

ABSTRACT

The dividend policy applied by every company is often a complicated problem. This indicates that there are differences in prioritizing the interests of company management or shareholders. Therefore it is necessary management of appropriate management for the interests of investors with the interests of management.

This study aims to find out how the influence of operating cash flow, profitability and sales growth proxied by Dividend Payout Ratio at mining sector listed in Indonesia Stock Exchange (BEI) in the period 2012-2016. The data used in this study was obtained from financial statement data.

The population in this study are mining sector companies listed in Indonesia Stock Exchange (BEI). The sampling technique used purposive sampling technique which got 6 samples within 5 years so that in can 30 sample unit of mining sector companies listed in Indonesia Stock Exchange with research period in 2012-2016. Data analysis method in this research is panel data regression analysis by using software Eviews version 9.0.

Based on the results of this study showed that the simultaneous operating cash flow, profitability and sales growth proxied by Dividend Payout Ratio (DPR) have a significant effect on dividend policy. While partially, operating cash flow has no effect on dividend policy, profitability has significant effect on dividend policy, and sales growth has negative significant effect on dividend policy.

Based on the results of this study, a company that wants to distribute dividends should pay attention to the sales growth of company, because the sales growth of the large companies tends to allocate funds for the expansion of the company compared with dividend payment.

Keywords: Operating Cash Flow, Profitability, Sales Growth, Dividend Policy.