

Research Update:

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

October 25, 2022

Rating Action

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 a very high likelihood of 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 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 & Research

Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - December 09, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology - December 09, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- General Criteria: Principles Of Credit Ratings - February 16, 2011

Related Research

- Taiwan Ratings' Ratings Definitions - Nov 11, 2021

(Unless otherwise stated, these articles are published on www.taiwanratings.com)

Ratings List

Ratings Affirmed

CDC Finance & Leasing Corp.

Issuer Credit Rating	twA+/Stable/twA-1
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