THE PROPENSITY TO PAY DIVIDENDS AMONG NIGERIAN LISTED COMPANIES

ABDULKADIR RIHANAT IDOWU

DOCTOR OF PHILOSOPHY

UNIVERSITI UTARA MALAYSIA

April 2015

THE PROPENSITY TO PAY DIVIDENDS AMONG NIGERIAN LISTED COMPANIES

By

ABDULKADIR RIHANAT IDOWU

Thesis Submitted to
School of Economics, Finance and Banking,
Universiti Utara Malaysia,
in Fulfillment of the Requirement for the Degree of Doctor of Philosophy

PERMISSION TO USE

In presenting this thesis in fulfilment of the requirements for a postgraduate degree from Universiti Utara Malaysia, I agree that the Universiti Library may make it freely available for inspection. I further agree that permission for the copying of this thesis in any manner, in whole or in part, for scholarly purpose may be granted by my supervisor(s) or, in their absence, by the Dean of School of Economics, Finance and Banking. It is understood that any copying or publication or use of this thesis or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to Universiti Utara Malaysia for any scholarly use which may be made of any material from my thesis.

Requests for permission to copy or to make other use of materials in this thesis, in whole or in part, should be addressed to:

Dean
School of Economics, Finance and Banking
Universiti Utara Malaysia
06010 Sintok
Kedah, Malaysia

ABSTRACT

This study examined the disappearing dividend phenomenon in the Nigerian market from 2003 to 2012. It also investigated the impact of financial crisis on the payout decisions. The dividend pattern was explained using descriptive analysis. Panel logistic regression was employed to explain the determinants of the choice "to pay" or "not to pay" dividends while multinomial logistic regression was used to examine the determinants of four mutually exclusive payout choices. Findings indicate a reduction in the proportion of dividend payers and the amount of dividends paid in the latter years. Determinants of the choice "to pay" or "not to pay" include foreign ownership, retained earnings to total equity, profitability, cash flow and past dividends. Thus, the study supports the clientele effect, free cash flow hypothesis and dividend smoothing hypothesis in explaining the decision "to pay" or "not to pay" dividends. However, the implication stated in the catering theory is not supported in the binomial model. Multinomial estimates revealed that firms alter their payout decisions in line with the necessity to maintain financial flexibility and to mitigate going concern risks during the crisis. Firms with higher leverage and lower cash flows have a higher likelihood to omit dividends during the crisis. Thus, free cash flow and transaction costs hypothesis became relevant during crisis. Clientele effect which was supported in the pre-crisis period became insignificant during the crisis. Catering theory became relevant during crisis as investor's demand for dividends have a positive impact on dividend- increase decisions. In consistency with dividend smoothing hypothesis, results indicate that some firms endeavour to maintain their dividend levels despite the crisis. Profitability as a characteristic of a dividend payer is significant in the crisis and the non-crisis periods. The study found no evidence in support of the implication stated in the life cycle theory.

Keywords: disappearing dividend, dividend payout, foreign ownership, financial crisis

ABSTRAK

Kajian ini meneliti fenomena dividen yang hilang dalam pasaran di Nigeria bagi tahun 2003 hingga 2012. Ianya juga mengkaji kesan krisis kewangan terhadap pembayaran dividen. Corak pembayaran dividen dijelaskan melalui analisis deskriptif. Kaedah logistik diguna untuk menerangkan faktor-faktor yang menyumbang kepada keputusan sama ada pembayaran dividen dibuat ataupun tidak. Sementara itu, kaedah multinomial logistik diguna untuk mengkaji faktor-faktor penentu kepada empat pilihan pembayaran yang berbeza. Hasil kajian menunjukkan bilangan pembayar dan jumlah dividen yang dibayar menurun pada tahun-tahun terakhir kajian. Pemilikan asing, nisbah perolehan tertahan kepada jumlah ekuiti, keuntungan, aliran tunai, dan dividen tahun lalu adalah penentu kepada pilihan sama ada dividen dibayar ataupun tidak. Hasil kajian menyokong kesan pelanggan, hipotesis aliran tunai bebas dan hipotesis *dividend smoothing* dalam menjelaskan keputusan sama ada pembayaran dividen dibuat ataupun tidak. Namun begitu, implikasi yang dinyatakan oleh teori *catering* tidak dapat disokong oleh model binomial. Hasil yang diperolehi daripada kaedah multinomial logistik menunjukkan bahawa syarikat mengubah keputusan pembayaran mereka seiring dengan keperluan untuk mengekalkan kelenturan kewangan dan mengurangkan risiko semasa krisis. Syarikat dengan hutang yang tinggi serta aliran tunai yang rendah lebih cenderung untuk tidak membayar dividen semasa krisis. Oleh itu, hipotesis aliran tunai bebas dan hipotesis kos transaksi menjadi tidak relevan semasa krisis. Kesan pelanggan menjadi tidak relevan semasa krisis, berbeza dengan hasil yang diperolehi sebelum krisis berlaku. Teori *catering* menjadi tidak relevan semasa krisis kerana permintaan untuk dividen yang dibuat oleh pelabur memberi kesan yang positif terhadap keputusan untuk meningkatkan pembayaran dividen. Selaras dengan hipotesis *dividend smoothing*, hasil kajian menunjukkan bahawa beberapa syarikat berusaha untuk mengekalkan tahap dividen yang dibayar walaupun ketika krisis berlaku. Keuntungan sebagai ciri pembayar dividen adalah signifikan semasa krisis berlaku dan juga semasa krisis tidak berlaku. Kajian ini tidak menemui bukti untuk menyokong implikasi yang dinyatakan oleh teori kitaran hayat.

Kata kunci: dividen yang hilang, pembayaran dividen, pemilikan asing, krisis kewangan.

ACKNOWLEDGEMENT

In the name of Allah, the Most Gracious, the Most Merciful. All praises and adorations to Almighty Allah who made it possible to undertake and complete this research task. May His peace and blessings be upon the Holy Prophet.

I will always be grateful to my supervisors, Prof. Dr. Nur Adiana Hiau Abdullah and Dr. Wong Woei Chyuan for the valuable guidance and constructive comments that led to the success of this research. I appreciate all your efforts and I consider it a great privilege to do my doctoral programme under your guidance.

I acknowledge Prof Dr. Fauzias Bt. Mat Nor, Prof. Madya Dr. Rohani Md Rus and Prof. Madya Dr. Kamarun Nisham Taufil Mohd for the gainful comments and suggestions given at the doctoral research proposal defense and at the viva-voce session. I thank Prof. Madya Dr. Lim Hock Eam for his patience in clarifying many aspects of the data analysis. My profound gratitude goes to Mr Babalola (NSE, Head office) and all staff of Nigerian Stock Exchange that assisted during the process of data collection. I am also grateful to Hisham for his contribution in translating the abstract. I thank the editorial board of AAMJAF and the anonymous reviewers for their gainful comments and constructive criticism. I also thank the discussants and other participants at the 16th Malaysian Finance Association Conference and the Inaugural International Conference of Finance and Financial Services (UKM). The detailed feedback and insightful comments assisted in improving the thesis.

My heartfelt appreciation goes to my dearest husband. Obtaining a PhD degree would have been impossible without your consent. I will always be grateful for the enduring encouragement and invaluable support which is my main source of inspiration in the PhD journey. My deepest gratitude goes to the joy of my life, my adorable children: Umar-Farouk; Aisha; and Mukhtar. I am deeply sorry for the time we spent apart. I pray that Allah spare our lives. I will definitely make it up, In shaa Allah. I love you all. The past years have not been an easy ride but I will always be thankful to my beloved siblings and their spouses (and my dearest nephews and nieces) who gave me the hope of a family to count on when times are rough. I will always be grateful for your prayers and support in all aspects. May God continue to strengthen our bond.

I am highly indebted to all those who made my stay in UUM a fruitful one. Special thanks goes to my very kind uncle- Dr. Raji Olajide and ever helpful brother: Bazeet Badru. My particular thanks to Mr Tosho (Abu Sekinah)**,** Mr Abdulraheem Abdulazeez, Dr. Ramat Salman, Ummu Habib, Iman (Iraq), Sameerah and all others. I am also indebted to Dr. and Dr. Mrs Abideen Adewale for their invaluable support. May God reward you all for the unflinching support at the different stages of the journey. My acknowledgement will not be complete without appreciating my dear friends back home. I appreciate all your prayers, support and care for my children. You are more than just friends. I am also grateful to Sister Nike, her husband and lovely kids for giving me a home to stay during data collection. May Allah bless you all.

Finally, I dedicate this thesis to my beloved parents who laid the solid foundation of this achievement and who made education a priority for me and my siblings. Your prayers, unconditional love and immeasurable support sustained me this far. Words cannot express my gratitude for all the care in every stage of my life. You are the best and most supportive parents anyone could ever ask for. May Allah grant you long life and sound health to reap the fruits of your labour.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDICES

LIST OF ABBREVIATIONS

AMCON	Asset Management Corporation of Nigeria
AME	Average Marginal Effect
AMEX	American Stock Exchange
CAMA	Companies and Allied Matters Act
CBN	Central Bank of Nigeria
CEE	Central Eastern European Region
CGT	Capital Gains Tax
CITA	Companies Income Tax Act
CPI	Consumer Price Index
CSCS	Central Securities Clearing System
ETF	Exchange Traded Funds
FDI	Foreign Direct Investment
FPI	Foreign Portfolio Investment
IIA	Independent Irrelevant Alternative
ICT	Information and Communication Technology
ISA	Investment and Securities Act
MEM	Marginal Effect at Means
MM	Miller and Modigliani
MNL	Multinomial Logit
NASDAQ	Nasdaq Stock Market
NEPD	Nigerian Enterprise Promotion Decree
NIPC	Nigerian Investment Promotion Council
NSE	Nigerian Stock Exchange
NYSE	New York Stock Exchange

OLS	Ordinary Least Square
PITA	Personal Income Tax Act
PCP	Percentage of Correct Predictions
REITS	Real Estate Investment Trusts
SEC	Securities and Exchange Commission
UK	United Kingdom
US	United States
USD	US Dollar
VIF	Variance Inflation Factor
WHT	Withholding Tax

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

One of the key aspects in maximizing the wealth of shareholders is payment of regular and sustainable income in the form of dividends. Understanding dividend payout policy is imperative as firms give back to shareholders considerable amounts of capital through payment of dividends. Kalay and Lemmon (2008) for instance reported that the US firms distribute between 40% to 70% of their earnings to the shareholders which equals to 2% to 5% of the aggregate market capitalization during 1972 to 2003. Cash dividend made up 54% of the total distributed earnings in 2003 while the remaining was paid through stock repurchase[1]. The literature has shown that firms carefully guard their payout policy so that they achieve both objectives of meeting investor's expectations and maintaining sufficient financial slack to support future growth.

It is as a result of this that many finance scholars have carried out extensive research and have built different models to explain dividend behavior. Regardless of this fact, payment of dividends remains one of the crucial concerns in corporate finance that researchers are still trying to resolve. This has long been recognized by Black (1976) who referred to dividend as a puzzle. Black (1976) noted that "the harder we look at the dividend picture, the more difficult it seems like a puzzle, with pieces that just don't fit

[1] Stock repurchase is an alternative method to distribute earnings to the shareholders. Outstanding shares could either be bought back in the open market, through tender offer, auction or private negotiation with selected major shareholders. Kalay and Lemmon (2008) showed that repurchase became an important form of payout in the US since 1983.

The contents of the thesis is for internal user only

REFERENCES

Abdullahi, D. I., & Yohanna, J. A. (2013). An empirical test of leverage and dividend policy of Nigerian manufacturing firms. Retrieved from http://afra.org.ng/downloads/4.pdf

Aburime, T.U. (2008). Impact of ownership structure on bank profitability in Nigeria. Retrieved from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1107760

Abreu, J. F., & Gulamhussen, M. A. (2013). Dividend payouts: Evidence from US bank holding companies in the context of the financial crisis. *Journal of Corporate Finance*, *22*, 54-65.

Acharya, V.V., Gujral, I., & Shin, H.S. (2009). Dividends and bank capital in the financial crisis of 2007-2009. Retrieved from http://ssrn.com/abstract=1362299.

Acikalin, S., Aktas, R., & Unal, S. (2008). Relationships between stock markets and macroeconomic variables: An empirical analysis of the Istanbul Stock Exchange. *Investment Management and Financial Innovations*, *5*(1), 8-16.

Adelegan, O.I. (2003). An empirical analysis of the relationship between cash flow and dividend changes in Nigeria. *R & D management*, *15*(1), 35-49.

Adelegan, O.J. (2009). Does corporate leadership matter? Evidence from Nigeria. African Economic Research Consortium (AERC), Nairobi. Retrieved from http://www.aercafrica.org/documents/RP189.pdf

Adenikinju, O., Ayonrinde, F., & Adenikinju, A. (2006). Analysis of ownership structure in Nigeria quoted companies and its correlation with corporate performance. *African Journal of Economic Policy*, *10*(2), 57-80.

Adesola, W., & Okwong, A. (2010). An empirical study of dividend policy of quoted companies in Nigeria. *Global Journal of Social Sciences, 8*(1), 85-101.

Adkins, L.C., Campbell, R.C., Chmelarova, V., & Hill, R.C. (2012). The Hausman test, and some alternatives with heteroskedastic data. *Advances in Econometrics*, *29*, 515-546.

Afza, T., & Mirza, H.H. (2011). Do mature companies pay more dividends? Evidence from Pakistani stock market. *Mediterranean Journal of Social Sciences*, *2*(2), 152-161.

Ahmed, I.E. (2014). The impact of liquidity on dividend policy. Proceedings of 26th International Business Research Conference, Imperial College, London.

Aivazian, V., Booth, L., & Cleary, S. (2003). Do emerging market firms follow different dividend policies from US firms? *Journal of financial Research, 26*(3), 371-387.

Akerlof, G. A. (1970). The market for" lemons": Quality uncertainty and the market mechanism. *The Quarterly Journal of Economics, 84(3)*, 488-500.

Akingunola, R.O., & Sangosanya, A. O. (2011). Global financial crisis and industrial sector performance in Nigeria: A structural analysis. *European Journal of Humanities and Social Sciences, 3*(1), 66-81.

Allen, F., Bernardo, A. E., & Welch, I. (2000). A theory of dividends based on tax clienteles. *The Journal of Finance, 55*(6), 2499-2536.

Al-Malkawi, H. A. N. (2007). Determinants of corporate dividend policy in Jordan: An application of the Tobit model. *Journal of Economic and Administrative Sciences, 23*(2), 44-70.

Al-Malkawi, H. A. N., Rafferty, M., & Pillai, R. (2010). Dividend policy: A review of theories and empirical evidence. *International Bulletin of Business Administration, 9*, 171-200.

Al-Malkawi, H.A.N., Twairesh, A.E., & Harery, K. (2013). Determinants of the likelihood to pay dividends. *Journal of American Science*, *9*(12), 518-528.

Al-Nawaiseh, M. (2013). Dividend policy and ownership structure: An applied study on industrial companies in Amman Stock Exchange. *Journal of Management Research*, *5*(2), 83-106.

Al-Shubiri, F. N., Al Taleb, G., & Abd, A. (2012). The relationship between ownership structure and dividend policy: An empirical investigation. *Review of International Comparative Management*, *13*(4), 644-657.

Ameer, J. (2007). Product market competition, regulation and dividend payout policy of Malaysian Banks, MPRA paper no. 8579. Retrieved from http://mpra.ub.uni-muenchen.de/8579/

Amidu, M., & Abor, J. (2006). Determinants of dividend payout ratios in Ghana. *The Journal of Risk Finance, 7*(2), 136-145.

Andres, C., Betzer, A., Bongard, I.V.D., Haesner, C., & Theissen, E. (2013). The information content of dividend surprises: Evidence from Germany. *Journal of Business Finance and Accounting, 40*(5&6), 620-645.

Andres, H. J., Golsch, K., & Schmidt, A.W. (2013). *Applied panel data analysis for economic and social surveys.* Springer Science and Business Media.

Ap Gwilym, O., Seaton, J., & Thomas, S. (2004). *Dividends aren't disappearing: Evidence from the UK*. University of Southampton Working Paper, No. AF04-15.

Arif, A., & Akbar, F. (2013). Determinants of dividend policy: A sectoral analysis from Pakistan. *International Journal of Business and Behavioral Science*, *3*(9), 16-33.

Armitage, S. (2012). Demand for dividends: The case of UK water companies. *Journal of Business Finance and Accounting*, *39*(3-4), 464-499.

Arshad, Z., Akram, Y., & Amjad, M. (2013). Ownership structure and dividend policy. *Interdisciplinary Journal of Contemporary Research in Business*, *5*(3), 378-401.

Arslan-Ayaydin, O., Florackis, C., & Ozkan, A. (2014). Financial flexibility, corporate investment and performance: Evidence from financial crises. *Review of Quantitative Finance and Accounting*, *42(2)*, 211-250.

Asif, A., Rasool, W., & Kamal, Y. (2011). Impact of financial leverage on dividend policy: Empirical evidence from Karachi Stock Exchange-listed companies. *African Journal of Business Management*, *5*(4), 1312-1324.

Ayeni, R.K. (2012). An assessment of profit function of manufacturing firms in Nigeria during global economic depression: A panel model approach. *Ozean Journal of Social Sciences*, *5*(2), 41-48.

Azeem, M., Akbar, Z., & Usman, A. (2011). Investigating compliance of dividend policy with firm size: A case of Karachi Stock Exchange listed companies. *Interdisciplinary Journal of Contemporary Research in Business*, *2*(11), 263-279.

Baba, N. (2009). Increased presence of foreign investors and dividend policy of Japanese firms. *Pacific-Basin Finance Journal*, *17*(2), 163-174.

Babatunde, M. A., & Olaniran, O. (2009). The effects of internal and external mechanism on governance and performance of corporate firms in Nigeria. *Corporate Ownership & Control*, *7*(2), 330-340.

Baker, H. K., Saadi, S., Dutta, S., & Gandhi, D. (2007). The perception of dividends by Canadian managers: New survey evidence. *International Journal of Managerial Finance, 3*(1), 70-91.

Baker, M., & Wurgler, J. (2004a). A catering theory of dividends. *The Journal of Finance, 59*(3), 1125-1165.

Baker, M., & Wurgler, J. (2004b). Appearing and disappearing dividends: The link to catering incentives. *Journal of Financial Economics, 73*(2), 271-288.

Baker, M., & Wurgler, J. (2011). Dividends as reference points: A behavioral signaling model. Retrieved from www.lse.ac.uk/fmg/events/capitalMarket/pdf/CMW21M_ Baker.pdf.

Bancel, F., & Mittoo, U. R. (2011). Financial flexibility and the impact of the global financial crisis: Evidence from France. *International Journal of Managerial Finance, 7*(2), 179-216.

Bebczuk, R. (2004). Explaining dividend policies in Argentina. *Documento de Trabajo*, 50.

Bena, J., & Hanousek, J. (2006). Rent extraction by large shareholders: Evidence using dividend policy in the Czech Republic. *Czech Journal of Economics and Finance. 58(3-4)*, 106-130.

Benito, A., & Young, G. (2003). Hard times or great expectations? Dividend omissions and dividend cuts by UK firms. *Oxford Bulletin of Economics and Statistics, 65*(5), 531-555.

Bhattacharya, S. (1979). Imperfect information, dividend policy, and" the bird in the hand" fallacy. *The Bell Journal of Economics, 10(1),* 259-270.

Bistrova, J., & Lace, N. (2012). Dividend stability and Sustainability in CEE region. Retrieved from http://www.sciforum.net/presentation/956/pdf

Black, F. (1976). The dividend puzzle. *Journal of Portfolio Management*, *5*, 634-639.

Black, F., & Scholes, M. (1974). The effects of dividend yield and dividend policy on common stock prices and returns. *Journal of Financial Economics, 1*(1), 1-22.

Bodla, B.S., Pal, K., & Sura, S. (2007). Examining application of Lintner's model in Indian banking industry. *ICFAI Journal of Bank Management*, *6*(4), 40-59.

Bokpin, G. A. (2011). Ownership structure, corporate governance and dividend performance on the Ghana Stock Exchange. *Journal of Applied Accounting Research, 12*(1), 61-73.

Bradford, W., Chen, C., & Zhu, S. (2013). Cash dividend policy, corporate pyramids, and ownership structure: Evidence from China. *International Review of Economics and Finance*, *27*, 445-464.

Bradford, W., Chen, C., & Zhu, S. (2005). Ownership structure, control chains, and cash dividend policy: Evidence from China: Working papers series. Retrieved form http://www.finance.nsysu.edu.tw/SFM/14thSFM/FullPapers/147.pdf

Bradford, D.J., Mark, H.L., & Qun, W. (2013). Organizational structure and corporate payout policy. Retrieved from http://www.fma.org/Chicago/Papers/div MA01142013WU.pdf.

Brav, A., Graham, J. R., Harvey, C. R., & Michaely, R. (2005). Payout policy in the 21st century. *Journal of Financial Economics, 77*(3), 483-527.

Brennan, M. J. (1970). Taxes, market valuation and corporate financial policy. *National Tax Journal, 23*(4), 417-427.

Bryman, A., & Cramer, D. (1997). *Quantitative data analysis with SPSS for windows: A guide for social scientists*, London: Routledge.

Bulan, L., & Subramanian, N. (2008). A closer look at dividend omissions: payout policy, investment and financial flexibility. *Investment and Financial Flexibility (November 6, 2008)*.

Bulan, L., & Subramanian, N., & Tanlu, L. (2007). On the timing of dividend initiations. *Emerald Management Reviews*, *36*(4), 31-65.

Cameron, A.C., & Trivedi, P.K. (2009). *Microeconomics using stata*. (vol.5). College Station, TX: Stata Press.

Campbell, K., & Ohuocha, C. (2011). The stock market reaction to stock dividends in Nigeria and their information content. *Managerial Finance, 37*(3), 295-311.

Capital Gains Tax Act (1990). Laws of the Federation of Nigeria.

Case, B., Hardin, W. G., & Wu, Z. (2012). REIT dividend policies and dividend announcement effects during the 2008–2009 liquidity crisis. *Real Estate Economics, 40*(3), 387-421.

Chahyadi, C. S., & Salas, J. M. (2012). Not paying dividends? A decomposition of the decline in dividend payers. *Journal of Economics and Finance*, *36*(2), 443-462.

Chai, D. (2010). Foreign Corporate Ownership and Dividends. Centre for Business Research, University of Cambridge Working Paper No 401. Retrieved from www.cbr.cam.ac.uk/pdf/WP401.pdf

Chang, H.S., & Lee, C.F. (1982). Interactions of dividend and investment decisions under different growth opportunities: A signaling-theory approach. *Working paper series*. Retrieved from https://www.ideals.illinois.edu/handle/2142/27462

Chay, J.B., & Suh, J. (2005). Cross-sectional determinants of dividend payments: International evidence. *Sungkyungkwan University Journal*, 3-53.

Chemmanur, T.J., He, J., He, G., & Liu, H. (2010). Is dividend smoothing universal? New insights from a comparative study dividend policies in Honk Kong and the US. *Journal of Corporate Finance, 16*, 413-430.

Chetty, R., & Saez, E. (2007). *An agency theory of dividend taxation*. NBER working paper series. National Bureau of Economic Research, Cambridge.

Chung, K.H., Wright, P., & Charoenwong, C. (1998). Investment opportunities and market reaction to capital expenditure decisions. *Journal of Banking and Finance, 22(1)*, 41-60.

Companies and Allied Act of 1990. Chapter 59, Laws of the Federal Republic of Nigeria.

Companies Income Tax Act of 2004. Laws of the Federation of Nigeria.

Cook, D.O., & Jeon, J.Q. (2006). *Foreign ownership, domestic ownership and payout policy*. Working Paper, University of Alabama.

Coulton, J. J., & Ruddock, C. (2011). Corporate payout policy in Australia and a test of the life-cycle theory. *Accounting & Finance, 51*(2), 381-407.

Creswell, J.W. (1994). *Research design: Qualitative and quantitative approaches*. Thousand Oaks, CA: SAGE Publications.

Dahlquist, M., & Robertsson, G. (2001). Direct foreign ownership, institutional investors, and firm characteristics. *Journal of Financial economics*, *59*(3), 413-440.

Daniel, N.D., Denis, D.J., & Naveen, L. (2008). Sources of financial flexibility: Evidence from cash flow shortfalls. *Unpublished Working Paper, Drexel University, Purdue University and Temple University.*

DeAngelo, H., & DeAngelo, L. (1990). Dividend policy and financial distress: An empirical investigation of troubled NYSE firms. *The Journal of Finance*, *45*(5), 1415-1431.

DeAngelo, H., & DeAngelo, L. (2007). Capital structure, payout policy and financial flexibility. *Marshall School of Business Working Paper No. FBE,* 02-06.

DeAngelo, H., DeAngelo, L., & Skinner, D. J. (2004). Are dividends disappearing? Dividend concentration and the consolidation of earnings. *Journal of Financial economics, 72*(3), 425-456.

DeAngelo, H., DeAngelo, L., & Stulz, R. M. (2006). Dividend policy and the earned/contributed capital mix: a test of the life-cycle theory. *Journal of Financial economics, 81*(2), 227-254.

Deeptee, P. R., & Roshan, B. (2009). Signaling power of dividend on firms' future profits: A Literature Review. *International Interdisciplinary Journal*.

Denis, D. J., & Osobov, I. (2008). Why do firms pay dividends? International evidence on the determinants of dividend policy. *Journal of Financial Economics, 89*(1), 62-82.

Dong, M., Robinson, C., & Veld, C. (2005). Why individual investors want dividends. *Journal of Corporate Finance, 12,* 121-158.

D'Souza, J., & Saxena, A. K. (1999). Agency cost, market risk, investment opportunities and dividend policy–an international perspective. *Managerial Finance*, *25*(6), 35-43.

Dzidic, A. (2014). Dividend policy of public companies in Bosnia and Herzegovina. *UTMS Journal of Economics*, *5*(1), 1-10.

Easterbrook, F. H. (1984). Two agency-cost explanations of dividends. *The American Economic Review, 74*(4), 650-659.

Ehsan, S., Tabassum, N., Akram, Z., and Nazir, R. (2013). Role of insider and individual ownership structure in dividend payout policy: Evidence from Pakistan. *Middle-East Journal of Scientific Research, 17*(9); 1316-1326.

Eije, H.V., & Megginson, W. (2007). Dividend and share repurchases in the European Union. *Journal of Financial Economics, 89*(2), 347-374.

Ekwere, U. (2012, March 19). Capital market reforms: Examining effects on investment prospects, *Punch newspaper.* Retrieved from http://www.punchng.com

El-Ansary, O., & Gomaa, T. (2012). The life cycle theory of dividends: Evidence from Egypt. *International Research Journal of Finance and Economics, 97,* 72-80.

Elfakhani, S. (1995). An empirical examination of the information content of balance sheet and dividend announcements: A signaling approach. *Journal of Financial and Strategic Decisions, 8(2),* 65-76.

Elston, J. A., Hofler, R., & Lee, J. (2011). Dividend policy and institutional ownership: Empirical evidence using a propensity score matching estimator. *Journal of Accounting and Finance, 11*(1), 89-102.

Elton, E. J., & Gruber, M. J. (1970). Marginal stockholder tax rates and the clientele effect. *The Review of Economics and Statistics*, 68-74.

Eriotis, N., & Vasiliou, D. (2011). Dividend Policy: An Empirical Analysis of the Greek Market. *International Business & Economics Research Journal, 3*(3), 49-58.

Fama, E. F. (1974). The empirical relationships between the dividend and investment decisions of firms. *The American Economic Review, 64*(3), 304-318.

Fama, E. F., & French, K. R. (2001). Disappearing dividends: changing firm characteristics or lower propensity to pay? *Journal of Financial Economics*, *60*(1), 3-43.

Fatemi, A., & Bildik, R. (2011). Yes, dividends are disappearing: Worldwide evidence. *Journal of Banking & Finance*, *36*(3), 662-677.

Ferreira, M. A., Massa, M., & Matos, P. (2010). Dividend clienteles around the world: Evidence from institutional holdings (Working Paper No. FBE 35-09). University of Southern California. Retrieved from papers.ssrn.com/so13/papers.cfm? abstract_id= 1447573.

Ferris, S. P., Jayaraman, N., & Sabherwal, S. (2009). Catering effects in corporate dividend policy: The international evidence. *Journal of Banking & Finance, 33*(9), 1730-1738.

Ferris, S. P., Sen, N., & Yui, H. P. (2006). Are fewer firms paying more dividends?: The international evidence. *Journal of Multinational Financial Management, 16*(4), 333-362.

Floyd, E., Li, N., & Skinner, D. (2013). Payout policy through the financial crisis: The growth of repurchases and the resilience of dividends. *Chicago Booth Research Paper* (12-01).

Gedajlovic, E., Yoshikawa, T., & Hashimoto, M. (2004). Ownership structure, investment behaviour and firm performance in Japanese manufacturing industries. *Organization Studies*, *25*(8), 1363-1392.

Gill, A., Biger, N., & Tibrewala, R. (2010). Determinants of dividend payout ratios: Evidence from United States. *The Open Business Journal, 3*, 8-14.

Grinstein, Y., & Michaely, R. (2005). Institutional holdings and payout policy. *The Journal of Finance, 60(3)*, 1389-1426.

Grullon, G., Michaely, R., & Swaminathan, B. (2002). Are dividend changes a sign of firm maturity? *The Journal of Business, 75*(3), 387-424.

Grullon, G., Paye, B., Underwood, S., & Weston, J. P. (2011). Has the propensity to pay out declined? *Journal of Financial and Quantitative Analysis, 46*(1), 1.

Gujarati, D.N. (2004). *Basic econometrics*. (4th ed.). The Mc Graw Hill companies.

Gunasekarage, A., & Power, D. M. (2006). Anomalous evidence in dividend announcement effect. *Managerial Finance*, *32*(3), 209-226.

Hair, J.F., Black, W.C., Babin, B.J., & Anderson, R.E. (2010). *Multivariate analysis*. (7th ed.). Pearson prentice hall.

Haleem, F., Rehman, I.V., & Javid, A.Y. (2011). The dividend policy in manufacturing sector of Pakistan: The perception of corporate managers. *Journal of Economics and Behavioral Studies*, *3*(1), 63-75.

Hansen, R. S., Kumar, R., & Shome, D. K. (1994). Dividend policy and corporate monitoring: Evidence from the regulated electric utility industry. *Financial Management*, 16-22.

Handary, A.R., Luviarman, N., & Ferianto, R. (2008). The correlation of catering incentives to stock return-A test of catering theory of dividend. *Indonesian Journal of Accounting Research, 11*(1).

Hanif, H. (2014). The dynamic relationship among dividend, earning and investment: Empirical analysis of Karachi Stock Exchange. *International Journal of Management and Business Research, 4*(1), 55-63.

Hankins, K.W., Flannery, M.J., & Nimalendran, M. (2008). The effect of fiduciary standards on institutional preference for dividend paying stocks. *Financial Management, 37(4),* 647-671.

Hassani, M., & Dizaji, F.K.P. (2013). Life cycle theory and dividend payout policy: Evidence from Tehran Stock Exchange. *Management Science Letters, 3*, 2631-2634.

Hauser, R. (2013). Did dividend policy change during the financial crisis? *Managerial Finance, 39*(6), 4-4.

He, Z., Li, K., & Lu, R. (2012). Catering to the illusion of Nominal share prices: Evidence from the high dividend payout of mutual funds in China. Retrieved from *http://www.ccfr.org.cn/cicf2012/enrc_demo.php*

Henry, D. (2011). Ownership structure and tax-friendly dividends. *Journal of Banking and Finance, 35,* 2747-2760.

Hoberg, G., & Prabhala, N. R. (2009). Disappearing dividends, catering, and risk. *Review of Financial Studies, 22*(1), 79-116.

Holm, A., Jaeger, M.M., & Pederson, M. (2008). *Unobserved heterogeneity in the binary logit model with cross-sectional data and short panels: A finite mixture approach.* University of Copenhagen. Centre for Applied Micro econometrics. Working Paper, (2009-04).

Hosmer, D.W., & Lemeshow, S. (2005). *Applied logistic regression*. (2nd ed.). John Wiley & sons.

Hotchkiss, E., & Lawrence, S. (2007). *Empirical evidence on the evidence on the existence of dividend clienteles.* Available at SSRN 1001429

Huda, F., & Farah, T. (2011). Determinants of dividend decision: A focus on banking sector in Bangladesh. *International Research Journal of Finance and Economics*, *77*, 33-46.

Huda, N., & Abdullah, M.N. (2013). Relationship between ownership structure and dividend policy: Empirical evidence from Chittagong Stock Exchange. Proceedings of 9th Asian Business Research Conference, Bangladesh.

Imran, K. (2011). Determinants of Dividend Payout Policy: A Case of Pakistan Engineering Sector. *The Romanian Economic Journal, 14*(41), 47-60.

Investment and Securities Act (ISA) No. 25 of 2007.

Ishikawa, H. (2011). Empirical analysis on the dividend life-cycle theory: Evidence from Japan. *The Japanese Accounting Review, 1*, 39-60.

Jain, R. (2007). Institutional and individual investor preferences for dividends and share repurchases. *Journal of Economics and Business, 59,* 406-429.

Jain, P., & Chu, Q. C. (2013). A global investigation of dividend payouts: Shareholder demand, agency problems, and market quality. Retrieved from http://www. https://umdrive.memphis.edu/pjain1/public/Job/.../Dividend.pdf

Jasim, A., & Hameeda, A.H. (2011). Corporate dividend decisions: Evidence from Saudi Arabia. *The Journal of Risk Finance*, *12*(1), 45-56.

Jensen, M. (1986). Agency cost of free cash flow, corporate finance, and takeovers. *American Economic Review, 76*(2), 323-329.

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial economics, 3*(4), 305-360.

Jeon, J. Q., Lee, C., & Moffett, C. M. (2011). Effects of foreign ownership on payout policy: Evidence from the Korean market. *Journal of Financial Markets, 14*(2), 344-375.

Jeon, J. Q., & Ryoo, J. (2012). How Do Foreign Investors Affect Corporate Policy?: Evidence from Korea. *International Review of Economics & Finance, 25*, 52-65.

Jiang, Z., Kim, K.A., Lie, E., & Yang, S. (2013). Share repurchases, catering and dividend substitution. *Journal of Corporate Finance, 21*, 36-50.

John, S. F., & Muthusamy, K. (2010). Leverage, growth and profitability as determinants of dividend payout ratio: Evidence from Indian paper industry. *Asian Journal of Business Management Studies, 1*(1), 26-30.

John, K., & Williams, J. (1985). Dividends, dilution, and taxes: A signaling equilibrium. *The Journal of Finance, 40*(4), 1053-1070.

Julio, B., & Ikenberry, D. L. (2004). Reappearing dividends. *Journal of Applied Corporate Finance, 16*(4), 89-100.

Kalay, A., & Lemmon, M. (2008). Payout policy. In Eckbo, B.E., *Handbook of corporate finance: Empirical corporate finance* (pp 4-57). USA: North Holland publications.

Karami, L. C. (2013). The influence of leverage and liquidity on dividend policy (Empirical study on listed companies in Indonesia Stock Exchange of LQ45 in 2008-2010). *Jurnal Ilmiah Masiswa, 1(1).* 1-20.

Kargar, E.E., & Ahmadi, G.R. (2013). The relationship between free cash flow and agency costs levels: Evidence from Tehran Stock Exchange. *Research Journal of Finance and Accounting, 4*(14), 51-65.

Khan, M.I., Meher, M.A.K., & Kashif, S.M. (2013). Impact of inflation on dividend policy: Synchronization of capital gain and interest rate. *Pensee Journal*, *75(11)*, 384-393.

Khan, W., Naz, A., Khan, W., Khan, Q., Khan, T. & Mughal, I. (2013). Impact assessment of financial performance and leverage on dividend policy of Pakistan chemical and pharmaceutical industries. *Middle East Journal of Scientific Research, 16*(10), 1376-1382.

Khang, K., & King, D. (2003). *Is dividend policy related to information asymmetry: Evidence from insider trading gains*. AFA 2003 Washington, DC. meetings. Retrieved from http://ssrn.com/abstract=342621

Khani, A., & Dehghani, S. (2011). The effect of financial life cycle on dividend policy of listed companies in Tehran Stock Exchange. *Interdisciplinary Journal of Contemporary Research in Business*, *3*(6), 621-626.

Kim, S., Sul, W., & Kang, S. A. (2010). Impact of foreign institutional investors on dividend policy in Korea: A stock market perspective. *Journal of Financial Management & Analysis*, *23*(1), 10-26.

Kirkulak, B., & Kurt, G. (2010). Are dividends disappearing or shrinking? Evidence from the Istanbul Stock Exchange. *Emerging Markets Finance and Trade*, *46*(2), 38-52.

Kowalewski, O., Stetsyuk, I., & Talavera, O. (2008). Does corporate governance determine dividend payouts in Poland? *Post-Communist Economies*, *20*(2), 203-218.

Kuo, J.M., Philip, D., & Zhang, Q.J. (2013). What drives the disappearing dividends phenomenon? *Journal of Banking & Finance*, *37*, 3499-3514.

Lam, K. C., Sami, H., & Zhou, H. (2012). The role of cross-listing, foreign ownership and state ownership in dividend policy in an emerging market. *China Journal of Accounting Research*, *5*, 199-216.

La Porta, R., Lopez de Silanes, F., Shleifer, A., & Vishny, R. (2000). Agency problems and dividend policies around the world. *Journal of Finance, 55*(1), 1-33.

Leary, M.T., & Michaely, R. (2011). Determinants of dividend smoothing: Empirical evidence. *Review of Financial Studies*. *24*(10). 3197-3249.

Lease, R. C., John, K., Kalay, A., Loewenstein, U., & Sarig, O. H. (2000). *Dividend policy: Its impact on firm value*. Boston: Harvard Business School Press.

Lee, K.F. (2010). Retail minority shareholders and corporate reputation as determinant of dividend policy in Australia. *Pacific Basin Finance Journal*, *18*, 351-368.

Lee, Y.T., Liu, Y.J., Roll, R., & Subrahmanyam, A. (2006). Taxes and dividend clientele: Evidence from trading and ownership structure. *Journal of Banking and Finance*, *30*, 229-246.

Leech, N., Barrett, K., Morgan, G. (2005). *SPSS for intermediate statistics: Use and interpretation*. (2nd ed.). New Jersey: Erlbaum associates.

Lestari, J.S. (2012). Determinants of dividend decision: Evidence from the Indonesian Stock Exchange. *Review of Integrative Business and Economics Research, 1(1)*, 346-355.

Li, W., & Lie, E. (2006). Dividend changes and catering incentives. *Journal of Financial Economics, 80*(2), 293-308.

Lintner, J. (1956). "Distributions of incomes of corporations among dividends, retained earnings and taxes". *American Economic Review*, *46*(2), 97-113.

Long, J.S. (1997). *Regression models for categorical and limited dependent variables.* Thousand Oaks, CA: SAGE publications.

Lottes, I.L., Adler, M.A., & Demaris, A. (1996). Using and interpreting logistic regression: A guide for teachers and students. *Teaching Sociology*, *24,* 284-298.

Love, I. (2003). Financial development and financing constraints: International evidence from the structural investment model. *Review of Financial Studies, 16(3),* 765-791.

Maddala, G. S., Trost, R. P., Li, H., & Joutz, F. (1997). Estimation of short-run and long-run elasticities of energy demand from panel data using shrinkage estimators. *Journal of Business & Economic Statistics*, *15*(1), 90-100.

Maladjian, C., & El Khoury, R. (2014). Determinants of dividend policy: An empirical study of Lebanese listed banks. *International Journal of Economics and Finance*, *6*(4), 240-256.

Mancinelli, L., & Ozkan, A. (2006). Ownership structure and dividend policy: Evidence from Italian firms. *European Journal of Finance*, *12*(03), 265-282.

Manos, R. (2003). Dividend policy and agency theory: Evidence from Indian firms. *South Asia Economic Journal*, *4*(2), 276-300.

Mansuurinia, E., Emamgholipour, M., Rekabdarkolaei, E.A., & Hozoori, M. (2013). The effects of board size, board independence and CEO duality on dividend policy of companies: Evidence from Tehran Stock Exchange. *International Journal of Economy, Management and Social Sciences*, *2*(6), 237-241.

Market Review (2012). 2012 market review & outlook for 2013. *The Nigerian Stock Exchange*. Retrieved from http://www.nse.com.ng.

Mehrani, S., Moradi, M., & Eskandar, H. (2011). Ownership structure and dividend policy: Evidence from Iran. *African Journal of Business Management*, *5*(17), 7516-7525.

Mehta, A. (2012). An empirical analysis of determinants of dividend policy-Evidence from UAE companies. *Global Review of Accounting and Finance, 3*(1), 18-31.

Menard, S. (2002). *Applied logistic regression analysis* (Vol. 106). SAGE Publications.

Miller, M. H., & Modigliani, F. (1961). Dividend policy, growth, and the valuation of shares. *Journal of Business*, *34(4),* 411-433.

Miller, M. H., & Rock, K. (1985). Dividend policy under asymmetric information. *The Journal of Finance, 40*(4), 1031-1051.

Modigliani, F., & Miller, M. H. (1958). The cost of capital, corporation finance and the theory of investment. *The American Economic Review, 48*(3), 261-297.

Modigliani, F., & Miller, M. H. (1963). Corporate income taxes and the cost of capital: A correction. *The American Economic Review, 53*, 433-443.

Mollah, S. (2011). Do emerging markets firms follow different dividend policies*? Studies in Economics and Finance*, *28(2),* 118-135.

Moradi, M., Salehi, M., & Honarmand, S. (2010). Factors affecting dividend policy: Empirical evidence of Iran. *Poslovna izvrsnost*, *4*(1), 45-61.

Moscu, R.G. (2012). Determinant Agents Analysis of Dividend Policies Practiced by Companies Listed in Great Britain and France. *Romanian Statistical Review Supplement*, *60*(1), 28-34.

Mueller, D. C. (1972). A life cycle theory of the firm. *The Journal of Industrial Economics*, *20(3),* 199-219.

Musa, I. F. (2009). The dividend policy of firms quoted on the Nigerian Stock Exchange: An empirical analysis. *African Journal of Business Management, 3*(10), 555-566.

Neves, E. & Torre, C. (2006). Dividends: New evidence on the catering theory. ”New Trends in Management. Retrieved from http://www.eco.uva.es/empresa/uploads/dt_14_06.pdf

Nigerian Enterprise Promotion Decree of 1989. Laws of the Federation of Nigeria.

Nigerian Investment Promotion Commission Act. Decree No. 16 of 1995, Chapter N117. Laws of the Federation of Nigeria.

Nnadi, M.A. & Akpomi, M. (2008). The effect of taxes on dividend policy of banks in Nigeria. *International Research Journal of Finance and Economics*, *19*, 48-55.

Nnorom, N. (2012). Excessive charges scare companies away from Nigerian stock market. Retrieved from www.vanguardngr.com/2012/05/excessive-charges-scare-companies-away-from-nigerian-stock-market/

Nigerian Stock Exchange Factbook (2003-2012), A publication of the Nigerian Stock Exchange.

Nwidobie, B.M. (2011) Dividend payouts and shareholder's satisfaction in quoted firms in Nigeria. *European Journal of Social Sciences, 22*(4), 541-549.

Obiora, P. (2012, January 25). Nigerian capital market: still bundle of opportunities for investors-Expert. InvestAdvocate. Retrieved from http://www.investadvocate.com.ng/index.php?option=com_content&view=article&id=3444:nigerian-capital-market-still-bundle-of-opportunities-for-investors-expert&catid=23:interview&Itemid=45

Ogbulu, O.M. & Arewa, A. (2010). The long-run directional relationship between leverage and dividend payment: Empirical evidence from the Nigerian Stock Exchange (1984-2010). *Asian Journal of Business and Management Sciences, 2*(1), 29-59.

Ogunde, A. (2012, December 27). 70% of Nigerian stock market activity controlled by foreigners. Business News. BusinessNews. Retrieved from htttp://www.business news.com.ng.

Oke, M.O., & Adeusi, S.O. (2012). Impact of capital market reforms on economic growth: The Nigerian experience. *Australian Journal of Business and Management Research, 2*(2), 20-30.

Okereke O.N. (2012, May 14). The Nigerian stock market: strategies for recovery, rebound and practical bailout options. Vanguard. Retreived from http://www. vanguardngr.com.

Okoyeuzu, C. (2011). Information content of dividends: A case study of Nigerian firms. Retrieved from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1934521

Okpara, G. C. (2010). A diagnosis of the determinant of dividend pay-out policy in Nigeria: A factor analytical approach. *American Journal of Scientific Research, 8*, 57-67.

Oladipupo, O. F. (2010). The crash of Nigerian capital market: Explanations beyond the global meltdown. *International Business Management, 4*(2), 35-40.

Olaniyi, T.A., & Olabisi, O.Y. (2011). Causes and impacts of global financial crisis on the performance of Nigerian banks (A case study of selected banks). Journal of *Business Management and Economics, 2(4)*, 164-170.

Olanrewaju, M. (2013, February 21). Hot money influx into Nigerian stock market: Caution to investors. BusinessDay. Retrieved from http://www.businessday online.com/NG/index.php/markets/investor/51991-hot-money-influx-into-nigerian-stock-market-caution-to-investors

Olisaemeka, A.G. (2009). The meltdown of the Nigerian capital market: Causes and consequences. *Business nairaland*. Retrieved from http://www.nairaland.com

Olujide, J.O. (2000). The impact of automation on the Nigerian Stock Exchange. *Journal of Banking and Financial Issues, 3*(1), 91-100.

Omar, N., & Rizuan, S. (2014). Financial deceitful trick through dividend smoothing. *Procedia Social and Behavioural Sciences*, *145*, 300-307.

Onuorah, A. C., & Okoli, M. N. (2013). Long run relationship between macroeconomic variables and FDI in Nigeria. *Developing Country Studies, 3*(1), 162-169.

Ooi, J.T.L., Ong, S.E., & Li, L. (2010). An analysis of financing decisions of REITS. The role of market timing and target leverage. *Journal of Real Estate Finance and Economics, 40(2)*, 130-160.

Osaze, E. B.(2011). The historical evolution of the Nigerian capital market. *Proshare intelligent investment*. Retrieved from http://www.proshareng.com

Osinubi, T. S. (2004). Does stock market promote economic growth in Nigeria. *The ICFAI Journal of Applied Finance, 10*, 17-35.

Oteh, A. (2012). The Nigerian capital market, *Submission by the SEC*. Public hearing organized by the committee on capital market and other institutions, house of representatives of the federal republic of Nigeria. Securities and Exchange Commission.

Pampel, F.C. (2000). *Logistic regression: A primer*. Sage university series on quantitative applications in social sciences, Thousand Oaks, CA: SAGE Publications.

Pandey, I.M. (2008). *Financial Management*. (9th ed.). New Delhi: Vikas publishing house PVT ltd.

Personal Income Tax Act 2004. Laws of the Federation of Nigeria.

Pension Reform Act 2004. Laws of the Federation of Nigeria.

Perretti, G.F., Allen, M.T., Weeks, H.S. (2013). Determinants of dividend policies for ADR firms. *Managerial Finance, 39*(12), 1155-1168.

Podesta, F. (2002). Recent developments in quantitative comparative methodology: the case of pooled time series cross-section analysis. *DSS Papers Soc*, *3*(2), 5-44.

Pregibon, D. (1980). Goodness of link tests for generalized linear models. *Applied Statistics*, *29*, 15-24.

Proshare News (2013). Retrieved from http://proshareng.com/news/16841

PWC (2014). Nigeria @ 50: Top 50 tax issues. Retrieved from www.pwc.com/en_NG/ng/pdf/nigeria-top-50-tax-issues.pdf.

Ramli, N. M. (2010). Ownership structure and dividend policy: Evidence from Malaysian companies. *International Review of Business Research Papers, 6*(1), 170-180.

Rantapuska, E. (2008). Ex-dividend day trading: Who, how, and why? Evidence from the Finnish market. *Journal of Financial Economics, 88(2)*, 355-374.

Rashid, M., Nor, F. M., & Ibrahim, I. (2013). Evidence of dividend catering theory in Malaysia: Implications for investor's sentiment. *Contemporary Economics, 7(4)*, 99-110.

Reddemann, S., Basse, T., & Von der Schulenburg, J.M. G. (2010). On the impact of the financial crisis on the dividend policy of the European insurance industry. *The Geneva Papers on Risk and Insurance-Issues and Practice*, *35*(1), 53-62.

Redding, L. S. (1997). Firm size and dividend payouts. *Journal of Financial Intermediation*, *6*(3), 224-248.

Reddy, Y. S., & Rath, S. (2005). Disappearing dividends in emerging markets?: Evidence from India. *Emerging Markets Finance and Trade*, *41*(6), 58-82.

Ronapat, M., & Evans, M. (2005). Disappearing dividends in the Thai capital market: Changing firm characteristics or lower propensity to pay. *Journal of Economic and Social Policy, 10*(1), 7.

Rozeff, M. (1982). Growth, beta and agency costs as determinants of dividend payout ratios. *Journal of Financial Research*, *5*(3), 249-259.

Salawu, R.O., Asaolu, T.O, & Yinusa, D.O. (2012). Financial policy and corporate performance: An empirical analysis of Nigerian listed companies. *International Journal of Economics and Finance*, *4*(4), 175-181.

Samuel, S.E. & Iyanda, S.J. (2010). The effect of company income tax on dividend policy of financial institutions in Nigeria. *Continental Journal of Social Sciences*, *3*, 1-6.

Savickas, R., & Zhao, B. (2012). Market sentiment and dividend policy: Cross sectional evidence. Midwest Finance Association Annual Meeting Paper. Retrieved from http://ssrn.com/abstract=2150318.

Schwab, J.A. (2010). Logistic regression basic relationships. Retrieved from http://www.utexas.edu/.../schwab/.../LogisticRegres.

Seaholes, M. (2000). Smart foreign traders in emerging markets. Working Paper, Harvard Business School.

Securities and Exchange Commission (SEC) Act No. 71 (1979)

Securities and Exchange Commission (SEC) Act No. 71 (1988)

Shah, S. Z. A., Ullah, W., & Hasnain, B. (2011). Impact of ownership structure on dividend policy of firm. International Conference on E-Business, management & economics. IPEDR. Hong Kong

Shefrin, H.M. & Statman, M. (1984). Explaining investor preference for cash dividends. *Journal of Financial Economics*, *13*, 253-282.

Shin, M.S., Kwon, J.S., & Kim, S.E. (2010). Earned surplus and dividend policy: A test of the financial life cycle in Korean capital market. *International Research Journal of Finance and Economics*, *59*, 86-100.

Sierpińska, A., & Mlodkowski, P. (2010). Dividend policy in crisis. Case of Japan 1991-2008. Retrieved from http://www.opf.slu.cz/kfi/icfb/proc2009/pdf/36_ Sierpinska.pdf

Smith, M. & Eije, H.V. (2009). Ownership and dividend policy: New evidence from Germany. Retrieved from http://www.efmaefm.org/0EFMAMEETINGS/

EFMA%20ANNUAL%20MEETINGS/2010-Aarhus/EFMA2010_0483_fullpaper.pdf

Spencer, M. (1973). Job market signaling. *The Quarterly Journal of Economics, 87*(3), 355-374.

Tarling, R. (2009). *Statistical modelling for social researchers: Principles and practice.* New York: Routledge Taylor & Francis Group.

Thanatawee, Y. (2013). Ownership structure and dividend policy: Evidence from Thailand. *International Journal of Economics and Finance, 5(1), 121-132.*

Tsuji, C. (2010). A test of the catering theory of dividends: The case of the Japanese electric appliances industry. *Journal of Management Research, 2*(2).

Turner, J.D., Ye, Q., & Zhan, W. (2011). Dividend policy in an early capital market, Britain 1825-70*. Retrieved from http://www.efmaefm.org/0EFMAMEETINGS/.../2011-Braga/.../0088.pdf.

Ullah, H., Fida, A., & Khan, S. (2012). The impact of ownership structure on dividend policy Evidence from emerging markets KSE-100 index Pakistan. *International Journal of Business and Social Science, 3(9),* 298-307.

Uwalomwa, U. & Olamide, O. (2012). An empirical examination of the relationship between ownership structure and the performance of firms in Nigeria. *International Business Research, 5*(1), 208-215.

Vieira, E., & Raposo, C. (2007). *Lower propensity to pay dividends? New evidence from Europe*. Retrieved from http://www.papers.ssrn.com.

Vilamil, A.P. (2008). *The Modigliani-Miller theorem*. The new palgrave dictionary of economics. Macmillan press.

Vo, X.V. (2010). Foreign ownership in Vietnam stock markets - an empirical analysis. Retrieved from mpra.ub.uni-muenchen.de/29863/

Vo, D.H., & Nguyen, T.Y. (2014). Managerial ownership, leverage and dividend policies: Empirical evidence from Vietnam's listed firms. *International Journal of Economics and Finance*, *6*(5), 274-284.

Warrad, L., Abed, S., Khriasat, O., & Al-Sheikh, I. (2012). The effect of ownership structure on dividend payout policy: Evidence from Jordanian context. *International Journal of Economics and Finance*, *4*(2), 187-195.

Zurigat, Z., & Gharaibeh, M. (2011). Do Jordanian firms smooth their dividends? Empirical test of symmetric and asymmetric partial adjustment models. *International Research Journal of Finance and Economics*, *81*, 160-172.