

Research Update:

Carplus Auto Leasing Corp. Ratings Affirmed At 'twA-/twA-2'; Outlook Stable

June 18, 2020

Rating Action

Taiwan Ratings Corp. today affirmed its 'twA-' long-term and 'twA-2' short-term issuer credit ratings on **Carplus Auto Leasing Corp.** The outlook on the long-term rating is stable. The ratings on Carplus mainly reflect our view of the company as a core subsidiary of the Yulon Finance Corp. group, as well as Carplus' strong business position in the domestic auto leasing market and the company's adequate capital. The ratings also reflect our view that Carplus has adequate risk controls with better loss experience compared with its domestic peers', despite unfavorable market conditions amid COVID-19 have temporarily weakened the company's overall asset quality.

We believe that as a core subsidiary of Yulon Finance, Carplus will receive necessary support from its parent and the ratings on Carplus will move in tandem with our assessment of Yulon Finance's credit profile.

Related Criteria

- Understanding Taiwan Ratings' Rating Definitions - June 26, 2018
- 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
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009

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PRIMARY CREDIT ANALYST

Jack Yang, CFA
Taipei
+886-2-8722-5816
jack.yang
@taiwanratings.com.tw
jack.yang
@spglobal.com

SECONDARY CONTACT

Eunice Fan
Taipei
+886-2-8722-5818
eunice.fan
@taiwanratings.com.tw
eunice.fan
@spglobal.com

Ratings List

Ratings Affirmed

Carplus Auto Leasing Corp.

Issuer Credit Rating

twA-/Stable/twA-2

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.taiwanratings.com for further information. Complete ratings information is available to subscribers of Rating Research Service at rrs.taiwanratings.com.tw. All ratings affected by this rating action can be found on Taiwan Ratings' public website at www.taiwanratings.com.

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