

Appendix A

Financial ratios found to be useful in previous bankruptcy prediction studies

Ratios	Type	Study
Cash/current liabilities	L	E, D
Cash Flow/current liabilities	L	E
Cash Flow/Total Assets	L	E, M
Cash Flow/Total debt	L	BI, B, D
Cash/ Net sales	L	D
Cash/Total Assets	L	D
Current Assets / Current Liabilities	L	M, B, D, A-H-N
Current Assets/net sales	L	D
Current Assets/ Total Assets	L	D,E-M
Current Liabilities / Equity	L	E
Equity/Fixed Assets	S	F
Equity/ Net Sales	S	R-F, E
Inventory / Net Sales	L	E
Long Term Debt/ Equity	S	E-M
MV of Equity/ Book Value of Debt	S	A,A-H-N
Total Debts/Equity	S	M, B, D, A-H-N
Net Income / Total Assets	P	B,D
Net Quick Assets/Inventory	L	BI
Net Sales / Total Assets	P	R-F, A
Operating Income / Total Assets	P	A,T, A-H-N
EBIT/ Total Interests Payment	L	A-H-N
Quick Assets/Current liabilities	L	D, E-M
Quick Assets/Net sales	L	D
Quick Assets/ Total Assets	L	D,T,E-M
Rate of return to common stocks	P	BI
Retained Earnings/Total Assets	P	A, A-H-N
Return on stock	P	F,T
Total Debts/Total Assets	S	B,D
Working Capital/Net sales	L	E,D
Working Capital/Equity	L	T
Working Capital/Total Assets	L	W-S, M,B,A,D

Type: L=liquidity, P=profitability, s = solidity

Appendix A : continued

Legend :

A	Altman 1998
A-H-N	Altman, Haldeman, and Narayanan 1977
B	Beaver 1966
BI	Blum 1974
D	Deakin 1972
E	Edminister 1972
E-M	El Hennawy and Morris 1983
F	Fitzpatrick 1932
M	Merwin 1942
R-F	Ramser and Foster 1931
W-S	Winakor and Smith 1935

Source: Back, B. Laitinen, T. and Sere, K. (1996)

Appendix B

List of sample - Public companies involved in property development (1995-1998)

	Non-Failed Companies		Failed Companies (in year 1998)
1	Anson Perdana Berhad	57	Abrar Corporation Berhad
2	Arab Malaysian Development Berhad	58	Actacorp Holdings Berhad
3	Asas Dunia Berhad	59	Austral Amalgamated Berhad
4	Asia Pacific Land Berhad	60	Bridgecon Holdings Berhad
5	Ayer Hitam Tin Dredging Berhad	61	Chase Perdana Berhad
6	Ayer Hitam Planting Syndicate Berhad	62	CSM Corporation Berhad
7	Avenue Asset Berhad	63	Cygal Berhad
8	Bolton Berhad	64	Esprit Group Berhad
9	Bandar Raya Developments Berhad	65	Jutajaya Holdings Berhad
10	Country Heights Holdings Berhad	66	Kemayan Corporation Berhad
11	Crimson Land Berhad	67	Mancon Berhad
12	Daiman Development Berhad	68	Mentiga Corporation Berhad
13	Damansara Realty Berhad	69	Mycom Berhad
14	Dijaya Corporation Berhad	70	Olympia Industries Berhad
15	Econstates Berhad	71	Parit Perak Holdings Berhad
16	Eastern & Oriental Berhad	72	Promet Berhad
17	Ekran Berhad	73	Rekapacific Berhad
18	Europlus Berhad	74	Sateras Resources (M) Berhad
19	FACB Resorts Berhad	75	Techno Asia Holdings Berhad
20	Farlim Group (M) Berhad	76	Tongkah Holdings Berhad
21	Fima Corporation Berhad	77	Wing Tiek Holdings Berhad
22	Focal Aims Holdings Berhad	78	Wembley Industries Berhad
23	Hong Leong Properties Berhad		
24	IGB Corp Berhad		
25	IOI Properties Berhad		
26	Innovest Berhad		
27	Island & Peninsular Berhad		
28	Land & General Berhad		
29	Lien Hoe Corporation Berhad		
30	MK Land Berhad		
31	Mui Properties Berhad		
32	Menang Corporation (M) Berhad		
33	Metro Kajang Holdings Berhad		
34	Negara Properties (M) Berhad		
35	PK Resources Berhad		
36	Paramount Corporation Berhad		
37	Pelangi Berhad		
38	Prime Utilities Berhad		
39	Petaling Garden Berhad		
40	Petaling Tin Berhad		
41	S P Setia Berhad		
42	SAP Holding Berhad		
43	SHL Consolidated Berhad		

Appendix B : continued

44	South Malaysia Industries Berhad		
45	SPK-Sentosa Corporation Berhad		
46	Sime UEP Properties Berhad		
47	Suremax Group Berhad		
48	Selangor Properties Berhad		
49	Selangor Dredging Berhad		
50	Sri Hartamas Berhad		
51	Talam Corporation Berhad		
52	Tanco Holdings Berhad		
53	U-Wood Holdings Berhad		
54	United Malayan Land Berhad		
55	Worldwide Holdings Berhad		
56	Mah Sing Group Berhad		