

**THE INFLUENCE OF PROFITABILITY, LIQUIDITY, AND DEBT TO
THE DIVIDEND - PAYOUT RATIO IN MANUFACTURING COMPANY**

(LISTED IN INDONESIAN STOCK EXCHANGE FROM 2008-2010)

A THESIS

Presented as Partial Fulfillment of the Requirement to Obtain

the Bachelor Degrees in Accounting Department



By

PUTRI KARTIKA SARI

Student Number: 08312085

DEPARTMENT OF ACCOUNTING
INTERNATIONAL PROGRAM
FACULTY OF ECONOMICS
ISLAMIC UNIVERSITY OF INDONESIA
YOGYAKARTA

2011

**THE INFLUENCE OF PROBABILITY, LIQUIDITY, AND DEBT TO
THE DIVIDEND - PAYOUT RATIO IN MANUFACTURING COMPANY
(LISTED IN INDONESIAN STOCK EXCHANGE FROM 2008-2010)**

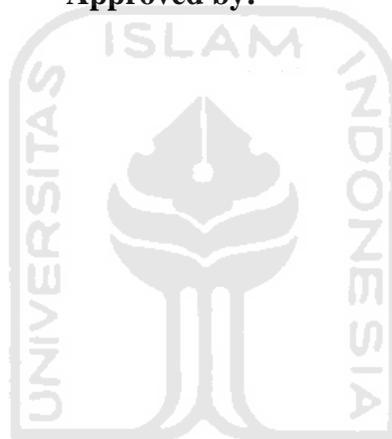
Written by:

Name : Putri Kartika Sari

Student Number : 08312085

Approved by:

Content Advisor,



Sigit Handoyo, SE., M.Bus.

January 13th, 2012

Language Advisor,

Budi Tiara Novitasari, SE.

Defended before the Board of Examiners

**THE INFLUENCE OF PROBABILITY, LIQUIDITY, AND DEBT TO
THE DIVIDEND - PAYOUT RATIO IN MANUFACTURING COMPANY
(LISTED IN INDONESIAN STOCK EXCHANGE FROM 2008-2010)**

A BACHELOR DEGREE THESIS

By:

PUTRI KARTIKA SARI

Student Number: 08312085

Defended before the Board of Examiners

on February 1st, 2012

and Declared Acceptable

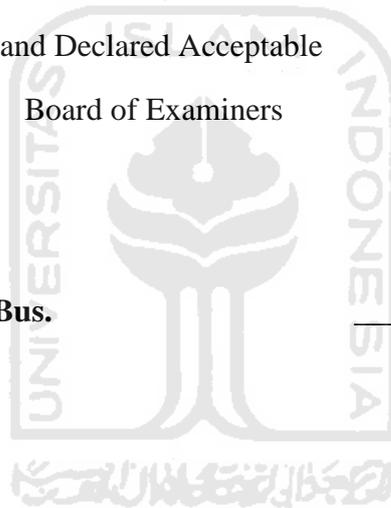
Board of Examiners

Examiner I

Sigit Handoyo, SE., M.Bus.

Examiner II,

Mahmudi ,SE., M.Si.



Yogyakarta, February 1st, 2012

**International Program
Faculty of Economics
Universitas Islam Indonesia
Dean,**

Hadri Kusuma Prof. Dr., MBA.

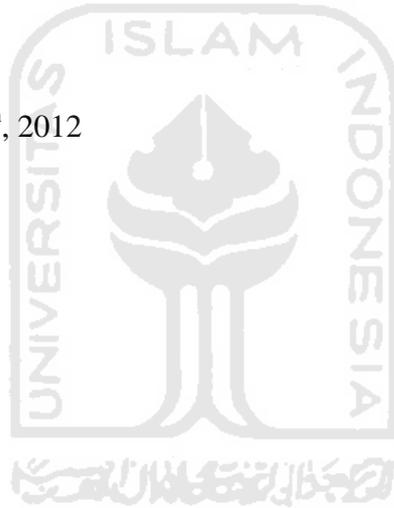
DECLARATION OF AUTHENTICITY

Herein I declare the originality of the thesis; I have not presented anyone else's work to obtain my university degree, nor have I presented anyone else's words, ideas or expression without acknowledgment. All quotations are cited and listed in the bibliography of the thesis.

If in the future this statement is proven to be false, I am willing to accept any sanction complying with the determined regulation or its consequence.

Yogyakarta, January 13th, 2012

Putri Kartika Sari



ACKNOWLEDGMENT



With blessing of Allah SWT, finally this thesis that is conducted to fulfill the requirement to obtain the Bachelor Degree could be finished.

In this moment, I would like to say thank you to many people that gave their precious time to help me in finishing this thesis.

First of all, I wish to express my great appreciation to Mr. Sigit Handoyo ,S.E., M.Bus., my thesis advisor, for his helpful advice. I also would like to deliver my special appreciation to Ms. Budi Tiara Novitasari, S.E., my language advisor, for giving her advice in order to make my thesis better.

Second, my special thanks are delivered to Rama Devarie and my beloved friends who always give support, advice and beautiful friendship, Selly, Shifa, Awe, Rintan, and Didi.

Many thanks also go to the following friends for their nice friendship and interest. They are Umi, Ami, Dina, Tenny, Vita, Santi, Tiara, Safita, Dini, Arni, Farah, Anggit, Rio "Ncut", Uman, Doddy, Tomy, Uki, Malik, Rufi, my friends in Accounting '08, and my friends that cannot be mentioned all here.

Finally, I owe the biggest thanks to my beloved family, specially my mother and father, for all of love, patience, advice, understanding, their encouragement that make me the way I am right now. Without you, I am nothing and for both of you, I dedicated this thesis.

Yogyakarta, December 2011

Putri Kartika Sari

TABLE OF CONTENTS

Title Page	i
Approval Page	ii
Legalization Page	iii
Declaration of Authenticity	iv
Acknowledgement	v
Table of Contents	vi
List of Figures	ix
List of Appendices	x
Abstract	xi
 CHAPTER I INTRODUCTION	
1.1 Background	1
1.2 Problem Formulation	5
1.3 Problem Limitation	6
1.4 Research Objectives	6
1.5 Research Benefit	6
 CHAPTER II REVIEW OF RELATED LITERATURE	
2.1 Theoretical Review	8
2.1.1 Definition of Financial Statement	8

2.1.2 The Characteristics of Financial Statement	9
2.1.3 The Limitation of Financial Statement	11
2.1.4 The User of Financial Statement	11
2.1.5 Financial Ratio Analysis	13
2.1.6 The Classification of Ratio Analysis	13
2.1.7 The Limitation of Ratio Analysis	19
2.2 Definition of Capital Market	20
2.2.1 Capital Market Types	21
2.2.2 The Types of Stock	22
2.2.3 The Benefit of Stock Investment	23
2.3 The Definition of Dividend Payout Ratio.....	23
2.3.1 Dividend Payout Policy	24
2.3.2 Previous Research	27
2.4 Hypothesis Formulation	28
2.4.1 Profitability	28
2.4.2 Liquidity	29
2.4.3 Debt	30
 CHAPTER III RESEARCH METHODOLOGY	
3.1 Population and Sample	32
3.2 Research Instrument	32
3.3 Research Variable	34
3.3.1 Dependent Variable	34
3.3.2 Independent Variable	35

3.4 Data Analysis Methodology	36
3.5 Classic Assumption	37
3.5.1 Classical Assumption Model	37
3.5.1.1 Normality Test	37
3.5.1.2 Multicollinearity Test	38
3.5.1.3 Heteroscedascity Test	38
3.5.1.4 Autocorrelation Test	39
3.6 Model Testing	40
3.6.1 Regression Coefficient Test Prompt (F Test)	40
3.6.2 Partial Regression Coefficient Test (t Test)	41
CHAPTER IV DATA ANALYSIS	
4.1 Classical Assumption Test	42
4.1.1 Descriptive Statistic	42
4.1.2 Normality Test	47
4.1.3 Multicollinearity Test	48
4.1.4 Heteroscedascity Test	49
4.1.5 Autocorrelation Test	51
4.2 Model Testing	52
4.2.1 Regresssion Coefficient Test Prompt (F Test)	52
4.2.2 Partial Regression Coefficient Test (t Test)	54
4.3 The Effect of Independent Variables toward Dependent Variable ...	55
4.3.1 Profitability	55
4.3.2 Liquidity	57

4.3.3 Debt	59
------------------	----

CHAPTER V CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions	63
5.2 Research Limitation	64
5.3 Recommendation	64
REFERENCES	66
APPENDICES	69

LIST OF TABLES AND FIGURES

Table 3.1 Criteria of Durbin – Watson Test	40
Table 4.1 Descriptive Statistics	45
Table 4.2 The Result of Multicollinearity Test	49
Table 4.3 The Result of Spearman Rank Correlation Test	50
Table 4.4 Significant Value of Each Residual Variables	51
Table 4.5 Result of Durbin – Watson Test	52
Table 4.6 Result of F test	53
Table 4.7 Result of t test	54
Table 4.8 Conclusion of Data Analysis (t test)	55
Table 4.9 Beta of Independent Variables	58
Figure 4.1 Normal P-P Plot of Regression Standardized Residual	48
Figure 4.2 Boundary of Autocorrelation with Durbin – Watson Test	52

LIST OF APPENDICES

Appendix 1 Return On Investment Data	70
Appendix 2 The Result of Quick Ratio (QR) in 2008	72
Appendix 3 The Result of Quick Ratio (QR) in 2009	74
Appendix 4 The Result of Quick Ratio (QR) in 2010	76
Appendix 5 Debt to Equity Ratio Data	78
Appendix 6 Dividend Payout Ratio Data	80
Appendix 7 Analysis Data	82
Appendix 8 Descriptive Statistics	86
Appendix 9 Normal P-P Plot of Regression Standardized Residual	87
Appendix 10 The Result of Multicollinearity Test	87
Appendix 11 The Result of Spearman Rank Correlation Test	88
Appendix 12 Result of Durbin – Watson Test	89
Appendix 13 Result of F test	89
Appendix 14 Result of T test	90

ABSTRACT

This research analyzes the influence of profitability, liquidity, and debt to dividend payout ratio in manufacturing companies in Indonesia. The samples consist of 102 companies listed in Indonesian Stock Exchange during the period of 2008-2010. This study tests three hypotheses related to the influence of profitability (ROI), liquidity (QR), and debt (DER) toward the dividend payout ratio (DPR). Data obtained were analyzed by using multiple regression analysis. The results of this study indicate that: (1) profitability ratio (ROI) has positively significant influence to dividend payout ratio. (2) Liquidity ratio (QR) does not significantly influence to dividend payout ratio. (3) Debt ratio (DER) does not significantly influence to dividend payout ratio.

Key Words:

Dividend Payout Ratio (DPR), Return on Investment (ROI), Quick Ratio (QR), Debt –to-Equity Ratio (DER), manufacturing company.



CHAPTER I

INTRODUCTION

1.1 Background

Today, many companies apply some strategies to develop and increase their business in order to operate in effective and efficient way, together with the accuracy in doing the policy or in applying strategies. Those efforts are done to achieve their purpose in maintaining the company's life in the tight competition.

The strategies are not only determined by external events but also internal conditions. The examples of external factors are the increasing of market condition, market expansion, government policy, law, national and international economic condition, and national stability. Then, from internal conditions are management aspect, production, marketing, personal, understanding and manage the financial performance of company. The knowledge of the strengths and weaknesses of the company become one of the important things in taking future decision whether management of company want to develop the business by using profit as retained earnings or giving high rate of dividend payout.

According to Jensen (2000), the investors have expectation to get the highest rate of return with the certain risk. Return can be in the form of capital gain or dividend which comes from some kind of investment for instances; stock, bank interest and bond. Return can be indicator in increasing the wealth of investors, including stockholders. Dividend is a kind of tools to increase the

wealth of investors. The satisfaction of investors will increase if the return is getting higher. Because of that, investors must have capability to predict their return.

The investor and stakeholder want to get the return from their investment, in the form of cash dividend and capital gain. The stakeholder will not really care about the internal policy of the company. The stakeholder will be more concern to review and evaluate the performance of the company by looking to the published financial statement. Financial statement can represent the real condition of the company whether the company is in stable or in collapse condition. Most of the investors will use analytical ratio in analyzing the company's performance in financial statement.

Analytical ratio is a kind of tools which is be able to process and to interpret accounting information in a relative and absolute meaning. Analytical ratio will be used to explain about the relationship between each number in a financial statement. The function of analytical ratio is to find the company's strengths and weaknesses through analyzing its financial report. Analytical ratio can be the basic to compare the company's performance with the competitor's directly. Analytical ratio also can help investor to make reasonable decision by considering the company's performance and predicting the future condition.

The previous research, which has been done by Yuni Dyah Purbosari in 2006, used public companies that listed in Indonesian Stock Exchange as the

samples, between 2001 until 2004. In the research about measuring profitability, financial ratio represented by return on investment, liquidity is represented by quick ratio, and debt is represented by debt to equity ratio.

The role of profitability in the company is very important. However, profitability is not the only element which must become the basic of consideration in taking decision about dividend payout policy. There are many element which must be considered, for example, current ratio, quick ratio, return on investment, solvability, and etc. This research will focus on analyzing the influence of profitability, liquidity, and debt to the dividend payout policy. The samples of this research are manufacturing companies listed in Indonesian Stock Exchange from 2008 until 2010 and have paid the dividend for three year in a row.

Manufacturing companies have proven their existences in the economic growth by becoming the biggest supporter in increasing the Gross Domestic Product (National Income). In the beginning of 2011, the economic growth in Indonesia can recover from global economics crisis. However, the globalization era will create the free market which will encourage the company to be able to compete with each other. Manufacturing companies, which process the raw material until is able to produce finished goods for use or sale, in Indonesia will face the challenge to make more efficient and effective strategies in allocating the cost for increasing the profitability to compete with the competitors. The increasing of profitability will increase the dividend payout and as the result, the stock price and the reliability of company will

increase too. Manufacturing company must have capability to win the competition in order to survive in the business area.

According to Indonesian Commercial Newsletter (ICN) (2010), export market and domestic market can get around U\$ 98 billion 2010. These values in 2010 were higher than U\$ 88 billion in 2008. This condition will motivate the manufacturing company to increase their performance in 2011 because the economic growth will positively supported by export market.

The other factors which can support local industry in facing economic crisis are the government's pro-investment policy and the trustworthy from local and foreign investors. Although economic crisis and free market happened, investor's perspective still considers that Indonesia is a potential market which has high opportunities.

According to Direktorat Riset Ekonomi dan Kebijakan Moneter Bank Indonesia (2008), Indonesia still held the trustworthy from local and foreign investors because Indonesia has the government's pro-investment policy which consisted of the relatively stable monetary and fiscal policy. The pro-investment policy will support and attract the inflow of Foreign Direct Investment (FDI) to Indonesia. Not only FDI but also the decreasing of bank's interest will support and encourage the local industry to survive. Moreover, Indonesia was predicted to have economic growth 7,4% until 8,0% in the next five years.

The economics condition will encourage domestic company in modifying their strategy to increase efficient and effective business conduct. The degree of efficient and effectiveness of company's strategic and performance can be seen in the financial statement. Financial statement analysis is the main source in identifying the company's performance.

So, this is an attracted condition to do research about "THE INFLUENCE OF PROFITABILITY, LIQUIDITY, AND DEBT TO THE DIVIDEND PAYOUT RATIO IN MANUFACTURING COMPANY (LISTED IN INDONESIAN STOCK EXCHANGE FROM 2008-2010)".

1.2 Problem Formulation

This research will discuss about the influence of profitability, liquidity, and debt to the dividend payout policy. Based on the explanation above, we can arrange the problem formulation.

There are:

1. Does profitability (ROI) have positive influence toward dividend payout ratio in company?
2. Does liquidity (Quick Ratio) have positive influence toward dividend payout ratio in company?
3. Does debt (Debt to Equity) have negative influence toward dividend payout ratio in comp

1.3 Research Limitation

The limitations in this research are:

1. This research is focus on manufacturing companies which are listed in Indonesian Stock Exchange (ICMD), the data will be taken from period 2008-2010 and have the complete financial statement.
2. The variables which will be measured are profitability (ROI), liquidity (Quick Ratio), and debt (Debt to Equity Ratio).

1.4 Research Objectives

This research have purpose to learn about the factors which influence the dividend payout ratio of a company. They are:

1. To know whether profitability have positive influence of the dividend payout ratio.
2. To know whether liquidity have positive influence of the dividend payout ratio.
3. To know whether debt have negative influence of the dividend payout ratio.

1.5 Research Benefit

This research can become useful source of many parties, for instances:

1. For investors, potential investors or analyst, this research can give the guidance in taking investment decision regarding the level of return in the term of company's dividend.

2. For management, this research can give suggestion and motivation for management in increasing the performance of profitability, liquidity, and debt in order to attract long-term investors.
3. For the accounting and financial researcher, this research will become guidance and motivation for the next researcher.



CHAPTER II

REVIEW OF RELATED LITERATURE

2.1 Theoretical Review

2.1.1 Definition of Financial Statement

According to Ikatan Akuntan Indonesia in Standar Akuntansi Keuangan (PSAK) No. 07 (IAI), it is stated that:

Financial statement is a part of financial reporting. Financial statement will consist of balance sheet, income statement, financial position statement, note for financial statement, and other information (financial and non-financial) which become a segment of financial reporting.

Financial statement will give information about the company's performance periodically. So, financial statement can be one of the considerations which are used by users in making decision.

According to Conceptual Framework of FASB in Suwardjono (2010), the objectives of financial reporting are to fulfill common purpose. It explains that the financial reporting will be arranged to provide general information which can be used for all parties, for example the economics resources, the claim of economics resources, and the result of certain circumstances, events, and transaction which can influence the financial condition of company. However, the objectives of financial reporting will focus on the needs of investors and creditors in reality.

2.1.2 The Characteristics of Financial Statement

Financial Statement is a main source in making analysis about company's performance. So, financial statement must fulfill the characteristics qualitative of financial statement as accounting information. According to Suwardjono (2010), the qualitative characteristics of financial statement are:

- **Relevance**

Relevance is a capability information to make difference in a decision making process or the influence of accounting information which can affect the decision making activities. Relevance consists of feedback, predictive value and timeliness. In fact, whether information is relevant or not, it depends on the user's perspective. For instances, according to a technical analyst's perspective, all financial data are irrelevance. While for fundamental analyst, the relevance of information varies with the method of analysis, the example of information which will be used are income statement, cash flow statement, balance sheet, and etc.

- **Timeliness**

Timeliness is an important aspect of relevance. Information can losses its value rapidly in financial world. Market prices are predicted based on the future estimation and historical data.

- Reliability

Reliability characteristics consist of verifiability, representational faithfulness, and neutrality. Verifiability is a condition where financial data is measured by using different methods and the results are similar. Representational faithfulness means that the reporting of financial statement must represent the real condition of company in order to give symmetries information for stakeholders. Neutrality concerned with whether financial statement data are biased or not. The principle of neutrality states that the management should consider the real condition of the relevance and reliability of the data which can represent the company's performance.

- Consistency and Comparability

Consistency and comparability are also the key characteristics of accounting information from the analysis perspective. Consistency refers to the use of specific accounting method overtimes. Then, comparability refers to the ability of company's financial statement to be compared with other company's financial statement.

2.1.3 The Limitation of Financial Statement

There are some limitations of financial statement:

1. Basically periodical financial statement is an interim period (the statement is made between certain time lengths) and it is not final report. So, all components reported on the financial statement do not show the liquidation value. Besides that, inside the interim report there might be personal judgment that has been done by accountant or management itself.
2. Financial statement is arranged based on the result of financial transaction recorded as historical data.
3. Financial statement cannot show some qualitative factors which influence the company's performance because the factors cannot be stated in financial value. For example: the company's image and the level of customer's satisfaction.

2.1.4 The User of Financial Statement

Manager have obligation to arrange and present the financial statement as the company's performance reporting. Financial reporting will be shared to parties who need financial information for taking decision. There are two groups of financial statement users:

1. Internal Users

The internal users are management who are responsible to the company's operation.

2. External Users

The external users are those users who come from outside of the company. They are:

- Investors

The investors have to know the company's performance and condition through financial statement, because the financial statement provides information that will help investors in making decision about investment regarding the liquidity, solvability, and accountability of company.

- Government

Through the company's financial statement, government can decide the tax regulation and implement it.

- Employee

Employee is included as the financial statement's user because employee needs information about the company's performance, company's condition, and company's prospect in fulfilling their obligation to the employee in future or not.

- Competitors

The competitors can predict the financial condition of other company through its financial statement.

2.1.5 Financial Ratio Analysis

According to Kusumaningrum (2002), ratio analysis is essential to comprehensive financial analysis but ratios are based on implicit assumption that is not always applied. So, the financial analyst who has role as the evaluator of firm's financial performance will need the data provided in financial statement to analyze company's performance. After compiling the data, financial analyst will use financial ratio to know the company's condition that in the end will be represented by the result of financial ratio. Financial ratio will relate two pieces of financial data by dividing one quantity by another.

Financial ratio can identify some of the financial strength and weaknesses of the company. The ratio can be used in two ways:

- a. ratio is used to compare year to year financial performance,
- b. ratio is used to compare company to company financial performance.

According to Simamora (2000), a primary advantage of ratios is that they can be used to compare the risk and return of firms. Ratio can provide a profile of a firm, its economics characteristics, its unique operation, its financial and investment characteristics.

2.1.6 The Classification of Ratio Analysis

The financial ratios will be used to represent the condition and performance of company. The company's performance can be measure by looking at its profitability, solvability, and activity.

According to Simamora (2000), financial ratios will be classified into four categories. There are:

1. Liquidity Ratio

This ratio will explain the capability of the company in fulfilling the obligation in settling the short-term debt. There are some methods in measuring the liquidity of company:

- Current Ratio

Current ratio is financial ratio which will represent the capability of company in settling the short-term debt by looking to the ability of current asset in covering the short-term debt. The formula of current asset is:

$$\text{Current ratio} = \frac{\text{Current Asset}}{\text{Short-term Debt}}$$

- Quick Ratio

Quick ratio is financial ratio which will represent the capability of company in settling short-term debt by looking to the ability of the liquid asset in covering the short-term debt. The term “liquid asset” in this phrase refers to the elements of current asset except inventory. Inventory is the

element of current asset which is hard to be converted to cash (fresh money). The formula of quick ratio is:

$$\text{Quick Ratio} = \frac{\text{Current Asset} - \text{Inventory}}{\text{Short-term Debt}}$$

2. Solvability Ratio

This ratio will explain the capability of the company to settle the long-term debt during company's liquidation. There are some methods in measuring the company's solvability:

- Debt-to-Equity Ratio

Debt-to-Equity ratio is financial ratio which will represent the capability of a company in settling long-term debt by considering the ability of owner's equity as guarantor that company can settle their obligation and protect creditor's rights. The formula of debt-to-equity ratio is:

$$\text{Debt-to-Equity Ratio} = \frac{\text{Total Debt}}{\text{Owner's Equity}}$$

- Times Interest Earned Ratio

Times interest earned ratio is financial ratio which will represent the capability of a company in settling the interest on the settlement period. The formulation of times interest earned ratio is:

$$\text{Times Interest Earned Ratio} = \frac{\text{Income}}{\text{Interest Expense}}$$

- ❖ Income which is used in this formula is income before interest expense and tax.

3. Activity Ratio

This ratio will measure the company's capability in using the company's resources and the result will be reflected in return on investment. There are some methods in measuring the company's activity:

- Inventory Turnover

Inventory turnover is financial ratio which will represent the capability of company in selling their inventory in certain period. This ratio will consider the cost of goods

sold and the inventory which was already sold in certain period. The formula of inventory turnover is:

$$\text{Inventory Turnover} = \frac{\text{Cost of Goods Sold}}{\text{Inventory}}$$

- **Receivable Turnover Ratio**

Receivable turnover ratio is financial ratio which will represent the capability of a company in giving and collecting the account receivable. It also has a function as the indicator of company's effectiveness in collecting account receivable.

The formula for receivable turnover ratio is:

$$\text{Receivable Turnover Ratio} = \frac{\text{Net Credit Sales}}{\text{Account Receivable}}$$

4. Profitability Ratio

This ratio will measure the company's capability in earning profit and measure the company's effectiveness in using and managing the company's resources. There are some methods in measuring the company's profitability:

- Profit Margin

Profit margin is financial ratio which will represent the capability of company in generating the net income from sales activities. The formula of profit margin is:

$$\text{Profit Margin} = \frac{\text{Net Income}}{\text{Net Sales}}$$

- Asset Turnover

Asset turnover is financial ratio which will measure the efficiency of the company's asset in generating sales. The formula of asset turnover is:

$$\text{Asset Turnover} = \frac{\text{Net Sales}}{\text{Average Asset}}$$

- Return on Asset or Return on Investment

Return on Asset is financial ratio which will represent the capability of company in managing the company's source, which come from stockholder's equity compared to the net income as a part of stockholder's return.

The formula of return on asset is:

$$\text{Return on Asset} = \frac{\text{Earnings after Tax}}{\text{Total Asset}}$$

- Return on Equity

Return on equity is financial ratio which will represent the efficiency of management in managing the investment from stockholder. This method has some weaknesses because return on equity ratio will consider current value while the financial statement will represent the condition based on historical value. The formula of return on equity is:

$$\text{Return on Equity} = \frac{\text{Net Income}}{\text{Common Stock}}$$

2.1.7 The Limitation of Ratio Analysis

Financial ratio analysis is a general tool to measure the company's performance. Many companies use financial ratio analysis to measure their performance because it is easier to calculate and can be a comparison between companies with different size. However, every method has their limitation.

There are:

1. Firm sometimes employs “window dressing” techniques to make its financial statement looks better.
2. It is difficult to generalize about whether a particular ratio is good or bad. For example, high current ratio may indicate strong liquidation position, it is good because the company has excess cash to improve their operation but, it can be bad (because excess cash can be from the disposal of asset or from debt).
3. In a firm, some ratios are good and some are terrible. In this situation, it is hard to determine whether the firm is in a good condition or not.
4. Inflation may influence the company’s balance sheet and cause the reporting value to be substantially different from the real values. Further, inflation can influence the depreciation charges and inventory costs, finally it will also influence the profit. The financial ratio analysis will need to be adjusted with the current changes in order to present the real condition of companies.

2.2 Definition of Capital Market

According to Darmaji and Fakhruddin (2006), capital market is financial institution, including commercial banks and mediator, in which securities trading takes place. The difference between capital market and other markets is capital market has abstract characteristic which reflect that buyers do not have direct information from sellers.

Capital market has been known as securities exchange or stock market. The meaning of stock market is the place where the sellers and the buyers can meet or they can use mediator as their representatives to do the stock trading in stock market. Capital market has two functions. They are economics function and financial function.

2.2.1 Capital Market Types

Generally, the trading will be held in the capital market where securities are available to trade. Capital market has some types. They are:

1. Primary Market

Primary market is a market where Initial Public Offering takes place. The stock price in primary stock will be determine by underwriter and emitent (company which will go public).

2. Secondary Market

Secondary market is a market where the trade of stocks which have passed the initial public offering takes place. The stock price in secondary market is determined by market mechanism.

3. Third Market

Third market is trading securities in the over the counter. Activities in third market include the compilation of information about stock price, frequency of transaction, and other information related to securities.

4. Fourth Market

Fourth Market is the market where trading between stockholders without using mediator (broker) takes place.

2.2.2 The Types of Stock

According to Simamora (2000), the types of stock are:

1. Common stock

The stockholder will have the portion of the company's ownership. Stockholder will get dividend if the company earns profit. Usually, if the company suffers from loss, the management will decide not to distribute the dividend to the stockholders. The functions of common stock are:

- As a tool to fulfill company's need of permanent capital,
- As a tool to decide the portion of stock sharing ratio,
- As a consideration in making decision about company's expansion,
- As a tool to acquire another company by expanding the ownership toward the particular company.

2. Preferred Stock

Preferred stock is a stock which has characteristics of bond and common stock. Preferred stock offers fixed rate of return to the investor and priority in the settlement of obligation in liquidation term. The similarities between preferred stock and common stock are:

- a. both stocks represent the portion of owner equity and do not have due date of settlement.
- b. both stocks pay dividend to the stockholder.

2.2.3 The Benefit of Stock Investment

Investors who invest their money in capital market have to consider about the market and economics condition. Investment in capital market will be affected by fluctuation which can cause gain or loss for the investor. To adjust the condition, investors will demand higher return to bear the related risk. The return can be in the form of dividend and capital gain. The investors will get dividend if they hold the stock for long-term and intend to maintain or increase their ownership in a particular company. The investors also can earn capital gain through selling the stock. Capital gain or loss is the different between the stock selling price and purchasing price.

2.3 The Definition of Dividend Payout Ratio

Dividend is return distributed by a company to the investors in the form of cash, stock, and other term for satisfying the investors because they have invested their money in the company.

According to Darmaji and Fakhruddin (2006), every company wants to grow continuously in order to give higher welfare for the stockholders. Company will give special attention for increasing stockholder's satisfaction. One of the ways to increase stockholder's satisfaction is by giving higher dividend as their return on investment. The company and its management

really care about stockholder's satisfaction because their investments are the biggest source for financing and running the company's operation. The formula of dividend payout ratio (DPR) is:

$$\text{Dividend Payout Ratio} = \frac{\text{Dividend Per Share}}{\text{Earning Per Share}}$$

2.3.1 Dividend Policy Theory

According to Miller and Mondigliani (n.d) in Prawironegoro (2006), there are three dividend policy theories. They are:

1. Dividend Irrelevance Theory

This theory stated that dividend policy have no influence to the stock price and capital expenditure. So, the dividend policy is not relevant to be used as consideration.

2. Bird - in - the hand theory

According to Myron Gordon and John Linter (n.d), capital expenditure will increase if Dividend Payout Ratio is low. This condition depends on the investor's interest, those investors prefer dividend than capital gain.

3. Tax Preference Theory

This theory stated that tax has influence in the investor's interest in holding the stock to earn dividend or selling the

stock to earn capital gain. Many investors prefer capital gain because security trading can delay income tax on capital gain.

According to Van Horne (1997) in Kusumaningrum (2002), the functions of financing involve three major decisions. They are:

- Investment Decision

The investment decision is the most important decision that firm has to take. Capital investment is the allocation of capital to be invested to several proposals to get benefit in the future. Consequently, their expected rate of return and risk has to be evaluated before decision is made. Expected rate of return and risk are factors affecting the firm's market valuation. In addition, a firm must manage the existing assets efficiently and must consider where to invest the asset. Company must consider the good portfolio method in making investment decision and not to put all of the capital in one investment.

- Financing Decision

The second major decision of the firm is the financing decisions. Here, the financial managers focus in determining the best financing mix or capital structure. If

a company can change its total value by varying its capital structure, an optimal financing mix can be achieved and in the end market price per share can be maximized.

- Dividend Decision

The third important decision of the firm is its dividend policy. The dividend policy includes the percentage of earnings paid to stockholders in cash dividends, the consideration about economic condition, stock dividends, stock splits, and stock repurchasing. The dividend – payout ratio determines the amounts of retained earning in the firm and must be evaluated to be able to achieve the objective of maximizing shareholder's wealth.

Dividend policy is related to the sharing earning. It is about making decision whether net income will be distributed to the stockholders as dividend or treated as retained earnings. Retained earning is one of important financial sources which can be used for financing the company's growth. Types of financing can be divided into two. They are internal financing and external financing. Internal financing is the fulfillment of company's financial needs by using its sources, usually it is taken from the retained earnings. Then, external financing is the fulfillment of company's financial needs by using external sources. External sources can come from the owner of the company or equity

financing, selling bond, debt from creditor, debt from supplier, debt from bank, and etc.

The bigger the profit distributed to stockholders, the smaller the amount of the retained earning which will be used for developing the company.

2.3.2 Previous Research

Previous research about the influence of the profitability, liquidity and debt toward dividend payout policy has been made by Yuni Dyah Purbosari in 2006. The research explained that profitability, liquidity, and debt have positive influence to dividend payout policy. That research has taken the data from public companies which listed in Indonesian Stock Exchange and has distributed their dividend from 2001 until 2004. The other research which related with this research is done by Fira Puspita in 2009. Her thesis developed the formula with more consideration about the influence of cash ratio, growth, firm size, ROA, DTA, and DER. That research has taken the data related to with public company which listed in Indonesian Stock Exchange from 2005 until 2007.

Every company has their own strategies in order to achieve their goal. Companies with a good prospect will choose debt as the alternative in fulfilling the needs in paying the dividend, if the companies do not have the fund to pay the dividend. In the other hand, if the company is not in good performance, the company will adjust the amount of dividend paid with the earning earned in the particular period. The influence of debt toward dividend varies in each

companies, it depends on the company's point of view in facing the needs of fund.

2.4 Hypothesis Formulation

2.4.1 Profitability

Profitability has some important role for a company. The roles are profitability can interpret the ability of paying loan and interest. Profitability can attract the investor to invest their fund which can be used as source for doing expansion. Profitability also can be the consideration whether the company's going concern can be maintained or not.

Profitability ratio is a net result of a number of policies and decisions. Profitability ratio is examined for providing information about the effectiveness of firm's operations. Profitability can be measured in several different but interrelated dimensions. First, there is a relationship of a firm's profit with the profit margin. Another measurement is Return on Investment (ROI) which relates to the utilization of asset to generate income. In this research, I prefer to use ROI as the independent variable because ROI is a comprehensive ratio which can measure the profitability of company. ROI measures the capability of a company in using its resources for operational activities in order to earn profit and measures the company's effectiveness in using and managing company's resources.

Profitability is the amount of profit produced from investments activity. Profit is measured to ensure the firm's long – term growth and its going concern. Profitability analysis indicates the effectiveness of firm's overall operation.

There are some characteristics of profitability:

1. It can be used as a comparison tools on some investment alternatives according to each risk level. The bigger the risk on investments, the bigger the profitability level.
2. It can show company's profit in percentage by comparing its net income with total assets.

The increasing of profitability at the same time will increase the dividend distribution and vice versa. So, the hypothesis can be formulated as follows:

H1: Profitability has positive influence toward dividend payout ratio in a company.

2.4.2 Liquidity

Liquidity is one of important consideration in examining the company's performance. Liquidity is a tool which can interpret the capability of company to change their asset into fresh money (liquid) which will be used to fund the company's operation.

This research will use Quick ratio to measure the level of liquidity. The formula to calculate Quick ratio is current asset minus inventory then divided by current liability. The reason in using Quick ratio rather than current ratio is because this ratio will exclude the inventories from current asset which will be used in the calculation. As we know, inventory is a kind of asset which is hard enough to be transferred into fresh money when company suffers from bankruptcy. Inventories need some additional treatment before it can be sold as finished goods and as a result, it can give inflow in the term of fresh money.

If company has higher liquidity, company will be able to pay the dividend to stockholders. In the other hand, if company has the difficulties in its liquidity, company will not have the capability to pay high dividend to stockholders. From the explanation above, the hypothesis can be formulated as follows:

H2: Liquidity has positive influence on dividend payout ratio in a company.

2.4.3 Debt

Debt becomes important element as a consideration to make decision. Every operational activities of company must consider the source of fund used by the management. During a bankruptcy, debt becomes main consideration because it has certain contract related to

the amount which must be paid on a certain date. Most of debt was protected by legal law, so it has juridical power to force the parties in the contract to fulfill their right and obligation properly. During bankruptcy, stockholders as the owner of the company must fulfill their obligation as the owner before they can get their rights.

This research will use Debt to Equity ratio to measure the company's debt. This ratio will interpret the capability of the company to cover the debt with their equity.

If company increases their debt, it will encourage the company to decrease or delay the distribution of dividend because they must consider more to its obligation to external parties. In the other hand, the probability of company in paying the dividend will be higher, if the company can reduce the operational fund obtained from debt. From the explanation above, the hypothesis can be formulated as follows:

H3: Debt has negative influence on dividend payout ratio in a company.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Population and Sample

Population is the whole elements which will be source in making conclusion. Sample is a part of population which will be the source of research and will be the representative of population. Population which will be used in this research are all of manufacturing companies, listed in Indonesian Stock Exchange from period 2008 until 2010 and published in Indonesian Capital Market Directory (ICMD). The sample will be taken by using purposive sampling method. It means that sample will not be randomly selected. Sample will be taken by using some considerations and certain criteria. This research will use some criteria's to filter the sample. They are:

1. Manufacturing company which paid the dividend in period 2008 until 2010 in a row.
2. Financial company, banks, and insurance company are excluded from the sample.
3. Companies used as sample in this research are those with complete data, and provide information related to Dividend Payout Ratio, Quick Ratio, Return on Investment, and Debt to Equity Ratio.

3.2 Research Instrument

The research instruments utilized in this research were taken from literature in the library, internet, the stock exchange corner in FE UII, and information published by Indonesian Capital Market Directory (ICMD).

According to ICMD (2010), manufacturing companies consist of 131 companies in the year 2008 until 2010. From 131 companies, this research will take 34 companies as the sample. There are 34 companies which will be used as sample in this research:

1. AUTO PT. Otoparts Tbk.
2. BRAM PT. Indo Kords Tbk.
3. FAST PT. Fast Food Indonesia Tbk.
4. CLPI PT. Calorpak Indonesia Tbk.
5. AKRA PT. AKR Corporindo Tbk.
6. ASGR PT. Astra Grafia Tbk.
7. CTBN PT. Citra Tubindo Tbk.
8. EKAD PT. Ekadharna Internasional Tbk.
9. HEXA PT. Hexindo Adiperkasa Tbk.
10. INDF PT. Indofood Sukses Makmur Tbk.
11. IGAR PT. Kageo Igar Jaya Tbk.
12. GGRM PT. Gudang Garam Tbk.
13. HMSP PT. Hanjaya Mandala Sampoerna Tbk.
14. LTLS PT. Lautan Luas Tbk.
15. LION PT. Lion Metal Work Tbk.
16. LMSH PT. Lionmesh Prima Tbk.
17. TCID PT. Mandom Indonesia Tbk.
18. MYOR PT. Mayora Indah Tbk.
19. MERK PT. Merck Tbk.
20. MTDL PT. Metrodata Electronics Tbk.
21. SMGR PT. Semen Gresik (Persero) Tbk.
22. BATA PT. Sepatu Bata Tbk.
23. IKBI PT. Sumi Indo Kabel Tbk.
24. TOTO PT. Surya Toto Indonesia Tbk.
25. TRST PT. Trias Sentosa Tbk.
26. UNIC PT. Unggul Indah Cahaya Tbk.
27. UNTR PT. United Tractor Tbk.
28. ARNA PT. Arwana Citramulia Tbk.
29. BRNA PT. Berlina Tbk.
30. DYLA PT. Darya Varia - Laboratoria Tbk.
31. INTP PT. Indocemant Tunggal Prakarsa Tbk.
32. INDS PT. Indospring Tbk.
33. KLBF PT. Kalbe Farma Tbk.

34. SMAR PT. Sinar Mas Agro Resources Technology Tbk.

Resources: Indonesian Capital Market Directory

3.3 Research Variable

There are some variables which will be used in this research:

1. Dependent Variable

The dependent variable in this research is the payment of dividend which will be reflected by dividend payout ratio (DPR).

2. Independent Variable

The independent variables in this research are return on investment, quick ratio, and debt to equity ratio.

The detailed explanations about each variable will be explained in the next part:

3.3.1 Dependent Variable

Dividend payout ratio (DPR) is the dependent variable in this research. Dividend payout ratio is the percentage of company's profit which will be distributed to stockholders.

The formula of DPR is:

$$\text{Dividend Payout Ratio} = \frac{\text{Dividend Per Share}}{\text{Earnings Per Share}}$$

3.3.2 Independent Variable

This research will use three independent variables:

1. Return on Investment (ROI)

Return on investment is a comprehensive ratio which can measure the capability of a company to produce profit and to measure the effectiveness of a company in using and managing the company's resources used in the operational activities. The formulation for ROI is the net profit will be divided by total asset. ROI also can be substituted by ROA, because basically ROI will measure how much the return from the total asset (company's resources) used in operational activities.

$$\text{Return on Investment} = \frac{\text{Earnings After Tax}}{\text{Total Asset}}$$

2. Quick Ratio (QR)

Quick ratio is the financial ratio which will measure the liquidity of a company in fulfilling the short term obligation or in the other words it measures company's capability in covering their short term debt by using its current asset except its inventory.

The formula for Quick ratio is:

$$\text{Quick Ratio} = \frac{\text{Current Asset} - \text{Inventory}}{\text{Current Liability}}$$

3. Debt to Equity Ratio (DER)

Debt to Equity Ratio is the financial ratio which will measure the capability of company in fulfilling the long term obligation or in the other words it shows company's capability in covering their total liability by using their own capital.

The formula for DER is:

$$\text{Debt to Equity Ratio} = \frac{\text{Total Liability}}{\text{Owner's Equity}}$$

3.4 Data Analysis Methodology

This research will use analytical model to simplify the dependent variable and independent variables which reflect the influence of the ROI, QR, and DER toward dividend payout ratio. Data analysis methodology which is used in this research is Multiple Regression that will be operated by using SPSS 20.

The assumptions are as follow:

Independent variable = β_1 = Profitability (ROI)

β_2 = Liquidity (Quick ratio)

β_3 = Debt (Debt to Equity ratio)

Dependent variable = Dividend Payout Ratio (DPR)

The formula is as follow:

$$\text{DPR} = \beta_0 + \beta_1 (\text{ROI}) + \beta_2 (\text{QR}) - \beta_3 (\text{DE}) + \varepsilon$$

3.5 Classic Assumption

According to Widarjono (2007), regression model which is used in from Ordinary Least Square/OLS will give unbiased result (Best Linier Unbias Estimator /BLUE). This condition will happen if the data fulfill some criteria's;

1. Nonmulticolienarity, it means that there is no perfect or closed to perfect relationship among independent variables used in the regression model.
2. Homoscedacity, it means that the variance among independent variables is constant.
3. Nonautocorrelation, it means that the influence of variables will not be affected from previous year's and current year's data.

3.5.1 Classical Assumption Model

Classical assumption model was used to detect whether the model is valid or not. The model will be categorized as valid if the regression model has a normal distribution, without multicollinearity problem, no heteroscedacity problem, and no autocorrelation problem in the model.

3.5.1.1 Normality Test

Normality test has a purpose to determine whether the dependent variable and independent variables in the regression model have a normal distribution or not. The data distribution must

be normal or close to normal in order to create a good regression model. This study will use Normal PP Plot graphs test. If the pattern of data distribution which is represented by dots, around the diagonal line and the direction suit with diagonal line of Normal PP plot graph, the regression model has met the assumption of normality and vice versa.

3.5.1.2 Multicollinearity Test

Multicollinearity test is a test that must be passed by the model. Its purpose is to know the correlation between independent variables. The good regression model must not have correlation relationship among the independent variables.

According to Widarjono (2007), Multicollinearity can be measure using VIF (Variance – Inflating Factor). If $VIF < 10$, the multicollinearity problem does not exist, it means that there are no significant correlations between independent variables in regression model and vice versa.

3.5.1.3 Heteroscedascity Test

According to Widarjono (2007), heteroscedascity test aims to test whether the regression model occurs in the condition where the variance from one residual observation to another observation is constant or not, this condition also can be called by homoscedascity. In the condition where the variance from one

residual to another observation is different, it is called as heteroscedascity.

This study will use Spearman Rank Correlation Test. In the Spearman Rank Correlation test, if the significant value (Sig, (2-tailed) correlation of each independent variable with residual value is greater than the level of significance research (α), it can be concluded that there is no heteroscedascity in the research model. The level of significance applied in this research is $\alpha = 5\%$. This means that if the significant value (Sig. (2-tailed) correlation of each independent variable with the residual value is less than 5%, it can be concluded there is heteroscedascity in the model. if the significant value (Sig. (2-tailed) correlation among each independent variable residual value is greater than 5% then it can be concluded that there was no heteroscedascity.

3.5.1.4 Autocorrelation Test

Autocorrelation is a correlation between the members in the range of time or between spaces for cross section data. This study will use Durbin - Watson Test in testing whether the regression model has autocorrelation relationship or not, with the criteria as follow:

Table 3.1
Criteria of Durbin – Watson Test

The Criteria	The Conclusion
$DW < dL$	There is positive autocorrelation
$dL < DW < dU$	Cannot be concluded whether there is autocorrelation or not
$dU < DW < (4 - dU)$	There is no autocorrelation
$(4 - dU) < DW < (4 - dL)$	Cannot be concluded whether there is autocorrelation or not
$DW > (4 - dL)$	There is negative autocorrelation

DW is Durbin – Watson value, which can be found by using Durbin – Watson Test in the SPSS 20. The dL and dU can be found from Durbin – Watson statistic tables.

3.6 Model Testing

3.6.1 Regression Coefficient Test Prompt (F test)

F test is used to show the effect of variation of independent variables variation collectively to the dependent variable. Significant of independent variables to the dependent variable is showing the probability value from F test of each independent variable at test level $\alpha = 5\%$. To conclude the acceptance or

rejection of H_0 and H_1 , here are the conditions that we need to consider:

1. If the probability is smaller than α , then H_0 is rejected and H_1 is accepted, which means that the independent variables have a significant influence on the dependent variable.
2. If the probability is larger than α , then H_0 is accepted and H_1 is rejected, which means that the independent variable has no significant effect on the dependent variable.

3.6.2 Partial Regression Coefficient Test (t Test)

T test was used to test the significance of the partial effects of independent variables on the dependent variable. Significant of independent variables to the dependent variable is showing the probability value from the t test of each independent variable at Sig. level $\alpha = 5\%$. So, the condition to accept or reject H_0 and H_1 are as follows:

1. If the probability is less than α then H_0 is rejected and H_1 is accepted, which means that the independent variables have a significant influence on the dependent variable.
2. If the probability is bigger than α then H_0 is accepted and H_1 is rejected, which means that the independent variable has no significant effect on the dependent variable.

CHAPTER IV DATA ANALYSIS

4.1 Classical Assumption Test

Classical assumption test is used to detect whether the model in this research is fulfilling the requirement to be valid model or not. Some requirement tests that need to be done are normality test, multicollinearity test, heteroscedascity test and autocorrelation test.

4.1.1 Descriptive Statistic

This analysis has aim to find description from variables in descriptive table, including minimum, maximum, mean, and standard deviation. The result can be seen as follows:

Table 4.1
Descriptive Statistics

	DPR	ROI	QR	DER
Mean	.2833122	11.291463	1.655411	1.015119
Std. Deviation	.21888631	7.6061603	2.1352231	.9847807
Minimum	.00023	.7657	.3431	.1041
Maximum	.92366	39.2000	18.0430	7.4500

The research used 102 samples. The samples were taken from manufacturing companies that fulfill the required criteria for 3 years, from 2008, 2009, and 2010. The minimum table shows the lowest value of each variable, either dependent or independent variables. The maximum table indicates the highest value of each variable, while the mean table shows the average value of each variable, both dependent and independent variables.

The Return on Investment (ROI) table shows the value of ROI in percentage, as has been described previously that ROI represent the profitability variable. Based on the table above, the minimum value of ROI is 0.7657% which is held by PT. Sumi Indo Kabel Tbk in 2010. According to Limbono in Business Indonesia (2011), the decreasing performance of PT. Sumi Indo Kabel Tbk in 2010 was because the increasing price of material resources for production, so the company's profit was supported by export activities. The net income decreases from 28.7 billion into 4.6 billion. Then, the maximum value of ROI is 39.2% which is held by PT. Sepatu Bata Tbk in 2008. The Bata's performance was really good in 2008. As we know that in 2008, almost all companies in the world gave their best effort to survive from the economic global crisis but Bata as the local company not only can survive from economic global crisis but also still can give good dividend to the stockholders. Bata's performance must be appreciated by the other companies.

According to Elqorni (2008), one of Bata's strenghts is its ability in developing and maintaining the brand image in order to get the loyalty of customers is its good brand image because without good brand image Bata will lose to the competitors which has international image. The power of brand image will lead the company to improve its marketing strategy and increase its customer service by building good communication in order to understand customer's demand.

The mean table of ROI shows the average value of ROI. The table shows that the mean value of ROI is 11.29%. In other words, the average level of

profitability of firms in this sample is 11.29%. The standard deviation table of ROI shows the variance of the company's capability in earning profit. The table shows that the standard deviation of ROI is 7.606%. The standard deviation of ROI is greater than the standard deviation of other independent variables, QR at 2.135% and DER at 0.9847%. This condition shows that ROI has the greater fluctuation than QR and DER, because the performance of ROI will be influenced not only by internal factors but also external factors. The examples of internal factors are the production activities, the marketing activities and the distributing activities where customers can receive the goods. The examples of external factors are the economics condition, the market demand, the customer purchasing power, and etc.

The Quick Ratio (QR) table shows the value of QR in percent, QR is independent variable which represents the liquidity aspect of a company. As it can be seen in the table above, the minimum value of QR is 0.3431 which is held by PT Gudang Garam Tbk (2009). According to Budiman (2008), the impact of global crisis on PT. Gudang Garam Tbk is the increasing price of material resources for instance, tobacco and cloves, which require the company to provide more capital for providing the material resources. The increasing price of material resources is also followed by the decreasing of customer's purchasing power in 2009. If companies face obstacles in providing the fund, companies will take current liability which will decrease their liquidity. The maximum value of QR is 18.043 % which is held by PT. Kalbe Farma Tbk in 2010. Kalbe Farma proved that through its performance, it successfully settled its liability amounting 300

billion in the end of June 2009 (“Laba Bersih Per Saham Kalbe Meningkatkan Tajam,” 2010). The capability of company in settling the liability will increase the Quick ratio of the company. It means that Kalbe Farma has good capability in settling the liability and decreasing the debt which is used for operational activities.

The mean table of Quick Ratio (QR) shows the average value of QR. The table shows that the mean value of QR is 1.6554%. In the other words, the average level of liquidity or the company’s capability in settling the short –term liability in this sample is 1.6554%.

The Debt–to–Equity Ratio (DER) table shows the value of DER in percent. DER is the independent variable which represents the company’s capability in settling total liability which is guaranteed by stockholder’s equity. As it can be seen in the following table, the minimum value of DER is 0.1041% which is held by PT. Mandom Indonesia Tbk in 2010. According to Hibi (2011), PT. Mandom Tbk. has enough company budgets for capital expenditures of 110 billion rupiah which come from operational activities. The budgets will be used to improve production capacity and increase new products. So, they can reduce the fund earned from debt. The maximum value of DER is 7.45% which is held by PT. Indospring Tbk in 2009. According to Nurhadi (2009), PT. Indospring Tbk faced decreasing export in 2009 because of global crisis. The global crisis influences the companies’ income and requires the companies to take liability for funding operation activities. The mean of DER is 1.015%. Then, the standard deviation which reflects the variance of DER is 0.9847%. It means that there is no high

variance for DER because between 2008 until 2010 the economics condition in Indonesia was influenced by the economics global crisis which pushes the local company to survive and maintain their performance as good as when there were no global crises in 2008.

According to Jensen (2000), all of the management's decisions must consider the needs of important parties (the stakeholders) which influenced the performance and existence of company. The aim of increasing the stockholders and stakeholders' satisfaction (value maximization) is to maintain the total long run market value of firm.

The companies give their best effort to hold and maintain the satisfaction of investor and stockholder to keep them investing their capital, without their support the effort for surviving and settling the liability during the global crisis is impossible. Regarding to this situation, the company can maintain stakeholder's satisfaction by keep on paying the dividend by using earned profit during the period even though the amount of the paid dividend is less than before.

The Dividend Payout Ratio (DPR) table shows the value of DPR in percent, DPR is the independent variable which represents the capability of the company in distributing their dividend to stockholders. As it can be seen in the following table, the minimum value of DPR is 0.00023% which is held by PT. Darya - Varia Laboratoria Tbk in 2010. According to Fitra and Lo (2011), the reason why DPR of Darya - Varia was too low in 2010 was because the management of Darya Varia and the stockholders committed to arrange the budget and used the profit in 2010 for increasing the retained earnings in order to increase

capital expenditure which sacrificed 53 billion rupiah. The purpose of Darya – Varia in increasing the capital expenditure was to increase the production capacity up to 25%. After recovering from the global crisis in 2008, Darya – Varia began to increase their capability in productivity in order to increase their operational capacity to generate profit. Then, the maximum value of DPR is 0.9236% which is held by PT. Merck Tbk in (2010). According to Nurcahyo (2010), PT. Merck Tbk decided to distribute dividend at 4.464 per share or 99.993 billion rupiah based on Annual General Meeting of Stockholders even the net income of PT. Merck Tbk. in 2010 decrease 19.2% from the previous period.

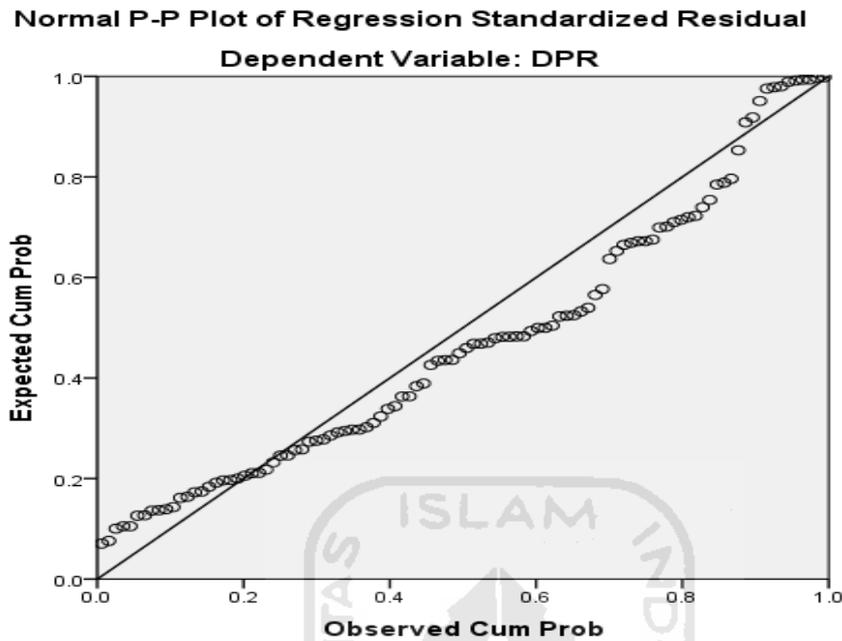
In 2010, the Annual General Meeting of Stockholders still committed to give high dividend. The decision of General Meeting of Stockholders can become a method to hold the trustworthiness of stockholders related to the acquisition planning which will be done by Merck and Milipore (USA) in order to integrate and expand the market of Merck's products. The mean of DPR is 0.2833%. Then, the standard deviation which reflects the variance of DPR is 0.2188%. The standard deviation in DPR represents that whatever the companies' conditions' are companies will consider increasing and maintaining the satisfaction of stockholders as the supporters of company's going concern through their investment by keep on paying the dividend even the amount paid is less than before.

4.1.2 Normality test

Normality test has purpose to determine whether the independent variables and dependent variable in the regression model have normal distribution or not.

Figure 4.1

Based on the figure 4.1 Normal PP Plot (Normal PP Plot of Regression



Standardized Residual), it shows that the pattern of data points distribution is around the diagonal line and the direction suits with diagonal line of Normal PP Plot. Based on the pattern of data points distribution on the normal PP Plot graph, it can be concluded that the regression model meets the assumption of normality.

4.1.3 Multicollinearity Test

Multicollinearity test has purpose to determine whether there is significant correlation between independent variables in regression models or not. If the model has multicollinearity problem, the model should reduce the variables or replace them with other variables. The table below will show the result from multicollinearity test:

Table 4.2
Multicollinearity Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.262	.060		4.397	.000	
	ROI	.006	.003	.199	1.833	.037	.808
	QR	-.016	.010	-.154	-1.526	.130	.930
	DER	-.017	.025	-.076	-.685	.495	.764

According to Widarjono (2007), multicollinearity can be measured by using VIF (Variance – Inflating Factor). If $VIF < 10$, it means that there is no significant correlation between independent variables in regression model and vice versa. Based on Multicollinearity test, table 4.2 shows that the VIF of ROI (1.238), QR (1.075), and DER (1.308) is less than 10 ($VIF < 10$). So, it can be concluded that the regression model have no multicollinearity problem.

4.1.4 Heteroscedascity Test

Heteroscedacity test has purpose to determine whether the result of regression model in some variances from residual observation was constant (homoscedascity) or different (heteroscedascity). This study will use Spearman Rank Correlation to test the regression model. The result of Spearman Rank Correlation test is shown in the table below:

Table 4.3
The Result of Spearman Rank Correlation Test

		ROI	QR	DER	Unstand ardized Residual	
Spearman's rho	ROI	Correlation Coefficient	1.000	.200*	-.560**	-.110
		Sig. (2-tailed)	.	.043	.000	.269
		N	102	102	102	102
	QR	Correlation Coefficient	.200*	1.000	-.402**	-.098
		Sig. (2-tailed)	.043	.	.000	.328
		N	102	102	102	102
	DER	Correlation Coefficient	-.560**	-.402**	1.000	.002
		Sig. (2-tailed)	.000	.000	.	.980
		N	102	102	102	102
	Unstandardized Residual	Correlation Coefficient	-.110	-.098	.002	1.000
		Sig. (2-tailed)	.269	.328	.980	.
		N	102	102	102	102

*. Correlation is significant at the 0.05 level (2-tailed).

** . Correlation is significant at the 0.01 level (2-tailed).

The level of significance (α) applied in this research is 5%. Based on the table 4.3 above, we can summarize the value of each residual variable in the following table:

Table 4.4
Significant Value of Each Residual Variables Compared to Alpha

Variabel	Unstandardized Residual (sig)	alpha (α)	Condition	Conclusion
ROI	0.269	0.05	>alpha	There is no heteroscedacity
QR	0.328	0.05	>alpha	
DER	0.980	0.05	>alpha	

From the table 4.4 above, the significant value (Sig. (2 -tailed) of each residual is greater than the level of significance (α). Therefore, it can be concluded that there is no heteroscedascity in the research model.

4.1.5 Autocorrelation Test

Autocorrelation test has purpose to determine the correlation between the members in the range of time or between spaces for cross section data in the regression model. This research will use Durbin – Watson test to analyze the existence of autocorrelation in the research model. The result form Durbin – Watson test can be seen in the following table:

Table 4.5

Result of Durbin - Watson Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.261 ^a	.068	.040	.21448147	1.951

a. Predictors: (Constant), DER, QR, ROI

b. Dependent Variable: DPR

Based on the criteria for Durbin – Watson test, the summary can be presented in the table below:

Figure 4.2
Boundary of Autocorrelation with Durbin – Watson Test

Autocorrelation (+)	Unclear result	No Autocorrelation	Unclear result	Autocorrelation (-)
0	dL	dU	4-dU	4-dL
	1,61	1,73	2,27	2.39

Based on the table 4.5, the value of DW is 1.951, the value of DW is in the range between 1.73 and 2.27. So, it indicated that the regression model does not have autocorrelation problem.

4.2 Model Testing

4.2.1 Regression Coefficient Test Prompt (F test)

F test is used to test the suitability of regression model by showing the effect of variation of independent variables collectively to the dependent variable.

This test used significant level $\alpha = 5\%$. The result of F test can be seen in the following table.

Table 4.6
The Result of F test

ANOVA ^a						
Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	.331	3	.110	2.397	.033 ^b
	Residual	4.508	98	.046		
	Total	4.839	101			

a. Dependent Variable: DPR

b. Predictors: (Constant), DER, QR, ROI

Based on the result of regression model in the table 4.6, the value of F is 2.397 with Sig. value of 0.033. Since, the significant level between dependent variable and independent variables is 0.033, which is less than $\alpha = 5\%$, it means that there are significant influences existed between dependent variable and independent variables. In the other words, ROI, QR, and DER simultaneously influence DPR.

4.2.2 Partial Regression Coefficient Test (t test)

T test was used to test the significance of the independent variables partial effects on the dependent variable.

Table 4.7
Result of t Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
	B	Std. Error	Beta			
1	(Constant)	.262	.060		4.397	.000
	ROI	.006	.003	.199	1.833	.037
	QR	-.016	.010	-.154	-1.526	.130
	DER	-.017	.025	-.076	-.685	.495

Based on the result of regression model in the table 4.7, it can indicate the relationship among ROI, QR, DER, and DPR which can be presented in the formula below:

$$DPR = 0.262 + 0.006 (ROI) - 0.016 (QR) - 0.017 (DE) + \varepsilon$$

This regression model has constant at 0.262, it means that if the ROI, QR, and DER are zero, the DPR will be 0.262.

Then, based on the result in table 4.7, it can indicate that ROI has positive influence on DPR with Beta 0.199, QR has negative influence on DPR with Beta -0.154, and DER has negative influence on DPR with Beta -0.076. Since, the significant level of ROI is 0.037, which less than $\alpha = 0.05$, so ROI has significant influence to DPR.

Table 4.8

Conclusion from Data Analysis

No	Dependent Variables which Influence DPR	Standardized Coefficients Beta	P – Value	Alpha (α)	Condition P – Value to alpha (α)	Decision
1.	Return on Investment (ROI)	0.199	0.037	0.05	< alpha (Significant)	Accepted
2.	Quick Ratio (QR)	- 0.154	0.130	0.05	>alpha (Insignificant)	Unaccepted
3.	Debt to Equity Ratio (DER)	- 0.076	0.495	0.05	> alpha (Insignificant)	Unaccepted

4.3 The Effect of Independent Variables toward Dependent Variable

Based on the results of regression model in the table 4.7, we can summarize the results as follows.

Table 4.9

Beta of Independent Variables

Independent Variable	Beta
ROI	0.199
QR	-0.154
DER	-0.076

4.3.1 Profitability

In the previous chapter of this research, the hypotheses regarding the influence of profitability towards the dividend payout ratio are as follows.

H0: Profitability (ROI) does not have positive influence toward dividend payout ratio in a company.

H1: Profitability (ROI) has positive influence toward dividend payout ratio in a company.

Based on the result in table 4.8, we can indicate that return on investment (ROI) has positively significant influence toward the dividend payout ratio which is represented by Beta of ROI (0.199) and the significant level (P - value) at 0.037. Hence P - value of ROI is 0.037 which is less than $\alpha = 0.05$, so we can accept H1 and reject H0. It means that the increasing of ROI will increase the DPR (Dividend Payout Ratio), because the decision related to DPR is based on the return on investment earned by the company.

The positive sign will represent the capability of the company in managing the company's resources to generate profit and fulfill investor's expectation related to the company's development in the future. The increasing of earning after tax (EAT) will increase the position of ROI. It means that company can be expected to be able in paying the dividend to stockholders in the date of payment and stockholder can have expectation about the increasing performance of the company in the future. The result of this research that shows the positive influence of ROI is supported by Mondigliani-Miller's (n.d.) opinion on signaling

hypothesis, it mentioned that ROI will increase if earning after tax which came from managing the company resources (asset) is increasing. The increasing of ROI will cause the increasing of DPR as the base of dividend distribution. It is the basic policy in distributing dividend to stockholders in order to increase stockholder's welfare.

The result of this research that shows the positive influence of ROI is also supported by Purbosari (2006) and Puspita (2009) who concluded that the profitability which is represented by ROI has positive significant influence toward dividend payout ratio. If the company can earn high profit, it will be able to increase the distribution of dividend to stockholder.

4.3.2 Liquidity

In the previous chapter of this research, the hypotheses regarding to the influence of liquidity to the dividend payout ratio are as follows.

H0: Liquidity (QR) does not have positive influence toward dividend payout ratio in a company.

H2: Liquidity (QR) has positive influence toward dividend payout ratio in a company.

Based on the result in table 4.8, we can indicate that Quick Ratio (QR) has negative influence toward dividend payout ratio. This condition is represented by the Beta of QR (-0.154) and the significant value (P - value) at 0.130. Hence P - value of QR is 0.130 which is bigger than $\alpha = 0.05$, so we will accept H0 and reject H2. It means that Quick Ratio (QR) does not significantly influence to dividend payout ratio (DPR).

The result of this research in which shows the negative influence of QR reflects that manufacturing companies in Indonesia have some considerations in increasing short-term liability during 2008 until 2010. This condition can be influenced by external factors.

According to Direktorat Riset Ekonomi dan Kebijakan Moneter Bank Indonesia (2008), the existence of global crisis influences the economics condition around the world. The examples of global crisis's impacts are the increasing of oil price and inflation. Economic condition is also affected by free market. All of those factors encouraged many companies to do their best to survive from bankruptcy. During this condition, investors were worrying about the economic condition while the companies must be able to do their daily operation. So, many companies decided to increase short-term liability. Logically, if companies increase their liability, it will affect the decreasing of DPR because part of the profit that will be distributed to the stockholders as dividend will be retained by the company in order to secure the company's position in settlement date. The companies must have optimism that they can settle their liability using the profit of that year.

According to Penyelenggaraan Pemerintahan dan Pembangunan Daerah (2009), the government also gave their best effort to rearrange the interest level of Bank Indonesia in order to decrease the interest level of other bank and supporting the local companies' growth in Indonesia. In the end of January 2009, Bank Indonesia has decreased the BI's interest level from 8.75 percent to 7.5 percent. The aim was to motivate and to help the public companies to survive in the

economic global crisis. The decreasing of interest level will encourage the companies in taking debt to the bank in order to run their operation activities with low interest level. This condition can be proofed by the facts of debt growth from 26.4% to 30.7% in 2008. Company's commitment to settle is also improving, as it can be seen from the decreasing of Non Performing Loan (NPL) from 4.1% in 2007 to 3.2% in 2008.

The result of QR is different from the previous research which is done by Purbosari (2006). She stated that QR has positive sign to dividend payout ratio. It means that the companies have good liquidity at that time. The result of this research that shows the negative influence of QR may differ from the others because of economics condition regarding the economics global crisis in 2008. It is also because of different sample taken as the source of this research.

4.3.3 Debt

Hypotheses used in testing debt to equity ratio are as follows:

H0: Debt (DER) does not have negative influence toward dividend payout ratio in a company.

H3: Debt (DER) has negative influence toward dividend payout ratio in a company.

Based on the result in table 4.8, DER has negative influence to dividend payout ratio (DPR). This condition can be represented by the value of Beta (-0.076) and the significant value (P - value) at 0.495. Hence P - value of DER is

0.495 which is bigger than $\alpha = 0.05$, so we will accept H0 and reject H3. It means that DER does not significantly influence to dividend payout ratio (DPR)

This result is different from the result of the previous research. According to Purbosari (2006), the increasing of debt which is represented by DER will not influence the DPR because most of the public companies in Indonesia use their profit for two purposes. First, the profit is allocated for the retained earning which is used to develop and support the growth of the company itself. Second, the profit is allocated as the source of dividend distribution to stockholders.

Although a company has high level of debt, it does not mean that they stop to pay dividend for their stockholders because, maintaining the satisfaction of stockholders is really important for a company. The company must be able to use their resources wisely. By using the residual cash available at the end of the period, management could satisfy the shareholders by paying the dividend and at the same time try to settle its debt.

However, the result of this research that shows the negative value of DER was supported by Puspita (2009), because of the global crisis' influence many companies have to reconsider their decision. This condition happened because many companies have two aims, to provide fund for settling the liability and distribute dividend to stockholders. Unfortunately, economic global crisis push the companies to make wise decision because even though their debt was high, they must consider to stockholder's satisfaction. The alternative taken by the companies is they will give dividend even though it was small. The rest of the

available profit will be used for settling the liability and establishing retained earnings to expand the business, because they have to consider their going concern while trying to satisfying the stockholders. The company's survival is represented by their capability in maximizing stakeholder's satisfaction.

According to Prawironegoro (2006), in fact, the amount of dividend distribution is related to the decision of General Meeting of Stockholders. Every company has their own considerations whether they want to use the profit to increase retained earning which will be used in developing and expanding their company or they want to increase the satisfaction of the stockholders by increasing the stockholder's welfare.

In The General Meeting of Stockholders, the company's management will give suggestion to the stockholders to increase the retained earnings in order to develop and support the growth of company. However, stockholders have their own consideration related to benefit cost ratio before they invest their capital.

Stockholders will agree to receive small dividend and increase the retained earning if they are sure that the return from the profit which will be invested in form of retained earning has higher return on investment (ROI). However, if stockholders are not sure about the company's future and stockholders feel that the return from their investment cannot cover the risk, they will ask for bigger dividend payment.

There are some supporting considerations for the stockholders before taking decision about dividend payout ratio in The General Meeting of Stockholders. The

first is management's suggestion. Management has a role as the party who know the company's condition, business condition, and economics condition related to the amount of DPR (Dividend Payout Ratio). The management's suggestion consists of some information about previous, present, and predicted data and will be presented in the analytical form. The second is the corporation's law which regulates and protects the rights of minority stockholders related to the earnings after tax distribution.

The third is liquidity condition, the stockholders must be aware of the company's condition. If the company do not have liquidation problem, it will be able to pay the dividend. Meanwhile, if the company has liquidation problem, it will have dividend liability or it might pay the dividend in form of shares. It means that the stockholders must invest their dividend in order to save the company.

The fourth is company's decision, to develop and expand their business. This condition required dividend payout ratio to be small because an ideal company's growth must be supported by fund which comes from retained earnings and there should be no liability increasing.

The fifth one is the settlement of long-term liability. If company has higher long-term liability, stockholder must consider in decreasing dividend payout ratio in order to increase the retained earning which will be used for the settlement of long-term liability.

CHAPTER V

CONCLUSIONS AND RECOMMENDATION

5.1 Conclusions

This research aims to obtain empirical evidence about the influence of factors in the company attributes, for instances profitability (ROI), liquidity (QR), and debt (DER) toward the dividend payout ratio (DPR), either simultaneously or partially on manufacturing companies listed in the Indonesian Stock Exchange (IDX). This research was conducted in 102 manufacturing companies listed in Indonesian Stock Exchange (IDX) in the period of 2008-2010 through descriptive statistical analysis and multiple regression equations.

Based on research that has been done regarding the influence of profitability (ROI), liquidity (QR), and debt (DER) to the dividend payout ratio (DPR), the conclusions are as follows:

1. The partial influence of each factors toward dividend payout ratio is as follows:
 - a. Profitability (ROI) has positive influence to dividend payout ratio (DPR) significantly. The increasing of ROI will be followed by the increasing of DPR and vice versa.
 - b. Liquidity (QR) has negative influence to dividend payout ratio, but it does not influence significantly.
 - c. Debt (DER) has negative influence to dividend payout ratio, but it does not influence significantly.

2. Profitability (ROI), liquidity (QR), and Debt (DER) have significant influence to the dividend payout ratio (DPR) simultaneously.

5.2 Research Limitation

This study has purpose to know the influence of profitability (ROI), liquidity (QR), and Debt (DER) to dividend payout ratio (DPR). The researcher realizes that this study cannot be separated from some limitations such as:

1. Sample used in this study only covers one type of company, namely manufacturing company.
2. Sample used in this study was the data from 2008 until 2010.
3. There are three independent variables examined in this study. They are profitability, liquidity, and debt. However, there are other variables that might give an effect on the dividend payout ratio, which are not included in this research.
4. The representation of independence variables in this research are as follows: Return on Investment (ROI) for measuring profitability, Quick Ratio (QR) for measuring liquidity, and Debt -to- Equity (DER) for measuring debt. There are any other ratios that may be used to measure independent variables.

5.3 Recommendation

Based on the research limitation, researcher suggests that:

1. The next researcher may use other than manufacturing company, because Indonesia has many sectors which can be chosen as the investment sectors.

2. The next researcher is going to add other variables to their research which have an influence on dividend payout ratio. Next researcher also should consider about the external factors, for instances, economics condition, the price of stock, and etc.



REFERENCES

- Budiman, H. (2008). *Optimis Ditengah Krisis*. Retrieved November 9, 2011, from <http://news.okezone.com/read/2008/12/01/283/169588/optimistis-di-tengah-krisis>
- Darmaji, T. & Fakruddin, H. M. (2006). *Pasar Modal di Indonesia: Pendekatan Tanya Jawab* (2nd ed.). Jakarta: Salemba Empat.
- Direktorat Riset Ekonomi dan Kebijakan Moneter Bank Indonesia. (2008). *Outlook Ekonomi Indonesia 2008-2012: Integrasi Ekonomi ASEAN dan Prospek Perekonomian Nasional*. Retrieved November 9, 2011, from <http://www.gaikindo.or.id/download/industry-policies/k-bank-indonesia/OEI-2008-2012.pdf>
- Elqorni, A. (2008). *Kasus Strategy Pemasaran*. Retrieved December 12, 2011, from <http://elqorni.wordpress.com/2008/08/16/kasus-strategi-pemasaran/>
- Fitra, S & Lo, W. (2011). *Darya – Varia Anggarkan Belanja Modal Rp 53 Miliar*. Retrieved December 12, 2011, from <http://www.indonesiainancetoday.com/read/8073/Darya-Varia-Anggarkan-Belanja-Modal-Rp-53-Miliar>
- Hadibroto, A. & Wibisana, M. J. (2009). *Standar Akuntansi Keuangan* (8th ed.). Jakarta: Salemba Empat.
- Hibi, T. (2011). *Mandom Relocates Production Base to Indonesia*. Retrieved December 18, 2011, from <http://www.nusantarainfrastructure.com/news.php?id=467>
- Indonesian Commercial Newsletter. (2010). *Prospek Industri Manufaktur Tahun 2011*. Retrieved November 2, 2011, from <http://www.datacon.co.id/Outlook-2011Manufaktur.html>
- Institute for Economic and Financial Research. 2010. *Indonesian Capital Market Directory* (21st ed.). Jakarta: ECFIN.

- Jensen, M. C. (2000). *Value Maximization and The Corporate Objective Function*. Harvard Business School, USA. Retrieved November 9, 2011, from <http://www.hbs.edu/research/facpubs/workingpapers/papers2/9900/00-058.pdf>
- Kusumaningrum, A. (2002). *The Profitability Analysis of PT. Indofood Sukses Makmur Tbk*. Unpublished bachelor thesis, Universitas Islam Indonesia, Yogyakarta.
- Laba Bersih Kalbe Farma Meningkatkan Tajam. (2010). Kalbe Press Article. Retrieved November 10, 2011, from <http://www.kalbe.co.id/press-release/20690/laba-bersih-per-saham-kalbe-meningkat-tajam.html>
- Limbono, S. H. (2011). *Sumi Indo Kabel Bagi Dividen Rp 3, 06 Billion*. Retrieved December 12, 2011, from <http://www.bisnis.com/articles/sumi-indo-kabel-bagi-dividen-rp3-06-miliar>
- Nurchayo, B. (2011). *Sepanjang 2010 MERCK Raih Penjualan Rp 796 Miliar*. Retrieved December 12, 2011, from <http://www.businessreview.co.id/berita-pasar-modal-1490.html>
- Nurhadi, I. (2009). *Indospring Genjot Pasar Lokal Jadi 65%*. Retrieved December 18, 2011, from <http://www.kabarbisnis.com/read/283336>
- Penyelenggaraan Pemerintahan dan Pembangunan Daerah. (2009). Retrieved November 10, 2011, from www.bappenas.go.id/get-file-server/node/7621/
- Prawironegoro, D. (2006). *Manajemen Keuangan*. Jakarta: Diadit Media.
- Purbosari, Y. N. (2006). *Pengaruh Profitabilitas, Likuiditas, dan Hutang pada Perusahaan Public yang Terdaftar di Bursa Efek*. Unpublished bachelor thesis, Universitas Islam Indonesia, Yogyakarta.

- Puspita, F. (2009). *Analisis Faktor-Faktor yang Mempengaruhi Kebijakan Dividen Payout Ratio*. Universitas Diponegoro, Semarang. Retrieved Oktober 7, 2011, from http://eprints.undip.ac.id/17411/1/FIRA_PUSPITA.pdf
- Simamora, H. (2000). *Akuntansi: Basis Pengambilan Keputusan Bisnis* (2nd ed.). Jakarta: Salemba Empat.
- Suwardjono. (2010). *Teori Akuntansi: Perekayasa Pelaporan Keuangan* (3rd ed.). Yogyakarta: BPF.
- Widarjono, A. (2007). *Ekonometrika: Teori dan Aplikasi untuk Ekonomi dan Bisnis* (2nd ed.). Yogyakarta: Ekonisia.



APPENDICES

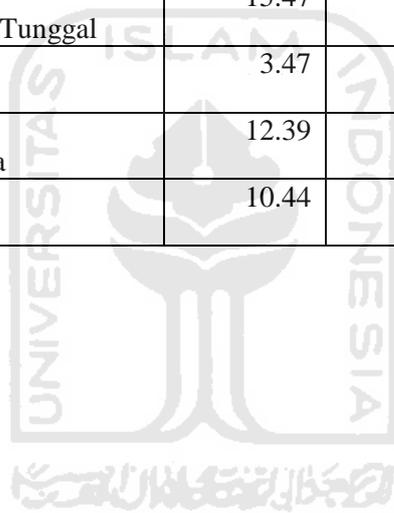


Appendix 1

Return on Investment (ROI) Data

NO.	CODE	COMPANY	2008	2009	2010
			ROI	ROI	ROI
1	AUTO	Astra Otoparts tbk	14.22	16.54	20.42981089
2	BRAM	Indo Kords Tbk	5.67	5.34	8.987587445
3	FAST	Fast Food Indonesia	15.96	17.48	16.14807656
4	CLPI	Calorpak Indonesia	7.77	14.1	10.32772369
5	AKRA	AKR Corporindo	4.31	4.53	4.055997002
6	ASGR	Astra Grafia	7.43	8.64	12.05263818
7	CTBN	Citra Tubindo	10.29	7.12	6.711712269
8	EKAD	Ekadharna Internasional	3.27	9.96	11.9749142
9	HEXA	Hexindo Adiperkasa	3.41	15.64	13.08008874
10	INDF	Indofood	2.61	5.14	6.246003915
11	IGAR	Kageo Igar Jaya	2.4	7.78	9.25305911
12	GGRM	Gudang Garam	7.81	12.69	13.48749364
13	HMSP	HM Sampoerna	24.14	28.72	31.28570289
14	LTLS	Lautan Luas	4.24	2.79	24.22128467
15	LION	Lion Metal Work	14.95	12.39	12.71184684
16	LMSH	Lionmesh Prima	14.9	3.3	9.399657213
17	TCID	Mandom Indonesia	12.61	12.53	12.55159224
18	MYOR	Mayora Indah	6.71	11.46	11.00398204
19	MERK	Merck	26.29	33.8	27.32357103
20	MTDL	Metrodata Electronics	2.32	0.95	3.220187805
21	SMGR	Semen Gresik	23.8	25.68	23.34524281

22	BATA	Sepatu bata	39.2	12.71	12.59158457
23	IKBI	Sumi indo kabel	15.35	5.11	0.765684379
24	TOTO	Surya Toto	6.14	18.09	17.75381523
25	TRST	Trias Sentosa	2.69	7.49	6.736791628
26	UNIC	Unggul Indah Cahaya	1.3	1.75	1.491188986
27	UNTR	United Tractor	11.65	15.64	13.03977043
28	ARNA	Arwana Citra	7.38	7.77	9.052222787
29	BRNA	Berlina	4.49	3.99	6.309746716
30	DYLA	Darya Varia	11.11	9.22	12.98199566
31	INTP	Indocemant Tunggal	15.47	20.69	21.01467008
32	INDS	Indospring	3.47	9.46	9.22767953
33	KLBF	Kalbe Farma	12.39	14.33	18.29122839
34	SMAR	Smart	10.44	7.33	10.10379265

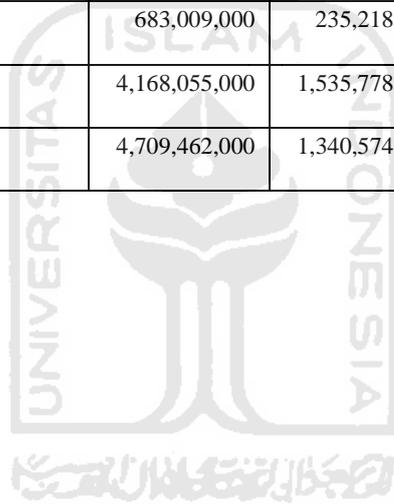


Appendix 2

The Result of Quick Ratio (QR) in 2008

NO.	CODE	COMPANY	2008	2008	2008	2008
			CURRENT ASSET	INVENTORY	CURRENT LIABILITY	QR
1	AUTO	Astra Otoparts tbk	1,862,813,000	670,008,000	873,185,000	1.366039
2	BRAM	Indo Kords Tbk	978,226,000	402,957,000	446,468,000	1.288489
3	FAST	Fast Food Indonesia	314,520,000	85,895,000	238,320,000	0.959319
4	CLPI	Calorpak Indonesia	232,969,000	66,397,000	163,035,000	1.021695
5	AKRA	AKR Corporindo	2,215,749,000	783,986.00	2,192,341,000	1.01032
6	ASGR	Astra Grafia	587,704,000	226,356,000	471,362,000	0.766604
7	CTBN	Citra Tubindo	1,402,475,000	508,051,000	939,562,000	0.951958
8	EKAD	Ekadharma Internasional	121,982,000	19,475,000	47,030,000	2.179609
9	HEXA	Hexindo Adiperkasa	1,584,542,000	985,697,000	1,040,683,000	0.575435
10	INDF	Indofood	14,323,261,000	6,061,219,000	16,262,161,000	0.508053
11	IGAR	Kageo Igar Jaya	243,194,000	60,960,000	59,714,000	3.05178
12	GGRM	Gudang Garam	17,008,576,000	13,528,987,000	7,670,532,000	0.453631
13	HMSP	HM Sampoerna	11,037,287,000	7,657,848,000	7,642,207,000	0.442207
14	LTLS	Lautan Luas	2,112,208,000	1,047,306,000	1,879,789,000	0.566501
15	LION	Lion Metal Work	219,551,000	91,074,000	38,607,000	3.327816
16	LMSH	Lionmesh Prima	51,256,000	28,539,000	18,606,000	1.22095
17	TCID	Mandom Indonesia	497,212,000	230,155,000	61,401,000	4.349392
18	MYOR	Mayora Indah	1,684,853,000	534,329,000	769,800,000	1.494575
19	MERK	Merck	298,668,000	70,422,000	38,420,000	5.940812
20	MTDL	Metrodata Electronics	988,662,000	230,526,000	740,209,000	1.024219
21	SMGR	Semen Gresik	7,083,422,000	1,637,853,000	2,090,589,000	2.604801

22	BATA	Sepatu bata	238,784,000	164,290,000	110,429,000	0.674587
23	IKBI	Sumi indo kabel	492,243,000	120,904,000	119,983,000	3.09493
24	TOTO	Surya Toto	617,384,000	238,879,000	441,308,000	0.857689
25	TRST	Trias Sentosa	723,785,000	316,682,000	714,076,000	0.570112
26	UNIC	Unggul Indah Cahaya	1,786,530,000	1,049,366,000	1,053,006,000	0.700057
27	UNTR	United Tractor	12,883,590,000	5,246,343,000	7,874,135,000	0.969916
28	ARNA	Arwana Citra	199,226,000	39,007,000	263,278,000	0.608554
29	BRNA	Berlina	222,591,000	55,005,000	95,402,000	1.75663
30	DYLA	Darya Varia	457,417,000	60,247,000	110,647,000	3.589523
31	INTP	Indocemant Tunggal	3,471,276,000	1,515,360,000	1,943,885,000	1.006189
32	INDS	Indospring	683,009,000	235,218,000	635,364,000	0.704779
33	KLBF	Kalbe Farma	4,168,055,000	1,535,778,000	145,889,000	18.04301
34	SMAR	Smart	4,709,462,000	1,340,574,000	2,734,320,000	1.232075



Appendix 3

The Result of Quick Ratio (QR) in 2009

NO.	CODE	COMPANY	CURRENT ASSET	INVENTORY	SHORT-TERM LIABILITY	QR
1	AUTO	Astra Otoparts tbk	2,131,336,000	514,620,000	980,428,000	1.64899
2	BRAM	Indo Kords Tbk	656,111,000	237,106,000	190,876,000	2.19517
3	FAST	Fast Food Indonesia	493,310,000	95,222,000	320,778,000	1.24101
4	CLPI	Calorpak Indonesia	185,437,000	68,458,000	96,911,000	1.20708
5	AKRA	AKR Corporindo	2,694,116,000	709,518,000	2,810,284,000	0.70619
6	ASGR	Astra Grafia	524,516,000	148,684,000	362,452,000	1.03692
7	CTBN	Citra Tubindo	1,113,590,000	338,048,000	668,804,000	1.1596
8	EKAD	Ekadharma Internasional	90,694,000	43,507,000	64,476,000	0.73185
9	HEXA	Hexindo Adiperkasa	1,674,295,000	906,431,000	1,063,408,000	0.72208
10	INDF	Indofood	12,954,813,000	5,117,484,000	11,158,962,000	0.70233
11	IGAR	Kageo Igar Jaya	265,702,000	59,234,000	46,731,000	4.41822
12	GGRM	Gudang Garam	19,584,533,000	16,853,310,000	7,961,279,000	0.34306
13	HMSP	HM Sampoerna	12,688,643,000	9,539,067,000	6,747,030,000	0.46681
14	LTLS	Lautan Luas	1,479,211,000	445,607,000	1,319,201,000	0.78351
15	LION	Lion Metal Work	236,951,000	68,593,000	29,755,000	5.65814
16	LMSH	Lionmesh Prima	46,699,000	25,152,000	21,976,000	0.98048
17	TCID	Mandom Indonesia	562,971,000	205,356,000	77,511,000	4.61373
18	MYOR	Mayora Indah	1,750,424,000	458,603,000	764,230,000	1.69036
19	MERK	Merck	343,148,000	79,843,000	68,109,000	3.86594
20	MTDL	Metrodata Electronics	775,024,000	158,883,000	519,016,000	1.18713
21	SMGR	Semen Gresik	8,207,041,000	1,407,578,000	2,294,842,000	2.96293
22	BATA	Sepatu bata	242,000,000	153,000,000	103,000,000	0.86408
23	IKBI	Sumi indo kabel	417,181,000	115,561,000	58,077,000	5.19345
24	TOTO	Surya Toto	611,488,000	183,920,000	296,388,000	1.4426

25	TRST	Trias Sentosa	565,405,000	245,681,000	508,853,000	0.62832
26	UNIC	Unggul Indah Cahaya	1,124,986,000	478,006,000	541,583,000	1.19461
27	UNTR	United Tractor	11,969,001,000	3,966,358,000	7,225,966,000	1.10748
28	ARNA	Arwana Citra	205,033,000	37,509,000	258,756,000	0.64742
29	BRNA	Berlina	283,629,000	67,052,000	187,580,000	1.15458
30	DYLA	Darya Varia	605,397,000	118,738,000	198,476,000	2.45198
31	INTP	Indocemant Tunggal	5,322,916,000	1,269,425,000	1,771,031,000	2.28877
32	INDS	Indospring	413,211,000	207,929,000	324,810,000	0.63201
33	KLBF	Kalbe Farma	4,701,893,000	1,780,554,000	339,132,000	8.61416
34	SMART	Smart	4,351,305,000	2,139,125,000	2,754,439,000	0.80313



Appendix 4

The Result of Quick Ratio (QR) in 2010

NO	CODE	COMPANY	CURRENT ASSET	INVENTORY	SHORT-TERM LIABILITY	QR
1	AUTO	Astra Otoparts tbk	2,199,725,000,000	708,322,000,000	1,251,731,000,000	0.8284097
2	BRAM	Indo Kords Tbk	725,929,796,000	291,293,046,000	180,688,108,000	0.5869657
3	FAST	Fast Food Indonesia	558,177,333,000	177,652,784,000	326,766,753,000	0.7730164
4	CLPI	Calorpak Indonesia	227,819,168,461	82,424,270,814	123,450,557,939	0.8464208
5	AKRA	AKR Corporindo	4,028,177,791,000	1,424,613,886,000	3,844,218,419,000	1.43066
6	ASGR	Astra Grafia	747,672,372,994	153,856,104,154	495,054,578,008	0.7393121
7	CTBN	Citra Tubindo	1,652,772,104,000	792,526,728,200	1,196,812,954,000	0.8209402
8	EKAD	Ekadharma Internasional	122,497,716,657	55,680,519,953	69,499,301,764	2.9782028
9	HEXA	Hexindo Adiperkasa	1,715,597,365,000	885,543,979,600	968,090,611,500	0.7969142
10	INDF	Indofood	10,439,353,000,000	5,644,141,000,000	9,859,118,000,000	0.7233773
11	IGAR	Kageo Igar Jaya	308,787,313,269	51,366,388,330	43,850,552,867	0.6907256
12	GGRM	Gudang Garam	22,908,293,000,000	20,174,168,000,000	8,481,933,000,000	1.3222944
13	HMSP	HM Sampoerna	15,768,558,000,000	9,802,455,000,000	9,778,942,000,000	0.9472974
14	LTLS	Lautan Luas	1,833,358,000,000	615,893,000,000	1,664,968,000,000	0.7230317
15	LION	Lion Metal Work	271,268,159,054	81,373,479,111	28,732,816,188	0.5881465
16	LMSH	Lionmesh Prima	52,937,947,446	30,182,118,066	21,656,364,472	1.2452593
17	TCID	Mandom Indonesia	610,789,437,218	193,132,525,220	57,165,989,460	0.9427057
18	MYOR	Mayora Indah	2,684,853,761,819	498,464,228,419	1,040,333,647,369	0.8841776
19	MERK	Merck	327,436,443,000	125,252,467,000	52,578,914,000	1.5367075
20	MTDL	Metrodata Electronics	734,631,487,249	216,338,746,539	456,242,714,853	0.8627667
21	SMGR	Semen Gresik	7,343,604,756,000	1,624,219,125,000	2,517,518,619,000	0.8791293
22	BATA	Sepatu bata	295,496,348,000	191,217,901,000	141,748,440,000	0.7807021
23	IKBI	Sumi indo kabel	467,306,950,792	111,758,051,144	93,332,444,412	0.5959295
24	TOTO	Surya Toto	716,491,254,741	224,574,601,020	341,607,956,902	0.5945457
25	TRST	Trias Sentosa	721,342,396,512	263,007,521,547	583,992,020,801	0.9073544

26	UNIC	Unggul Indah Cahaya	1,246,452,649,000	586,719,311,800	666,919,489,500	0.5860133
27	UNTR	United Tractor	15,532,762,000,000	6,931,631,000,000	9,919,225,000,000	0.8757829
28	ARNA	Arwana Citra	298,437,190,595	56,760,243,054	307,160,677,781	0.9399675
29	BRNA	Berlina	294,286,284,563	78,682,423,959	221,002,430,725	1.5214387
30	DYLA	Darya Varia	650,140,509,000	97,323,366,000	174,921,950,000	1.4639291
31	INTP	Indocemant Tunggal	7,484,807,063,858	1,299,548,786,024	1,347,705,747,072	0.4396191
32	INDS	Indospring	530,487,069,155	317,944,029,510	412,295,791,765	1.1151448
33	KLBF	Kalbe Farma	5,037,269,819,971	1,550,828,819,836	1,146,489,093,666	2.0945747
34	SMART	Smart	6,267,611,000,000	2,702,534,000,000	4,105,059,000,000	1.5340868

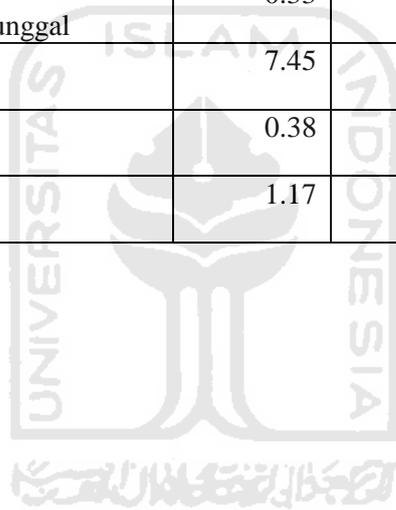


Appendix 5

Debt to Equity Ratio (DER) Data

NO.	CODE	COMPANY	2008	2009	2010
			DER	DER	DER
1	AUTO	Astra Otoparts tbk	0.45	0.39	0.384038187
2	BRAM	Indo Kords Tbk	0.48	0.23	0.264648661
3	FAST	Fast Food Indonesia	0.63	0.63	0.541846843
4	CLPI	Calorpak Indonesia	1.86	0.9	1.047439854
5	AKRA	AKR Corporindo	1.81	2.2	2.014223576
6	ASGR	Astra Grafia	1.53	1.03	1.103883691
7	CTBN	Citra Tubindo	1.06	0.85	1.432501935
8	EKAD	Ekadharna Internasional	1.03	1.1	0.744175046
9	HEXA	Hexindo Adiperkasa	1.36	1.19	0.967258614
10	INDF	Indofood	3.08	2.45	1.3359283
11	IGAR	Kageo Igar Jaya	0.38	0.29	0.225832141
12	GGRM	Gudang Garam	0.55	0.48	0.444465302
13	HMSP	HM Sampoerna	1	0.69	1.009320802
14	LTLS	Lautan Luas	3.11	2.78	3.142844917
15	LION	Lion Metal Work	0.26	0.19	0.169167499
16	LMSH	Lionmesh Prima	0.64	0.83	0.671464809
17	TCID	Mandom Indonesia	0.12	0.13	0.104122378
18	MYOR	Mayora Indah	1.32	1.03	1.184501674
19	MERK	Merck	0.15	0.23	0.19765437
20	MTDL	Metrodata Electronics	2.74	2.04	1.639256058
21	SMGR	Semen Gresik	0.3	0.26	0.285117525

22	BATA	Sepatu bata	0.47	0.38	0.460752517
23	IKBI	Sumi indo kabel	0.25	0.14	0.220115491
24	TOTO	Surya Toto	1.84	0.91	0.729974935
25	TRST	Trias Sentosa	1.08	0.68	0.639408587
26	UNIC	Unggul Indah Cahaya	1.29	0.81	0.854751613
27	UNTR	United Tractor	1.05	0.76	0.838821547
28	ARNA	Arwana Citra	1.58	1.38	1.120819323
29	BRNA	Berlina	1.29	1.7	1.623730928
30	DYLA	Darya Varia	0.26	0.41	0.333292628
31	INTP	Indocemant Tunggal	0.33	0.24	0.171712215
32	INDS	Indospring	7.45	2.75	2.389740123
33	KLBF	Kalbe Farma	0.38	0.39	0.234538895
34	SMART	Smart	1.17	1.13	1.114782348

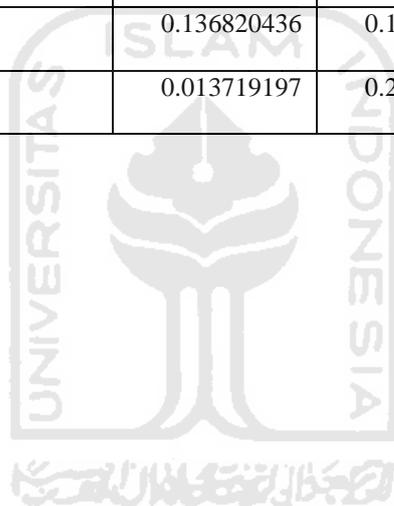


Appendix 6

Dividend Payout Ratio (DPR) Data

NO.	CODE	COMPANY	2008	2009	2010
			DPR	DPR	DPR
1	AUTO	Astra Otoparts tbk	0.435970143	0.307011253	0.443514996
2	BRAM	Indo Kords Tbk	0.262466616	0.077772651	0.418534308
3	FAST	Fast Food Indonesia	0.160306303	0.138567249	0.185567504
4	CLPI	Calorpak Indonesia	0.14472925	0.194252662	0.325277929
5	AKRA	AKR Corporindo	0.099713121	0.067020932	0.670048363
6	ASGR	Astra Grafia	0.897294213	0.279915431	0.273367463
7	CTBN	Citra Tubindo	0.819093051	0.142087862	0.696852502
8	EKAD	Ekadharma Internasional	0.240943174	0.101990238	0.068492902
9	HEXA	Hexindo Adiperkasa	0.262828536	0.319818993	0.072575867
10	INDF	Indofood	0.3545378	0.198799438	0.276538865
11	IGAR	Kageo Igar Jaya	0.712912269	0.120558568	0.090347723
12	GGRM	Gudang Garam	0.255795824	0.19487531	0.301633367
13	HMSP	HM Sampoerna	0.888914276	0.48246834	0.52215714
14	LTLS	Lautan Luas	0.149746993	0.51742799	0.304890667
15	LION	Lion Metal Work	0.169277587	0.205568349	0.165825992
16	LMSH	Lionmesh Prima	0.042650245	0.241713893	0.039274899
17	TCID	Mandom Indonesia	0.441160507	0.483778707	0.489183159
18	MYOR	Mayora Indah	0.156262345	0.102991764	0.07917846
19	MERK	Merck	0.000522409	0.813842993	0.923663158
20	MTDL	Metrodata Electronics	0.19085968	0.202881203	0.067083509
21	SMGR	Semen Gresik	0.351771668	0.482728981	0.50356912
22	BATA	Sepatu bata	0.404359907	0.41218012	0.461519126

23	IKBI	Sumi indo kabel	0.279570387	0.024061021	0.836789804
24	TOTO	Surya Toto	0.273730347	0.09465146	0.30642345
25	TRST	Trias Sentosa	0.240818589	0.19423007	0.31703871
26	UNIC	Unggul Indah Cahaya	0.405789367	0.004939099	0.532626481
27	UNTR	United Tractor	0.285805989	0.30524885	0.420670546
28	ARNA	Arwana Citra	0.084516382	0.07181888	0.162544637
29	BRNA	Berlina	0.177743431	0.592589583	0.342308088
30	DYLA	Darya Varia	0.35583671	0.000348682	0.000227272
31	INTP	Indocemant Tunggal	0.08433796	0.200958916	0.256732219
32	INDS	Indospring	0.05819756	0.030945229	0.127447303
33	KLBF	Kalbe Farma	0.136820436	0.126193308	0.182204882
34	SMART	Smart	0.013719197	0.289645221	0.170843934



Appendix 7

Analysis Data

NO.	YEAR	CODE	COMPANY	DPR	ROI	QR	DER
1	2008	AUTO	Astra Otoparts tbk	0.435970143	14.22	1.366039	0.45
2	2008	BRAM	Indo Kords Tbk	0.262466616	5.67	1.288489	0.48
3	2008	FAST	Fast Food Indonesia	0.160306303	15.96	0.959319	0.63
4	2008	CLPI	Calorpak Indonesia	0.14472925	7.77	1.021695	1.86
5	2008	AKRA	AKR Corporindo	0.099713121	4.31	1.01032	1.81
6	2008	ASGR	Astra Grafia	0.897294213	7.43	0.766604	1.53
7	2008	CTBN	Citra Tubindo	0.819093051	10.29	0.951958	1.06
8	2008	EKAD	Ekadharna Internasional	0.240943174	3.27	2.179609	1.03
9	2008	HEXA	Hexindo Adiperkasa	0.262828536	3.41	0.575435	1.36
10	2008	INDF	Indofood	0.3545378	2.61	0.508053	3.08
11	2008	IGAR	Kageo Igar Jaya	0.712912269	2.4	3.05178	0.38
12	2008	GGRM	Gudang Garam	0.255795824	7.81	0.453631	0.55
13	2008	HMSP	HM Sampoerna	0.888914276	24.14	0.442207	1
14	2008	LTLS	Lautan Luas	0.149746993	4.24	0.566501	3.11
15	2008	LION	Lion Metal Work	0.169277587	14.95	3.327816	0.26
16	2008	LMSH	Lionmesh Prima	0.042650245	14.9	1.22095	0.64
17	2008	TCID	Mandom Indonesia	0.441160507	12.61	4.349392	0.12
18	2008	MYOR	Mayora Indah	0.156262345	6.71	1.494575	1.32
19	2008	MERK	Merck	0.000522409	26.29	5.940812	0.15
20	2008	MTDL	Metrodata Electronics	0.19085968	2.32	1.024219	2.74
21	2008	SMGR	Semen Gresik	0.351771668	23.8	2.604801	0.3
22	2008	BATA	Sepatu bata	0.404359907	39.2	0.674587	0.47
23	2008	IKBI	Sumi indo kabel	0.279570387	15.35	3.09493	0.25

24	2008	TOTO	Surya Toto	0.273730347	6.14	0.857689	1.84
25	2008	TRST	Trias Sentosa	0.240818589	2.69	0.570112	1.08
26	2008	UNIC	Unggul Indah Cahaya	0.405789367	1.3	0.700057	1.29
27	2008	UNTR	United Tractor	0.285805989	11.65	0.969916	1.05
28	2008	ARNA	Arwana Citra	0.084516382	7.38	0.608554	1.58
29	2008	BRNA	Berlina	0.177743431	4.49	1.75663	1.29
30	2008	DYLA	Darya Varia	0.35583671	11.11	3.589523	0.26
31	2008	INTP	Indocemant Tunggal	0.08433796	15.47	1.006189	0.33
32	2008	INDS	Indospring	0.05819756	3.47	0.704779	7.45
33	2008	KLBF	Kalbe Farma	0.136820436	12.39	18.04301	0.38
34	2008	SMAR	Smart	0.013719197	10.44	1.232075	1.17
35	2009	AUTO	Astra Otoparts tbk	0.307011253	16.54	1.64899	0.39
36	2009	BRAM	Indo Kords Tbk	0.077772651	5.34	2.19517	0.23
37	2009	FAST	Fast Food Indonesia	0.138567249	17.48	1.24101	0.63
38	2009	CLPI	Calorpak Indonesia	0.194252662	14.1	1.20708	0.9
39	2009	AKRA	AKR Corporindo	0.067020932	4.53	0.70619	2.2
40	2009	ASGR	Astra Grafia	0.279915431	8.64	1.03692	1.03
41	2009	CTBN	Citra Tubindo	0.142087862	7.12	1.1596	0.85
42	2009	EKAD	Ekadharma Internasional	0.101990238	9.96	0.73185	1.1
43	2009	HEXA	Hexindo Adiperkasa	0.319818993	15.64	0.72208	1.19
44	2009	INDF	Indofood	0.198799438	5.14	0.70233	2.45
45	2009	IGAR	Kageo Igar Jaya	0.120558568	7.78	4.41822	0.29
46	2009	GGRM	Gudang Garam	0.19487531	12.69	0.34306	0.48
47	2009	HMSP	HM Sampoerna	0.48246834	28.72	0.46681	0.69
48	2009	LTLS	Lautan Luas	0.51742799	2.79	0.78351	2.78
49	2009	LION	Lion Metal Work	0.205568349	12.39	5.65814	0.19
50	2009	LMSH	Lionmesh Prima	0.241713893	3.3	0.98048	0.83

51	2009	TCID	Mandom Indonesia	0.483778707	12.53	4.61373	0.13
52	2009	MYOR	Mayora Indah	0.102991764	11.46	1.69036	1.03
53	2009	MERK	Merck	0.813842993	33.8	3.86594	0.23
54	2009	MTDL	Metrodata Electronics	0.202881203	0.95	1.18713	2.04
55	2009	SMGR	Semen Gresik	0.482728981	25.68	2.96293	0.26
56	2009	BATA	Sepatu bata	0.41218012	12.71	0.86408	0.38
57	2009	IKBI	Sumi indo kabel	0.024061021	5.11	5.19345	0.14
58	2009	TOTO	Surya Toto	0.09465146	18.09	1.4426	0.91
59	2009	TRST	Trias Sentosa	0.19423007	7.49	0.62832	0.68
60	2009	UNIC	Unggul Indah Cahaya	0.004939099	1.75	1.19461	0.81
61	2009	UNTR	United Tractor	0.30524885	15.64	1.10748	0.76
62	2009	ARNA	Arwana Citra	0.07181888	7.77	0.64742	1.38
63	2009	BRNA	Berlina	0.592589583	3.99	1.15458	1.7
64	2009	DYLA	Darya Varia	0.000348682	9.22	2.45198	0.41
65	2009	INTP	Indocemant Tunggal	0.200958916	20.69	2.28877	0.24
66	2009	INDS	Indospring	0.030945229	9.46	0.63201	2.75
67	2009	KLBF	Kalbe Farma	0.126193308	14.33	8.61416	0.39
68	2009	SMAR	Smart	0.289645221	7.33	0.80313	1.13
69	2010	AUTO	Astra Otoparts tbk	0.443514996	20.42981089	0.8284097	0.384038187
70	2010	BRAM	Indo Kords Tbk	0.418534308	8.987587445	0.5869657	0.264648661
71	2010	FAST	Fast Food Indonesia	0.185567504	16.14807656	0.7730164	0.541846843
72	2010	CLPI	Calorpak Indonesia	0.325277929	10.32772369	0.8464208	1.047439854
73	2010	AKRA	AKR Corporindo	0.670048363	4.055997002	1.43066	2.014223576
74	2010	ASGR	Astra Grafia	0.273367463	12.05263818	0.7393121	1.103883691
75	2010	CTBN	Citra Tubindo	0.696852502	6.711712269	0.8209402	1.432501935
76	2010	EKAD	Ekadharma Internasional	0.068492902	11.9749142	2.9782028	0.744175046
77	2010	HEXA	Hexindo Adiperkasa	0.072575867	13.08008874	0.7969142	0.967258614

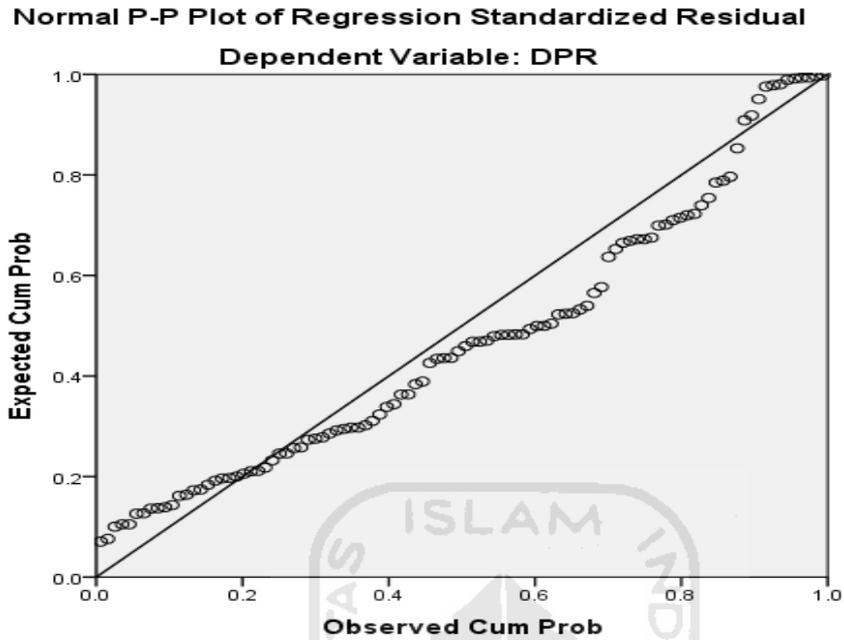
78	2010	INDF	Indofood	0.276538865	6.246003915	0.7233773	1.3359283
79	2010	IGAR	Kageo Igar Jaya	0.090347723	9.25305911	0.6907256	0.225832141
80	2010	GGRM	Gudang Garam	0.301633367	13.48749364	1.3222944	0.444465302
81	2010	HMSP	HM Sampoerna	0.52215714	31.28570289	0.9472974	1.009320802
82	2010	LTLS	Lautan Luas	0.304890667	24.22128467	0.7230317	3.142844917
83	2010	LION	Lion Metal Work	0.165825992	12.71184684	0.5881465	0.169167499
84	2010	LMSH	Lionmesh Prima	0.039274899	9.399657213	1.2452593	0.671464809
85	2010	TCID	Mandom Indonesia	0.489183159	12.55159224	0.9427057	0.104122378
86	2010	MYOR	Mayora Indah	0.07917846	11.00398204	0.8841776	1.184501674
87	2010	MERK	Merck	0.923663158	27.32357103	1.5367075	0.19765437
88	2010	MTDL	Metrodata Electronics	0.067083509	3.220187805	0.8627667	1.639256058
89	2010	SMGR	Semen Gresik	0.50356912	23.34524281	0.8791293	0.285117525
90	2010	BATA	Sepatu bata	0.461519126	12.59158457	0.7807021	0.460752517
91	2010	IKBI	Sumi indo kabel	0.836789804	0.765684379	0.5959295	0.220115491
92	2010	TOTO	Surya Toto	0.30642345	17.75381523	0.5945457	0.729974935
93	2010	TRST	Trias Sentosa	0.31703871	6.736791628	0.9073544	0.639408587
94	2010	UNIC	Unggul Indah Cahaya	0.532626481	1.491188986	0.5860133	0.854751613
95	2010	UNTR	United Tractor	0.420670546	13.03977043	0.8757829	0.838821547
96	2010	ARNA	Arwana Citra	0.162544637	9.052222787	0.9399675	1.120819323
97	2010	BRNA	Berlina	0.342308088	6.309746716	1.5214387	1.623730928
98	2010	DYLA	Darya Varia	0.000227272	12.98199566	1.4639291	0.333292628
99	2010	INTP	Indocemant Tunggal	0.256732219	21.01467008	0.4396191	0.171712215
100	2010	INDS	Indospring	0.127447303	9.22767953	1.1151448	2.389740123
101	2010	KLBF	Kalbe Farma	0.182204882	18.29122839	2.0945747	0.234538895
102	2010	SMART	Smart	0.170843934	10.10379265	1.5340868	1.114782348

Appendix 8

Descriptive Statistics

	DPR	ROI	QR	DER
Mean	.2833122	11.291463	1.655411	1.015119
Std. Deviation	.21888631	7.6061603	2.1352231	.9847807
Minimum	.00023	.7657	.3431	.1041
Maximum	.92366	39.2000	18.0430	7.4500

Appendix 9



Appendix 10

Multicollinearity Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics		
	B	Std. Error	Beta			Tolerance	VIF	
1	(Constant)	.262	.060		4.397	.000		
	ROI	.006	.003	.199	1.833	.037	.808	1.238
	QR	-.016	.010	-.154	-1.526	.130	.930	1.075
	DER	-.017	.025	-.076	-.685	.495	.764	1.308

Appendix 11

The Result of Spearman Rank Correlation Test

Spearman Correlations

		ROI	QR	DER	Unstand ardized Residual	
Spearman's rho	ROI	Correlation Coefficient	1.000	.200*	-.560**	-.110
		Sig. (2-tailed)	.	.043	.000	.269
		N	102	102	102	102
	QR	Correlation Coefficient	.200*	1.000	-.402**	-.098
		Sig. (2-tailed)	.043	.	.000	.328
		N	102	102	102	102
	DER	Correlation Coefficient	-.560**	-.402**	1.000	.002
		Sig. (2-tailed)	.000	.000	.	.980
		N	102	102	102	102
	Unstandardized Residual	Correlation Coefficient	-.110	-.098	.002	1.000
		Sig. (2-tailed)	.269	.328	.980	.
		N	102	102	102	102

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 12

Result of Durbin - Watson Test

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.261 ^a	.068	.040	.21448147	1.951

a. Predictors: (Constant), DER, QR, ROI

b. Dependent Variable: DPR

Appendix 13

Result of F test

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.331	3	.110	2.397	.033 ^b
	Residual	4.508	98	.046		
	Total	4.839	101			

a. Dependent Variable: DPR

b. Predictors: (Constant), DER, QR, ROI

Appendix 14

Result of T Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.262	.060		4.397	.000
ROI	.006	.003	.199	1.833	.037
QR	-.016	.010	-.154	-1.526	.130
DER	-.017	.025	-.076	-.685	.495

