We estimate several equations where various measures of performance are taken as the dependent variable and are regressed against the extent of shareholding by the local government plus SOEs and/or other explanatory variables. The equations have the following forms:

$$PERFORMANCE = \alpha_1 + \alpha_2 LGOVTSH + \alpha_3 SIZE + \alpha_4 PROV + \alpha_5 PRIVATE$$
$$PERFORMANCE = \alpha_1 + \alpha_2 NPL + \alpha_3 SIZE + \alpha_4 LOAMAN + \alpha_5 PRIVATE$$

As dependent variable we consider alternatively ROA, ROE, NPL, LOAGOV (the share of CCB loans going to the local government + SOEs), and LOASE (the share of CCB loans targeted to small enterprises). Among the explanatory variables we consider (not all at the same time for reasons of few observations): the logarithm of the shareholding of the CCB by the local government + SOEs (LGOVTSH); the total assets of the CCB (SIZE); a variable controlling for the province where the CCB operates (PROV; to be more parsimonious we used here a graduated dummy taking a value of 1 for Sichuan, 2 for Hubei and 3 for Zhejiang), a dummy variable identifying CCBs with private shareholding above 50% and/or the fact that some of the directors are appointed by private shareholders (PRIVATE) and, where applicable, LOAGOV and the share of CCB loans going to manufacturing (LOAMAN). Reported t-statistics are obtained via OLS and are Huber-White heteroskedastic consistent. The superscripts ***, ** and * indicate that the coefficient is different from zero respectively at the 1%, 5% and 10% confidence level.

PANEL 3A - ROA

Dependent Variable: ROA	General specif. 1 Coeffic	t-stat	Pref. specif. 1 Coeffic	t-stat	General specif. 2 Coeffic	t-stat	Pref. specif. 2 Coeffic	t-stat
LGOVTSH	9.6761	0.46	---	---	---	---	---	---
SIZE	0.0086	2.04*	0.0076	1.91*	0.0063	1.73	0.0063	1.79*
PROV	-35.7360	-1.25	---	---	---	---	---	---
PRIVATE	5.9971	0.18	---	---	---	---	---	---
NPL	---	---	---	---	-0.0290	-2.04*	-0.0290	-2.10*
LOAMAN	---	---	---	---	-0.0001	-0.01	---	---
CONSTANT	-8.4265	-0.05	16.8941	0.74	75.1636	1.79*	74.7970	2.32**
No. obs.	18		19		18		18	
F	(4,13) 2.26		(1,17) 3.65*		(3,14) 2.52*		(2,15) 4.02**	
R2	0.531		0.445		0.5866		0.587	

PANEL 3B - ROE

Dependent Variable: ROE	General specif. 1 Coeffic	t-stat	Pref. specif. 1 Coeffic	t-stat	General & Preferred specification 2 Coefficient	t-stat
LGOVTSH	268.9953	0.44	---	---	---	---
SIZE	0.2004	2.11*	0.1685	1.90*	0.1533	1.97*
PROV	-587.4227	-0.76	---	---	---	---
PRIVATE	638.7012	0.73	---	---	---	---
NPL	---	---	---	---	-0.5860	-2.25**
LOAMAN	---	---	---	---	0.3100	1.75*

CONSTANT|-1287.3340 -0.25 627.3720 0.72 161.5951 0.20
---------+--

No. obs. | 17 18 17
F |(4,12) 2.36 (1,16) 3.60* (3,13) 3.43**
R2 | 0.457 0.386 0.576

PANEL 3C - NPL

Dependent| General specif. 1 Pref. specif. 1 General specif. 2 Pref. specif. 2
Variable:|
NPL | Coeffic t-stat Coeffic t-stat Coeffic t-stat Coeffic t-stat
---------+--

LGOVTSH | 464.5980 1.32 577.8603 2.10** --- --- --- ---
SIZE | -0.0508 -1.52 --- --- -0.0345 -1.01 -0.0402 -1.27
PROV | -103.7221 -0.23 --- --- --- --- --- ---
PRIVATE |-1012.7012 -1.35 --- --- --- --- --- ---
LOAGOV | --- --- --- --- 0.1026 0.67 --- ---
LOAMAN | --- --- --- --- 0.0830 0.51 --- ---
CONSTANT|-1107.7540 -0.39 -3026.8710 -1.45 1324.8150 1.54 1933.3950 4.85***
---------+--

No. obs. | 18 19 19 19
F |(4,13) 1.77 (1,17) 4.40* (3,15) 0.78 (1,17) 1.61
R2 | 0.291 0.117 0.095 0.069

PANEL 3D - LOAGOV

Dependent| General specification Preferred specification
Variable:|
LOAGOV | Coefficient t-stat Coefficient t-stat
---------+--

LGOVTSH | 1170.6090 2.16* 1317.9780 2.46**
SIZE | -0.0441 -1.45 --- ---
PROV | 418.4829 0.86 --- ---
PRIVATE | -176.6351 -0.37 --- ---
LOAMAN | -0.2335 -1.83* -0.1898 -1.75*
CONSTANT|-6757.4650 -1.51 -7786.0260 -1.92*
---------+--

No. obs. | 18 19
F | (5,12) 1.65 (2,16) 3.14*
R2 | 0.594 0.518

PANEL 3E - LOASE

Dependent| General specification Preferred specification
Variable:|
LOASE | Coefficient t-stat Coefficient t-stat
---------+--

LGOVTSH | -676.3516 -2.31** -692.9525 -2.57**
SIZE | -0.0415 -1.32 -0.0456 -1.86*
PROV | 264.8331 0.86 --- ---
PRIVATE | 345.1122 0.71 --- ---
CONSTANT| 6528.5770 2.62** 7378.7230 3.25***
---------+--

No. obs. | 16 17
F | (4,11) 1.88 (2,14) 4.68**
R2 | 0.278 0.277
