

## Research Update

# Yulon Finance Corp. Ratings Affirmed At 'twA-/twA-2'; Outlook Stable

June 18, 2019

## Rating Action

Taiwan Ratings Corp. today affirmed its 'twA-' long-term and 'twA-2' short-term issuer credit ratings on **Yulon Finance Corp.** The outlook on the long-term rating is stable. The ratings on Yulon Finance reflect the company's strong business position in the domestic car financing and leasing sectors, strong capitalization relative to its risk profile, and adequate funding and liquidity profile. Yulon Finance's moderate risk control framework compared to that of local banks somewhat tempers these strengths. As a core member of the **Yulon Motor Co. Ltd.** group, the ratings on Yulon Finance will move in tandem with the credit profile of its parent group. In our view, some of Yulon Finance's stand-alone credit characteristics are superior to those of the parent group.

## Related Criteria

- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- Criteria | Financial Institutions | Banks: Bank Hybrid Capital And Nondeferrable Subordinated Debt Methodology And Assumptions - January 29, 2015
- 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
- Understanding Taiwan Ratings' Rating Definitions, [www.taiwanratings.com](http://www.taiwanratings.com) - June 26, 2018
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009
- General Criteria: Group Rating Methodology - November 19, 2013

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

## Ratings List

Ratings Affirmed

### Yulon Finance Corp.

Issuer Credit Ratings

twA-/Stable/twA-2

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