



**THE IMPACT OF COMPANY SIZE, CREDIT RISK, OPERATIONAL EFFICIENCY AND
ASSET MANAGEMENT ON FINANCIAL PERFORMANCE OF PLANTATION
COMPANIES IN MALAYSIA**

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ABSTRACT

The purpose of this study is to investigate the impact of the impact of company size (Total Asset), credit risk (total liabilities and debt) operational efficiency measured as total operating activity meanwhile asset management measured as net income of 27 selected plantations companies listing in Bursa Malaysia. This study is to test either there was significance relationship between four independents variable and it dependent variable (ROA). This analysis are to see if the ROA have interconnection with those variables and how strong its significance on their relationship. The sample size was covering 7 years observations yearly basis from 2004-2010. All data that used are gathered from Datastream and Osiris. This methodology used for the process of conducting the hypothesis of study is multiple regression analysis, coefficient of determination (R^2), F-Statistic and T-Statistic. The study finds that the Total Asset and Net Income are significant towards ROA and have the positive impact to the financial performance of the companies. Meanwhile the variable which is Total Operational Activity and Total Liabilities and Debt is not significant towards the ROA. The conclusion can be made is may be other factors or determinants could be more significant and give positive impact towards the ROA and financial performance of plantations companies listing on Bursa Malaysia.

TABLE OF CONTENT

<u>CONTENT</u>	PAGE
ACKNOWLEDGEMENT	iv
LIST OF TABLE	v
ABSTRACT	vi
CHAPTER ONE: INTRODUCTION	
1.0 Introduction	1
1.1 Background of the Study	3
1.2 Problem Statement	3
1.3 Objective of the Study	4
1.4 Scope of the Study	5
1.5 Limitation of the Study	5
1.6 Significance of the Study	6
1.7 Definition of Term	7
CHAPTER TWO: LITERATURE REVIEW	
2.1 Company size (Total Asset) and Financial Performance	9
2.2 Credit Risk (Total Liabilities and Debt) and Financial Performance	11
2.3 Operational efficiency (Total Operating Activities) and Financial Performance	13
2.4 Asset Management (Net Income) and Financial Performance	15

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 The Model	16
3.2 Hypothesis	16
3.3 Theoretical Framework	17
3.4 Sample Size	18
3.5 Data Collection Method	18
3.6 Data Retrieve	19
3.7 Data Processing	19

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

Data analysis and interpretation	21
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CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions	26
5.2 Recommendations	28

REFERENCES	30
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APPENDICES