

DETERMINANT OF PROFITABILITY OF PUBLIC LISTED PROPERTY COMPANIES IN MALAYSIA

NURSHAFEQAH ASYIQIN BINTI GORDON 2016689528

BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
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ABSTRACT

The study attempted to investigate the determinants of a company's profitability based

on the property sector in Malaysia. The dependent variable of this study is profitability and the

independent variable are liquidity, asset tangibility, debt, firm size and firm age. In this study is

using the return on asset as the measure profitability of company, current ratio for the liquidity,

fixed asset to total asset to measure asset tangibility, total debt to total asset to measure debt

ratio, for the firm size which use the natural logarithm of total asset and lastly for firm age use

the formula of the number of the year since incorporation.

The study will involve 72 property companies that being listed in Bursa Malaysia during

the period 2013-2017. The empirical evidence found that there is a positive significant between

firm age towards profitability. While for the debt ratio have negative significant towards

profitability. For the liquidity, firm size, and asset tangibility they have a significant negative

effect towards profitability.

Keyword: Profitability, liquidity, asset tangibility, debt ratio, firm size, firm age

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