



**THE DETERMINANTS OF PROFITABILITY OF PLANTATION
COMPANY IN MALAYSIA**

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“In the name of Allah, The Most Gracious and Selawat and Salam to his Messenger
our Prophet Muhammad SAW”

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ABSTRACT

The profitability of the plantation company in Malaysia plays an important role in the Malaysia economy, their profitability gives impact to the gross domestic product. The purpose of this study is to examine the factors that determine the relationship between size of company, capital, liquidity, demand of the product and leverage toward profitability of plantation company in Malaysia. This study uses the panel data regression to test the significant cointegrating relationship between the variables to identify the significant relationships that affect the profitability of plantation company in Malaysia. Time series data covering the period of 2000 to 2011 were gathered. The expected findings for the study are there will be positive and negative relationships between the independent variables and the profitability of plantation company. For positive relationships, the variables expected will be firm's size, demand, leverage and liquidity. However, for negative relationship, the variable expected will be capital structure by the firms. In general, the analysis can determine the difference with the previous findings.