

***EFFECT OF NET INCOME AND CASH FLOW TO OPERATING CASH
DIVIDEND MANUFACTURING COMPANY
LISTED IN INDONESIA STOCK EXCHANGE
PERIOD 2007 – 2009***

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ABSTRACT

The purpose of this study was to determine the effect of independent variables (the influence of net income and operating cash flow) to the dependent variable (the dividend). The research was conducted in 11 manufacturing companies listed in Indonesia Stock Exchange the period 2007 to 2009

In this study there were 11 manufacturing firms sampled in the study, data was conducted with descriptive testing, test for normality, and then proceed to test the classical assumption, the coefficient of determination, and test hypotheses.

Through a simultaneous significance test (test statistik F) and significance tests of individual parameters (statistik t test) to determine the effect of net income and cash flows of the cash dividend oprasi can be concluded that the net income effect on cash deviden, but cash flow operating not as well uneffect of cash devidends. R square test results showed that the cash dividend amounting to 53.7% explained by in net income and cash flow oprasi. While the remaining 46.3% are influenced or explained by other variables not included in this study.

Keywords: Net income, operating cash flow, dividends.