



**DETERMINANT OF DIVIDEND POLICY IN INDUSTRIAL
FIRM IN MALAYSIA**

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**BACHELOR OF BUSINESS ADMINISTRATION
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FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
SEGAMAT, JOHOR.**

JANUARY 2017

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

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DECLARATION OF ORIGINAL WORK

HANIS BINTI MD SHAARI

2012108339

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: _____

LETTER OF SUBMISSION

5th January, 2017

Sir Syamsyul Bin Samsudin
Faculty of Business Management
Universiti Teknologi MARA
85009 SEGAMAT
JOHOR DARUL TAKZIM

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**DETERMINANT OF DIVIDEND POLICY IN INDUSTRIAL FIRM 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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HANIS BINTI MD SHAARI
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ABSTRACT

The function of the paper is to find out the factors that contributed to the determinant of dividend policy for the industrial companies. The data that will be examined in this study will retrieve from UiTM Data Stream. The sample for this paper will consist of 30 industrial companies which are listed from the Board of Bursa from the year 2011 to 2015. The method for analyses the data in this project is Multiple Linear Regression with panel data. In this paper, the dependent variable is dividend payout ratio while for the independent variables is profitability, leverage and operating activities. Based on the variables, the objectives of the study is to determine the effect of profitability (ROE), leverage (TIE, DR, and WCR) and operating activities (tangibility and firm's size) to the industrial companies' dividend policy. In conclusion, the result of this research will help the investor to make a systematic strategy and make an appropriate decision in choosing a company based in the company dividend policy.