ABSTRACT

Dividends are payments made by a corporate to its shareholder members which is depend on the dividend policy of each companies. It is interesting to analyze factors that influence dividend policy because too many considerations. Sometimes those considerations cause conflict between many parties. The objective aim of this research is to analyze the influence of return on assets, current ratio, debt to equity ratio and company size against Dividend Payout Ratio.

The population of this research is manufacture companies which listed in Bursa Efek Indonesia (BEI), there is 22 companies. Research sample using purposive sampling of companies for period ended 2005 – 2007 analyzed by using the two tail linear regression methodology

This research concludes that two variables, return on assets and size have positive significant influence, while the debt to equity ratio variable have negative significant influence to Devidend Payout Ratio. The current ratio variable hasn't significant influence to Devidend Payout Ratio. Stimulatingly the ROA, CR, DER dan Size have significant influence to Devidend Payout Ratio, it proved by sig-F value lower than 5% significances.

Keyword: *Dividend Payout Ratio, Return On Asset (ROA), Debt to Equity Ratio (DER), Current Ratio (CR), Firm Size.*