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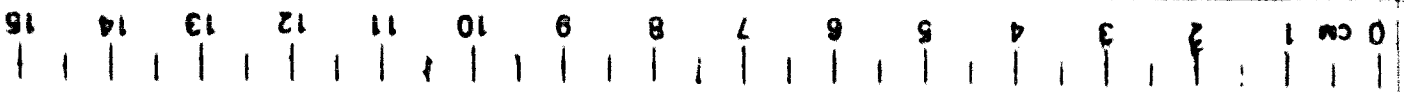
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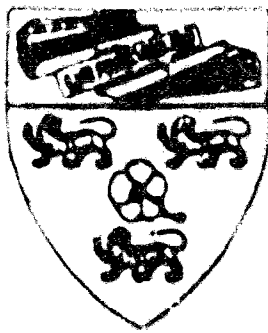
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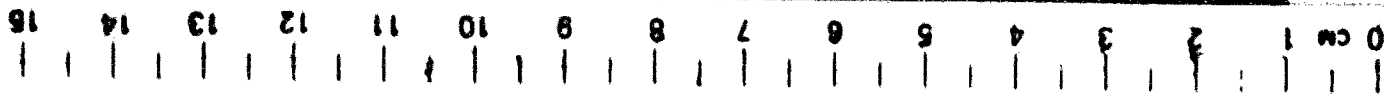


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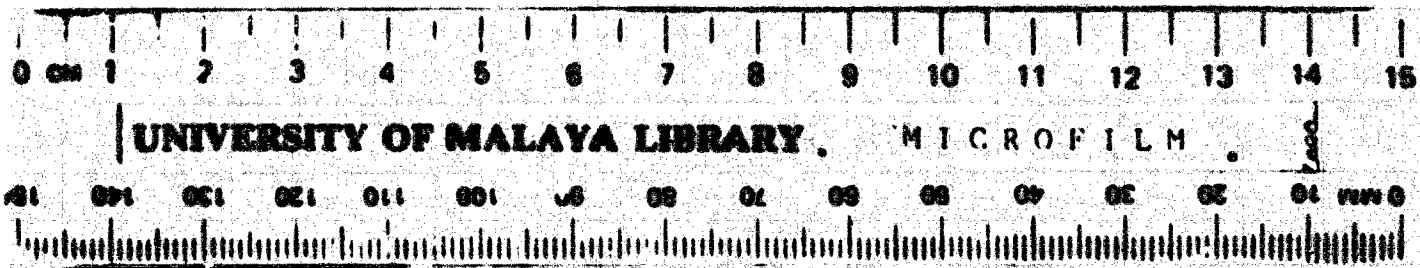
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AN ANALYSIS OF SHAREOWNERSHIP AND
SHAREHOLDINGS OF PUBLIC INDUSTRIAL
COMPANIES REGISTERED IN
MALAYA SINCE
INDEPENDENCE

by

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THE ABSTRACT

Ownership of shares is one of the main sources of funds in any operating economic entity. Because of the lack of information on shareownership in the field of Malayan business finance it was decided to undertake a study of one aspect of Malayan shareownership - that of shareownership of public industrial companies registered in Malaya since independence.

The companies under study relied mainly on equity financing and in only two companies is there long term debt financing. There are three types of equity issues covered in the study but ordinary share issues proved to be the most popular. These ordinary shareholdings are classified into personal, joint and corporate shareholdings and the study reveals that though personal shareholdings predominate in numbers, it is the corporate shareholdings which hold the largest average value per shareholding. Joint shareholdings are found to be not very popular with investors.

In all three types of shareholdings, it is noted that local participation is increasing with a corresponding decline, percentage-wise, in overseas participation. Also, in the individual shareholdings, more and more people from the lower occupational groups are beginning to own shares in the companies. For corporate shareholdings, investment companies are found to own the highest average value per shareholding though nominees and small business firms predominate in numbers.

The discussion on Ownership, Control and the Board of Directors sets out, as its aim, to find the relationship

that exists between the three and the extent of influence one has on another. For the analysis of ownership and control, attention is devoted only to the manufacturing concerns but discussion on the board of directors is extended to include all 19 companies. Real control has been arbitrarily analysed by examining the 10 largest shareholders of each company. Most of these shareholders are corporate bodies. However, one very important finding is the existence of parent-subsidiary relationships in all the 8 manufacturing companies. Control, therefore, is definitely one of the majority type. The study of the board of directors shows that ownership and management are separated in all 19 companies - the average value of the directors' shareholdings being rather small.

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