

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

SEGAMAT, JOHOR.

- I, Muhammad Firdaus Hariri b Md Hamsani, I/C Number: 940712015535 Hereby, declared that,
- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for these degrees or any other degrees.
- This project-paper is the results of my independent work and investigation, exceptwhere otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources ofmy information have been specifically acknowledged.

LETTER OF SUBMISSION

Date: January 1, 2017

Head of Program

Bachelor of Business Administration (Hons.) Finance

Faculty of Business Management

Universiti Teknologi Mara,

85009, Segamat, Johor.

Dear Sir/Madam,

SUBMISSION OF PROJECT PAPER

Enclosed here is the research entitled "THE DETERMINANTS OF CAPITAL STRUCTURE OF INFORMATION TECHNOLOGY FIRMS IN INTERNATIONAL MARKET" to fulfill the requirement as needed by the Faculty of Business Management, UniversitiTeknologi MARA. I hope this report will fulfill the requirement of Bachelor of Business Administration with Honors and also achieved the objective of this study.

Thank you.

Yours sincerely,

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BBA (HONS.) FINANCE

Alhamdulillah, thanks to ALLAH S.W.T, the Most Gracious and the Most Merciful for giving me strength on successfully completing this project paper. All the praises and thanks to Him for giving me the times, wills, guidance, and strengths during the period of this project. This project paper will not successfully complete without cooperation from many parties. They have contributes a lots in preparing this project paper. I am thankful to many people who provide me the kind assistance or had contributed immensely to the success completion of this project paper in due time.

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ABSTRACT

This research examines the determinants of capital structure of firms with a case study of manufacturing companies in information technology sector in international market from 2008 to 2015 with the purpose of providing a critical appraisal of the need and importance of capital structure. Descriptive and regression research technique was applied to test the impact of some key variables such as profitability, firm size, growth opportunity, tangibility and liquidity on firms value which is measured by total debt ratio (TDR). In addition, secondary data was applied using data derived from nine (9) top information technology companies that have been sorted by forbes.com. To obtain the result, normality test and regression has been tested.