

DECLARATION OF ORIGINAL WORK



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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.

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Date: 29 APRIL 2010

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ABSTRACT / EXECUTIVE SUMMARY

REIT can be stands for Real Estate Investment Trust. It is not new to the world because in many other developed countries, REIT has been developed for decades and with steady fix income as oppose to fix deposit as an alternative. It targets long term investor with moderate risk such as insurance companies, pension funds, unit trust funds and even individual investor. The problem arise in REIT is related to financial performance. For example, failure to ensure assets are properly valued risks financial exposure for a wide range of stakeholders. For example, in June 2007, the subprime crisis happened and it affected the value of real estate. To avoid company performance goes down; they should ensure their 'asset' can easily converted into cash within a specific period of time without affecting the price changes.

The purpose of this paper is to analyze financial performance using financial ratio and determine the relationship between earning per share and its independent variables which are liquidity, profitability and leverage companies in Bursa Malaysia by using Static Panel Data Analysis (STATA). Researcher use Ordinary Lease Square Regression (OLS), Random Effect (Breusch Pagan Test), and Fixed Effect (Hausman Fixed Test) to analyze all the data available. The methodology of this report by testing all the variables using OLS, Breusch Pagan Test and Hausman Fixed Test in order to know which variables are significant or not. From the finding, researcher found that Earning per Share (EPS) have a relationship with leverage, profitability and liquidity for hospitality sector. This paper only investigates hospitality sector in the Main Board and Second Board of Bursa Malaysia. This paper could assist student to know and better understand about REIT performance.