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| Table S1: Regression by Intangible intensity  Growth in non-current assets | | |
| Growth in | Other digital intensities | Other digital intensities – no primary | |
| Productivity | 0.047\*\*\* | 0.034\*\*\* | |
| (s.e.) | (0.010) | (0.008) | |
| GFC\*Productivity | -0.007 | -0.008 | |
|  | (0.009) | (0.008) | |
| Post-GFC\*Productivity | -0.029\*\*\* | -0.025\*\* | |
|  | (0.009) | (0.008) | |
| **Controls** |  |  | |
| Industry\*year | Y | Y | |
| State\*year | Y | Y | |
| State Unemp\*productivity | Y | Y | |
| Size | Y | Y | |
| Age | Y | Y | |
| Sales Growth | Y | Y | |
| **Observations** | 1,631,670 | 1,555,025 | |
| **Adj-R-squared** | 0.028 | 0.028 | |
| Note: (a) Errors clustered at an industry level. GFC period is 2008-2011. Post GFC is 2012-2017. Overall sample 2005-2017. No primary excludes agriculture and mining. | | |

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| Table S2: Capital Reallocation Regression by Gearing  Growth in non-current assets | | |
|  | Split based on top quartile | Split based on top decile |
| Productivity | 0.029\*\*\* | 0.034\*\*\* |
| (s.e.) | (0.007) | (0.007) |
| Productivity – high gear | 0.008 | -0.024 |
| (s.e.) | (0.016) | (0.028) |
| Post-GFC\*Productivity | -0.025\*\*\* | -0.028\*\*\* |
| (s.e.) | (0.008) | (0.008) |
| Post-GFC\*Productivity – high gear | 0.011 | 0.057\* |
| (s.e.) | (0.018) | (0.031) |
| **Controls** |  |  |
| Industry\*year | Y | Y |
| State\*year | Y | Y |
| State Unemp\*productivity | Y | Y |
| Age | Y | Y |
| Size | Y | Y |
| Sales Growth | Y | Y |
| **Observations** | 2,049,267 | 2,049,267 |
| **Adj-R-squared** | 0.029 | 0.029 |
| Note: (a) Errors clustered at an industry level. GFC period is 2008-2010. Post GFC is 2011-2017. Overall sample 2005-2017. Gearing is two periods lagged to ensure assets not used in both capital growth and gearing in same period. Cashflow is lagged cash flow. Results robust to contemporaneous. | | |

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| Table S3: Capital Reallocation by Financial Dependence Regression  Growth in non-current assets, no large firms | | | | |
|  | Most financially dependent quartile | Other financial dependence | Most equity dependent quartile | Other equity dependence |
| Productivity | 0.048\*\*\* | 0.025\*\*\* | 0.010 | 0.049\*\*\* |
| (s.e.) | (0.016) | (0.009) | (0.011) | (0.010) |
| GFC\*Productivity | -0.013 | -0.006 | 0.011 | -0.007 |
| (s.e.) | (0.017) | (0.009) | (0.013) | (0.011) |
| Post-GFC\*Productivity | -0.036\*\*\* | -0.010 | -0.014 | -0.021\*\* |
| (s.e.) | (0.013) | (0.009) | (0.012) | (0.011) |
| **Controls** |  |  |  |  |
| Industry\*year | Y | Y | Y | Y |
| State\*year | Y | Y | Y | Y |
| State Unemp\*productivity | Y | Y | Y | Y |
| Size | Y | Y | Y | Y |
| Age | Y | Y | Y | Y |
| Sales Growth | Y | Y | Y | Y |
| **Observations** | 555,933 | 1,315,514 | 575,520 | 1,295,930 |
| **Adj-R-squared** | 0.032 | 0.031 | 0.031 | 0.030 |
| Note: (a) Errors clustered at an industry level. GFC period is 2008-2011. Post GFC is 2012-2017. Overall sample 2005-2017. Firms with over 500 FTE excluded. | | | | |