

ABSTRACT

Serly Dewi. Effect of Investment Opportunity Set (IOS) and Leverage on Dividend Policy Registered in Compass 100 (under the guidance of MY Dedi Haryanto, SE, M.Sc.)

This study aimed to determine the effect of the investment opportunity set (IOS) and leverage the company's dividend policy in listed in Compass 100 years 2009-2011. The method in this study is an empirical study. The population was 100 companies listed on the Compass 100 2009-2011 period. Samples were determined using purposive sampling method, the importance of the 51 companies that made the study sample. The data of this study using multiple linear regression t test. In order to better results, the normality test to see if all the data was normally distributed or not, if there is data that is not normally distributed it will eliminate data outliers and tested.

The results showed that the first hypothesis (H1) which states that the Investment opportunity set (IOS) influence on dividend policy, rejected. And the second hypothesis (H2) stated that the leverage effect on dividend policy, rejected. Keywords: Investment Opportunity Set (IOS), Leverage, and Dividend Payout Ratio.