

**COMPARISON OF PERFORMANCE UNITED
KINGDOM AND MALAYSIA INITIAL PUBLIC
OFFERINGS: 2002 - 2006**

**HAMDAN B MOHD TAHIR
2005655663**

**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
JOHOR**

MAY 2007



**COMPARISON OF PERFORMANCE UNITED
KINGDOM AND MALAYSIA INITIAL PUBLIC
OFFERINGS: 2002 - 2006**

**HAMDAN B MOHD TAHIR
2005655663**

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

**FACULTY OF BUSINESS MANAGEMENT
UITM, JOHOR**

MAY 2007



**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
JOHOR**

"DECLARATION OF ORIGINAL WORK"

I, Hamdan Bin Mohd Tahir, (I/C Number: 840313-01-5847)

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: _____

2 MAY 2007

2 May 2007

The Programme Coordinator
Bachelor of Business Administration (Hons) Finance
Faculty of Business Management
Universiti Teknologi MARA
85009 Segamat
Johor.

Dear Madame,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled "COMPARISON OF PERFORMANCE UNITED KINGDOM AND MALAYSIA INITIAL PUBLIC OFFERINGS: 2002 - 2006 " to fulfill the requirement as needed by the Faculty of Business Management, University Teknologi MARA

Thank you

Yours sincerely

HAMDAN MOHD TAHIR
20005655663
Bachelor of Business Administration (Hons) Finance

ABSTRACT

This study focus on the long term performance of initial public offerings in Malaysia and United Kingdom for 5 years or 60 periods from 2002-2006. This paper will analyze on 284 IPOs companies that listed in 60 periods of London Stock Exchange and 321 Initial Public Offerings (IPOs) companies that listed in Bursa Malaysia Stock Exchange. London Stock Exchange and Bursa Malaysia Composite Index were used as a benchmark in evaluating share price performance.

The objective of this study is to determine the long term performance of IPOs. This is in order to find out whether the United Kingdom and Malaysian IPOs are under performed or over performed in the market long run. To accomplish this task, improved methods for tests of long-run abnormal stock returns introduced which is Buy-and-Hold Abnormal Return by Lyon, Barber and Tsai (1999) has been used to determine the long run performance of IPOs. This study also used t-statistics skewness-adjusted to see the significant of the IPOs.

The result show that the performance of returns on all IPOs companies has no significant to the returns on the market for each period either in United Kingdom or Malaysia. So, I conclude that all IPOs companies do not under performed the market and its comparable to the market benchmark.