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**The Determinant of Leverage in Capital
Structure of Plantation Companies in Malaysia**

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ABSTRACT

This paper aims to find the relationship between the selected determinants toward the leverage in capital structure of the plantation companies in Malaysia. The selected determinants are profitability, liquidity, firm size and growth as the independent variables and leverage as the dependent variable. By using secondary data retrieve from Datastream, the sample for this research included ten listed plantation companies in Malaysia from year 2007 until 2013. Methodology used in this research is by using Multiple Linear Regression with panel data analysis with total 70 observations on yearly basis. Finding from previous research paper on capital structure in Malaysia and others countries indicated that the selected variables have different effect in determine the leverage in capital structure. Thus, the result of this research would provide an indicative for the management of the plantation companies in determining the optimal level of leverage in their capital structure. The different result gain also may represent the unique characteristics of capital structure in plantation companies in Malaysia.

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