FINANCIAL RATIO ANALYSIS TO PREDICT PROFIT OF MANUFACTURING COMPANIES WHICH GO PUBLIC AT INDONESIA STOCK EXCHANGE

BY :

BABY SURYANI H.
43206010042

ABSTRACT

Accurate information regards elaborate enrolled firm to predict manufacturing company profit. This observational aim to test effect of Total Asset Turn Over, Return On Asset, Profit Margin and Debt to Equity Ratio as financial ratio to predict profit of manufacturing companies that listed at Indonesia Stock Exchange. Over there is 40 corporate manufacturing lists up to 2006 to 2009, and their 26 are chosen at purposive sampling. With 4 year observational periods. Data then analyzing to use many linears regression using Statistical Package for Social Science (SPSS) 16.0.

Result shows Return On Asset and Debt to Equity Ratio are significant with company profit, which is show that both of these financial ratio can predict profit of manufacturing companies accurately on this research. While Total Asset Turn Over and Profit Margin aren`t significant with company profit, which is show that last both ratio that used on this research can`t predict profit of manufacturing companies accurately.

Keywords: Total Asset Turn Over, Return On Asset, Profit Margin, Debt to Equity Ratio, company profit.