

Research Update

CDC Finance & Leasing Corp. Ratings Affirmed At 'twA/twA-1'; Outlook Stable

October 30, 2019

Rating Action Overview

Taiwan Ratings Corp. today affirmed its 'twA' long-term and 'twA-1' short-term issuer credit ratings on **CDC Finance & Leasing Corp.** The outlook on the long-term rating is stable. The ratings on CDC Finance reflect our view of implicit support from the company's financially stronger parent, China Development Financial Holding Corp. (CDFHC) group, based on our view that CDC Finance is a strategically important member of the group. The ratings also reflect the company's very strong capitalization relative to its risk profile. CDC Finance's small market position in Taiwan's finance and leasing industry partly offsets these strengths. In addition, CDC Finance's small capital base and high sensitivity to volatile asset quality could increase the volatility of its financial profile.

Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- Criteria | Financial Institutions | General: Nonbank Financial Institutions Rating Methodology - December 09, 2014
- Criteria | Financial Institutions | Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions - July 17, 2013
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - November 09, 2011
- Understanding Taiwan Ratings' Rating Definitions - June 26, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009

(Unless otherwise stated, these articles are published on www.standardandpoors.com, access to which requires a registered account)

Ratings List

Ratings Affirmed

CDC Finance & Leasing Corp.

Issuer Credit Ratings

twA/Stable/twA-1

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