

Financial Risk Assessment Tool by Naker Rating K.K.

NRPD Web-App

User Manual V1

Naker Rating K.K.

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1. What is NRPD?

When assessing new overseas trade partners, reviewing credit limits, or monitoring ongoing relationships — NRPD Web-App helps you make these decisions quickly and quantitatively.

NRPD (Naker Rating Probability of Default) is a financial risk assessment tool developed by Naker Rating K.K. By simply uploading a company's financial statements, it calculates the annualized probability of default (%) within the next 12 months — for companies anywhere in the world.

Designed for credit officers, executives, and sales teams alike — no financial expertise required. PDF reports can be exported for internal sharing and approval workflows.

⚠ Please upload financial statements (balance sheets / income statements) only. Do not upload annual reports, full credit investigation reports, or other non-financial documents.

Key Features

- Upload financial statements (PDF) — OCR extracts data automatically
- Quantitative default risk assessment via NRPD Range (annualized %)
- Short-term liquidity assessment via NCRI (NR Cash-Rich Index)
- Automated calculation of Credit Limits (Gross / NET)
- Trade Judgment: Approved / Caution / Rejected / Pending
- Financial benchmarking against competitors or industry peers
- Bilingual PDF report output (Japanese / English)

The screenshot displays the NRPD Web-App interface. At the top left is the logo for Nakamura Research Institute (中村格付研究所) and NRating. The top navigation bar includes 'Start', 'History', and 'Contract' links, along with language selection buttons for 'JA' and 'EN', a user email 'hiroyuki.nakamura@nrating.jp', and a 'Logout' button. The main content area is divided into two sections. The left section, titled 'Purpose-built for credit decision workflows', features a large heading 'Upload → Validate → Analyze → Export (PDF)' and a sub-heading 'Just upload a financial statement PDF and get a clear starting point for credit decisions. The NRPD app extracts key figures from overseas financial statement PDFs, then guides you through confirmation, analysis, result review, and PDF export — end to end. Candidate values and warning flags highlight exactly what needs attention, helping you make faster and more confident credit decisions.' Below this text are two buttons: 'Start: Upload Financials' and 'App Details'. The right section, titled 'Menu', contains three items: 'Start' (Upload financials and begin analysis), 'Analysis history' (View past analysis results), and 'My contract' (Plan, quota, contract dates). At the bottom right of the menu section are two buttons: 'Start' and 'My Contract'.

2. Plans & Pricing

Plan	Price	Quota	Period	Use Case
Trial	Free	5 analyses	14 days	First-time trial
Spot	¥4,400 / use	1 analysis	72 hours	One-time use
Basic	¥12,000 / mo	10 / month	1 year	Regular use
Standard	¥30,000 / mo	30 / month	1 year	Business teams
Premium	¥300,000+ / yr	Custom	Custom	Annual contract

💡 1 analysis = consumed each time the Result page is displayed. Returning to the Confirm page and clicking 'View Results' again will consume an additional credit.

About Premium Plan

Premium plan is fully customizable — we will discuss your requirements in advance and tailor the solution accordingly. Custom data extraction fields, analysis items, quota, and contract term are all configurable based on agreement.

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3. Registration & Login

NRPD Web-App uses passwordless magic link authentication. No prior account registration is required — simply enter your email address to get started.

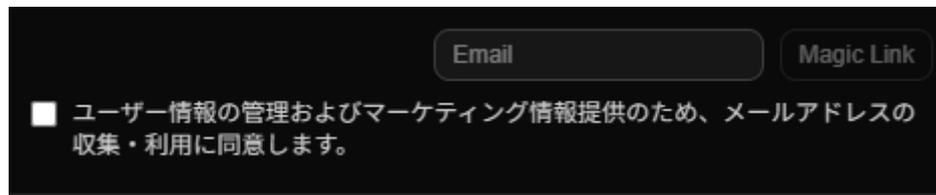
By using this service, you agree to allow us to send you service update notifications and other important announcements to your registered email address.

First-Time Login Steps

1. Visit nrd.nrating.jp
2. Enter your email address and click 'Send Magic Link'
3. Click the link in the email — login is complete
4. A Trial plan (14 days, 5 analyses) is automatically granted on first login

⚠ Magic links expire quickly. Please click the link as soon as you receive the email.

Please tick "I agree to the collection and use of my email address for account management and the delivery of marketing communications."



4. Analysis Workflow

① Upload → ② Confirm → ③ Result → ④ PDF Export

4.1 File Upload

Upload the target company's financial statement PDF.

You can also upload financial statements of competitors or industry peers as benchmark companies. When a benchmark is specified, comparative analysis will be displayed alongside the main results.

Supported Files

- PDF format only (text-selectable PDFs)

⚠ Scanned PDFs (non-text-selectable, e.g. scanned securities filings) are not supported by OCR mode. Please use a text-selectable PDF or enter data manually on the Confirm page.

Extraction Mode

Mode	Method	Periods	Data Transmission	Recommended For
Extractor	Rule-based extraction in browser	Single period only	None (fully local)	Simple financial statements
OCR (Recommended)	AI-powered high-accuracy parsing	Up to 3 periods	Text fragments only	Complex / multilingual FS
Manual Input	Enter figures yourself	Up to 3 periods	None (fully local)	When you want to review figures carefully

💡 In OCR mode, text fragments from the PDF are transmitted via an external API server. No personal or company attribute information is included in the transmission.

Upload a PDF financial statement. Note: scanned PDFs (where text cannot be selected) cannot be read by OCR. Please use manual input instead.

Drag & drop files here, or click to select
Supported formats: PDF

Selected file
FS-ID.pdf
Size: 0.07 MB

Analysis Mode

- Extractor Model (Browser only - Not recommended)**
Coordinate-based document analysis. Accuracy is limited and manual correction may be required.
- OCR Model (Recommended by Naker Rating)** Up to 3 periods
Extracts up to 3 fiscal periods. Higher accuracy with fraud risk detection.

⚠ Non-identifying text fragments extracted from the PDF will be sent externally for analysis. Neither we nor the receiving system store the original PDF file or company name.

I agree to share fragment data with an external server for analysis purposes.

Selecting a Benchmark Company

For manual input, use the link below to search and select a benchmark company.

Benchmark (optional) Remove benchmark

Optional. Add a benchmark company for reference comparison (upload or manual).

Drag & drop files here, or click to select
Supported formats: PDF

Manual input for benchmark

4.2 Data Confirmation (Confirm Page)

Review and edit the extracted financial data on this page. By entering your desired transaction amount, you can compare it against the calculated credit limit — providing a quantitative basis for trade decisions. Entering the industry code, date of establishment, and listing status enables more precise analysis.

Category	Key Fields
Basic Info	Company name, fiscal year, currency, unit, FX rate
Balance Sheet (BS)	Cash, AR, Inventory, Current Assets, Total Assets, AP, ST Borrowings, Current Liabilities, Equity, etc.
Income Statement (PL)	Sales, Gross Profit, Operating Profit, Net Income
Transaction Info	Planned transaction amount (used for trade judgment)

💡 Clicking 'View Results' consumes 1 credit. Returning to the Confirm page and clicking again will consume an additional credit.

Step-by-Step Guide

Select the fiscal period to review (OCR mode, when multiple periods are available).

Enter your desired transaction amount (estimated accounts receivable).

Verify currency, unit, and FX rate (vs JPY). The FX rate is pre-loaded from the master file — update it if you need a more recent rate.

Confirm Figures (Account Boxes)
Review extracted figures and correct if needed. Analysis starts only after confirmation.

Select period (latest by default)
2024 2023 2022
Switching period updates the form below. Review and edit before confirming.

Currency / Unit / FX
Currency (ISO): IDR Unit: 1 FX to JPY (if non-JPY): 0.0093
This rate is sourced from the FX master. Please update if it significantly differs from the current market rate.
If the currency is not JPY, the app will show JPY reference values and include the FX rate in report notes.

Deal Amount
Deal Currency (ISO): SGD Unit: x Million (M)
FX Rate (to JPY): 111.5
This rate is sourced from the FX master. Please update if it significantly differs from the current market rate.
Amount: 2
Enter the transaction amount. This value will be used for the transaction decision on /result and PDF.

Live Preview (Key Indicators)
Current Ratio: 1.61x
Equity Ratio: 26.1%
Debt / Equity: 2.83x
Operating Margin: 8.3%
This panel updates as you edit figures. Next step: NRPD and risk display on /result.

Workflow
1) Upload PDF
2) Extract & map to account boxes
3) User confirms / edits
4) Analysis + NRPD
5) Branded PDF export
6) History per user

Enter company profile: industry code (keyword searchable), date of establishment, listing status.

Company Profile (Optional)

Employees	Listed status	Incorporation (YYYY-MM)
50	Unlisted	1979-11
System	Industry code (optional)	
SIC	1040	

Candidates (click to select)

SIC 1040 — GOLD AND SILVER ORES

Selected: SIC 1040 — GOLD AND SILVER ORES

Optional inputs. Providing them improves NRPD adjustments and the quality of rationale commentary.

Review extracted figures — suspicious values are flagged with a red alert for easy identification.

Balance Sheet (BS)

Period (extracted): 2024

Cash & Deposits 714,650,019 Candidate 1: 714650019 Apply	Accounts Receivable 6,268,393,220 Candidate 1: 6268393220 Apply
Inventory 851,973,872 Candidate 1: 851973872 Apply	Other Current Assets 713,893,165 Candidate 1: 713893165 Apply
Total Current Assets 8,547,910,286 Candidate 1: 8547910286 Apply	
Total Assets 9,937,101,005 Candidate 1: 9937101005 Apply	
Accounts Payable 1,951,648,720 Candidate 1: 1951648720 Apply	Short-term Borrowings 2,284,053,917 Candidate 1: 2284053917 Apply
Other Current Liabilities 1,075,074,513 Candidate 1: 1075074513 Apply	Total Current Liabilities 5,310,777,150 Candidate 1: 5310777150 Apply
Long-term Debt 1,142,693,680 Candidate 1: 1142693680 Apply	Total Liabilities 7,344,645,081 Candidate 1: 7344645081 Apply
Equity 2,592,455,924 Candidate 1: 2592455924 Apply	

Benchmark: Balance Sheet (BS)

Cash & Deposits

514,210,367

Candidate 1: 514210367

Apply

Accounts Receivable

280,791,418

Candidate 1: 280791418

Apply

Inventory

324,904,356

Candidate 1: 324904356

Apply

Other Current Assets

5,012,636

Candidate 1: 5012636

Apply

Total Current Assets

1,674,918,777

Candidate 1: 1674918777

Apply

Total Assets

2,160,089,217

Candidate 1: 2160089217

Apply

Accounts Payable

371,125,360

Candidate 1: 371125360

Apply

Short-term Borrowings

0

Candidate 1: 0

Apply

Check: value is 0 — may not have been extracted

Other Current Liabilities

7,253,513

Candidate 1: 7253513

Apply

Total Current Liabilities

378,378,873

Candidate 1: 378378873

Apply

Long-term Debt

0

Candidate 1: 0

Apply

Check: value is 0 — may not have been extracted

Total Liabilities

426,782,716

Candidate 1: 426782716

Apply

Equity

1,733,306,501

Candidate 1: 1733306501

Apply

EBIT used for default probability calculation excludes financial income/expenses. If unavailable, operating profit is used as a substitute. Gross profit is calculated from sales minus cost of goods sold when not explicitly stated.

Multi-Period Data Entry (3 Years)

In OCR mode, up to 3 fiscal years of data can be entered. With 3 periods, the trend table and NR FS Modification Alert (financial anomaly detection) become available.

The alert visualizes the risk of financial statement manipulation based on factors such as the ratio of accounts receivable and inventory to sales. Note: an alert does not confirm manipulation — please treat it as a reference indicator.

4.3 Reading Results (Result Page)

① NRPD Summary

Displays the NRPD Range (annualized %) and risk zone. See Section 5.1 for details.

② NR Credit Limit & Trade Judgment

Displays Gross and NET credit limits and trade judgment. See Sections 5.3–5.4 for details.

③ Key Metrics & Benchmark Comparison

Metric	Description
Current Ratio	Current Assets / Current Liabilities. Target: above 1.0x
Equity Ratio	Equity / Total Assets. Higher = more financially stable
D/E Ratio	Liabilities / Equity. Lower = more financially sound
Operating Margin	Operating Profit / Sales. Indicator of profitability

④ NCRI (NR Cash-Rich Index)

A proprietary indicator of short-term liquidity. See Section 5.2 for details.

⑤ 3-Year Trend Table (when 3-period data is entered)

Displays key financial metrics across 3 fiscal years, converted to JPY. Improvement vs. prior period is shown in green; deterioration in red. When a benchmark company is specified, cross-company comparison is also available.

3-Period Trend (OCR Mode)						
Financial trends extracted from the last 3 fiscal periods.						
Metric	2024 Subject	2023 Subject	2022 Subject	2024 Benchmark	2023 Benchmark	2022 Benchmark
Sales	147,630	124,626	131,659	8,345,747	9,482,325	9,593,702
Gross Profit	29,198	14,405	13,490	588,231	711,564	896,820
Operating Profit	12,316	-4,051	-4,112	189,248	298,128	463,819
Net Income	9,514	-3,194	-2,752	180,014	250,451	412,533
Total Assets	92,415	88,931	83,633	9,072,375	9,128,624	9,084,382
Equity	24,110	14,595	17,789	7,279,887	7,162,453	7,015,322
Total Liabilities	68,305	74,335	65,844	1,792,487	1,966,171	2,069,059
Cash & Deposits	6,646	6,500	6,452	2,159,684	1,547,657	1,919,597

※ Values in JPY equivalent, thousands (if foreign currency). Purple columns: benchmark entity.

⑥ NR FS Modification Alert (when 3-period data is entered)

Automatically detects financial statement anomalies across 6 indicators. Displayed as LOW / MEDIUM / HIGH.

NR FS Modification Alert

Trend-based anomaly detection across 3 fiscal periods. For reference only.

Low Risk Detection score: 0 / 5

- ✓ Sales / AR ratio is within normal range
- ✓ Asset growth vs profitability is within normal range
- ✓ Inventory level is within normal range
- ✓ Debt structure and current ratio are within normal range
- ✓ Revenue growth trend is within normal range

⑦ Commentary

AI generates commentary across 7 sections including financial summary, NRPD rationale, credit limit basis, and trade judgment. Switchable between Japanese and English.

Rationale (Commentary)

1. Financial Summary

In 2024, the subject reported sales of 15,874,235,407 with an operating profit of 1,324,302,917, yielding an operating margin of 8.3% and net income of 1,023,054,223. The equity ratio stood at 26.1%, the D/E ratio at 2.83x, and the current ratio at 1.61x. Over the three-year period, the entity demonstrated a strong recovery from consecutive operating losses in 2022 and 2023 (operating profits of -442,107,837 and -435,576,984 respectively) to achieve substantial profitability in 2024, while gradually improving the equity position from 1,912,831,718 in 2022 to 2,592,455,924 in 2024.

2. Benchmark Comparison

The subject's equity ratio of 26.1% is significantly lower than the benchmark entity's 80.2%, and its D/E ratio of 2.83x is substantially higher than the benchmark's 0.25x, indicating considerably greater leverage. The subject's current ratio of 1.61x compares favorably against the benchmark's 4.43x (1,674,918,777 / 378,378,873), though the gap reflects the benchmark's superior liquidity cushion. The subject's operating margin of 8.3% materially exceeds the benchmark's 2.3% (45,059,011 / 1,987,082,588), demonstrating stronger operational efficiency despite weaker capital structure. Both entities share a STRONG NCRI Tier, with the subject's NCRI/TA of 23.6% modestly above the benchmark's 19.4%, but the subject's elevated leverage and moderate NRPD range of 1.8–2.3% versus the benchmark's 0.3–0.8% position it as a higher-risk credit profile overall.

3. NRPD Rationale

4.4 PDF Report Export

Click the 'View PDF Report' button at the bottom of the Result page. Then use your browser's print function (Ctrl+P) and select 'Save as PDF'.

💡 PDFs are generated entirely in your browser. No data is stored on our servers.

Export Report

Open the report page and use your browser's print dialog to save as PDF.

 **Open PDF Report**

5. Key Metrics Explained

5.1 NRPD Range & Risk Zone

NRPD represents the annualized probability of default within the next 12 months. It is calculated using Naker Rating's proprietary composite model — combining standard financial analysis indicators with Naker Rating's original X-Score — across 4 axes: equity ratio, leverage, liquidity, and profitability.

Risk Zone	NRPD Range	Meaning
Safe Zone	Upper limit ≤ 1.5%	Financially sound. Normal credit terms applicable.
Grey Zone	Upper limit 1.5–6%	Some financial concerns. Careful monitoring recommended.
Distress Zone	Upper limit > 6%	High financial stress. Consider additional conditions or collateral.

5.2 NCRI (NR Cash-Rich Index)

A proprietary indicator of a company's short-term liquidity buffer.

$$\text{NCRI} = (\text{Cash \& Deposits} + \text{AR}) - (\text{AP} + (\text{ST Borrowings} + \text{Other Current Liabilities}) \times 0.8)$$

NCRI / Total Assets	Tier	Meaning
≥ 10%	STRONG	Ample short-term payment capacity
3–10%	ADEQUATE	No near-term liquidity concerns
0–3%	TIGHT	Limited short-term payment buffer
< 0%	WEAK	Short-term debt exceeds liquid assets. Caution required

5.3 Credit Limit (Gross / NET)

$$\text{Gross} = \text{Cash} \times 50\% + \text{AR} \times 70\% - \text{AP} \times 50\% - \text{Adjusted ST Borrowings} \times 50\%$$

NET = Gross / Number of payees (based on sales range table)

5.4 Trade Judgment

Judgment	Condition
Approved	Transaction amount ≤ NET Credit Limit
Caution	NET < Amount ≤ NET + JPY 500,000
Rejected	Amount > NET + JPY 3,000,000, or Credit Limit = 0
Pending	Insufficient financial data or FX rate not entered

6. FAQ

6.1 Account & Plans

Q. Will I be charged automatically after the trial?

A. No. The trial is free for 14 days and up to 5 analyses. After the trial ends, you will NOT be charged automatically. A separate plan purchase is required to continue.

Q. What happens when I run out of credits?

A. When credits reach 0, analyses cannot be performed. Please consider purchasing an additional Spot plan or upgrading to a higher plan.

Q. Can I use multiple email addresses?

A. Each email address is managed as an independent account. For organizational multi-account usage, please contact us.

6.2 Analysis & Results

Q. The NRPD range displayed was very wide. How should I interpret this?

A. A wide NRPD range indicates divergence between multiple financial assessment metrics, suggesting higher uncertainty in the judgment. This is NOT a definitive 'danger' signal — it signals that further investigation with additional information is recommended. Consider obtaining a detailed credit investigation report. Contact: nrpd-app@nrating.jp / 044-440-7080

Q. The credit limit showed as zero. Does that mean the transaction is absolutely not possible?

A. In the FS model, the credit limit becomes zero when the sum of cash and receivables falls below the sum of payables and short-term borrowings. This indicates limited short-term financial capacity, but the final transaction decision requires comprehensive judgment. Consider a detailed credit investigation.

Q. The OCR mode is not reading the financial statements correctly.

A. Scanned PDFs (non-text-selectable) are not supported. Please use a text-selectable PDF or enter data manually on the Confirm page. Accuracy may also be lower for complex layouts, multi-column formats, or heavily graphical statements.

Q. I entered 3 years of data but the trend table is not showing.

A. The 3-year trend table is only available in OCR mode. Extractor mode supports single-period evaluation only.

6.3 Data & Security

Q. Is financial data stored on your servers?

A. Financial statement figures are NOT stored on our servers. PDF reports are also generated entirely within your browser. However, when using OCR mode, text fragments from the PDF are transmitted via an external API server. No personal or company attribute information is included.

Q. Where is my entered data stored?

A. Financial data is temporarily stored in your browser. It may remain accessible across sessions. If you have entered sensitive or confidential data, we recommend clearing your browser cache after use.

7. Disclaimer & Contact

7.1 Disclaimer

All analysis results, reports, and metrics provided by NRPD Web-App are statistical estimates based on input financial data and are provided for reference purposes only. They do not guarantee any final credit, investment, or financing decisions.

Output results do not guarantee future performance, financial condition, or solvency. Naker Rating K.K. accepts no liability for damages arising from the use of this tool. Credit decisions should be made in combination with internal review, additional investigation, and expert consultation as appropriate.

7.2 Contact

Company	Naker Rating K.K.
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Phone	+81 44-440-7080
Website	nrpd.nrating.jp
Support Hours	Weekdays 10:00–19:00 JST

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