



FINANCIAL PERFORMANCE OF MERGERS AND  
ACQUISITIONS OF SELECTED BANK IN MALAYSIA

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JANUARY 2015

## ACKNOWLEDGEMENTS

Praise and thank to Allah S.W.T for giving me strength to finish my course of Bachelor of Finance programme which is Fin668 the Industrial Training Project Paper. I would never have been able to finish this research without guidance of my advisor, friends and support from my family.

I would like to express my appreciation to my Main Supervisor, Madam Sarmila Udin for her great effort on giving lesson, guideline, encouragement, suggestion to accomplish this research and her willingness to give her time has been very much appreciated. Furthermore, I am also thanks to my second advisors, Dr Imbarine Bujang for his useful suggestion and guideline has been very much appreciated throughout this research study. I am also thankful to Universiti of Teknologi MARA (UiTM), Sabah, for giving me an opportunity to pursue my Bachelor of Finance. I am also really thankful to all my lectures with their support and guided me in this field of study.

I would also like to thank my parents, as well to my siblings for their support and encouragement throughout my study.

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## ABSTRACT

This study is to evaluate the financial performance of two banks that involved in mergers and acquisitions of selected bank in Malaysia which are Bumiputra Commerce Berhad and Southern Bank Berhad into CIMB bank. This mergers and acquisitions occur on 2006. This study focuses on six variables that are gross profit margin, spread analysis, capital adequacy ratio, return on capital employed, returned on equity and debt to equity ratio used as a independent variable. This entire variable used to compare the financial performance for each during pre and post mergers and acquisitions. The year of merger will be excluded in this study which is year of 2006. The pre mergers period is year of 2000 to 2005 while the year of post mergers is 2007 to 2012. This study used software of Statistical Package Social Sciences (SPSS) to analyze the relationship all the variable between the pre and post mergers and acquisitions. The result from regression analysis shows that during post merger and acquisition have an increased their financial performance of the bank.