

## **Dividend Trends in the GCC: A Survey**

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*This study examines the dividend intensity trends in the GCC Markets. Each country has a stock market, whereas the UAE has two. This study was based on 759 listed companies in the various stock markets in the GCC. The sample firms for this study was selected on the basis of the criterion that the firms have paid at least one percent cash dividends in terms of book value per share during the period of study which is 2012-2014. The study found that about 60 percent of the total listed companies in the GCC markets have paid cash dividends during the three-year period 2012-2014. The highest being Qatar, where 57% companies listed in the Qatar Stock Exchange paid dividends during this period, which is followed by Oman where 79% of companies listed in the Muscat Stock Market paid dividends. This was followed by Bahrain with 70%, Saudi Arabia with 57%, the UAE with 53%, and Kuwait where only 48% of listed companies paid dividends during the period of study.*

### **INTRODUCTION**

Companies which pay out dividends regularly to shareholders from earnings provide a positive signal about the future prospects of the firm. A firm's willingness and ability for dividend payment, in fact, signifies the fundamental strength of the company. Typically mature companies pay dividends. The three main cornerstones of decision-making in corporate finance are the investment, financing and dividend decisions. For value maximization a firm must invest in projects that earn a return greater than the minimum acceptable hurdle rate. Dividends are distributions of a portion of a firm's earnings to its shareholders. Dividends also provide a way for investors to assess a firm as an investment prospect. High growth companies don't pay dividends. Whereas, those companies in the mature phase of growth pay dividends.

Generally, there are three schools of thought on dividend policy. The dividend irrelevance theory proposed by Miller and Modigliani suggests that dividends do not affect the firm value. The second school of thought proposes that dividends are bad as they have a tax disadvantage for average shareholders and hence the value of firm decreases when dividends are paid. Dividends create a tax disadvantage for investors who receive them when they are taxed much more heavily than price appreciation (capital gains). The third school of thought proposes that dividends can increase the value of the firm. Investors usually prefer dividends to capital gains since dividends are certain and capital gains are not.

## REVIEW OF LITERATURE

John Consler (2011) compares the relative power of operating cash flow and earnings in the prediction of dividends based on 1902 dividend paying firms. Fairchild (2010) through a survey developed a theoretical model on dividend policy that combines signaling and free cash flow motives. Joshua Abor (2010) did a survey with a sample of 34 emerging market countries for a period of 17 years from 1990-2006 to check the effects of investment opportunity and corporate finance on dividend policy. Al Najjar (2009) investigated the dividend policy, dividend behavior and dividend policy decisions in Jordan, an emerging market.

Firms with higher risks payout lower cash dividends. A higher beta signals higher operating and financial leverage, and leverages produce fixed charges. Firms with higher fixed charges like interest payments pay lower dividends in order to avoid the external financing costs through internal financing (retained earnings). Rozeff (1982) uses the equity beta to proxy for the cost of external financing. Firms use debt more often than equity when raising external capital. The dividend payments can be considered as substitutes for these charges. It can be hypothesized that other things equal, a firm having higher operating and financial leverage will choose a lower dividend payout policy in order to minimize the cost of external financing. Hence dividend payout ratio is negatively related to the firm's beta coefficient.

Studies show that "disappearing dividends" is a global phenomenon (von Eije and Megginson, 2008). In a study of the payout policies of 17,000 companies from 33 countries between 1985 and 2006, Fatemi and Beldik (2012) conclude that the declining propensity to pay dividends is a worldwide pattern. According to Denis and Osobov (2008), the proportion of Canadian dividend-paying firms declined from 74.3% in 1988 to 19.9% in 2001.

The tax clientele argument postulated by studies like Elton and Gruber (1970), Litzenberger and Ramaswamy (1979), Brennan (1970), DeAngelo and Masulis (1980), that investors in low tax brackets prefer high dividend paying stocks when compared to investors in high tax brackets. In the GCC incomes are tax-free, hence investors would prefer high annual cash dividends.

## METHODOLOGY

This study explores the dividend trends in the GCC markets. Gulf Cooperation Council (GCC) established in 1981, is a political and economic alliance of six Middle Eastern countries—Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain, and Oman. All these countries are included in this study. The study covers all the companies listed in the stock markets of these countries. But the sample selected for this study and related analysis was restricted to only those companies which paid at least a minimum of 1% cash dividends during the period of study. The study is based on data for a period of three years from 2012 to 2014. Data relating to listed companies were collected from each of these stock exchanges, namely Saudi Stock Exchange (Tadawul), Kuwait Stock Exchange, Bahrain Stock Exchange, Muscat Securities Market, and Qatar Stock Exchange. For the UAE market, stocks from both Abu Dhabi Securities Exchange and Dubai Financial Market were clubbed together and included in this study. Companies listed in each of these markets were ranked on the basis of average percent dividends in terms of the face value of shares paid in the past three years (2012-2014).

## ANALYSIS OF RESULTS AND INTERPRETATIONS

**TABLE 1**  
**SAMPLE SIZE**

<b>Stock Markets</b>	<b>Country</b>	<b>Initial Sample</b>	<b>Total listed Companies</b>
Kuwait Stock Exchange	Kuwait	115	239
Tadawul (Saudi Stock Exchange)	Saudi Arabia	98	171
Muscat Securities Market	Oman	93	117
Abu Dhabi Securities Exchange & Dubai Financial Market	UAE	76	143
Qatar Stock Exchange	Qatar	41	45
Bahrain Stock Exchange	Bahrain	31	44
<b>Total</b>		<b>454</b>	<b>759</b>

The sample firms for the study was selected on the basis of the criterion that the firms have paid at least 1 percent cash dividends in terms of book value per share during the three-year period 2012-2014. Of the total 759 companies listed in the different stock markets in GCC, 454 companies have paid at least one percent cash dividends during the three-year period. In other words, approximately 60 percent of the total listed companies in the GCC markets have paid cash dividends during the three-year period of study. Qatar emerged as the most dividend intensive country, as 91 percent of companies paid cash dividends during the period 2012-2014. Oman is the second most dividend active country, as 79% of the listed companies in Muscat Securities Market paid dividends during the above period. Approximately 70 percent of listed companies in Bahrain paid dividends during the period 2012-2014. About 57 percent of listed companies in Saudi Arabia market paid dividends during the period 2012-2014. In the UAE and Kuwait markets, 57 percent and 48 percent of the listed companies paid cash dividends during this period. Thus Kuwaiti companies emerged as the least dividend intensive companies among the GCC nations during the period 2012-2014.

### **Dividend Trends of Listed Companies in Qatar**

Approximately 50 percent of the listed companies in Qatar has paid cash dividends in excess of 25 percent on an average basis. Four companies out of the top ten cash dividend payment companies are from the industrial sector. Qatar Fuel, Industries Qatar, and Al Meera paid cash dividends in excess of 80 percent of its face value of shares during the period 2012-2014. These companies paid 97%, 88%, and 83% cash dividends on an average basis during the period of study.

**TABLE 2**  
**DIVIDEND INTENSIVE COMPANIES IN QATAR**

Sl.	Company	Sector	Average Dividends Paid in % (2012-2014)
1	Woqood (Qatar Fuel)	Consumer Goods & Services	97%
2	Industries Qatar	Industrials	88%
3	Al Meera	Consumer Goods & Services	83%
4	Electricity & Water	Industrials	74%
5	Qatar National Bank	Banks & Financial Services	68%
6	Mannai Corp.	Industrials	54%
7	National Cement Co.	Industrials	53%
8	Qatar Navigation	Transportation	48%
9	Doha Bank	Banks & Financial Services	43%
10	Ooredoo	Telecoms	43%
11	Qatar Islamic Bank	Banks & Financial Services	40%
12	Commercial Bank of Qatar	Banks & Financial Services	38%
13	Zad Holding Company	Consumer Goods & Services	38%
14	International Islamic Bank	Banks & Financial Services	38%
15	Medicare	Consumer Goods & Services	33%
16	Gulf International	Industrials	30%
17	Industrial Manufacturing Co.	Industrials	30%
18	Widam	Consumer Goods & Services	29%
19	Qatar Insurance	Banks & Financial Services	25%
20	Islamic Insurance	Banks & Financial Services	25%
21	Al Ahli Bank	Banks & Financial Services	23%
22	Islamic Holding	Banks & Financial Services	21%
23	Barwa	Real Estate	19%
24	Cinema	Consumer Goods & Services	17%
25	General Insurance	Banks & Financial Services	15%
26	Gulf warehousing Co	Transportation	15%
27	Alljarah Holding	Banks & Financial Services	15%
28	Rayan	Banks & Financial Services	14%
29	Doha Insurance	Banks & Financial Services	13%
30	Al Kaleej Takaful	Insurance	13%

**Dividend Trends of Listed Companies in Oman**

Approximately 30 percent of listed Oman-based companies has paid cash dividends in excess of 25 percent during the period of analysis. 22 companies of the total sample have paid cash dividends of less than 10 percent during the three-year period. Four companies namely Oman Tel, Shell Oman Marketing, Oman Refreshment and Al Maha Petroleum products have paid cash dividends of 100 percent or more during the period 2012-2014. Three Oil and gas based companies and three food based companies have occupied the top ten places among the dividend paying companies in Oman.

**TABLE 3**  
**DIVIDEND INTENSIVE COMPANIES IN OMAN**

Sl.	Company	Sector	Average dividends paid in % (2012-2014)
1	Oman Tel	Telecommunication	115%
2	Shell Oman Marketing	Oil & Gas	101%
3	Oman Refreshment	Food	100%
4	Al Maha Petroleum Products	Oil & Gas	100%
5	Oman Cables Industry	Electrical	83%
6	Raysut Cement	Cement	75%
7	Oman Oil Marketing	Oil & Gas	67%
8	Hotels Management Co. Int.	Tourism	60%
9	Salalah Mills	Food	58%
10	Sweets of Oman	Food	50%
11	Muscat Gases	Oil & Gas	47%
12	Port Services Corporation	Logistics	45%
13	Acwa Power Barka	Energy	45%
14	SMN Power Holding	Energy	43%
15	National Detergent	Chemicals	38%
16	Ooredoo	Telecommunication	38%
17	Gulf Hotels (Oman)	Tourism	37%
18	Almaha Ceramics	Construction Materials	35%
19	Oman Fiber Optic	Electrical	35%
20	Oman Cement	Cement	33%
21	Al Jazeera Services	Diversified Commercial Services	33%
22	Areej Vegetable Oils and Derivatives	Food	32%
23	Majan College	Education	30%
24	Bank Muscat	Bank	25%
25	Gulf Mushroom Products	Food	25%
26	Oman Flour Mills	Food	25%
27	Oman United Insurance	Insurance	24%
28	United Power	Energy	23%
29	Dhofar Int.Dev.and Inv. Hold	Investments	23%
30	Voltamp Energy	Electrical	23%

#### **Dividend Trends of Listed Companies in Saudi Arabia**

On an average basis approximately 30 percent of listed companies in Saudi Arabia have paid cash dividends of 25 percent and above during the period 2012-2014. Eight companies have paid cash dividends in excess of 50 percent during the period of analysis. The Saudi Arabia Fertilizers Co. paid an average cash dividend of approximately 103 percent of the book value of the share. The other dividend intensive companies were Jarir Marketing Co and Saudi Cement Co with cash dividend payment of 75% and 67 % respectively. The list of top dividend intensive companies in Saudi Arabia is given in Table 4.

**TABLE 4**  
**DIVIDEND INTENSIVE COMPANIES IN SAUDI ARABIA**

Sl.	Company Name	Sector	Average dividends paid in % (2012 -2014)
1	Saudi Arabia Fertilizers Co.	Petrochemical Industrial	103%
2	Jarir Marketing Co.	Retail	75%
3	Saudi Cement Co.	Cement	67%
4	Southern Province Cement Co.	Cement	63%
5	Qassim Cement Co.	Cement	61%
6	Saudi Airlines Catering Co.	Agriculture & Food Industries	56%
7	Saudi Basic Industries Corp.	Petrochemical Industrial	53%
8	Saudi Vitriified Clay Pipes Co.	Building & Construction	51%
9	Fawaz Abdulaziz Alhokair Co.	Retail	44%
10	Yanbu Cement Co.	Cement	43%
11	Etihad Etisalat Co.	Telecommunication	38%
12	Altayyar Travel Group	Hotel & Tourism	37%
13	Saudi Chemical Co.	Cement	36%
14	Herfy Food Services Co.	Agriculture & Food Industries	34%
15	Arabian Cement Co.	Cement	33%
16	Eastern Province Cement Co.	Cement	33%
17	Saudia Dairy and Foodstuff Co.	Agriculture & Food Industries	33%
18	Yanbu National Petrochemical Co.	Petrochemical Industrial	30%
19	Yamama Cement Co.	Cement	30%
20	United Electronics Co.	Retail	30%
21	Al Hassan Ghazi Ibrahim Shaker Co.	Industrial Investment	30%
22	Abdullah Al Othaim Markets Co.	Retail	29%
23	Saudi Telecom Co.	Telecommunication	26%
24	Al Rajhi Bank	Bank & Financial Service	25%
25	Al Abdullatif Industrial Investment Co.	Industrial Investment	25%
26	Saudi Ceramic Co.	Building & Construction	25%
27	Makkah Construction & Development Co.	Real Estate Development	25%
28	Abdulmohsen Alhokair Group for Tourism and Development	Hotel & Tourism	25%
29	United International Transportation Co.	Transport	20%
30	Halwani Bros. Co.	Agriculture & Food Industries	20%

The top cash dividend company belonged to the Petrochemical Industrial sector. Four companies representing the cement sector also found a place in the list of the top ten dividend paying companies. Saudi Airlines Catering Co and Saudi Basic Industries Corporation with a dividend payment of 56% and 53% also figured in the list of the top ten dividend paying companies during the period of this study.

#### **Dividend Trends of Listed Companies in the UAE**

The dividend trends of UAE based companies were analyzed based on data collected from both Abu Dhabi Securities Exchange and Dubai Financial Market. Approximately 24 percent of the total dividend

paying companies in the UAE have paid cash dividends of 25 percent and above during the period 2012-2014 on an average basis. 28 companies out of the total sample of 76 companies paid cash dividends of less than 10 percent during the period of analysis. Four out of the top ten companies which paid the highest cash dividends were banks. On an average basis, First Gulf Bank and Etisalat paid cash dividends of approximately 94 percent and 70 percent during the three-year period of analysis. Emirates Insurance Co paid an average cash dividend of 60 percent during the period 2012-2014. Three insurance companies were among the top ten cash dividend payers during the period 2012-2014.

**TABLE 5**  
**DIVIDEND INTENSIVE COMPANIES IN THE UAE**

<b>Sl.</b>	<b>Company</b>	<b>Sector</b>	<b>Average Dividends Paid in % (2012-2014)</b>
1	First Gulf Bank	Bank	94%
2	Etisalat	Telecommunication	70%
3	Emirates Insurance Co.	Insurance	60%
4	Dubai Refreshments Company	Consumer Staples	58%
5	National Bank of Ras Al Khaimah	Bank	47%
6	National Corp for Tourism and Hotels	Services	42%
7	Al Dhafra Insurance Co.	Insurance	40%
8	Mashreq Bank	Banks	39%
9	National Bank of Abu Dhabi	Bank	38%
10	Al Ain Al Ahlia Insurance Company	Insurance	33%
11	Gulfa Mineral Water & Processing Industries Co	Consumer Staples	33%
12	Abu Dhabi Commercial Bank	Bank	32%
13	Abu Dhabi National Insurance Co.	Insurance	30%
14	Commercial Bank of Dubai	Banks	28%
15	Emirates NBD	Banks	28%
16	Dubai Islamic Bank	Banks	27%
17	Abu Dhabi Islamic Bank	Bank	26%
18	Emirates Driving Company	Services	25%
19	National Cement Company	Industrials	23%
20	Ras Al Khaimah Ceramic Co.	Industrial	23%
21	Emirate Integrated Telecommunications Co.	Telecommunication	23%
22	Alliance Insurance	Insurance	22%
23	Dubai Insurance Co	Insurance	22%
24	Dubai National Insurance & Reinsurance	Insurance	20%
25	Orient Insurance	Insurance	20%
26	National General Insurance Company	Insurance	20%
27	Finance House	Bank	19%
28	Al Khaleej Investment	Investment & Financial Services	18%
29	United Arab Bank	Bank	17%
30	Union National Bank	Bank	17%

### Dividend Trends of Listed Companies in Kuwait

Approximately 19 percent of the listed dividend paying companies paid dividends of 25 percent and above during the period 2012-2014. Out of 115 dividend paying companies 57 companies (49%) paid less than 10 percent dividends. United Project Co representing the industrial sector and National Mobile Telecommunications representing the telecommunication sector paid the highest cash dividends.

**TABLE 6**  
**DIVIDEND INTENSIVE COMPANIES IN KUWAIT**

Sl.	Company	Sector	Average dividends paid in % (2012-2014)
1	United Projects Co.	Industrials	116%
2	National Mobile Telecommunications Co.	Telecommunications	107%
3	Kuwait Food Company (Americana)	Consumer Goods	80%
4	Kuwait Portland Cement Company	Industrials	78%
5	Kuwait National Cinema	Consumer Services	49%
6	Humansoft Holding Co.	Industrials	47%
7	Combined Group Contracting Co.	Industrials	47%
8	Mobile Telecommunications Company	Telecommunications	47%
9	Boubyan Petrochemical Co.	Basic Materials	43%
10	Automated Systems Company	Technology	42%
11	Alkout Industrial Projects Co.	Basic Materials	40%
12	City Group Company	Industrials	38%
13	National Petroleum Services Company	Oil & Gas	37%
14	Gulf Glass Manufacturing Company Ltd	Industrials	35%
15	Agility Public Warehousing Company	Industrials	35%
16	Kout Food Group	Consumer Services	32%
17	Bahrain Kuwait Insurance Co	Insurance	32%
18	National Bank of Kuwait	Banks	30%
19	Al Ahleia Insurance Company	Insurance	30%
20	Gulf Insurance Group	Insurance	29%
21	Independent Petroleum Group	Oil & Gas	28%
22	Gulf Cable & Electrical Industries Company	Industrials	25%
23	Kuwait Projects Company (Holding)	Financial Services	22%
24	Commercial Facilities Company	Financial Services	21%
25	Jazeera Airways Co.	Consumer Services	21%
26	Kuwait Packing Materials Manufacturing Co.	Industrials	20%
27	Kuwait Insurance Company	Insurance	20%
28	Mabane Company	Real Estate	20%
29	Eyas for Higher & Technical Education	Consumer Services	20%
30	Kuwait Slaughter House Co.	Consumer Goods	20%



Four industrial based companies were in the list of the top ten dividend paying companies in Kuwait. Two telecommunication based companies were also in the list of the top ten dividend paying companies in Kuwait during the period 2012-2014.

### Dividend Trends of Listed Companies in Bahrain

Only 31 dividend paying companies were found in the Bahrain stock exchange. The highest cash dividend paying company in Bahrain on an average basis was Bahrain Duty Free Complex which paid an average cash dividend of 52 percent during the three-year period. Bahrain Cinema Company and Bahrain Shipping Repairing & Engineering Company paid an average cash dividend of approximately 50% and 47% respectively during the period of study. Eight companies out of total 31 companies paid cash dividends in excess of 30% during the period 2012-2014.

**TABLE 7**  
**DIVIDEND INTENSIVE COMPANIES IN BAHRAIN**

Sl.	Company	Sector	Average Dividends Paid in % (2012-2014)
1	Bahrain Duty Free Complex	Services	52%
2	Bahrain Cinema Company	Services	50%
3	Bahrain Shipping Repairing & Engineering	Services	47%
4	Bahrain Commercial Facilities Company	Investment	42%
5	Gulf Hotel Group	Hotels & Tourism	38%
6	BMMI	Services	35%
7	Bahrain & Kuwait Insurance Company	Insurance	32%
8	Aluminum Bahrain	Industrial	30%
9	National Bank of Bahrain	Banks	28%
10	Bahrain Telecommunication Company	Services	23%
11	Al Ahlia Insurance Company	Insurance	23%
12	Delmon Poultry Company	Industrial	18%
13	Bahrain National Holding Company	Insurance	18%
14	Al Ahli United Bank	Banks	17%
15	Bahrain Flour Milles Company	Industrial	17%
16	Nass Corporation	Services	15%
17	Bahrain Tourism Company	Hotels & Tourism	14%
18	BBK	Banks	13%
19	Trafco Group	Services	13%
20	Bahrain Car Park Company	Services	10%
21	Seef Properties	Services	10%
22	National Hotels Company	Hotels & Tourism	10%
23	Esterad Investment Company	Investment	10%
24	United Gulf Investment Corporation	Investment	8%
25	Bahrain Family Leisure	Hotels & Tourism	8%
26	Al Salam Bank - Bahrain	Banks	5%
27	Arab Banking Corporation	Investment	5%
28	Arab Insurance Group	Insurance	5%
29	Takaful International Company	Insurance	5%
30	Zain Bahrain	Services	5%

### The Highest Dividend Paying Companies in the GCC

An attempt is made to identify the top twenty five dividend paying companies in the GCC. It is observed that the top 25 companies in the GCC payout 60% or more as average annual dividend during the period 2012-2014 (Table 8).

**TABLE 8**  
**THE TOP TWENTY FIVE DIVIDEND PAYING COMPANIES IN THE GCC**

Sl.	Company	Sector	Country	Average dividends paid in % (2012-2014)
1	United Projects Co.	Industrials	Kuwait	116%
2	Oman Tel	Telecommunication	Oman	115%
3	National Mobile Telecommunications Co.	Telecommunications	Kuwait	107%
4	Saudi Arabia Fertilizers Co.	Petrochemical Industrial	Saudi Arabia	103%
5	Shell Oman Marketing	Oil & Gas	Oman	101%
6	Oman Refreshment	Food	Oman	100%
7	Al Maha Petroleum Products	Oil & Gas	Oman	100%
8	Woqood (Qatar Fuel)	Consumer Goods & Services	Qatar	97%
9	First Gulf Bank	Bank	UAE	94%
10	Industries Qatar	Industrials	Qatar	88%
11	Al Meera	Consumer Goods & Services	Qatar	83%
12	Oman Cables Industry	Electrical	Oman	83%
13	Kuwait Food Company (Americana)	Consumer Goods	Kuwait	80%
14	Kuwait Portland Cement Co.	Industrials	Kuwait	78%
15	Raysut Cement	Cement	Oman	75%
16	Jarir Marketing Co.	Retail	Saudi Arabia	75%
17	Electricity & Water	Industrials	Qatar	74%
18	Etisalat	Telecommunication	UAE	70%
19	Qatar National Bank	Banks & Financial Services	Qatar	68%
20	Saudi Cement Co.	Cement	Saudi Arabia	67%
21	Oman Oil Marketing	Oil & Gas	Oman	67%
22	Southern Province Cement	Cement	Saudi Arabia	63%
23	Qassim Cement Co.	Cement	Saudi Arabia	61%
24	Hotels Management Co. Int.	Tourism	Oman	60%
25	Emirates Insurance Co.	Insurance	UAE	60%

The United Projects Company from Kuwait tops the list with 116% followed by Oman Tel from Oman with 115%. The list of top twenty five dividend paying companies in the GCC includes eight companies from Oman (32%), five each from Saudi Arabia and Qatar (20% each), 4 from Kuwait (16%) and 3 from the UAE (12%). Table 8 presents a list of the highest dividend paying companies in the GCC and the income-focused investors can judiciously select stocks from this list and enjoy the expected annual average dividends without fail.

A further attempt is made to list down the highest dividend paying companies in each sector so that those investors wanting to hold a well-diversified portfolio can pick up stocks from different sectors and have a well-balanced portfolio with stocks from different sectors and different geographical locations with minimum total risk and highest average returns.

**TABLE 9  
TOP DIVIDEND PAYING BANKS DURING 2012-2014**

Sl.	Company	Country	Average dividends paid in % (2012-2014)
1	First Gulf Bank	UAE	94%
2	Qatar National Bank	Qatar	68%
3	National Bank of Ras Al Khaimah	UAE	47%
4	Doha Bank	Qatar	43%
5	Qatar Islamic Bank	Qatar	40%

**TABLE 10  
TOP DIVIDEND PAYING INSURANCE COMPANIES DURING 2012-2014**

Sl.	Company	Country	Average dividends paid in % (2012-2014)
1	Emirates Insurance Co.	UAE	60%
2	Al Dhafra Insurance Co.	UAE	40%
3	Al Ain Al Ahlia Insurance Company	UAE	33%
4	Bahrain & Kuwait Insurance Company	Bahrain	32%
5	Abu Dhabi National Insurance Co.	UAE	30%

**TABLE 11  
TOP DIVIDEND PAYING INDUSTRIAL SECTOR COMPANIES DURING 2012-2014**

Sl.	Company	Country	Average dividends paid in % (2012-2014)
1	United Projects Co.	Kuwait	116%
2	Industries Qatar	Qatar	88%
3	Oman Cables Industry	Oman	83%
4	Kuwait Portland Cement Company	Kuwait	78%
5	Raysut Cement	Oman	75%

**TABLE 12  
TOP DIVIDEND PAYING OIL & GAS AND PETROCHEMICAL INDUSTRIAL COMPANIES DURING 2012-2014**

Sl.	Company	Country	Average dividends paid in % (2012-2014)
1	Saudi Arabia Fertilizers Co.	Saudi Arabia	103%
2	Shell Oman Marketing	Oman	101%
3	Al Maha Petroleum Products	Oman	100%
4	Oman Oil Marketing	Oman	67%
5	Saudi Basic Industries Corp.	Saudi Arabia	53%

**TABLE 13**  
**TOP DIVIDEND PAYING CONSUMER GOODS & SERVICES COMPANIES DURING 2012-14**

Sl.	Company	Country	Average dividends paid in % (2012-2014)
1	Oman Refreshment	Oman	100%
2	Woqood (Qatar Fuel)	Qatar	97%
3	Al Meera	Qatar	83%
4	Kuwait Food Company (Americana)	Kuwait	80%
5	Jarir Marketing Co.	Saudi Arabia	75%

**TABLE 14**  
**TOP DIVIDEND PAYING HOTEL & TOURISM COMPANIES DURING 2012-2014**

Sl.	Company	Country	Average dividends paid in % (2012-2014)
8	Hotels Management Co. Int.	Oman	60%
12	Altayyar Travel Group	Saudi Arabia	37%
5	Gulf Hotel Group	Bahrain	38%
28	Abdulmohsen Alhokair Group for Tourism and Development	Saudi Arabia	25%
17	Bahrain Tourism Company	Bahrain	14%

**TABLE 15**  
**TOP DIVIDEND PAYING TELECOMMUNICATION COMPANIES DURING 2012-2014**

Sl.	Company	Country	Average dividends paid in % (2012-2014)
1	Oman Tel	Oman	115%
2	National Mobile Telecommunications Co.	Kuwait	107%
3	Etisalat	UAE	70%
4	Mobile Telecommunications Company	Kuwait	47%
5	Ooredoo	Qatar	43%

## CONCLUSION

On an average basis approximately 50 percent of the listed companies in Qatar have paid cash dividends in excess of 25 percent during the period 2012-2014. Approximately 30 percent of Oman-based and Saudi-based listed companies have paid cash dividends in excess of 25 percent during this period. About 24 percent of the total dividend paying companies in the UAE and 19 percent in Kuwait have paid cash dividends of 25 percent and above during this period.

The highest annual average dividend paying company in the GCC is United Projects Co. based in Kuwait with 116%, followed by Oman Tel from Oman with 115%, followed by another Kuwait company National Mobile Telecommunications Co. with 106%. Next is Saudi Arabia Fertilizers Co. with 103% which is followed by three companies from Oman: Shell Oman Marketing, Oman Refreshment and Al Maha Petroleum Products with an annual average dividend of 100%. Then comes Woqood (Qatar Fuel) from Qatar with 97%, followed by UAE company First Gulf Bank with 94% and Qatar companies: Industries Qatar and Al Meera with 88% and 83% respectively. Then comes Saudi Arabian company Jarir

Marketing Co. with 74% and the UAE company Etisalat with 70%. The highest cash dividend paying company in Bahrain was Bahrain Duty Free Complex which paid an average cash dividend of 52 percent during the three-year period. Thus this study lists down the highest dividend paying companies in the GCC which can act as a guide for the income-focused investors.

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