



THE RELATIONSHIP BETWEEN DIVIDEND POLICY  
AND FIRM PERFORMANCE

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KOTA KINABALU, SABAH

JANUARY 2015

## ACKNOWLEDGEMENTS

I am very grateful to be able to prepare this research successfully within the time given. I would never have been able to finish this research paper without the guidance from the lecturer, help from friends and support from our family. I would like to thank my advisor, Madam Flicia Rimin for her invaluable guidance in helping me and my friends, patience and providing us with an excellent idea during our research.

I also want to thank my family for their patience, morale support and encouragement during the period of my study. I also would like to express my gratefulness and appreciation to my great friends for contributing ideas and giving suggestion regarding on my research topic. Thank you also to my supervisor in the company I'm practical for the understanding.

Last but not least, I would like to thank the entire respondents who were involved and cooperated in this research that greatly enhanced this report and those who are involved directly and indirectly in completing this research. Your consistent encouragement from the beginning is much appreciated.

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## **ABSTRACT**

Dividend policy and firm performance is always being a debatable subject among the researcher especially on the dividend payout. Based on the previous studies, some researcher agrees with relationship between dividend policy and firm performance but there is some researchers also argue with this statement. So, this study is intended to investigate the relationship between dividend policy and firm performance among the Public listed companies in Bursa Malaysia during the period 2009 until 2013 which consists of various industries such as trading and services, industrial products, consumer product and property. The objective of the study is to identify the relationship between dividend policy, financial leverage and firm size towards firm performance. The investigation has been performed using cross sectional analysis. The finding of the study show there is a positive and negative relationship between dividend policy, financial leverage and firm size towards the firm performance. However, the result shows an insignificant relationship between the dependent and independent variables because of the weaknesses of cross sectional analysis and availability of data from Bursa Malaysia.