



**THE DETERMINANT OF DIVIDEND PAYOUT POLICY:  
LOCAL ISLAMIC BANKING INDUSTRIES IN MALAYSIA**

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## **ABSTRACT**

The purpose of this research is to examine the determinants of dividend payout policy of local Islamic banking industries. Another objective is to investigate the effect of corporate governance toward dividend payout policy in local Islamic banking industries. This research had been tested using Panel Data for a sample of ten local Islamic Banking Industries in Malaysia with the period of 10 years from 2009 until 2018. The Dependent Variable that been used in this study is Dividend per share. As for the Independent Variables are profitability (ROA), leverage (DEBT), size of firm (LNSOF), growth (GRW), investment opportunity (IO), risk (P/E RATIO), gender composition in board of directors (GENDER) and board independency in board of director (BOID) in local Islamic Banking Industries in Malaysia. The Result indicates that there only profitability, leverage and growth that had significant relationship toward the Divident Payout Policy in local Islamic banking industries. As the corporate governance variable had insignificant relationship toward the Divident Payout Policy in local Islamic banking industries.

Keywords: Dividend, Corporate Governance, Islamic Banking, Dividend Payout Policy