



THE RELATIONSHIP OF CAPITAL STRUCTURE AND
PERFORMANCE OF MALAYSIAN BANKS AFTER
THE GLOBAL FINANCIAL CRISIS

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ABSTRACT

The Global Financial Crisis that happened in 2007-2008 affected not only the industrial sectors but also the banking sectors. This occurred ten years after the Asian Financial Crisis (1997-1998). This paper study the effect of global financial crisis on capital structure and the performance of Malaysian Banks basically to learn about their sustainability after being apart of the victim of the crisis. The sample taken are Maybank Berhad, CIMB Bank, Alliance Bank (M) Berhad, Ambank (M) Berhad, Hong Leong Bank Berhad, and Public Bank Berhad which have merged after the Asian Financial Crisis of 1997-1998 for the period of six (6) years, 2009-2014. In this investigation, financial ratios are used to measure the performance of the banks. In methodology, this study adopts six (6) ratio analysis to measure the company performance namely ROE, ROA, EPS, whereas, the other three ratio analysis are used to measure the capital structure of the company are TDR, DTE and ICR.