ABSTRACT

The Influence of Debt and Production Cost to Operating Income At PT. Indofood Sukses Makmur Tbk.

The research was conducted at PT Indofood Sukses Makmur Tbk listed on the Indonesia Stock Exchange. The purpose of this research is to (1) knowing how the condition of the debt, the amount of production costs, profitability of operating income at PT. Indofood Sukses Makmur Tbk. (2) To find out how much influence of debt and production costs partially to operating income at PT. Indofood Sukses Makmur Tbk. (3) To find out how much influence of debt and production costs simultaneously to operating income at PT. Indofood Sukses Makmur Tbk.

The method that being used in this research is descriptive method verifikatif with quantitative approach. Sampling method in the research is using nonprobability sampling with purposive sampling approach. The unit of analysis in this research is the financial statement of 2003-2010 are taken quarterly. While the analysis of data using multiple linear regression. Testing the hypothesis in this research using a statistical test statistic T and F test with SPSS 18.0 for Windows.

Based on the results of research showed that the test results of T (partial) indicates that each variable is the variable of debt and production costs have a positive and significant impact on operating income. The results of the F test (Simultaneous) showed variable of debt and production costs together have a positive and significant impact on operating income that is equal to 87.6%.

Keywords : Debt, Production Costs, Operating Income