

ABSTRACT

Seasoned equity offerings are additional issuance of equity shares by public listed firms. Such issuances are very important and considerable decision in the operational life of the firms. Our main motive to conduct such study work to find the relationship between financial performance and seasoned equity offerings. Our study is casual in nature which will conduct by using regression analysis. To conduct our study we will take financial data of listed firms from the records of State Bank of Pakistan. We will analyze balance sheet, profit and loss and cash flows statement to collect and assemble our data. Extracted data of six years from the statements of listed companies to will be used to pursue our research work. Our study work based on secondary / panel data which we will collect from published reports & financial statements of listed companies. The Financial performance of the firms will be referred by return on assets and seasoned equity offerings will be referred by debt reduction, cash flow, growth opportunities, fixed assets growth, leverage, firm size, assets turnover and total liabilities to assets. To define regression analysis and fitness of regression model we conducted F – test. To assess the variation in financial performance through seasoned equity offerings we have coefficient of determination which will explain variation in regression model to conduct our research. The coefficient of determination explain variation in financial performance of Pakistan stock exchange listed through seasoned equity offerings. The findings of our study work represent a significant results between financial performance and seasoned equity offerings with positive direction. The findings stated that seasoned equity offerings variable have mixed trend and association with return on assets. Firms must have policies and procedure for seasoned equity offerings to gain maximum benefit as they are well in need to raise funds. Our study work recommend that firms to conduct seasoned equity offerings whenever they are in process of to meet growth opportunities, managing their leverage level, to increase in size of firm and to surge in assets turnover. Firms must consider seasoned equity offerings while doing such decision. The base of our study work is firms which are listed and traded in Pakistani stock exchange market. The results of our overall findings present that seasoned equity offerings will lead to surge return on assets for listed firms. The findings states that Pakistani traded companies in commonly perform in the same way as their counterparts in same like countries

conducting seasoned equity offering decisions to meet opportunities and to take business advantage of higher valuation of share prices. The findings of our research work are in agreement with well documented merging movements of corporate seasoned equity offerings behavior of companies around the globe.

Keywords: Seasoned equity offerings, Return on assets, Financial performance, Regression analysis, Panel data