

## **ABSTRACT**

*This research was conducted to examine the effect of variable Return on Asset, Debt to Equity Ratio, Asset Growth, Dividend Payout Ratio of previous year, and interest rate on Dividend Payout Ratio.*

*The sampling technique using purposive sampling method at manufacturing company listed in Indonesia Stock Exchange (BEI) in 2009-2015. From 197 listed companies, acquired 180 companies that meet the specified criteria on the research period from 2009 to 2015. The analysis technique used in this study is multiple regression which includes classical assumption test consisting of normality test, multicollinearity test, autocorrelation test and heterocedasticity test. While the hypothesis tested by t test.*

*The results showed that the variables Debt to Equity Ratio, Asset Growth, and Interest Rates have negative effect on Dividend Payout Ratio but not significantly. While the Return On Asset and Dividend Payout Ratio the previous year have positive significant effect on the Dividend Payout Ratio Predictive ability of the five variables to the Dividend Payout Ratio is 32.8% as indicated by the adjusted R-square of 32.8.*

*Keywords: Dividend Payout Ratio, Return On Asset, Debt to Equity Ratio, Asset Growth, Dividend Payout Ratio of previous year, and Interest Rate.*