

Research Update:

Taiwan Optical Platform Co. Ltd. 'twBBB+/twA-2' Ratings Affirmed; Outlook Stable

October 30, 2020

Rating Action Rationale

Taiwan Ratings Corp. today affirmed its 'twBBB+' long-term and 'twA-2' short-term issuer credit ratings on **Taiwan Optical Platform Co. Ltd.** (TOP). The outlook on the long-term rating is stable. The ratings on TOP reflect the company's dominant position in its cable franchise areas with limited competition, the relatively stable domestic market structure, and the company's satisfactory profitability and stable operating cash flow generation. However, TOP's elevated debt leverage post acquisition, weaker market position in the broadband business, and the risk of gradually declining cable subscribers in Taiwan's market partly offsets these strengths.

Related Criteria & Research

Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments - April 01, 2019
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers - December 16, 2014
- 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: Principles Of Credit Ratings - February 16, 2011

Related Research

- Taiwan Ratings' Ratings Definitions – August 10, 2020

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

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Ratings List

Ratings Affirmed

Taiwan Optical Platform Co. Ltd.

Issuer Credit Ratings

twBBB+/Stable/twA-2

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 for further information. Complete ratings information is available to subscribers of Rating Research Service at rrs.taiwanratings.com.tw. All ratings affected by this rating action can be found on Taiwan Ratings' public website at www.taiwanratings.com.

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