

## Research Update

# Asia Cement Ratings Affirmed At 'twA+/twA-1'; Outlook Stable

September 17, 2019

## Rating Action

Taiwan Ratings Corp. today affirmed its 'twA+' long-term and 'twA-1' short-term issuer credit ratings on **Asia Cement Corp.** The outlook on the long-term rating is stable. The ratings reflect Asia Cement's satisfactory market position in Taiwan and key operating regions in China, and strong operating cash flow from its cement business in China. The ratings also reflect the company's business and cash flow diversity, underpinned by its independent power generation business and stable cash dividend from equity holdings in the **Far Eastern New Century Corp.** group. These strengths are tempered by Asia Cement's high debt level and growth appetite, in addition to sensitivity to the volatile cement industry in China.

## Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments - April 01, 2019
- Understanding Taiwan Ratings' Rating Definitions - June 26, 2018
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers - December 16, 2014
- Criteria | Corporates | Industrials: Key Credit Factors For The Building Materials Industry - December 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions - November 19, 2013
- General Criteria: Methodology: Industry Risk - November 19, 2013
- Criteria | Corporates | General: Corporate Methodology - November 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities - November 13, 2012
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009

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## Ratings List

### Ratings Affirmed

#### Asia Cement Corp.

Issuer Credit Ratings	twA+/Stable/twA-1
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