

**INDUSTRY DEFAULT PROBABILITIES  
AND CASH FLOW MEASURES  
SAMPLE REPORT**

AGRICULTURE—Wheat Farming NAICS 111140

Current Data Sorted by Assets						Type of Statement	Comparative Historical Data	
						Unqualified	6	2
						Reviewed	6	6
						Compiled	12	9
						Tax Returns	9	11
						Other	11	12
						Assets Size	4/1/02-3/31/03	4/1/03-3/31/04
						Number of Statements	ALL	ALL
							44	40
	3	5	5	3	5			
	4	9	7					
2	7	13	3	1	1			
8	18	8	1					
4	9	16	13	4				
	29 (4/1-9/30/06)		120 (10/1/06-3/31/07)					
0-500M	500M-2MM	2-10MM	10-50MM	50-100MM	100-250MM			
14	41	51	29	8	6			
%	%	%	%	%	%	EXPECTED DEFAULT FREQUENCY	%	%
.13	.15	.16	.19				.51	.58
(13)	.84 (35)	.24 (49)	.25	.24		Risk Calc EDF (1 yr)	1.16	1.16
2.24	.73	.59	.42				3.24	2.98
A1	.75	A1 .85	A3 1.13	Baa1 1.47		Moody's EDF Rating (see note)	Baa3 4.27	Ba1 5.52
Ba1	4.80	Baa2 2.59	Baa1 1.88	Baa2 2.06		Risk Calc EDF (5 yr)	Ba2 7.29	Ba2 7.92
Ba3	9.25	Ba1 5.05	Ba1 4.69	Baa3 3.29			Ba3 11.68	Ba3 12.23
%	%	%	%	%	%	CASH FLOW MEASURES	%	%
						Cash from Trading/Sales		
17.4	20.6	16.7	25.8			Cash after Operations/Sales	17.3	12.9
5.4	8.1	6.6	11.6				4.6	4.8
-2.8	.9	-1.3	4.0				-.1	.3
17.5	20.6	17.1	25.6			Net Cash after Operations/Sales	16.3	12.6
6.3	10.3	6.5	11.7				4.9	4.4
-2.8	3.6	-1.0	4.4				-.2	.5
3.4	10.8	6.4	8.8			Net Cash after Debt Amortization/Sales	6.1	6.3
-2.4	2.7	1.5	2.9				-.2	1.2
-19.3	-6.1	-6.4	-5.9				-5.6	-4.5
5.7	5.8	5.8	6.7			Debt Service P&I Coverage	1.8	2.8
(10)	.2 (40)	2.2 (44)	1.5	1.9			(38) .9 (34)	1.3
-.9	.8	-.5	.6				-.6	.0
13.7	10.2	9.3	6.8			Interest Coverage (Operating Cash)	4.2	7.0
(10)	2.6 (40)	5.2 (42)	3.1 (26)	3.5			(38) 1.7 (33)	2.5
-1.7	1.1	-1.0	.9				-1.2	.2
	6.8	77.3	26.2			Δ Inventory	25.0	36.7
(20)	-3.4 (32)	15.0 (23)	10.1				(25) 2.8 (24)	3.2
	-24.5	-6.1	-3.1				-8.7	-11.4
31.4	34.8	57.5	35.6			Δ Total Current Assets	52.5	27.6
4.6	11.4	15.7	12.5				6.1	5.2
-40.4	-6.3	2.6	-7.2				-14.3	-10.4
41.4	28.2	40.1	23.2			Δ Total Assets	32.3	28.0
7.2	6.6	10.0	8.2				6.1	4.8
-17.2	-1.1	2.6	-3.7				-4.4	-3.1
11.9	65.0	52.8	35.1			Δ Retained Earnings	29.0	25.8
(13)	-41.7	11.1	16.5	15.7			(43) 3.1 (39)	3.4
-93.6	-2.9	-2.0	-2.7				-9.7	-14.1
22.5	15.0	24.3	37.6			Δ Net Sales	18.0	21.6
3.6	7.7	10.0	15.6				3.2	3.2
-34.5	.0	-1.1	3.7				-6.6	-7.8
						Δ Cost of Goods Sold		
155.2	143.1	55.8	102.5			Δ Profit before Int. & Taxes	131.5	150.6
-6.3	5.1	3.0	40.3				5.3	30.8
-158.1	-37.6	-37.3	.1				-41.3	-28.0
362.5	29.7	33.7	29.5			Δ Depr./Depl./Amort.	19.5	31.0
(10)	7.3 (40)	.0 (46)	2.8 (27)	1.8			(41) .0 (34)	5.2
-24.3	-33.1	-12.1	-3.7				-25.9	-23.0
17.6	59.6	34.1	30.0			RATIOS	13.9	38.2
(12)	-34.6	10.9	9.2	4.3		Sustainable Growth Rate	(43) 4.3	8.2
-87.1	-2.2	-8.7	-14.4				-7.0	-.8
.0	.8	1.0	1.3			Funded Debt/EBITDA	.7	1.3
2.5	2.1	2.5	2.6				4.4	3.4
-2.0	4.1	7.4	7.8				8.4	7.3
19436M	108565M	481659M	986035M	726869M	1800234M	Net Sales (\$)	1261287M	593939M
3190M	49777M	239100M	652854M	581334M	1195886M	Total Assets (\$)	569936M	433841M

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See Pages 00 through 00 for Explanation of Ratios and Data

M = \$ thousand MM = \$ million  
Note: The ratings are Moody's.edf rating (e.g. Ba1.edf) and not Moody's Investor Services Long-Term Bond Ratings. If a number of statements appears for the Risk Calc EDF (1 yr), it also applies to the (5 yr).

