

Research Update:

Taiwan Sugar Corp. Ratings Affirmed At 'twAA- /twA-1+'; Outlook Stable

March 27, 2023

Rating Action Overview

Taiwan Ratings Corp. today affirmed its 'twAA-' long-term and 'twA-1+' short-term issuer credit ratings on **Taiwan Sugar Corp.** The outlook on the long-term rating is stable. The ratings reflect the company's large low-cost land bank for development and disposal, as well as its prudent financial policy with net cash position. However, Taiwan Sugar's strengths are partially offset by the company's weak profitability of its non-land related businesses, including sugar and hogs raising businesses. The ratings on Taiwan Sugar continues to reflect our view of the moderately high likelihood of extraordinary financial support from the Taiwan government given that the company is almost entirely government-owned, however, it has a limited policy role in providing stability in the domestic staple goods markets.

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
- Criteria | Corporates | Industrials: Key Credit Factors For The Homebuilder And Real Estate Developer Industry - February 03, 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

Taiwan Sugar Corp.

Issuer Credit Rating

twAA-/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.

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