

## **ABSTRACT**

*This study aimed to examine the effect of external funding decision and dividend policy to firm value. The population in this study are all of property, real estate, contraction, infrastructure building, utilities, transportation companies who listed on the Indonesian Stock Exchange in the period from 2014-2015. The sample set by using purposive sampling method. The research sample obtained was 30 companies. Hypothesis testing using multiple regression analysis with SPSS version 21. The results showed that the first hypothesis states the funding decision has effect to firm value but second hypothesis states the dividend policy does not has a effect on firm value.*

**Keyword** : *Price Book Value, external funding decision, and dividend policy.*