

**DIVIDEND POLICY AND ITS IMPACT ON SHARE PRICE: EVIDENCE FROM LISTED
COMPANIES IN BURSA MALAYSIA**

MUHD IRFAN BIN IBRAHIM

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ABSTRACT

This paper investigates whether there is effect of dividend policy on share prices in the listed companies in Bursa Malaysia. The numbers of companies taken are 50 companies with mixed industries from the period of 2007 to 2016. The panel data was used in order to know the whether the dividend per share, dividend yield, and dividend payout ratio have effect on the share price. The Fixed Effect is applied because the Hausman Test shows a significant result which is the p-value is less than 0.05. Based on the result, the dividend policy do have effect on the share price which is the dividend per share and dividend payout ratio have significant positive relationship on share price, and the dividend yield is significant negative relationship towards the share price. This shows that the dividend policy is support the relevance theory because the dividend policy can affect the share price in Malaysia.