture governing the Notes does not limit the amount of additional indebtedness that our subsidiaries may incur and permits these subsidiaries to incur secured debt without restriction. In addition, even if we were a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of our subsidiaries and any indebtedness of our subsidiaries senior to that held by us.

The Notes will rank equally in right of payment with all existing and future unsubordinated unsecured indebtedness of CIT, including all of our existing Series C Notes and Revolving Credit Facility, and will be senior in right of payment to any future indebtedness of CIT that by its terms is expressly subordinated to the Notes. The Notes will be effectively subordinated to any secured indebtedness of CIT to the extent of the value of the assets securing such indebtedness. The Notes will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries. The Notes will not be guaranteed by any of our subsidiaries or any third party. Certain subsidiaries of the Company guarantee the Revolving Credit Facility, which provides for aggregate borrowings of up to $2.0 billion. As of July 26, 2012, letters of credit of approximately $114 million and no borrowings were outstanding under the Revolving Credit Facility.

The Notes will be subject to the prior claims of any future secured creditors.

The Notes are unsecured obligations, ranking effectively junior to any secured indebtedness we may incur in the future. The indenture governing the Notes does not limit the amount of additional debt that we may incur and permits us to incur secured debt under specified circumstances. If we incur secured indebtedness, our assets securing any such indebtedness will be subject to prior claims by our secured creditors. In the event of our bankruptcy, insolvency, liquidation, reorganization, dissolution or other winding up, or upon any acceleration of the Notes, our assets that secure other indebtedness will be available to pay obligations on the Notes only after all such other debt secured by those assets has been repaid in full. Any remaining assets will be available to you ratably with all of our other unsecured and unsubordinated creditors, including trade creditors. If there are not sufficient assets remaining to pay all these creditors, then all or a portion of the Notes then outstanding would remain unpaid.

The indenture for the Notes may not provide protection against events or developments that may affect our ability to repay the Notes or the trading prices for the Notes.

The indenture governing the Notes contains a covenant limiting the ability of CIT to incur liens on its assets to secure indebtedness without equally and ratably securing the Notes. This limitation is subject to a number of important exceptions.

The indenture governing the Notes does not:

- require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity and, accordingly, does not protect holders of the Notes in the event that we experience material adverse changes in our financial condition or results of operations;

limit the ability of CIT and its subsidiaries to incur indebtedness;

limit the ability of any subsidiaries of CIT from incurring liens;

restrict our ability to pay dividends, prepay indebtedness ranking junior to the Notes or make investments; or

restrict our ability to engage in any acquisition or other transaction, other than our ability to merge or consolidate with, or sell all or substantially all of our assets to, another person without the surviving or transferring person (if other than CIT) assuming the obligations under the Notes.

For these reasons, you should not consider the covenants in the indenture as a significant factor in evaluating whether to invest in the Notes. In addition, we are subject to periodic review by independent credit rating agencies. An increase in the level of our outstanding indebtedness, or other events that could have an adverse impact on our business, properties, financial condition, results of operations or prospects, may cause the rating agencies to downgrade our credit ratings generally, and the ratings on the Notes, which could adversely impact the trading prices for, or the liquidity of, the Notes. Any such downgrade could also adversely affect our cost of borrowing, limit our access to the capital markets or result in more restrictive covenants in future debt agreements.

General market conditions and unpredictable factors could adversely affect market prices for the Notes.

There can be no assurance about the market prices for the Notes. Several factors, many of which are beyond our control, will influence the market value of the Notes. Factors that might influence the market value of the Notes include, but are not limited to:

- our creditworthiness, financial condition, performance and prospects;
- whether the ratings on the Notes provided by any ratings agency have changed;
- the market for similar securities; and
- economic, financial, geopolitical, regulatory or judicial events that affect us or the financial markets generally (including the occurrence of market disruption events).

If you purchase Notes, whether in this offering or in the secondary market, the Notes may subsequently trade at a discount to the price that you paid for them.

We may not be able to repurchase the Notes upon a change of control triggering event.

Upon the occurrence of specific kinds of change of control events we will be required to offer to repurchase all outstanding Notes at 101% of their principal amount plus accrued and unpaid interest if either (i) the Notes were rated investment grade by Moody s or S&P and are downgraded below investment grade by the rating agency that was rating the Notes investment grade within a period after such change of control or (ii) the Notes were rated below investment grade by Moody s or S&P and are downgraded below the rating of the Notes by such rating agency prior to such change of control within a period after such change of control; *provided*, that if Moody s or S&P ceases to rate the Notes or fails to make a rating of the Notes available, we shall use commercially reasonable efforts to appoint another nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Exchange Act as a replacement and such replacement rating agency shall be substituted for either Moody s or S&P, as applicable, in clauses (i) and (ii) above. The source of funds for any such purchase of the Notes will be our available cash or cash generated from our subsidiaries operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the Notes upon a change of control because we may not have sufficient financial resources to purchase all of the Notes that are tendered upon a change of control. Accordingly, we may not be able to satisfy our obligations to purchase the Notes unless we are able to refinance. Our failure to repurchase the Notes as required upon a change of control would cause a default under the indenture and a cross-default under the instruments governing our existing Revolving Credit Facility, the existing Series C Notes Indenture and instruments governing our other borrowings. Further, our existing Revolving Credit Facility also provides that a change of control will be a default that permits lenders to accelerate the maturity of borrowings thereunder. Any of our future debt agreements may contain similar provisions.

Your ability to transfer the Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the Notes.

Each series of Notes constitutes a new issue of securities for which there is no established public market. Each of the underwriters has advised us that it intends to make a market in the Notes as permitted by applicable laws and regulations; however, the underwriters are not obligated to make a market in the Notes, and they may discontinue their market-making activities at any time without notice. Therefore, we cannot assure you that an active market for the Notes will develop or, if developed, that it will continue. Historically, the market for non-investment-grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes.

We cannot assure you that the market, if any, for the Notes will be free from similar disruptions or that any such disruptions may not adversely affect the prices at which you may sell your Notes. In addition, subsequent to their initial issuance, the Notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar Notes, our performance and other factors.

Risks Relating to the Company

For a discussion of certain risk factors affecting CIT, see *Part I, Item 1A: Risk Factors*, of CIT s 2011 Annual Report on Form 10-K and Forward-Looking Statements of CIT s 2012 First Quarter Report on Form 10-Q, both of which are incorporated by reference into this prospectus supplement. In addition, the following Risk Factor, which was previously included in the Risk Factors set forth in CIT s 2011 Annual Report on Form 10-K, is amended and updated in this prospectus supplement to provide additional disclosure regarding certain information security breaches.

We rely on our systems, employees, and certain third party vendors and service providers in conducting our operations, and certain failures, including internal or external fraud, operational errors, systems malfunctions, or cybersecurity incidents, could materially adversely affect our operations.

We are exposed to many types of operational risk, including the risk of fraud by employees and outsiders, clerical and recordkeeping errors, and computer or telecommunications systems malfunctions. Our businesses are dependent on our ability to process a large number of increasingly complex transactions. If any of our financial, accounting, or other data processing systems fail or have other significant shortcomings, we could be materially adversely affected. We are similarly dependent on our employees. We could be materially adversely affected if one of our employees causes a significant operational break-down or failure, either as a result of human error or where an individual purposefully sabotages or fraudulently manipulates our operations or systems. Third parties with which we do business, including vendors that provide services or security solutions for our operations, could also be sources of operational and information security risk to us, including from breakdowns, failures, or capacity constraints of their own systems or employees. Any of these occurrences could result in a diminished ability for us to operate one or more of our businesses, or cause financial loss, potential liability to clients, inability to secure insurance, reputational damage, or regulatory intervention, which could materially adversely affect us.

We may also be subject to disruptions of our operating systems arising from events that are wholly or partially beyond our control, which may include, for example, computer viruses or electrical or telecommunications outages, natural or man-made disasters, such as earthquakes, hurricanes, floods, or tornados, disease pandemics, or events arising from local or regional politics, including terrorist acts. Such disr