

Research Update:

# Taiwan Business Bank Ratings Affirmed At 'twAA-/twA-1+'; Outlook Stable

January 13, 2020

## Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA-' long-term and 'twA-1+' short-term issuer credit ratings on **Taiwan Business Bank**, as well as the 'twA-' issue credit rating on the bank's unsecured subordinated debentures. The outlook on the long-term rating is stable. The ratings on Taiwan Business Bank reflect our view of implicit support from the Taiwan government due to the bank's moderate systemic importance and government ownership. The ratings also reflect the bank's good market position in domestic small and mid-size enterprise loan business. Counterbalancing these strengths is the bank's moderate profitability compared with that of regional players and slightly weaker risk management record compared with similar domestic peers.

## Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions - July 01, 2019
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009
- 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 | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- Criteria | Financial Institutions | Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions - July 17, 2013
- Criteria | Financial Institutions | Banks: Banks: Rating Methodology And Assumptions - November 09, 2011
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - November 09, 2011
- Understanding Taiwan Ratings' Rating Definitions, [www.taiwanratings.com](http://www.taiwanratings.com) - June 26, 2018
- TRC Financial Services Issue Credit Rating Criteria, [www.taiwanratings.com](http://www.taiwanratings.com) - July 31, 2019

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## Ratings List

### Ratings Affirmed

#### Taiwan Business Bank

|                      |                     |
|----------------------|---------------------|
| Issuer Credit Rating | twAA-/Stable/twA-1+ |
| Issue Credit Rating  | twA-                |

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