

ABSTRACT

This research is aimed to understand the effect of Free Cash Flow, Life Cycle, and Leverage toward Dividend Policy . The data used in this research is financial statement of public companies in technology, media and telecommunication industry that are listed on Indonesia Stock Exchange during the period 2006 – 2014. The financial statements are downloaded from the Thompsonone financial data base. According to IDX Fact Book, there are twenty five technology, media, and telecommunication companies that are listed in Indonesia Stock Exchange. In accordance with purposive sampling method, sixteen of those companies pay dividend during the period 2006-2015. Moreover, this research uses panel data analysis method to divide the companies into two groups. The first group is companies with government ownership (two companies) and the second group is companies without government ownership (fourteen companies).

The results of this research, both groups (with government ownership and without government ownership) indicate that Free Cash Flow, Life Cycle, dan Leverage simultaneously have significant effect on Dividend Policy. Partial effect result for companies with government ownership is Free Cash Flow and Life Cycle have positive significant effect on Dividend Policy while Leverage has negative significant effect on Dividend Policy. Partial effect result for Companies without government ownership is Free Cash Flow has negative significant effect on Dividend Policy while Life Cycle has positive significant effect on Dividend Policy, in addition Leverage has negative significant effect on Dividend Policy.

Keywords : *Dividend Policy, Free Cash Flow, Life Cycle, Leverage, Technology, Media, and Telecommunication*