CIT GROUP INC
Form 424B2
April 23, 2008

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Registration No. 333-131159

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Maximum Aggregate Offering Price	Amount of Registration Fee (1)
Common Stock (.01 par value)	$1,151,150,000	$45,240.20

(1) The filing fee is calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

PROSPECTUS SUPPLEMENT
(To Prospectus dated October 17, 2007)

91,000,000 Shares

CIT Group Inc.
Common Stock

We are offering 91,000,000 shares of our common stock, par value $0.01 per share. Our common stock is listed on the New York Stock Exchange under the symbol CIT. The last reported sale price of our common stock on April 21, 2008 was $12.74 per share.

We are also making a concurrent offering of 10,000,000 shares of our 8.75% Non-Cumulative Perpetual Convertible Preferred Stock, Series C (the Series C Preferred Stock) (or 11,500,000 shares of Series C Preferred Stock if the underwriters exercise their over-allotment option in full), in a public offering. That offering is being made by a separate prospectus supplement and is not part of the offering to which this prospectus supplement relates. The completion of this offering is not contingent upon the completion of the convertible preferred stock offering.

Investing in our common stock involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement to read about factors that you should consider before buying our common stock.

	Per share	Total
Public offering price	$ 11.00	$ 1,001,000,000
Underwriting discounts and commissions	$ 0.55	$ 50,050,000
Proceeds to us, before expenses	$ 10.45	$ 950,950,000

We have granted the underwriters an option for a period of 30 days from the date of this prospectus supplement to purchase from us up to 13,650,000 additional shares of our common stock at the public offering price, less the underwriting discounts and commissions, to cover over-allotments, if any.

The Securities and Exchange Commission and state securities regulators have not 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 underwriters expect to deliver the shares against payment on or about April 25, 2008.

JPMorgan Morgan Stanley Lehman Brothers Citi

The date of this prospectus supplement is April 21, 2008

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the offering and other matters relating to us and our financial condition. The second part is the attached base prospectus, which gives more general information about securities we may offer from time to time, some of which does not apply to the common stock we are offering. The information in this prospectus supplement replaces any inconsistent information included in the accompanying prospectus. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If information in the prospectus supplement differs from information in the accompanying prospectus, you should rely on the information in this prospectus supplement. You should read carefully both this prospectus supplement and the accompanying prospectus, together with additional information described under the heading Where You Can Find Additional Information below.

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 its subsidiaries. References in this prospectus supplement to U.S. dollars, U.S. $ or $ are to the currency of the United States of America.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the prospectus or any free writing prospectus prepared by CIT. We and the underwriters have not authorized anyone else to provide you with different or additional information. You should not assume that the information contained or incorporated by reference in this prospectus supplement or in the prospectus is accurate as of any date other than the date on the front of that document.

The distribution of this prospectus supplement and the attached prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. We are not making an offer of the common stock in any jurisdiction where the offer is not permitted. Persons who come into possession of this prospectus supplement and the attached prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the attached prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

You should not consider any information in this prospectus supplement or the prospectus 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 common stock. We are not making any representation to you regarding the legality of an investment in the common stock by you under applicable investment or similar laws.

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

WHERE YOU CAN FIND MORE INFORMATION

CIT Group Inc. files annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. Our SEC filings are available to the public over the Internet at the SEC s Web site 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. Such information may also be inspected at The New York Stock Exchange, 20 Broad Street, New York, New York 10005. You can also find information about us by visiting our Web site at www.cit.com. We have included our Web site address as an inactive textual reference only. Information on our Web site is not incorporated by reference into, and does not form a part of, this prospectus supplement or the accompanying prospectus.

We are incorporating by reference into this prospectus supplement and the accompanying prospectus the information that CIT Group Inc. files with the SEC, which means that we can disclose important information to you by referring you to those documents that have been filed with the SEC. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus, 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 Exchange Act, other than any portions of the respective filings that were furnished, under applicable SEC rules, rather than filed, until the completion of this offering.

We incorporate by reference the documents listed below.

- our Annual Report on Form 10-K for the year ended December 31, 2007;
- our Definitive Proxy Statement filed with the SEC on March 25, 2008;
- our Additional Definitive Proxy Statement filed with the SEC on March 26, 2008;

our Current Reports on Form 8-K filed with the SEC on January 11, 2008 (other than Item 2.02), January 17, 2008, January 22, 2008, January 23, 2008, January 25, 2008, January 29, 2008, February 5, 2008, February 6, 2008 (amendment to our Current Report on Form 8-K filed on January 23, 2008), February 6, 2008 (amendment to our Current Report on Form 8-K filed on January 29, 2008), February 12, 2008, February 14, 2008, February 21, 2008, February 26, 2008, March 4, 2008, March 12, 2008, March 14, 2008, March 20, 2008, April 3, 2008, April 17, 2008 and April 18, 2008; and

the description of our common stock contained in Form 8-A filed on June 26, 2002, and any amendment or report filed under the Exchange Act for the purpose of updating such description.

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

Glenn A. Votek
Executive Vice President And Treasurer
CIT Group Inc.
1 CIT Drive
Livingston, New Jersey 07039
(973) 740-5000

SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus supplement and in the documents incorporated by reference in this prospectus supplement and does not contain all the information you will need in making your investment decision. You should read carefully this entire prospectus supplement, the attached prospectus and the documents incorporated by reference in this prospectus supplement.

CIT Group Inc.

CIT Group Inc., a Delaware corporation, is a leading global commercial finance company with a focus on providing financing products and services to middle-market companies and serving global vendor relationships. Founded in 1908, we provide financing and leasing capital for companies in a wide variety of industries. We offer vendor, equipment and commercial finance products, factoring, small business lending, structured financing products, and commercial real estate financing, as well as mergers and acquisitions and management advisory services. We previously offered mortgage and student loans to consumers. We have ceased originating new business in both areas, although we continue to own significant home lending and student lending assets. On July 18, 2007, we announced our decision to exit the home lending business and redeploy resources to other businesses. On August 28, 2007, we ceased originating new home lending assets due to disruptions in that market. On April 3, 2008, we ceased originating new student loans due to disruptions in the credit market and changes in the regulatory environment, although we will continue to fund existing commitments of approximately $200 million.

We have broad access to customers and markets through our diverse businesses. Each business has industry alignment and focuses on specific sectors, products, and markets, with portfolios diversified by client and geography. The majority of our businesses focus on commercial clients with a particular focus on middle-market companies. We serve a wide variety of industries. Our largest industries include transportation, particularly aerospace and rail, and a broad range of manufacturing and retailing. We also serve the wholesaling, healthcare, communications, media and entertainment and various service-related industries. Our SBA preferred lender operations has been recognized as the nation s #1 SBA Lender (based on 7(a) program volume) in each of the last eight years.

Our commercial products include direct loans and leases, operating leases, leveraged and single investor leases, secured revolving lines of credit and term loans, credit and interest rate protection, accounts receivable collection, import and export financing, debtor-in-possession and turnaround financing, acquisition and expansion financing and U.S. government-backed small business loans. Our commercial offerings include both fixed and floating-interest rate products.

We also offer a wide variety of services to our clients, including capital markets structuring and syndication, finance-based insurance, and advisory services in asset finance, balance sheet restructuring, merger and acquisition and commercial real estate analysis.

We generate transactions through direct calling efforts with borrowers, lessees, equipment end-users, vendors, manufacturers and distributors, and through referral sources and other intermediaries. In addition, our business units work together both in referring transactions among units (i.e. cross-selling) and by combining various products and structures to meet our customers overall financing needs. We also buy and sell participations in and syndications of finance receivables and lines of credit. From time to time, in the normal course of business, we purchase finance receivables on a wholesale basis (commonly called bulk portfolio purchases).

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

We fund our business in the global capital markets, principally through asset-backed and other secured financing arrangements, commercial paper, unsecured term debt, and broker-originated deposits, although we are not currently accessing the commercial paper and unsecured term debt markets. We rely on these diverse funding sources to maintain liquidity and strive to mitigate interest rate, foreign currency, and other market risks through disciplined matched funding strategies. In addition, our business model is highly dependent on these diverse funding sources, particularly the unsecured debt markets, in order to efficiently fund our business and achieve adequate returns on equity.

Our principal executive offices are located at 505 Fifth Avenue, New York, New York 10017. Our telephone number is (212) 771-0505.

The Offering

Common stock offered	91,000,000 shares.
Common stock outstanding after this offering	282,525,286 shares.
Over-allotment option	We have granted the underwriters an option for a period of 30 days from the date of this prospectus supplement to purchase from us up to 13,650,000 additional shares of our common stock at the public offering price, less the underwriting discounts and commissions, to cover over- allotments, if any.
Use of proceeds	We intend to use the net proceeds from this offering for general corporate purposes, including the payment of preferred stock dividends and interest on our junior subordinated notes.
Risk factors	See Risk Factors and other information included in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.
New York Stock Exchange symbol	CIT

The figures above are based on 191,525,286 shares of common stock outstanding as of March 31, 2008 and assume no exercise of outstanding options since that date. As of March 31, 2008, the number of shares of common stock to be outstanding after this offering excludes 8,714,584 shares of common stock reserved for issuance under our long-term incentive plans; 13,245,444 shares that were subject to outstanding options at a weighted average exercise price of $40.22 per share as of March 31, 2008; 413,491 shares of common stock reserved for issuance under our employee stock purchase plan; 114,763 shares of restricted stock; 1,515,150 shares of restricted stock units and performance share units; and any shares issuable upon conversion of the Series C Preferred Stock or our outstanding equity units.

Concurrent Offering

Concurrent with this offering, we are offering 10,000,000 shares of our Series C Preferred Stock (or 11,500,000 shares if the underwriters exercise their over-allotment option in full), which we refer to as the Preferred Stock Offering.

We intend to use the net proceeds from this offering, together with the net proceeds from the concurrent Preferred Stock Offering, for general corporate purposes, including, in the case of net proceeds from this offering, to pay dividends on our existing preferred stock and interest on our junior subordinated notes. The Preferred Stock Offering will be effected pursuant to a separate prospectus supplement. This prospectus supplement shall not be deemed an offer to sell or a solicitation of an offer to buy any of our Series C Preferred Stock. There is no assurance that the Preferred Stock Offering will be completed or, if completed, that it will be completed in the amount contemplated. The consummation of this offering is not conditioned on the consummation of the Preferred Stock Offering.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully read and consider the following risk factors, in addition to the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, before investing in the common stock offered hereby. If any of the following events actually occurs, our business, results of operations, financial condition, cash flows or prospects could be materially adversely affected, which in turn could adversely affect the trading price of our common stock. You may lose all or part of your original investment.

Risks Related to Our Business and Industry

Our liquidity or ability to raise debt or equity capital may be limited.

Our business model depends upon access to the debt capital markets to provide sources of liquidity and efficient funding for asset growth. These markets have exhibited heightened volatility and dramatically reduced liquidity. Liquidity in the debt capital markets has become significantly more constrained and interest rates available to us have increased significantly relative to benchmark rates, such as U.S. treasury securities and LIBOR. Recent downgrades in our short and long-term credit ratings have worsened these general conditions and had the practical effect of leaving us without current access to the commercial paper market, a historical source of liquidity for us, and necessitated our recent action to draw down on our bank credit facilities. As a result of these developments, we are not currently accessing the commercial paper and unsecured term debt markets and have shifted our funding sources primarily to asset-backed securities and other secured credit facilities, including both on-balance sheet and off-balance sheet securitizations. For some segments of our business, secured funding is significantly less efficient than unsecured debt facilities. Additional adverse developments in the economy, long-term disruption in the capital markets, deterioration in our business performance or further downgrades in our credit ratings could further limit our access to these markets and increase our cost of capital. If any one of these developments occur, or if we are unable to regain access to the commercial paper or unsecured term debt markets, it would adversely affect our business, operating results and financial condition.

Our ability to satisfy our cash needs may also be constrained by regulatory or contractual restrictions on the manner in which we may use portions of our cash on hand. For example, our total cash position at March 31, 2008 includes cash and short-term investments at our Utah bank and restricted cash largely related to securitization transactions. The cash and investments at our Utah bank are available solely for the bank s funding and investment requirements. The restricted cash related to securitization transactions is available solely for payments to certificate holders. The cash and investments of the bank and the restricted cash related to securitization transactions cannot be transferred to or used for the benefit of any other affiliate of ours.

In addition, as part of our business we extend lines of credit, some of which can be drawn by the borrowers at any time. If the borrowers on these lines of credit increase their rate of borrowing either as a result of their business needs or due to a perception that we may be unable to fund these lines of credit in the future, this could degrade our liquidity position substantially which could have a material adverse effect on our business.

Measures designed to enhance our liquidity may be unsuccessful.

We recently announced a number of measures designed to enhance our liquidity position, including substantial asset sales, such as agreeing to sell $4.6 billion of asset-based loan commitments, of which $1.4 billion represents funded loans, agreeing to sell $770 million of aircraft, of which $300 million closed in the first quarter of 2008, and evaluating strategic alternatives for our $4 billion rail leasing business. These measures are subject to a number of uncertainties, and there can be no assurance that any or all of them will be undertaken and if undertaken, completed. Further, if any or all of these measures are undertaken, they may not achieve their anticipated benefits. The failure to successfully implement our liquidity-enhancement measures could have a material adverse effect on our business. We may also raise additional equity capital through the sale of common stock, preferred stock, or securities that are convertible into common stock. There are no restrictions on entering into the sale of any such equity securities in either public or private transactions, except that any private transaction involving more than 20% of the shares outstanding will require shareholder approval. The terms of any such equity transactions may subject existing security holders to potential subordination or dilution and may involve a change in governance.

We may be adversely affected by further deterioration in economic conditions that is general or specific to industries, products or geographies.

A recession, prolonged economic weakness, or further downturn in the U.S. or global economies or affecting specific industries, geographic locations and/or products, such as the U.S. residential housing market, could make it difficult for us to originate new business, given the resultant reduced demand for consumer or commercial credit. In addition, a downturn in certain industries may result in a reduced demand for the products that we finance in that industry or negatively impact collection and asset recovery efforts.

Credit quality also may be impacted during an economic slowdown or recession as borrowers may fail to meet their debt payment obligations. Adverse economic conditions may also result in declines in collateral values. Accordingly, higher credit and collateral related losses could impact our financial position or operating results.

For example, decreased demand for the products of various manufacturing customers due to a general economic slowdown may adversely affect their ability to repay their loans and leases with us. Similarly, a decrease in the level of airline passenger traffic due to general economic slowdown or a decline in shipping volumes due to a slowdown in particular industries may adversely affect our aerospace or rail businesses.

We may be adversely affected by continued deterioration in market conditions and credit quality in the home lending and related industries.

The U.S. residential market and home lending industry began showing signs of stress in early 2007, with credit conditions deteriorating rapidly in the second quarter of 2007 and continuing into the second half of 2007 and the first quarter of 2008, including increased rates of defaults and foreclosures, stagnating or declining home prices, and declining sales in both the new construction and the resale markets.

These market conditions were reflected in the deterioration of credit metrics of our home lending portfolio and the sharply decreased market liquidity for such portfolios and resulted in higher charge-offs, higher loss reserve provisioning, and significant valuation allowances through the first quarter of 2008. It is likely that further loss reserve provisioning will be required. These changes in the home lending and home construction industries have also resulted in reduced demand for certain types of railcars that are used to transport building materials, produced higher volatility and reduced demand from investors in the high yield loan markets, generated concerns about credit quality in general, and hampered activity in the syndication market, among other effects.

We will continue to be adversely affected by conditions in the U.S. residential home lending industry if they continue to deteriorate further. It is also likely that we will be adversely affected if the conditions in the home lending industry negatively impact our other consumer businesses or other parts of our credit portfolio or the U.S. or world economies. Finally, we may be adversely affected if the conditions in the home lending industry result in new or increased regulation of financing and leasing companies in general or with respect to specific products or markets.

Uncertainties related to our business may result in the loss of key customers.

Our business depends on our ability to provide a wide range of quality products to our customers and our ability to attract new customers. If our customers are uncertain as to our ability to continue to provide the same breadth and quality of products, we may be unable to attract new customers and we may experience a loss of customers.

Our reserves for credit losses may prove inadequate or we may be negatively affected by credit risk exposures.

Our business depends on the creditworthiness of our customers. We maintain a consolidated reserve for credit losses on finance receivables that reflects management s judgment of losses inherent in the portfolio. We periodically review our consolidated reserve for adequacy considering economic conditions and trends, collateral values and credit quality indicators, including past charge-off experience and levels of past due loans, past due loan migration trends, and non-performing assets. We cannot be certain that our consolidated reserve for credit losses will be adequate over time to cover credit losses in our portfolio because of adverse changes in the economy or events adversely affecting specific customers, industries or markets. The current economic environment is dynamic and the credit worthiness of our customers and the value of collateral underlying our receivables can change significantly over very short periods of time. Our reserves may not keep pace with changes in the creditworthiness of our customers or collateral values. If the credit quality of our customer base materially decreases, if the risk of a market, industry, or group of customers changes significantly, or if our reserves for credit losses are not adequate, our business, financial condition and results of operations could suffer. For example, credit performance in the home lending industry, and particularly in the sub-prime market, has been declining over the past year. This decline in the home lending industry has been reflected in our home lending portfolio during 2007, resulting in increased charge-offs and significant valuation allowances.

In addition to customer credit risk associated with loans and leases, we are also exposed to other forms of credit risk, including counterparties to our derivative transactions, loan sales, syndications and equipment purchases. These counterparties include other financial institutions, manufacturers and our customers. If our credit underwriting processes or credit risk judgments fail to adequately identify or assess such risks, or if the credit quality of our derivative counterparties, customers, manufacturers, or other parties with which we conduct business materially deteriorates, we may be exposed to credit risk related losses that may negatively impact our financial condition, results of operations or cash flows.

We may be adversely affected by significant changes in interest rates.

Although we generally employ a matched funding approach to managing our interest rate risk, including matching the repricing characteristics of our assets with our liabilities, significant increases in market interest rates or widening of our credit spreads, or the perception that an increase may occur, could adversely affect both our ability to originate new finance receivables and our profitability. Conversely, a decrease in interest rates could result in accelerated prepayments of owned and managed finance receivables.

We may be required to take an impairment charge for goodwill or intangible assets related to acquisitions.

We have acquired certain portions of our business and certain portfolios through acquisitions and bulk purchases. Further, as part of our long-term business strategy, we may continue to pursue acquisitions of other companies or asset portfolios. In connection with prior acquisitions, we have accounted for the portion of the purchase price paid in excess of the book value of the assets acquired as goodwill or intangible assets, and we may be required to account for similar premiums paid on future acquisitions in the same manner.

Under the applicable accounting rules, goodwill is not amortized and is carried on our books at its original value, subject to periodic review and evaluation for impairment, which, based on current conditions, we expect to conduct each quarter for the foreseeable future, while intangible assets are amortized over the life of the asset. If, as a result of our periodic review and evaluation of our goodwill and intangible assets for potential impairment, we determine that changes in the business itself, the economic environment including business valuation levels and trends, or the legislative or regulatory environment have adversely affected either the fair value of the business or the fair value of our individual segments, we may be required to take an impairment charge to the extent that the carrying values of our goodwill or intangible assets exceeds the fair value of the business. As a result of our 2007 fourth quarter analysis of goodwill and intangible assets associated with our student lending business, we recorded impairment charges of $312.7 million. Also, if we sell a business for less than the book value of the assets sold, plus any goodwill or intangible assets attributable to that business, we may be required to take an impairment charge on all or part of the goodwill and intangible assets attributable to that business. If market and economic conditions deteriorate further, this could increase the likelihood that we will need to record additional impairment charges.

Our stock has been trading below our book value and tangible book value per share for two consecutive quarters. While we have a plan to restore our business fundamentals to levels that would support our book value and tangible book value per share, we have no assurance that the plan will be achieved or that the market price of our common stock will increase to such levels in the foreseeable future. In that event, we may be required to take an impairment charge to the extent the carrying value of our goodwill exceeds the fair value of our business.

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Businesses or asset portfolios acquired may not perform as expected and we may not be able to achieve adequate consideration for planned dispositions.

As part of our long-term business strategy, we may pursue acquisitions of other companies or asset portfolios as well as dispose of non-strategic businesses or portfolios. Future acquisitions may result in potentially dilutive issuances of equity securities and the incurrence of additional debt, which could have a material adverse effect on our business, financial condition and results of operations. Such acquisitions may involve numerous other risks, including difficulties in integrating the operations, services, products and personnel of the acquired company; the diversion of management s attention from other business concerns; entering markets in which we have little or no direct prior experience; and the potential loss of key employees of the acquired company. In addition, acquired businesses and asset portfolios may have credit-related risks arising from substantially different underwriting standards associated with those businesses or assets.

We recently announced a number of measures designed to enhance our liquidity position, including substantial asset sales, such as agreeing to sell $4.6 billion of asset-based loan commitments, of which $1.4 billion represents funded loans, agreeing to sell $770 million of aircraft, of which $300 million closed in the first quarter of 2008, and evaluating strategic alternatives for our $4 billion rail leasing business. There can be no assurance that we will be successful in completing all or any of these transactions or that we will receive adequate consideration for those businesses or assets at the time of the transaction. These transactions, if completed, will shrink our business and it is not currently part of our long-term strategy to replace the volume associated with these businesses. As a result, our future disposition of businesses or asset portfolios could have a material adverse effect on our business, financial condition and results of operations.

Adverse or volatile market conditions may reduce fees and other income.

In 2005, we began pursuing strategies to leverage our expanded asset generation capability and diversify our revenue base to increase other income as a percentage of total revenue. We invested in infrastructure and personnel focused on increasing other income in order to generate higher levels of syndication and participation income, advisory fees, servicing fees and other types of fee income. These revenue streams are dependent on market conditions and, therefore, can be more volatile than interest on loans and rentals on leased equipment. Current market conditions, including lower liquidity levels, have had a direct impact on syndication activity, and have resulted in significantly lower fee generation. If we are unable to sell or syndicate a transaction after it is originated, this activity will involve the assumption of greater underwriting risk than we originally intended and could increase our capital requirements to support our business or expose us to the risk of valuation allowances for assets held for sale. In addition, we also generate significant fee income from our factoring business. If our clients become concerned about our liquidity position and our ability to provide these services going forward and reduce their amount of business with us, this could further negatively impact our fee income and have a material adverse effect on our business.

Continued disruption to the capital markets, our failure to implement these initiatives successfully, or the failure of such initiatives to result in increased asset and revenue levels could adversely affect our financial position and results of operations.

Adverse financial results or other factors may limit our ability to pay dividends.

Our board of directors decides whether we will pay dividends on our common stock. That decision depends upon, among other things, general economic and business conditions, our strategic and operational plans, our financial results and condition, contractual, legal and regulatory restrictions on the payment of dividends by us, our credit ratings, and such other factors as the board of directors may consider to be relevant. If any of these factors are adversely affected it may impact our ability to pay dividends on our common stock. Our board of directors recently reduced the quarterly dividend on our common stock by 60%, to $0.10 per share, and our board of directors could determine to further reduce or eliminate dividends payable on our common stock in the future.

In addition, the terms of our outstanding 6.350% Non-Cumulative Preferred Stock, Series A, and Non-Cumulative Preferred Stock, Series B, (collectively, the Series A and B Preferred Stock) and our outstanding junior subordinated notes restrict, and the terms of any Series C Preferred Stock that we may issue will restrict, our ability to pay dividends on our common stock if we do not make distributions on our preferred stock and junior subordinated notes. Further, we are prohibited from declaring dividends on our Series A and B Preferred Stock and from paying interest on our junior subordinated notes if we do not meet certain financial tests, provided that the limitation does not apply if we pay such dividends and interest out of net proceeds that we have received from the sale of common stock. We have not been in compliance with these financial tests for the last three fiscal quarters. We sold common stock to cover such dividend and interest payments during the fourth quarter of 2007 and the first quarter of 2008, and we obtained a forward commitment from two investment banks to purchase additional shares, at our option, in the second and third quarters of 2008. Further, approximately $8 million of the net proceeds of this offering will be used to cover the dividend payments on the Series A and B Preferred Stock for the second quarter of 2008 and approximately $22.875 million will be used to cover interest payments on our junior subordinated notes in the third quarter of 2008. If we are unable to sell our common stock in the future, and we continue to fail to meet the requisite financial tests, then we will be prohibited from declaring dividends on our preferred stock, paying interest on our junior subordinated notes, or declaring dividends on our common stock. Any additional shares of common stock that we may issue to allow us to pay dividends on our preferred stock and interest on our junior subordinated notes would be dilutive to our common stock.

Competition from both traditional competitors and new market entrants may adversely affect our returns, volume and credit quality.

Our markets are highly competitive and are characterized by competitive factors that vary based upon product and geographic region. We have a wide variety of competitors that include captive and independent finance companies, commercial banks and thrift institutions, industrial banks, community banks, leasing companies, hedge funds, insurance companies, mortgage companies, manufacturers and vendors.

Competition from both traditional competitors and new market entrants has intensified due to increasing recognition of the attractiveness of the commercial finance markets. We compete primarily on the basis of pricing, terms and structure. To the extent that our competitors compete aggressively on any combination of those factors, we could lose market share. Should we match competitors terms, it is possible that we could experience margin compression and/or increased losses.

We may not be able to realize our entire investment in the equipment we lease.

The realization of equipment values (residual values) at the end of the term of a lease is an important element in the leasing business. At the inception of each lease, we record a residual value for the leased equipment based on our estimate of the future value of the equipment at the expected disposition date. Internal equipment management specialists, as well as external consultants, determine residual values.

A decrease in the market value of leased equipment at a rate greater than the rate we projected, whether due to rapid technological or economic obsolescence, unusual wear and tear on the equipment, excessive use of the equipment, or other factors, would adversely affect the residual values of such equipment. Further, certain equipment residual values, including commercial aerospace residuals, are dependent on the manufacturer s or vendor s warranties, reputation and other factors. In addition, we may not realize the full market value of equipment if we are required to sell it to meet liquidity needs or for other reasons outside of the ordinary course of business. Consequently, there can be no assurance that we will realize our estimated residual values for equipment.

The degree of residual realization risk varies by transaction type. Capital leases bear the least risk because contractual payments cover approximately 90% of the equipment s cost at the inception of the lease. Operating leases have a higher degree of risk because a smaller percentage of the equipment s value is covered by contractual cashflows at lease inception. Leveraged leases bear the highest level of risk as third parties have a priority claim on equipment cashflows.

Investment in and revenues from our foreign operations are subject to the risks and requirements associated with transacting business in foreign countries.

An economic recession or downturn, increased competition, or business disruption associated with the political or regulatory environments in the international markets in which we operate could adversely affect us. In addition, while we generally hedge our translation and transaction exposures, foreign currency exchange rate fluctuations, or the inability to hedge effectively in the future, could have a material adverse effect on our investment in international operations and the level of international revenues that we generate from international asset based financing and leasing. Reported results from our operations in foreign countries may fluctuate from period to period due to exchange rate movements in relation to the U.S. dollar, particularly exchange rate movements in the Canadian dollar, which is our largest non-U.S. exposure.

Recent weakness in the U.S. dollar has negatively impacted the U.S. dollar value of our revenues that are paid in other currencies. A further weakening of the U.S. dollar will further negatively impact the U.S. dollar value of our international operations.

U.S. generally accepted accounting principles require that income earned from foreign subsidiaries should be treated as being taxed as if they were distributed to the parent company, unless those funds are permanently reinvested outside the United States. To meet this permanent reinvestment standard, a company must show that there is no foreseeable need for the funds by the parent company and that there is a specific plan for reinvestment of the undistributed earnings of the funds by the subsidiary.

Federal income taxes have not been provided on approximately $1.2 billion of cumulative earnings of foreign subsidiaries that we have determined to be permanently reinvested. If we sell a foreign business or significant foreign assets, we may not be able to redeploy some or all of the funds generated from a sale outside the United States and would be required to treat the funds as repatriated to us currently for purposes of GAAP. While it is not practicable to estimate the amount of tax that we would have to provide for under GAAP in such an event, the impact on us may be material.

Foreign countries have various compliance requirements for financial statement audits and tax filings, which are required to obtain and maintain licenses to transact business. If we are unable to properly complete and file our statutory audit reports or tax filings, regulators or tax authorities in the applicable jurisdiction may restrict our ability to do business.

The regulated environment in which we operate may adversely affect us.

Our domestic operations are subject, in certain instances, to supervision and regulation by state and federal authorities, including the Federal Deposit Insurance Corporation, the Utah Department of Financial Institutions, the U.S. Small Business Administration, the FINRA, the SEC and various state insurance regulators, and may be subject to various laws and judicial and administrative decisions imposing various requirements and restrictions. Noncompliance with applicable statutes or regulations could result in the suspension or revocation of any license or registration at issue, as well as the imposition of civil fines and criminal penalties.

The financial services industry is heavily regulated in many jurisdictions outside the United States. As a result, growing our international operations may be affected by the varying requirements of these jurisdictions. CIT Bank Limited is licensed as a bank and a broker-dealer and is subject to regulation and examination by the Financial Services Authority of the United Kingdom. We also operate various banking corporations in Brazil, France, Italy, Belgium, Sweden and The Netherlands, and a broker-dealer entity in Canada, each of which is subject to regulation and examination by banking regulators and securities regulators in its home country. Our subsidiary, CIT Bank, a Utah industrial bank, is subject to regulation and examination by the FDIC and the Utah Department of Financial Institutions. Finally, our subsidiary that operates our insurance business, Highlands Insurance Company Limited, is a Barbados company and therefore regulated by Barbados laws and regulations. Given the evolving nature of regulations in many of these jurisdictions, it may be difficult for us to meet these requirements even after we establish operations and receive regulatory approvals. Our inability to remain in compliance with regulatory requirements in a particular jurisdiction could have a material adverse effect on our operations in that market and on our reputation generally.

Regulatory restrictions may limit the amount of our common stock you can own.

Because we own a Utah state-chartered, FDIC-insured industrial bank, in order to acquire 10% or more of our common stock (or securities convertible into 10% or more of our common stock), a purchaser may be required to obtain the prior approval of the FDIC and Utah Commissioner of Financial Institutions. Failure to obtain these prior approvals may subject a purchaser to regulatory sanctions and other measures.

Uncertainties related to our business may cause a loss of employees and may otherwise materially adversely affect our business and operations.

Our future results of operations will depend in part upon our ability to retain existing highly skilled and qualified employees and to attract new employees. Failure to continue to attract and retain such individuals could materially adversely affect our ability to compete. Uncertainties about the future prospects of our business may materially adversely affect our ability to attract and retain key management, technical and other personnel. This inability to retain key personnel could have an adverse effect on our ability to successfully operate our business or to meet our compliance, regulatory, and other reporting requirements.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated by reference in this prospectus supplement 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, target, project, intend, plan, potential and other words and terms of similar m 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 documents incorporated by reference in this prospectus supplement are subject to unknown risks, uncertainties and contingencies. Forward-looking statements are included, for example, in the discussions about:

- our liquidity risk management, including our ratings, our liquidity plan and the potential transactions designed to enhance our liquidity;
- our credit risk management;
- our asset/liability risk management;
- our funding, borrowing costs and net finance revenue;
- our capital, leverage and credit ratings;
- our operational risks, including success of build-out initiatives,

- acquisitions and divestitures;
- 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, in addition to those disclosed in Risk Factors, that could cause such differences include, but are not limited to:

- risks of economic slowdown, downturn or recession;
- industry cycles and trends;
- demographic trends;
- risks inherent in changes in market interest rates and quality spreads;
- changes in long-term or

short-term credit ratings;

funding opportunities and borrowing costs;

changes in funding markets, including commercial paper, term debt, bank deposits and the asset-backed securitization markets;

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

adequacy of reserves for credit losses;

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

application of fair value accounting in volatile markets

- changes in laws or regulations governing our business and operations;
- changes in competitive factors; and
- future acquisitions and dispositions of businesses or asset portfolios.

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 our performance. We do not assume the obligation to update any forward-looking statement for any reason.

USE OF PROCEEDS

We expect to receive net proceeds from this offering of approximately $949,680,000 (or approximately $1,092,322,500 if the underwriters exercise their over-allotment option in full), after expenses and underwriting discounts and commissions. We expect to use the net proceeds from the offering for general corporate purposes, including the payment of dividends on our outstanding preferred stock for the second quarter of 2008 in an amount of approximately $8 million and the payment of interest on our outstanding junior subordinated notes in the third quarter of 2008 in an amount of approximately $22.875 million.

PRICE RANGE OF COMMON STOCK AND DIVIDENDS

Our common stock is listed on the New York Stock Exchange under the symbol CIT . As of March 31, 2008, there were 191,525,286 shares of our common stock issued and outstanding. As of March 10, 2008, there were approximately 82,207 beneficial owners of CIT common stock. The following table sets forth the high and low reported closing prices for our common stock for the applicable periods indicated. The last reported sale price of our common stock on the New York Stock Exchange on April 21, 2008 was $12.74.

	Low	High
Fiscal 2008:		
Second Fiscal Quarter (through April 21, 2008)	$ 11.00	$ 15.25
First Fiscal Quarter	$ 9.63	$ 30.68
Fiscal 2007:		
Fourth Fiscal Quarter	$ 22.76	$ 41.85
Third Fiscal Quarter	$ 33.28	$ 57.63
Second Fiscal Quarter	$ 52.80	$ 61.16
First Fiscal Quarter	$ 50.96	$ 61.36
Fiscal 2006:		
Fourth Fiscal Quarter	$ 47.74	$ 56.35
Third Fiscal Quarter	$ 42.44	$ 53.41
Second Fiscal Quarter	$ 48.89	$ 55.95
First Fiscal Quarter	$ 51.38	$ 55.05

On April 17, 2008, we announced that our board of directors declared a cash dividend on our common stock equal to $0.10 per common share, payable on May 30, 2008 to holders of record on May 15, 2008. During the first quarter of fiscal year 2008, we paid a dividend of $0.25 per common share. During the year ended December 31, 2007, we paid a dividend of $0.25 per common share each quarter for a total of $1.00 per share. During the year ended December 31, 2006, we paid a dividend of $0.20 per common share each quarter for a total of $0.80 per share.

Our dividend practice is to pay a dividend while maintaining a strong capital base. The declaration and payment of future dividends are subject to the discretion of our board of directors. Any determination as to the payment of dividends, including the level of dividends, will depend on, among other things, general economic and business conditions, our strategic and operational plans, our financial results and condition, contractual, legal and regulatory restrictions on the payment of dividends by us, and such other factors as the board of directors may consider to be relevant. The terms of our outstanding Series A and B Preferred Stock and our outstanding junior subordinated notes restrict, and the terms of any Series C Preferred Stock that we may issue will restrict, our ability to pay dividends on our common stock if and so long as we do not make distributions on our preferred stock or we do not pay all accrued and unpaid interest on our junior subordinated notes, respectively, in full when due. We are prohibited from declaring dividends on our outstanding Series A and B Preferred Stock and from paying interest on our junior subordinated notes if, among other things, our average four quarters fixed charge ratio is less than or equal to 1.10 on the dividend declaration date or on the thirtieth day prior to the interest payment date, as the case may be. Our average four quarters fixed charge ratio is defined as (a) the sum, for our most recently completed four fiscal quarters, of the quotient of (x) our earnings (excluding income taxes, interest expense, extraordinary items, goodwill impairment and amounts related to discontinued operations) and (y) interest expense plus preferred dividends, divided by (b) four. Notwithstanding the foregoing, we may declare such dividends and pay such interest to the extent of any net proceeds that we have received from the sale of common stock during the 90 days prior to the declaration of the dividend or the 180 days prior to the interest payment date.

SELECTED CONSOLIDATED FINANCIAL INFORMATION OF CIT GROUP INC.

The following tables set out selected consolidated financial information regarding CIT s results of operations and balance sheets. The financial data at December 31, 2007 and December 31, 2006 and for the years ended December 31, 2007, December 31, 2006 and December 31, 2005 were derived from the audited consolidated financial statements of CIT incorporated by reference into this prospectus supplement. The financial data at December 31, 2005, December 31, 2004 and December 31, 2003 and for the years ended December 31, 2004 and December 31, 2003 were derived from audited financial statements that are not incorporated by reference into this prospectus supplement. You should read the selected consolidated financial data below in conjunction with our consolidated financial statements. See Where You Can Find More Information in this prospectus supplement.

	At or for the Years Ended December 31,				
	2007	**2006**	**2005**	**2004**	**2003**
	($ in millions, except per share data)				
Results of Operations					
Total net revenue.	$ 3,600.4	$ 3,051.4	$ 2,879.2	$ 2,438.1	$ 2,162.4
Provision for credit losses	593.8	222.2	217.0	214.2	387.3
Valuation allowance for receivables held for sale(1)	1,271.4	15.0	106.6	15.7	
Salaries and general operating expenses	1,478.7	1,382.6	1,113.8	1,012.1	