

## Chapter VI

### SUMMARY AND CONCLUSION

This study focussed on share price response in relation to the announcements of corporate acquisitions and subsequent outcomes. It reveals the strategies adopted by companies to prevent takeover attempts and the investor's response in an emerging capital market like Malaysia. It examines the rationale for a positive abnormal returns experienced by those companies that were involved in the episode of MUI-BERJAYA tussle in 1991.

This case study showed that takeover announcements do realise in gains to both acquirers and targets. The results are consistent with the findings of previous researchers.

In most of graphical presentations, there are signs of gains prior to important acquisition announcements. This phenomenon has generally been interpreted as information leaks or suspects of insider tradings. It agrees well with the empirical works done by Fauzias Mat Nor where she concluded that information leaks occur in Malaysian Capital Market. The results of this study do show signs of this phenomenon in Berjaya Group Bhd, MUIB, MUMB and Hong Leong Credit Bhd.

With the formation of Securities Commission, and the streamlining of its activities, Kuala Lumpur Stock Exchange has evolved to become a more efficient and interesting market. It offers a wide scope for further study in capital market. Further study could be done on the effects of share prices subsequent to the announcement of regulatory approvals or passing of shareholders' resolutions. Another area of study can be on the case study of companies that adopt corporate finance theories in their endeavours.