

## **Impact of Subsidies on Performance of Enterprises**

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This paper investigates association between subsidies and performance of enterprises, which is measured by financial indicators, and economic, social and environmental aspects of sustainable development. Growth in eight financial indicators is compared between enterprises that received and did not receive subsidies during the years 2000 and 2014 for two sub-periods programming period. The mixed results by sub-samples indicate complexity in links between subsidies and financial performance. The regression analysis confirmed that subsidies are significantly positively associated with economic and ecological aspects of sustainable development, while the association between subsidies and social aspects of sustainable development is found insignificant.

*Keywords:* subsidies, financial indicators, economic performance, sustainable development