

Table 5: **Comparison of Regression Results. DRAFT**

Automated output. The table version in the submitted paper was manually adjusted in style due to space constraints.

	Change in Ln(Assets)		Change in Ln(PPENT)		Change in CAPEX / Average assets	
	(1)	(2)	(3)	(4)	(5)	(6)
New financial covenant violation	-0.041*** (0.008)	-0.041*** (0.007)	-0.030*** (0.010)	-0.042*** (0.011)	-0.006*** (0.002)	-0.005** (0.002)
Operating cash flow / Average assets	0.200*** (0.032)	0.309*** (0.030)	0.204*** (0.025)	0.312*** (0.022)	0.013*** (0.002)	0.011*** (0.002)
Leverage	-0.060** (0.023)	-0.095*** (0.023)	0.060** (0.029)	-0.024 (0.029)	-0.009* (0.004)	-0.007** (0.003)
Interest expense / Average assets	0.347* (0.183)	0.604*** (0.208)	0.629** (0.258)	0.785*** (0.240)	0.080*** (0.028)	0.122*** (0.021)
Net worth / Assets	0.093*** (0.022)	0.031 (0.023)	0.217*** (0.027)	0.110*** (0.023)	-0.003 (0.002)	0.001 (0.001)
Current ratio	-0.005*** (0.001)	-0.005*** (0.001)	0.007*** (0.002)	0.006*** (0.001)	0.001*** (0.000)	0.001*** (0.000)
Market-to-book ratio	0.018*** (0.001)	0.063*** (0.003)	0.014*** (0.001)	0.047*** (0.002)	0.000 (0.000)	-0.001*** (0.000)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
FE & Clustered SE	Yes	Yes	Yes	Yes	Yes	Yes
Num. obs.	108204	150474	107946	150019	101035	145442
Num. groups: calendar	45		45		45	
Num. groups: ffi	36		36		36	
Num. groups: fqtr	4		4		4	
R ² (full model)	0.111		0.094		0.053	
R ² (proj model)	0.072		0.068		0.048	
Adj. R ² (full model)	0.110	0.170	0.093	0.140	0.052	0.060
Adj. R ² (proj model)	0.072		0.068		0.048	

*** $p < 0.01$; ** $p < 0.05$; * $p < 0.1$