

Research Update:

# Cathay Life Insurance Co. Ltd. Ratings Affirmed At 'twAA+'; Outlook Stable

September 25, 2024

## Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA+' issuer credit and financial strength ratings on **Cathay Life Insurance Co. Ltd.** The outlook on the ratings is stable. At the same time, we affirmed our 'twAA' issue credit rating on the insurer's subordinated corporate bonds (see Ratings List).

The ratings continue to reflect Cathay Life's strong market position by assets and solid franchise in Taiwan's life insurance industry, solid competitive advantage over distribution channels, and well-established scale advantage. Counterbalancing these strengths are the company's average, albeit improving capitalization by local comparison, and higher investment leverage and foreign exchange risk exposure than its regional peers.

## Related Criteria & Research

### Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- Criteria | Insurance | General: Insurer Risk-Based Capital Adequacy--Methodology And Assumptions - November 15, 2023
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- General Criteria: Hybrid Capital: Methodology And Assumptions - March 02, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- Criteria | Insurance | General: Insurers Rating Methodology - July 01, 2019
- 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

#### Cathay Life Insurance Co. Ltd.

Issuer Credit Rating	twAA+/Stable/--
Financial Strength Rating	twAA+/Stable/--
Series 112-1, 113-1 Unsecured Subordinated Corporate Bond	twAA

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