

# RapidRatings

FINANCIAL HEALTH RATINGS (FHR®)

## Understand the financial health of your suppliers.

### How Rapid Ratings can help you protect your business:

#### Minimize costly surprises

Studies show that FHRs provide earlier and more accurate warning signals than traditional risk tools: 90% of defaults occur among companies in our High Risk or Very High Risk categories.

#### Better manage supplier relationships

Clients receive actionable signals that help evaluate current and prospective suppliers.

#### Improve efficiency

Allocate your internal resources for greatest efficiency — allowing your team to address the most critical supply chain issues while leveraging us for your supplier financial analysis.

#### Evaluate entire portfolio consistently

We can rate any public or private company on exactly the same basis — regardless of size, industry or geographic location.

#### Enhance existing processes

Our reports and analytics help to guide your conversations with suppliers. They are easy for non-finance professionals to interpret, and fit seamlessly into your existing workflows.

#### Receive rapid turnaround

Our fully automated system produces, verifies, and updates ratings typically within 24 hours of receiving new public or private company financial data.

## LEARN MORE

To schedule a call or receive a few sample reports of your choice, please contact us at:

information@rapidratings.com  
646-233-4600

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# RapidRatings

## FINANCIAL HEALTH RATINGS (FHR®)

Rapid Ratings can help your team manage supplier relationships and make better decisions.

### Rapid Ratings Offerings

#### Company & Group Reports

A wealth of analytics and easy-to-interpret information provide insight into supplier financial health.

#### Customized Alerts

Daily, weekly, or monthly notifications of FHR changes in your customized portfolio.

#### News Updates

Daily news and alerts provide context about suppliers in your portfolio.

#### Surveys & Document Collection

Gain deeper insight into your suppliers and gather information to address regulatory and compliance needs.

#### Private Company Ratings Service

Our quantitative system rates privately held companies with the same depth of analysis as public companies.

#### Private Company Solicitation Service

With this premium service, we act as your agent to collect financial data from your suppliers confidentially on your behalf.

### Sample Report

## RapidRatings

**Financial Health Ratings**

### Ford Motor Co

**Financial health declining, although overall position remains adequate**

Our View: Ford Motor Co's Financial Health Rating (FHR™) was S1 (0=worst, 100=best) for the four quarters ending September 30, 2014, and represents a 4 point downgrade as compared to a year earlier. This rating sustains the company in the top half of our Medium Risk group. The quarter-on-quarter change in FHR is -3 points.

Figure 1: Ford Motor Co FHR Trend, YE 2006 to Q3 2014

Figure 2: Rating Level and Related Risk

Note: Periods in this report, such as Q3 2014, refer to the fiscal reporting periods of the company. Charts are populated based on release dates which account for the lag between balance date, reports being filed and ratings generated.

#### The FHR™ Report

**Corporate Risk Analysis**

Financial Period: Sep 30, 2014, (fiscal Q3 2014)  
Publication Date: November 07, 2014  
Ticker: F

Sector: Autos and Related Equipment  
Address: One American Road, Suite 1026,  
Dearborn, MI 48126, United States.

FHR: S1  
Risk Level: Medium Risk  
Annual Delta: -4 rating points

Table 1: Key Data and Ratios (USD B)

	2012	2013	Q3 2014
Financial Health Rating	S1	S2	S1
Total Assets (\$)	207.98	209.79	220.84
Total Liabilities (\$)	150.77	177.00	194.38
Total Rev (\$)	134.25	146.92	145.81
EBITDA (\$)	14.65	14.44	10.78
Cash from Ops (\$)	10.22	11.09	12.12
Total Rev / Total Asset	0.65	0.72	0.66
Op Profit / Total Rev (%)	4.49	3.70	2.53
Op Profit / Interest Exp	4.82	5.56	4.42
FCF / Total Debt	-0.05	-0.04	0.04
ROCE (%)	5.18	3.85	2.53

\* Note: This table pertains to either Ford Financial or Ford Automotive.

■ Very Low Risk (95-100) ■ Low Risk (80-70) ■ Medium Risk (60-50) ■ High Risk (40-30) ■ Very High Risk (20-10)

Table 2: FHR and Estimated Default Probability

FHR	EPD (%)*
95-100	0.00%
90-95	0.00%
85-90	0.00%
80-85	0.01
75-79	0.05
70-74	0.09
65-69	0.21
60-64	0.42
55-59	0.74
50-54	1.26
45-49	2.01
40-44	3.04
35-39	4.49
30-34	6.48
25-29	9.16
20-24	12.67
15-19	17.16
10-14	22.78
5-9	29.59
0-4	37.65

\* Please see the **Rapid Ratings EPD Study** and page 11 of this report for more information.

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