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DIVIDEND POLICY OF STATE TREASURY SHAREHOLDING COMPANIES

Abstract

This article tries to evaluate dividend policies of state shareholding stock exchange listed companies and determine whether dividend payments are higher than in other companies as pertaining to a budget hole. State Treasury holds shares in 16 stock exchange listed companies with stock exceeding 50% in six of them. Dividend policy evaluation was performed with the use of such indicators as dividend payout ratio, dividend per share and dividend yield which is a relation of dividend amount per share and its price. Average dividend rate on GPW regulated market in Warsaw in 2012 was 3,9% and in some State Treasury companies these rates were much higher.

Keywords: *dividend payments level, dividend policy models.*
JEL Classification: *G32*, *G35*, *G38*.

Introduction

State Treasury is a strategic investor in dozens of companies listed on regulated GPW market in Warsaw. Since the start of stock exchange market State Treasury privatized large factories by entering them onto stock exchange, later to sale shares with profit. Gained financial resources replenished state budget. At the end of 2000 State Treasury held shares in 53 enterprises. From that time the number of companies where the State Treasury was the shareholder systematically decreased and shares in strategic companies decreased too, to a level however, that still guarantees future possibility of control of these companies. At the end of 2008 State Treasury owned shares in 15 and at the end of 2013 in 16 companies.

It is commonly thought that State Treasury drains companies resources in form of dividends. This article attempts to evaluate dividend policy conducted by state shareholding companies and verify a hypothesis that assumes that in those companies dividend payout level is much higher than in companies without state shareholding.

1. Companies tendency to pay dividends

The problem of decision-making in regard to dividend payments, described in the literature as "dividend puzzle" (Black, 1976), emphasizes the role of the three forces influencing dividend policy: managers, shareholders and potential investors. Dividends paid by the company are – next to the capital gain resulting from the increase in stock prices – the primary motive for decisions to purchase securities. Thus dividends, which are part of profit distribution policy may be of crucial importance for the company as the decisions of both the payments and their amounts influence the growth opportunities of the company. This is especially difficult when the interests of managers, owners and creditors stand in conflict. Properly conducted policy of dividend payments can serve as a tool to build a compromise between all stakeholders of the company. It must take into account all internal and external conditions, and thus be consistent with the overall mission of the company and the directions of its development. Decisions regarding this policy must therefore reflect the general objectives of the company and preferences of the Management Board as well as the interests of current and future shareholders.

However, there can be some differences between existing shareholders. Those who intend to sell shares of the company in the near future are usually interested in dividends since such payments attract investors who value receiving regular incomes from securities. In turn, shareholders who treat shares as long-term capital investment will be in favor of retaining earnings. Reinvesting profits can bring benefits in terms of increase in share prices and higher earnings per share in the future, but still a considerable time lag between the time of profit reinvestment and these benefits exists.

Having a reputation of a company which provides dividend revenue to its shareholders is especially favorable when it comes to raising capital in further share issues. Information about the stability of dividend policy is an important parameter in the decision-making procedure of potential investors. Dividend policy should therefore be a form of communication between company and its shareholders. On one hand high dividends may be perceived as a sign of stability and profitability of the company and on the other their excessive level can cause doubts about the rationality of management decisions. Incorrect dividend policy may result in loss of financial equilibrium and in consequence lead to necessity of raising the additional debt. Finding the point of balance between dividends and retained earnings is a task of crucial importance in order to maximize the value of the company.

One of the characteristics of developed capital markets is a systematic dividend payment by companies listed on stock exchange. Many of them pay dividends annually. GPW conforms to world stock exchanges, however, the distance separating it from leading exchanges is still significant. Dividend payments to shareowners is still not a common practice used in Poland, it is linked to relatively short history of our exchange operation.

On the American market in 2012 about 30% of general stock exchange listed companies paid dividends and about 75% of companies belonging to the S&P index (Standard&Poors). Meanwhile in 1973 over half the companies paid dividends. Such a significant decrease of dividend payers in a general number of companies was equally influenced by increased shares of small non dividend paying companies as well as decreased tendency to pay dividends by all companies (Fama, French, 2001, after Kowerski, 2007a, p. 283). Decrease in number of companies paying dividends results also from a change of characteristics of companies listed on public capital market. In structure of companies listed on public market small companies have a growing share, they are characterized by low profitability and wide range of investment opportunities.

The same tendency was established by M. Baker and J. Wurgler research. According to these authors drastic participation decrease of dividend paying companies resulted from a dynamic increase of number of non-dividend paying companies, as well as decrease of number of dividend paying companies. Similar phenomenon occurs on Europe's capital markets (Baker, Wurgler, 2004, p. 1134).

When H. von Eije and W. Megginson researched dividend policy of „old" European Union states, they ascertained that companies based in Great Britain and Ireland are more likely to pay dividends than companies in other countries, although in 1996-2005 parameters of that variable are statistically insignificant. That leads the authors to set a thesis of convergence of two legal systems, Anglo-Saxon and continental, when it comes to dividend payments, due to growing European integration (von Eije, Megginson, 2008, p. 364). Research conducted on data from 1984-2006 for 48 countries (31,2 thousand companies and 280,1 thousand observations) by a team of Söhnke M. Bartram, Philip Brown, Janice C.Y. How and Peter Verhoeven confirmed that in 1984-2000 there was indeed a higher participation of dividend paying companies in the general number of companies in states with Anglo-Saxon system (74,3%) than in states with continental system (62,9%). In 2001-2006 the participation was also higher, yet the difference was statistically insignificant (68,7% against 64,6%) (Kowerski, 2007b, pp. 156-164).

Lower companies interest in profit sharing in form of a dividend can partly be explained by a fact, that companies more often favor purchase of shares instead of dividend payment. In literature it is also stated that managers are more eager to decide on purchase of shares because it is a more flexible way to distribute profits rather than a dividend payment. Since purchase of shares is incidental, that's why it is performed by companies that do not declare it will employ it in the future too. Lack of share purchase will not be a negative sign to investors about worsening shape of company (Brav, Graham, Michaely, 2003).

Results from research conducted by H. DeAngelo, L. DeAngelo and others show that despite decrease of number of companies paying dividends the value of paid dividends increases. These companies develop, generate profits and share them with the shareholders. This phenomenon is caused both by abandonment of dividend payments in companies that paid very low dividends and by growth of dividend amounts by companies making largest payments (DeAngelo, DeAngelo, Skinner, Douglas, 2002, after Adamczyk, 2007).

Payment of dividends are determined by a number of factors. So far, studies on the determinants of dividend policy were based on two main approaches; survey studies or studies using statistical models.

A. Damodoran (1997, p. 572) lists such dividend determinants as:

- growth opportunities and investment needs (firms with greater growth opportunities should pay out less dividends),
- stable incomes (stability of earnings reflects stability of dividend payouts),
- alternative sources of capital (too high dividends will result in higher demand for cash),
- degree of financial leverage (high DFL limits the level of dividends because of high liabilities and necessity of debt payments,
- signaling incentives (the change in dividend level is a signal about improvement/worsening of company's situation),
- investors preferences (clear interest of shareholders in receiving dividends leads companies to pay dividends)

A slightly different division was proposed by A. Cwynar (2007, p. 207), who distinguished between three synthetic groups of factors affecting the dividend policy:

- maturity-related factors (availability of cash, availability of profiTable investment projects, size of the company),
- factors related to the structure of capital (availability and flexibility of financing, the difference between the actual and the optimal capital structure),
- other factors (ownership structure – clientele, variability of earnings and cash flows, factors different than mentioned).

2. Dividend payments in Polish public companies

Watching the payments amount data in Poland it is hard to find a one way trend showing that with the increase of stock exchange listed companies the dividend payment amount grew, and that the companies that made dividend payments in the past currently pay higher dividend amounts. Table 1 shows dividend payments level from stock exchange listed companies in Warsaw in 2000 -2012.

Table 1. Dividend amount paid by stock exchange companies in Poland in 2000-2012

Specification	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Amount in bn PLN	1,22	1,40	1,50	2,18	2,60	8,00	10,4	13,4	12,3	7,9	18,9	15,5	30,1
Dynamics to previous year (%)	–	114,8	107,1	145,3	119,3	307,7	130,0	128,8	91,8	64,2	239,2	82,0	194,2

Source: Calculation based on WSE Fact Books, 2000-2012.

Up to 2004 dividend amounts varied from 1,22 to 2,60 bn PLN. In 2004 there was an unequivocal financial results improvement of companies and they could allow themselves large payouts. In 2005 there were payouts in form of a dividend of 8,0 bn PLN which was over 300% of the amount from the previous year. In following years dividend payout amount grew. In 2007 13,4 bn PLN was paid from the previous year profits. Companies worsening financial situation caused by economic slowdown reflected itself in dividend level. In 2008 the amount of paid dividends was over 1 bn lower than in previous year, despite the fact that many new companies appeared on the stock exchange. In 2009 stock exchange companies paid in form of dividend the amount of almost 8 bn PLN. In relation to previous year dividend amount decreased by over 55% and did not reach the level from past four years, despite the fact that number of companies listed on stock exchange grew from 255 in 2005 to 379.

In 2010, 96 companies paid a dividend in joint amount of 18,9 bn PLN. In comparison, five years earlier 77 companies shared their profit with the shareholders to the amount of 8,0 bn PLN. In 2011 dividend payout amount fell again, due mainly to banks withholding profits. In 2012 there was an improvement in economic situation and in the net profit generated, which allowed companies to maintain their dividend payout level.

Significant decrease of amount set for dividend payout was influenced mainly by banks that are the biggest dividend payers. In accordance with the KNF suggestion banks opted not to transfer cash to shareholders, that is to mother companies mostly from the Western countries. Decision to withhold profit was taken by most banks and it limited the dividend payout amount.

The level of dividends paid would even be lower if not the State Treasury pressures on Management Boards of government controlled companies. Seeking the sources to finance a budget hole, in many cases State Treasury did not approve of management suggestions to withhold profits. Thanks to large dividend payout amounts paid by such companies as: KGHM, Enea, PGNiG, JSW State budget is being considerably replenished each year. Additionally it is annually reinforced by a significant dividend tax.

Decrease in dividend payouts is caused in some years by strong growth of numbers of private companies making their debut at Warsaw stock exchange, and they rarely in their first year decide to share their profits with shareholders. Not all companies decide in following years to pay a dividend, some of them set their own policies when starting profit sharing with their shareholders after few years since going public. It results from companies being in early stages of development and they build their development capital by withholding profit and by improving credit rating. It is important too that many stock exchange listed companies do not have a developed long term dividend policies.

3. Data sources and research methods

Dividend policy survey of companies with State Treasury ownership was conducted in years 2000-2012. The research duration is differentiated for individual companies as some joined the Warsaw Stock Exchange after the year 2000. The total amount of dividend payouts of companies noted on main market of WSE was presented in the first place. It was calculated as a sum of dividends value paid by particular companies. Its evaluation in time was based on dynamics indicators with assumption that the year immediately preceding the one for which indicator has to be calculated is the base year (chain base method). Total amount of dividends paid was divided by the sum of net profits of dividend paying companies. The latter sum was computed with the use of data provided by companies in their respective Annual Reports. The average for WSE dividend payout ratio was then compared with dividend payout ratios of individual companies with State Treasury shareholding.

The research was focused on companies in which State Treasury held stocks at the end of 2012. These companies can be divided into 3 groups: those with State's share in total equity exceeding 50% (Puławy, Enea, Lotos, JSW, PGE, PGNiG), with share between 20%-50% (Ciech, PZU, GPW, Azoty Tarnów, KGHM, PKOBP, Tauron and PKN Orlen) and share below 20% (Police, Energopol, Instal, Będzin, Bogdanka). The comparison of dividend payout ratios together with the extension of State ownership enabled identifying the influence of State Treasury on Shareholders Annual Meetings.

Dividend payout ratios of particular companies were computed as a quotient of dividend amount paid and net profit using data from annual financial statements of surveyed companies. Dividends per share and dividend yields derived from 2000-2012 WSE Fact Books.

Calculations presented in the article led to final conclusions and enabled verification of the research hypothesis that was formulated at the beginning.

4. State shareholding companies dividend policy evaluation

Issues connected with dividend policy of polish state-owned companies have been discussed in recent years by J. Uchman (2013), P. Adamczyk (2007) and M. Kowerski (2011). These authors emphasize that the dividend policy is individualized to the particular companies and does not allow for an unambiguous determination of whether a company of the State Treasury are drained of funds in connection with the budget deficit. J. Uchman (2013, p. 488) writes that even if assumed that the decisions of the majority shareholder are dominated by the budget perspective, the budget situation is also dynamic and high deficit in one year does not have to be repeated in the following year on the same scale. Hence the pressure of the Treasury to the high level of payments in the future does not have to be large.

To evaluate dividend policies from profit sharing decision perspective it is most useful to use a dividend payout ratio (DPR). DPR indicator is calculated as a ratio of dividend value to net profit or as a ratio of dividend per one share to profit per one share. Low level of this indicator does not mean that the remaining part of profit was withheld and set for development. Company could have conducted other profit transfers, including royalties, employee rewards, social funds replenishment, donations and other goals. Average dividend payout rate in the years of time period researched is illustrated by data in Table 2. As data shows companies paid from 30 to 70% of profit in form of dividend. From the year 2000 dividend role in net profit steadily grew and in 2003 it was almost 72%.

Table 2. Average dividend payout ratio on GPW in Warsaw in 2000-2012 (%)

Specification	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Average payout ratio	29,7	37,9	43,1	71,8	59,3	61,8	58,9	58,1	41,3	45,3	63,4	33,1	56,4

Source: Ibid.

Years 2001-2003 was a period of economic slowdown, in this time period companies' profits fell, but at the same time they did not invest, hence they could share profits with shareholders. In next four years stock exchange companies set about 60% of net profit for dividends. In those years there appeared on stock exchange larger, more mature, privatized through stock exchange state shareholding companies. These companies can transfer more profit than private companies that operate only for few years and have a significant growth potential.

It has to be noted that on stock exchange in Poland there are listed foreign companies and companies that have strategic investors mostly in form of large world corporations. These companies transferred cash to mother companies in form of dividends, because mother companies were in worse situation. Crisis in highly developed countries was more severe than it was in Poland. As a result of aborted investments during financial crisis in highly developed countries companies try to payout cash overhang to shareholders. Type of return (dividends, purchase of own shares) always depends on specific market situation.

Ministry of the State Treasury declares that dividend policy is conducted in a way that ensures safe development and buildup of long term value to companies supervised by the State Treasury. An optimal dividend policy enables an equilibrium between currently paid dividends and the increase of share price, caused indirectly by keeping profits in the company. In every case the decision to collect dividend or to forego dividend collection is considered by Ministry of the State Treasury individually for each subject. Company's execution of investment plans stemming from long term strategy approved by the Supervisory Board can result in a significant limit on dividend amount or waiver of its collection.

In order to illustrate profit loss from a dividend payout more closely, payout rates for state shareholding companies were calculated (Table 3). It is a common opinion that the State Treasury drains companies of their financial resources, while these resources could be allocated for development, especially for expansion abroad. Further considerations try to assess this phenomenon.

Table 3. Dividend payout ratio of State Treasury shareholding companies (%)

Companies, State Treasury share %	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PGNiG (72,4)	42,9	–	–	69,0	41,6	50,5	51,1	38,5	–	–	–	2,7	–
PGE (61,9%)	–	–	–	–	–	–	–	–	–	–	95,0	41,9	75,0
JSW (55,2%)												31,1	–
Lotos (53,2%)					3,2	–	10,1	–	–	–	–	–	–
Enea (51,5%)										100,0	55,1	53,0	60,0
Puławy (50,7%)	–	–	–	–	–	–	13,5	25,8	63,2	–	80,1	53,8	30,9
Ciech (38,7%)	–	–	–	–	–	30,6	53,3	35,6	99,5	–	–	–	–
PZU (35,2%)										47,1	63,8	75,0	
GPW (35,0%)											100	99,7	49,8
Azoty Tarnów (33,0%)	–	–	–	–	–	–	–	–	–	64,6	–	–	–
KGHM (31,8%)	–	32,4	–	–	–	28,6	87,3	100	47,4	80,0	23,6	65,2	49,7
PKOBP (31,4%)	–	–	–	–	–	66,2	47,9	48,0	40,1	34,7	–	74,7	41,6
Tauron (30,4%)	–	–	–	–	–	–	–	–	–	–	–	27,8	44,3
PKN Orlen (27,5%)	3,3	3,0	19,4	15,4	29,3	43,0	–	–	25,1	–	–	–	–
Police (7,1%)													
Energopol-Trade-Instal (5,45%)	30,4	–	–	–	–	–	–	–	–	–	–	–	–
Będzin (5,0%)	–	–	–	84,7	–	99,4	98,9	95,7	97,3	87,0	68,7	–	49,6
Bogdanka (0,03%)	–	–	–	–	–	–	–	–	–	5,6	–	21,0	62,1

Source: Ibid.

While assessing dividend payout level in state shareholding companies, one has to note that these companies did not pay dividends on a regular basis. Since 2007 the State Treasury did not collect dividends (except for the year 2011) from PGNiG due to company's investments and foreign expansion. PKN ORLEN did not pay dividends for some years because it allotted the financial resources for development, with the consent of large shareholder that the State Treasury is. PGE, a company that entered the exchange in 2010, has paid out this year 95% of its net profit. This was linked with an attempt to construct a rational capital structure in order to lower the average capital cost. Since cost of equity is more expensive than foreign capital due to lack of tax shield when it is used. Similar situation happened in case of GPW. In a 20 year period the State Treasury as the only shareholder did not collect dividend leaving the financial resources for development. The company financed itself with own capital only. During privatization through the exchange the spare capital overhang on one hand, and financial resources on the other hand, in the amount of over 700 bn PLN, led the State Treasury to collect dividend. Constructing a rational structure was attempted by issuing of corporate bonds, which were placed on Catalyst market. In 2010 Enea allocated 100% net profit for a dividend and it was also linked with an attempt to construct a rational capital structure. Without considering these facts one can be under an impression that the companies mentioned were drained by the State Treasury. One of the companies that pay out highest dividends is certainly KGHM. It has to be remembered that this company operates in a strongly cyclical business. Amount of paid dividends in KGHM was linked to the net profit generated as a result of copper price increase on the London market and with the presented company development program. Moreover, its strategy envisions no payouts with an annual profit lower than 700 bn PLN.

Dividend payout level in Ciech, GPW or ZA Tarnów companies was close to dividend rate of other stock exchange companies. The State Treasury did not collect dividend from Lotos company, letting it keep its financial resources for development. However, there was a high dividend share in profits of such companies as PZU, PKOBP, PGE, Tauron. Dividend payout ratios are much higher than an average DPR for the whole market. From the companies' point of view, it is very unfavorable, because the resources from the net profit could be allocated for implementing profitable investments or could stay in the company to ensure financial safety during poor economic situation. For example, PZU, although it is still a leader in the insurance market, loses its dominant position with each year to foreign corporations that have a tremendous amount of capital at their disposal and an experience on the European market. PKOBP, although still remains the biggest retail bank, certainly does not belong to leaders in efficiency or innovativeness. In order to protect from the competition of the smaller, but much more modern banks, the company requires huge financial expenditures. Development needs also occur in energy segment. Energy-related groups (power stations and power plants selling electricity) were created so that the profit they generate would be an opportunity to construct new power units and modernize the old ones. Poland is forced to do so by the government accepted EU climate package. If Polish energy will not be modernized in this respect, and current state dividend policy leads in that direction, our country will have to pay such fees for carbon dioxide emission that the electric power in Poland will be much more expensive than in other European Union states.

Drainage of financial resources from state companies has a negative impact on management in the long run. The fact of taking away much of the net profit discourages managers from achieving ever better results in the future. In addition, the State Treasury influences in an indirect way the remaining, not state owned companies. Because if an investor knows that a government department will strongly strive for a more favorable profit sharing in one company, then automatically his expectations will grow in relation to other company in the same sector, that is not state owned.

Presented analysis shows that dividend policies of state shareholding companies are more influenced by individual company needs than the needs of the State Treasury resulting from a budget deficit. Dividend policy conducted by state shareholding companies is customized appropriately to their development plan. It does not give to an unequivocal opinion that the State Treasury, by owning shares in companies, deprives them of financial resources for development and of an opportunity to expand into the foreign markets. In some companies the State Treasury leaves profit for development while in others takes on dividends higher than an average dividend rate of companies listed on the regulated WSE market.

Dividend per share presented in Table 4 allows to refer to model types of companies dividend policies. They can use constant amount per share model, constant or rising payout rate or follow residual policy model. Companies may also approach the use of net profit in radical way, by paying the whole amount to shareholders or by leaving the whole profit for development. This radical approach, however, can be used for a short time period.

Table 4. Dividend per share (in PLN) in State Treasury shareholding companies in 2000-2012

Companies, State Treasury share %	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PGNiG (72,4)	0,7	–	–	1,0	2,0	2,2	2,4	2,4	–	–	–	1,2	–
PGE (61,9%)	–	–	–	–	–	–	–	–	–	–	0,8	0,7	1,8
JSW (55,2%)												5,38	–
Lotos (53,2%)						0,2	–	0,36	–	–	–	–	–
Enea (51,5%)	–	–	–	–	–	–	–	–	–	0,5	0,4	0,4	0,48
Puławy (50,7%)							2,0	1,7	4,3	–	8,2	1,0	3,7
Ciech (38,7%)	–	–	–	–	–	0,3	0,8	2,1	2,1	–	–	–	–
PZU (35,2%)										13,69	26,00	22,43	
GPW (35,0%)											2,2	3,2	1,4
Azoty Tarnów (33,0%), sold	–	–	–	–	–	–	–	–	–	1,0	–	–	–
KGHM (31,8%)	–	1,0	–	–	–	2,0	10,0	16,97	9,0	11,68	3,0	14,9	28,34
PKOBP (31,4%)	–	–	–	–	–	1,0	0,80	0,98	1,09	1,00	–	2,0	3,05
Tauron (30,4%)	–	–	–	–	–	–	–	–	–	–	–	0,2	0,3
PKN Orlen (27,5%)	0,05	0,12	0,14	0,1	0,7	2,13	–	–	1,62	–	–	–	–
Police (7,1%)						0,34							
Energopol-Trade-Instal (5,45%)	0,7	–	–	–	–	–	–	–	–	–	–	–	–
Będzin (5,0%)	–	–	–	1,65	1,75	1,75	1,75	1,75	1,8	1,8	1,8	–	1,80
Bogdanka (0,03%)	–	–	–	–	–	–	–	–	–	3,9	–	1,4	4,0

Source: Ibid.

Dividend policy of Enea for the period of last 4 years was similar to constant dividend amount model, as the company paid 0,5 of dividend per share. Likewise, for several years up to 2010 Będzin paid off almost 100% of its net profit, sustaining dividend per share at the level of 1.8 PLN. However, State Treasury with its 5% share in ownership structure has not much influence on Będzin's dividend policy. In 2011 the company discarded dividend payment, while in 2012 it paid off 50% of net earnings, again with 1.8 PLN dividend per share. In remaining companies with State Treasury ownership, except 2 mentioned above, dividends per share were strongly differentiated what resulted not only from the level of generated income but from change in dividend payout ratios in successive years of research. It basically means that companies followed residual dividend policy.

Data in Table 5 shows that dividends in many state shareholding companies are higher than an average dividend yield for the whole market. It applies to such companies as KGHM, PKOBP, Tauron or GPW. Shareholders receive return on capital in dividend form, that is higher than bank investments or other alternatives of allocating free financial resources. It has to be stressed that dividend yields are determined not only by dividend level but also by share prices. In time of economic slowdown share prices on the market fell, that undoubtedly had a role in growth of dividend yields.

From the perspective of the State Treasury behavior assessment towards companies where it has its shares, future dividend policy seems to be crucial. The State Treasury Minister declared that he wants to create and support the so called national champions[*], that is companies that have big significance to economy and deserve special treatment. A qualification to be a national champion is operation on global scale. Examples of such champions are KGHM and PKN Orlen, these companies invest abroad. PZU and PKOBP also have a strategy to develop at international markets. The government should aid these subjects in foreign expansion by, among other things, proper dividend policy, leaving them financial resources for development and for fusions and takeovers abroad. The State Treasury Ministry is to be in the future an investment fund, it will contain in its wallet an attractive assets giving it an income in a dividend form, and also an opportunity to realize state policy regarding, for example, energy or financial safety.

[*] In practice of many world economies there are many models of national champion creation. In French model the state energy companies dominate among the national champions. Their very good market position results from the ability to export nuclear technologies. In American model private companies are national champions. It is a well-known saying, that what is good for GM or Ford is good for American economy. Today's saying is, what is good for Apple is good for USA. In Russian model companies are oligarchical. In Norwegian model state has a big share in national champions, they are listed on stock exchange.

Table 5. Dividend yield in State Treasury shareholding companies

Companies, State Treasury share %	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PGNiG (72,4)	2,5	–	–	2,4	3,4	3,6	3,0	2,7	–	–	–	4,2	–
PGE (61,9%)											3,3	3,1	10,1
JSW (55,2%)													
Lotos (53,2%)	–	–	–	–	–	0,5	–	0,8	–	–	–	–	–
GPW (35,0%)	–	–	–	–	–	–	–	–	–	–	4,4	9,1	3,7
Enea (51,5%)										2,8	1,6	2,4	3,1
Puławy (50,7%)							3,47	1,45	8,08	–	9,59	1,24	2,7
Ciech (38,7%)	–	–	–	–	–	1,2	1,2	1,7	8,8	–	–	–	–
PZU (35,2%)													
Azoty Tarnów (33,0%)	–	–	–	–	–	–	–	–	–	6,9	–	–	–
KGHM (31,8%)	–	7,7	–	–	–	3,2	11,2	16,0	15,0	11,0	1,7	13,5	14,9
PKOBP (31,4%)	–	–	–	–	–	3,4	1,7	1,9	3,1	2,6	–	6,2	3,4
Tauron (30,4%)	–	–	–	–	–	–	–	–	–	–	–	2,8	6,5
PKN Orlen (27,5%)	0,2	0,3	0,7	0,6	1,7	3,4	–	–	6,3	–	–	–	–
Police (7,1%)													
Energopol-Trade-Instal (5,45%)	7,5	–	–	–	–	–	–	–	–	–	–	–	–
Będzin (5,0%				3,9	–	7,1	4,6	5,7	5,6	6,6	3,9	–	7,2
Bogdanka (0,03%)										5,4	–	1,3	2,9

Source: Ibid.

Conclusions

To recap the considerations regarding dividend payouts in state shareholding companies, it has to be stated that the biggest companies transfer more of their generated net profit to shareholders. This means their dividend payout ratios are higher than average dividend payout ratios of reaming companies. It partly supports the hypothesis of drainage of those companies financial resources by the State Treasury. However, it can not be applied to all the State Treasury companies. Dividend policy is individualized. Almost all companies led by residual dividend policy allocate part of the net profit that remains after meeting their investment needs for dividends.

Along with further development of capital market, companies dividend policy will start to become more clear and more transparent to investors. Institutional investors, and in particular investment and retirement funds will have more influence on companies management boards in order to increase dividend payouts. The State Treasury as a key investor in some companies will also expect dividend payouts due to the state's budget needs. Nearest years will be characterized by an increase in investors awareness on the dividend subject. Companies will be forced to work out a long term dividend policy, due to closer cooperation of company governing bodies and their shareholders.

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