

ABSTRACT

This study aimed to examine the effect of Return On Assets and Debt to Equity ratio of the Dividend Payout Ratio. The population in this study is that financial companies listed on the Indonesia Stock Exchange. Samples were determined by using purposive sampling. The research sample was obtained by 23 companies. Hypothesis testing using multiple regression analysis with SPSS ver. 17.0. The test results indicate that the first hypothesis (H1) which states that the Return On Asset positive effect on Dividend Payout Ratio, rejected. The second hypothesis (H2) stated that the Debt to Equity Ratio negatively affect the Dividend Payout Ratio, rejected.

Keywords: Dividend Payout Ratio, Return on Assets, and Debt to Equity Ratio.