

## Research Update

# Shin Kong Life Insurance Co. Ltd. Ratings Affirmed At 'twAA-'; Outlook Stable

May 29, 2019

## Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA-' long-term issuer credit rating and financial strength rating on **Shin Kong Life Insurance Co. Ltd.** The rating outlook is stable. At the same time, we affirmed the issue credit rating on the company's subordinated debt.

The ratings reflect the potential that Shin Kong Life will be required to support or share resources with other subsidiaries under the **Shin Kong Financial Holding Co. Ltd.** group. The ratings also reflect the insurer's sound liquidity, well-established brand, and satisfactory market shares in major products domestically, supported by the good sales contribution from its agent force. We view capitalization as less than adequate for Shin Kong Life along with its high exposure to global capital market volatility, given the insurer's higher investments in equities than that of regional peers.

## Related Criteria

- Understanding Taiwan Ratings' Rating Definitions, [www.taiwanratings.com](http://www.taiwanratings.com) - June 26, 2018
- TRC Financial Services Sector Issue Credit Rating Criteria, [www.taiwanratings.com](http://www.taiwanratings.com) - September 23, 2014
- Criteria | Insurance | General: Enterprise Risk Management - May 07, 2013
- Criteria - Insurance - General: Insurers: Rating Methodology - May 07, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers - November 13, 2012
- Criteria | Insurance | General: Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model - June 07, 2010
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009
- General Criteria: Group Rating Methodology - November 19, 2013
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017

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## Ratings List

Ratings Affirmed

### Shin Kong Life Insurance Co. Ltd.

Issuer Credit Ratings	twAA-/Stable/--
Financial Strength Rating	twAA-/Stable/--
Perpetual accumulative subordinated corporate bond	twA+

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