THE EFFECTS OF DEBT AND INVENTORY TURNOVER TO OPERATING PROFIT

(Survey of The Manufacturing Sub Sector Food and Beverage Listed in Indonesian Stock Exchange period 2010-2012)

ABSTRACT

The study was conducted in food and beverage sub sector manufacturing business registered on Indonesian Stock Exchange, 2010-2012. Although increase in net sale as a result of any increase in cost of goods sold, the business profit encounters decline in 2011.

This study is designed to know prediction of operating profit than debt and inventory turnover and effects of debt and inventory turnover on, partially, the business profit in food and beverage sub sector manufacturing business, 2010-2012.

Methods being used in this study are descriptive and verificative by qualitative approach. Population under this study is annual financial statement, 2010-2012, as much as 16. The sample of whole population of annual financial statement, 2010-2012, is 48 samples. Statistic testing used in this study is classic assumption, multiple linear regression analysis, partial correlation coefficient, coefficient of determination, and hypothesis testing. The results of analysis were processed by using Software SPSS v 21.1.

The results of hypothetical testing indicate that (1) Partially, debt have significant positive effect on the operating profit in food and beverage sub sector manufacturing business registered on Indonesian Stock Exchange, 2010-2012, at 15.44%, (2) inventory turnover have significant positive effect on the operating profit in food and beverage sub sector manufacturing business registered on Indonesian Stock Exchange at 21.16%.

Keywords: Debt, Inventory Turnover, Operating Profit