



**DETERMINANTS OF PROFITABILITY: EVIDENCE FROM PUBLIC LISTED  
COMPANIES IN BURSA MALAYSIA**

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## ABSTRACT

The aim of this paper is to examine the impacts of financial ratios, which comprising of liquidity, asset utilization, and leverage toward financial performance of public listed companies in Malaysia. This study was based on the secondary data of Bursa Malaysia and Bank Negara Malaysia, using annual data from financial statements starting from 2010 to 2015 for over 5 years. The paper examines the impact of financial ratios on firms' performance. Regression method that is used in order to examined firm is a panel data component of 5 (five) years. Independent variables are liquidity is measured by current ratio (CR), asset utilization is measured by total asset turnover ratio (TAT), and leverage is measured by debt ratio (DR) and dependent variable of firm performance is return on asset (ROA). Result show that leverage, liquidity and asset utilization significantly affect the firm performance in Malaysia.

Unlike other studies that looked into external factors such as economic condition this study is mainly examine the impact of financial ratios towards the financial performance of public listed companies.

*Keywords: current ratios, total assets turnover, total debt to equity and return on assets.*