



اَوْنِيُوْسِيْتِي تِيْكْنُوْلُوْجِي مَارَا

UNIVERSITI TEKNOLOGI MARA
CAWANGAN KELANTAN

**DETERMINANTS OF CAPITAL STRUCTURE: A STUDY ON
MALAYSIAN CONSTRUCTION COMPANIES**

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ABSTRACT

There are a lot of finance literatures on the determinants of capital structure on construction companies. As a result there are various hypotheses developed by finance researchers. This study is undertaken to determine whether the independent variables are significant or not with the dependent variable, to determine the relationship between dependent variable and independent variables and to determine the most significant independent variables with the dependent variable. The purpose of this study is because of the important of capital structure, which enables the company to raise funds to support their business operation. This field of area has not greatly exposed or researching in Malaysia. All the data is based on the yearly data which the construction companies listed on the main board of Bursa Malaysia during the year 2000-2005. In analyzing the data multiple linear regression model being used. The result was there is a positive relationship between the company's performance and size of the company with the capital structure of the company. However the market condition is not significant with the capital structure of the company.

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