



UNIVERSITI TEKNOLOGI MARA

**THE EFEFCT OF CAPITAL STRUCTURES
TOWARD TOBINQ AMONG PN17 COMPANY IN
MALAYSIA**

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of the requirements for the degree of
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Author's Declaration

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. 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, regulating the conduct of my study and research.

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Abstract

There is several existing studies that being made by the previous researcher to see the impact of the capital structures toward the firm performances. The variables listed in the paper are usually been used by the past researchers but also there are many mixed resulted were came out. We continue the study by making its specific on certain target which is toward the PN17 companies in Malaysia and to see the relationship between the variable. The PN17 companies been choose because in the year of 2012 and 2013, the number of the company listed were higher. The reasons also because the companies current condition that can be influence by many variable. As the company in the PN17 stats that been prevent from doing their business in the certain activities, the company is stated on the status as 'suspended' at the market in Malaysia. This is due to their misconduct behavior or facing some financial issues which can lead them to the PN17. The capital structures that been used is debt to equity ratio, total debt to total asset ratio, short term debt to total asset ratio, long term debt to total asset ratio and the firm size. The paper analyze the data and getting a result which is shows that all of the debt based components variables that is debt to equity ratio, total debt to book value of total asset ratio, long-term debt to book value of total asset ratio and short-term debt to book value of total asset ratio not hav an impact toward the performances of PN17 company but differences from the firm value variable. This shows that the PN17 company did not have problem when they issuing any amount of debt but if their value were decrease, this will resulted to be effected their performances.

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