

## **ABSTRACT**

*This research is meant to examine and analyze the influence of profitability, investment opportunity set (IOS) and institutional ownership of dividend policy. The total sample in this study are 71 companies listed in Indonesia Stock Exchange period 2012 – 2016 through purposive sampling method. The data were analyzed by classical assumption test and for hypothesis test using multiple linear regression with statistical software Eviews 7.0.*

*Based on multiple linear regression, the result of this research shows that profitability have significance positive influence on dividend policy, investment opportunity set have a significance positive influence on dividend policy and institutional ownership have a significance positive influence on dividend policy*

*Keywords: Profitability, investment opportunity set, institutional ownership, dividend policy*