ABSTRACT

The research was conducted at the companies wood product sector listed on the Indonesia Stock Exchange. The purpose of this research is to (1) knowing how the condition of the amount of production costs, the assets turnover, profitability of net income at the companies wood product sector listed in IDX. (2) to find out how much influence of production costs and assets turnover partially and simultaneously to net income at the companies wood product sector listed in IDX.

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 sensus sampling approach. The unit of analysis in this research is the annual report of 2001-2010. While the analysis of data using multiple linear regression. Testing the hypothesis in this research using a SPSS 18.0 for Windows.

Based on the results of research showed that variable of production costs significantly influence and have a negative on net income. And assets turnover significantly influence and have a positive on net income. The results showed variable of production costs and assets turnover together significantly influence and have a positive on net income.

Keywords : Production Costs, Assets Turnover, Net Income