Credit Suisse Financials Conference

The Way Forward

Ellen Alemany, Chairwoman and CEO
John Fawcett, CFO

February 13, 2019

Important Notice

This presentation 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 presentation, 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 (i) CIT is unsuccessful in implementing its strategy and business plan, (ii) CIT is unable to react to and address key business and regulatory issues, (iii) CIT is unable to achieve the projected revenue growth from its new business initiatives or the projected expense reductions from efficiency improvements, (iv) CIT is unable to achieve the projected gains from the sale of one or more of its businesses or assets, (v) CIT becomes subject to liquidity constraints and higher funding costs, or (vi) the parties to a transaction do not receive or satisfy regulatory or other approvals and conditions on a timely basis or approvals are subject to conditions that are not anticipated. 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, 2017, which was filed with the Securities and Exchange Commission. Information regarding CIT’s capital ratios consists of preliminary estimates. These estimates are forward-looking statements and are subject to change, possibly materially, as CIT completes its financial statements. Accordingly, you should not place undue reliance on the forward-looking statements contained in this presentation. 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.

Non-GAAP Financial Measures

This presentation contains references to non-GAAP financial measures, which provide additional information and insight regarding operating results and financial position of the business, including financial information that is presented to rating agencies and other users of financial information. **These non-GAAP measures are not in accordance with, or a substitute for, GAAP and may be different from or inconsistent with non-GAAP financial measures used by other companies.** The definitions of these measures and reconciliations of non-GAAP to GAAP financial information are available in our press release dated January 29, 2019, which is posted on the Investor Relations page of our website at http://ir.cit.com.

This presentation is to be used solely as part of CIT management’s continuing investor communications program. This presentation shall not constitute an offer or solicitation in connection with any securities.

CIT Today

A top 50 national bank focused on empowering businesses and personal savers with the financial agility to navigate their goals

Commercial Banking

- **Leading National Middle Market Lender**
- **Top 3 Bank Provider of Equipment Financing**
- **Top 4 Provider of Railcar Leasing**
- **Top Provider of Factoring Services**
- **Focused Commercial Real Estate Lender**

Financial Highlights ($ billions)[1]

Assets	$48.5
Total Loans & Leases	$37.9
Commercial Banking	$31.3
Consumer Banking	$6.5
Deposits	$31.2
Market Cap	~$5B
NYSE	CIT

Consumer Savings

- **Top 10 National Direct Bank**
- **64 Branches located in the 2nd largest MSA – Southern California**
- **Over $25 billion of Consumer Deposits**

Recognitions and Awards *(2018)*

- **Best Midsize Employers – *Forbes***
- **Best Bank In California – *MONEY Magazine***
- **FinTech Breakthrough Award for Best Small Business Solution**

(1) Information, aside from market cap, as of December 31, 2018.

2018 – Completed Our 3-Year Transformation Plan and Further Strengthened Our Risk Profile

✓ **Divested Non-Core Assets**

✓ **Optimized Our Funding and Capital Composition**

✓ **Strengthened Risk Management Practices and Improved Risk Profile of Our Assets**

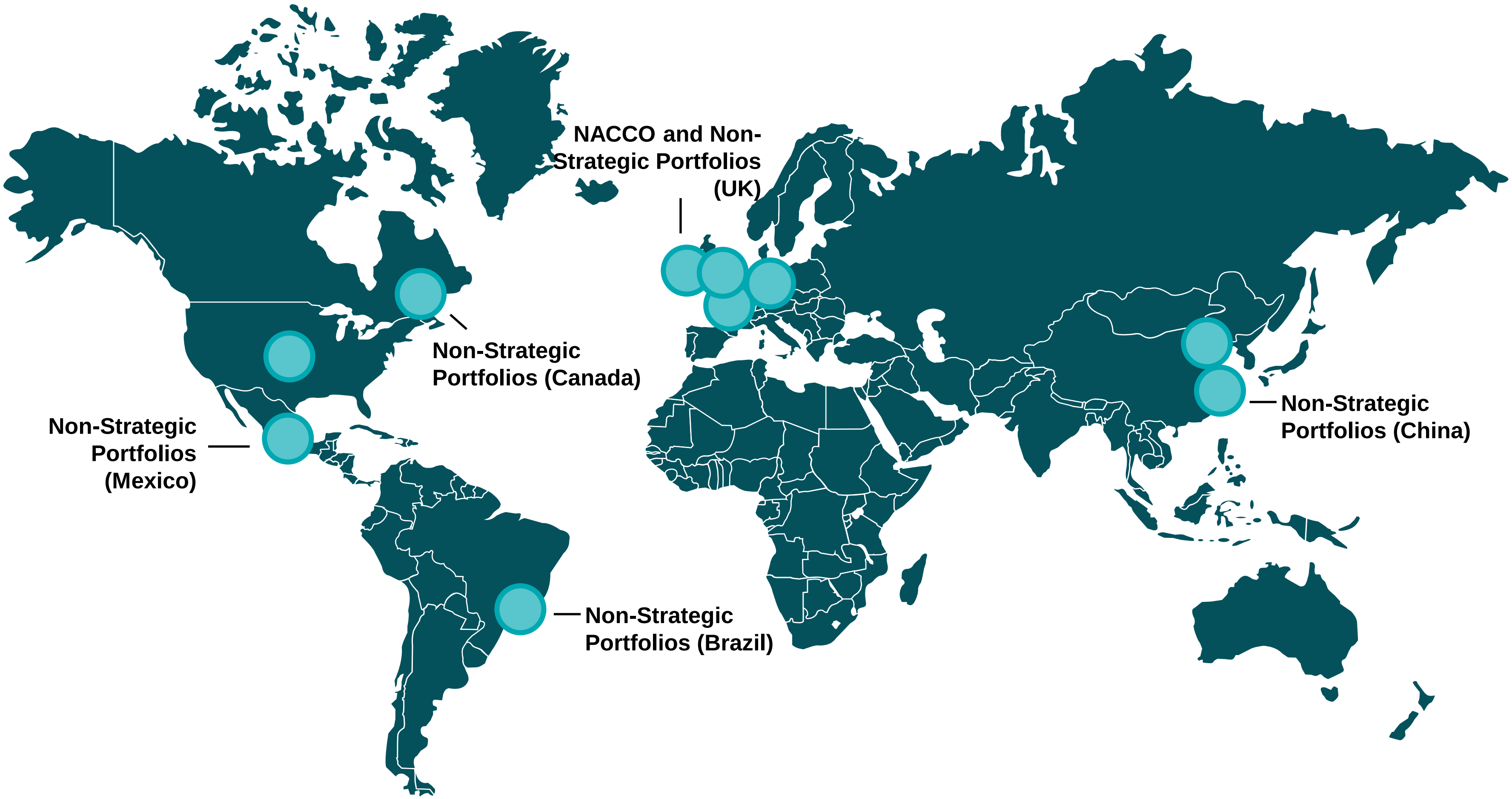
2018 – Completed Our 3-Year Transformation Plan and Further Strengthened Our Risk Profile

✓ **Divested Non-Core Assets**

- Sold Financial Freedom reverse mortgage servicing platform and ~$900 million of related reverse mortgage loans (May 2018), significantly reducing regulatory risk
- Sold our European rail leasing business, NACCO (Oct. 2018), our last overseas operation, with approximately $1.2 billion of assets, reducing asset and funding risk
- China – Wind-down in progress, only $20 million of loans and leases remaining

We Divested Non-Core Assets – *Before*

2015 – North America, Europe, South America, Asia



We Divested Non-Core Assets – *After*

2018 – North America

2018 – Completed Our 3-Year Transformation Plan and Further Strengthened Our Risk Profile

✓ **Divested Non-Core Assets**

- Sold Financial Freedom reverse mortgage servicing platform and ~$900 million of related reverse mortgage loans (May 2018), significantly reducing regulatory risk
- Sold our European rail leasing business, NACCO (Oct. 2018), our last overseas operation, with approximately $1.2 billion of assets, reducing asset and funding risk
- China – Wind-down in progress, only $20 million of loans and leases remaining

✓ **Optimized Our Funding and Capital Composition**

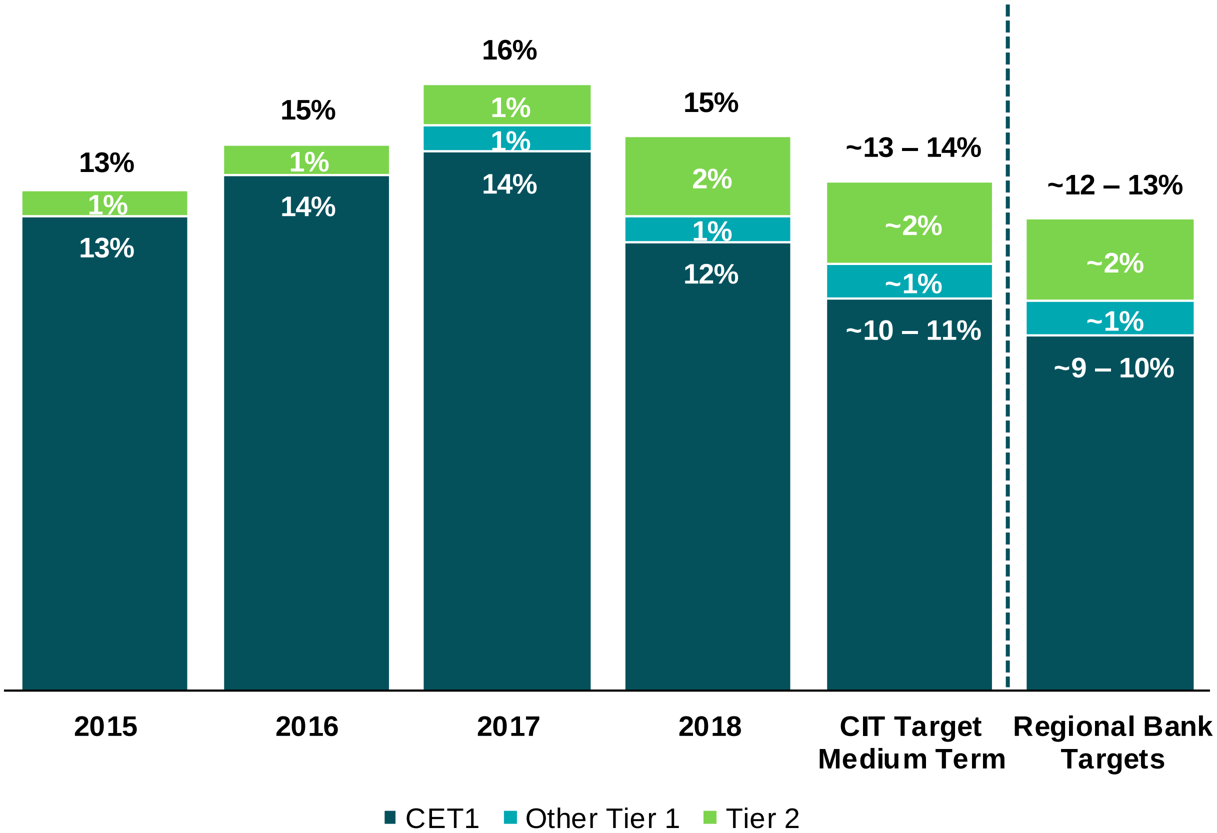
- Further optimized capital composition and aligned with regional bank peers
- Deposits comprise almost 80% of total funding
- Reduced senior unsecured debt; smoothed and extended near-term maturities
  - Next maturity not until 2021
- Terminated remaining total return swap – Simplifies operations and eliminated costly, legacy, wholesale funding

We Further Optimized Our Capital Composition

Further Optimized Capital Composition and Aligned with Regional Bank Peers

- Issued $325 million of preferred stock at 5.8% in June 2017
- Issued $400 million of subordinated debt (qualifying tier 2 capital) at 6.125% in March 2018

Transforming our Capital Composition



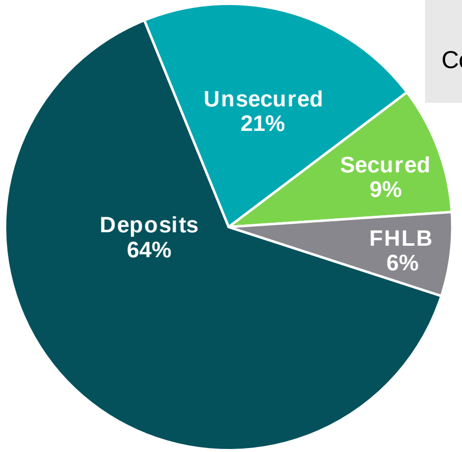
We Further Optimized Our Funding

Deposits Comprise ~80% of Total Funding; Smoothed & Extended Unsecured Debt

2015 Total Funding Composition

As of 12/31/2015

Loan & Lease
to Deposit Ratio:
Consolidated: **154%**
Bank: **99%**

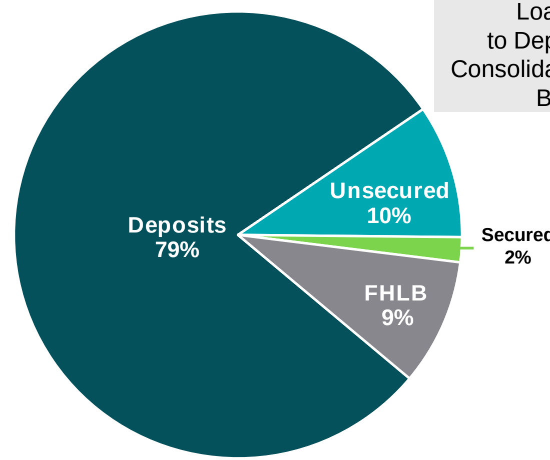


Total Funding: ~$51 Billion

2018 Total Funding Composition

As of 12/31/2018

Loan & Lease
to Deposit Ratio:
Consolidated: **121%**
Bank: **101%**

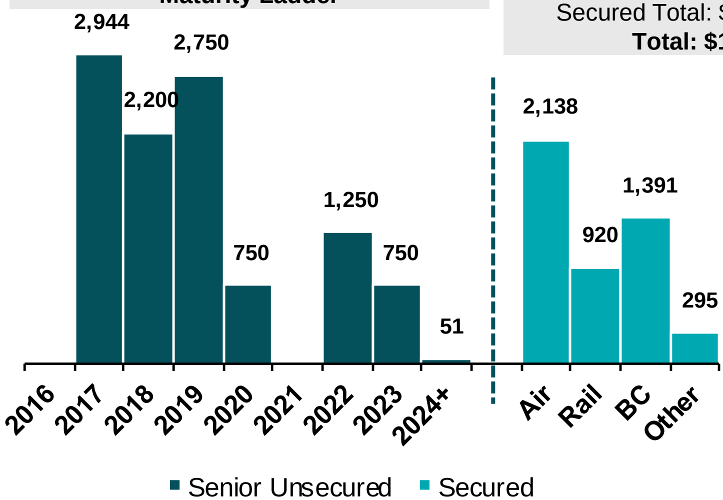


Total Funding: ~$39 Billion

2015 Secured & Unsecured Debt

Unsecured Total: $10.7B
Secured Total: $4.7B
Total: $15.4B

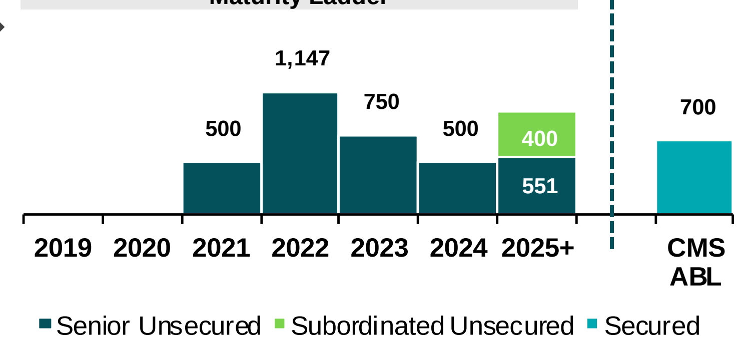
Maturity Ladder



2018 Secured & Unsecured Debt

Unsecured Total: $3.8B
Secured Total: $0.7B
Total: $4.6B

Maturity Ladder



2018 – Completed Our 3-Year Transformation Plan and Further Strengthened Our Risk Profile

✓ **Divested Non-Core Assets**

- Sold Financial Freedom reverse mortgage servicing platform and ~$900 million of related reverse mortgage loans (May 2018), significantly reducing regulatory risk
- Sold our European rail leasing business, NACCO (Oct. 2018), our last overseas operation, with approximately $1.2 billion of assets, reducing asset and funding risk
- China – Wind-down in progress, only $20 million of loans and leases remaining

✓ **Optimized Our Funding and Capital Composition**

- Further optimized capital composition and aligned with regional bank peers
- Deposits comprise almost 80% of total funding
- Reduced senior unsecured debt; smoothed and extended near-term maturities
  - Next maturity not until 2021
- Terminated remaining total return swap – Simplifies operations and eliminated costly, legacy, wholesale funding

✓ **Strengthened Risk Management Practices and Improved Risk Profile of Our Assets**

- Robust risk management framework with regulatory oversight from OCC (CIT Bank) and Federal Reserve (BHC)
- Improved portfolio mix with assets that have higher quality collateral
  - Cash flow loans (primarily dependent on enterprise value) are 10% of total exposure
  - Highly selective and disciplined in certain cyclical industries, asset classes and loan structures

We Delivered on Our 2018 Financial Targets

	2018 Targets	2018 Actual
Core Average Loans & Leases(1)	Mid-Single-Digit Growth	5.8%
Core Operating Expenses(2)	$1,050 Million For Full Year 2018	$1,046 Million
CET1 Ratio	11.5 to 12% At Year End 2018	12.0%
ROTCE(3)	9.5 to 10% For 4Q18	10.1%

Earnings per diluted share from continuing operations, excluding noteworthy items, increased more than 30% and tangible book value per share increased 3%

(1) Core portfolios is total loans and leases net of credit balances of factoring clients, NACCO, Legacy Consumer Mortgages (LCM) and Non-Strategic Portfolios (NSP).
(2) Operating expenses excluding noteworthy items and intangible asset amortization.
(3) The numerator is net income from continuing operations adjusted for noteworthy items less intangible asset amortization. The denominator is average tangible common equity adjusted for the average disallowed deferred tax asset.

The Way Forward – Continuing to Execute on Our Key Pillars

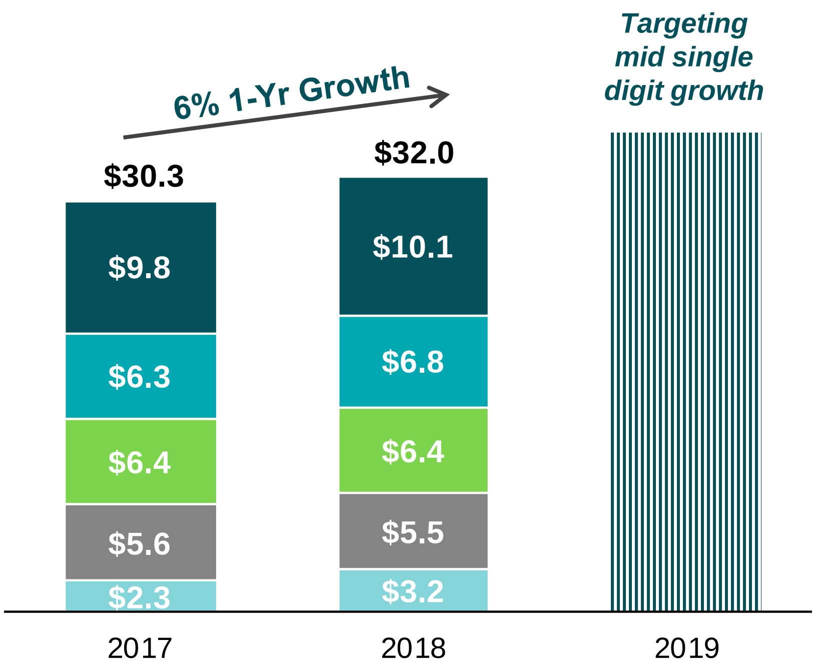
Targeting 11% ROTCE by 4Q19 and 12% ROTCE by 4Q20

Pillars		Strategy	2019 Focus
1	**Grow Core Businesses**	▪ Deepen client relationships ▪ Innovate with value	▪ Mid-single-digit asset growth ▪ Grow market share in our technology driven businesses
2	**Optimize Balance Sheet**	▪ Enhance funding and deposits ▪ Optimize capital structure	▪ Grow consumer deposits efficiently ▪ Continue to return capital and target 11% CET1 by year-end
3	**Enhance Operating Efficiency**	▪ Maintain vigilance on expenses ▪ Improve operating leverage	▪ Reduce annual operating expenses by at least an additional $50 million by full year 2020(1) ▪ Technology investments to improve operating efficiency and revenues
4	**Maintain Strong Risk Management**	▪ Maintain credit discipline on structures while focusing on strong collateral ▪ Maintain strong liquidity and capital risk management practices	▪ Net charge-offs of 35 to 45bps ▪ Liquidity portfolio consists of diversified HQLA

(1) Excluding noteworthy items, intangible asset amortization, and recent lease accounting changes.

1 Grow Core Businesses

Core Average Loans and Leases



Business Description

- **Commercial Finance:** Middle-market lender with expertise in targeted industries and products.
- **Business Capital:** Leading equipment lessor and lender; among the nation's largest providers of factoring services.
- **Rail:** Leading railcar lessor providing financial solutions to customers in the US, Canada and Mexico.
- **Real Estate Finance:** Focused lender to commercial real estate investors and developers.
- **Consumer Banking:** Consumer deposit products and residential mortgages offered through branches and online.

1 Grow Core Businesses

Positioned for Growth with Our Leading National Platforms

		Competitive Advantages	Strategic Initiatives
Commercial Banking	**Commercial Finance**	▪ National franchise with significant economies of scale ▪ Deep and diversified industry expertise	▪ Remix portfolio towards commitments with stronger collateral values and structural protections (e.g. Aviation Lending, Project Finance, Healthcare CRE, and Maritime) ▪ Expand asset management capabilities
Commercial Banking	**Business Capital**	▪ Innovative technology which provides speed of execution and valued solutions ▪ Experienced market leader in factoring services	▪ Increase market share with technology-driven platforms ▪ Growth in Materials Handling and Industrial ▪ Diversifying markets & geographies in factoring
Commercial Banking	**Rail**	▪ 4th largest rail equipment lessor in North America ▪ Young and diverse fleet with broad market coverage, servicing a wide range of industries	▪ Proactive portfolio management ▪ Maintain high quality portfolio to maximize utilization ▪ Selectively purchasing new rail cars
Commercial Banking	**Real Estate Finance**	▪ Deep expertise in construction and reposition/bridge lending ▪ Speed and reliability drive long-term relationships with strong sponsors	▪ Continue to be highly selective and disciplined in competitive environment ▪ Targeting strong developers and markets that we expect to withstand economic downturn
	Consumer Banking	▪ Top 10 national direct bank delivering savings products with the ease of a digital platform ▪ Efficient branch network in Southern California with excellent customer service and a strong presence in the local community	▪ Efficiently grow consumer deposits ▪ Grow lower cost digital retail and correspondent channels ▪ Continue to grow SBA lending asset base

1 Grow Core Businesses

Technology-Driven Platforms in Business Capital Driving Increased Market Share

Platform Workflow	CUSTOMER ACQUISITION	APPLICATION & UNDERWRITING	ORIGINATIONS	SERVICING/ RETENTION
Desired Outcome	Connect platform to targeted customer acquisition points for customer intake	Reduce friction & costs by automating application review processes	Improve efficiency of funding transactions & payment to vendors	Delivers robust post-booking and asset management capabilities
Example Partner	intuit quickbooks Accounting Software	Ryder Pre-Owned Trucks	ECI e-automate ERP Software	KONICA MINOLTA Manufacturer
Solution	A QuickBooks user can apply to finance $30,000 of equipment with one-click via **CIT's Direct API Integration** with QuickBooks Capital	A Ryder sales rep uses **CIT's Salesforce.com Integration** to submit and receive credit approval for a customer financing a $38,000 used truck	An Office Equipment dealer receives auto cash posting for a customer's monthly invoice via **CIT's Direct API integration** with ECI's e-automate solution	A Konica Minolta rep is able to access real-time customer buyout information within their own CRM via **CIT's Direct API Integration**

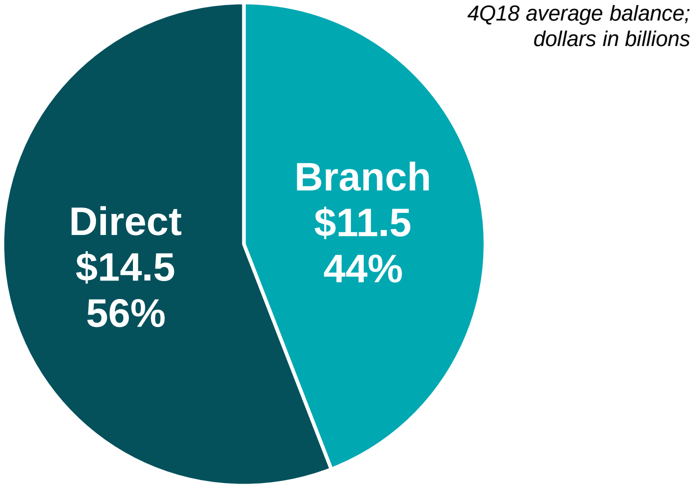
2 Optimize Balance Sheet

Growing Stable Consumer Deposits and Optimizing Costs

Direct Bank Franchise

- **Leading Online Bank with a National Reach**
- **Digital Access** – Online or mobile
- **Highly Scalable** – Over 156,000 customers, 44% growth in 2018
- **Stable Customer Base** – Average depositor duration ~4 years
- **Attractive Demographic Trends** – 60+% of new customers are Generation X,Y,Z
- **Expanding Relationships** through the offering of mortgages
- **Expanding Product Pipeline** – Additional offerings in 2019

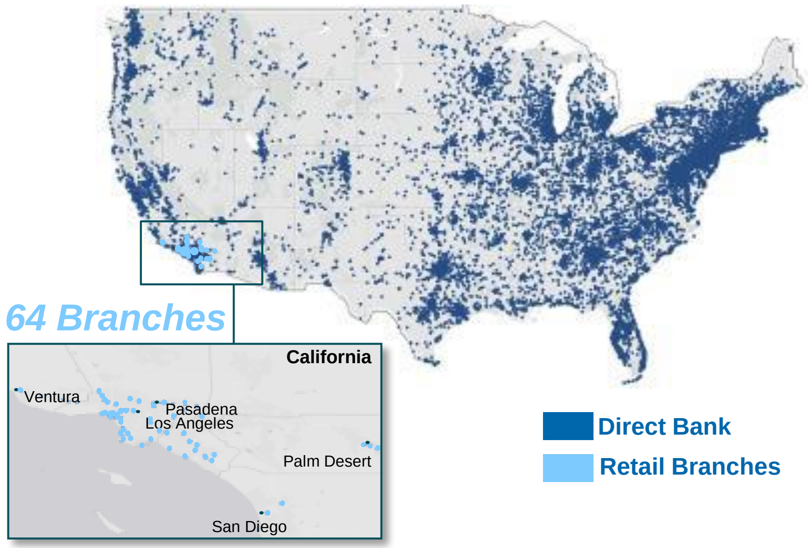
Consumer Banking Deposits



Retail Branch Franchise

- **One of the Country's Most Attractive Banking Markets** – 64 branches in Southern California, the #2 MSA in the US; average deposit per branch of $175 million
- **Long-Term Relationships** – Average customer relationship of 12+ years
- **High Touch Service**– Branch network offers customers the option of higher-touch service
- **Expanding Relationships** – Mortgages, small business lending, merchant services
- **Competitive Products** – Consumer and small business deposit products; recently launched card controls mobile app
- **Community Connection** – Strong local connection to communities we serve

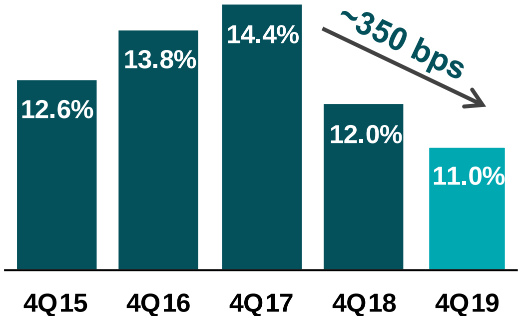
Branch and Direct Bank Deposit Footprint



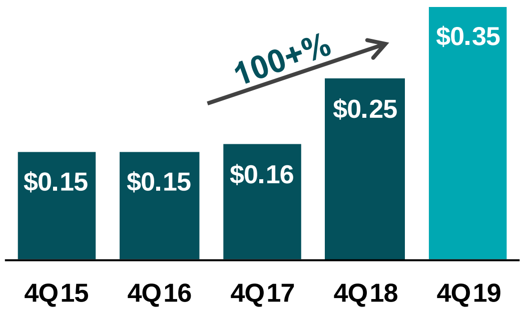
2 Optimize Balance Sheet

Continue to Return Capital in 2019 at a More Measured Pace

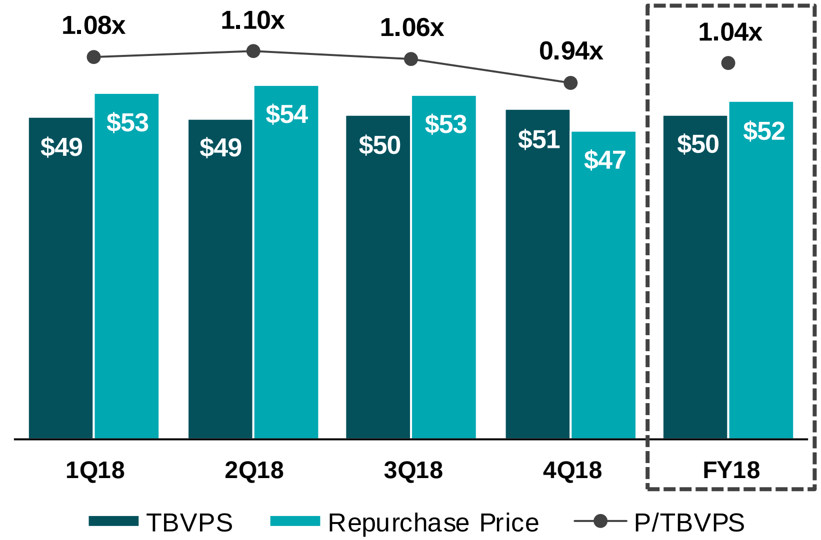
CET1 Ratio



Dividend per Share



Repurchase Prudence



2018 capital actions:

- Thoughtful, comprehensive approach to returning capital
- Repurchased ~$1.6 billion of common shares at an average of 1.04x the 2018 average TBVPS
  - 95% of all repurchases in the past 2 years were at prices below TBVPS
- Paid ~$100 million of ordinary common dividends

2019 planned capital actions:

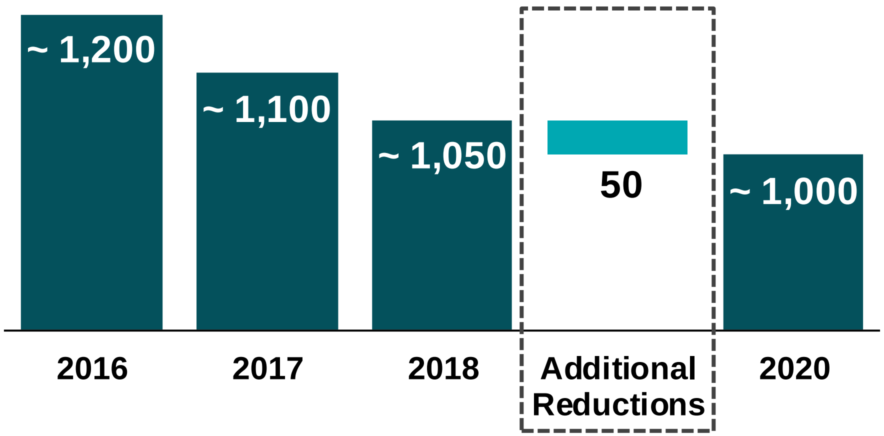
- $450 million capital return authorization through September 30, 2019
- Increase of common dividend by 40% from $0.25 to $0.35 per share, *subject to Board approval,* to take effect in 2Q19

Long-term targets: dividend payout ratio of 30 – 40% and CET1 of 10 – 11%

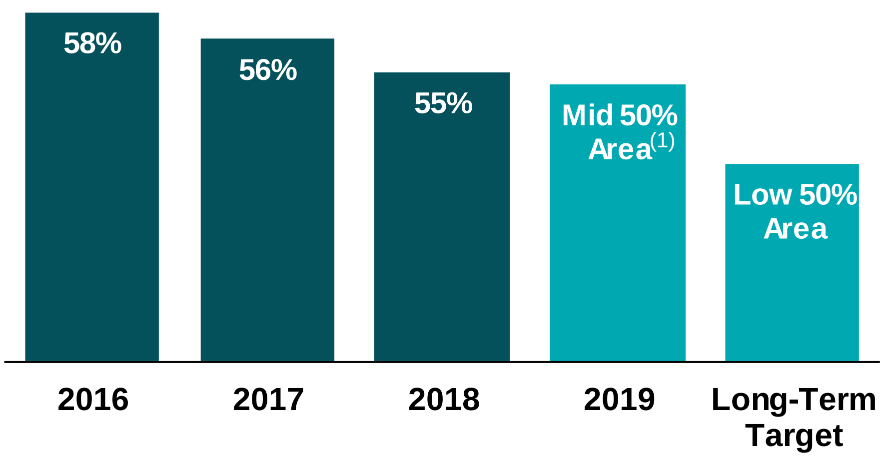
3 Enhance Operating Efficiency

Opportunities to Further Reduce Core Operating Expenses[1]

Operating Expense Reduction



Improving Our Net Efficiency Ratio



Accomplishments:

- Reduced operating expenses by $150 million, or 12.5%, over the last 3 years

Targets:

- Targeting at least an additional $50 million of operating expense reductions by full year 2020[1]
- Targeting a long-term efficiency ratio in the low 50% area

Further Opportunities:

- Digital process automation
- Organizational efficiencies
- Real estate footprint rationalization
- *Continuous improvement through maintaining expense vigilance*

(1) Operating expenses excluding noteworthy items, intangible asset amortization, and recent lease accounting changes.

4 Maintain Strong Risk Management

Risk Governance and Practices Consistent with a Regulated Bank

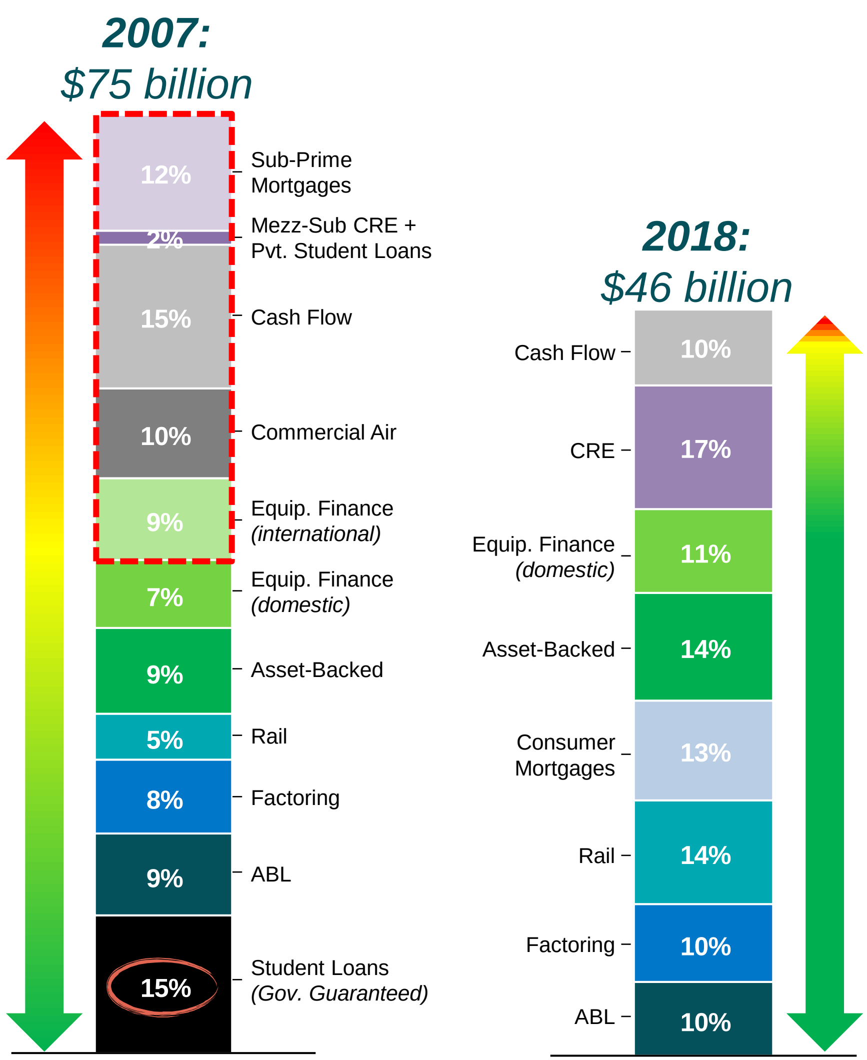
Strong risk governance, disciplined oversight and a robust compliance framework, built over the past decade, results in a stronger risk profile that will benefit us through the cycle

Culture	▪ Strong risk organization and culture ▪ Regulated by the OCC and Federal Reserve – subject to rigorous monitoring and reporting requirements ▪ Hired seasoned senior risk professionals with tenure at regulated financial institutions ▪ Credit culture focused on prudent growth and a balance of risk adjusted returns through the cycle
Policy Enhancements	▪ Established Risk Appetite Framework with detailed exposure limits for single obligors, product and industry ▪ Highly selective in certain cyclical industries, asset classes and loan structures ▪ Established underwriting/credit standards to ensure an appropriate risk return and opportunistically reducing criticized positions and running off existing loans that do not meet current credit standards ▪ Built out capital stress testing which also informs risk appetite limits ▪ Improved liquidity stress testing through automation and controls
Governance Enhancements	▪ Separated Enterprise Risk and Credit Risk, with both positions reporting to Chief Executive Officer, and both members of Executive Management Committee ▪ Built out effective second line of defense programs in operational risk, credit review, compliance, model validation, liquidity risk, and market risk ▪ Enhanced credit review process ▪ Implemented asset liability management system to effectively monitor interest rate risk

4 Maintain Strong Risk Management

Illustrating the Magnitude of Change in our Risk Profile Since the Financial Crisis

Product Type Exposure[1]



Higher Risk Portfolios Sold or Reduced

- Sold Alt-A/Sub-Prime Consumer Mortgages
- Liquidated Mezzanine and Subordinated CRE loans
- Sold portfolio of Private Student Loans
- Transitioned Cash Flow loan portfolio
  - ~10% of total exposure, down from 15%
  - ~$4.6B of exposure, down from over $12B
  - Rebalanced with less cyclical industries
- Reduced asset risk and liquidity risk with the sale of Commercial Air, including the off-balance sheet order book
- Sold all International Equipment Finance portfolios[2]

(1) Gross loans and leases, including unfunded commitments.
(2) Excluding a loan and lease balance of $20 million associated with our Non-Strategic Portfolios segment.

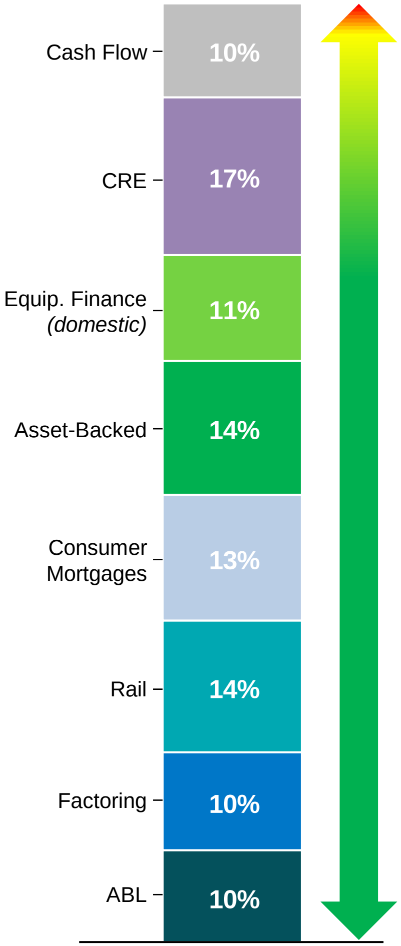
4 Maintain Strong Risk Management

Strong Collateral Values Reduces Loss Severity

Product Type Exposure[(1)]

2018:

$46 billion



(1) Gross loans and leases, including unfunded commitments.

Credit Quality of Our Portfolios

Cash Flow: Detailed on following page

Commercial Real Estate:
- All of our exposure is senior secured
- Average stabilized LTV of approximately 50%
- Approximately $1 billion of healthcare real estate
- Construction financing with established sponsors in familiar, major markets

Equipment Finance:
- Strictly North American-based
- Majority of equipment is essential use with high recovery rates
- Small Business Solutions, $1+ billion of assets with average FICO of 730 for personal guarantors

Asset-Backed:
- Average aircraft LTV of approximately 65%
- Average vessel LTV of approximately 65%
- Project Finance backed by investment-grade power purchase contracts

Consumer Mortgages:
- LCM comprises less than $3 billion, marked at a 24% discount to UPB
  - Average LTV of approximately 70%; average FICO of 680
- The remaining $3 billion is mostly jumbo mortgages in California
  - Average LTV of approximately 60%; average FICO of 780

Rail:
- Minimal credit risk as equipment can be redeployed

Factoring:
- 50% of exposure is to investment grade customers
- Receivables are short-term, averaging 60 to 90 days
- Funding is discretionary and can be withdrawn by CIT

ABL:
- Governed by traditional, controlled borrowing bases
- Appropriate advance rates and cash dominion

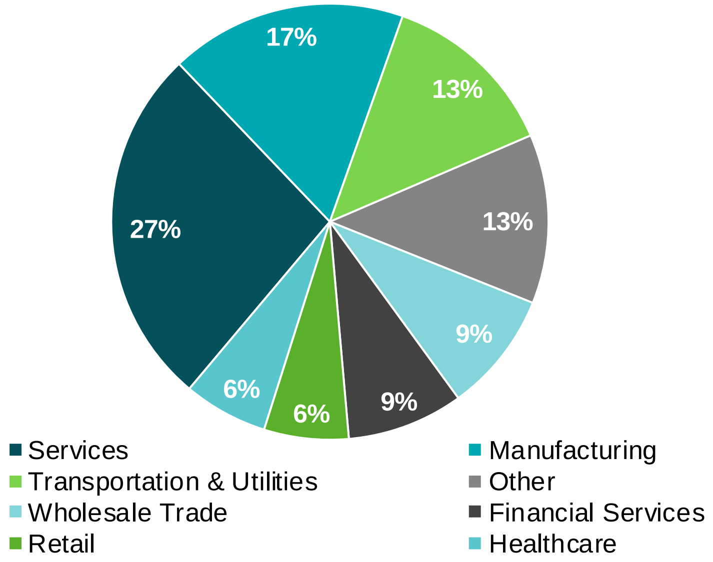
4 Maintain Strong Risk Management

Improving Profile of Cash Flow Lending – 10% of Exposure

Cash Flow Lending Details

- Average senior leverage < 4x[1]
- Average total leverage approximately 4.6x[1]
- Outsized losses during financial crisis were in industries we no longer serve
- We currently maintain strictly first lien positions; 2007 losses included second lien positions
- Nonaccrual exposure < 3%
  - 64% of nonaccrual exposure is performing
- More than ⅔ of the exposure is relationship-based, where we have more control over the terms and structure than in the broadly syndicated loan market

Cash Flow Industry Exposure



Approximately $4.6B of Exposure

We have repositioned our cash flow portfolio.
We are maintaining adherence to our risk appetite framework, and we are maintaining discipline, especially in the current market environment.

(1) Leverage based on exposure amount.

The Way Forward – Executing on Our Key Pillars

✓ **Delivering on our plan to improve returns and unlock the full potential of CIT**

	Pillar
1	Grow Core Businesses
2	Optimize Balance Sheet
3	Enhance Operating Efficiency
4	Maintain Strong Risk Management

Appendix: Business Units

Commercial Finance

Leveraging Deep Industry and Product Expertise

Differentiating Strengths

- Deep and diversified industry expertise are key growth drivers
- National franchise with significant economies of scale
- Structuring and capital markets capabilities
- Long-term client relationships
- JV relationships expand our addressable market

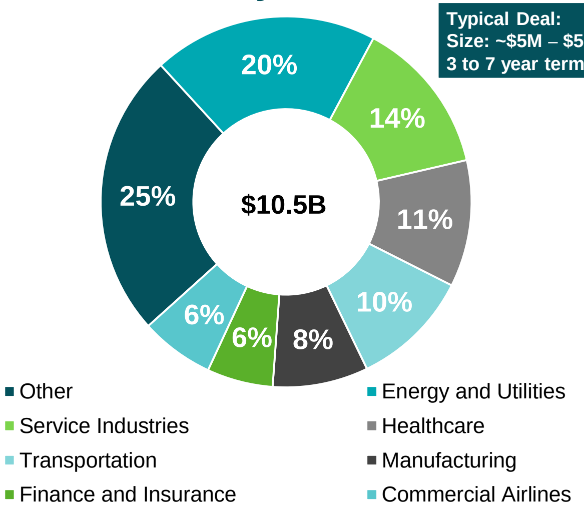
Strategic Focus

- Shift towards commitments with stronger collateral values (“asset-based lending”) provides higher yields and better credit performance
- Expand asset management capabilities
- Growth opportunities in Aviation Finance, Healthcare Real Estate, Technology, Energy and Entertainment
- Grow capital markets fees by increasing lead managed roles

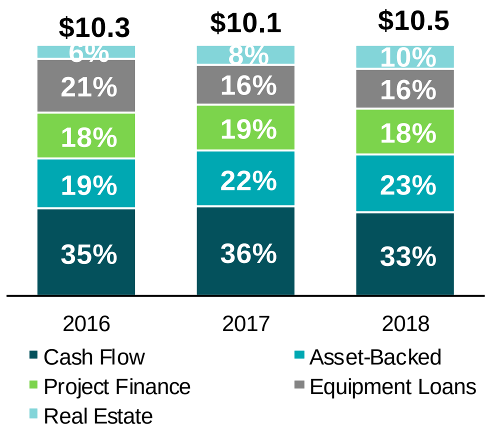
Established middle market national franchise with deep industry and product expertise and customized solutions

Industry Focus(1)

Typical Deal:
Size: ~$5M – $50M+
3 to 7 year terms



Product Profile(2)



(1) Information as of December 31, 2018. Inside of chart amount represents funded loan and lease balance.
(2) Information as of the year end for each respective year.

Business Capital
Providing Innovative Lending & Leasing Equipment Solutions

Differentiating Strengths

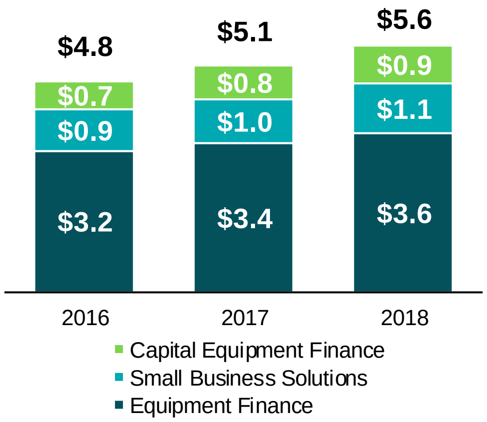
- Digital platforms backed by the strength of a bank
- Increasing market share through innovative technology which provides speed of execution and valued solutions
  - Award-winning digital platform that provides value-add solutions for small businesses
  - Tech-enabled customized billing and point-of-sale solutions for new and existing customers
- Expertise in design, development and implementation of traditional vendor alliances, true/virtual JVs and Private Label programs
- Unique expertise in fair market value lending driven by collateral expertise gained over long history of performance

Strategic Focus

- Expand direct and indirect lending and enter new industry verticals that leverage our asset management and structuring expertise
- Continually enhancing innovative technology in our core businesses, providing a differentiated customer experience
- Strong growth enhancing economies of scale

Trusted partner providing innovative technology, industry expertise and unique residual knowledge

Average Loans and Leases(1)



Business Description(1)

- **Equipment Finance**
  - Deal Sizes range from $10,000 to $10 million
  - Terms range from 3 to 5 years
- **Small Business Solutions**
  - Deal Sizes range from $5,000 to $2 million
  - Terms range from 3 to 5 years
  - Average FICO of 730 for personal guarantors
- **Capital Equipment Finance**
  - Deal Sizes range from $2 million to $55 million
  - Terms range from 3 to 10 years

(1) As of December 31, 2018. Commercial Services information included on the next page.

Business Capital

A National Leader in Factoring

Differentiating Strengths

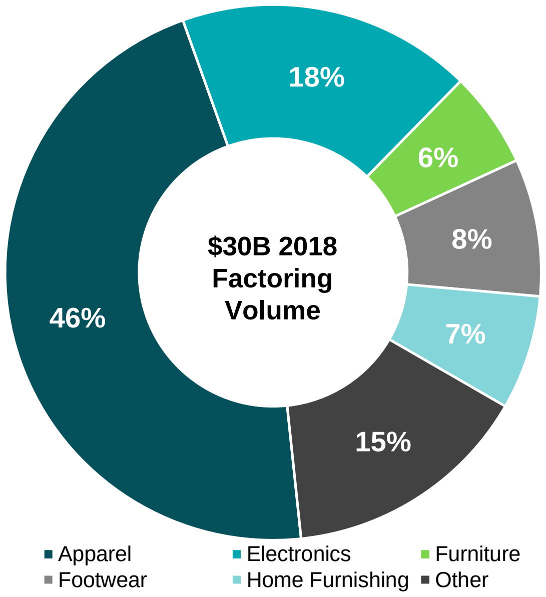
- Market leader for factoring services, including credit protection, receivables management and working capital
- Experienced management team with strong industry knowledge, customer relationships, extensive retail credit connectivity, and underwriting expertise

Strategic Focus

- Expand client relationships and products across multiple industries
- Broaden market coverage by adding key personnel in underserved geographies

Market leader in factoring services with 700+ clients

Industry Focus[1]



Client Profile[1]

- Over 700 clients
  - Most are privately owned
  - Client revenues: $5m–$1B+
- 50% of exposure is investment grade rated customers
- Contracts range from 60 days to multi-year while receivables are 60 to 90 days
- Primarily discretionary lending facilities against receivables, inventory and intellectual property
- Typical client tenure 10+ years
- On average, $2–$3B of factored receivables on balance sheet at any given time
- On average, $1–$1.5B of average earnings assets on balance sheet at any given time representing factored receivables net of credit balances of factoring clients

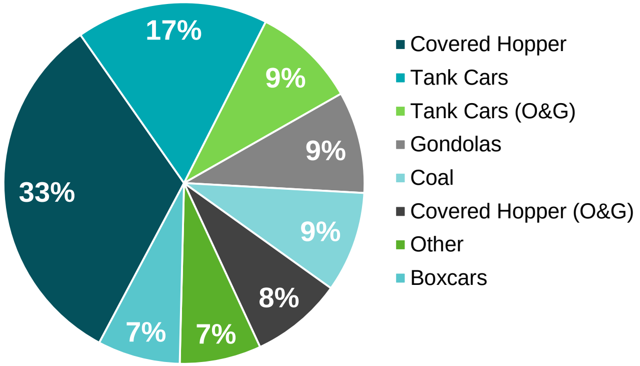
(1) As of December 31, 2018.

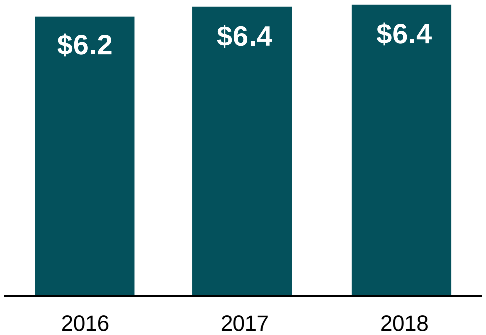
Rail North America
Proven Asset Manager with Strong Customer Service

Differentiating Strengths
- Young and diverse fleet with broad market coverage, servicing a wide range of industries
- Proven portfolio management resulting in strong through-the-cycle returns
- Excellent customer service and long-term customer and manufacturer relationships

Strategic Focus
- Proactive portfolio management
- Asset quality and readiness to maximize utilization
- Selective asset sales contribute to non-interest income
- Opportunistic purchases

4th largest rail equipment lessor in North America with strong profitability through economic cycles

Fleet Car Types[1]


Average Loans and Leases


Rail Fleet Details[1]
- Operating leased fleet of 116,000 railcars
- 74% freight cars; 26% tank cars
- Rail franchise serves 500 customers in the U.S., Canada, and Mexico
- Average railcar age of 13 years
- 20–25% of railcar leases expire in any given year
- Utilization 96-98% throughout 2018

(1) Percentages based on fleet unit count of operating leases and as of December 31, 2018.

Real Estate Finance
Disciplined Asset Originators

Differentiating Strengths

- Deep expertise in construction and reposition/bridge lending
- Speed and reliability drive long-term relationships with strong sponsors

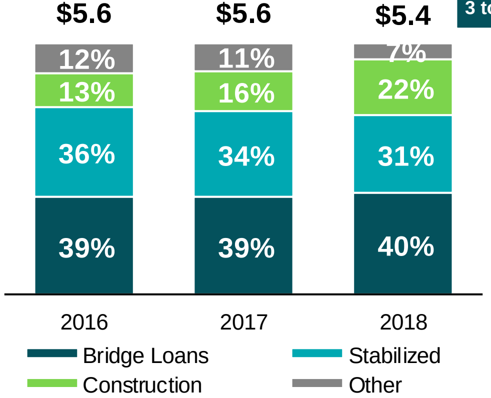
Strategic Focus

- National focus with significant presence in two largest CRE markets: Northeast Corridor and Southern California
- Broadening sponsor coverage with relationship-oriented focus
- Expand robust syndication bank network
- Increased focus on fee-generation activities

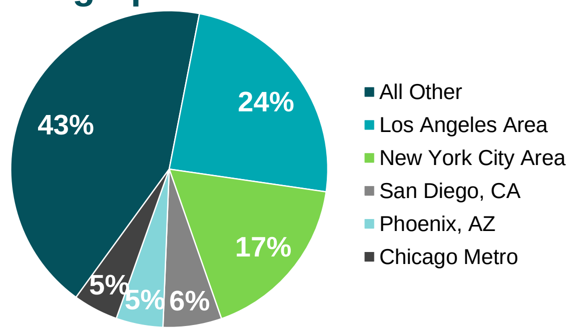
Relationship approach through life of loan provides consistent quality service to sponsors

Product Profile(1)

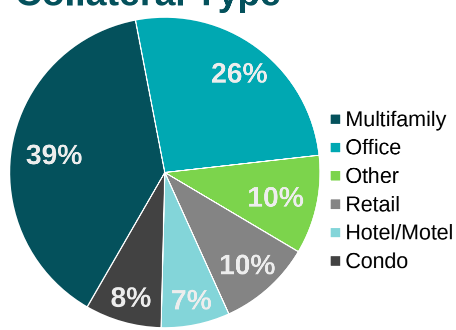
Typical Deal:
Size: $25M – $50M
3 to 5 year terms



Geographic Focus(1)



Collateral Type(1)



(1) Product balances are as of the end of each respective year. Geography and collateral information as of December 31, 2018.

Consumer Banking

Efficient and Stable Funding Source

Differentiating Strengths

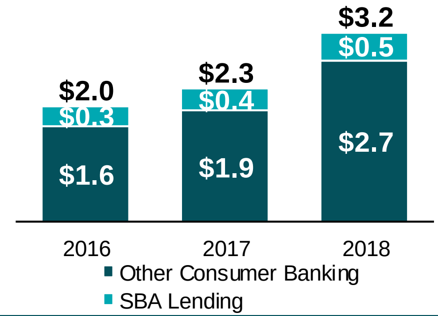
- Efficient branch network in Southern California, the #2 U.S. market, offering high-touch customer service
- Top 10 national direct bank delivering savings products with the ease of a digital platform

Strategic Focus

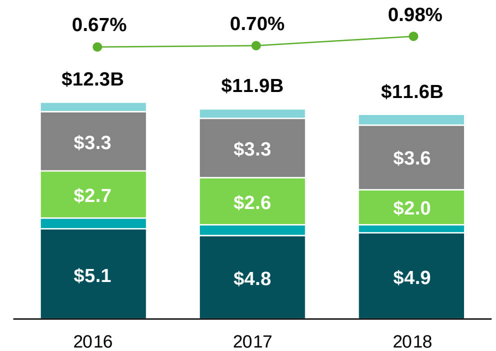
- Provide a stable and efficient funding source
- Scalable nationwide digital deposit franchise with a growing customer base
- Community and small business lending opportunities in Southern California
- Disciplined deposit pricing strategy to maximize growth and optimize cost of funds

Offering competitive deposit products through a branch and digital experience, with SBA lending and consumer mortgage products to complement the portfolio

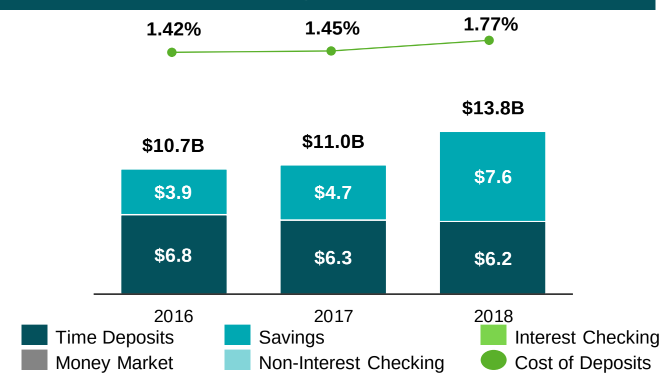
Average Loans and Leases (ex. LCM)



Retail Branch Average Deposits & Rates

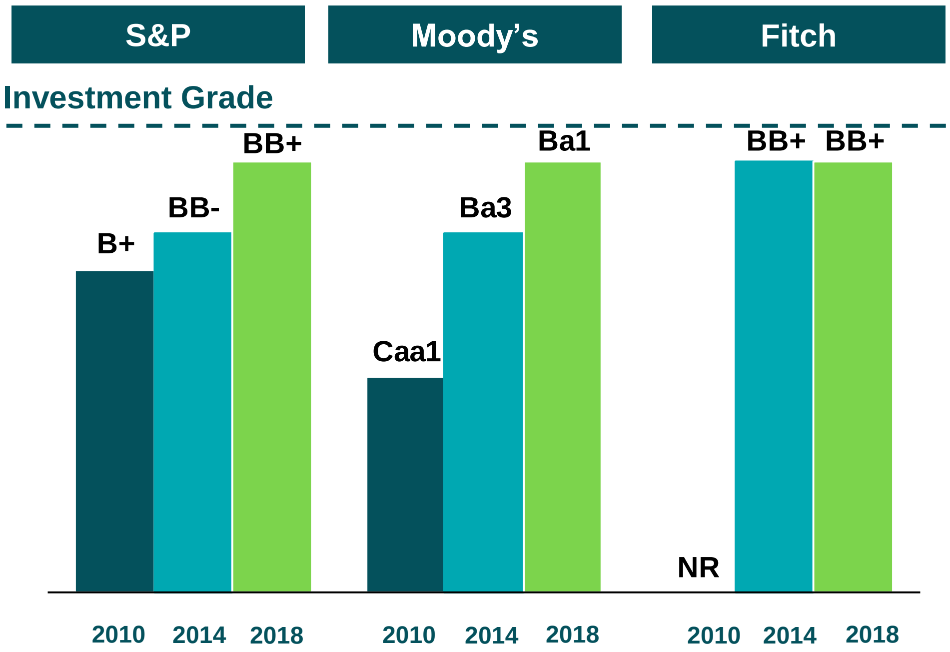


Direct Bank Average Deposits & Rates



Improving Our Credit Ratings

Focus on Achieving Investment Grade Rating



CIT's Focus

- Execution of strategic plan
- Maintaining strong funding and liquidity profile as well as strong risk management and capital
- Generating attractive risk-adjusted returns and maintaining credit discipline

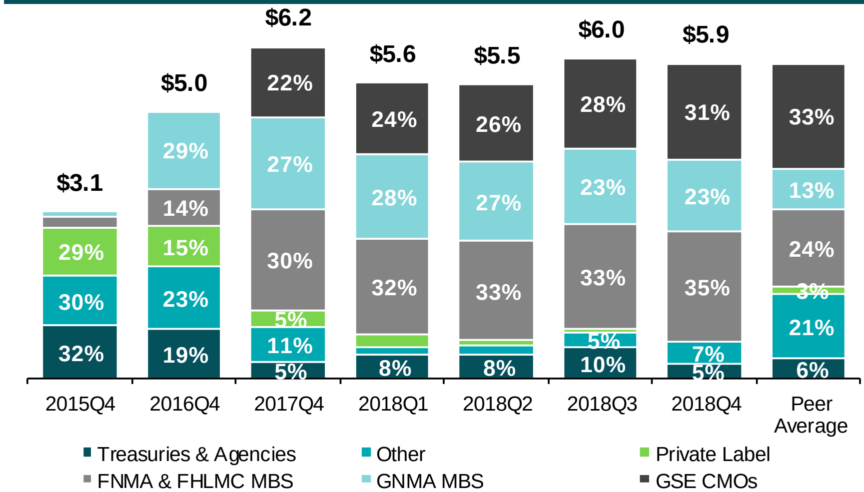
Rating Agency Focus

- Stabilized operating performance, achieving targeted efficiencies & profitability
- Strengthened stability and quality of deposits
- Demonstrated credit performance through market cycles
- Maintenance of appropriate capital levels

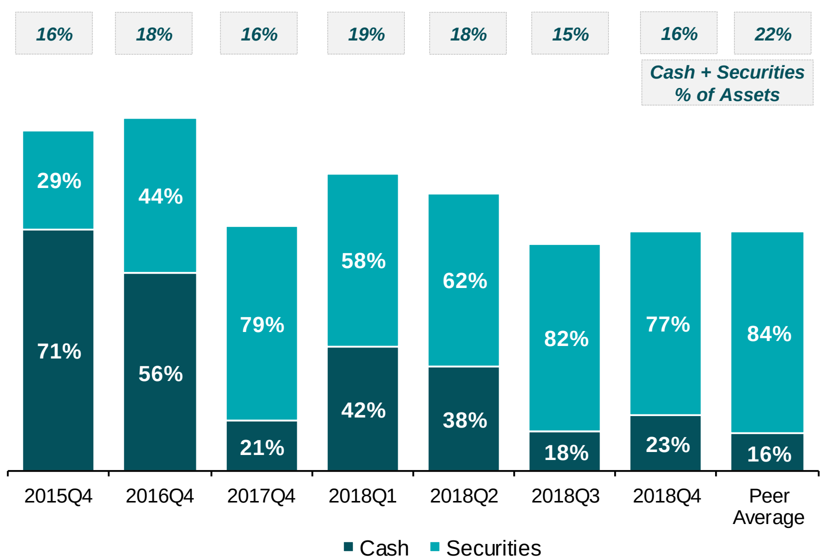
	S&P	Moody's	Fitch
CIT Group Inc.			
LT Senior Unsecured Debt	BB+	Ba1	BB+
Subordinated Debt	BB	Ba1	BB
Non-Cumulative Perpetual Stock	B+	Ba3	B
CIT Bank, N.A.			
Issuer Rating	BBB-	Ba1	BB+
Deposit Rating (LT/ST)		Baa1/P-2	BBB-/F3
Group and Bank Outlook	Stable	Positive	Positive

Repositioning & Maintaining a Strong Liquidity Portfolio

Reallocation Towards HQLA



Shift from Cash to Securities



Investment Portfolio Highlights

- Redeployed cash into High Quality Liquid Assets (HQLA) to increase returns and maintain readily-available liquidity
- ~99%+ of cash and investments is HQLA
- Repositioning investment portfolio to improve risk-adjusted returns and eliminate higher-risk legacy securities
- Completed liquidation of the entire higher-risk legacy PLMBS in the investment portfolio in Q4
- HQLA portfolio book yield of ~2.7% at the end of 4Q18 with a duration of 3 years

Source: FR Y-9C. Peer averages through 3Q18. CIT FR Y-9C 4Q18 information preliminary. Equity investments, federal funds sold, and repurchase agreements are excluded. Trading securities are included.

Appendix: Financials

Quarterly Earnings Summary – Reported

($ in millions, except per share data)	4Q18	3Q18	4Q17	Change from 3Q18 $	Change from 3Q18 %	Change from 4Q17 $	Change from 4Q17 %
Interest Income	492	474	448	18	4%	44	10%
Net Operating Lease Revenues[(1)]	97	130	120	(32)	(25%)	(23)	(19%)
Interest Expense	216	214	169	2	1%	47	28%
Net Finance Revenue	**374**	**389**	**399**	**(15)**	**(4%)**	**(25)**	**(6%)**
Other Non-Interest Income	48	86	137	(39)	(45%)	(90)	(65%)
Operating Expenses	258	263	304	(5)	(2%)	(46)	(15%)
Goodwill Impairment	-	-	256	-	NM	(256)	NM
Loss on Debt Extinguishment and Deposit Redemption	16	4	2	12	NM	14	NM
Pre-provision Net Revenue	**148**	**209**	**(25)**	**(61)**	**(29%)**	**173**	**NM**
Provision for Credit Losses	31	38	30	(7)	(18%)	1	3%
Pre-tax Income (Loss) from Continuing Operations	**117**	**171**	**(55)**	**(54)**	**(32%)**	**172**	**NM**
Provision for Income Taxes	25	41	28	(16)	(40%)	(3)	(10%)
Income (Loss) from Continuing Operations	**92**	**129**	**(83)**	**(38)**	**(29%)**	**175**	**NM**
Income (Loss) from Discontinued Operations, Net of Taxes	0	2	(5)	(2)	(95%)	5	NM
Net Income (Loss)	**92**	**132**	**(88)**	**(40)**	**(30%)**	**180**	**NM**
Preferred Dividends	10	-	10	10	NM	(0)	(3%)
Net Income (Loss) Available to Common Shareholders	**82**	**132**	**(98)**	**(49)**	**(37%)**	**180**	**NM**
Income (Loss) from Continuing Operations Available to Common Shareholders	82	129	(93)	(47)	(36%)	175	NM
Diluted Income per Common Share							
Income (Loss) from Continuing Operations	$0.78	$1.13	($0.70)	($0.34)	(31%)	$1.48	NM
Income (Loss) from Discontinued Operations, Net of Taxes	$0.00	$0.02	($0.04)	($0.02)	(94%)	$0.04	NM
Diluted Income (Loss) per Common Share	**$0.78**	**$1.15**	**($0.74)**	**($0.37)**	**(32%)**	**$1.52**	**NM**
Return on Average Earning Assets							
Average Earning Assets	44,113	45,377	44,562	(1,264)	(3%)	(449)	(1%)
After Tax Return on Average Earnings Assets – Continuing Operations	0.75%	1.14%	(0.83%)	(40) bps		158 bps	

Highlights

vs. Prior Quarter

- **Net Finance Revenue:** decreased $15 million as the prior quarter included $9 million of NACCO suspended depreciation and NACCO was sold early in the current quarter
- **Other Non-Interest Income:** decreased $39 million as the current quarter includes a pre-tax charge of $69 million related to the termination of our Dutch total return swap facility
- **Operating Expenses:** decreased $5 million driven primarily by declines in employee costs and FDIC insurance costs, partially offset by an increase in professional fees and technology costs. The sale of NACCO contributed $3 million to the decline in operating expenses, the majority of which was in employee costs
- **Provision for Credit Losses:** decreased $7 million primarily driven by lower provisions in Real Estate Finance and Business Capital, and lower net charge-offs in Commercial Finance
- **Income Tax Provision:** effective tax rate of 21% for the quarter was positively impacted by a decrease in state and local income taxes and tax credits recognized for research and development costs

vs. Year-ago Quarter

- **Net Finance Revenue:** decreased $25 million as the year-ago quarter includes $9 million of NACCO suspended depreciation, as well as lower average earning assets from the current quarter sale of NACCO and the reverse mortgage portfolio, in addition to higher funding costs, partially offset by higher income from commercial loans and investments
- **Other Non-Interest Income:** decreased $90 million as the current quarter includes a pre-tax charge of $69 million related to the termination of our Dutch total return swap facility, and the year-ago quarter includes a pre-tax benefit of $29 million related to the change in accounting for LIHTC investments
- **Operating Expenses:** decreased $46 million as the year-ago quarter includes $32 million of restructuring charges
- **Provision for Credit Losses:** essentially flat
- **Income Tax Provision:** the year-ago tax provision includes an aggregate $26 million benefit from noteworthy items, including the impact of tax items related to NACCO, the change in accounting policy for LIHTC and U.S. tax reform and an additional aggregate $22 million in discrete tax benefits

Certain balances may not sum due to rounding.
(1) Net of depreciation, maintenance, and other operating lease expenses.

Quarterly Earnings Summary Excluding Noteworthy Items (Non-GAAP)(1)

($ in millions, except per share data)	4Q18	3Q18	4Q17	Change from 3Q18 $	3Q18 %	4Q17 $	4Q17 %
Interest Income	492	474	448	18	4%	44	10%
Net Operating Lease Revenues[2]	97	121	112	(24)	(20%)	(14)	(13%)
Interest Expense	216	214	169	2	1%	47	28%
Net Finance Revenue	**374**	**381**	**391**	**(7)**	**(2%)**	**(17)**	**(4%)**
Other Non-Interest Income	92	97	108	(5)	(5%)	(16)	(15%)
Operating Expenses	258	263	272	(5)	(2%)	(14)	(5%)
Loss on Debt Extinguishment and Deposit Redemption	-	-	2	-	NM	(2)	NM
Pre-provision Net Revenue	**208**	**214**	**225**	**(6)**	**(3%)**	**(17)**	**(7%)**
Provision for Credit Losses	31	38	30	(7)	(18%)	1	3%
Pre-tax Income from Continuing Operations	**177**	**176**	**194**	**1**	**0%**	**(17)**	**(9%)**
Provision for Income Taxes	40	45	54	(5)	(11%)	(14)	(26%)
Income from Continuing Operations	**137**	**131**	**140**	**6**	**4%**	**(3)**	**(2%)**
Income (Loss) from Discontinued Operations, Net of Taxes	0	2	(5)	(2)	(95%)	5	NM
Net Income	**137**	**133**	**135**	**4**	**3%**	**2**	**1%**
Preferred Dividends	10	-	10	10	NM	(0)	(3%)
Net Income Available to Common Shareholders	**127**	**133**	**125**	**(6)**	**(4%)**	**2**	**2%**
Income from Continuing Operations Available to Common Shareholders	127	131	130	(4)	(3%)	(3)	(2%)
Diluted Income per Common Share							
Income from Continuing Operations	$1.21	$1.15	$0.99	$0.06	5%	$0.22	22%
Income (Loss) from Discontinued Operations, Net of Taxes	$0.00	$0.02	($0.04)	($0.02)	(94%)	$0.04	NM
Diluted Income per Common Share	**$1.21**	**$1.17**	**$0.95**	**$0.04**	**4%**	**$0.26**	**27%**
Return on Average Earning Assets							
Average Earning Assets	44,113	45,377	44,562	(1,264)	(3%)	(449)	(1%)
After Tax Return on Average Earnings Assets – Continuing Operations	1.15%	1.15%	1.17%	(0) bps		(2) bps	

Highlights

vs. Prior Quarter

- **Net Finance Revenue:** decreased $7 million due to lower net operating lease income, driven by a lease prepayment in Rail in the prior quarter and the sale of NACCO early in the current quarter, and an increase in deposit costs, partially offset by higher income from commercial loans, and higher net purchase accounting accretion in the Consumer Banking segment
- **Other Non-Interest Income:** decreased $5 million primarily driven by lower fee revenues from a decrease in capital markets fees and lower income from customer derivatives, partially offset by higher gains on the sale of leasing equipment
- **Operating Expenses:** decreased $5 million driven primarily by declines in employee costs and FDIC insurance costs, partially offset by an increase in professional fees and technology costs. The sale of NACCO contributed $3 million to the decline in operating expenses, the majority of which was in employee costs
- **Provision for Credit Losses:** decreased $7 million primarily driven by lower provisions in Real Estate Finance and Business Capital, and lower net charge-offs in Commercial Finance
- **Income Tax Provision:** effective tax rate of 23%, excluding noteworthy items, down from 26%

vs. Year-ago Quarter

- **Net Finance Revenue:** decreased $17 million primarily due to lower average earning assets from the NACCO and reverse mortgage portfolio sales, and higher funding costs, partially offset by higher income from commercial loans
- **Other Non-Interest Income:** Other non-interest income decreased $16 million primarily driven by lower capital markets fees, and decreases in gains from the reverse mortgage portfolio in LCM in the Consumer Banking segment
- **Operating Expenses:** Operating expenses decreased by $14 million driven primarily by lower professional fees and employee costs, partially offset by higher other non-income tax expenses
- **Provision for Credit Losses:** essentially flat
- **Income Tax Provision:** effective tax rate of 23%, excluding noteworthy items, down from 28%

Certain balances may not sum due to rounding.
(1) See slide entitled ‘Quarterly Noteworthy Items’. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information, and non-GAAP tables in our earnings release dated January 29, 2018.
(2) Net of depreciation, maintenance, and other operating lease expenses.

Full Year Earnings Summary

($ in millions, except per share data)	Reported 2018	Reported 2017	Change from 2017 $	Change from 2017 %	Excluding Noteworthy Items[1] 2018	Excluding Noteworthy Items[1] 2017	Change from 2017 $	Change from 2017 %
Interest Income	1,890	1,836	55	3%	1,890	1,827	64	3%
Net Operating Lease Revenues[2]	468	488	(21)	(4%)	441	472	(31)	(6%)
Interest Expense	815	718	97	14%	815	694	121	17%
Net Finance Revenue	**1,543**	**1,606**	**(63)**	**(4%)**	**1,516**	**1,604**	**(88)**	**(5%)**
Other Non-Interest Income	374	364	10	3%	400	370	30	8%
Operating Expenses	1,070	1,189	(119)	(10%)	1,070	1,136	(66)	(6%)
Goodwill Impairment	-	256	(256)	NM	-	-	-	NM
Loss on Debt Extinguishment and Deposit Redemption	39	220	(181)	(82%)	-	-	-	NM
Pre-provision Net Revenue	**808**	**306**	**502**	**NM**	**845**	**836**	**9**	**1%**
Provision for Credit Losses	171	115	56	49%	171	99	72	73%
Pre-tax Income from Continuing Operations	**637**	**192**	**445**	**NM**	**674**	**737**	**(63)**	**(9%)**
Provision (Benefit) for Income Taxes	165	(68)	233	NM	176	223	(48)	(21%)
Income from Continuing Operations	**472**	**259**	**213**	**82%**	**499**	**514**	**(15)**	**(3%)**
(Loss) Income from Discontinued Operations, Net of Taxes	(25)	209	(234)	NM	(11)	51	(62)	NM
Net Income	**447**	**468**	**(21)**	**(5%)**	**487**	**565**	**(78)**	**(14%)**
Preferred Dividends	19	10	9	93%	19	10	9	93%
Net Income Available to Common Shareholders	**428**	**458**	**(30)**	**(7%)**	**468**	**555**	**(87)**	**(16%)**
Income from Continuing Operations Available to Common Shareholders	453	250	204	82%	480	504	(24)	(5%)
Diluted Income per Common Share								
Income from Continuing Operations	$3.82	$1.52	$2.29	NM	$4.04	$3.07	$0.96	31%
(Loss) Income from Discontinued Operations, Net of Taxes	($0.21)	$1.28	($1.49)	NM	($0.10)	$0.32	($0.43)	NM
Diluted Income per Common Share	**$3.61**	**$2.80**	**$0.81**	**29%**	**$3.94**	**$3.39**	**$0.56**	**16%**
Return on Average Earning Assets								
Average Earning Assets	45,214	46,852	(1,638)	(3%)	45,214	45,922	(707)	(2%)
After Tax Return on Average Earnings Assets – Continuing Operations	1.00%	0.53%	47 bps		1.06%	1.10%	(4) bps	

Highlights

- Net income available to common shareholders for the full year was $428 million or $3.61 per diluted common share, compared to net income available to common shareholders of $458 million or $2.80 per diluted common share for the prior year
- Income from continuing operations available to common shareholders excluding noteworthy items for the full year was $480 million or $4.04 per diluted common share, compared to $504 million or $3.07 per diluted common share in the prior year, as a decline in net finance revenue (reflecting the sale of NACCO and the reverse mortgage portfolio) and an increase in the provision for credit losses were partially offset by lower operating expenses, higher other non-interest income and a lower effective income tax rate
- The increase in income from continuing operations excluding noteworthy items per diluted common share reflects the decline in the average number of diluted common shares outstanding due to significant share repurchases over the past four quarters

Certain balances may not sum due to rounding.
(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information, and non-GAAP tables in our earnings release dated January 29, 2018.
(2) Net of depreciation, maintenance, and other operating lease expenses.

Fourth Quarter Impact of Noteworthy Items (Non-GAAP)[1]

($ in millions, except per share data)	Continuing Operations	Discontinued Operations	Total Reported
GAAP Income Available to Common Shareholders	**$82**	**$0**	**$82**
GAAP Diluted EPS	**$0.78**	**$0.00**	**$0.78**
Noteworthy Items *(After-Tax):*			
Gain on Sale of NACCO	**$19**		**$19**
Debt Extinguishment Costs	**($12)**		**($12)**
Net TRS Termination Charge	**($52)**		**($52)**
Total Noteworthy Items	**$45**	**$0**	**$45**
Non-GAAP Net Income Available to Common Shareholders Excluding Noteworthy Items	**$127**	**$0**	**$127**
Non-GAAP Diluted EPS Excluding Noteworthy Items	**$1.21**	**$0.00**	**$1.21**

Highlights

- **Gain on Sale of NACCO:**
  $19 million ($0.18 per diluted common share) after-tax benefit in other non-interest income from the gain on the sale of NACCO, our European rail business, which closed in October 2018
- **Debt Extinguishment Costs:**
  $12 million ($0.11 per diluted common share) after-tax expense related to the redemption of $434 million of unsecured senior debt and $465 million of Rail-related secured debt
- **TRS Termination Net Charge:**
  $52 million ($0.50 per diluted common share) after-tax charge in other non-interest income from the termination of our Dutch total return swap facility

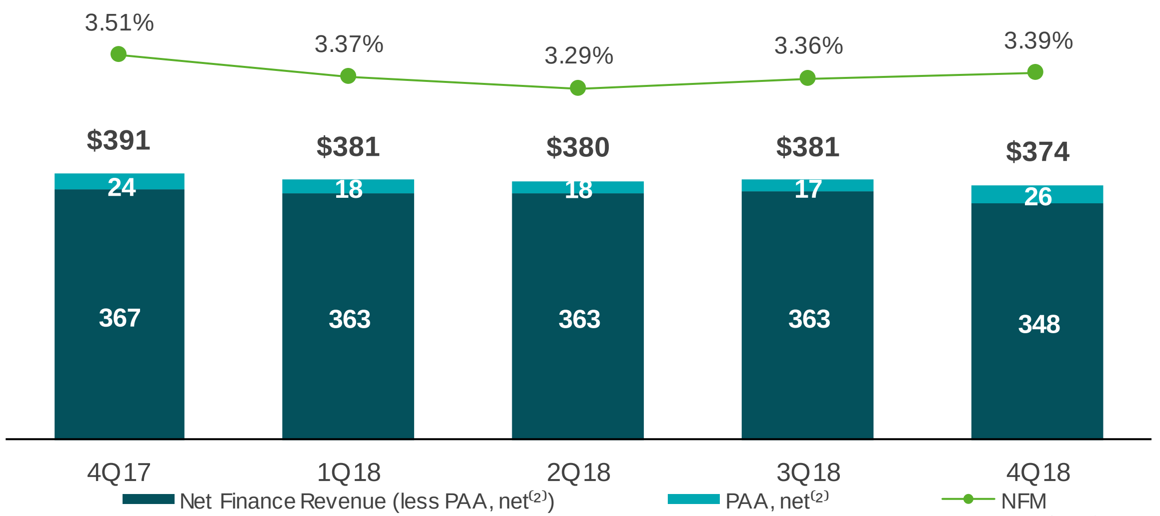
Certain balances may not sum due to rounding. EPS based on 105 million average diluted shares outstanding. Dollar impacts are rounded.

(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information, and non-GAAP tables in our earnings release dated January 29, 2018.

Net Finance Margin (NFM) – Continuing Operations (Excluding Noteworthy Items)(1)

Net Finance Revenue & Net Finance Margin

($ in millions)



($ in millions, except yield data)	4Q18		3Q18		4Q17		Change from 3Q18	Change from 4Q17
	Average Balance	*Yield*	*Average Balance*	*Yield*	*Average Balance*	*Yield*	*Yield*	*Yield*
Interest-bearing Deposits	1,791	1.7%	2,466	1.9%	2,270	1.6%	(20) bps	13 bps
Investments and Repurchase Agreements	6,426	2.9%	6,416	2.8%	6,068	2.5%	11 bps	41 bps
Loans(3)(4)	28,954	6.1%	28,409	6.0%	28,225	5.9%	7 bps	18 bps
Operating Leases, Net of Depreciation(4)	6,924	5.6%	8,032	6.0%	7,841	5.7%	(41) bps	(7) bps
Indemnification Assets	18	(60.7%)	55	(74.9%)	158	(40.3%)	NM	NM
Earning Assets	**44,113**	**5.3%**	**45,377**	**5.2%**	**44,562**	**5.0%**	**10 bps**	**34 bps**
Deposits	30,864	1.7%	31,239	1.6%	29,635	1.2%	10 bps	43 bps
Borrowings	8,132	4.2%	8,692	4.2%	8,631	3.6%	4 bps	67 bps
Funding Liabilities	**38,996**	**2.2%**	**39,931**	**2.1%**	**38,266**	**1.8%**	**7 bps**	**45 bps**

Certain balances may not sum due to rounding.
(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information.
(2) Purchase accounting accretion and negative return on indemnification assets.
(3) Net of credit balances of factoring clients.
(4) Balances include loans and leases held for sale, respectively.

Highlights

vs. Prior Quarter

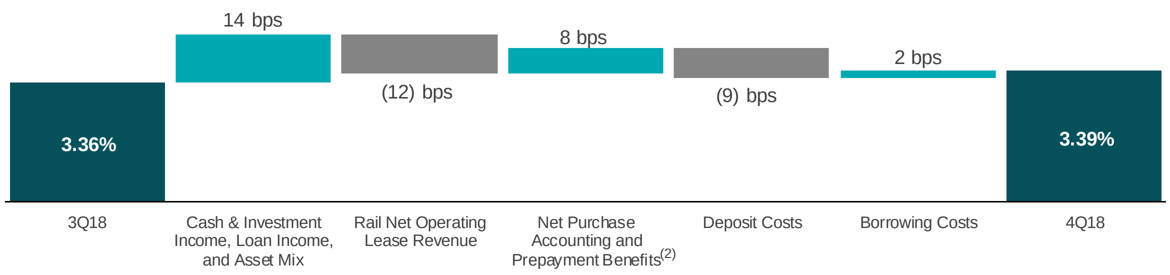
- Net Finance Revenue decreased by $7 million
- Lower net operating lease income, driven by a lease prepayment in Rail in the prior quarter, and the sale of NACCO early in the current quarter, and an increase in deposit costs were partially offset by higher income from commercial loans and investments

vs. Year-ago Quarter

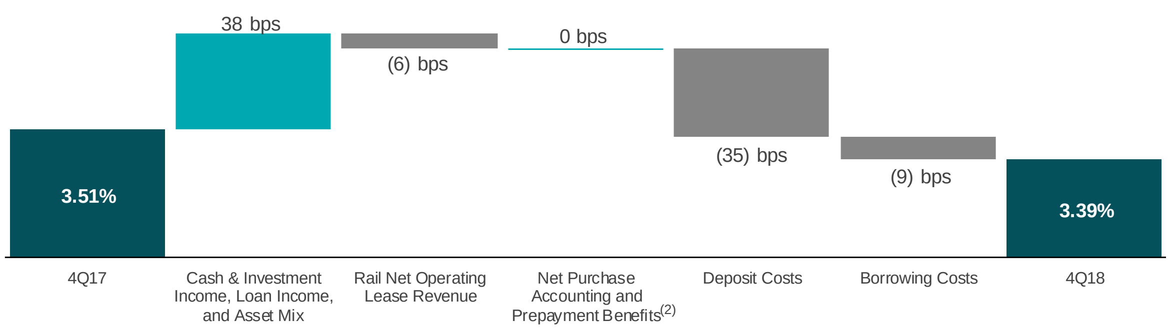
- Net Finance Revenue decreased by $17 million
- Decrease primarily due to lower average earning assets from the NACCO and reverse mortgage portfolio sales, and higher funding costs
- Decrease partially offset by higher income from loans in the Commercial Banking segment and investment securities

Net Finance Margin Trends – Continuing Operations (Excluding Noteworthy Items)[1]

Net Finance Margin Walk 3Q18 to 4Q18



Net Finance Margin Walk 4Q17 to 4Q18



Highlights

vs. Prior Quarter

- 14 bps improvement from cash & investment income, loan income, and asset mix shift
  - Attributable in part to the increase in LIBOR, higher yields in select areas of our equipment lending businesses, an annual cash dividend from the FHLB, and lower average cash balances
- (12) bps decrease from rail net operating lease revenue
  - Last quarter benefitted from an $8.5 million customer prepayment and this quarter does not include NACCO which had slightly higher yields than the overall portfolio
- 8 bps improvement from net PAA and prepayment benefits, mostly driven by a reduction in negative yield on the indemnification asset
- (9) bps decrease from deposit costs, reflecting continued upward market trends
- 2 bps improvement from borrowing costs , reflecting our liability management actions, offset by an increase in FHLB borrowings

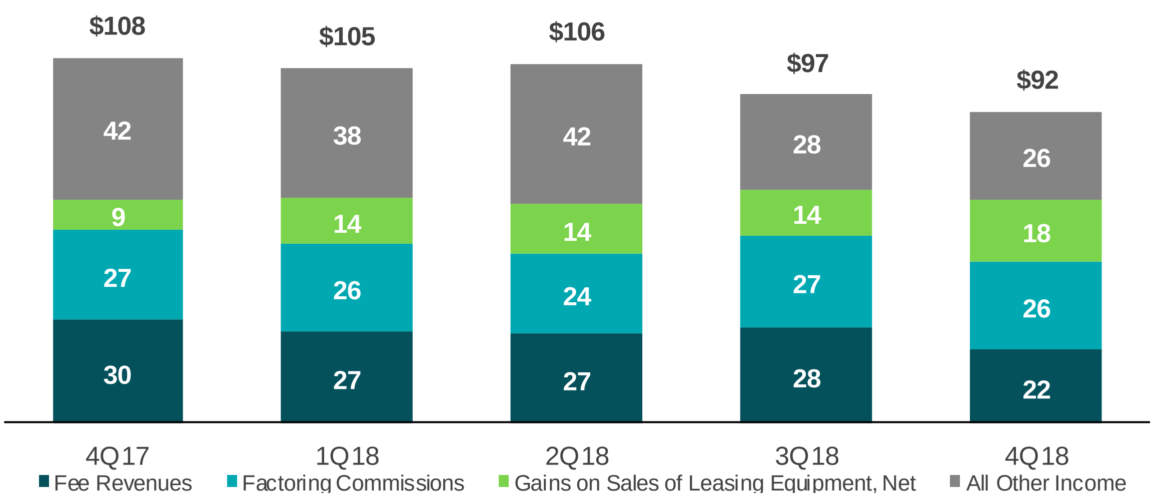
vs. Year-ago Quarter

- Decline of 12 bps reflects higher yields on loans, cash and investments, more than offset by lower rail operating lease rates, as well as higher deposit and borrowing costs

(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information.
(2) Purchasing accounting accretion net of negative income associated with our indemnification asset.

Other Non-Interest Income – Continuing Operations (Excluding Noteworthy Items)[1]

	($ in millions)	4Q18	3Q18	4Q17	Change from 3Q18 $	Change from 3Q18 %	Change from 4Q17 $	Change from 4Q17 %
	Fee Revenues	**22**	28	30	(7)	(23%)	(9)	(29%)
	Factoring Commissions	**26**	27	27	(1)	(4%)	(1)	(2%)
	Gains on Sales of Leasing Equipment, Net of Impairments	**18**	14	9	4	32%	9	98%
Other Income	Gains on Investment Securities, Net of Impairments	**5**	4	11	1	31%	(7)	(59%)
Other Income	BOLI Income	**6**	7	6	(1)	(9%)	0	3%
Other Income	Other Revenues	**15**	18	25	(2)	(13%)	(9)	(37%)
	Total Other Non-Interest Income	**92**	**97**	**108**	**(5)**	**(5%)**	**(16)**	**(15%)**



Highlights

vs. Prior Quarter

- Other non-interest income decreased $5 million
- Decrease primarily driven by lower fee revenues from a decrease in capital markets fees and lower income from customer derivatives
- Decrease partially offset by higher gains on the sale of leasing equipment

vs. Year-ago Quarter

- Other non-interest income decreased $16 million
- Decrease primarily driven by lower capital markets fees, and decreases in gains from the reverse mortgage portfolio in LCM in the Consumer Banking segment

Certain balances may not sum due to rounding.

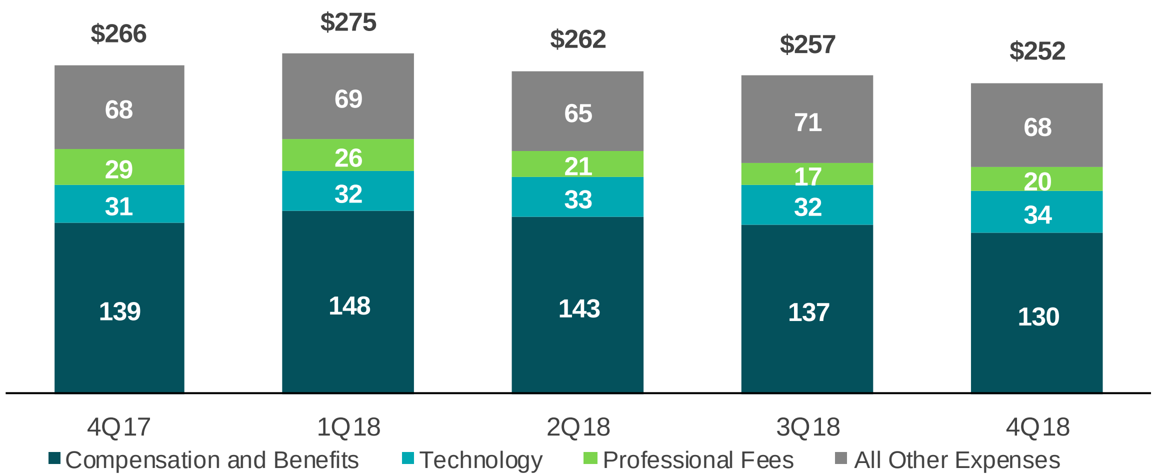
(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information.

Operating Expenses[1] – Continuing Operations (Excluding Noteworthy Items)[2]

	($ in millions)	4Q18	3Q18	4Q17	Change from 3Q18 $	Change from 3Q18 %	Change from 4Q17 $	Change from 4Q17 %
	Compensation and Benefits	**130**	137	139	(7)	(5%)	(9)	(6%)
	Technology	**34**	32	31	2	6%	3	11%
	Professional Fees	**20**	17	29	3	17%	(9)	(32%)
All Other Expenses	Advertising and Marketing	**11**	11	13	-	0%	(2)	(17%)
All Other Expenses	Net Occupancy Expense	**17**	16	17	1	7%	1	4%
All Other Expenses	Insurance	**14**	16	16	(2)	(12%)	(2)	(11%)
All Other Expenses	Other	**26**	28	23	(2)	(7%)	4	16%
	Total Operating Expenses[1]	**252**	**257**	**266**	**(5)**	**(2%)**	**(14)**	**(5%)**
	Headcount	**3,678**	**3,757**	**3,909**	**(79)**	**(2%)**	**(231)**	**(6%)**

Net Efficiency Ratio [3]

4Q17	1Q18	2Q18	3Q18	4Q18
53%	57%	54%	54%	54%



Highlights

vs. Prior Quarter

- Operating Expenses decreased by $5 million
- Decrease driven primarily by declines in employee costs and FDIC insurance costs, partially offset by an increase in professional fees and technology costs. The sale of NACCO contributed $3 million to the decline in operating expenses, the majority of which was in employee costs

vs. Year-ago Quarter

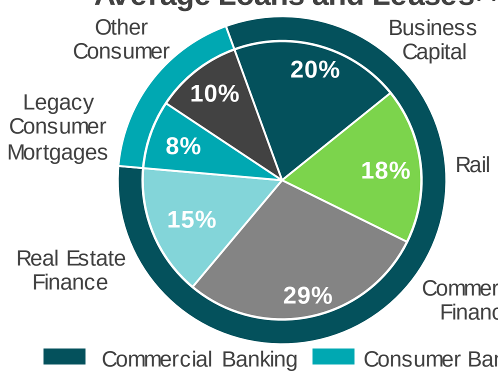
- Operating Expenses decreased by $14 million
- Reduction driven primarily by lower professional fees and employee costs, partially offset by higher other non-income tax expenses

Certain balances may not sum due to rounding.
(1) In addition to the exclusion of noteworthy items, operating expenses also exclude amortization of intangibles.
(2) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information
(3) Total operating expenses exclusive of noteworthy items and amortization of intangibles divided by total revenue (net finance revenue and other non-interest income).

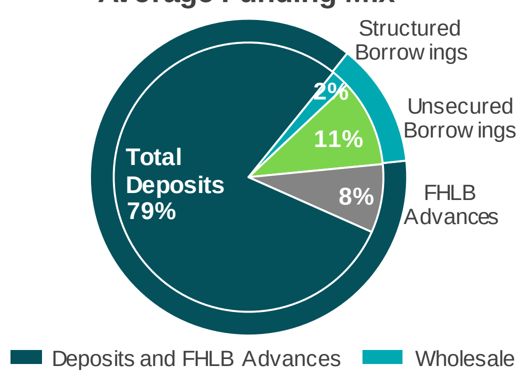
Consolidated Average Balance Sheet

($ in millions)	4Q18	3Q18	4Q17	Change from 3Q18 $	3Q18 %	Change from 4Q17 $	4Q17 %
Interest-bearing Deposits	**1,791**	2,466	2,270	(675)	(27%)	(479)	(21%)
Investments and Repurchase Agreements	**6,426**	6,416	6,068	11	0%	359	6%
Loans[(1)(2)]	**28,954**	28,409	28,225	546	2%	729	3%
Operating Leases, Net[(2)]	**6,924**	8,032	7,841	(1,108)	(14%)	(918)	(12%)
Total Loans and Leases	**35,878**	**36,441**	**36,066**	**(563)**	**(2%)**	**(189)**	**(1%)**
Indemnification Assets	**18**	55	158	(37)	(67%)	(140)	(89%)
Total Earning Assets (AEA)	**44,113**	**45,377**	**44,562**	**(1,264)**	**(3%)**	**(449)**	**(1%)**
Total Non-Earning Assets	**2,287**	2,421	2,772	(134)	(6%)	(485)	(17%)
Discontinued Assets	**300**	353	533	(53)	(15%)	(232)	(44%)
Total Assets	**46,701**	**48,151**	**47,867**	**(1,450)**	**(3%)**	**(1,166)**	**(2%)**
Total Deposits	**30,864**	31,239	29,635	(374)	(1%)	1,229	4%
Secured Borrowings	**4,049**	4,270	4,885	(221)	(5%)	(836)	(17%)
Unsecured Borrowings	**4,083**	4,422	3,746	(339)	(8%)	337	9%
Total Borrowed Funds and Deposits	**38,996**	**39,931**	**38,266**	**(935)**	**(2%)**	**730**	**2%**
Other Liabilities	**1,338**	1,474	1,618	(136)	(9%)	(281)	(17%)
Discontinued Liabilities	**300**	328	542	(28)	(9%)	(242)	(45%)
Total Liabilities	**40,634**	**41,732**	**40,426**	**(1,099)**	**(3%)**	**207**	**1%**
Total Stockholders' Equity	**6,067**	**6,419**	**7,441**	**(352)**	**(5%)**	**(1,374)**	**(18%)**
Total Liabilities and Equity	**46,701**	**48,151**	**47,867**	**(1,450)**	**(3%)**	**(1,166)**	**(2%)**

Average Loans and Leases[(3)]



Average Funding Mix



Highlights

vs. Prior Quarter

- Average earning assets decreased 3% primarily reflecting the reduction in operating leases from the NACCO sale and a reduction in interest-bearing cash, which was used to redeem debt and repurchase common shares, partially offset by growth in commercial loans
- Average deposits decreased by 1%, driven by a decline in the branch, online and brokered channels
- The reduction of average borrowing balances is due to liability management actions related to the sale of NACCO

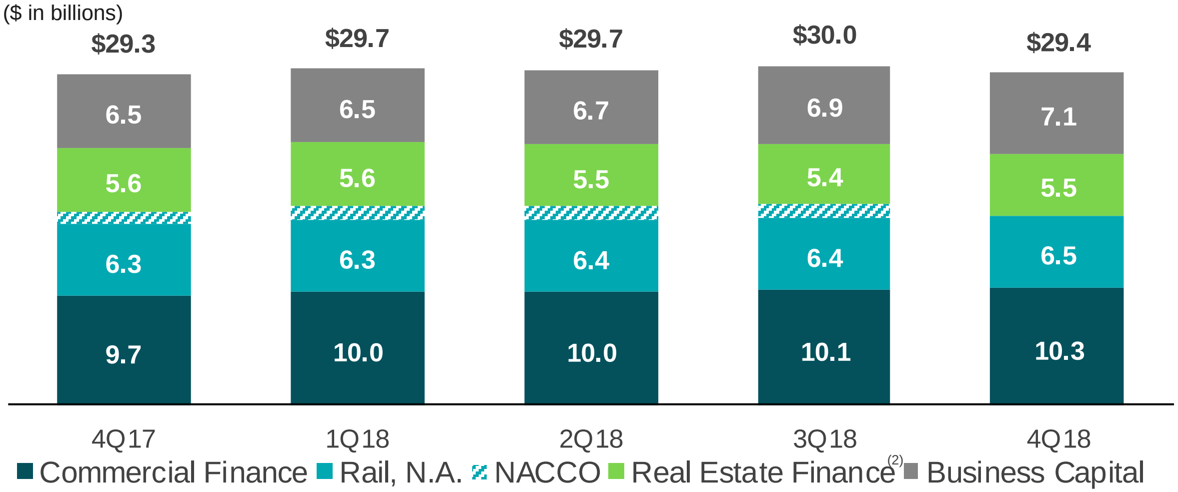
vs. Year-ago Quarter

- Average earning assets declined slightly, reflecting the run-off of legacy portfolios and the sales of our reverse mortgage portfolio and NACCO, partially offset by growth in the core portfolios and the investment portfolio
- Average deposits increased 4% primarily due to growth in our direct bank channel, partially offset by the reduction of brokered and commercial deposits
- Average equity decreased 18% driven by $1.6 billion of common share repurchases

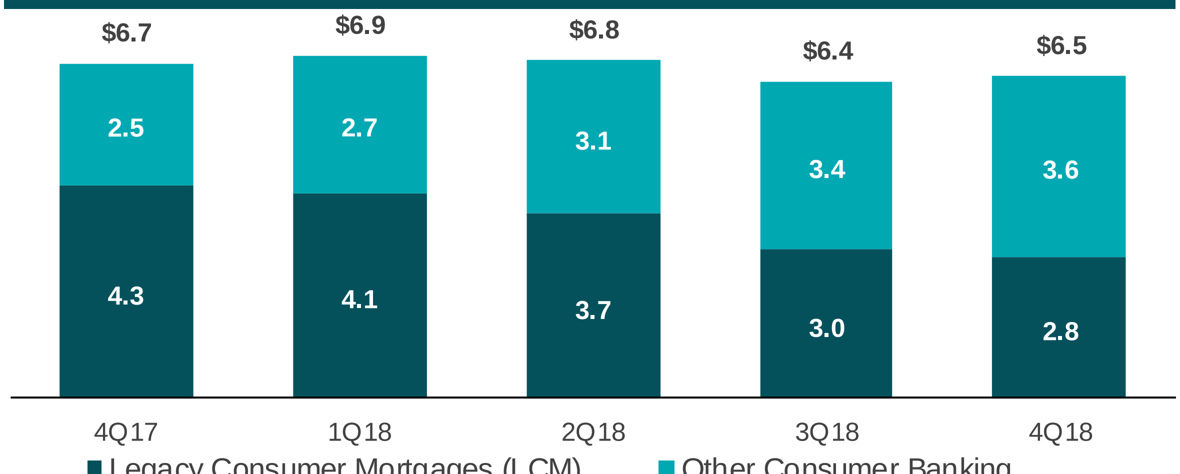
(1) Net of credit balances of factoring clients.
(2) Loans and leases include assets held for sale.
(3) Excludes our Non-Strategic Portfolios segment.

Commercial Banking and Consumer Banking Average Loans and Leases[1]

Commercial Banking



Consumer Banking



Highlights

Core Average Loans and Leases[3]

- **Vs. Prior Quarter:** +2%
- **Vs. Year-ago Quarter:** + 8%

Commercial Banking

- **Vs. Prior Quarter:** Average loans and leases decreased 2%, driven by the sale of NACCO early in the current quarter and an increase in prepayments, partially offset by strong growth in funded volume in Commercial Finance, Real Estate Finance and Business Capital
- **Vs. Year-ago Quarter:** Average loans and leases increased slightly, as growth in Commercial Finance, North American Rail and Business Capital were offset by a slight decline in Real Estate Finance and the sale of NACCO

Consumer Banking

- **Vs. Prior Quarter:** Average loans increased slightly, as new business volume in the Other Consumer Banking division was partially offset by run-off of the LCM portfolio
- **Vs. Year-ago Quarter:** Average loans decreased as run-off of the LCM portfolio and the sale of the reverse mortgage portfolio were partially offset by new business volume in the Other Consumer Banking division

Certain balances may not sum due to rounding.

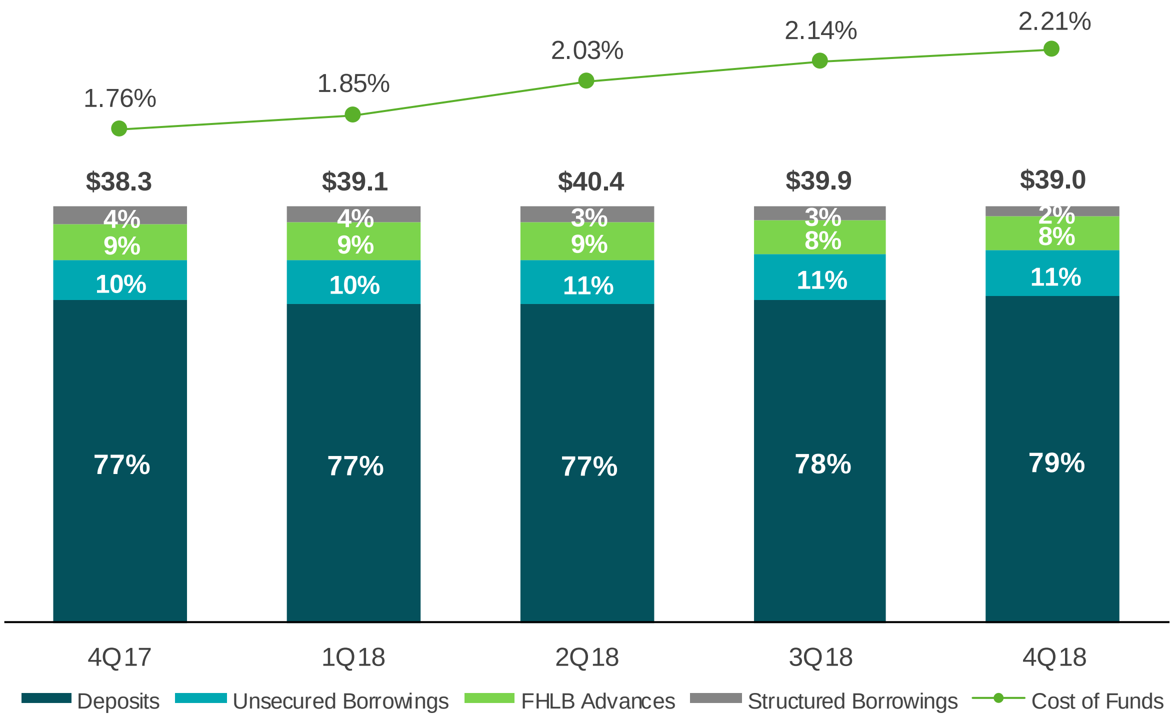
(1) Net of credit balances of factoring clients and including assets held for sale.

(2) Real Estate Finance includes legacy non-SFR currently in run-off in the amounts of $551 million, $582 million, $613 million, $647 million, and $684 million for 4Q18, 3Q18, 2Q18, 1Q18, and 4Q17, respectively.

(3) Core portfolios is total loans and leases net of credit balances of factoring clients, NACCO, Legacy Consumer Mortgages (LCM) and Non-Strategic Portfolios (NSP), and totaled $33,002 million, $32,224 million, $31,568 million, $31,269 million, and $30,566 million for 4Q18, 3Q18, 2Q18, 1Q18, and 4Q17, respectively.

Average Funding Mix

($ in millions)	4Q18		3Q18		4Q17		Change from 3Q18	Change from 4Q17
	Average Balance	*%*	*Average Balance*	*%*	*Average Balance*	*%*	*Balance*	*Balance*
Total Deposits	30,864	79%	31,239	78%	29,635	77%	(374)	1,229
Unsecured Borrowings	4,083	11%	4,422	11%	3,746	10%	(339)	337
FHLB Advances	3,204	8%	2,967	8%	3,283	9%	237	(79)
Structured Borrowings	845	2%	1,302	3%	1,602	4%	(458)	(757)
Total Borrowed Funds and Deposits	**38,996**	**100%**	**39,931**	**100%**	**38,266**	**100%**	**(935)**	**730**



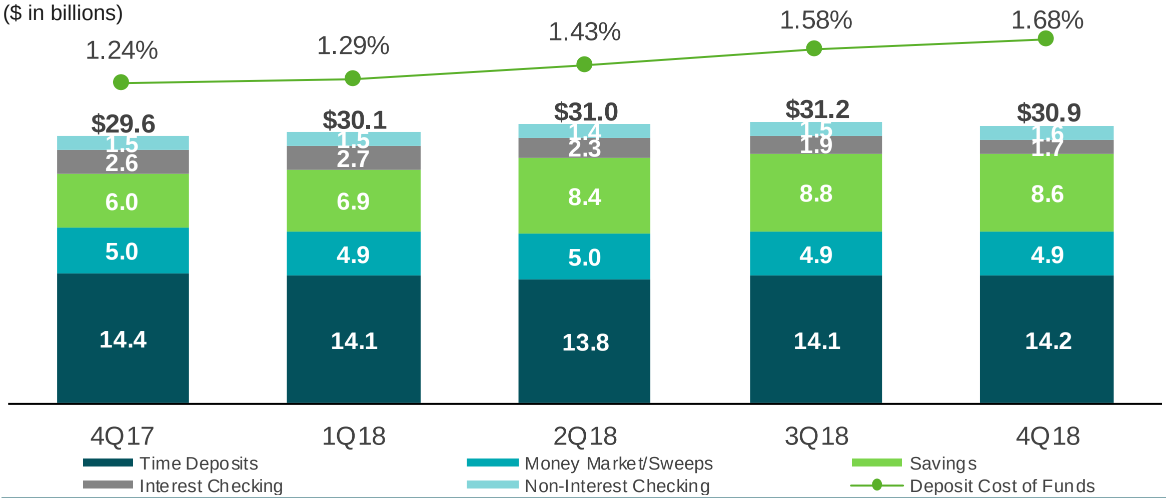
Highlights

- Average deposits decreased by 1%, or $374 million, driven by declines in the branch, online and brokered channels
- Unsecured borrowings and structured borrowings decreased by 8% and 35%, respectively, reflecting liability management actions related to the sale of NACCO
- Only one significant structured borrowing facility remains (related to Commercial Services), following the termination of our Dutch total return swap facility during the quarter

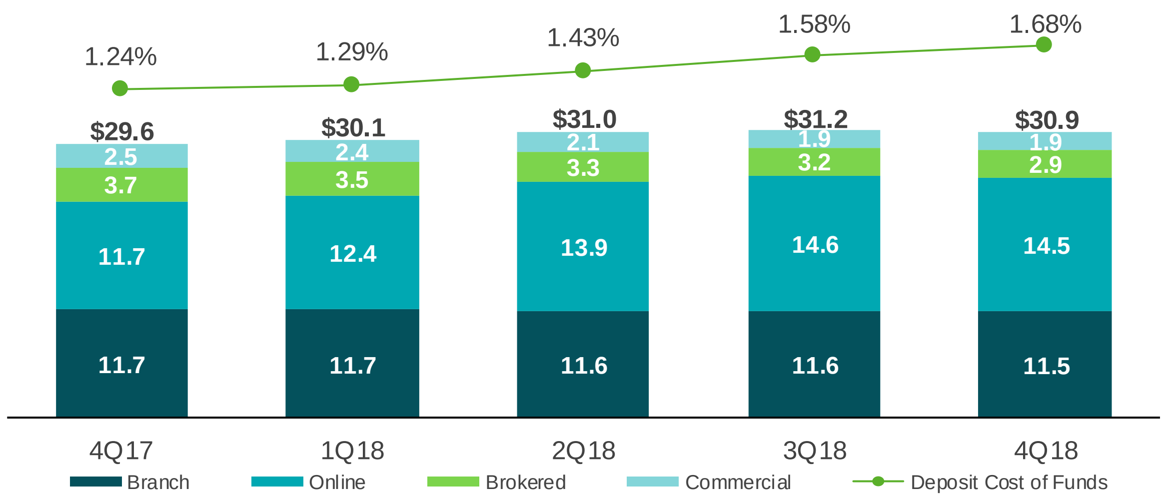
Certain balances may not sum due to rounding.

Average Deposit Mix and Cost of Deposits

Deposits by Type



Deposits by Channel



Highlights

vs. Prior Quarter

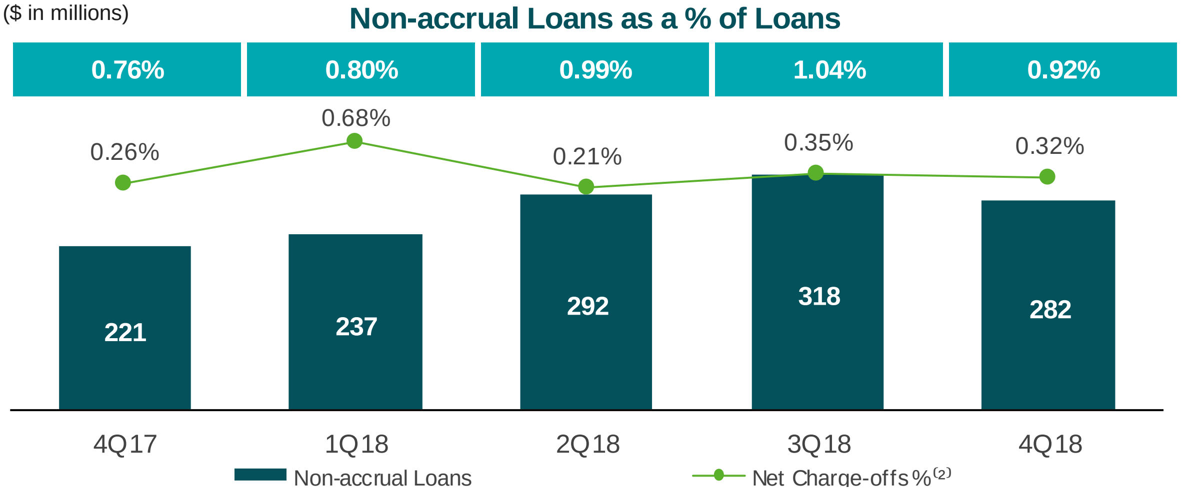
- Average deposit costs increased 10 bps
- Average deposit balances decreased 1%, driven by declines in the branch, online and brokered channels

vs. Year-ago Quarter

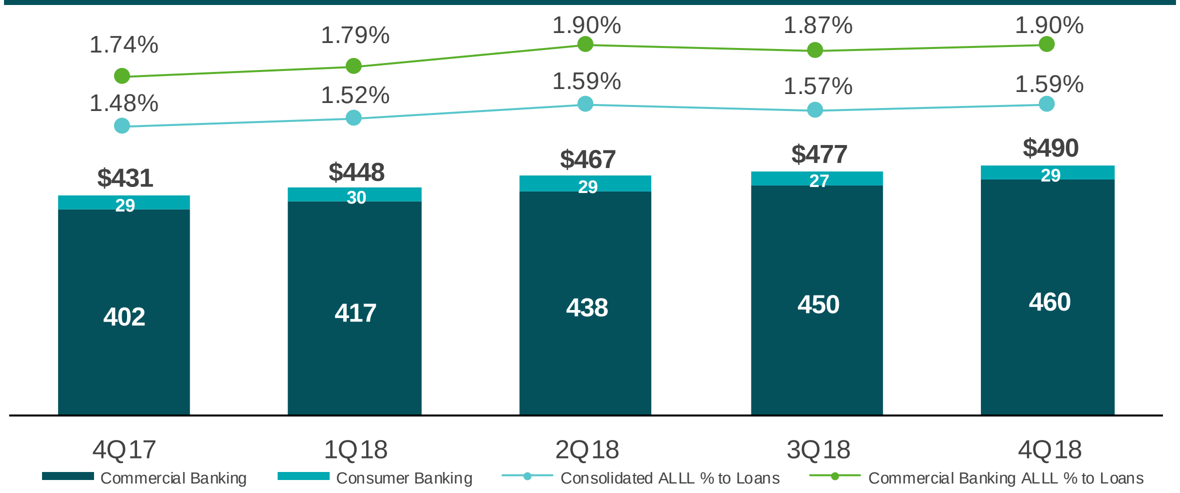
- Average deposit costs increased 44 basis points
- Average deposits increased $1.2 billion, driven by growth in the online channel, partially offset by declines in the branch, commercial and brokered channels

Asset Quality Trends – Continuing Operations (Excluding Noteworthy Items)[1]

Non-accrual Loans & Net Charge-offs



Allowance for Loan Losses (ALLL)



Highlights

vs. Prior Quarter

- Non-accrual loans decreased $36 million and decreased 12 bps as percentage of loans, primarily driven by a loan sale in Commercial Finance
- Net charge-offs in the Commercial Banking segment were $23 million, down from $25 million in the prior quarter
- The increase in ALLL was primarily driven by increases in the Commercial Finance division

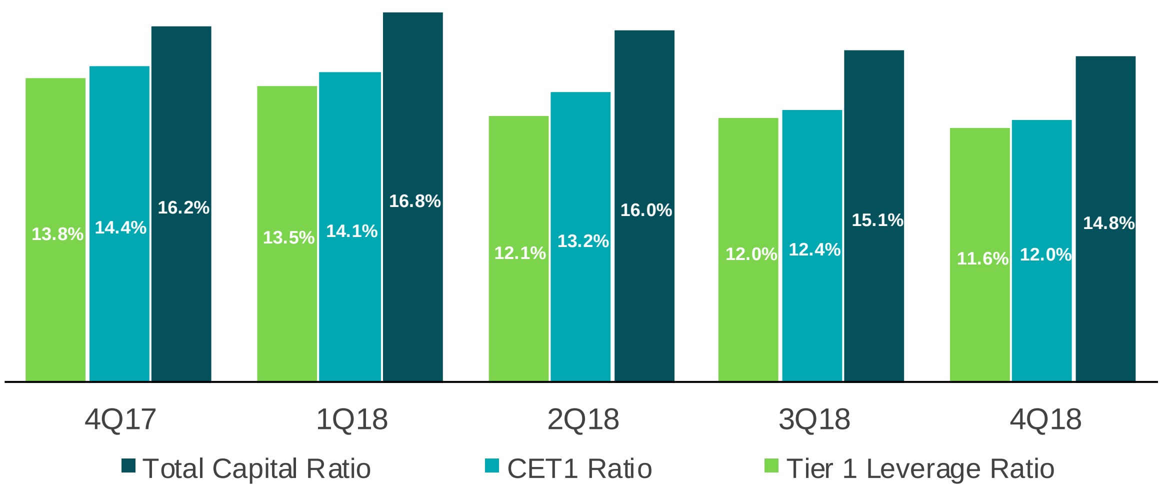
vs. Year-ago Quarter

- The increase in non-accrual loans is primarily driven by increases in the Commercial Finance division
- Allowance for loan losses up 11 basis points to 1.59%, mostly attributable to Commercial Finance, and also reflects an increase in specific reserves associated with non-accruals

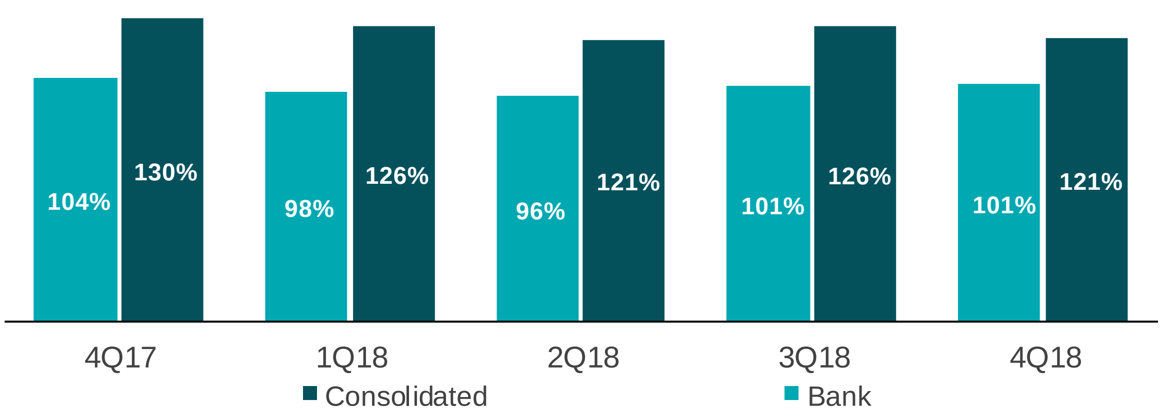
(1) See slide entitled ‘Quarterly Noteworthy Items’.
(2) As a percent of average loans, excluding loans held for sale.

Strong Capital Position

Risk Based Capital Ratios[1]



Loans and Leases-to-Deposit Ratio



Highlights

vs. Prior Quarter

- Capital levels remain strong
- CET1 capital ratio decreased approximately 40 basis points from the prior quarter to 12.0%
- Total capital ratio decreased approximately 30 basis points
- Approximately 9.7 million shares were repurchased during the quarter at an average price of $47.45

vs. Year-ago Quarter

- CET1 capital ratio decreased approximately 240 basis points
- Total capital ratio decreased approximately 140 basis points, as capital returns more than offset a qualifying Tier 2 capital issuance and net income

(1) Capital ratios for the current quarter are preliminary.

2018 Key Performance Metrics – Continuing Operations

($ in millions)	Reported					Excluding Noteworthy Items[1]				
	4Q18	3Q18	4Q17	2018	2017	4Q18	3Q18	4Q17	2018	2017
AEA	**$44,113**	$45,377	$44,562	$45,214	$46,852	**$44,113**	$45,377	$44,562	$45,214	$45,922
Core Average Loans and Leases[2]	**$33,002**	$32,224	$30,566	$32,019	$30,278	**$33,002**	$32,224	$30,566	$32,019	$30,278
Net Finance Margin	**3.39%**	3.43%	3.59%	3.41%	3.43%	**3.39%**	3.36%	3.51%	3.35%	3.49%
Core Operating Expenses[3]	**$252**	$257	$266	$1,046	$1,111	**$252**	$257	$266	$1,046	$1,111
Net Efficiency Ratio[4]	**60%**	54%	50%	55%	56%	**54%**	54%	53%	55%	56%
Net Charge Offs	**0.32%**	0.35%	0.26%	0.39%	0.39%	**0.32%**	0.35%	0.26%	0.39%	0.34%
Effective Tax Rate[5]	**21%**	24%	(50%)	26%	(35%)	**23%, 24%**	26%, 28%	28%, 39%	26%, 26%	30%, 34%
CET1 Ratio	**12.0%**	12.4%	14.4%	12.0%	14.4%	**12.0%**	12.4%	14.4%	12.0%	14.4%
Adjusted ROTCE[6]	**6.7%**	9.7%	8.4%	8.2%	7.7%	**10.1%**	9.8%	8.5%	8.7%	8.2%

(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information, and non-GAAP tables in our earnings release dated January 29, 2018.
(2) Core portfolios is total loans and leases net of credit balances of factoring clients, NACCO, Legacy Consumer Mortgages (LCM) and Non-Strategic Portfolios (NSP).
(3) Operating expenses exclusive of restructuring costs and intangible asset amortization.
(4) Total operating expenses exclusive of restructuring charges and amortization of intangibles divided by total revenue (net finance revenue and other income).
(5) Under the section excluding noteworthy items, the first value is only excluding noteworthy items, whereas the second value is excluding both noteworthy items and discrete items.
(6) The numerator is adjusted to remove the impact of intangible amortization and goodwill impairment. The denominator is reduced for disallowed deferred tax assets and in FY17, ~$1.2 billion of capital reduction associated with the Commercial Air sale.

2018 Key Performance Metrics and 2019 Targets

($ in millions)	Reported 2018	Excluding Noteworthy Items[(1)] 2018	2019 Target
Core Average Loans and Leases[(2)]	$32,019	**$32,019**	▪ Core: mid-single digit growth ▪ Total: low-single digit growth
Net Finance Margin	3.41%	**3.35%**	▪ 3.10% to 3.30%
Core Operating Expenses[(3)]	$1,046	**$1,046**	▪ Down ~3%. Excludes the impact from recent accounting rule changes[(7)]
Net Efficiency Ratio[(4)]	55%	**55%**	▪ Mid 50% area. Excludes the impact from recent accounting rule changes[(7)]
Net Charge-offs	0.39%	**0.39%**	▪ 0.35% to 0.45%
Effective Tax Rate[(5)]	26%	**26%, 26%**	▪ 25% to 26%, excluding discrete items
CET1 Ratio	12.0%	**12.0%**	▪ 11% by year-end
ROTCE[(6)]	8.2%	**8.7%**	▪ 11% in 4Q19

(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information, and non-GAAP tables in our earnings release dated January 29, 2018.
(2) Core portfolios is total loans and leases net of credit balances of factoring clients, NACCO, Legacy Consumer Mortgages (LCM) and Non-Strategic Portfolios (NSP).
(3) Operating expenses exclusive of restructuring costs and intangible asset amortization.
(4) Core operating expenses divided by total revenue (net finance revenue and other non-interest income excluding property tax income).
(5) Under the section excluding noteworthy items, the first value is only excluding noteworthy items, whereas the second value is excluding both noteworthy items and discrete items.
(6) The numerator is adjusted to remove the impact of intangible amortization and goodwill impairment. In addition, 4Q19 target ROTCE is adjusted to normalize for the preferred dividend payment as if it were accrued evenly through the year due to its semiannual payment. The denominator is reduced for disallowed deferred tax assets.
(7) Implementing the changes to ASC 842 results in two different sources of increases to operating expenses. Accounting for the initial direct costs of originating leases is estimated to increase operating expenses by $15 to $20 million annually. Accounting for the gross-up of property taxes billed to jurisdictions, but then collected from customers, is expected to increase operating expenses by $25 to $30 million annually with an offset in other non-interest income.

First Quarter 2019 Outlook

($ in millions)	Reported 4Q18	Excluding Noteworthy Items[1] 4Q18	1Q19 Outlook Commentary	2019 Target
Core Average Loans and Leases[2]	$33,002	**$33,002**	▪ Low single digit core growth	▪ Core: mid-single digit growth ▪ Total: low-single digit growth
Net Finance Margin	3.39%	**3.39%**	▪ Middle to upper end of 2019 guidance; higher deposit costs and lower rail yields partially offset by higher loan yields	▪ 3.10% to 3.30%
Core Operating Expenses[3]	$252	**$252**	▪ Higher due to an increase in annual benefit restarts and accelerated retirement costs. Excludes the impact from recent accounting rule changes[6]	▪ Down ~3%. Excludes the impact from recent accounting rule changes[6]
Net Efficiency Ratio[4]	60%	**54%**	▪ High 50% area. Excludes the impact from recent accounting rule changes[6]	▪ Mid 50% area. Excludes the impact from recent accounting rule changes[6]
Net Charge-offs	0.32%	**0.32%**	▪ 0.35% to 0.45%	▪ 0.35% to 0.45%
Effective Tax Rate[5]	21%	**23%, 24%**	▪ 25% to 26%, excluding discrete items	▪ 25% to 26%, excluding discrete items

(1) See slide entitled 'Quarterly Noteworthy Items'. See also Non-GAAP Disclosures for a reconciliation of non-GAAP to GAAP financial information, and non-GAAP tables in our earnings release dated January 29, 2018.
(2) Core portfolios is total loans and leases net of credit balances of factoring clients, NACCO, Legacy Consumer Mortgages (LCM) and Non-Strategic Portfolios (NSP).
(3) Operating expenses exclusive of restructuring costs and intangible asset amortization.
(4) Core operating expenses divided by total revenue (net finance revenue and other non-interest income excluding property tax income).
(5) Under the section excluding noteworthy items, the first value is only excluding noteworthy items, whereas the second value is excluding both noteworthy items and discrete items.
(6) Implementing the changes to ASC 842 results in two different sources of increases to operating expenses. Accounting for the initial direct costs of originating leases is estimated to increase operating expenses by $15 to $20 million annually. Accounting for the gross-up of property taxes billed to jurisdictions, but then collected from customers, is expected to increase operating expenses by $25 to $30 million annually with an offset in other non-interest income. Due to these accounting changes, for 1Q19 we estimate operating expenses will increase by $10 million, and we estimate other non-interest income will increase by $6 to $7 million.

Quarterly Noteworthy Items

($ in millions, except for per share data)		Segment	Item	Line Item	Pre-Tax	After-Tax	Per Share(1)
4Q17	Continuing Operations	Corporate	LIHTC Methodology Change	Other Non-Interest Income – Other Revenue	$29	$29	$0.22
		Corporate	LIHTC Methodology Change	Tax Provision	-	($38)	($0.29)
		Corporate	Impact of US Corporate Tax Reform	Tax Provision	-	$12	$0.09
		Commercial Banking	NACCO Suspended Depreciation	Depreciation on Operating Lease Equipment	$9	$6	$0.05
		Commercial Banking	NACCO Related Tax Items	Tax Provision	-	$10	$0.08
		Commercial Banking	Commercial Goodwill Impairment	Goodwill Impairment	($256)	($222)	($1.69)
		Corporate	Restructuring Charges	Operating Expenses	($32)	($20)	($0.15)
1Q18	Continuing Operations	Commercial Banking	NACCO Suspended Depreciation	Depreciation on Operating Lease Equipment	$9	$7	$0.05
2Q18	Continuing Operations	Consumer Banking	Financial Freedom Transaction – Primarily Gain on Sale of Reverse Mortgage Portfolio	Other Non-Interest Income – Other Revenue	$29	$22	$0.17
		Commercial Banking	NACCO Suspended Depreciation	Depreciation on Operating Lease Equipment	$9	$6	$0.05
		Corporate	Loss on Debt Redemption	Debt Extinguishment Costs	($19)	($14)	($0.11)
	Discontinued Operations		Net Loss on Financial Freedom Servicing Ops. – Primarily Reserve & Transaction Costs		($19)	($14)	($0.11)
3Q18	Continuing Operations	Consumer Banking	Impairment of LCM Indemnification Asset	Other Non-Interest Income – Other Revenue	($21)	($16)	($0.14)
		Non-Strategic Portfolios	Release of Valuation Reserve on AHFS	Other Non-Interest Income – Other Revenue	$11	$11	$0.09
		Commercial Banking	NACCO Suspended Depreciation	Depreciation on Operating Lease Equipment	$9	$6	$0.05
		Corporate	Loss on Debt Redemption	Debt Extinguishment Costs	($3)	($3)	($0.02)
4Q18	Continuing Operations	Commercial Banking	Gain on Sale of NACCO	Other Non-Interest Income – Other Revenue	$25	$19	$0.18
		Corporate	Loss on Debt Redemption	Debt Extinguishment Costs	($16)	($12)	($0.11)
		Corporate	Net TRS Termination Charge	Other Non-Interest Income – Other Revenue	($69)	($52)	($0.50)

(1) Per share impact based on 105 million, 114 million, 125 million, 132 million, and 131 million average diluted shares outstanding for 4Q18, 3Q18, 2Q18, 1Q18, and 4Q17, respectively.

Non-GAAP Disclosures(1)

Tangible Book Value	At or for the Quarters Ended December 31, 2018	At or for the Quarters Ended September 30, 2018	At or for the Quarters Ended December 31, 2017	At or for the Years Ended December 31, 2018	At or for the Years Ended December 31, 2017
Total common shareholders' equity	$ 5,621.6	$ 5,995.3	$ 6,995.0	$ 5,621.6	$ 6,995.0
Less: Goodwill	(369.9)	(369.9)	(369.9)	(369.9)	(369.9)
Intangible assets	(89.2)	(95.0)	(113.0)	(89.2)	(113.0)
Tangible book value (Non-GAAP)	5,162.5	5,530.4	6,512.1	5,162.5	6,512.1
Less: Disallowed deferred tax asset	(64.6)	(89.9)	(104.8)	(64.6)	(104.8)
Tangible common equity (Non-GAAP)	$ 5,097.9	$ 5,440.5	$ 6,407.3	$ 5,097.9	$ 6,407.3
Average tangible common equity (Non-GAAP)	$ 5,200.1	$ 5,534.8	$ 6,327.5	$ 5,740.1	$ 7,486.6
Estimated capital adjustment related to Commercial Air sale	-	-	-	-	(1,166.7)
Average tangible common equity, excluding noteworthy items (Non-GAAP)	$ 5,200.1	$ 5,534.8	$ 6,327.5	$ 5,740.1	$ 6,319.9
Net income (loss) applicable to common shareholders	$ 82.3	$ 131.5	$ (97.8)	$ 428.2	$ 458.4
Intangible asset amortization, after tax	4.5	4.3	3.7	17.6	16.4
Goodwill impairment	-	-	222.1	-	222.1
Non-GAAP income (loss) - for ROTCE calculation	$ 86.8	$ 135.8	$ 128.0	$ 445.8	$ 696.9
Return on average tangible common equity	6.68%	9.81%	8.09%	7.77%	9.31%
Non-GAAP income applicable to common shareholders	$ 127.2	$ 133.1	$ 125.1	$ 468.4	$ 555.1
Intangible asset amortization, after tax	4.5	4.3	3.7	17.6	16.4
Non-GAAP income - for ROTCE calculation	$ 131.7	$ 137.4	$ 128.8	$ 486.0	$ 571.5
Return on average tangible common equity, after noteworthy items and adjusted for estimated capital adjustment	10.13%	9.93%	8.14%	8.47%	9.04%
Income (loss) from continuing operations applicable to common shareholders	$ 82.2	$ 129.4	$ (92.6)	$ 453.2	$ 249.6
Intangible asset amortization, after tax	4.5	4.3	3.7	17.6	16.4
Goodwill impairment	-	-	222.1	-	222.1
Non-GAAP income from continuing operations - for ROTCE calculation	$ 86.7	$ 133.7	$ 133.2	$ 470.8	$ 488.1
Return on average tangible common equity, adjusted for estimated capital adjustment	6.67%	9.66%	8.42%	8.20%	7.72%
Non-GAAP income from continuing operations	$ 127.1	$ 131.0	$ 130.3	$ 479.6	$ 504.1
Intangible asset amortization, after tax	4.5	4.3	3.7	17.6	16.4
Non-GAAP income from continuing operations - for ROTCE calculation, excluding noteworthy items	$ 131.6	$ 135.3	$ 134.0	$ 497.2	$ 520.5
Return on average tangible common equity, after noteworthy items and adjusted for estimated capital adjustment	10.12%	9.78%	8.47%	8.66%	8.24%

Certain balances may not sum due to rounding.

(1) Reconciliations of non-GAAP measurements to GAAP measurements that are included in our quarterly earnings release are not repeated in this presentation.

Non-GAAP Disclosures(1)

Total Net Revenues	At or for the Quarters Ended December 31, 2018	September 30, 2018	December 31, 2017	Years Ended December 31, 2018	2017
Interest income	$ 492.0	$ 473.6	$ 447.7	$ 1,890.4	$ 1,835.6
Rental income on operating lease equipment	229.8	264.3	252.6	1,009.0	1,007.4
Finance revenue (Non-GAAP)	721.8	737.9	700.3	2,899.4	2,843.0
Interest expense	215.5	213.9	168.7	815.1	717.7
Depreciation on operating lease equipment	79.5	78.0	74.3	311.1	296.3
Maintenance and other operating lease expenses	52.9	56.6	57.9	230.4	222.9
Net finance revenue (NFR)(6) (Non-GAAP)	373.9	389.4	399.4	1,542.8	1,606.1
Other non-interest income	47.5	86.2	137.2	373.8	364.2
Total net revenues (Non-GAAP)	$ 421.4	$ 475.6	$ 536.6	$ 1,916.6	$ 1,970.3
NFR (Non-GAAP)	$ 373.9	$ 389.4	$ 399.4	$ 1,542.8	$ 1,606.1
Suspended depreciation on assets HFS	-	(8.6)	(8.8)	(26.5)	(16.6)
Excess interest costs over interest income from Commercial Air proceeds usage	-	-	-	-	23.4
Interest on excess cash	-	-	-	-	(9.1)
Adjusted NFR (Non-GAAP)	$ 373.9	$ 380.8	$ 390.6	$ 1,516.3	$ 1,603.8
NFR as a % of AEA	3.39%	3.43%	3.59%	3.41%	3.43%
NFR as a % of AEA, adjusted for noteworthy items	3.39%	3.36%	3.51%	3.35%	3.49%
Net Operating Lease Revenues					
Rental income on operating leases	$ 229.8	$ 264.3	$ 252.6	$ 1,009.0	$ 1,007.4
Depreciation on operating lease equipment	79.5	78.0	74.3	311.1	296.3
Maintenance and other operating lease expenses	52.9	56.6	57.9	230.4	222.9
Net operating lease revenue (Non-GAAP)	$ 97.4	$ 129.7	$ 120.4	$ 467.5	$ 488.2
Operating Expenses					
Operating expenses	$ 257.9	$ 263.3	$ 304.0	$ 1,070.0	$ 1,188.5
Intangible asset amortization	5.9	6.0	6.1	23.9	24.7
Restructuring costs	-	-	31.9	-	53.0
Operating expenses excluding restructuring costs, intangible assets amortization, and other noteworthy items	$ 252.0	$ 257.3	$ 266.0	$ 1,046.1	$ 1,110.8
Operating expenses (excluding restructuring costs and intangible assets amortization) as a % of AEA (excluding noteworthy items and adjustment for Commercial Air)	2.29%	2.27%	2.39%	2.31%	2.42%
Total Net Revenue (Non-GAAP)	$ 421.4	$ 475.6	$ 536.6	$ 1,916.6	$ 1,970.3
Suspended depreciation on assets HFS	-	(8.6)	(8.8)	(26.5)	(16.6)
Financial Freedom Transaction impairments on reverse mortgage related assets	-	-	-	-	26.8
LIHTC Method change	-	-	(29.4)	-	(29.4)
Net costs of excess liquidity	-	-	-	-	14.3
CTA charge	-	-	-	-	8.1
Gain and other revenues from sale of reverse mortgage portfolio	-	-	-	(29.3)	-
Impairment of LCM indemnification asset	-	21.2	-	21.2	-
Release of valuation reserve on AHFS	-	(10.6)	-	(10.6)	-
TRS termination charge	69.5	-	-	69.5	
NACCO gain on sale	(25.1)	-		(25.1)	
Total Net Revenue, excluding noteworthy items (Non-GAAP)	$ 465.8	$ 477.6	$ 498.4	$ 1,915.8	$ 1,973.5
Net Efficiency Ratio (Non-GAAP)	59.8%	54.1%	49.6%	54.6%	56.4%
Net Efficiency Ratio excluding noteworthy items (Non-GAAP)	54.1%	53.9%	53.4%	54.6%	56.3%
Other non-interest income	$ 47.5	$ 86.2	$ 137.2	$ 373.8	$ 364.2
Financial Freedom Transaction impairments on reverse mortgage related assets	-	-	-	-	26.8
CTA charge	-	-	-	-	8.1
Gain and other revenues from sale of reverse mortgage portfolio	-	-	-	(29.3)	-
Impairment of LCM indemnification asset balance	-	21.2	-	21.2	-
Release of valuation reserve on AHFS	-	(10.6)	-	(10.6)	-
LIHTC Method change	-	-	(29.4)	-	(29.4)
TRS termination charge	69.5	-	-	69.5	-
NACCO gain on sale	(25.1)	-	-	(25.1)	-
Total other non-interest income, excluding noteworthy items (Non-GAAP)	$ 91.9	$ 96.8	$ 107.8	$ 399.5	$ 369.7

Certain balances may not sum due to rounding. Capital numbers for current quarter are preliminary.
(1) Selective reconciliations of non-GAAP measurements to GAAP measurements are included in our quarterly earnings release and not repeated in this presentation.

CIT