

Research Update:

E.SUN Commercial Bank Ltd. Ratings Affirmed At 'twAA+/twA-1+'; Outlook Stable

June 19, 2020

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA+' long-term and 'twA-1+' short-term issuer credit ratings on **E.SUN Commercial Bank Ltd.**, as well as our issue credit ratings on the bank's unsecured subordinated bonds. The outlook on the long-term rating is stable.

The ratings reflect our assessment of the E.SUN Bank's strong capitalization, satisfactory fee income contribution with satisfactory management and execution of business strategies, and adequate risk position with good loss record. The ratings also reflect a notch of government support given our assessment of the bank's moderate systemic importance to Taiwan's banking system. Counterbalancing these strengths are the bank's moderate geographic diversity and profitability compared with those of other regional banks.

Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- 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
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- Understanding Taiwan Ratings' Rating Definitions - June 26, 2018
- TRC Financial Services Issue Credit Rating Criteria - July 31, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions - July 01, 2019

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Ratings List

Ratings Affirmed

E.SUN Commercial Bank Co. Ltd.

Issuer Credit Rating	twAA+/Stable/twA-1+
Subordinated Unsecured (Legacy, Without non viability)	twAA
Subordinated Unsecured (With non viability)	twA+

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