

Media Release:

Taoyuan International Airport Corp. Ratings Affirmed At 'twAAA/twA-1+'; Ratings Then Withdrawn At The Company's Request

November 30, 2022

Rating Action Rationale

Taiwan Ratings today affirmed its 'twAAA' long-term and 'twA-1+' short-term issuer credit ratings on Taiwan-based Taoyuan International Airport Corp. (Taoyuan Airport). We then withdrew the ratings at the company's request. The outlook at the time of the withdrawal was stable.

The rating affirmation prior to the withdrawal reflects our view of the extremely high likelihood of extraordinary support from the Taiwan government in the event of financial distress for Taoyuan Airport. The ratings also reflect Taoyuan Airport's dominant position in Taiwan's international air-related services with a wide network of airlines, and a diverse and balanced revenue stream of aeronautical and non-aeronautical revenue. Taoyuan Airport's weak profitability and cash flow generation are likely to improve from the fourth quarter of 2022, supported by fewer border-control restrictions related to COVID-19. Nonetheless, the stricter border control measures in mainland China and weakening economic prospects could lower the pace of the airport's business recovery.

Related Criteria & Research

Related Criteria

- General Criteria: Rating Government-Related Entities: Methodology And Assumptions - March 25, 2015
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- 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

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- 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 – November 11, 2021

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

Ratings List

Ratings Affirmed

	To	From
Taoyuan International Airport Corp.		
Issuer Credit Rating	twAAA/Stable/twA-1+	twAAA/Stable/twA-1+

Ratings Withdrawn

Taoyuan International Airport Corp.		
Issuer Credit Rating	N.R.	twAAA/Stable/twA-1+

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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