Research Update:

Cathay United Bank Co. Ltd. Ratings Affirmed At 'twAA+/twA-1+'; Outlook Stable

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Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA+' long-term and 'twA-1+' short-term issuer credit ratings on **Cathay United Bank Co. Ltd.** The outlook on the long-term rating is stable. At the same time, we affirmed the issue ratings on the bank's various unsecured subordinated debentures (see Ratings List).

The ratings on Cathay United Bank reflect our view of likely support from the Taiwan government to the bank under times of financial distress, given the bank's moderate systemic importance to the domestic banking industry. In addition, the ratings reflect the bank's solid local franchise, strong capital and earnings, and diversified funding and liquidity profile that benefits from the parent Cathay Financial Holding Co. Ltd. group's diverse and widespread customer base. These strengths are partly offset by profitability and diversification levels that remain slightly below international standards.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions - October 13, 2025
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - May 05, 2026
- 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: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Principles Of Credit Ratings - February 16, 2011
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023

(Unless otherwise stated, these articles are published on www.taiwanratings.com)

Ratings List

Ratings Affirmed

Cathay United Bank Co. Ltd.	
Issuer Credit Rating	twAA+/Stable/twA-1+
Unsecured Subordinated Debenture (with non-viability clause)	twAA-
Perpetual Non-cumulative Subordinated Debenture	twA