ABSTRACT

The Analysis of Financial Performance Effect through Capital Return for Manufacture Companies listed in Indonesian Stock Exchange

By

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This study is to examine if there is an effect of financial performance such net profit margin, quick ratio, debt ratio through capital return for manufacturing companies listed in Indonesian Stock Exchange 2007 -2010 period. The writer uses purposive judgment sampling method to get the samples of this study. According to the criteria, it gets 30 companies as the samples. Simple linear regression analysis is used to examine the hypothesis but before it, the writer does the classical assumption test. Three variables are tested. They are net profit margin, quick ratio, debt asset ratio, but it is only quick ratio has an effect through capital return. The other variables in this study like net profit margin, debt asset ratio, do not have the effect with capital return.

Key words: Net profit margin, quick ratio, debt asset ratio, capital return