

Research Update:

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

March 17, 2025

Rating Action Rationale

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, sustainable and stable rental income, and prudent financial policy with a net cash position. However, the weak profitability of its non-land related businesses, including sugar and hogs raising businesses partly offset the company's rating strengths.

The ratings on Taiwan Sugar continue to reflect our view of the moderately high likelihood of extraordinary financial support from the Taiwan government, given the company is almost entirely government-owned. That's despite the company has a limited policy role providing stability in the domestic staple goods markets.

Related Criteria & Research

Related Criteria

- Criteria | Corporates | General: Sector-Specific Corporate Methodology, Apr 04, 2024
- Criteria | Corporates | General: Corporate Methodology, Jan 07, 2024
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Jan 07, 2024
- General Criteria: National And Regional Scale Credit Ratings Methodology, Jun 08, 2023
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct 10, 2021
- General Criteria: Group Rating Methodology, Jul 01, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, Apr 01, 2019
- Criteria | Corporates | Industrials: Key Credit Factors For The Real Estate Industry, Feb 26, 2018
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, Mar 25, 2015
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec 16, 2014
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov 19, 2013
- General Criteria: Methodology: Industry Risk, Nov 19, 2013
- General Criteria: Principles Of Credit Ratings, Feb 16, 2011

PRIMARY CREDIT ANALYST

Irene Lai
Taipei
+886-2-2175-6825
irene.lai
@spglobal.com
irene.lai
@taiwanratings.com.tw

SECONDARY CONTACT

Susan Chen
Taipei
+886-2-2175-6817
susan.chen
@spglobal.com
susan.chen
@taiwanratings.com.tw

Related Research

– Taiwan Ratings' Ratings Definitions – Nov. 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+
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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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