

Table 2: (Cont) Definition of Variables and Descriptive Statistics

Name	Variable Definition	Unit	ES	$\mu$	$\sigma$
<b>The Independent Variables (continued)</b>					
b107	Sale of PPE-last fis. year-flow of funds stat. (FFS)	MMD	?	3.94	19.62
b108	Sale of common and preferred stocks-(FFS)	MMD	?	13.11	47.18
b109	Sale of investments-(FFS)	MMD	?	51.85	433.22
b110	Total funds from operations-stat. of changes (SC)	MMD	+	63.75	187.37
b111	Long term debt issuance-(FFS)	MMD	-	41.99	113.06
b112	Total sources of funds-(SC)	MMD	?	116.53	750.37
b113	Increase in investments-(FFS)	MMD	?	80.37	652.087
b114	Long term debt reduction-(FFS)	MMD	-	35.47	115.69
b115	Purchase of common and preferred stock-(FFS)	MMD	+	13.75	66.65
b116	Total uses of funds-(SC)	MMD	?	112.29	735.59
b123	Income before ext. items-(FFS)	MMD	?	36.47	127.12
b127	Cash Dividends-(FFS)	MMD	+	17.32	51.52
b128	Capital expenditure-(FFS)	MMD	+	43.73	110.12
b129	Acquisitions-(FFS)	MMD	+ ?	14.24	60.89
b149	Audit / auditor's opinion	code	?	40.32	29.99
b172	Net income (loss)	MMD	+ ?	51.16	148.79
b181	Total liabilities	MMD	-	1713.18	6091.53
b216	Stockholder's equity	MMD	+	462.65	1127.98
b235	Common equity liquidation value	MMD	+	275.76	670.89
b248	Acquisition-Income contribution	MMD	+	-0.04	2.20
b249	Acquisition-sales contribution	MMD	?	7.69	54.65
b279	fortune rank	code	+	42.08	102.43
b280	The S & P Bond rating	code	+	4.042	6.26
b282	The S & P stock rating	code	+	9.81	8.30
b283	The S & P commercial paper rating	code	+	17.84	38.77

The number part of the variables' name are the COMPUSTAT assigned item numbers. ES=Expected Sign of Coefficient. Units M=Thousands, MM=millions, MMD=Millions of Dollars, DC=Dollars and Cents.