# UNIVERSITI TEKNOLOGI MARA

# THE IMPACT OF DIVIDEND POLICY ON SHAREHOLDER WEALTH IN MALAYSIAN OIL AND GAS INDUSTRY

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## BBA (Hons) Business Administration Investment

## June 2018

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Dissertation submitted inpartial fulfillment
of the requirements for the degree of
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# AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA Johor. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergaduate, Universiti Teknologi MARA Johor, regulating the conduct of my study and research.

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# ABSTRACT

This paper aim is to investigate the impact of dividend policy on shareholder wealth in Malaysian oil and gas industry companies. The study consist yearly data from 2005 until 2017 of ten public listed oil and gas companies in Malaysia. Oil and gas industry is one of the main industries in the world. Even though there are many oil and gas public listed companies in Malaysia, this study is only focuses on ten public listed companies because there is lack of data sample provided by each company's annual report. The dependent variable is shareholder wealth. It is measured by market price per share. The independent variable is dividend policy and it is measured by dividend pay-out ratio, dividend per share, earnings per share and retained earnings per share. By using quantitative method, it shows that two out of four independent variables affect the dependent variables. Multiple regression result shows that the dividend per share and earnings per share is significant relationship with market price per share. While dividend pay-out ratio and retained earnings per share is not significant relationship with market price per share.

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