

Table 1: **Summary Statistics, DRAFT.**

Automated output. The table version in the submitted paper was manually adjusted in style due to space constraints. The resizebox argument was manually added to the .tex code.

variable	No. of obs.	Mean	SD	Min	p10	Median	p90	Max	No. of firms
Operating cash flow/ Average assets	166784	0.042	0.279	-1.415	-0.247	0.102	0.261	0.592	7071
Leverage	159761	0.224	0.213	0.000	0.000	0.186	0.525	0.871	7004
Interest expense/ Average assets	138121	0.026	0.039	0.000	0.000	0.016	0.056	0.299	6536
Net worth/ Assets	165471	0.489	0.282	-0.534	0.156	0.504	0.838	0.961	7033
Current ratio	168226	2.945	3.364	0.043	0.771	1.960	5.840	24.800	7088
Market-to-book	156708	2.722	4.515	0.181	0.667	1.427	5.212	36.941	7042
Change in Ln(Assets)	150928	0.064	0.449	-8.990	-0.265	0.046	0.402	13.078	6645
Change in Ln(PPENT)	149304	0.044	0.524	-10.792	-0.312	0.026	0.438	10.463	6604
CAPEX/ Average assets	161739	0.060	0.096	-2.247	0.004	0.034	0.137	2.415	7048
R&D/ Assets	83932	0.033	0.056	0.000	0.000	0.018	0.078	1.000	4384
Assets (\$ millions)	168340	2241.498	14323.014	0.001	17.100	193.300	3370.200	829550.000	7089
PPENT (\$ millions)	166915	746.317	3854.587	0.001	1.490	35.200	1058.560	123258.000	7054
Assets (4 leads)/ Assets	150928	10.366	1973.602	0.000	0.767	1.047	1.495	478100.000	6645
PPENT (4 leads)/ PPENT	149304	2.003	106.102	0.000	0.732	1.027	1.549	35000.000	6604
PPENT/ Assets	166914	0.269	0.233	0.000	0.038	0.194	0.644	1.000	7054
Financial covenant violation	162208	0.069	0.254	0.000	0.000	0.000	0.000	1.000	7089
New financial covenant violation	162208	0.020	0.140	0.000	0.000	0.000	0.000	1.000	7089
One-time violator	162208	0.102	0.302	0.000	0.000	0.000	1.000	1.000	7089
Frequent violator	162208	0.358	0.480	0.000	0.000	0.000	1.000	1.000	7089