



**UNIVERSITI TEKNOLOGI MARA**

**FACTOR AFFECTING REAL  
ESTATE INVESTMENT TRUST  
(REIT) COMPANIES  
PERFORMANCE IN MALAYSIA**

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**December 2017**

## AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA, Johor Branch, Segamat Campus. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, Johor Branch, Segamat Campus, regulating the conduct of my study and research.

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## LETTER OF SUBMISSION

21 December 2017

Sir Wan Muhd Faez Bin Wan Ibrahim.  
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Dear Sir,

### SUBMISSION OF PROJECT PAPER

Attached here is the research report titled “Factor Affecting Real Estate Investment Trust (REIT) Companies Performance in Malaysia” to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA Johor Branch, Segamat Campus.

Thank you.

Sincerely,

  
.....

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## ABSTRACT

This research purpose is to study the Factor Affecting Malaysian Real Estate (M-REIT) company's performance across the span of 5 years from 2012 to 2016 in the form of dividend per share. Dividend per share is selected to be the dependent variable because to measure on how many return company could give back to their shareholder. The objective of this research is to understand if the M-REIT industry still has its value to invest thus achieving returns in the form of dividend. In addition, this study could help investor in making decision for their investment. Explanatory variables like financial leverage, profitability, liquidity, cash flows and firm size are derived to explain the relationship. In order to conduct this research there are few proxies used to measure the independent variable such as profitability is proxy by return on equity, liquidity proxy by current ratio, firm size is proxy by total asset per share and cash flow is proxy by cash and cash equivalent. The Ordinary least square (OLS) are used to obtain comparative panel data results. For the overall analyse all of the independent variable (financial leverage, profitability (return on equity), liquidity (current ratio), firm size (total asset per share) and cash flow (cash and cash equivalent) seems to have significant relationship as the result shows that the value is positive with dividend per share but however only one of 5 independent variables that have negative relationship with dividend per share which contradicts with previous researcher. The company that is used for this study is Amanah Raya REIT, Al-Aqar Healthcare REIT, Atrium REIT, Hektar REIT, IGB REIT, Sunway REIT, Tower REIT and KLCC REIT.

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