

Research Update:

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

October 26, 2023

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 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 CDC Finance's strong capitalization relative to its risk exposure. The company'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: National And Regional Scale Credit Ratings Methodology, Jun 08 2023
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec 09 2021
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, Apr 07 2017
- General Criteria: Principles Of Credit Ratings, Feb 16 2011
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec 09 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct 10 2021
- General Criteria: Group Rating Methodology, Jul 01 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, Jul 20 2017

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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