This study investigates the relationship between ownership structure and real earnings management (REM) in Malaysian firms. The findings, robust across various ownership measures (5%, 10%, 20%), REM measurements (combining different cost variables), and regression models (FGLS, OLS, PCSE, SCC), show that high levels of family (FAMOWN), institutional (INOWN), and foreign ownership (FOROWN) are significantly negatively associated with REM. This supports the efficient monitoring hypothesis and the knowledge spillover hypothesis. Conversely, managerial ownership (MANOWN) showed no significant relationship, potentially due to the lack of separation between management and ownership in many family firms. Control variables revealed that experienced audit committee members (ACEXP) and Big4 auditors (BIG4) reduce REM, while larger firm size (FSIZE), high leverage (LEV), and high sales growth (SGROW) increase it. Well-performing companies (high ROA) engage less in REM. The study concludes that ownership structure plays a crucial role in mitigating REM in Malaysia, offering implications for regulators, investors, and future research, which could explore government ownership and institutional ownership heterogeneity.