

Research Update:

# First Financial Holding Co. Ltd. And First Commercial Bank Ltd. Ratings Affirmed; Outlook Stable

August 26, 2022

## Rationale

Taiwan Ratings Corp. today affirmed its long-term and short-term issuer credit ratings on **First Financial Holding Co. Ltd.** and **First Commercial Bank Ltd.**, as well as our issue credit ratings on the bank's various senior and unsecured subordinated debts (see Ratings List). The outlook on the long-term ratings is stable.

The ratings reflect our assessment of the group's strong capitalization, good domestic market positions supported by an established banking franchise, and satisfactory funding and liquidity profile. The ratings on the bank also reflect a moderately high level of support from the Taiwan government, given the bank's moderate systemic importance. Counterbalancing factors include continuing competitive pressure on the group's profitability and its relatively concentrated revenue structure by international standards.

## Related Criteria & Research

### Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions - March 02, 2022
- TRC Financial Services Issue Credit Rating Criteria - July 31, 2019
- 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 | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - December 09, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology - December 09, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- General Criteria: Principles Of Credit Ratings - February 16, 2011

### Related Research

- Taiwan Ratings' Ratings Definitions - November 11, 2021

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## Ratings List

### Ratings Affirmed

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**First Commercial Bank Ltd.**

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Issuer Credit Rating	twAA+/Stable/twA-1+
Unsecured Subordinated Debenture	twAA
Perpetual Non-cumulative Unsecured Subordinated Debenture	twA+

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**First Financial Holding Co. Ltd.**

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Issuer Credit Rating	twAA-/Stable/twA-1+
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Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.taiwanratings.com](http://www.taiwanratings.com) for further information. Complete ratings information is available to subscribers of Rating Research Service at [rrs.taiwanratings.com.tw](http://rrs.taiwanratings.com.tw). All ratings affected by this rating action can be found on Taiwan Ratings' public website at [www.taiwanratings.com](http://www.taiwanratings.com).

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