



**A STUDY ON FINANCIAL PERFORMANCE OF SELECTED  
INSURANCE COMPANIES IN MALAYSIA**

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**2008405092**

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**APRIL 2010**

**DECLARATION OF ORIGINAL WORK**



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

30. April. 2011

## **ABSTRACT**

This study highlighted on the financial performance of the insurance sector in Malaysia. It explores the factors that influence to analyse financial performance of the insurance companies in Malaysia. During 2009, the insurance company's performance was affected by the slowdown in the real economy and volatilities in the domestic financial market. Therefore, the measurement of financial performance is important to know the ability of insurance companies in Malaysia to face the economic crisis. Current study examines the impact of firm level characteristics (tangibility, leverage, liquidity and growth) on performance of listed life and non-life insurance companies of Malaysia over four years from 2006 to 2009. The results of Pooled Ordinary Least Square (POLS) regression analysis indicate that liquidity and growth are important determinants of financial performance of life and non-life insurance companies of Malaysia while ROA has statistically insignificant relationship with leverage and tangibility. So, as recommendation, the government and all citizens must play an important role to increases financial performance of insurance sectors especially now insurance sector facing major challenges to going forwarded

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