



**THE IMPACT OF DIVIDEND POLICY ON FIRM'S PROFITABILITY:  
AN ANALYSIS ON SELECTED PUBLIC COMPANIES IN MALAYSIA  
(2011 - 2015)**

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## **ABSTRACT**

This research is carried out to examine the impact of dividend policy on firm's profitability on selected public companies in Malaysia. The data collected are within 20<sup>th</sup> October 2016 until 5<sup>th</sup> December 2016. The dependent variable of this study is firm's profitability. The profitability is indicated by the return on asset ratio (roa). While, the independent variables consist are company size (log size), earning per share (eps), dividend pay-out and return on equity (roe). The data collected are in 5 year basis which from 2011 - 2015. The objective of this study is to identify which of the variables have a major impact on firm's profitability on selected public companies in Malaysia. The researchers used multiple regression model from STATA software to examine the factors that affect decision of company's profitability. From the research, it is found that company size (log size) is most negatively significant with the firm's profitability. Otherwise, other variables such are earning per share (eps), dividend pay-out and return on equity (roe) are insignificant with the firm's profitability. The major limitation of this study is incomplete of financial ratio data provided by the selected company.