## *ABSTRACT*

***Irfi Westiana (2012), The Influence of Profitability (ROI) and Leverage (DER) to Cash DividendPayout (DPR) at PT. Telekomunikasi Indonesia Tbk.***
***With Guidance: Prof. Dr. Hj. Ria Ratna Ariawati, S.E., Ms., Ak.***

*Dividend are important for companies because it is associated with an appropriate allocation of income of the company's growth and prosperity so that shareholders can be assured. Cash dividend payout to shareholders is affected by two groups of factors: financial and non-financial factors. This research focuses on the discussion of financial factors, as measured by profitability and leverage.*

*This research aims to analyze the influence of profitability as measured by Return On Investment and Leverage as measured by Debt To Equity Ratio to cash dividend payout. Sampling method used was purposive random sampling. Analysis tool used is classis asumssion testing, multiple linear regression and hypothesis testing using t test and f. Sample who is finance statement PT. Telekomunikasi Indonesia Tbk. consist of balance sheet, income statement, cash flow from funding activity during seven years period 2004-2010.*

*The results showed that dominant effect on cash dividend payout at PT. Telekomunikasi Indonesia Tbk. is the leverage (DER) with contributed 46%. While jointly (simultaneously), variable profitability (ROI) and leverage (DER) effect on cash dividend payout (DPR) with score 72,5%. From the result analysis leverage that have a biggest influence on cash dividend payout.*



***Keywords: Profitability, Leverage, and Cash Dividend.***