Research Journal of Finance and Accounting
ISSN 2222-1697 (Paper) ISSN 2222-2847 (Online)
Vol.9, No.7, 2018 www.iiste.org

Does Firms' Growth Indicators Predict Market Capitalization of Firms in Nigeria Breweries Industry?

MBA, Jennifer O
Department of Accountancy, Faculty of Management Sciences, Enugu State University of Science & Technology, Enugu

Ezeh, Jude O
Department of Marketing, Faculty of Management Sciences, Enugu State University of Science & Technology, Enugu

Nwekwo Mabel Ngozi, Ph.D
Department of Accountancy, Faculty of Business Administration, University of Nigeria

Abstract
The study appraised if growth indicators affect market capitalization of firms in Nigeria in the brewery industry in Nigeria. The research adopted *ex- post facto* research design covering the period of ten years, 2007-2016. Secondary data was extracted from annual report and accounts of selected brewery firms quoted in the Nigeria Stock Exchange. The data were analyzed using multiple linear regression technique. Findings indicate that earnings per share and dividend per share have a positive and significant effect on market firms in Nigeria. The implication of the finding is that earnings per share and dividend per share can used in predicting the movement of market capitalization of brewery industry in Nigeria. The study hereby recommends that firms should enhance both their Earnings per Share and Dividend per Share to grow their market capitalization of brewery firms in Nigeria.
Keywords: Growth indicators, market capitalization, Earnings per Share, Dividend per Share.

1.1 Introduction

Firms all over the world desire growth to enable them create returns on their investments. These returns could be in the form of profits and subsequently dividends. Diverse scholars however view corporate growth differently following their justified on based on the multiple growth measurement yardsticks. To that extent, those bases tries to show the progress the organizations have made towards attainment of set up goals and objectives which is along shareholder's wealth maximation. In the contrast, other business owners adopt sales values ,number of employees or physical expression growth as their own yardstick for the measurement of growth. Corporate growth defines indicators of effectiveness for small and large businesses and is a fundamental concern of many practicing managers, Odongo and Datche, (2015). Supporting this view, Deans (2004), aver that growth is the mantra and mission of every company. In support of that, McGrath (2001), submitted that growth is essential to the success and longevity of any business. Sujoko (2007) opines that a company's value is the perception through which the investors assesses the company, which in most times associated with stock price of the company while Fesser and Willard (2001) aver that growth is a indication of market acceptance and firm success Asimakopoulos, Samivas and Papadogonas (2009), opine that growth is very critical factor for the success of a business and is also the source of evolution and development of a country's economy.

Vijayakumar and Davi(2011), consider growth as an ongoing, orderly and organized process and that profitability has a great influence on it increase in growth requires effort of both employer and employee at the work place, which take a long time to achieve. Employees are motivated to achieve the growth of the company for their future benefits. Serrasqueiro (2009), posited that dolication of employees, improves their performance resulting in high growth and profitability.

The remaining parts of this work assesses whether firms' growth indicators predict financial performance of firms in Nigerian breweries industry?

1.2 Statement of the Problem

It is obvious that most business organizations are set up with the basic objective mission and objectives to grow shareholders' values through profit making. Put differently, firms are put in place for the purposes of making profit, grow and enhance values for the shareholders and other. Part of these values will also help it address the needs of the other stakeholders such as employees, creditors, host community, the government among others. It is therefore expected that periodically, companies should measure the extent to which these objective have been achieved. This will enable management assess the extent it has measured up with the established benchmarks.
However, what borders researchers is that some indicators have not actually transcended into better financial performance. This has seen some firms declaring high profits while what goes to shareholders as divided is

either a paltry of the declared profits or sometimes nothing.

In Nigeria the brewery industry has been bedeviled be turbulence leading to closure of many that the country can barely boast of 3-4 functional breweries in the country. In addition this is the fact that not much research has been done on this topic available literature shows that attention was devoted mainly on company growth, company size and profit a situation which completely isolated company's growth is affected by it consequence of this isolation is that companies continue to work on initiation and will not known to what extent they have achieved growth over a time period, how much value they have created and which growth indicators contributed to such value. To this extent the study would bring to the fore a better encompassing basis for the measurement of the relevance that the growth indicators could make towards the measurement of financial performance of firms taking into account the market capitalization of firms in the brewery industry in Nigeria.

It is therefore in pursuit of the above articulated need that the study appraises the issue of whether firms' growth indicators predict financial performance of firms in Nigerian breweries industry?

1.3 Objectives of the Study

The primary objective of this study is to assess if growth indicators enhance financial performance of brewery firms in Nigeria. The specific objectives of the study are:

1. To evaluate the effect of Profit after Tax on the Market Capitalization of Nigeria brewery firms.
2. To examine the effect of Earning per Share on Market Capitalization of firm in Nigeria brewery firms.

1.4 Research Questions

The study the following research questions guided this work:

- How does Profit after Tax affect the Market Capitalization of Nigerian brewery firms?
- What is the effect of Earning per Share on the Market Capitalization of firms in Nigeria brewery firms?

1.5 Statement of Hypotheses

The following null hypothesis guided the study:

1. Profit after Tax has no significant effect on Market Capitalization.
2. Earnings per Share have no significant effect on their Market Capitalization.

Review of Related Literature

2.1 Conceptual Framework

2.1.1 Corporate Growth:

Corporate growth defines the rate at which corporate basis for assessing increases of an organization. It is used as one indicator of effectiveness for small and large business and is a fundamental concern of many practicing managers. Ultimately, success and growth will be gauged by how well a firm does relative to the goals. It has set for itself. Strategic planning is a key driver of organization growth, since it has to emerge as a strategic business partner helping the top management build on organization that is not just good for today, but for tomorrow and beyond.

Corporate growth was measured using profit after tax and earnings per share of the firms.

2.1.2 Earning Per Share

It is generally agreed in theory that the financial goal of the firm should be shareholder wealth maximization, as reflected in the market value of the firms shares (Babputhiran 2014). Balaputhiran further stated that of the market value of the company's shares is a function of earning per share, then maximization of the earning per share will result in the highest possible price for the company's shares.

The revenue earned by a company after meeting cost of production then interest depreciation, and tax belong to the equipment share holder and those revenue/earnings per share is computed by dividing earning affects interest, the depreciate in shares (Sumanagala, 2012). Earning per share or income by the number 0-1 share the corporation has outstanding. Specifically EPS for the purpose of this study is the ratio of profit of the tax after dividend on preference shares to number of outstanding equity shares. After the payment of preference share dividend, the residue of earning becomes the exclusive right of the ordinary shareholders. EPS gives the right signal to the level of corporate retentions and can be a point to the rate of dividend payout at year end.

2.1.3 Dividend per Share

Dividend per Share defines that aspect of share of profit of a firm that goes to the shareholders on a prorate and is a measure of the number of shares held by each shareholder and the end of the financial year.

2.1.4 Market Capitalization

Market capitalization or market cap, refers to the total value of all a company's shares of stock. It is calculated by multiplying the price of a stock by its total number of outstanding shared. Barberis (2003). While a company's size can be measured in terms of its sales, investors also need to asses its size in term of market value. Market capitalization is often fluctuating and changing. Most investors would agree that market cap is the most important determinant of a company's size because it reflect market value and therefore, expectation about a company's future. Market cap measures not only what a company is worth on the open market but also the market's perception of its future prospects because in refers what investors are willing, to pay for its stock. All companies are categorized according to their market capitalization as small capitalization medium capitalization or large. Divergent factors influence company's' share price makes it a very sensitive element to manage. Inspite of this management challenges, the market value of a firm's shares remains the most acceptable measure of the shareholder's wealth.

2.2 Theoretical Framework

This study will be anchored on the following theories pecking order theory, Agency theory and the Business theory. These theories are discussed as follows:

2.2.1 Pecking Order Theory

The Pecking Order Theory of Myers and Majlif (1984) try to generate ideas that firm will use hierarchy of financing by prioritizing their sources of financing. It states that firms should utilize its internal funds, that is, debt and equity. Its documents that firms prefer internal funds firm, debt second and external equity last and that funding needs internal funds to jointly determine capital structure decision. The theory argues that the more profitable a firm becomes the leaser to borrow because it would have sufficient internal finance to undertake its investment projects.

The theory posits that it is only when the internal financing is not adequate that firms should sources for external finances. The theory tries to capture the cost of asymmetric information where companies prioritize their source of financing from internal financing to equity, according to the law of least effort or least resistance. This means that firm's capital structure choices follow a hierarchy; first prefer internal sources of financing, then choose debt when the internal finance is not available, and only choose equity (debt) as a last resort. The firm maturity stage show up because it is believed that new firms rely more on new equaity (or contributed equity) for early growth whereas mature companies relly more self-financing through co-operate retentions and are more able to pay dividends as a result of sufficient growth of earnings.

2.2.2 Agency Theory

This theory has to do which the effect of the principal (shareholders) and the agents (company's managers). As agency relationship exist when one or more individuals called principles hire one or more individuals known as agents to perform some services and then delegate decision making authority to agents Lawal Kiyanjul and Kayode, (2014). They argue that ownership and control are more separated to a continuous interference of equity ownership of large organizations. This theory of capital structure stats that an optimal capital structure will be determined by minimizing he costs arising from conflicts between the parties involved. Jensen and Neckling (1976) argue that agency cost play an important AOLC in financing decisions due to the conflict that may exist between shareholders if companies are approaching financial distress shareholder can encourage management to take decisions, which in effect, expropriate funds from the holders to equityholders. Sophisticated debt holders will then requires a higher return for their fund if there is potential for this transfer of payments, however, may reduce the agency conflict between shareholders and managers.

Debt holders have legal redress if management fails to make interest payments when they are due, hence manager concerned about potential loss by job, will be more Italy to operate the firm as efficiently as possible in order to meet the interest payments. This aligning their behaviourcloser to shareholder wealth maximation. Jensen and Melding (1976) see agency costs as the sum of the monitoring expenditure by the principal, bonding cost by the agent, and a residual loss. Jensen and Meckling (1976) argued that the use of secured debt might reduce the agency cost of debt. Un(2001). However, suggest that if a firm's level of tangible assets is low, the management for monitoring cost reasons may choose a high level of debt to mitigate equity agency costs.

2.3 Previous Studies

The empirical studies done on the work are:

2.3.1 Effect of Earnings per Share on the Market Capitalization of Firms

Khani, et al (2011) investigated the effect of dividend polices by taking the simple of 55 dividend paying companies listed in Karachi stock exchange for the period of 2001 to 2010. Fix and random effect models of regression analysis are applied. Results of the study indicate that Dividend yield is positively and retention ratio is negatively related to stock prices in both cases fixed and random effect and significantly explain the variations in stock prices. This further explains that investors want dividendprovides signal about the future prospects of the company.

The control variable earning per share and profit after tax are post-theory related to stock prices in case of both the model while even on equity is negatively related to stock in case of fixed effect model and positively related in case of Radom effect model. Salih (2010) examines the Empirical effect of dividend policy and firm's value. The results show that the firms market value affected by its dividend policy which is in link with Gardon (1963) while inconsistent with Miller and Modigliani (1961), Baker et al (1985) whielYarrely et al (1986); limad and Chaudhary(2006). There is effect of earning, investment policy, and stock repurchases. Stockholders structure is the most important factor influencing firms. Managers which they set its dividends policy while agency theory is the less important factors.

Arnott and Asness (2003) suggested that the positive effect of current dividend payout and future earnings growth is based on the free cash flow theory. Low dividend resulting in low growth may be as a result of suboptimal investment and less than ideal projects by manager with excess free cash flows of their disposal.

This is prominent for firms with limited growth opportunities or a tendency towards over-investment playing substantial dividends which in return would require managers to raise funds from issurance of shares may subject managemnte to more security, reduce conflicts of interest and thus curtail suboptimal investment, Arnott and Asness (2003).

2.3.2 Effect of Dividend per Share on Market Capitalization

Barman (2007) used survey to solve the problem of the study which is, which of the dividend theories, relevant or irrelevant, are applied by the majority of the firms in the sample and as a consequence of the theory being applied and whether a managed dividend policy does influence firm value or whether a dividend policy is irrelevant. A total of 42 completely questionnaire were received from different companies, both listed and private throughout this republic of South Africa. The results indicated that the dividend decision is as important as the company's investment and failing decision in determining firm value I dividend payments affect a firm cash flows causing an increase in the firms cost of capital, an increase in dividend payout results in an decrease in share price and dividend payment should satisfy shareholders preference for dividend.

Bougatef (2011) examined the impact of dividend payment on the stock price in Tunis stock price. The example covered 24 publicly tradoc Tunisian firms. Data were collected from Tunis stock exchange and completed from firm's web sites during the period 2000-2008 by using panel Darka regression, fixed effort model, Random Effect and Ols model. The result indicated that cash dividend have positive impact on stock prices of Tunisan firms. In addition, Tunisan investors reward firms paying cash dividend. Inflation has negative impact on stock price but profitability positive impact on stock price.

Mokaya, Nyangara and James (2013) conducted whose purpose was to determine the effects of dividend policy on the market share value in the banking industry in Kenya, using a case study of National Bank of Kenya. The study adopted on explanatory research design. This study covered a sample of 100 respondents selected through proportionate stratified sampling from a total population of 47,000 general public shareholders. A structure, self administered questionnaire was used to collect data from the respondents. Market share value was designated as the dependent variable and dividend policy is the independent variable. Descriptive and inferential statistics were used to determined and explain variable's relationships. The study concluded them National Bank of Kenya (NBC) had a dividend policy and this dividend policy is the major factor driving NBL share value. The study revealed that the dividend policy has been and continue to be an important factor driving NBL share value as supported by 80% of the respondent. 90% of the respondents pointed out that they considered payment of dividends a major-element in the value of shares, meaning than an increase in a dividend payout causes an increase in share price as supported by 88% of the respondents.

Murekefu and Duma (2012) studied the effect of dividend payout and firm performance of NSE listed companies and established a strong positive effect of dividend payout and stock performance. They concluded that dividend policy is relevant and that managers should devote adequate time and effort to determine a dividend policy that can enhance firm performance and shareholder value.

Methodology

a. Research Design

The study is an ex- post facto (after the facts) research. Asika, (2005) opines that ex post fact research is expected to provide a systematic and empirical solution to research problems. This is because the research make use of data where are existence and available. The research is conducted in Nigeria in the brewery sector of the economy with nine companies presently quoted in the Nigeria stock exchange market. Time series data (2007-2016) was extracted from the annual reports and account(s) of the selected listed brewery firms. Data with particular importance to review of related literature were gathered from academic journals, libraries, website and internets.

b. Sample Size and Selection Technique

Availability of data and sufficiency of observation are important factor of consideration in a study. Hence the study domically selected 4 firms from brewery was guided by the size, market capitalization of selected firm.

c. Analytical Technique

The analytical involve the graphical presentation of the movement in dependent and independent variable descriptive staffs in terms of measures of central tendency distribution the predictable power of each to evaluate the predictable power of each independent variable on the dependent coefficient of multiple determination.

d. Analytical Procedure

1. Graphical representation of the independent variable to show the trend of movement within the study period. This can be used for predictions.
2. Using the recomputed data series a regression equation is estimated to evaluate the effect of the selected co-operate growth indicator variable on company value of the brewery firm in Nigeria.
3. A correlation analysis is conducted to examine the effect of selected corporate growth indicators variable on market capitalization which is the proxy for company's value. The result is useful for prediction.

e. Model Specification

The model is specified in line with previous related literature in the area of the study. Koutsoyiannis (2003) states that model specification involves the determination of the dependent and explanatory variable, which will be included in the model, the theoretical expectations about the sign and the size of the parameters of the function the models are specified as follows.

f. Hypothesis One

Hypothesis states that profit after tax do not significantly effect on the market capitalization of Nigerian brewery sector.

The model is specified as

MKTCAP =Bo + PAT + Et ……………………………….(1)

Where

MKTCAP = Market capitalization
PAT = Profit After Tax
E = error term
Bo = coefficient (constant) to be estimated
B1 = parameter of the independent variable to be estimated
T = time

g. Hypothesis Two

Hypothesis one states that earning per share do not significantly affect market capitalization of firms in Nigeria brewery factor.

The model is specified as:

MKTCAPT = BO + B1EPSt + Et……………………………………………..(2)

Where

MKTCAP = market capitalization
EPS = earning per slide
E = error term
Bo = coefficient (constant) to be estimated
B1 = parameter of the independent variable to be estimated
t = time

The composite multiple regression (predication model is statistically formulated as:

MKTCAPt, I = B_o + B1 +EPt+ B_2DPSt + Et …………………….(3)

MKTCAP = Market capitalization
DPS = Dividend per Share
E = error term
Bo = coefficient (constant) to be estimated
Bi – B6 = parameter of the independent variable to be estimated
T = current period

Presentation and Analysis of Data

4.1 Data Presentation: Data for this study is presented in the Appendix

4.2 Test of Hypotheses

Hypotheses One

Re-statement of Hypotheses

Ho: Earnings per share have no significant effect on the Market Capitalization of Nigerian Breweries Plc.
Hi: Earnings per share have a significant effect on the Market Capitalization of Nigerian Breweries Plc.
Decision Rule: Accept Ho if insignificant at 5% level of significance otherwise reject.

Table 4.1 Regression Results of the Effect of Earnings per Share on Market Capitalization.

R2	R2 Adjusted	Standard Error	Beta Coeff.	Probability
0.258052358	0.224327465	4.485332133	0.843271788	0.011267181

Source: Researcher's Computations, 2017

Table 4.2 shows the effect of the selected companies Earnings per share on their Market Capitalization. The results in Table 4.10 indicate R^2 as 0.258052358. This means that 25% of the variations in the selected companies Earnings per sharewas caused by changes which produced their Market Capitalization. This means that the remaining 75% can be caused by other variables that are not discussed in this study. Analysis also shows that Beta coefficient of 0.843271788. This means that a naira increase in the budget will cause a decrease of 0.843271788 in the selected companiesMarket Capitalization. The study also shows a p-value of 0.011267181. This means that the change in the selected companies Earnings per share has positive and significant effect on its Market Capitalization.

Decision: Accept Hi and reject Ho. This means that the selected companies Earnings per share has positive and significant effect on its Market Capitalization at 5% at level of significance.

Test of Hypotheses Two

Ho: Dividend per share has no significant effect on their Market Capitalization.

Hi: Dividend per share has a significant effect on their Market Capitalization.

Decision Rule: Accept Ho if insignificant at 5% level of significance otherwise reject.

Table 4.2 Regression Results of the effect of Nigerian Breweries Plc.'s Dividend per share on their Market Capitalization.

R^2	R^2 Adjusted	Standard Error	Beta-Coeff.	P-Value
0.174600884	0.137082742	4.730858711	0.641100682	0.042173121

Source: Researcher's Computations, 2017

Table 4.2 shows the effect of the selected companies Dividend per share on their Market Capitalization. The results in Table 4.2 indicate R^2 as 0.174600884. This means that 17% of the variations in the selected companies Dividend per sharewas caused by changes which produced their Market Capitalization. This means that the remaining 83% can be caused by other variables that are not discussed in this study. Analysis also shows that Beta coefficient of 0.641100682. This means that a naira increase in the budget will cause a decrease of 0.641100682 in the selected companiesMarket Capitalization. The study also shows a p-value of 0.042173121. This means that the change in the selected companies Dividend per share has positive and significant effect on its Market Capitalization.

Decision: Accept Hi and reject Ho. This means that the Dividend per share has positive and significant effect on its Market Capitalization at 5% at level of significance.

4.3 Discussion of Results

Table 4.1 shows the effect of the selected companies Earnings per share on their Market Capitalization. The results in Table 4.1 indicate R^2 as 0.258052358. This means that 25% of the variations in the selected companies Earnings per sharewas caused by changes which produced their Market Capitalization. This means that the remaining 75% can be caused by other variables that are not discussed in this study. Analysis also shows that Beta coefficient of 0.843271788. This means that a naira increase in the budget will cause a decrease of 0.843271788 in the selected companiesMarket Capitalization. The study also shows a p-value of 0.011267181. This means that the change in the selected companies Earnings per share has positive and significant effect on its Market Capitalization.

Table 4.2 shows the effect of the companies Dividend per share on their Market Capitalization. The results in Table 4.3.11 indicate R^2 as 0.174600884. This means that 17% of the variations in the selected companies Dividend per sharewas caused by changes which produced their Market Capitalization. This means that the remaining 83% can be caused by other variables that are not discussed in this study. Analysis also shows that Beta coefficient of 0.641100682. This means that a naira increase in the budget will cause a decrease of 0.641100682 in the selected companiesMarket Capitalization. The study also shows a p-value of 0.042173121. This means that the change in the selected companies Dividend per share has positive and significant effect on its Market Capitalization.

5.1 Summary of Findings

At the end of this research work on the effect growth indicators on performance of firms:

1. Earnings per share of Nigerian brewery sector have a positive and significant effect on its Market Capitalization.
2. Dividend per share has positive and significant effect on Market Capitalization of Nigerian breweries sector.

5.2 Conclusion

Following the summary of findings,

Earnings per share of Nigerian brewery sector have a positive and significant effect on its Market Capitalization while Dividend per share has positive and significant effect on Market Capitalization of Nigerian breweries sector.

5.3 Recommendations

The following recommendations are made in line with the conclusion:

a. Earnings per Share should be enhanced since it has positive and significant effect on the market capitalization of firms in the brewery industry.
b. Dividend per Share should be increased as it positively and significantly affect market capitalization of firms in the brewery industry.

References

Abraham, W.T. (2013). Stock Market Reaction to Selected Macroeconomic Variables in the Nigerian Economy, *CBN Journal of Applied Statistics 2(1),* 61-70.

Abubakar, J. and Umar, A. (2013). Crude Oil Prices and Foreign Exchange Rates: Evidence of Cointegration and Causality from Nigeria.

Adebisi T. (2012). A Vector Autoregressive Analysis of Oil and Exchange Rate in Nigeria: A Case of Dutch Disease, *British Journal of Arts and Social Sciences*, 11(1). http://www.bjournal.co.uk/BJASS.aspx.

Adelegan, O.J., (2001). Price Reactions on Dividend Announcements on Nigeria Stock Market, Revised Final Report Presented at the bi-annual workshop of the African Research Consortium, at Regency hotel, Nairobi, Kenya.

Aigbokan, Ben K., (1995). Financial Development and Economic Growth: A Test of Hypothesis on Supply-Leading and Demand-Following Finance, with Evidence on Nigeria. Nigerian Economic and Financial Review (N.E.F.R.), 1(2): 1-10.

Akinde, Mukail(2006). Fitting Autoregressive Models for Regression, Annals of the Institute of Statistical Mathematics, 21: 243-247.

Alile, H.I., (1984). The Nigerian Stock Exchange: Historical Perspective, Operations and Contributions to Economic Development Central Bank of Nigerian Bullion, Silver Jubilee Edition vol. II pp: 65-69.

Al-Kuwari, D (2009), Determinants of the Dividend Policy in Emerging Stock Exchanges: The Case of GCC Countries, *Global Economy & Finance Journal,* 2(2). 38-63.

Alzomaia, M. and Al-KhadhirL A. (2013). Determination of Dividend Policy: The Evidence from Saudi Arabia, *International Journal of Business and Social Science 4(1).*

Atje, R. and B. Jovanovic, (1993).Stock Markets and Development. European Economic Review, 37: 632-640.

Bencivenga, V.R., B. Smith and R.M. Starr, (1996). Equity Markets, Transaction Costs and Capital Accumulation: An Illustration. The World Bank Economic Review, 10: 241-65.

Bencivenga, V.R., Bruce D. Smith and Ross M. Starr, (1996).Equity Markets, Transaction Costs and Capital Accumulation: An Illustration. The World Bank Economic Review, 10(2): 241-265.

Collins, M. Cary, Atul K. Saxena, and James W. Wansley (1996). The Role of Insiders and Dividend Policy: A Comparison of Regulated and Unregulated Firms. *Journal of Financial and Strategic Decisions*, 9(2), 1- 9.

Demirguc - Kunt, A. and R. Levine, (1996). Stock Market Development and Financial Intermediaries: Stylized Facts. The World Bank Economic Review, 10: 291-321.

Demirguc - Kunt, Asli and Ross Levine, (1996).Stock Market, Corporate Finance and Economic Growth: An Overview" The World Bank Review, 10(2): 223-239.

DermigucKunt, A. and R. Levine, (2001).Bank-Based and Market Financial Structure and Economic Growth: Cross-Country Comparisons of Banks, Market and Development, MIT Press.

Gill, A., Biger, N. and Tibrewala, R. (2010). Determinants of Dividend Payout Ratios: Evidence from United States,*The Open Business Journal* 3, 8- 14.

Koutsoyianis.*A. (2003).Theory of Econometrics* (2nd eel). London: Palmgrave publishers.

Kowaleski, O., Stetsyuk, I. and Talavera, O. (2007). Corporate Governance and Dividend Policy in Poland", *Wharton Financial Institutions Centre Working Paper* No. 07-09.

Levine, R. and S. Zervos, (1998).Stock Market, Banks and Economic Growth", American Review, 88: 537-558.

Maladjian, C. and El Khoury, R. (2014). Determinants of the Dividend Policy: An Empirical Study on the Lebanese Listed Banks, *International Journal of Economics and Finance*; 6(4); 240-256.

Moscu, R. (2010). Determinant Agents Analysis of Dividend PoliciesPracticed by Companies Listed in Great Britain and *France, Revista. Romana de Statisticd* Trim 1/2012- Supliment

Mueller, D. C. (1972). A Life Cycle Theory of the Firm, *Journal of Industrial Economics',* 20(3), 199-219.

Musiega, G., Alala B., Musiega D., Maokomba O., Egessa R. (2013).DetenninantsOf Dividend Payout Policy Among Non-Financial Firms On Nairobi Securities Exchange, Kenya. *International Journal of Scientific & Technology Research 2(10),* 253-266

Nwidobie, B. M. (2013). Agency Conflict and Corporate Dividend Policy Decisions In Nigeria.*Asian Economic and Financial Review*, 3(8) 1110- 1121.

Onyekwelu, U.L(2015). *Firm foundation on accounting and financial research.* Enugu: His Glory Publications.

Park, J.J., (2009). Shareholder compensation as dividend. Michigan Law Review, 108: 323-371. Available from www.michiganlawreview.org

Segal, U and Spivak, A. (1985). Firm Size and Optimal Growth Rates, UCLA *Working Paper 380, http://www. econ.ucla. edu/workingpapers/wp380.pdf.*

Tsuji, C. (2010). What Are The Determinants Of Dividend Policy? The Case Of The Japanese Electrical Appliances Industry, *Business and Economics Journal*, 9(2), 1-16.

APPENDIX

	EPS	DPS	MARKET CAPITALISATION
Nigerian Breweries Plc.	3.58	4.62	13.97543994
	4.82	4.7	13.89095007
	5.62	5.75	14.03874611
	5.7	3	14.05435264
	5.03	3	13.92141712
	5.08	1.25	13.47871807
	4.01	3.54	13.27606939
	3.69	1.82	12.90169177
	3.4	4.85	12.64299443
	2.5	1.59	12.84000047
Guinness Nigeria Plc.	-1.34	13.2	20.52751229
	5.18	3.2	20.92685368
	6.36	7	21.13264859
	7.93	8	21.35978417
	9.95	8.25	21.23409129
	12.16	2.73	21.3148145
	9.31	8.25	20.87931088
	9.18	12.8	20.67559565
	8.04	4.5	20.63383786
	7.25	3.46	20.6537986

Source: Firms' Financial Statement