

**THE PERFORMANCE OF NEW ZEALAND
INITIAL PUBLIC OFFERINGS (IPOS):
1995-2000**

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

**ADVISOR:
ASSOCIATE PROFESSOR DR. OMAR B. SAMAT**

**PREPARED BY:
ARIZZA BT. SAPUAN
2002318476
BBA (HONS) FINANCE 06**

**FACULTY OF BUSINESS AND MANAGEMENT
MARA UNIVERSITY OF TECHNOLOGY
JOHOR CAMPUS**

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LETTER OF TRANSMITTAL

Faculty of Business Management
MARA University of Technology
Johor Campus
85009 Segamat
Johor Darul Takzim

Associate Professor Dr. Omar Bin Samat
Lecturer of Finance
MARA University of Technology
Johor Campus
85009 Segamat
Johor Darul Takzim

Dear Sir,

The Transmission of Project Paper (FIN 660)

On June 2004, I was required to do a project paper on "The Performance of New Zealand Initial Public Offerings (IPOs): 1995-2000".

I was informed to submit this report on the date of submission, as part of the course requirement for the Bachelor in Business Administration (Hons) Finance, semester 06. I hereby submit this project paper and hope that you will find everything satisfactory.

Thank you

Yours truly,

.....
(ARIZZA BT. SAPUAN)
2002318476
Bachelor in Business Administration (Hons) Finance 06
Faculty of Business Management
MARA University of Technology
Johor Campus

**BACHELOR OF BUSINESS ADMINISTRATION (HONORS) FINANCE
FACULTY OF BUSINESS AND MANAGEMENT**

"DECLARATION OF ORIGINAL WORK"

I, ARIZZA BT. SAPUAN, (I/C: 811013-01-5068) HEREBY, declared that:

1. This work has not previously been accepted in substance for any degree, locally or overseas, and as not being concurrently submitted for this degree or any other degree.
2. This project paper is the result of my independent work and research, except where otherwise stated.
3. All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically have acknowledged.

Signature:.....

Date:.....

ACKNOWLEDGEMENT

All praises to the Ai-Mighty Allah, the most merciful and the most benevolent, for giving me the strength and patience in completing this research paper. Without the grace and help of Allah S. W. T., it would be impossible for me to do and complete this project paper.

I wish to express my special gratitude to my advisor, Associate Professor Dr. Omar b. Samat for his advice, moral support, suggestion, comments, ideas and guidance in every stage of this research and for providing his time and effort to keep this research progress.

Special thanks also go to the librarian staff of MARA University of Technology (UiTM) Segamat, for their cooperation and help throughout the entire duration of the research.

I also like to express my deepest appreciation to many individuals who were directly or indirectly involved in making this research papers a reality. Their contribution, cooperation and support particularly in providing useful materials, information and sharing experiences as well as sacrificed their precious time will always be remembered.

ABSTRACT

This study will focus on the long-term performance of initial public offerings in New Zealand for five years or 60 periods and three years or 36 periods from 1995 to 2004. This paper will analyze on 40 of IPOs companies that listed in 60 periods and 19 of IPOs companies that listed in 36 periods of New Zealand Stock Exchange (NZSE). NZSE 40 was used as a benchmark in evaluating share price performance.

The objective of this study is to determine the long term performance of IPOs. This is in order to find out whether the New Zealand IPOs are under perform or over perform the market for the long run. Abnormal Return and Buy-and-hold Abnormal Return has been used to determine the long run performance of IPOs. Also used t-statistics skewness adjusted to see the significant of the IPOs.

The result show that the performance of returns on all IPOs companies has no significant to the returns on the market for each period either 60 periods or 36 periods. So, I conclude that all IPOs companies do not under perform the market and it's comparable to the market as a benchmark.