

ABSTRACT

The purpose of this study is to scale and analyze the effect of Financial Performance, Investment Opportunities, and Life Cycle of Firm toward dividend policy on manufacturing companies listed on the Stock Exchange during the period 2010-2014.

Sampling technique used here is purposive sampling on criterion (1) Companies that get hold of profits, (2) Dividends during the period of observation, (3) Companies that used the currency rupiah. The Data is obtained based on Indonesian Capital Market Directory (ICMD 2010-2014) publication. It is gained sample amount of 142 company from 691 companies during the period of observation.

From the analysis result, it indicated that variable Leverage, Profitability, Investment Opportunities partially significant toward dividend policy while the Liquidity and Life Cycle of Firm partially not significant toward dividend policy for the period 2010-2014. Predictable of five variables toward Dividend Policy is 15.3% as indicated by t adjusted R-square that is 15.3% while the rest 84.7% is affected by other factors which are not included into the study model.

Keywords: Liquidity, Leverage, Profitability, Investment Opportunities, Life Cycle of Firm, Dividend Policy