



**UNIVERSITI TEKNOLOGI MARA**

**A STUDY ON THE FINANCIAL PERFORMANCE  
BETWEEN TAKAFUL INSURANCE AND  
CONVENTIONAL INSURANCE IN MALAYSIA**

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## DECLARATION OF ORIGINAL WORK



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### **“DECLARATION OF ORIGINAL WORK”**

**I, Norlina Binti Mohd Yazid, (IC Number: 890423-14-5330)**

Hereby declared that:

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being currently submitted for this degree or any other degrees.
- This project paper was the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **LETTER OF SUBMISSION**

**April 2011**

**The Head of Program  
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**Dear Madam,**

### **SUBMISSION OF PROJECT PAPER**

**Attached is the project paper titled “A STUDY ON THE FINANCIAL PERFORMANCE BETWEEN TAKAFUL INSURANCE AND CONVENTIONAL INSURANCE IN MALAYSIA” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.**

**Thank you.**

**Yours sincerely,**

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**Bachelor of Business Administration (Hons) Finance**

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## ABSTRACT

This research paper will study about the financial performance of *takaful* insurance and insurance in Malaysia. The main aim of this study is to examine the financial performance of insurance as well as *takaful* insurance. Other than that, this paper study will also compare the financial performance between *takaful* and insurance in order to determine which insurance industry has a better financial performance in Malaysia. The main data collection from the annual financial reports on Prudential Assurance Malaysia Berhad and Prudential BSN Takaful Berhad in 2007 to 2009. Different financial ratio are evaluated such as return on assets, return on deposits, profit margin, assets utilization, operating efficiency ratio, interest/investment margin and finally measure the best performance between two insurance companies from 2007 to 2009. It is most important factors for performance evaluation. The graphical analysis and comparisons are applies between two companies for measurement of all types of financial ratio analysis.