



## **FOR IMMEDIATE RELEASE**

### **BUSINESS STRATEGY DRIVES ACQUISITIONS IN INFORMATION TECHNOLOGY SECTOR**

*Survey of North American Finance Executives  
Highlights Key Factors Driving M&A Activity*

**NEW YORK** — February 26, 2008 — A new survey among middle market companies conducted by [CFO Research Services](#), in collaboration with [CIT Group Inc.](#) (NYSE: CIT), a leading global commercial finance company, reveals that 36 percent of senior-level finance executives from both U.S. and Canadian middle market information technology companies consider acquisitions to play a major role in their current business strategy, while 56 percent said it plays a contributing role and only 8 percent said it plays a minor role.

The study, entitled *M&A in Challenging Times*, was fielded in November 2007 and surveyed 529 senior-level finance decision makers at middle market U.S. and Canadian companies from a wide range of industries. Within this overall study, 40 executives in the information technology industry were surveyed. Complete results of the entire study can be found at <http://middlemarket.cit.com>.

#### **ADDITIONAL INFORMATION TECHNOLOGY SECTOR KEY FINDINGS:**

- Thirty-nine percent of information technology respondents cited accessing overseas markets as a primary motivator for completing the company's latest acquisition, while 3 percent said that responding to competitors' maneuvers was a motivator for acquiring a company.
- When asked if recent capital market changes will affect M&A volume in the next 12 months, there was a 50/50 split between those who believe capital market changes will affect M&A transactions and those who do not expect capital market changes to interfere with deal flow.

- Limited resources to devote to identifying and evaluating potential acquisition targets (40 percent) and lack of transparency in a private company's price, terms and other factors (48 percent) posed the greatest challenges for middle market companies when seeking to acquire other businesses, compared with what larger firms experience.
- When asked if their company is likely to divest part of its business in 2008, 45 percent of respondents said yes, while another 45 percent indicated it is unlikely their company will do so.
- Fifty percent said that integrating IT systems for operations was the greatest challenge once a company was acquired.

Individuals interested in receiving future updates on CIT via e-mail can register at <http://newsalerts.cit.com>.

### **About CIT's Research**

As a leader in middle market financing, CIT is committed to conducting strategic, in-depth research on the middle market. This traditionally under-recognized industry segment generates more than twice the revenues (\$6 trillion in sales) and employs four times the number of people (approximately 32 million), as compared with the blue chips that comprise the Dow Jones Industrial Average<sup>1</sup>. The release of *M&A in Challenging Times* follows CIT's inaugural [2007 U.S. Middle Market Outlook](#) survey conducted in conjunction with [The Economist Intelligence Unit](#).

### **About CIT**

CIT (NYSE: CIT) is a global commercial finance company that provides financial products and advisory services to more than one million customers in over 50 countries across 30 industries. A leader in middle market financing, CIT has more than \$80 billion in managed assets and provides financial solutions for more than half of the Fortune 1000. A member of the S&P 500 and Fortune 500, it maintains leading positions in asset-based, cash flow and Small Business Administration lending, equipment leasing, vendor financing and factoring. The CIT brand platform, *Capital Redefined*, articulates its value proposition of providing its customers with the relationship, intellectual and financial capital to yield infinite possibilities. Founded in 1908, CIT is celebrating its Centennial throughout 2008. [www.cit.com](http://www.cit.com)

### **About CFO Research Services**

CFO Research is the sponsored research unit of CFO Publishing Corp., which publishes *CFO* magazine in the United States, Europe, China and Asia. CFO Publishing is an Economist Group business.

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<sup>1</sup> U.S. Census, 2002

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