

ABSTRACT

This study is performed to examine the effect of Cash Ratio, Return On Investment (ROI), Earning Per Share (EPS), Debt to Equity Ratio (DER), Investment, dan Size toward Policy of Dividend Payout Ratio (DPR) in companies that is listed in Indonesian Stock Exchange over period 2007-2010. Problems of this study is due contradiction between the theory with facts about the influence of, Cash Ratio, Return On Investment (ROI), Earning Per Share (EPS), Debt to Equity Ratio (DER), Investment, dan Size toward Policy of Dividend Payout Ratio (DPR) during the observation period of the year 2007 to 2010.

The population of this research is 420 company that listed in Indonesian Stock Exchange period 2007-2010. Sampling technique used here is purposive sampling on criterion (1) the company that represents their financial report per 2007-2010, and (2) the company that continually share their dividend period 2007-2010. It is gained sample amount of 11 companies from 420 companies those are listed in Indonesian Stock Exchange. The data is obtained based on Indonesian Capital Market Directory (ICMD) 2010 and 2011 publication. The analysis technique used here is multiple regression with the least square difference and hypothesis test using t-statistic to examine partial regression coefficient and F-statistic to examine the mean of mutual effect with level of significance 5%.

The result of this research shows that adjusted R^2 companies is 54.8%, based on statistical t test showed that the Return On Investment (ROI) gives significantly positive effect on Dividend Payout Ratio (DPR). The other variables which is Cash Ratio and Investment gives significantly negative effect on Dividend Payout Ratio. Earning Per Share (EPS), Debt to Equity Ratio (DER) and Size are not significant to DPR. On this research, Return On Investment (ROI) shows the most influencing variable toward DPR that pointed by the amount of beta standardized coefficients value 2.193, Cash Ratio are -0.188, Earning Per Share (EPS) are -0.002, Debt to Equity Ratio (DER) are -0.041, Investment are -0.627, and Size are -0.564.

Keywords: Cash Ratio, Return On Investment (ROI), Earning Per Share (EPS), Debt to Equity Ratio (DER), Investment, Size and Dividend Payout Ratio (DPR)