

**THE IMPACT OF LEVERAGE, LIQUIDITY AND FIRM SIZE TOWARDS
PROFITABILITY OF TECHNOLOGY COMPANIES LISTED IN BURSA
MALAYSIA**

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TABLE OF CONTENT

TITLE PAGE		i
DECLARATION OF ORIGINAL WORK		ii
LETTER OF SUBMISSION		iii
ACKNOWLEDGEMENT		iv
TABLE OF CONTENTS		v
LIST OF TABLES		ix
APPENDICES		x
LIST OF FIGURES		xi
LIST OF ABBREVIATIONS		xii
ABSTRACT		xiii
CHAPTER 1	INTRODUCTION	
	1.1 Introduction	1
	1.2 Research Background	1-2
	1.3 Problem Statement	2-3
	1.4 Research Objective	2
	1.5 Significance of Study	3
	1.5.1 Body of Knowledge	3
	1.5.2 The Government	3
	1.5.3 The Investors	3
CHAPTER 2	LITERATURE REVIEW	
	2.1 Introduction	4
	2.2 Underpinning Theories	4
	2.2.1 Modigliani and Miller / The Irrelevance Theory	4-5
	2.2.2 Trade-Off Theory of Liquidity	5-6
	2.2.3 Economic Theory	6-7
	2.3 Dependent Variable	7
	2.4 Independent Variable	8

2.4.1 Leverage	8
2.4.2 Liquidity	8-9
2.4.3 Firm Size	9
2.5 Empirical Research between Independent Variable and Dependent Variable	9
2.5.1 Relationship between Leverage and Profitability	10-11
2.5.2 Relationship between Liquidity and Profitability	11-12
2.5.3 Relationship between Firm Size and Profitability	12-13
2.6 Empirical Research Findings	13-23
2.7 Conceptual Framework	24-26
2.8 Development of Hypothesis	26-27
2.9 Chapter Summary	27

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction	28
3.2 Research Design	28
3.2.1 Population	28
3.3 Sampling Design	29
3.4 Data Collection	29-30
3.4.1 Data Collection Method	30
3.5 Instrumentation / Modelling	30-31
3.6 Measurement of Variables	32
3.6.1 Profitability	32
3.6.2 Leverage	32-33
3.6.3 Liquidity	33-34
3.6.4 Firm Size	34
3.7 Data Analysis	35
3.7.1 Multiple Regression	35
3.7.2 Descriptive Statistics	36
3.7.3 Correlation Matrix	36
3.7.4 Panel Unit Root Test	36-37

ABSTRACT

The purpose of this paper is to discover interrelationship between Financial Leverage, Liquidity and Firm size and the performance of organizations and also to discover the effect of leverage, liquidity and firm size on the performance of the organizations.

The target population of this study is 70 technology companies listed in Bursa Malaysia. The panel data to be used is from 2007 to 2016. This study used secondary data which is collected from Bursa Malaysia official website which they provide the company's annual report. The dependent variable which is profitability is measured using return on assets (ROA) and return on equity (ROE). The independent variables which are leverage is measured using total debts to total assets (DTA) and total debts to total equity (DTE), liquidity is measured using current ratio (CR) and quick ratio (QR) and lastly, firm size is calculated using logarithm of assets (LOA) and logarithm of equity (LOE). The data which was collected was analysed using correlation and regression statistics. Analysed data was presented in tables. The results from the analysis are negative between leverage and profitability, positive between liquidity and profitability and also positive between firm size and profitability.

Keywords: *Profitability, Leverage, Liquidity, Firm Size, Return on Assets, Return on Equity, Current Ratio, Quick Ratio, Logarithm of Assets, Logarithm of Equity*