



**A COMPARATIVE STUDY OF FINANCIAL PERFORMANCE BETWEEN BANK  
ISLAM MALAYSIA BERHAD (BIMB) AND BANK MUAMALAT MALAYSIA  
BERHAD (BMMB)**

**DIAN SAIRINI BINTI MOHAMAD YUSU**

**2005744197**

**ADVISOR:**

**MISS MARDZIYANA BINTI MOHAMAD MALOM**

**Submitted in Partial Fulfillment of the Requirement for the  
Bachelor of Business Administration  
(Hons) Finance**

**FACULTY OF BUSINESS MANAGEMENT  
UITM, JOHOR**

**NOVEMBER 2007**

## LETTER OF TRANSMITTAL

Faculty of Business and Management  
MARA University of Technology  
Segamat Campus  
85009 Segamat  
Johor Darul Takzim

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Miss Mardziyana binti Mohamad Malom  
Advisor FIN 660  
MARA University of Technology  
85009 Segamat  
Johor Darul Takzim

Dear Miss,

**A COMPARATIVE STUDY OF FINANCIAL PERFORMANCE BETWEEN BANK  
ISLAM MALAYSIA BERHAD (BIMB) AND BANK MUAMALAT MALAYSIA BERHAD  
(BMMB)**

In July 2007, I was required to do a project paper "A Comparative Study of Financial Performance between Bank Islam Malaysia Berhad (BIMB) and Bank Muamalat Malaysia Berhad (BMMB)".

2. I was informed to submit this report on date submission, as a part of the course requirement for Bachelor in Business Administration (Honors) Finance 06. I hereby submit this project paper and hope that you will find everything satisfactory.

Thank you.

Yours truly,



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**DIAN SAIRINI BINTI MOHAMAD YUSU**  
**2005744197**  
BBA (HONS) FINANCE  
FACULTY BUSINESS AND MANAGEMENT  
MARA UNIVERSITY OF TECHNOLOGY  
JOHOR



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE**  
**FACULTY OF BUSINESS MANAGEMENT**  
**UNIVERSITI TEKNOLOGI MARA**  
**JOHOR**

**"DECLARATION OF ORIGINAL WORK"**

I, DIAN SAIRINI BINTI MOHAMAD YUSU, (I/C Number: 840321-14-5772)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is 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: 6 NOVEMBER 2007

## LETTER OF SUBMISSION

24<sup>th</sup> October 2007

Encik Muhamad Sukor Bin Jaafar

FIN 660 Course Tutor

Finance Department

Faculty of Business Management

Universiti Teknologi MARA

85009 Segamat, Johor.

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled **“A COMPARATIVE STUDY OF FINANCIAL PERFORMANCE BETWEEN BANK ISLAM MALAYSIA BERHAD (BIMB) AND BANK MUAMALAT MALAYSIA BERHAD (BMMB)”** to fulfill the requirement as needed by the Faculty of Business Management, University Teknologi MARA.

Thank You

Yours Sincerely

DIAN SAIRINI BINTI MOHAMAD YUSU

2005744197

Bachelor of Business Administration (Hons) Finance

## **ABSTRACT**

The purpose of this study is to examine the financial performance between Bank Islam Malaysia Berhad (BIMB) and Bank Muamalat Malaysia Berhad (BMMB). Other than that, this study identifies the differences between the performance of Bank Islam and Bank Muamalat with financial position indicators. It is also identify the differences and compared the performance in terms of the profitability, liquidity and leverage as well as to find out which banks perform better. Secondary data will be used for this study which covers the period from 1996 to 2006. This study used financial ratios such as profitability, liquidity and leverage to analyze the financial performance between these two banks. The test conducted is Independent Sample T-Test which will tells whether the performance between BIMB and BMMB is equal or not equal. Thus, the overall performance of BIMB is better than BMMB since it is the first Islamic bank in Malaysia and because of that it has many experiences on how to conduct the Islamic banking practices in this country compared to BMMB.