

## **ABSTRACT**

*This study aims to determine the effects of the dividend increases announcement to the market response at the companies listed in Indonesian Stock Exchange based on signaling theory and residual theory. This study uses the average daily abnormal return to confirm that the information from the dividend increases announcement has significant effects to the market.*

*The study population was all the companies which increased dividends during 2010-2013. The research samples are 30 announcements. Criteria of companies in this study; listed in Indonesian Stock Exchange, there is no corporate action announcements during the period of study, and active in the share trading within windows period. This study uses event study method with 11-days of window period, consisting 5 days before, the day of announcement, and 5 days after the announcement of the dividend increase announcement. Data were analyzed using T-test. Calculation of expected return uses the market adjusted model.*

*The results showed that there is no significant average abnormal return when the dividend increase announcement was followed by an increase in profitability, and there is average abnormal return that is negative and significant when the dividend increase announcement was followed by a decrease in investment in the companies. The results of the study support residual theory of dividend.*

*Keywords: dividend increase announcement, abnormal return, signaling theory, residual theory*

## ABSTRAK

Penelitian ini untuk mengetahui reaksi pasar terhadap pengumuman kenaikan dividen pada perusahaan yang terdaftar di Bursa Efek Indonesia didasarkan pada *signaling theory* dan *residual theory*. Penelitian ini menggunakan rata-rata *abnormal return* harian untuk menguji pengumuman kenaikan dividen benar-benar berpengaruh signifikan terhadap pasar.

Populasi penelitian meliputi seluruh perusahaan yang melakukan pengumuman kenaikan dividen tahun 2010-2013. Sampel penelitian berupa 60 pengumuman kenaikan dividen dengan kriteria perusahaan melakukan pengumuman kenaikan dividen, terdaftar di Bursa Efek Indonesia, tidak mengeluarkan pengumuman *corporate action* pada periode penelitian, dan aktif dalam perdagangan saham pada periode jendela. Penelitian ini menggunakan *event study* dengan 11 hari periode jendela, yaitu 5 hari sebelum pengumuman, satu hari pengumuman, dan 5 hari setelah pengumuman kenaikan dividen. Data analisis menggunakan *T-test*. Penghitungan *expected return* menggunakan *market adjusted model*.

Hasil penelitian menunjukkan bahwa tidak terdapat rata-rata *abnormal return* yang signifikan apabila pengumuman kenaikan dividen diikuti oleh kenaikan profitabilitas tetapi terdapat rata-rata *abnormal return* yang negatif dan signifikan pada pengumuman kenaikan dividen yang tidak diikuti penambahan investasi perusahaan. Hasil penelitian mendukung *residual theory*.

Kata kunci: pengumuman kenaikan dividen, *abnormal return*, *signaling theory*, *residual theory*