

# **A COMPARISON OF THE FINANCIAL PERFORMANCE AND GROWTH BETWEEN FOREIGN AND LOCAL OIL AND GAS MULTINATIONALS IN MALAYSIA**

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## **ABSTRACT**

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The main idea of the dissertation is concerning the local and foreign oil and gas multinationals in Malaysia petroleum industry in terms of the financial performance and growth from 1995 to 1999. SHELL and PETRONAS are selected as to represent the whole petroleum industry since both multinationals have been well established with significant market share.

In order to know the companies' position in depth, the overall background and financial performance is studied in this dissertation. The analysis of findings is separated into several ways. Firstly, researcher uses the Ratio Analysis and Z-score Analysis to analyze the companies' overall financial performance and the probability going to bankruptcy in the foreseeable future. Later, SWOT analysis was carried out to examine the strengths and weakness of the company itself dealing with the external opportunities and threats. Then, the researcher uses Michael Porter's Five Forces Analysis to justify both companies' position in the competitive environment of the oil and gas industry in Malaysia. Furthermore, questionnaires analysis is used in order to know consumer's opinion about both multinationals.

Eventually, the conclusion and recommendation is included at the end of this dissertation. With the empirical analysis, it can be concluded that both local and foreign multinationals, SHELL and PETRONAS, are well prepared to cope with the intense competition in order to be successful in the new century.