

Table 1: Asset structure (tangible asset asset versus intangible asset asset) and internal finance

	Dependent variable					
	(1)	(2)	(3)	(4)	(5)	(6)
	Tangible to asset	RD	Tangible to asset	RD	Tangible to asset	RD
log(cashflow)	-0.116*** (0.003)	0.0003** (0.0001)			-0.116*** (0.003)	0.0003** (0.0001)
log(current ratio)			-0.021*** (0.003)	0.0001 (0.0001)	-0.015*** (0.003)	0.0001 (0.0001)
log(liabilities to asset)	-0.009** (0.004)	0.0003* (0.0002)	-0.033*** (0.005)	0.0005** (0.0002)	-0.029*** (0.005)	0.0004** (0.0002)
log(age)	0.018*** (0.003)	-0.0001 (0.001)	0.014*** (0.003)	-0.00001 (0.001)	0.018*** (0.003)	-0.0001 (0.001)
export to sale	0.001 (0.006)	0.001 (0.0004)	0.0005 (0.006)	0.001 (0.0004)	0.001 (0.006)	0.001 (0.0004)
log(cashflow) \times private	-0.049*** (0.004)	0.0001 (0.0002)			-0.048*** (0.004)	0.0001 (0.0002)
log(current ratio) \times private			-0.021*** (0.004)	0.0001 (0.0001)	-0.013*** (0.004)	0.0001 (0.0001)
firm-ownership	Yes	Yes	Yes	Yes	Yes	Yes
industry	Yes	Yes	Yes	Yes	Yes	No
year	Yes	Yes	Yes	Yes	Yes	Yes
Observations	331,705	127,388	331,705	127,388	331,705	127,388
R ²	0.888	0.655	0.873	0.655	0.888	0.655

This table estimates eq(X). Heteroskedasticity-robust standard errors clustered at the firm level appear in parentheses. Dependent variables include firm's TFP level. Independent variable cashflow is measured as net income + depreciation over asset; current ratio is measured as current asset over current liabilities. * Significance at the 10%, ** Significance at the 5%, *** Significance at the 1%.