ABSTRACT

The purpose of this study is analyzing the impact of the variables Return On Investment (ROI), Debt to Equity Ratio (DER), Current Ratio (CR), and Firm Size (FIRMSIZE) on variable Dividend Payout Ratio (DPR) on Manufacture companies listed in Indonesia Stock Exchange 2009 – 2010 period.

Research using purposive sampling method for taking samples. Data obtained on the basis of the publication of Indonesian Capital Market Directory (ICMD), obtained 14 samples of Manufacture companies. Analysis technique which is used in this research is multiple linear regression analysis.

Based on the statistical F indicates that the model is fit because has a significance value less than 5% of Alpha value (α). Meanwhile, based on statistical t test showed that the Return On Investment (ROI),Firm Size (FIRMSIZE) is positive and significant impact on Dividend Payout Ratio (DPR) because it has a significance value less than 5% of Aplha value (α). Meanwhile, Debt to Equity Ratio (DER) is positive and not significant impact on Dividend Payout Ratio (DPR) because it has a significance value more than 5% of Alpha value (α). Similarly, Current Ratio (CR) is negative and not significant impact on Dividend Payout Ratio (DPR).

Results of the analysis show that predictive ability of the four independent variables (variables Return On Investment (ROI), Debt to Equity Ratio (DER), Current Ratio (CR), and Firm Size (FIRMSIZE)) influence to Dividend Payout Ratio is 65.4% and it shown by adjusted R^2 value, the rest 34.6% influenced by other variables outside the model.

Keyword: Return On Investment (ROI), Debt to Equity Ratio (DER), Current Ratio (CR), Firm Size (FIRMSIZE), Dividend Payout Ratio (DPR), Manufactures Companies.