CIT Group Inc. & CIT Bank, N.A.
Company-Run Capital Stress Test Results Disclosure

Capital Stress Testing Results Covering the Time Period January 1, 2016 through March 31, 2018 for CIT Group Inc. and CIT Bank NA under a Hypothetical Severely Adverse Economic Scenario

October 31, 2016

I. Introduction: Dodd Frank Act Stress Testing (DFAST) Overview

Under regulations created by the Dodd-Frank Wall Street Reform and Consumer Protection Act (DFA), both CIT Group Inc. ("CIT" or the "Company") and CIT Bank, N.A. ("CIT Bank" or the "Bank") are required to perform annual company-run stress-tests (DFAST) that evaluate the potential impact of stressed economic and financial conditions based on hypothetical scenarios (supervisory scenarios) determined by bank regulators. The supervisory scenarios include the Baseline, Adverse and Severely Adverse scenarios.

For 2016 DFAST CIT Group Inc. was considered subject to 12 CFR 252, Subpart B company-run stress tests for firms with assets between $10 billion and $50 billion. On January 1, 2017 CIT Group Inc. will become subject to 12 CFR 252, Subpart F company-run stress tests for BHCs with assets of $50 billion or more.

The stress test results along with supporting documentation are submitted to the Federal Reserve Board ("FRB") and the Office of the Comptroller of the Currency, U.S. Department of the Treasury ("OCC"). Furthermore, both CIT and CIT Bank are currently required to publicly disclose the DFAST results under the Severely Adverse scenario as detailed below.

The DFAST results will differ from data disclosed in our other regulatory filings and actual results due to certain parameters and assumptions put forth by regulators. The following key parameters and assumptions should be considered to provide context for the DFAST results:

- DFAST supervisory scenarios are not forecasts, but rather a number of hypothetical sequences of events designed by banking regulators to assess the strength of banking organizations and their resilience to different economic environments.

- Projected stress test results are provided for a 9-quarter planning horizon beginning with Q1-2016 and ending in Q1-2018. These stress tests are performed at a point in time and use the economic assumptions provided by the Federal Reserve and the OCC to arrive at these results.

- Capital actions assumed reflect specific assumptions put forth by bank regulators and differ from those in our Capital Plan. DFAST results incorporate the Company's actual Q1 2016 dividend. Over the remaining planning horizon, quarterly common dividends are held constant based on the average dollar amount of quarterly dividends paid in 2015 and there are no repurchases or issuances of common stock assumed.

II. Overview of CIT Group Inc. and CIT Bank

CIT Group Inc., together with its subsidiaries has provided financial solutions to its clients since its formation in 1908. We provide financing, leasing and advisory services principally to middle market companies in a wide variety of industries primarily in North America, and equipment financing and leasing solutions to the transportation industry worldwide. CIT provides a full range of banking and related services to commercial and individual customers through its bank subsidiary, CIT Bank, N.A., which includes 70 branches located in southern California, and its online bank, bankoncit.com, and through other offices in the U.S. and internationally.

CIT had nearly $60 billion of earning assets at December 31, 2015. CIT became a bank holding company ("BHC") in December 2008 and a financial holding company ("FHC") in July 2013. The Company operates primarily in North America, with locations in Europe and Asia.

CIT changed its segment reporting effective January 1, 2016. CIT manages its business and reports its financial results in four operating segments: Commercial Banking, Transportation Finance, Consumer and Community Banking, and Non-Strategic Portfolios (“NSP”). The following summarizes changes to our segment presentation from December 31, 2015:

- Commercial Banking (formerly North America Banking, or “NAB”) no longer includes the Consumer Banking division or the Canadian lending and equipment finance business. Commercial Banking is comprised of three divisions, Commercial Finance, Real Estate Finance, and Business Capital. Business Capital includes the former Equipment Finance and Commercial Services divisions.

- Transportation Finance (formerly Transportation & International Finance or “TIF”) no longer includes the China and the U.K. businesses. Transportation Finance is comprised of three divisions, Aerospace, Rail, and Maritime Finance.

- Consumer and Community Banking is a new segment that includes Legacy Consumer Mortgages (the former LCM segment) and other banking divisions that were included in the former NAB segment (Consumer Banking, Mortgage Lending, Wealth Management and SBA Lending).

- NSP includes businesses that we no longer consider strategic, including those in Canada, China and the recently exited U.K., that had been included in the former NAB and TIF segments. Historical data also includes other businesses and portfolios that have been sold, such as Mexico and Brazil.

CIT’s reportable segments are comprised of divisions that are primarily based upon industry categories, geography, target markets and customers served, and, to a lesser extent, the core competencies relating to product origination, distribution methods, operations and servicing and the nature of their regulatory environment.

Commercial Banking provides a range of lending, leasing and deposit products, as well as ancillary products and services, including factoring, cash management and advisory services, to small and medium- sized companies and consumers in the U.S. Lending products include revolving lines of credit and term loans and, depending on the nature and quality of the collateral, may be referred to as asset-based loans or cash flow loans. These are primarily composed of senior secured loans collateralized by accounts receivable, inventory, machinery & equipment, real estate, and intangibles, to finance the various needs of our customers, such as working capital, plant expansion, acquisitions and recapitalizations. Loans are originated through direct relationships with borrowers or through relationships with private equity sponsors. Revenues generated by Commercial Banking include interest earned on loans, rents collected on leased assets, fees and other revenue from banking and leasing activities and capital markets transactions, and commissions earned on factoring and related activities.

Transportation Finance offers secured lending and leasing products to midsize and larger companies across the aerospace, rail and maritime industries. Revenues are generated by rents collected on leased assets, interest on loans, fees, and gains from assets sold.

Consumer and Community Banking, through its 70 branches and on-line channel, offers deposits and lending to borrowers who are buying or refinancing homes and custom loan products tailored to the clients’ financial needs. Products include checking, savings, certificates of deposit, residential mortgage loans, and investment advisory services. The segment includes a wealth management group that offers banking services to high net worth individuals. The segment also originates qualified Small Business Administration (“SBA”) 504 and 7(a) loans.

Consumer and Community Banking also consists of legacy portfolios of single family residential mortgages and reverse mortgages, certain of which are covered by loss sharing agreements with the FDIC. Certain Covered Loans in this segment were previously acquired by OneWest Bank in connection with the lndyMac, First Federal and La Jolla transactions. The FDIC indemnified OneWest Bank against certain future losses sustained on these loans. CIT may now be reimbursed for losses under the terms of the loss share agreements with the FDIC. Eligible losses are submitted to the FDIC for reimbursement when a qualifying loss event occurs (e.g., due to foreclosure, short-sale, charge-offs or a restructuring of a single family residential mortgage loan pursuant to an agreed upon loan modification framework). Reimbursements approved by the FDIC are usually received within 60 days of submission.

NSP consists of portfolios that we no longer consider strategic. The 2016 balances reflect activity from portfolios in Canada and China, as well as from the sale of a U.K portfolio. These portfolios include equipment financing, secured lending and leasing to small and middle-market businesses. The prior periods also include activity from other international portfolios in Mexico and Brazil, which were sold in August and December 2015, respectively, and the U.K., which was sold in January 2016.

We completed our acquisition of OneWest on August 3, 2015. CIT Bank, a wholly owned subsidiary of CIT, merged with and into OneWest Bank, with OneWest Bank surviving as a wholly owned subsidiary of CIT with the name CIT Bank, National Association. CIT is regulated by the FRB and the Federal Reserve Bank of New York under the U.S. Bank Holding Company Act of 1956. CIT Bank is regulated by the Office of the Comptroller of the Currency, U.S. Department of the Treasury.

This DFAST submission does not consider the impact of a separation of the Commercial Air business.

III. Primary Risks to which CIT is exposed and included in DFAST:

CIT is subject to a variety of risks that may arise through the Company's business activities, including the following principal forms of risk that are incorporated either quantitatively or qualitatively in our enterprise stress testing:

- Credit risk is the risk of loss (including the incurrence of additional expenses) when a borrower does not meet its financial obligations to the Company. Credit risk may arise from lending, leasing, and/or counterparty activities.
- Asset risk is the equipment valuation and residual risk of lease equipment, predominantly aircraft and railcars, owned by the Company that arises from fluctuations in the supply and demand for the underlying leased equipment. The Company is exposed to the risk that, at the end of the lease term, the value of the asset will be lower than expected, resulting in either reduced future lease income over the remaining life of the asset or a lower sale value.
- Market risk includes interest rate and foreign currency risk. Interest rate risk is the impact that fluctuations in interest rates will have on the Company's net finance revenue and on the market value of the Company's assets, liabilities and derivatives. Foreign exchange risk is the economic impact that fluctuations in exchange rates between currencies can have on the Company's non-dollar denominated assets and liabilities.
- Liquidity risk is the risk that the Company has an inability to maintain adequate cash resources and funding capacity to meet its obligations, including under stress scenarios.
- Operational risk is the risk of financial loss, damage to the Company's reputation, or other adverse impacts resulting from inadequate or failed internal processes and systems, people or external events. The assessment of Operational Risk incorporates Strategic, Information Technology, Legal and Regulatory, and Reputation risks.
- Strategic Risk relates to the demand for CIT's services that is broadly affected by the level of economic growth and is more specifically affected by the level of economic activity in CIT's target industries.

IV. Description of the Supervisory Severely Adverse Economic Scenario

The Severely Adverse scenario features a substantial weakening in global economic activity. In this scenario, the U.S. corporate sector experiences increases in financial distress together with a widening in corporate bond spreads and a decline in equity prices.

The Severely Adverse scenario for the United States is characterized by a deep and prolonged recession in which the unemployment rate increases by 5 percentage points from its level in the fourth quarter of 2015, peaking at 10 percent in the middle of 2017. In terms of both the peak level reached by the unemployment rate and its total increase, this shock is of a similar magnitude to those experienced in severe U.S. contractions during the past half-century.

In response to this economic contraction, Treasury yields of all maturities are significantly lower throughout the scenario than in the baseline and short-term Treasury rates fall to negative 50bps by mid-2016 and remain at that level through the end of the scenario.

Driven by the assumed decline in corporate credit quality, spreads on investment-grade corporate bonds jump from about 240 basis points to 580 basis points at their peak. As a result, despite lower long-term Treasury yields, corporate financial conditions tighten significantly in 2016 and the yield on investment-grade corporate bonds is higher than the baseline until the first quarter of 2018.

CIT is not currently required to incorporate the Global Market Shock because we do not engage in significant trading activities.

The full list of economic variables and a full description of the Severely Adverse scenario is available in the "2016 Supervisory Scenarios for Annual Stress Tests Required under the Dodd-Frank Act Stress Testing Rules and the Capital Plan Rule" document on the Federal Reserve website.

V. Stress Test Methodology

CIT's stress testing framework is overseen by the Board of Directors as well as its enterprise risk and capital committees.

Once the supervisory scenarios are published, CIT takes into account the key economic metrics that materially impact our performance and also forecasts other key economic or financial variables consistent with each of the supervisory scenarios.

The forecasting process begins with the business planning and budgeting process including bottom-up projections of CIT's balance sheet and income statement. This process results in both strategic decisions regarding areas of growth and contraction, and more tactical decisions such as asset purchases and sales – and ensures that the business plans are aligned with CIT's risk appetite. The planning process embeds these business decisions in a set of financial statement forecasts for the bank, non-bank and consolidated holding company.

For the commercial and retail portfolios quantitative forecast models were developed for primary CIT business segments and divisions to support stress testing. Individual models and assumptions were created for new business volumes, prepayments, pricing, fee income, and operating expenses. Loss models were developed for wholesale credit exposures, leases, and for retail credit exposures. Additionally models were developed to assess the benefit of shared-loss agreements with the FDIC on certain retail portfolios. Qualitative assumptions are utilized where data is sparse or unavailable. Using the December 31, 2015 balance sheet as a starting point, CIT runs these models and assumptions simultaneously to calculate quarterly pre-provision net revenue ("PPNR") and loss provisions for each scenario.

Additionally, the required funding, deposit balances and cash levels are also simulated for a fully dynamic balance sheet and income statement forecast. Risk weighted assets ("RWA") and capital positions are calculated to determine capital levels and liquidity positions throughout the forecast.

Stress testing results are reviewed by the Risk Management Committee of the Boards of CIT and CIT Bank, senior management, the business units and division credit officers in addition to review by the executive-level committees mentioned above. The models utilized are validated by CIT's Internal Model Validation Group and the stress testing program is audited by CIT's Internal Audit Group.

CIT Bank originates the vast majority of the U.S. funded volume in each of the presented quarters. As a result, CIT leverages the same underlying methodologies when conducting bank-level stress testing.

VI. CIT Group Inc. Results of the Severely Adverse Scenario from January 1, 2016 through March 31, 2018

Under the supervisory Severely Adverse scenario provided by the bank regulators, CIT continues to maintain capital levels above regulatory and policy thresholds.

Cumulative revenue, loss and net income before taxes projected from January 1, 2016 through March 31, 2018 are shown in Table 1.

Table 1: CIT Group Inc.: Cumulative 9-quarter projected losses, revenue and net income before taxes through Q1 2018

CIT Group Inc. Projected losses, revenue and net income before taxes 2016Q1 - 2018Q1

	Millions of Dollars	Percent of Average Total Assets
Pre-provision net revenue	1,052	1.6%
Less:		
Provisions for credit losses	(1,775)	
Realized losses/gains on securities (AFS/HTM)	(86)	
Trading and counterparty losses	-	
Other losses/gains[1]	(53)	
Equals:		
Net income/(loss) before taxes	**(861)**	**-1.3%**

[1] Goodwill Impairment

Table 2 shows the cumulative losses for loan and lease categories consistent with the reporting schedules by which CIT reported DFAST figures to the FRB. The potential impact of the Severely Adverse scenario on CIT's portfolio of aircraft and rail cars is not included in Table 2. For these portfolios, the stress scenario is manifested in the utilization rates and yield rates for new aircraft and railcars delivered and those up for lease renewal over the 9-quarter planning period. The impact is reflected in elements of PPNR rather than loan and lease losses.

Table 2: CIT Group Inc.: Projected loan losses, by type of loan, Q1 2016 – Q1 2018

CIT Group Inc. Projected loan and lease losses, by type of loan, 2016Q1 - 2018Q1

	Millions of Dollars	Portfolio Loss Rates (%)[1]
Loan and Lease Losses	**1,697**	**5.1%**
Retail[2]	384	6.1%
Commercial and Industrial	1,078	5.3%
Commercial Real Estate	235	3.9%

[1] Denominator of loss rate is based on the average of each portfolio's nine quarter balances

[2] Includes First-lien mortgages & HELOCS

Table 3 illustrates the regulatory capital levels at the beginning and end of the 9-quarter planning horizon as well as minimum capital levels observed for CIT Group in the Severely Adverse scenario. The capital ratios were determined under the Basel framework applicable at the point in time considered.

Table 3: CIT Group Inc.: Projected Stressed Capital Ratios through Q1 2018

CIT Group Inc. Projected Stressed Capital Ratios (2016Q1 - 2018Q1)

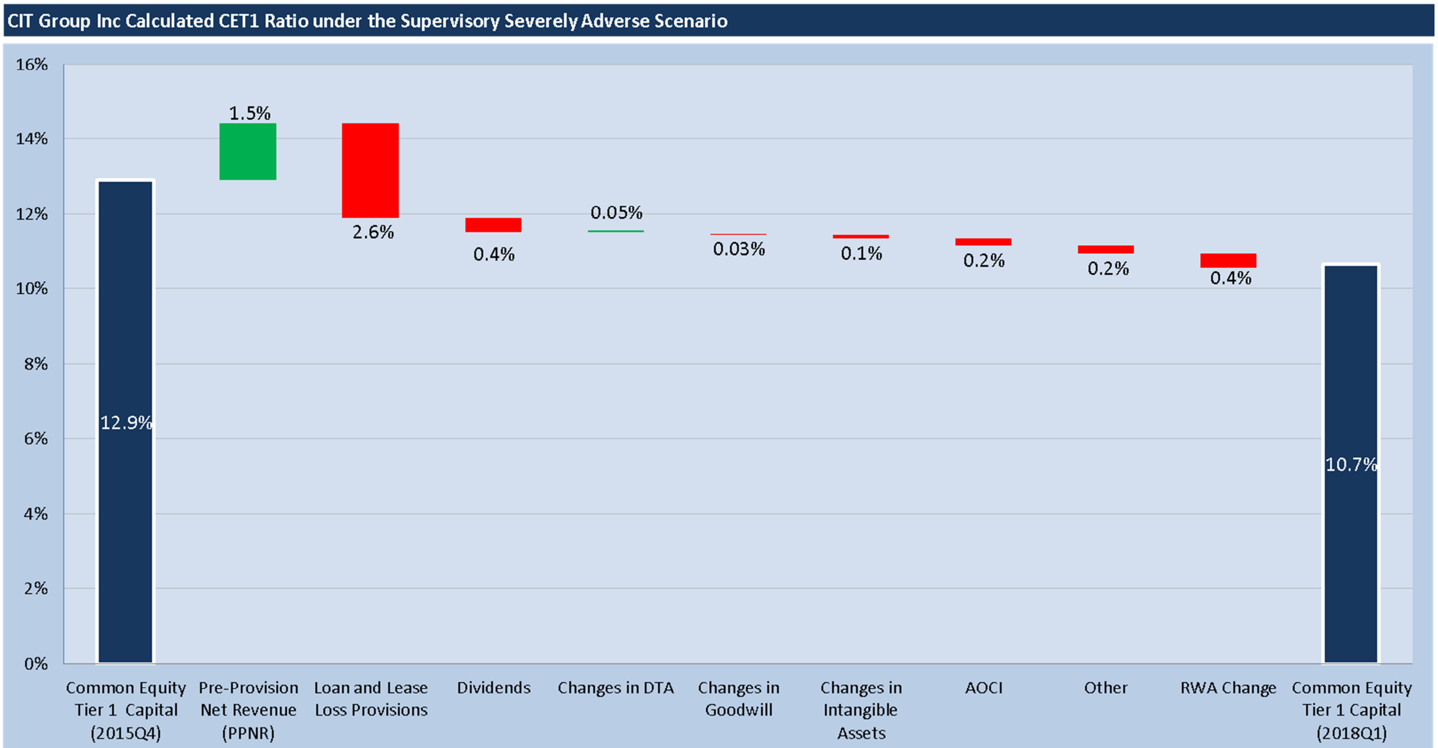
	Actual 2015Q4	Stressed Capital Ratios	
		Ending	Minimum
Common Equity Tier 1 capital ratio (%)	12.9%	10.7%	10.7%
Tier 1 risk-based capital ratio (%)	12.9%	10.7%	10.7%
Total risk-based capital ratio (%)	13.5%	11.9%	11.9%
Tier 1 leverage ratio (%)	13.5%	11.5%	11.5%

CIT Group Inc. Actual 2015Q4 and Projected 2018Q1 Risk-Weighted Assets

Millions of Dollars	Actual 2015Q4	Projected 2018Q1
Risk-weighted Assets	69,564	71,977

Table 4 details the most significant drivers of the cumulative change in CIT Group's capital levels in the Severely Adverse scenario over the 9-quarter planning horizon. In this stress scenario, the benefits from PPNR were more than offset by provisions for credit losses resulting in a net decrease in the Common Equity Tier 1 capital ratio to 10.7% at the end of the planning horizon.

Table 4: CIT Group Inc.: Most Significant Causes for Changes in Capital Ratios



VII. CIT Bank NA Results of the Severely Adverse Scenario from January 1, 2016 through March 31, 2018

Cumulative revenue, loss and net income before taxes projected from January 1, 2016 through March 31, 2018 are shown for the Bank in Table 5.

Table 5: CIT Bank: Cumulative 9-quarter projected losses, revenue and net income before taxes through Q1 2018

CIT Bank NA Projected losses, revenue and net income before taxes 2016Q1 - 2018Q1	Millions of Dollars	Percent of Average Assets
Pre-provision net revenue	1,538	3.5%
Less:		
Provisions for credit losses	(1,707)	
Realized losses/gains on securities (AFS/HTM)	(86)	
Trading and counterparty losses	-	
Other losses/gains	-	
Equals:		
Net income/(loss) before taxes	**(255)**	**-0.6%**

Table 6 shows the cumulative losses for the loan and lease categories as defined by the OCC's 10-50B reporting schedules by which CIT Bank reported DFAST figures to the OCC.

Table 6: CIT Bank: Projected loan losses, by type of loan, Q1 2016 – Q1 2018

CIT Bank NA Projected loan and lease losses, by type of loan, 2016Q1 - 2018Q1	Millions of Dollars	Portfolio Loss Rates (%)[1]
Loan and Lease Losses	**1,614**	**4.9%**
Retail[2]	384	6.1%
Commercial and Industrial	870	6.0%
Commercial Real Estate	232	3.9%
Other Loans and Leases	129	2.0%

[1] Denominator of loss rate is based on the average of each portfolio's nine quarter balances

[2] Includes First-lien mortgages & HELOCS

Table 7 shows CIT Bank's regulatory capital levels at the beginning and end of the 9-quarter planning horizon as well as minimum capital levels observed. The capital ratios were determined under the Basel framework applicable at the point in time considered.

Table 7: CIT Bank: Projected Stressed Capital Ratios through Q1 2018

CIT Bank NA, Projected Stressed Capital Ratios (2016Q1 - 2018Q1)

	Actual	Stressed Capital Ratios	
	2015Q4	Ending	Minimum
Common Equity Tier 1 capital ratio (%)	12.8%	9.2%	9.1%
Tier 1 risk-based capital ratio (%)	12.8%	9.2%	9.1%
Total risk-based capital ratio (%)	13.9%	10.4%	10.4%
Tier 1 leverage ratio (%)	10.9%	8.4%	8.4%

CIT Bank NA, Actual 2015Q4 and Projected 2018Q1 Risk-Weighted Assets

Millions of Dollars	Actual 2015Q4	Projected 2018Q1
Risk-weighted Assets	36,809	40,192

Explanation of the most significant causes for the changes in CIT Bank's CET1 capital ratio

CIT Bank's Common Equity Tier 1 Capital ratio declines by 3.6% over the 9-quarter planning horizon. The Bank's PPNR provides a 4.2% benefit while the Loan and Lease Loss Provision and Realized Gain/ Loss on Securities reduces CET1 by 4.9%, resulting in a net 0.7% reduction to the CET1 ratio. Dividends assumed to be paid by the Bank to the FHC reduce the CET1 ratio by 2.4% and the increase in risk-weighted assets reduces CET1 by another 0.8%. All other changes to CET1, including changes in goodwill, intangible assets and taxes, combined provide a 0.3% benefit to the Bank's CET1 ratio. Dividends to the FHC assumed under stress are not representative of any planned actions and their declaration is at the full discretion of CIT Bank's Board of Directors.

Differences between the Group and the Bank are driven by the comparatively higher proportion of operating lease assets at the Group and higher proportion of assets subject to credit reserving at the Bank.

Forward Looking Statements:

This supplemental disclosure contains forward-looking statements within the meaning of applicable federal securities laws that are based upon our current expectations and assumptions concerning future events, which are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. The words "expect," "anticipate," "estimate," "forecast," "initiative," "objective," "plan," "goal," "project," "outlook," "priorities," "target," "intend," "evaluate," "pursue," "commence," "seek," "may," "would," "could," "should," "believe," "potential," "continue," or the negative of any of those words or similar expressions is intended to identify forward-looking statements. All statements contained in this supplemental disclosure, other than statements of historical fact, including without limitation, statements about our plans, strategies, prospects and expectations regarding future events and our financial performance, are forward-looking statements that involve certain risks and uncertainties. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, these statements are not guarantees of any events or financial results, and our actual results may differ materially. Important factors that could cause our actual results to be materially different from our expectations include, among others, the risk that CIT is unsuccessful in implementing its strategy and business plan, the risk that CIT is unable to react to and address key business and regulatory issues, the risk that CIT is unable to achieve the projected revenue growth from its new business initiatives or the projected expense reductions from efficiency improvements, and the risk that CIT becomes subject to liquidity constraints and higher funding costs. We describe these and other risks that could affect our results in Item 1A, "Risk Factors," of our latest Annual Report on Form 10-K for the year ended December 31, 2015, which was filed with the Securities and Exchange Commission. Accordingly, you should not place undue reliance on the forward-looking statements contained in this disclosure. These forward-looking statements speak only as of the date on which the statements were made. CIT undertakes no obligation to update publicly or otherwise revise any forward-looking statements, except where expressly required by law.