



UNIVERSITI TEKNOLOGI MARA

**THE IMPACT OF FINANCIAL RATIO TOWARDS PERFORMANCE
DOMESTIC BANK IN MALAYSIA AFTER MERGER AND ACQUISITION**

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SEGAMAT, JOHOR

DECEMBER 2016

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

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
SEGAMAT, JOHOR**

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**BACHELOR OF BUSINESS ADMINISTRATION (HONS) INVESTMENT
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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.

Signature: _____ Date: _____

LETTER OF SUBMISSION

5th January 2017,

Puan Zaibedah binti Zaharum
Faculty of Business Management
Universiti Teknologi MARA
85009 SEGAMAT
JOHOR DARUL TAKZIM

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled **“THE IMPACT OF FINANCIAL RATIO TOWARDS PERFORMANCE DOMESTIC BANKS IN MALAYSIA AFTER MERGER AND ACQUISITION”** to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

.....

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ABSTRACT

During the Asian financial crisis in year 1997, countries under International Monetary Fund(IMF) programmes are required to close down the small and weakest banking institutions. However, Malaysia government denied and initiated a robust bank merger programme to restructure all the fifty four institutions into ten anchor banks in year 1999. However, the impact of the merger and acquisition of Malaysian bank is still vague. Hence, this paper attempts to examine the impact of the merger and acquisition using financial ratio. This paper focuses on several domestic bank in Malaysia which involved in merger and acquisition before year 2010. This paper uses descriptive statistic to find financial ratio and performance of domestic banks in Malaysia after 6 years merger and acquisition to identify the impact. Besides, regression analysis used to determine the relationship of independent variables which are Net Profit Margin, Current Ratio, Total Asset Turnover, Debt Ratio and Earning Per Share with Return On Asset as dependent variable.