

**‘A COMPARATIVE STUDY ON
PERFORMANCE OF SYARIKAT TAKAFUL
MALAYSIA BHD. BEFORE AND AFTER
ECONOMIC CRISIS FOR THE YEAR
1996 TO THE END OF 2000.’**

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LETTER OF TRANSMITTAL

Bachelor of Business Administration With Honors (Finance)

Faculty of Business and Management

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The Head of Program

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Dear Sir,

SUBMISSION OF PROJECT PAPER (FIN 650)

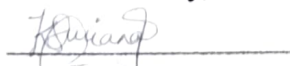
I would like to submit my thesis entitled 'A comparative study on performance of Syarikat Takaful Malaysia Bhd before and after economic crisis from the year of 1996 to end of 2000.' This thesis is a partial requirement to fulfill the subject of project paper FIN 650.

2. The purpose of this thesis is to look at what are the performances of STMB during and after economic crisis.

3. I would also thank you for all your advise, guidance and support for the completion of this thesis.

Thank you.

Yours Faithfully,



KHAIRUN SURIANA BT NASIR

MATRIX NO : 99149551

ACKNOWLEDGEMENT

" In the name of Allah, the Merciful, the Beneficent"

First of all I would like to praise to Allah s.w.t for giving me the strength, time, knowledge and also courage to finish this project and also to complete my studies in BBA Finance for the last 2 years. I also would like to take this great opportunity to express my sincere acknowledgement and appreciation to all those concern in making of this project paper.

First and foremost, I would like to express my profound gratitude and special thanks to my advisor, Prof. Madya Mohd Nasir Bin Muda for his guidance, advise, interest and helpful discussion throughout the period of this research as well as suggestion given throughout this valuable project paper. It would have been impossible without the assistant and guidance from project advisor through his comment and suggestion.

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Finally, I do hope that this project paper can be continued and improved in the future in order to expose the student about Islamic insurance. I also hope that everyone can gain something with this report.

Thank you

Wassalam

ABSTRACT

Much ink has been shed on the causes of the financial crisis that started in July 1997. It is common knowledge that the economies of East Asia have been adversely affected. There is paucity of evidence, however, on the extent to which Malaysia companies have been affected by the crisis. This paper examines the extent to which the financial crisis that started in July 1997 has effected the profit and turnover levels of Takaful company's, Syarikat Takaful Malaysia Bhd. The report are taken for the period 1996 to 2000 whereby consist of 5 years performance. The profit performance figures were compared with the corresponding pre-crisis period in the mid-year of 1997. The result show that net profit declined to negative figure in year 1998 as can see in the annual company report. While for the turnover also shows the declining for the year 2000 after it show the stable growth from 1996 until 1999. The result also showed a sluggish adjustment in dividend and stock market.

Then for the first half year of 1999 it looks that the economy is once again on its path to sustained growth. Nevertheless, this descriptive research will only concentrate on the time series analysis of the 5 variables which stated as turnover as 'economic indicator' variable, while net profit, EPS, DPS and market price are independent variables. The analysis is done by looking for the year 1996 to 2000.