



**UNIVERSITI TEKNOLOGI MARA**

**THE RELATIONSHIP OF CAPITAL STRUCTURE ON  
FIRM PERFORMANCE IN MALAYSIA OIL & GAS  
INDUSTRY**

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of the requirements for the degree of  
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## **AUTHOR'S DECLARATION**

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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## **ABSTRACT**

The aim of this paper is to investigate the relationship of capital structure on firm performance in Malaysia oil & gas industry. The return of asset (ROA) is chosen as dependent variables in this study. There are five independent variables to be used which are Long-term debt (LTD), Short-term debt (STD), Total Debt (TD), Growth Opportunities (G), and Size of Firm (S). Quarterly data is gathered over period 2012 to 2019. The data is gathered from quarterly report of Petronas. A multiple linear regression is use in this study. Furthermore, econometric tests are employed to observe the relationship of capital structure on Petronas performance. Interactive software package E-views would be used for testing and analysing the data collected. Besides, the expected finding is long-term debt, short-term debt, and total debt were not significant at 5% significance level with ROA. Moreover, size of firm and growth opportunities found a positively significant with ROA

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