Table 1. Sample firms by technological sector, year and treatment status (inclusion in the program LP6) - amount of subsidies per year.

	low tech		**low-mid tech**		**high-mid tech**		**high tech**		**total**		**Co-financed amount of subsidies (current values €)**			
	NSF*	SF**	NSF*	SF**	NSF*	SF**	NSF*	SF**	NSF*	SF**	average	std. dev.	min	max
2001	57	0	166	0	77	0	39	0	339	0				
2002	52	1	142	0	69	3	37	3	300	7	706,394.8	1,276,796.0	30,180.0	4,720,260.0
2003	52	2	154	2	54	3	46	8	306	15	993,488.5	617,534.5	46,559.9	1,717,250.0
2004	46	2	121	2	41	5	47	1	255	10	603,212.8	3,376,766.0	133,499.6	12,000,000.0
2005	49	2	134	2	55	3	52	5	290	12	2,068,161.0	864,055.0	47,362.5	2,606,848.0
2006	77	2	200	5	71	6	66	7	414	20	916,883.0	770,804.0	59,187.1	2,746,977.0
2007	81	2	226	6	73	8	72	9	452	25	887,238.8	1,287,379.0	241,817.2	4,666,648.0
2008	166		359		159		142		826					
Total	580	11	1502	17	599	28	501	33	3182	89				

*Notes: * NSF: not subsidized firm; **SF: subsidized firm.*

Table 1 includes both treated firms and all the “potential controls”. Among the latter in each evaluation exercise we choose a subset of controls.

Table 2. Sample structures and block partition according to the Dehejia and Wahba (2002) procedure.

Time lags of the estimated effects	on common support					
	Blocks	Controls	Subsidized	Used obs.	Discarded Treated	Full sample
1 year lag	7	786	87	866	2	1124
2 years lags	5	495	61	551	5	879
3 years lags	6	378	39	417	5	661

Table 3. Propensity score estimations for different time lags. Dependent variable: Prob(Subs=1,t_1).

	One year lag			Two years lags			Three years lags		
control variables:	Coef.	Std. Err.	z	Coef.	Std. Err.	z	Coef.	Std. Err.	z
Capint(t_0)	-0.021	*0.085*	0.250	0.078	*0.122*	0.640	-0.009	*0.184*	-0.050
Inta(t_0)	0.000	*0.000*	0.430				0.000	*0.000*	-1.380
TSxempl(t_0)	-0.001	*0.001*	2.030**	-0.001	*0.001*	-1.410	-0.002	*0.001*	-1.400
TS(t_0)	0.000	*0.000*	2.850**	0.000	*0.000*	2.290**	0.000	*0.000*	2.490**
Inta_int(t_0)	1.089	*0.479*	2.280**	1.004	*0.962*	1.040	2.125	*1.485*	1.430
Inta_int(t_0)^2	-0.351	*0.213*	-1.650*	-0.361	*0.854*	-0.420	-1.075	*1.413*	-0.760
Cashflow(t_0)	0.074	*0.504*	0.150	4.653	*2.568*	1.810*	0.963	*1.062*	0.910
Cashflow(t_0)^2	-0.261	*0.564*	-0.460	-14.969	*9.124*	-1.640	0.305	*0.993*	0.310
Δinta_int(t_0)	0.242	*0.322*	0.750	0.663	*0.802*	0.830			
Age(t_0)	0.005	*0.004*	1.110	-0.003	*0.005*	-0.480	-0.006	*0.007*	-0.810
constant	-2.485	*0.267*	9.320***	-3.097	*0.412*	7.520***	-3.393	*0.505*	6.710***

Notes: Included dummies: technological sector, year, size class (EU definition). Probit specification.

Table 4. Performance of the propensity score specification.

	1 year lag		2 years lags		3 years lags	
	before	after	before	after	before	after
LR χ^2	133.52	8.14	109.42	19.98	80.58	10.64
Prob > χ^2	0.0000	0.9909	0.0000	0.4593	0.0000	0.9091
Pseudo R^2	0.2314	0.0415	0.2626	0.0156	0.2719	0.1229

Table 5. CDID estimations of average treatment effect on treated ($\hat{\alpha}_{DDM}$).

	Intangibles intensity			
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.312	2.540	0.288	-0.024
	0.123			
2 years lags	0.152	4.570	0.133	-0.019
	0.033			
3 years lags	0.066	1.270	0.056	-0.010
	0.052			
	Employment (log)			
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.048	1.090	0.063	0.015
	0.044			
2 years lags	0.138	2.440	0.144	0.005
	0.057			
3 years lags	0.263	1.760	0.295	0.032
	0.149			
	Unit labor cost			
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	26.429	2.490	26.751	0.322
	10.598			
2 years lags	11.341	3.960	12.508	1.166
	2.862			
3 years lags	6.529	2.190	6.648	0.119
	2.978			
	Capital intensity			
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.066	1.120	0.075	0.009
	0.059			
2 years lags	0.028	0.360	0.021	-0.007
	0.078			
3 years lags	-0.061	-0.810	-0.041	0.019
	0.075			

Notes: standard errors in italics.

Table 6. CDID estimations of average treatment effect on treate ($\hat{\alpha}_{DDM}$) –firm performance.

Total sales (log)				
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.023	0.880	0.025	0.002
	0.026			
2 years lags	0.045	1.160	0.068	0.023
	0.038			
3 years lags	0.210	1.830	0.165	-0.045
	0.115			
Labor productivity (value added per employee)				
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	5.754	0.720	5.389	-0.365
	8.017			
2 years lags	-0.491	-0.090	-1.695	-1.204
	5.549			
3 years lags	16.156	1.380	9.417	-6.738
	11.674			
Profitability				
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.018	1.150	-0.006	-0.024
	0.015			
2 years lags	0.032	1.510	0.014	-0.018
	0.021			
3 years lags	0.040	0.860	0.033	-0.007
	0.046			

Table 7. Robusteness checks: CDID estimations of average treatment effect on treated ($\hat{\alpha}_{DDM}$) - intangibles intensity.

nearest neighbor (3 matches)				
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.313	2.690	0.265	-0.048
	0.116			
2 years lags	0.162	4.800	0.131	-0.031
	0.034			
3 years lags	0.152	2.210	0.069	-0.083
	0.069			
nearest neighbor (1 match)				
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.268	2.370	0.265	-0.002
	0.113			
2 years lags	0.162	4.320	0.131	-0.031
	0.037			
3 years lags	0.183	1.350	0.069	-0.114
	0.136			
Sample restricted to medium-high and high technology firms				
	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.350	2.480	0.309	-0.040
	0.141			
2 years lags	0.240	4.200	0.191	-0.050
	0.057			

Notes: standard errors in italics.

Table 8. Imbens (2004) indirect tests of unconfoundedness - intangible intensity.

	$\hat{\alpha}_{DDM}$	T-stat	Treated	Controls
1 year lag	0.005	0.110	0.001	-0.004
	0.045			
2 years lags	0.004	0.170	-0.003	-0.008
	0.026			
3 years lags	-0.003	-0.040	-0.021	-0.018
	0.059			

Notes: standard errors in italics.

Figure 1. Distributions of the propensity score for treated and control subsamples. Not Matched.samples one year time lag.

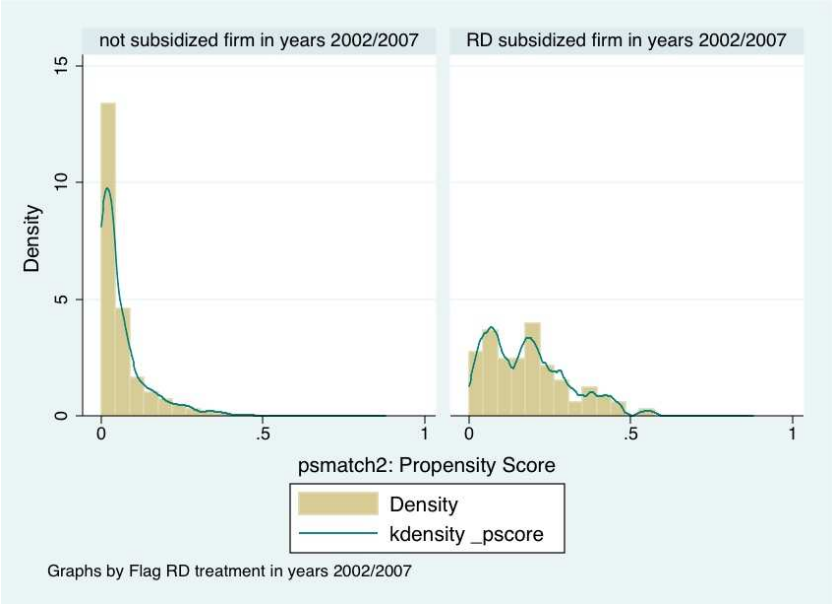

Figure 2. Distributions of the propensity score for treated and control subsamples. Matched.samples one year time lag.