



THE DETERMINANTS OF DIVIDEND POLICY:
MALAYSIA PALM OIL INDUSTRY

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ABSTRACT

Dividend is a part of the company profit that their shared to the shareholders. As to ensure the how much earning should be pay out to the shareholders, the dividend policy will be the guidelines. However, there is a factor that can affect the payment of dividend towards the shareholders and will arise the conflict of interest between managerial and shareholders. This study is to aim what factor can influence the dividend payout of palm oil companies in Malaysia with the period of 5 years from 2013 until 2017. There are 14 listed palm oil companies have being selected. The dependent variable is dividend payout ratio and independent variable are profitability, firm size, liquidity and free cash flows. Multiple linear regression will determine the relationship between independent variable and dependent variables. Based on from the result, the profitability, and firm size and free cash flow have significant with dividend payout ratio but have negative relationship.