



Data FAQ: JAPAN



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Data Sources

What are the main original sources of information? E.g. Chambers of commerce, local courts, yellow pages etc.

NOTE - This should apply to both registered companies and sole traders/non registered companies.

Financial data – Annual reports, government gazette, and investigations

Negative data – Official announcement

Payment Data – N/A

Collection data – N/A

Demographic data – Company website, company registry, and investigations

Shareholders data – Annual reports, company registry and investigations.

Group structure / corporate hierarchy – Annual reports and investigations.

How often the above data is updated e.g. daily, weekly etc?

Depends on the data as it varies from daily to monthly, for example Government Gazette is Daily, & some negative data like sanctions can be monthly.

Do you contact companies via a telephone interview or site visits at regular intervals e.g. once a year?

Yes. We regularly call the companies to update the company information based on fresh investigation requests. We also try to acquire their financial statements as much as possible. The quality and reliability of the data gets better owing to the fresh investigations and thus we recommend customers to request a fresh investigation.

Regulations / Legal requirements

Which types of company have to file financial data e.g. registered companies, public companies only etc?

Joint stock companies known as (K.K.) 'Kabushiki Kaisha' are required to file financial statements by the Japanese corporate law. However, as no penalty is imposed by the government, only listed companies and some private companies are obligated to disclose their financial reports by Financial Instruments and Exchange Act.

Please note that listed companies and non-listed companies with more than 1000 shareholders are required to disclose their financial reports by Financial Instruments and Exchange Act.

List any filing exemptions and thresholds (e.g. companies of certain size may only have to file a balance sheet, large companies have to file a Profit & loss etc)

Companies where their company form is NOT 'joint stock companies' do not have to file.

How long after the financial year end do companies have to file financials?

Listed companies have to file financials within 3 months after the accounts closing date for each year.

What is the penalty for not filing the financial data? Is it likely a company would prefer the penalty rather than filing them? (For example in France: the penalty for this is 1,500€ fine; 2/3 companies choose that rather than filing them).

No penalty imposed by the government. However, if listed companies do not file their financial reports, they are delisted.

Negative Data

What type of negative data is available in your country e.g.

Bankruptcies, liquidations, and dissolution – Yes

Corporate reorganizations and revitalizations – Yes

Administrative sanctions - Yes

Court Cases/Actions – N/A

Debt collection cases – N/A

How often is this negative data updated?

Depending on the data it varies from Daily to Monthly, for example Bankruptcy & Liquidation data is daily, & some sanction data is monthly

Credit Rating/Scores & Limit

Do you give a credit score & limit on all companies?

Score and limit is appended to active companies.

If not, what are the exceptions?

Active is defined as not in an insolvency process at the time of investigation.

What is the credit score intended to predict? E.g. insolvency, ability to pay etc

Insolvency.

Is Payment data included in your credit scoring model?

No. In Japan, companies are more conservative and thus are reluctant in exposing their trade payment data.

What does the credit limit mean? E.g. amount of credit you can extend in a 30 day period etc?

Amount of credit to extend at any one time.

General

Do you have trade payment data?

No. It's very uncommon in Japan to share the trade payment data and organizations are keen in the financials as against trade payment data. Additionally, companies in Japan are quite reluctant in sharing their payment information.

What version of activity codes are used in the reports?

(JSIC) Japan Standard Industrial Classification Code.

What company ID numbers are available (e.g. local registration number, VAT number, etc)?

We have Safe Number, Corporate Number and Corporate Registration Number.