TRIS
TRIS RATING

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Thanachart Capital Public Company Limited

Company Rating: A
Issue Rating:
TCAP103A: Bt4,000 million senior debentures due 2010 A
Rating Outlook: Stable

Rating History:	Company Rating	Issue Rating	
		Secured	Unsecured
14 Jul 2005	A	-	A

Rating Rationale

TRIS Rating affirms the ratings of Thanachart Capital PLC (TCAP) and its senior debentures at "A". The ratings reflect TCAP's position as an investment holding company of Thanachart Group, which will have reliable dividends from its 74.92%-owned core operating subsidiary, Thanachart Bank PLC (TBANK). The ratings take into consideration its capable management team, the improvement in its standard risk management system, and continued improvement in the company's diversification into non-interest based income. The ratings also take into consideration the enlarged scope of its banking businesses under the universal banking platform, which is expected to provide the group with long-term growth and earnings. Fully achieved synergies within Thanachart Group has yet to be achieved, and is expected to generate steady earnings to the group in the long term. The ratings are constrained by Thanachart Group's limited franchise value compared with large-sized commercial banks, the less favorable economy and banking business environment which might limit the group's business expansion and profitability.

TCAP's 74.92%-owned subsidiary, TBANK, currently operates under a universal banking license. To comply with the group's reorganization plan, in 2007 TBANK bought eight subsidiaries from TCAP. In July 2007, TCAP signed a joint venture agreement with Bank of Nova Scotia (BNS) for the investment in TBANK, making changes in TBANK's shareholding structure. TCAP's shareholding in TBANK reduced from 99.36% to 74.92% as of 15 January 2008, while 24.98% was held by BNS. Based on consolidated asset size as of December 2007, TCAP is ranked eighth among all 14 Thai universal banks. TCAP has developed a proficient management team, which has enabled the company to support its subsidiary to compete and remain flexible in response to changes in the economy and business environment.

The company has gradually developed into a pure holding company, from its initial reorganization. The company's consolidated risk management framework has improved continuously to comply with international standards, and its experienced management team has a proven track record. Slower economic growth, high inflation rate and high competitive environment in the banking business are all expected to partly limit business growth and profitability of core subsidiary, TBANK, and its distressed asset management companies, over the next few years.

Rating Outlook

The "stable" outlook reflects the expectation that TCAP's remaining hire purchase portfolio continues to generate cash flow for the company, and the company will receive reliable dividend income from TBANK. Its proficient management team, good risk management system and adequate capital base are expected to help mitigate future downside risks.

Key Rating Considerations

Strengths/Opportunities

- Capable and experienced management with a proven track record
- Good risk management system and efficient information management
- Strong market position in auto hire purchase business
- Strong capital fund

Weaknesses/Threats

- Small-sized banking network, limiting franchise value
- Business concentration risk, focusing on hire purchase business
- Less favourable operating environment

Corporate Overview

TCAP, which was formerly named National Finance PLC, was established in 1959, and later changed the name to Capital Trust Finance and Securities Co., Ltd. after being a member of the Stock Exchange of Thailand (SET) in 1974. In 1980, Siam Commercial Bank PLC (SCB) acquired a majority stake of TCAP and gained management control, and the company renamed to National Finance and Securities PLC. Two years later, the company was listed on the SET. Since 2003, TCAP's shareholders have diversified among local and foreign institutional investors, with foreign shareholders owning a total stake of 49%. As of 9 November 2007, the company's top-ten largest shareholders held a total portion of 50.39%.

In 1989, TCAP acquired a majority stake in Ekachart Finance and Securities PLC (EFS). In 1997, TCAP separated its finance and security businesses, running its finance business under the name National Finance PLC (NFS) and its securities business through National Securities Co., Ltd. (NATSEC). The company is one of the few finance companies to survive the 1997 financial crisis. Its proven track record evidently reflects its ability to withstand liquidity runs and to raise capital in appropriate timing.

In 2002, TCAP's 99%-owned subsidiary, EFS, was awarded a restricted bank license and granted a full banking license in 2004, and named National Bank PLC (NBANK). The bank's name was changed to Thanachart Bank PLC (TBANK) in April 2005. Under the Financial Sector Master Plan, Thanachart Group was permitted to have one deposit-taking institution under the One Presence policy. Subject to regulatory approval, the company consolidated its banking and finance businesses into TBANK by the end of 2004. TCAP became a financial holding company on 22 April 2005, when the proposed reorganization plan was approved by the Ministry of Finance (MOF). On 30 January 2006, the shareholders' meeting approved the change of the name from National Finance PLC (NFS) to Thanachart Capital PLC (TCAP) and TCAP returned the finance company license to the MOF on 3 April 2006.

In order to comply with the restructuring plan for Thanachart Group's financial business, in accordance with the Bank of Thailand's (BOT) principle of consolidated supervision, on 12 July 2007, TBANK bought eight subsidiaries from TCAP (at the book value as of 30 June 2007) for Bt4,158 million. These subsidiaries are Thanachart Securities PLC (TNS), Thanachart Insurance Co., Ltd. (TINSURE), Thanachart Life Assurance Co., Ltd. (TLIFE), Thanachart Fund Management Co., Ltd. (TFUND), Thanachart Broker Co., Ltd., Thanachart Group Leasing Co., Ltd. (TGL), Thanachart Management & Services Co., Ltd. and Thanachart Legal and Appraisal Co., Ltd. On 28 September 2007, TBANK purchased an additional 6,000,000 shares of TINSURE from an unrelated person, at Bt13.02 (Book value as of 31 July 2007) for a total of Bt78.12 million. Following this purchase, TBANK held a 100.0% stake in TINSURE.

The group business restructuring was also smoothly implemented. TCAP's key financial subsidiaries became TBANK's subsidiaries, while TCAP was transformed into a financial holding company of TBANK and two asset management companies, NFS Asset Management Co., Ltd. (NFS-AMC) and MAX Asset Management Co., Ltd. (MAX-AMC). In 2007, 547 employees were transferred from TCAP to TBANK with identical compensation and benefits. TBANK became the core operating network for five main financial business areas of the group, which are insurance, fund management, securities and securities-related, leasing & hire purchase, and supporting businesses.

In July 2007, TCAP signed a joint venture agreement with a new strategic partner, the Bank of Nova Scotia (BNS), in investment in TBANK. As a result, TBANK has two majority shareholders, TCAP and BNS, holding 74.48% and 24.98% of TBANK's paid up capital, respectively. On 15 January 2008, TBANK delisted its shares from the SET. TCAP bought the stake of TBANK's shares from the minority shareholders. As of December 2007, TCAP's shareholding stake in TBANK was 74.92%.

Chart 1: Thanachart Group's Structure

TCAP's Group Structure	TCAP's Ownership
Thanachart Bank PLC (TBANK)	**74.92%**
Thanachart Securities PLC (TNS)	
Thanachart Fund Management Co., Ltd. (TFUND)	
Thanachart Insurance Co., Ltd. (TINSURE)	
Thanachart Life Assurance Co., Ltd. (TLIFE)	
Thanachart Group Leasing Co., Ltd. (TGL)	
Thanachart Broker Co., Ltd.	
Thanachart Management and Services Co., Ltd.	
Thanachart Legal and Appraisal Co., Ltd.	
Thanachart Trainning and Development Co., Ltd.	
NSF Asset Management Co., Ltd. (NFS-AMC)	**100%**
MAX Asset Management Co., Ltd. (MAX-AMC)	**58.45%**

Source: TCAP

Recent Developments

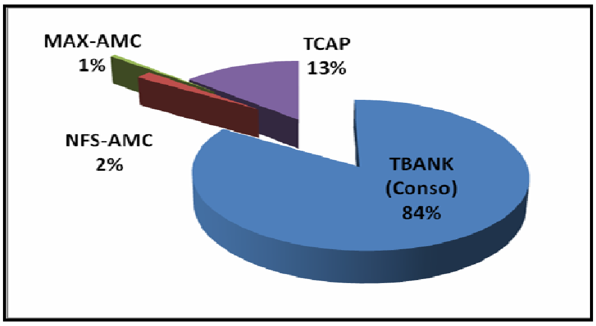
- ***BNS holds TBANK's share instead of BNSAL***

On 11 January 2008, Bank of Nova Scotia Asia Ltd. (BNSAL) transferred all of TBANK's shares it held to its parent, BNS. As a result, BNS is TBANK's major shareholder instead of BNSAL.

BUSINESS ANALYSIS

TCAP renders a variety of services through its core operating subsidiary, TBANK, and two asset management companies. TCAP's services include banking, leasing, securities, fund management, distressed-asset management, life and non-life insurance businesses, and other supporting businesses. As of December 2007, TCAP's consolidated assets were Bt321,256 million, with a 4.3% market share, and the company ranked as the 8th largest of all 12 Thai universal banks. Eighty four percent of Thanachart Group's asset structure was contributed from TBANK, followed by TCAP (existing hire purchase receivables --13%), NFS-AMC (2%) and MAX-AMC (1%). The group's market share has improved significantly from the 10th rank in 2004 to the 8th rank since 2005, which followed its strategies to enlarge its banking network nationwide through rapid opening of new branches. At the end of December 2007, the group provided services through TBANK's 166 branches, 65 foreign exchange booths, 280 ATMs, TNS's 33 securities branches, and offices of other subsidiaries. However, Thanachart Group was considered a limited franchise value with small bank network compared with large-sized commercial banks.

Chart 2: Thanachart Group's Asset Structure

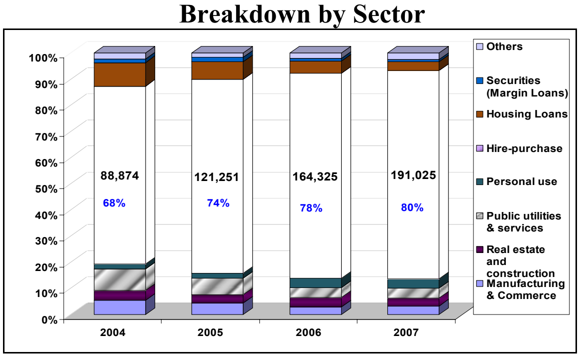


Source: TCAP's Form 56-1

- ***Business concentration: focusing on automobile hire purchase financing service***

As of December 2007, TCAP's consolidated loan portfolio was Bt239,745 million. The 13 to 87 ratio of corporate loans to personal consumption loans, represented a major shift from 74:26 as of December 2000. TCAP's personal consumption loans as of December 2007 were divided between hire purchase loans (80% of total loans), other personal use loans (4%), housing loans (3%) and securities loans (1%). The proportions represented a shift from 68%, 9% and 1% respectively, as of December 2004. On the corporate side, public utilities and services accounted for 4% of TCAP's total loans, followed by manufacturing and commerce (3%), real estate and construction (3%), and others (3%). The corporate loan proportions changed from 8%, 5%, 4% and 4%, respectively, as of December 2004.

Chart 3: TCAP's Consolidated Loan Portfolio Breakdown by Sector

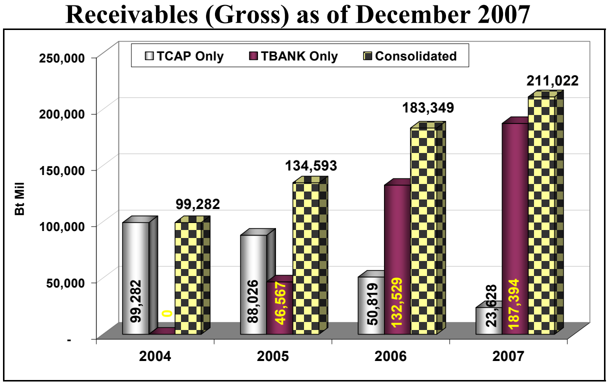


Source: TCAP's notes to financial statement

- ***Well-equipped to succeed in HP business expansion by TBANK***

The decision to enter the hire purchase business in 1999, which was an early stage of upturn cycle in this industry, demonstrates TCAP management's ability to seek business opportunities at the right time in the potential market segment. The move has provided TCAP with a large retail customer base and favorable financial performance. After auto HP operation was transferred from TCAP to TBANK in May 2005, TBANK has been well equipped to succeed in new HP loan financing. TBANK benefits from an extensive branch network and was able to acquire new HP loan value (gross) of approximately Bt6,200 million per month in 2006, which was better than the average value of approximately Bt4,000 million new HP loans per month in 2004-2005. In 2007, the value of new HP loans per month averaged approximately Bt5,500 million, lower than in 2006, due to less favorable operating environment, with rising fuel prices and an uncertain political situation. The consolidated value of HP loan outstanding (gross) increased by 36% from Bt134,593 million as of December 2005 to Bt183,349 million as of December 2006, and by 15% to Bt211,022 million as of December 2007. Of the total outstanding, 11% were from TCAP's existing HP loan portfolio (Bt23,628 million) and 89% were from TBANK's HP portfolio (Bt187,394 million).

Chart 4: TCAP's Consolidated Hire Purchase Receivables (Gross) as of December 2007

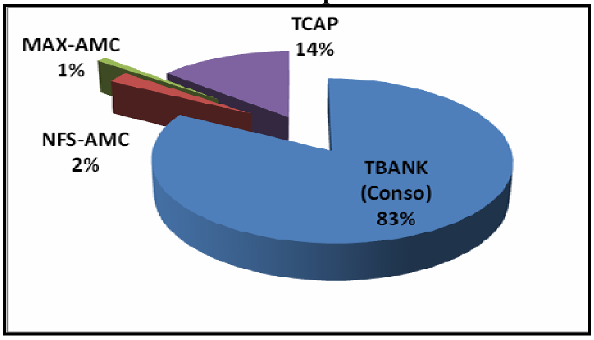


Source: TCAP

- ***TBANK as a core contributor to TCAP***

TBANK is the core important subsidiary of TCAP, which largely contributed to Thanachart Group not only in terms of asset size but also revenue contribution. In 2007, revenue contribution from TBANK (consolidated) accounted for 83% of Thanachart Group's consolidated revenue, up from 69% in 2006, while TCAP's contribution was 14%, down from 24%. At the same time, contribution from distressed asset management, through NFS-AMC and MAX-AMC, has also been diminishing, to 2% and 1%, respectively, from 5% and 2% in 2006.

Chart 5: Thanachart Group's Revenue Structure



Source: TCAP's Form 56-1

TBANK's credit profile is considered stronger. During 2006-2007, TBANK succeeded in building branch networks, and also fulfilled its major tasks (core banking and IT development) as well as its development of a standard risk management framework. BNS's intention to purchase up to 49% of TBANK's shares indicates the likelihood that BNS will provide stronger support to TBANK in the long term. The bank has yet to utilize its physical network and achieve the synergies between TCAP, TBANK and its subsidiaries. However, leveraging with BNS, that would further enhance the group's franchise value, has yet to be proved.

- ***Improvement of the overall group's risk management framework***

TCAP has continuously developed and implemented a risk management system that measures risk on a consolidated basis. The company established an international standard risk management framework to comply with BASEL II. With a large retail customer base, TCAP has developed its in-house information management to support the overall group's credit risk management, while having its own universal bank (TBANK) provides the group with greater access to stable and flexible sources of funds, both public borrowings (deposits) and money markets. This makes TCAP to have higher funding flexibility and financial liquidity. An improvement in its risk management system, an experienced management team, and business diversification are crucial factors that will protect the company from a medium-term downside risk.

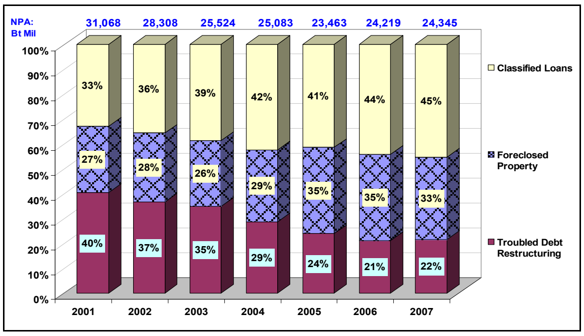
ASSET QUALITY

- ***Consolidated NPL ratio improved continuously***

TCAP's asset quality has improved significantly since 1999. Its consolidated non-performing loans to average loans ratio declined continuously, from 53.9% as of December 1999 to 4.9% as of December 2007, which was far below the 8.8% average among the 12 Thai universal banks. Non-performing loans in TCAP's consolidated hire purchase portfolio increased slightly from 1.97% of total hire purchase loans in 2006 to 1.99% as of December 2007, which was in line with the average (2.01%) for seven commercial bank-based operators in TRIS Rating's database. Since 2003, TCAP has started to focus on used car hire purchase (about 20% of total hire purchase receivables in 2005), which exposed the company to higher credit risk, although it provides higher yield. Although the higher credit risk exposure is a cause for concern regarding future asset quality deterioration, more stringent loan loss provisioning criteria according to IAS39 provides TCAP with stronger cushion of allowance for loan loss against bad debts.

- ***The NPA ratio was better than peers***

Chart 6: Non-performing Asset Structure



Source: TRIS Rating

At the end of 2007, TCAP's consolidated non-performing assets or NPA (classified loans with more than three months past due, outstanding balance of restructured debts and foreclosed property) were Bt24,345 million, a slight increase from Bt24,219 million in 2006. The largest portion of its NPA was classified loans for more than three months past due (45%), followed by property foreclosure (33%), and troubled debt restructuring outstanding (22%). The ratio of NPA to total assets was 5.95%, down from 8.46% in 2006, which was far lower than the average of 14.13% for the 12 Thai universal banks, indicating the company has better asset quality than its peers. However, the company's allowance for loan loss and revaluation allowance for debt restructuring was 116% of the minimum level required by the BOT, down from 136% in 2006, and lower than the industry average of 139%.

PROFITABILITY

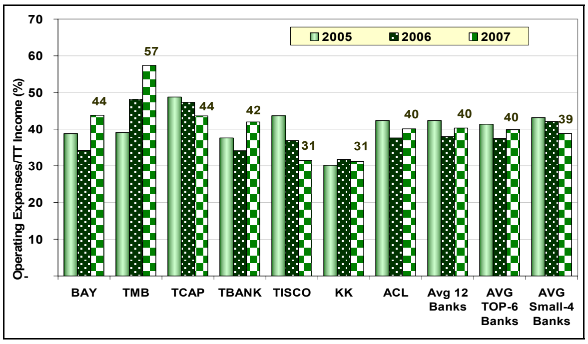
- ***Stable cash flow from dividend income is expected***

As a financial holding company of Thanachart Group, TCAP's financial performance has improved significantly in recent years. The ratio of total interest and dividend income to total income was 64% in 2007, up from 61% in 2006. TCAP's proportion of non-interest based income (36% of total income) was higher than an average proportion of 21% for the 12 universal banks, which indicated the company was less sensitive to changes in interest spread. In 2007, TCAP's consolidated interest spread improved slightly to 2.74% from 2.69%, as success in funding restructuring to lower-cost funds (deposits) and lower market deposit rates during 2007, which cause TCAP to have lower funding costs. On TCAP's stand alone basis, stable cash flow from dividend income paid by TBANK is expected, and is a core contribution to TCAP's bottom lines in the long term. However, net profit contribution from distressed asset management business is expected to further decline when distressed assets have been managed or restructured, and wind down in the future.

- ***Low operating expenses after the group reorganization***

The reorganization process is expected to limit TCAP's business expansion and profitability during the transition period because the company's operating expenses will increase as a result of opening TBANK's new branches, installing a core banking system and the group's integration of management and control systems. Its ratio of operating expenses to total income jumped from 36% in 2004 to 48% in 2005, and declined to 45% in 2006 and 44% in 2007 after Thanachart Group's reorganization. Net income for 2007 was Bt2,818 million, a 92% increase from Bt1,468 million in 2006. Its return on average assets recovered to 0.93% in 2007 from 0.57% in 2006, while its return on average equity improved to 10.12% from 6.27%. In 2008, TRIS Rating expects to see further improvement in Thanachart Group's business and financial profile, due to its enhanced franchise value with long-term opportunities in commercial banking businesses.

Chart 7: Operating Expenses to Total Income Ratio



Source: TRIS Rating

FUNDING/LIQUIDITY

- ***TCAP's stand alone funding structure changed subject to the One Presence policy***

TCAP's funding structure changed after 1 July 2005 under the One Presence policy, which was permitted to have one deposit-taking institution. In April 2005, all deposits (promissory notes or P/N) carried on TCAP's balance sheet were merged with TBANK's deposits, an essential means towards the One Presence structure, turning TBANK into the group's sole-deposit taking institution. As a result, TCAP's stand alone funding structure changed from public borrowing as a major funding source to rely on borrowing from financial institutions (mostly from TBANK). Cash flows from installment of the existing hire purchase receivables will be sufficient for repaying all borrowing obligation. As of December 2007, TCAP's stand alone funding were Bt25,230 million, of which 49% were borrowing from TBANK, 31% were existing P/N and 20% were long-term debentures.

On a consolidated basis, however, TCAP's funding will continue to rely mostly on public borrowing. Deposit structure was 67.6% time deposits, 30.6% savings deposits and 1.8% promissory notes. Due to its high liquidity, TCAP was a net lender in the money market, amounting to Bt35,693 million. At the end of 2007, TBANK's asset-liability structure had some mismatch in terms of duration and interest rate structure, the maturity mismatch was alleviated by a rollover rate of more than 80% of TBANK's deposits. TCAP's consolidated ratio of loans to adjusted public borrowing decreased to 97.66% in 2007 from 100.32% in 2006, which indicated improvement in its liquidity.

CAPITALIZATION

- ***A high quality capital with internal growth from high operating profits***

TCAP had strong capitalization with a high quality capital due to a high proportion of Tier-1 capital. The company's consolidated capital fund comprised 97% Tier-1 capital and 3% Tier-2 capital. With no recapitalization since 2003, the increase in shareholders' equity has been enhanced by its internal growth of capital through strong operating profits. The proportion of retained earnings to total shareholders' equity was 28% as of December 2007, compared with 17% in 2003.

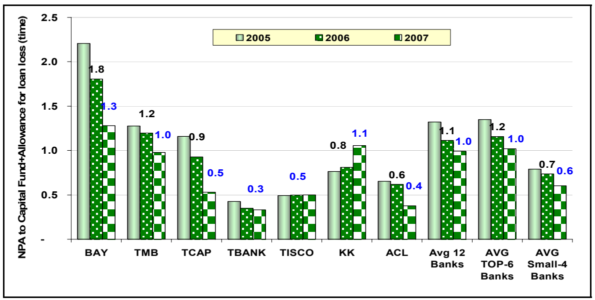
- ***Capitalization is expected to be adequate though weakening during loan expansion***

On a consolidated basis, TCAP's equity to total assets ratio improved to 10.04% in 2007 from 8.19% in 2006, while the ratio of equity to total loans rose to 13.47% in 2007 from 11.18% in 2006, because of TBANK's recapitalization with new capital injection from BNS. The company's consolidated capital adequacy ratio also increased to 13.35% in 2007, from 11.13% in 2006. Capitalization is expected to weaken during the next few years as the company's consolidated loan expansion continues, but is adequate to absorb risks arising from adverse changes in the business environment.

- ***Strong cushion of capital fund and allowance for loan loss against bad debt***

At the end of December 2007, TCAP's ratio of non-performing assets (non-performing loans, the outstanding balances of restructured debts, and net foreclosed property) to total capital funds plus allowance for doubtful accounts and revaluation allowances for debt restructuring was only 0.56 times, which was a bit lower than 0.60 times in 2006. The ratio was lower than the average ratio of 1.0 times for the 12 Thai universal banks. The figure indicated TBANK's strong cushion of capital fund and allowances for loan loss against bad debt, which support Thanachart Group's capability to expand its business in the future.

Chart 8: Ratio of NPA to Capital Fund Plus Allowance for Loan Loss as of December 2007



Source: TRIS Rating

Financial Statistics*

Unit: Bt million

	------------------- Year Ended 31 December				--------------------
	2007	2006	2005	2004	2003
Total assets	321,256	286,229	228,119	185,044	167,675
Net investment in securities	28,874	34,766	33,203	40,274	55,471
Total loans (including accrued interest)	239,490	209,565	162,961	129,944	106,243
Allowance for doubtful accounts	8,456	8,246	7,103	7,817	6,404
Public borrowings	189,998	198,527	148,371	133,195	122,699
Other borrowings	81,842	49,542	36,744	25,014	15,876
Shareholders' equity plus minorities interests	32,262	23,431	23,386	21,494	19,776
Net interest and dividend income	9,099	6,909	6,508	5,784	4,425
Non-interest income	10,676	7,643	5,151	4,949	5,282
Operating expenses	12,849	11,043	7,844	5,031	4,037
Net income	2,818	1,468	2,517	2,983	2,669

* *Consolidated financial statements*

Key Financial Ratios*

Unit: %

	----------------- Year Ended 31 December				----------------
	2007	2006	2005	2004	2003
Profitability					
Net interest income/average assets	3.00	2.69	3.15	3.28	3.02
Non-interest income/average assets	3.51	2.97	2.49	2.81	3.60
Fees and brokerage income/total income	9.73	21.44	5.60	7.86	7.44
Operating expenses/total income	43.59	44.90	48.76	35.78	30.87
Operating profit/average assets	1.60	1.01	1.70	2.39	2.17
Return on average assets	0.93	0.57	1.22	1.69	1.82
Return on average equity	10.12	6.27	11.22	14.92	14.30
Asset Quality					
Non-performing loans/average loans	4.91	5.75	6.64	9.00	10.86
Bad debt and doubtful accounts/average loans	0.91	0.50	0.20	1.26	2.75
Allowance for possible loan losses/total loans	3.53	3.93	4.36	6.02	6.03
Capitalization					
Shareholders' equity/total assets	10.04	8.19	10.25	11.62	11.79
Shareholders' equity/total loans	13.47	11.18	14.35	16.54	18.61
Total liabilities/total liabilities + shareholders' equity	89.96	91.81	89.75	88.38	88.21
Liquidity					
Total loans/adjusted public borrowings**	97.66	100.32	109.83	97.56	86.59
Adjusted public borrowings**/total liabilities	84.85	79.49	72.47	81.44	82.96
Total loans/total assets	74.55	73.22	71.44	70.22	63.36

* *Consolidated financial statements*
** *Including deposits and short-term bills of exchanges*

Rating Symbols and Definitions

TRIS Rating uses eight letter rating symbols for announcing medium- and long-term credit ratings. The ratings range from AAA, the highest rating, to D, the lowest rating. The medium- and long-term debt instrument covers the period of time from one year up. The definitions are:

AAA The highest rating, indicating a company or a debt instrument with smallest degree of credit risk. The company has extremely strong capacity to pay interest and repay principal on time, and is unlikely to be affected by adverse changes in business, economic or other external conditions.

AA The rating indicates a company or a debt instrument with a very low degree of credit risk. The company has very strong capacity to pay interest and repay principal on time, but is somewhat more susceptible to the adverse changes in business, economic, or other external conditions than AAA rating.

A The rating indicates a company or a debt instrument with a low credit risk. The company has strong capacity to pay interest and repay principal on time, but is more susceptible to adverse changes in business, economic or other external conditions than debt in higher-rated categories.

BBB The rating indicates a company or a debt instrument with moderate credit risk. The company has adequate capacity to pay interest and repay principal on time, but is more vulnerable to adverse changes in business, economic or other external conditions and is more likely to have a weakened capacity to pay interest and repay principal than debt in higher-rated categories.

BB The rating indicates a company or a debt instrument with a high credit risk. The company has less than moderate capacity to pay interest and repay principal on time, and can be significantly affected by adverse changes in business, economic or other external conditions, leading to inadequate capacity to pay interest and repay principal.

B The rating indicates a company or a debt instrument with a very high credit risk. The company has low capacity to pay interest and repay principal on time. Adverse changes in business, economic or other external conditions could lead to inability or unwillingness to pay interest and repay principal.

C The rating indicates a company or a debt instrument with the highest risk of default. The company has a significant inability to pay interest and repay principal on time, and is dependent upon favourable business, economic or other external conditions to meet its obligations.

D The rating for a company or a debt instrument for which payment is in default.

The ratings from AA to C may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within a rating category.

TRIS Rating's short-term ratings focus entirely on the likelihood of default and do not focus on recovery in the event of default. Each of TRIS Rating's short-term debt instrument covers the period of not more than one year.The symbols and definitions for short-term ratings are as follows:

T1 Issuer has strong market position, wide margin of financial protection, appropriate liquidity and other measures of superior investor protection. Issuer designated with a "+" has a higher degree of these protections.

T2 Issuer has secure market position, sound financial fundamentals and satisfactory ability to repay short-term obligations.

T3 Issuer has acceptable capacity for meeting its short-term obligations.

T4 Issuer has weak capacity for meeting its short-term obligations.

D The rating for an issuer for which payment is in default.

All ratings assigned by TRIS Rating are local currency ratings; they reflect the Thai issuers' ability to service their debt obligations, excluding the risk of convertibility of the Thai baht payments into foreign currencies.

TRIS Rating also assigns a *"Rating Outlook"* that reflects the potential direction of a credit rating over the medium to long term. In formulating the outlook, TRIS Rating will consider the prospects for the rated company's industry, as well as business conditions that might have an impact on its fundamental creditworthiness. The rating outlook will be announced in conjunction with the credit rating. In all cases, the outlook assigned to a company will apply to all debt obligations issued by the company. The categories for *"Rating Outlook"* are as follows:

Positive The rating may be raised.

Stable The rating is not likely to change.

Negative The rating may be lowered.

Developing The rating may be raised, lowered or remain unchanged.

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