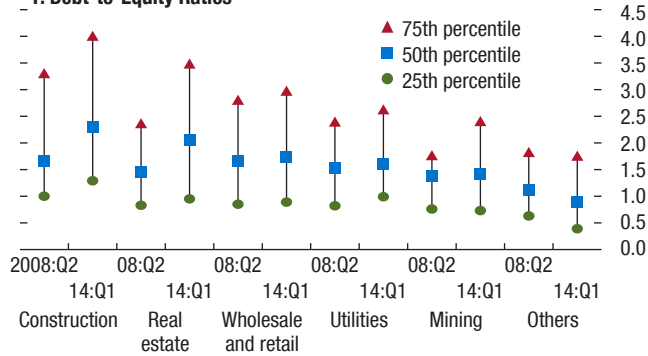


**Figure 1.14. China Corporate Indicators**

Leverage appears not to have increased significantly...

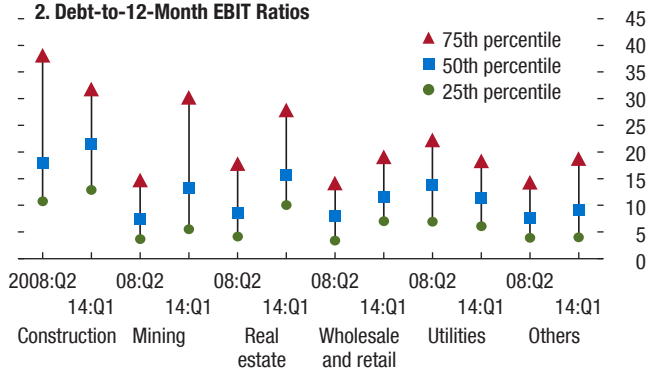
**1. Debt-to-Equity Ratios**



Sources: WIND; and IMF staff calculations.  
 Note: Sample of firms with available debt and equity data that were listed on a stock exchange or had issued bonds by 2008:Q2 (about 2,412 firms) and 2014:Q1 (about 3,412 firms).

...but debt-servicing capacity is worse, particularly in property-related sectors...

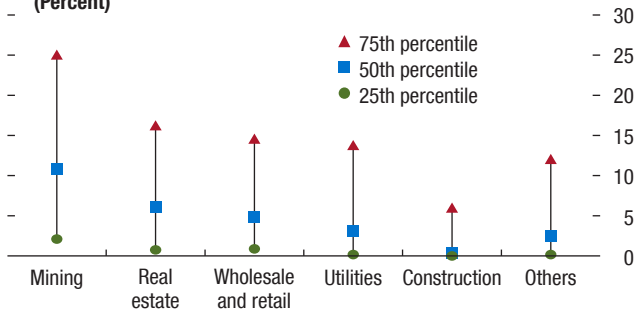
**2. Debt-to-12-Month EBIT Ratios**



Sources: WIND; and IMF staff calculations.  
 Note: Sample of firms with available debt and EBIT data that were listed on a stock exchange or had issued bonds by 2008:Q2 (about 2,172 firms) and 2014:Q1 (about 3,161 firms). EBIT = earnings before interest and taxes.

...increasing risk of default.

**3. Corporate Sector Default Probabilities after Stress (Percent)**



Sources: WIND; and IMF staff calculations.