



**A STUDY ON THE FACTORS INFLUENCING
THE PROFITS OF AIRASIA'S COMPANY**

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DECLARATION OF ORIGINAL WORK

I, MOHAMMAD FIRDAUS BIN MAZLAN, (870821-08-5515) 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 this degree or any other degree.
- This project paper is the result of my independent work and investigation except where otherwise stated.
- All verbatim extracts has been distinguished by quotation marks and sources of my information have been specifically acknowledged.

ABSTRACT

This study uses secondary data which stands of time series type of data involving several economic indicators. By using the seemingly related regression approach, it is critical to investigate the factors influencing the profits of AirAsia's company over the period of first quarter 2005 until fourth quarter 2009. The study tests the relationships between the profits and various macroeconomic variables in Malaysia. The objective of this study were to identify the factors that influences the pattern of AirAsia's profits, to know the most significant factor influencing the profits of AirAsia's company, and to recommend some suggestion to this company refer to the regressions results. The study applies regression tests using E-views program in order to establish the possible causal relations between these variables. The model generated from Ordinary Lease Square (OLS) shows significances of t-statistics for every variable and the negative relations between independent and dependent variable. Based on the findings, the most influence variable was foreign exchange.

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