



**THE DETERMINANTS OF CAPITAL STRUCTURE
FOR PUBLIC LISTED CONSTRUCTION
COMPANIES IN MALAYSIA**

WAN AFIQ FARHAN BIN NASJARUDDIN

2012760491

BACHELOR OF BUSINESS ADMINISTRATION

(HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITY TECHNOLOGY MARA

MELACCA CITY CAMPUS

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The Determinants of Capital Structure for Public Listed Construction Companies in Malaysia

WAN AFIQ FARHAN BIN NASJARUDDIN

**Submitted in Partial Fulfillment
of the Requirement for the
Bachelor of Business Administration
(Hons) Finance**

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITY TECHNOLOGY MARA
MELACCA CITY CAMPUS**

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DECLARATION OF ORIGINAL WORK



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FACULTY OF BUSINESS MANAGEMENT

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MELACCA CITY CAMPUS

“DECLARATION OF ORIGINAL WORK”

I, Wan AfiqFarhan Bin Nasjaruddin, 900816-14-6445

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _____

Date: _____

LETTER OF SUBMISSION

7th January 2015

The Head of Program

Bachelor of Business Administration (Hons) Finance

Faculty of Business Management

UniversitiTeknologi MARA

40450 Melaka.

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**THE DETERMINANTS OF CAPITAL STRUCTURE FOR PUBLIC LISTED CONSTRUCTION COMPANIES IN MALAYSIA**” to fulfill the Requirement as needed by the Faculty of Business Management, UniversitiTeknologi MARA.

Thank you.

Yours sincerely

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WAN AFIQ FARHAN BIN NASJARUDDIN

2012760491

Bachelor of Business Administration (Hons) Finance

ABSTRACT

The purpose of this study is to investigate the determinant of capital structure for public listed construction companies in Malaysia. From the previous research, most of the researcher focus on the impact of financial factors on the failure of firm, such as bad financial management and lack of capital. The construction industry is generally also facing these problems. In Malaysia, the failure rate of construction companies is quite high. This study investigates the construction firm that listed in Bursa Malaysia. From the sector, only a few companies used in this study sample because their stability in the sector. The methodology used in this study is E-views with eleven years data starting from 1994 until 2013. The measurement of data according to the proxy ratio. The dependent variable is capital structure which is refer to debt ratio of company. The independent variables used for the analysis are profitability, liquidity, uniqueness and tangibility. The data obtain from the data stream. The expected result from this study is there is positive relationship between profitability, liquidity, uniqueness and tangibility. However, after further analysis done, it shows some variables shows otherwise.