

ABSTRACT

Investor expect investments made in companies getting dividends and capital gains. Dividend Policy is an act of corporate decisions on the distribution of dividends or retained earnings for investment companies to come. This study aimed to analyze the Influences of return on assets, Current Ratio and Institutional Ownership of the Dividend Payout Ratio with Debt To Equity Ratio as an intervening variable.

The data analysis technique uses Multiple Linear Regression. This study has 133 samples but 38 of outlier samples. The result shows that only 95 samples can be used by using purposive sampling method. This study uses data source from financial statements which are collected from Indonesian Stock Exchange period of 2011-2017.

The result of this research shows that Debt to Equity Ratio has significantly negative influence on the Dividend Payout Ratio, Return on Assets has significantly negative influence on the Debt to Equity Ratio, Current Ratio has significantly negative influence on the Debt to Equity Ratio, Institutional Ownership has significantly positive influence on Debt to Equity Ratio, Return on Assets has significantly positive influence on the Dividend Payout Ratio, Current Ratio has insignificant negative influence on the Dividend Payout Ratio, Institutional Ownership has insignificant negative influence on the Dividend Payout Ratio.

Keywords: Return on Assets, Current Ratio, Institutional Ownership, Dividend Payout Ratio, Debt To Equity Ratio