



**DETERMINANTS OF DIVIDEND PAYOUT RATIO  
EVIDENCE: REAL ESTATE INVESTMENT TRUST (REITs)  
LISTED IN BURSA MALAYSIA**

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## ABSTRACT

Making decisions for dividend payout is one of the most important decisions that companies should come across because the dividend payout explains or provide an indication for the company on how much money they will return to shareholders. There are many theoretical and empirical study had been done by others researcher in order to find out the results for the problems arise on dividend payout ratio. This paper sought to address this problem by focusing on identifying factors that influence dividends payout ratio and to investigate which factor that influence dividend payout ratio which could helps the manager in making proper decision policy. It is used the panel regression method to analyze the data for ten companies had been selected from Real Estate Investment Trust (REITs) sector which listed in Bursa Malaysia from 2010 until 2015. There are four factors in determining dividend payout ratio which are free cash flow, profitability, leverage and growth opportunity. All the data had been obtained in Data Stream provided by UiTM. Using generalized least squares (GLS) regression method, the results show the positive relationship between dividend payout ratio and free cash flow, leverage and growth opportunity. The result also shows negative associations between dividend payout ratio and profitability. However, the significant variables in the results are free cash flow, profitability and leverage.

**Keyword: Dividend Payout Ratio, Profitability, Free Cash Flow, Leverage, Growth Opportunity.**