

RiskCalc™ Prepopulation FAQ

Moody's Analytics RiskCalc application prepopulates company financial statements for select RiskCalc models. The financial statements are provided by Creditsafe (www.creditsafe.com), a data vendor who specializes in credit information reporting. This document summarizes frequently asked questions regarding the prepopulated financial statement data.

Which RiskCalc models currently have financial statements prepopulated?

The RiskCalc application prepopulates the following models:

- France 4.0
- Germany GKV 3.2
- Germany UKV 3.2
- Italy 3.1
- Norway 3.1
- Sweden 3.1
- UK 4.0
- Large Firm Europe (LFE) 4.0 (includes data from France, Germany, Ireland, Italy, Luxembourg, Norway, and the UK)

Why doesn't Moody's Analytics have more recent financial statements for Company XYZ?

Companies typically have nine months to file financials with Companies House (<https://www.gov.uk/government/organisations/companies-house>) after **the end of the fiscal year**. Creditsafe sources data from Companies House, processes the data, and makes the data available to Moody's Analytics. The data is updated in the RiskCalc application on a quarterly basis. This means that there might be up to a one year lag from the fiscal year end before a financial statement becomes available.

Which RiskCalc models are on the roadmap to have prepopulated financial statements?

Prepopulated statements will be available for Italy 4.0 and Netherlands 4.0 in the first half of 2016. Belgium 4.0 prepopulation is expected to be released in the second half of 2016. We will continue partnering with Creditsafe to expand to other countries in the near future.

How frequently does Moody's Analytics update financial statements?

Moody's Analytics updates the data provided by Creditsafe on a quarterly basis to capture new statements. The usual release schedule is every March, June, September, and December. Note that Moody's Analytics does not republish restatements of existing financial statements. A restatement is the revision and publication of one or more of a company's previous financial statements.

Does Moody's Analytics perform any data cleaning before releasing financial statements?

Yes. Since there are some minimum model requirements for each RiskCalc calculation, we eliminate certain statements due to certain model rules. At a minimum we require the inputs needed to calculate a RiskCalc EDF for the specified model. This could be the reason why you may find a certain statement available from other sources but not in the prepopulation dataset.

How do I locate a certain company?

There are several ways to search for a company. You might see duplicate company names in the search results, but using a company name with the corresponding address helps to locate the correct firm. Also, you can use the Registration Number, which is the tax identifier for European companies. In addition, there is the Creditsafe ID which is the vendor ID available for searching.

There is only a small amount of financial statement data for German companies on the website even though the prepopulation feature is available for German models. Why?

The main reason is that our German 3.2 model only accepts statements flagged with accounting standards 'GKV' or 'UKV', and most of the statements for German companies lack this information. The statements that do have this information account for approximately 20% of the total statements that we received from Creditsafe. Hence, we do not process the remaining 80% of the statements and as a result, you do not see those statements in the RiskCalc application. However, we are evaluating and testing the model to see if we can use those statements in the near future.

Why don't the financial statements in the system match the financial statements I have received from the borrower or from a different data vendor?

Currently Moody's Analytics does not provide consolidated financial statements because, while other sources might provide consolidated statements, Creditsafe does not for most of the countries. Also the financials provided from your borrower may be more up to date and not yet submitted to the local company house.

Where can I find Prepopulation coverage statistics for XYZ model?

A coverage report will be published and updated to the Client Support Web with each quarterly update.