

TABLE OF CONTENT

	PAGE
ABSTRACT	i
ABSTRAK	iii
ACKNOWLEDGMENTS	v
DECLARATION	vi
LIST OF TABLES	vii
LIST OF APPENDIX	viii
LIST OF ABBREVIATION	ix
 CHAPTER	
1	RESEARCH OVERVIEW 1
1.1	Background 1
1.2	An Overview of the Construction Sector in Malaysia 2
1.3	Statement of the Problem 5
1.4	Objectives of the Study 6
1.5	Significance of the Study 7
1.6	Organization of the Thesis 7
2	LITERATURE REVIEW 9
2.1	Capital Structure, Operating Leverage and Company Performance 9
2.2	The Effect of Bankruptcy Costs and Tax Shield on Capital Structure 14
2.3	The Optimal Capital Structure and the Determinants 15
2.4	Other related theories 19
2.4.1	Agency Theory 20
2.4.2	Static Tradeoff Theory 22
2.4.3	Pecking Order Theory 23
2.4.4	Malaysian Findings 24

3	RESEARCH METHODOLOGY	27
3.1	Research Design	27
3.2	Data Collection	30
3.3	Regression Model	30
3.4	Hypothesis	32
4	RESULTS AND ANALYSIS	35
4.1	Descriptive Analysis	35
4.2	The Effect of Capital Structure on Company Performance of the Overall Construction Industry	36
4.3	The Effect of Firm Size on Company Performance of the Overall Construction Industry	37
4.4	The Effect of Capital Structure and Firm Size on Company Company Performance of the Overall Construction Industry	39
4.5	The Effect of Capital Structure and Firm Size on Company Performance Based on Small and Large Firm Size and Low and High Long Term Debt Ratio	41
4.6	Discussion and Analysis	48
5	CONCLUSION	51
5.1	Summary	51
5.2	Limitations of the Study	52
5.3	Suggestions for Future Research	53
	REFERENCES	55
	APPENDIX	