

CHAPTER IV

RESULTS AND DISCUSSION

A. Overview of Research Location

1. IDX History

Indonesia Stock Exchange is a stock exchange based in Jakarta, Indonesia. It was previously known as Jakarta Stock Exchange (JSX) before its name changed in 2007 after merging with Surabaya Stock Exchange (SSX). As of 28 June 2010, the Indonesia Stock Exchange had 341 listed companies with a combined market capitalization of \$269.9 billion. Originally opened in 1912 under the Dutch colonial government, it was re-opened in 1977 after several closures during World War I and World War II. After being reopened in 1977, the exchange was under the management of the newly created Capital Market Supervisory Agency (Badan Pengawas Pasar Modal, or Bapepam), which answered to the Ministry of Finance.

Trading activity and market capitalization grew alongside the development of Indonesia's financial markets and private sector - highlighted by a major bull run in 1990. On July 13, 1992, the exchange was privatized under the ownership of Jakarta Exchange Inc. As a result, the functions of Bapepam changed to become the Capital Market Supervisory Agency. On March 22, 1995 JSX launched the Jakarta Automated Trading System (JATS). In September 2007, Jakarta Stock Exchange and Surabaya Stock Exchange merged and named Indonesian

Stock Exchange by Indonesian Minister of Finance. The current location of the Indonesian Stock Exchange is located in the IDX building in the Sudirman Central Business District, South Jakarta, near the current site of the Pacific Place Jakarta.

2. Vision and Mission of the Company

Indonesia Stock Exchange since its founding vision, to become competitive stock exchange a credible of the world-class exchange.

Moreover IDX's mission is some of them:

- Pillar of Indonesian Economy
- Market Oriental
- Company Transformation
- Intuitional Building
- Delivery Best Quality Products and Services

Moreover Indonesia's Stock Exchanges (IDX) to also assume:

A. OBJECTIVES

1. Liquidity
2. Market Integrity

B. CORE VALUES

1. Teamwork
2. Integrity
3. Professionalism
4. Service Excellence

C. CORE COMPETENCIES

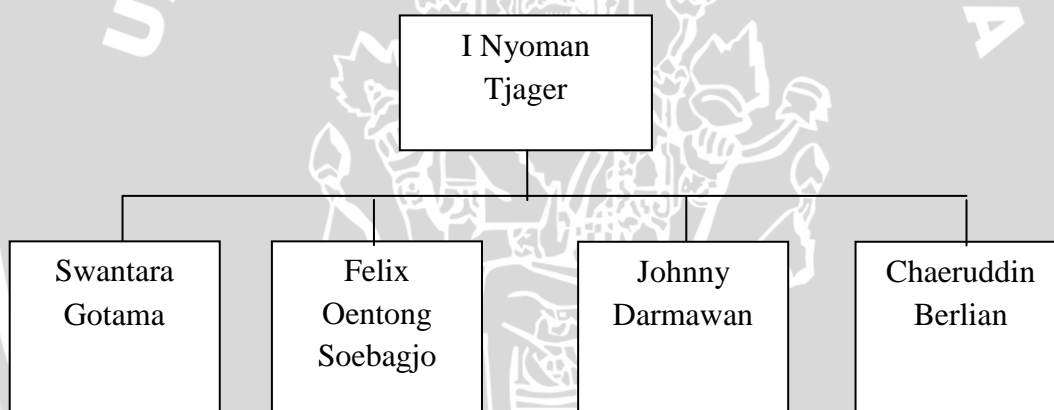
1. Building Trust
2. Integrity
3. Strive for Excellence
4. Customer Focus

Source: www.idx.co.id

3. Organization Structure

The organizational structure is:

Figure 4 Board of Commissioners



Source: www.idx.co.id

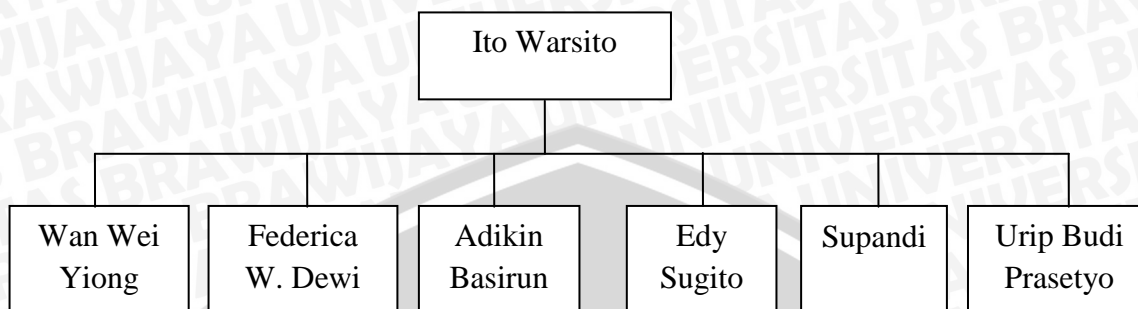
Table 1 Board of Commissioner

Name	Position
I Nyoman Tjager	President Commissioner
Suwantara Gotama	Commissioner
Felix Oentong Soebagjo	Commissioner
Johnny Darmawan	Commissioner
Chaeruddin Berlian	Commissioner

Source: www.idx.co.id



Figure 5 Board of Directors



Source: www.idx.co.id

Table 2 Board of Directors

Name	Position
Ito Warsito	President Director
Federica W. Dewi	IDX Director of Business Development
Urip Budi Prasetyo	IDX Director of Surveillance and compliance
Adikin Basirun	IDX Director of Information Technology and Risk Management
Supandi	IDX Director of Finance and Human Resources
Edy Sugito	IDX Director of Listing
Wan Wei Yiong	IDX Director Trading and Membership

Source: www.idx.co.id

B. Companies Overview

1. PT. Sinar Mas Agro Resources and Tchnology,. Tbk

PT Sinar Mas Agro Resources and Technology Tbk (“the Company”) was established on June 18, 1962 based on Notarial Deed No. 67 of Raden Kadiman, S.H., notary public in Jakarta. The Deed of Establishment was approved by the Ministry of Justice of the Republic of Indonesia (currently the Ministry of Law and Human Rights of The



Republic of Indonesia) in its Decision Letter No. J.A.5/115/3 dated August 29, 1963 and was published in the State Gazette of the Republic of Indonesia No. 83 dated October 15, 1963, Supplement No. 570. In 1970, the Company obtained approval from the State Ministry of Economy, Finance and Industry based on its Decree No. KEP/41/MEKUIIN/7/1970 dated July 15, 1970 to change the Company's status to a Foreign Investment Company within the framework of the Foreign Investment Law No. 1 Year 1967. Subsequently, based on the Letter of Approval No. 06/V/1985 dated March 28, 1985 of the Investment Coordinating Board, the Company changed its status from a Foreign Investment Company to a Domestic Investment Company. The Articles of Association have been amended several times, the latest amendment of which was based on Notarial Deed No. 26 dated June 9, 2010 of Linda Herawati, S.H., notary public in Jakarta, regarding the service period of board of directors and board of commissioners, from 3 years to 5 years.

The Company and its subsidiaries (hereinafter referred to as "the Group") are incorporated and conduct their operations in Indonesia. The scope of activities of the Group mainly comprises plantation development, agriculture, trading, refining of plantation products and management services and research related to the business. The Group's products consist of refined palm products such as cooking oil, fat and margarine, and crude palm oil (CPO), palm kernel (PK), palm kernel oil (PKO), cocoa butter

substitute (CBS), fatty acids, glycerine, soap and packaging products such as bottles and caps.

As at 31 December 2010, the composition of the Company's Board of Commissioners and Directors was as follows:

a. Board of Commissioner

- President Commissioner : Franky Oesman Widjaja
- Vice President Commissioner : Muktar Widjaja, Simon Lim
- Commissioner: Rachmad Gobel, Rafael Buhay Concepcion Jr.
- Independent Commissioner : Prof. DR. Teddy Pawitra, DR. Susiyati B. Hirawan, Hj. Ryani Soedirman

b. Board of Director

- President Director : Jo Daud Dharsono
- Vice President Director : Budi Wijana, Edy Saputra Suradja
- Directors : DR. Ir. Gianto Widjaja, Jimmy Pramono, Djanadi Bimo Prakoso

2. PT. Tunas Baru Lampung, Tbk.

PT Tunas Baru Lampung Tbk ("the Company") was established by virtue of Notarial Deed No. 23 dated December 22, 1973 of Halim Kurniawan, S.H., public notary in Teluk Betung. The Deed of Establishment was approved by the Minister of Justice of the Republic of Indonesia in his Decision Letter No. Y.A.5/233/25 dated July 10, 1975, and was published in the State Gazette of the Republic of Indonesia No. 44 dated June 1, 1999, Supplement No. 3194. The

Company's Articles of Association have been amended several times, most recently has been amended with Deed of Stockholders' Meeting No. 05 dated January 9, 2009, of Mrs. Kartuti Suntana Sastraprawira, S.H., public notary in Jakarta, concerning the changes in the Articles of Association to be in accordance with the provisions of Republic of Indonesia Law No. 40 Year 2007 regarding Limited Liability Company. The latest amendments above were approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decision Letter No. AHU-12894-AH.01.02 Tahun 2009 dated April 15, 2009. As the date of completion of the consolidated financial statements, the publication in the State Gazette of the Republic of Indonesia is still in process.

In accordance with article 3 of the company's Articles of Association, the scope of its activities is mainly to engage in plantation, agriculture and manufacturing, as well as exportation and importation. The company and its subsidiaries are under the business group of PT Sungai Budi. The company is engaged in manufacturing palm cooking oil, coconut cooking oil, crude coconut oil, crude palm oil (CPO) and soap, and in palm and hybrid plantations. The company is domiciled in Jakarta, with head office located at Wisma Budi, Jl. H.R. Rasuna Said Kav. C-6, Jakarta.

The composition of the Company's Board of Commissioners and Board of Directors as of December 31, 2010 and 2009 are as follows :

a. Board of Commissioners

- President Commissioner : Santoso Winata
- Independent Commissioner : Richtter Pane
- Commissioner : Oey Albert

b. Board of Directors

- President Director : Widarto
- Vice President Director : Sudarmo Tasmin
- Directors : Djunaidi Nur, Oey Alfred, Winoto Prajitno

3. PT. Cahaya Kalbar, Tbk

PT Cahaya Kalbar Tbk (the 'company') was established on February 3, 1968 under the name CV Tjahaja Kalbar based on Notarial Deed No. 1 of Mochamad Damiri, Notary in Pontianak. The company legal form was changed to a limited liability company based on Notarial Deed No. 49 dated December 9, 1980 of Mochamad Damiri, Notary in Pontianak. The company articles of Association have been amended several times based on Notarial deeds of Tommy Tjoa Keng Liet, S.H. and Mochamad Damiri, both Notaries in Pontianak. The deed of establishment was approved by the Ministry of Justice in decree No. C2-1390.HT.01.01.TH.88 dated February 17, 1988. The company articles of association have been regretted with the District

Court of Pontianak under reference No. 19/PT.Penda/95 dated July 31, 1995 and published in the State Gazette No. 86 dated October 27, 1995, Supplement No. 8884.

The company commenced its operations in 1971 and its scope of activities involves the production of vegetable and specially oils used in the food industry and general trading, including export and import. The company head office is located in Kawasan Industri Jababeka, Cikarang West Java.

As of December 31, 2010 and 2009 the members of the company board of commissioners and directors are as follows:

a. Board of Commissioners

- President Commissioner : Hendri Saksti
- Independent Commissioner : Mayjend. (Purn) Drs. Hendarji Soepandji. S.H.
- Commissioner : Ricky Hermanto

b. Board of Directors

- President Director : Frik Tjia
- Directors : Thomas Tonny Muksim, Jinnawati

4. PT. Fast Food Indonesia, Tbk

PT Fast Food Indonesia (the “Company”) was incorporated based on the Notarial Deed No. 20 dated June 19, 1978 of Sri Rahayu, S.H. The deed of establishment was approved by the Ministry of Justice of the Republic of Indonesia through its Decision Letter No.

Y.A.5/245/12 dated May 22, 1979, was registered in the District Court of Jakarta under Registry No. 4491 dated October 1, 1979, and was published in supplement No. 682 of State Gazette of the Republic of Indonesia No. 90 dated November 9, 1979. The Company is engaged in food and restaurant activities. The Company started its commercial operations in 1979. The head office of the Company is located at Jl. M.T. Haryono, Jakarta, Indonesia.

The members of the Company's Board of Commissioners and Directors as of December 31, 2010 and 2009 are as follows:

a. Board of Commissioners

- President Commissioner : Anthony Salim
- Vice President Commissioner : Elizabeth Gelael
- Commissioner : Rudy Tanudjaja Saputra, Benny Setiawan Santoso
- Independent Commissioner : Ken Leksono, P.L. Gunawan Solaiman

b. Board of Directors

- President Director : Dick Gelael
- Vice President Director : Ferry Noviar Yosaputra
- Directors : Ricardo Gelael, Leonny Eliman, Justinus Dalimin Juwono, Adhi Indrawan

5. PT. Delta Jakarta, Tbk

The “Anker Bir” factory was established in 1932 with the name Archipel Brouwerij. During its development, the ownership of the factory had been changed several times until PT Delta Jakarta was formed in 1970. PT Delta Jakarta Tbk (the “Company”) was established within the framework of the Foreign Capital Investment Law No. 1 year 1967 as amended by Law No. 11 year 1970 based on Notarial Deed No. 35 dated June 15, 1970 of Abdul Latief, SH, public notary in Jakarta. The Deed of Establishment was approved by the Minister of Justice of the Republic of Indonesia in his Decision Letter No. J.A.5/75/9 dated April 26, 1971. The Company's Articles of Association have been amended several times, most recently by Notarial Deed No. 56 dated August 15, 2008 of Lindasari Bachroem, SH, public notary in Jakarta, to conform with Law No. 40 year 2007 on Limited Companies. The deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decision Letter No. AHU-02021.AH.01.02 2009 dated January 12, 2009. The Company and its factory are located at Jln. Inspeksi Tarum Barat, East Bekasi – West Java.

In accordance with article 3 of the Company's articles of association, the scope of its activities is to engage mainly in the manufacture and distribution of pilsener beer and stout under the “Anker”, “Carlsberg”, “San Miguel”, “Kuda Putih” and “San Mig

Light” trademarks. The Company’s products are marketed both domestically and internationally. The Company started its commercial operations in 1933. The Company and its subsidiary had average total number of 378 and 446 employees in 2010 and 2009, respectively. The Company is a member of San Miguel Group, Philippines. The Company also manufactures and distributes non-alcoholic beverages under the “Sodaku” and “Soda Ice” trademarks. The Company’s products are marketed both domestically and internationally.

The company’s management as of December 31, 2010, consisted of the following:

a. Board of Commissioners

- President Commissioner : Ir. Tubagus Muhammad Rais
- Commissioner : Carlos Antonio Mayo Berba, Taro Matsunaga, Romulo Luminaris Neri, Ir. Ongki Sukasah

b. Board of Directors

- President Director : Raymundo Yadao Albano
- Directors : Rafael Pacis Amparo II, Ernest Tiu Tuidud, Alan De Vera Fernandez, Ronny Titiheruw

6. PT. Indofood Sukses Makmur, Tbk

PT Indofood Sukses Makmur Tbk (the ‘company’) was established in the Republic of Indonesia on August 14, 1990 under its original name PT Panganjaya Intikusuma, based on Notarial Deed No. 228 of Benny Kristanto, S.H. The deed of establishment was approved

by the Ministry of Justice of the Republic of Indonesia in its Decision Letter No. C2-2915.HT.01.01.Th'91 dated JULY 12, 1991, and was published in supplement No. 611 of State Gazette No. 12 dated February 11, 1992. The company articles of association has been amended from time to time. The last amendments under Notarial deed No.47 of Benny Kristanto, S.H. dated May 26, 2009 for changes in the entire articles of association to comply with the requirements of the decisions letter of the chairman of the capital market and financial institution supervisory agency No. KEP-179/BL/2008 dated May 24, 2008 on items in the articles of associations of companies those publicly offer equity securities and publicly-listed companies were received and approved by the ministry of laws and human rights of the republic of Indonesia in its decision letter No. AHU-AH.01.10-07949 dated June 15, 2009.

As stated in article 3 of company articles of association, in the scope its activities comprises, among others, manufacture of noodles flour milling, packaging, management service, and research and development. Currently, the company is primarily engaged in the manufacture of noodles and flour milling. The company head office is located at Sudirman Plaza, Indofood Tower, 27th floor, Jl. Jend. Sudirman Kav. 76- 78, Jakarta, Indonesia.

The member of company board of commissioners and directors as of December 31, 2010 are as follows:

a. Board of Commissioners

- President Commissioner : Manuel V. Pangilinan
- Commissioner : Benny Setiawan Santoso, Edward A. Tortorici, Ibrahim Risjad, Albert del Rosario, Roebert Charles Nicholson, Graham L. Pickles
- Independent Commissioner : UUtomo Josodirjo, Torstein Stephansen, Wahjudi Prakarsa

b. Board of Directors

- President Director : Anthoni Salim
- Directors : Fransiscus Welirang, Tjhie The Fie (Thomas Tjhie), Darmawan Sarsito (Kevin Sietho), Taufik Wiratmadja, Peter Kradoker, Moleonoto (Paulus Moleonoto), Axton Salim, Werianty Setiawan

7. PT. Multi Bintang Indonesia, Tbk.

The company was established on 3 June 1929, based on notarial deed No. 8 of Tjeend Dijkstra, notary public in Medan, under the name N.V. Nederlandsch Indische Blerbrouwerijen. The company is domiciled in Indonesia with its head office located at Talavera Office Park 20th Floor, Jl. Let. Jend. TB Simatupang Kav. 22-26, Jakarta 12430, and breweries located at Jl. Daan Mogot KM. 19, Tangerang 15122 and Jl. Raya Mojosari - Pacet KM. 50, Sampang Agung, East Java. The company is part of the Heineken Group, where the ultimate

shareholder is Heineken N.V. The company commenced commercial operations in 1929.

In accordance with the articles of association, the company operates in the beer and other beverages industry. To achieve its business objectives, the company can conduct the following activities:

- The production of beer and other beverages and other relevant products.
- The marketing of its products, as mentioned above, in local and international markets.
- The importation of promotional materials relevant to the above product.

The member of company board of commissioners and directors as of December 31, 2010 are as follows:

a. Board of Commissioners

- President Commissioner : Manuel V. Pangilinan
- Commissioner : Benny Setiawan Santoso, Edward A. Tortorici, Ibrahim Risjad, Albert del Rosario, Roebert Charles Nicholson, Graham L. Pickles
- Independent Commissioner : UUtomo Josodirjo, Torstein Stephansen, Wahjudi Prakarsa

b. Board of Directors

- President Director : Anthoni Salim

- Directors : Fransiscus Welirang, Tjhie The Fie (Thomas Tjhie), Darmawan Sarsito (Kevin Sietho), Taufik Wiratmadja, Peter Kradoker, Moleonoto (Paulus Moleonoto), Axton Salim, Werianty Setiawan

8. PT. Mayora Indah, Tbk.

PT. Mayora Indah Tbk (the company) was established based on Notarial Deed No. 204 dated February 17, 1977 of Poppy Savitri Parmanto, S.H., substitute of Ridwan Suselo, S.H., public notary In Jakarta. The deed establishment was approved by the Minister of Justice of the Republic of Indonesia in his decision Letter No. Y.A.5/5/14 dated January 3, 1978, and was published in Stated Gazette of the Republic of Indonesia No. 39 dated May 15, 1990. Supplement No. 1716. The company articles of association have been amended several times, most recently by Notarial deed No. 25 dated June 30, 2008 of Saefudin Arief, S.H., public notary in Tangerang, concerning the revisions in the company articles of association to be in accordance with the provisions of Republic of Indonesia Law No. 40/2007 regarding Limited Liability Company. As of the date of completion of the financial statements, the publication in the State Gazette of the Republic of Indonesia is still in process.

In accordance with 3 article 3 of the company articles of association, the scope of its activities is to engage in manufacturing, trading and agency. At present, the company is engaged in the

manufacture of food, candies and biscuits. The company sells its products in domestic and foreign market.

The company started commercial operations in May 1978. Its head office is located at Gedung Mayora, Jl. Tomang Raya No. 21-23 Jakarta, while its factories are located at Tangerang and Bekasi.

As of December 31, 2010 based on a resolution during the extraordinary stockholders meeting hold on June 18, 2010, as documented in Notarial deed No. 05 of Saifuddin Arief, S.H., public notary in Tangerang, the company management consist of the following:

- a. Board of Commissioners
 - President Commissioner : Jogi Hendra Atmadja
 - Commissioner : Hermawan Lesmana
 - Independent Commissioner : Ramli Setiawan
- b. Board of Directors
 - President Director : Gunawan Atmadja
 - Directors : Andre Sukendra Atmadja, Hendrata Atmadja, Ongkie TedjaSurja, Hendrik Polisar

9. Prasadha Aneka Niaga, Tbk.

PT Prasadha Aneka Niaga Tbk (the company) was established under the name of PT Aneka Bumi Asih based on the Notarial deed No. 7 of Paul Tamara dated April 16, 1974. The deed of company establishment was approved by the ministry of Justice in its decision

letter No. Y.A.5/358/23 dated October 3, 1974 and was published in the Supplement No. 2488 of State Gazette No. 37 dated May 10, 1994. The company is domiciled at Jl. Jendral Sudirman No. 47, South Jakarta and its factory is located at Jalan Ki Kemas Rindho, Kertapati, Palembang. The company is currently engaged in agricultural products processing and trading. The company started its commercial operations in 1974.

The member of the company board of commissioner, board of directors are as follows:

a. Board of Commissioner:

- President Commissioner: Mansjur Tandiono
- Vice President Commissioner: Widyono Lianto
- Commissioner : Made Sudharta
- Independent Commissioner : John Michael Hiton, Fery Yennoto, Agus Soegiarto

b. Board of Directors:

- President Director : Jeffry Sanusi Soedargo
- Vice President Director : Didik Tandiono
- Directors : H. Sjamsul Bachri Uding, Budi Pringgokusanto, Lie Sukiantono Budinarta, Moenardji Soedargo

10. PT Sekar Laut, Tbk.

PT Sekar Laut Tbk (the “Company“) was established based on the notarial deed No. 120 dated July 19, 1976 of Soetjipto, SH, public

notary in Surabaya. The article of association was approved by the Minister of Justice of the Republic of Indonesia in its decision letter No. Y.A.5/56/1 dated March 1, 1978 which was published in the State Gazette No. 87, supplement No. 984 dated October 30, 1987. The Company is engaged in producing crackers, tomato sauce, chili sauce and ready to use seasoning and selling its products in local and international markets. The Company is controlled by Sekar Group.

The Company commenced its commercial operation in 1976. The factory is located at Jalan Jenggolo II/17 Sidoarjo, East Java with 761 and 806 employees as on December 31, 2010 and 2009, respectively. The Company's branch office is at Raya Darmo Street No. 23-25, Surabaya, East Java.

The composition of the Board of Commissioners and Board of Directors of the Company for the year ended December 31, 2010 and 2009 are as follows:

a. Board of Commissioner:

- President Commissioner: Loddy Gunadi
- Commissioner : Bing Hartono Poernomosidi
- Independent Commissioner : Catherine Ong Soen Bie, SE

b. Board of Directors:

- President Director : Harry Sunogo
- Directors : Tjahjono Haryono, John Canfi Gozali

11. PT Ultrajaya Milk Industry & Trading Company, Tbk.

PT Ultrajaya Milk Industry & Trading Company Tbk., herein after called "the Company", was established based on notarial deed No. 8 dated November 2, 1971 subsequently amended by notarial deed No. 71 dated December 29, 1971 of Komar Andasasmita, S.H., a notary in Bandung. The deeds were approved by Minister of Justice of The Republic of Indonesia by the decision letter No. Y.A.5/34/21 dated January 20, 1973, and was published in State Gazette No. 34 dated April 27, 1973, Supplement No. 313. The company is commercially operated in the beginning of 1974.

The Company's Articles of Association have several times been amended. The last amendment was made to comply with the Laws No.40, Year 2007 regarding Limited Company. The amendment was the Deed of Minutes of Meeting of Extra Ordinary General Meeting of Shareholders of the Company No.43, dated July 18, 2008, made by Fathiah Helmi S.H., Notary in Jakarta, which was approved by the Minister of Law an Human Right, of the Republic of Indonesia by the decision letter No. AHU- 56037.AH.01.02. year 2008 dated August 27, 2008 and published in the state news No. 68 dated August 25, 2009. The Company's head office and factory is located at Jl. Raya Cimareme Number 131 Padalarang, Kabupaten Bandung, 40552.

The objectives and goals of the Company are carrying businesses in manufacturing and trading. The Company engages in the

food and beverage industry. In the beverage section the Company produces various beverages like milk, fruit juices, tea, traditional drink and health drink, that are manufactured with the UHT (Ultra High Temperature) technology, and package in aseptic packaging material. In the food section the Company produces sweetened condensed milk, powder milk, and tropical fruit juice concentrate.

Based on deed of minutes of Annual General Meeting of Shareholders No. 4 dated June 26, 2009 made by Fani Andayani, S.H., Notary in Bandung, the members of Board of Commissioners and Directors were appointed until 2014. The Company's Management are as follows:

a. Board of Commissioner:

- President Commissioner: Tuan/Mr. Supiandi Prawirawidjaja
- Commissioner : Tuan/Mr. Drs. H. Soeharsono Sagir
- Independent Commissioner : Tuan/Mr. Drs. Endang Suharya

b. Board of Directors:

- President Director : Tuan/Mr. Sabana Prawirawidjaja
- Directors : Tuan/Mr. Samudera Prawirawidjaja, Tuan/Mr. Ir. Jutianto Isnandar

12. PT Tiga Pilar Sejahtera Tbk

PT Tiga Pilar Sejahtera Tbk (the Company) was established on January 26, 1990 based on Deed of Establishment No. 143, made in presence of Winanto Wiryomartani, S.H., a notary in Jakarta, under the

name of PT Asia Intiselera. The deed of establishment was approved by the Minister of Justice of the Republic of Indonesia in his Decree No. C2-1827.HT.01.01. Th.91 dated May 31, 1991 and was published in State Gazette No. 65, Supplemen No. 2504 dated August 13, 1991.

In accordance with article 3 of the Company's articles of association, the Company's scope of activities are engaged in trading, manufacturing, farming, plantation, agriculture, fisheries and services. Currently the Company's products are noodles manufacturing and noodles trading, especially dry noodle, instant noodle and vermicelli, snack, biscuit and candy industry, palm oil plantations, electric power plant, rice mill and distribution.

The Company started its commercial operation in 1990. The Company's head office is located at Wisma Alun Graha, Jl. Prof. Dr. Soepomo No. 233 Jakarta. The location of noodle, biscuit and candy manufactures are located in Sragen, Central Java. The palm oil plantations are situated in several locations in Sumatera and Kalimantan. Rice mill and distributions are located in Cikarang, West Java and Central Java.

Based on deed of annual general meeting of stockholders No.63 dated June 25, 2009 made in presence of Poerbaningsih Adi Warsito, S.H., a notary in Jakarta, the composition of the company board of commissioners, board of directors and audit committee as of December 31, 2010 and were as follow:

a. Board of Commissioner:

- President Commissioner: Priyo Hadi Sutanto
- Vice President Commissioner : Kang Hongkie Widjaja
- Commissioner: Herry Beng Koestanto, Budhi Istanto Suwito
- Independent Commissioner : Bondan Haryo Winarno, Haryadi

b. Board of Directors:

- President Director : Stefanus Joko Mogoginta
- Vice President Directors : Hengky Koestanto
- Directors : Edi Susanto

13. PT Siantar Top, Tbk.

PT Siantar Top Tbk (the Company) was established based on Notarial Deed No. 45 dated May 12, 1987 of Mrs. Endang Widjajanti, S.H., Notary in Sidoarjo and was amended based on Notarial Deed No. 64 dated March 24, 1988 of the same notary. The deed of establishment and amendment were approved by the Minister of Justice of the Republik Indonesia in its Decision Letter No. C2-5873.HT.01.01.Th.88 dated July 11, 1988 and was published in the State Gazette No. 104 dated December 28, 1993, Supplement No. 6226. The Company's Articles of Association have been amended several times, the last by Notarial Deed No. 48 dated July 25, 2008 of Dyah Ambarwaty Setyoso, S.H., Notary in Surabaya, regarding Minutes of the Extraordinary General Meeting of Shareholders of PT Siantar Top Tbk to conform with law No. 40/2007 regarding the

Limited Liability Company. The Deed of change was approved by Minister of Law and Human Rights of the Republic Indonesia in his Decision Letter No. AHU-11279.AH.01.02 year 2009 date April 6, 2009.

In accordance of the Company's Articles of Association, the scope of activities of the Company is mainly to engage in the manufacturing of snack noodle, crackers and candy. The Company is domiciled in Sidoarjo, East Java, and its plants are located in Sidoarjo (East Java), Medan (North Sumatera), and Bekasi (West Java).

The Company's head office is located at Jl. Tambak Sawah No. 21-23 Waru, Sidoarjo. The Company started its commercial operation on September 1989. The Company's products are marketed both domestically and internationally.

As at 31 December 2010, the composition of the Company's Board of Commissioners and Directors was as follows:

- a. Board of Commissioner:
 - President Commissioner: Robin Sindo
 - Independent Commissioner : Osbert Kosasih
- b. Board of Directors:
 - President Director : Shindo Sumidomo
 - Directors : Pitoyo , Armin

14. PT Davomas Abadi, Tbk

PT Davomas Abadi Tbk. (the “Company”) was established within the framework of the Domestic Capital Investment Law No. 6 year 1968 as amended by Law No. 12 year 1970 based on Notarial deed No. 25 dated 14 March 1990 of Soetomo Ramelan, S.H. The deed of establishment was approved by the Ministry of Justice of the Republic Indonesia in its Decision Letter No. C2-1010. HT.01.01.Th.91 dated 22 March 1991 and was published in the State Gazette No. 61 dated 30 July 1991, Supplement No. 2300. The Company’s articles of association have been amended from time to time, consisted of which was covered by the Notarial deed No. 37 dated 16 July 2008 of Imas Fatimah, S.H., regarding of the changes of whole the Company’s articles of association in accordance with Law No. 40 year 2007 of Limited Liability Company.

As stated in Article 3 of the Company’s articles of association, it is engaged in the processing of cocoa beans into cocoa butter and cocoa powder and in activities related to the cocoa processing industry and food and beverage products related to cocoa, agriculture, plantations, forestry, fishery and breeding, general trading and other services in the business sector except in law and tax services. The Company’s main operation is currently processing cocoa beans into cocoa butter and cocoa powder. The Company is domiciled in Jakarta and its plant is located in Tangerang, West Java.

As at 31 December 2010, the composition of the Company's Board of Commissioners and Directors was as follows:

a. Board of Commissioner:

- President Commissioner: Kusbyanta Kawira
- Independent Commissioner : Heru Subagio
- Commissioner : Petruz Rizal

b. Board of Directors:

- President Director : Berliana Sukarmadidjaja
- Director : Susi Magdalena
- Director : Nazrizal Nasir

15. PT. Sierad Produce, Tbk

PT. Sierad Produce, Tbk, ("the company") was established on 6 September 1985 No 17 of Raden Santoso, Notarial public in Jakarta. The deed of establishment was approved by the Ministry of Justice of the Republic Indonesia in its decision letter No. C2-4506.HT.01.01.TH.86. dated 26 June 1986.

In the last few years, the company has been building new facilities to expand its production and integrated than the company continues to grow. Today, the company's business are the production of feeds, chicken breeding hatchery, commercial farm, slaughterhouse, fresh chicken retailer, poultry equipment industry, and fishmeal industry. The company's is domiciled in Plaza Citiview, Kemang, South Jakarta.

As at 31 December 2010, the composition of the Company's Board of Commissioners and Directors was as follows:

a. Board of Commissioner:

- Independent Commissioner : Antonius Joenoes Supit
- Commissioner : Djohan Effendi
- Commissioner : Soi Lestari Anwar, Fransiscus Xaverius, Awi Tantara, Anton Budi Setiawan, Hudayana

b. Board of Directors:

- President Director : Budiarjo Tek
- Director : Eko Putro Sandjojo, Sudirman

16. PT. Pioneerindo Gourment International, Tbk

PT. Pioneerindo Gourment International, Tbk, (the "company") based on Notarial deed Arikanti Nata Kusuma, SH. No. 84 dated on 13 December 1983. The deed of establishment was approved by the ministry of justice of the Republic Indonesia in its decision letter No. (2-2169-HT.01.01.TH.84. dated 10 April 1984.

PT Pioneerindo Gourmet International Tbk (formerly PT Putra Sejahtera Pioneerindo) belongs to one of the first generation of companies in Indonesia that introduced the concept of fast food restaurants serving poultry-based food. Operating under franchise from Pioneer Take Out in the United States to produce and market this products in Indonesia under the brand name of California Pioneer Chicken, the Company has won the hearts of the public through its

quality products and services, and has also successfully made fried chicken servings to become the trendsetter for the fast food industry in Indonesia.

The Company with its trademark name CFC presently can be found from east to the west part of Indonesia, as Aceh and Nabire, also from north to the south region of Indonesia which is Tobelo and Bali respectively and as of today the Company operates 233 stores with three trademark names under its management and supported by 2,084 employees.

As at 31 December 2010, the composition of the Company's Board of Commissioners and Directors was as follows:

a. Board of Commissioner:

- President Commissioner: Tan Soen Eng
- Independent Commissioner : Suhando Wiraatmadja
- Commissioner : Iskandar Japiar Budhi

b. Board of Directors:

- President Director : Kuswandi Tamin
- Director : The Kian Kun
- Director : Susanna Kusnowo
- Director : Cecep Rakhman

C. Data Analysis and Interpretation

1. Data interpretation

Data from Food and Beverages companies that are presented as research object:

Tabel 3 Data Return on Asset

No	Name Company	Return on Asset		
		2008	2009	2010
1	PT. Smart, Tbk	14.75	9.72	13.27
2	PT. Tunas Baru Lampung, Tbk	2.39	7.48	11.62
3	PT. Cahaya Kalbar, Tbk	6.97	12.33	4.74
4	PT. Fast Food Indonesia, Tbk	21.40	23.73	21.16
5	PT. Delta Djakarta Tbk	16.86	27.70	22.23
6	PT. Indofood Sukses Makmur, Tbk	6.37	10.06	11.49
7	PT. Multi Bintang Indonesia, Tbk	33.35	52.25	40.87
8	PT. Mayora Indah Tbk	9.38	15.52	14.97
9	PT. Prasadha Aneka Niagga, Tbk	14.65	16.56	7.36.
10	PT. Sekar Laut, Tbk	3.67	6.33	3.10
11	PT. Ultra Jaya Milk, Tbk	15.44	5.67	2.87
12	PT. Tiga Pilar Sejahtera Food, Tbk	5.21	3.85	4.86
13	PT. Siantar Top, Tbk	0.59	26.00	3.34
14	Davomas Abadi, Tbk	-12.64	-32.95	-1.47
15	PT. PTSP, Tbk	8.42	18.86	20.08
16	PT. SIPD, Tbk	3.18	3.73	4.53

Source: IDX

Table 4 Data Sales Growth

No	Name company	Sales Growth		
		2008	2009	2010
1	PT. Smart, Tbk	99.20	-11.76	42.70
2	PT. Tunas Baru Lampung, Tbk	114.50	-29.63	6.02
3	PT. Cahaya Kalbar, Tbk	141.64	21.34	-39.88
4	PT. Fast Food Indonesia, Tbk	27.24	9.93	18.71
5	PT. Delta Djakarta Tbk	53.19	-4.27	-26.04
6	PT. Indofood Sukses Makmur, Tbk	39.27	21.92	3.40
7	PT. Multi Bintang Indonesia, Tbk	35.47	21.25	10.76
8	PT. Mayora Indah Tbk	38.16	22.25	51.22
9	PT. Prasadha Aneka Niagga, Tbk	18.84	-16.93	-22.51
10	PT. Sekar Laut, Tbk	32.09	-11.76	13.69
11	PT. Ultra Jaya Milk, Tbk	20.93	18.44	16.51
12	PT. Tiga Pilar Sejahtera Food, Tbk	-2.14	9.00	32.26
13	PT. Siantar Top, Tbk	4.01	0.43	21.61
14	PT. Davomas Abadi, Tbk	21.17	-88.03	296.70
15	PT. PTSP, Tbk	26.59	9.39	9.13
16	PT. SIPD, Tbk	42.83	39.06	12.33

Source: IDX

Table 5 Data Price Earning Ratio

No	Name Company	Price earning ratio		
		2008	2009	2010
1	PT. Smart, Tbk	4.67	9.79	11.39
2	PT. Tunas Baru Lampung, Tbk	12.51	10.26	7.87
3	PT. Cahaya Kalbar, Tbk	7.47	8.96	11.07
4	PT. Fast Food Indonesia, Tbk	11.04	12.75	20.57
5	PT. Delta Djakarta Tbk	3.82	7.85	13.77
6	PT. Indofood Sukses Makmur, Tbk	7.89	15.02	14.50
7	PT. Multi Bintang Indonesia, Tbk	4.69	10.95	13.08
8	PT. Mayora Indah Tbk	4.45	9.67	17.02
9	PT. Prasadha Aneka Niagga, Tbk	15.24	3.31	6.10
10	PT. Sekar Laut, Tbk	14.56	8.09	20.01
11	PT. Ultra Jaya Milk, Tbk	7.61	27.39	32.63
12	PT. Tiga Pilar Sejahtera Food, Tbk	24.77	15.93	17.19
13	PT. Siantar Top, Tbk	40.80	13.32	11.83
14	Davomas Abadi, Tbk	-1.41	-2.74	-34.66
15	PT.PTSP, Tbk	20.60	5.65	4.34
16	PT.SIPD, Tbk	17.23	12.62	10.90

Source: IDX

Table 6 Data Debt Ratio

No	Name Company	Debt Ratio		
		2008	2009	2010
1	PT. Smart, Tbk	53.92	52.99	53.24
2	PT. Tunas Baru Lampung, Tbk	68.12	64.16	65.99
3	PT. Cahaya Kalbar, Tbk	59.17	46.95	63.70
4	PT. Fast Food Indonesia, Tbk	38.51	38.63	35.14
5	PT. Delta Djakarta Tbk	24.96	21.15	16.26
6	PT. Indofood Sukses Makmur, Tbk	66.77	61.63	47.43
7	PT. Multi Bintang Indonesia, Tbk	63.43	89.40	58.55
8	PT. Mayora Indah Tbk	56.34	50.01	53.62
9	PT. Prasadha Aneka Niagga, Tbk	52.94	51.08	49.58
10	PT. Sekar Laut, Tbk	49.92	42.16	40.66
11	PT. Ultra Jaya Milk, Tbk	34.70	31.06	35.16
12	PT. Tiga Pilar Sejahtera Food, Tbk	61.55	68.16	69.54
13	PT. Siantar Top, Tbk	42.01	26.28	31.10
14	PT. Davomas Abadi, Tbk	82.00	84.00	66.00
15	PT.PTSP, Tbk	90.00	77.00	62.00
16	PT.SIPD, Tbk	25.00	28.00	40.00

Source: IDX

Table 7 Data Closing Price

NO	Name Company	closing price		
		2008	2009	2010
1	PT. Smart, Tbk	1.700	2.550	5.000
2	PT. Tunas Baru Lampung, Tbk	190	340	410
3	PT. Cahaya Kalbar, Tbk	700	1.490	1.100
4	PT. Fast Food Indonesia, Tbk	3.100	5.200	9.200
5	PT. Delta Djakarta Tbk	20.000	62.000	70.000
6	PT. Indofood Sukses Makmur, Tbk	930	3.550	4.875
7	PT. Multi Bintang Indonesia, Tbk	49.500	177.000	27.495
8	PT. Mayora Indah Tbk	1.140	4.500	10.750
9	PT. Prasadha Aneka Niagga, Tbk	100	110	110
10	PT. Sekar Laut, Tbk	90	150	140
11	PT. Ultra Jaya Milk, Tbk	800	580	1.210
12	PT. Tiga Pilar Sejahtera Food, Tbk	425	360	780
13	PT. Siantar Top, Tbk	150	250	385
14	PT. Davomas Abadi, Tbk	58	50	74
15	PT. PTSP, Tbk	400	280	310
16	PT. SIPD, Tbk	50	50	71
	Amount	3968	2426	2410
	Average	248.03	151.64	150.60

Source: IDX

2. Description of Variable

In explanatory research, one of the data processing is a descriptive statistic that has the objective to describe situation as it is. Measurement of descriptive statistics is useful to ease observation by calculating the average, minimum and maximum values in order to get an overview of sample data. The samples in this research are 16 companies. The data descriptions of each variable from 16 companies are as follow:

a. Return on Asset (ROA)

The return on assets (ROA) is ratio by using company's assets to generate profits. To knowing amount of ROA food and beverage listed in Indonesian Stock Exchange 2008-2010. The formula of Return on Asset is as follows:

$$\text{Return on Asset (ROA)} = \frac{\text{Net Income}}{\text{Total Asset}}$$

The Return on Asset data from food and beverages companies that are presented as research object:

Table 8 Return on Asset average of sample companies

No	Name company	Return on Asset			Average
		2008	2009	2010	
1	PT. Smart, Tbk	14.75	9.72	13.27	12.58
2	PT. Tunas Baru Lampung, Tbk	2.39	7.48	11.62	7.16
3	PT. Cahaya Kalbar, Tbk	6.97	12.33	4.74	8.01
4	PT. Fast Food Indonesia, Tbk	21.40	23.73	21.16	22.10
5	PT. Delta Jakarta Tbk	16.86	27.70	22.23	22.26
6	PT. Indofood Sukses Makmur, Tbk	6.37	10.06	11.49	9.37
7	PT. Multi Bintang Indonesia, Tbk	33.35	52.25	40.87	42.16
8	PT. Mayora Indah Tbk	9.38	15.52	14.97	13.29
9	PT. Prasihda Aneka Niagga, Tbk	14.65	16.56	7.36	12.86
10	PT. Sekar Laut, Tbk	3.67	6.33	3.10	4.37
11	PT. Ultra Jaya Milk, Tbk	15.44	5.67	2.87	7.99
12	PT. Tiga Pilar Sejahtera Food, Tbk	5.21	3.85	4.86	4.65
13	PT. Siantar Top, Tbk	0.59	26.00	3.34	29.93
14	Davomas Abadi, Tbk	-12.64	-32.95	-1.47	-15.69
15	PT.PTSP, Tbk	8.42	18.86	20.08	15.79
16	PT.SIPD, Tbk	3.18	3.73	4.53	3.81
	Amount	150.19	206.88	185.02	180.70
	Average	9.39	12.93	11.56	11.29
	Highest	33.35	52.25	40.87	42.16
	Lowest	-12.64	-32.95	-1.47	-15.69

Source: processed data

Based on the table above it can be known that the highest average value of food and beverages companies used as sample during research is held by PT. Multi Bintang Indonesia with a value of 42,16 percent, while the lowest ROA average value is obtained by PT. Davomas Abadi with a value of -15,69 percent. Overall ROA average value of food and beverages companies that is used as the research sample during research is 11.29 percent, the table above also shows a change in ROA average value from 2008 to 2009, in 2008 recorded 9, 39 percent, then increased to 12,93 percent, and in

2010 amounted to 11,56 percent. ROA average of research sample companies in 2009 recorded the highest value that is equal to 12,93 percent, and the lowest number in 2008 amounted to 9.39 percent.

b. Sales Growth

Sales growth is another common goal among many firms. Sales growth is also the result of other more basic forces on which manager should focus. Value of sales growth obtained by the following formula:

$$\text{Sales growth} = \frac{\text{st} - \text{st} - 1}{\text{st} - 1} \times 100\%$$

The sales growth data from food and beverages companies that are presented as research object:

Table 9 Sales Growth Average of sample companies

No	Name company	Sales Growth			Average
		2008	2009	2010	
1	PT. Smart, Tbk	99.20	-11.76	42.70	43.38
2	PT. Tunas Baru Lampung, Tbk	114.50	-29.63	6.02	30.30
3	PT. Cahaya Kalbar, Tbk	141.64	21.34	-39.88	20.87
4	PT. Fast Food Indonesia, Tbk	27.24	9.93	18.71	22.43
5	PT. Delta Djakarta Tbk	53.19	-4.27	-26.04	12.36
6	PT. Indofood Sukses Makmur, Tbk	39.27	21.92	3.40	12.80
7	PT. Multi Bintang Indonesia, Tbk	35.47	21.25	10.76	22.72
8	PT. Mayora Indah Tbk	38.16	22.25	51.22	37.21
9	PT. Prsidha Aneka Niagga, Tbk	18.84	-16.93	-22.51	-6.87
10	PT. Sekar Laut, Tbk	32.09	-11.76	13.69	11.34
11	PT. Ultra Jaya Milk, Tbk	20.93	18.44	16.51	18.63
12	PT. Tiga Pilar Sejahtera Food, Tbk	-2.14	9.00	32.26	13.04
13	PT. Siantar Top, Tbk	4.01	0.43	21.61	8.68
14	PT. Davomas Abadi, Tbk	21.17	-88.03	296.70	76.61
15	PT. PTSP, Tbk	26.59	9.39	9.13	15.04
16	PT. SIPD, Tbk	42.83	39.06	12.33	31.41
	Amount	712.98	-49.78	446.62	369.94
	Average	44.56	-3.11	27.91	23.12
	Highest	141.64	39.06	296.76	76.61
	Lowest	-2.14	-88.03	-39.88	-6.87

Source: processed data

The role of sales growth in a company is very important, because sale is considered as the source of company's profits. From the table can be seen that the highest average value of the overall sales growth is obtained by PT. Davomas Abadi, amounted to 76.61 percent, while the lowest average value is PT. Prasadha Aneka Niaga, amounted to -6.87 percent, but overall the sales growth average of food and beverages companies in this research period is 23.12 percent. The table shows the change of sales growth average value, in 2008 the growth is 44.56 percent and in 2009 is -3.11 percent, while in 2010 amounted to 27.91 percent. The highest average value of sales growth occurred in 2008, amounted to 44.56 percent, while the lowest value occurred in 2009 amounted to -3.11 percent.

C. Price Earning Ratio

Price Earning Ratio is the ratio of market valuation that shows the amount of investor rupiah invested for every rupiah company's profit from that investment, or on the contrary is what investors get from the amount of money they invest. The formula of Price Earning Ratio (PER) is as follows:

$$\text{PER} = \frac{\text{Market price per share}}{\text{Earning per Share}}$$

The Price Earning Ratio from food and beverages companies that are presented as research object:

Tabel 10 Price Earning Ratio Average of sample companies

No	Name Company	Price earning ratio			Average
		2008	2009	2010	
1	PT. Smart, Tbk	4.67	9.79	11.39	8.62
2	PT. Tunas Baru Lampung, Tbk	12.51	10.26	7.87	10.21
3	PT. Cahaya Kalbar, Tbk	7.47	8.96	11.07	9.17
4	PT. Fast Food Indonesia, Tbk	11.04	12.75	20.57	14.79
5	PT. Delta Jakarta Tbk	3.82	7.85	13.77	8.48
6	PT. Indofood Sukses Makmur, Tbk	7.89	15.02	14.50	12.47
7	PT. Multi Bintang Indonesia, Tbk	4.69	10.95	13.08	9.57
8	PT. Mayora Indah Tbk	4.45	9.67	17.02	10.38
9	PT. Prasihda Aneka Niagga, Tbk	15.24	3.31	6.10	8.22
10	PT. Sekar Laut, Tbk	14.56	8.09	20.01	14.22
11	PT. Ultra Jaya Milk, Tbk	7.61	27.39	32.63	22.54
12	PT. Tiga Pilar Sejahtera Food, Tbk	24.77	15.93	17.19	19.30
13	PT. Siantar Top, Tbk	40.80	13.32	11.83	21.98
14	Davomas Abadi, Tbk	-1.41	-2.74	-34.66	-12.94
15	PT.PTSP, Tbk	20.60	5.65	4.34	10.20
16	PT.SIPD, Tbk	17.23	12.62	10.90	13.58
	Amount	195.94	168.82	177.61	180.79
	Average	12.25	10.55	11.10	11.30
	Highest	40.80	27.39	32.63	22.54
	Lowest	-1.41	-2.74	-34.66	-12.94

Source: processed data

Based on the table it can be known that the highest PER average value of food and beverages companies that go public during research is held by PT. Ultra Jaya Milk amounted to 22.54 percent, while the lowest average value is PT. Davomas Abadi amounted to -12.94. The table above also shows the change in Price Earning Ratio average from 2008 to 2009, in 2008 an average value is 12.25 percent, then it fell became 10.55 percent in 2009, and in 2010 rose as big as 11.10 percent. The PER average of sample companies recorded the highest rate in 2008 amounted to 12.25 percent, in 2009 was a year with the lowest PER values, amounted to 10.55.

D. Debt Ratio

Debt ratio is the ratio that measures a company's ability to cover total obligation. The formula of Debt ratio is as follows:

$$DR = \frac{\text{total debt}}{\text{total assets}}$$

The Debt Ratio average from food and beverages companies that are presented as research object:

Table 11 Debt Ratio Average of sample Companies

No	Name Company	Debt Ratio			Average
		2008	2009	2010	
1	PT. Smart, Tbk	53.92	52.99	53.24	53.39
2	PT. Tunas Baru Lampung, Tbk	68.12	64.16	65.99	66.09
3	PT. Cahaya Kalbar, Tbk	59.17	46.95	63.70	56.60
4	PT. Fast Food Indonesia, Tbk	38.51	38.63	35.14	37.43
5	PT. Delta Djakarta Tbk	24.96	21.15	16.26	20.79
6	PT. Indofood Sukses Makmur, Tbk	66.77	61.63	47.43	58.61
7	PT. Multi Bintang Indonesia, Tbk	63.43	89.40	58.55	70.46
8	PT. Mayora Indah Tbk	56.34	50.01	53.62	53.32
9	PT. Prasadha Aneka Niagga, Tbk	52.94	51.08	49.58	51.20
10	PT. Sekar Laut, Tbk	49.92	42.16	40.66	44.25
11	PT. Ultra Jaya Milk, Tbk	34.70	31.06	35.16	33.64
12	PT. Tiga Pilar Sejahtera Food, Tbk	61.55	68.16	69.54	66.42
13	PT. Siantar Top, Tbk	42.01	26.28	31.10	33.13
14	Davomas Abadi, Tbk	82.00	84.00	66.00	77.33
15	PT. PTSP, Tbk	90.00	77.00	62.00	76.33
16	PT. SIPD, Tbk	25.00	28.00	40.00	31.00
	Amount	869.33	832.66	787.97	829.99
	Average	54.33	52.04	49.25	51.87
	Highest	90.00	89.40	69.54	77.33
	Lowest	24.96	21.15	16.26	20.79

Source: processed data

Based on the table above, it can be known the highest Debt Ratio average from food and beverages companies used as sample during research is held by PT. Davomas Abadi amounted to 77.33 percent, while the lowest value is held by PT. Delta Djakarta with a value of 20.79 percent. The table above also obtains information

regarding a change in the Debt Ratio average from 54.33 percent in 2008, fell to 52.04 percent in 2009, and in 2010 amounted to 49.25 percent. The Debt Ratio average value recorded the highest rate in 2008, amounted to 54.33 percent, while the lowest value occurred in 2010, with a value of 49.25 percent.

3. Classical Assumption Test

Assumptions of classical test should be performed to fulfill use of multiple linear regressions. After the matter was held ROA regression through the auxiliary SPSS for windows, held assumptions of classical regression testing. Test results are presented as follows:

a. Normality Test

Normality test aims to test whether the regression model of confounding or residual variables have a normal distribution (Ghozali, 2011: 160). A good regression model is a normal data distribution or near to normal. This normal data is examined by using graphical analysis method (histogram charts and plot normal graphs). Histogram charts and plot normal graphs for normality test are as follow: Normality Assumption Test.

Figure 6 Histogram graph food and beverages companies listed IDX period 2008 – 2010

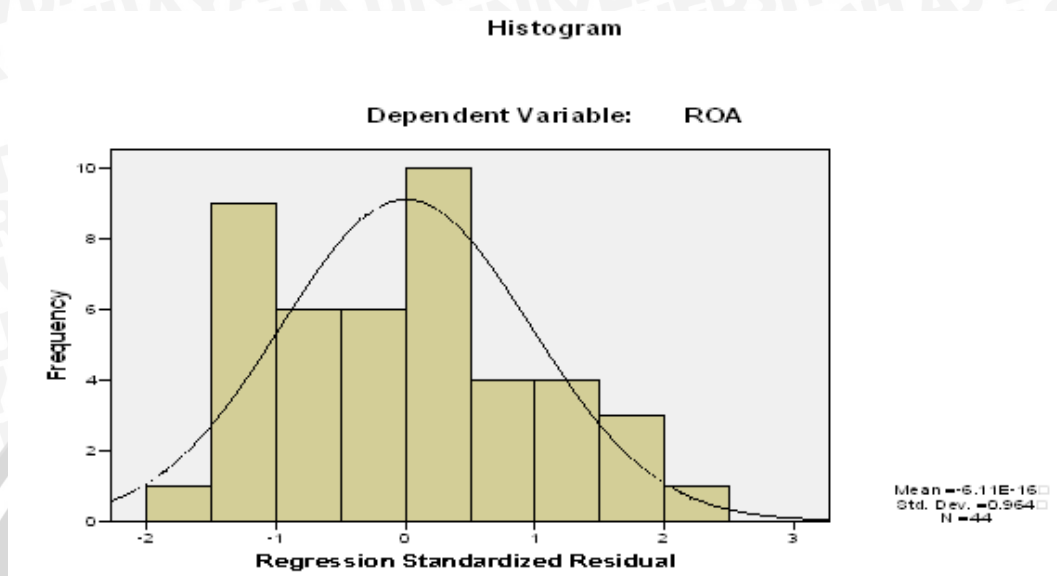
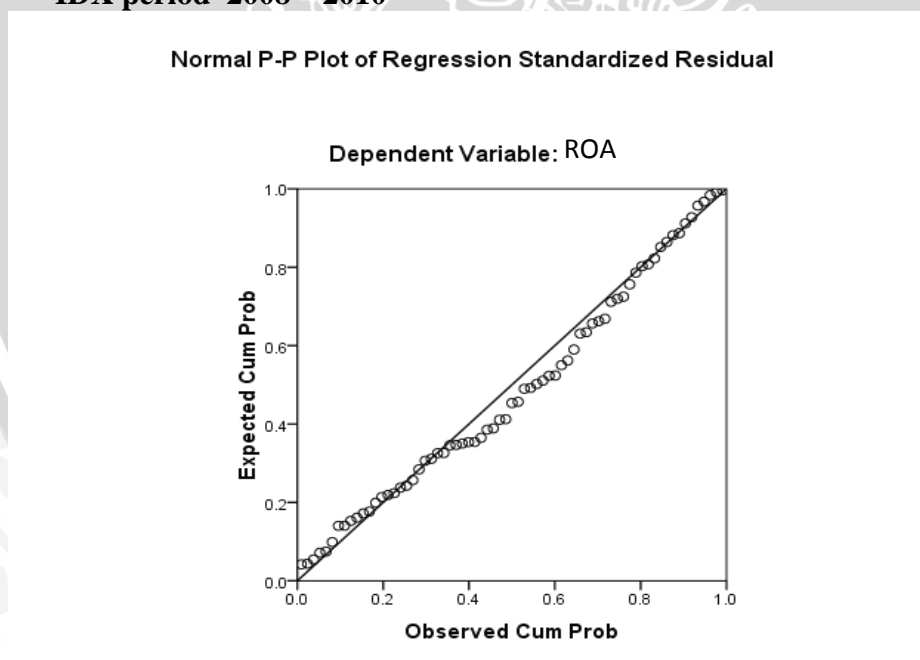


Figure 7 Normal P-P Plot graph food and beverages companies listed IDX period 2008 – 2010



From the results of normality test by using graphical analysis, that is histogram charts and plot normal graphs show that graphs give normal distribution pattern that near to normal, while on the graph shows that dots

spread around the diagonal line, and its spread around the diagonal line. In order to ascertain whether residuals data are normally distributed or not, so one sample Kolmogorov-Smirnov test are taken.

Table 12 Test result Uji Kolmogorov-Smirnof

One-Sample Kolmogorov-Smirnov Test		
N		Unstandardized Residual 44
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	,31427677
Most Extreme Differences	Absolute	,081
	Positive	,081
	Negative	-,066
Kolmogorov-Smirnov Z		,536
Asymp. Sig. (2-tailed)		,936

a. Test distribution is Normal.
b. Calculated from data.

source : analysis SPSS

Based on the Kolmogorov-Smirnov Z test above, p-value is 0.936, where the value is greater than $\alpha = 0.05$. This result indicates that residual has a normal distribution. Therefore it can be concluded that the normality assumption was met.

b. Multicollinearity test

Multicollinearity test aims to test whether there is correlation among independent variables in regression model. A good regression model should not have a correlation among independent variables (Ghozali, 2011:105). In this research, to detect the multicollinearity in regression model can be seen from tolerance values and variance inflation factor (VIF). If the tolerance values <0.1 and the VIF values > 10 then there is multicollinearity. Conversely, if the tolerance value > 0.1 and VIF <10



then there is no multicollinearity. VIF and tolerance results can be seen in the following table:

Tabel 13 Multicollinearity test

Variabel Independen	VIF	Decription
Variabel Sales Growth	1,024	Non Multikolinieritas
Variabel Price Earning Ratio	1,031	Non Multikolinieritas
Variabel Debt ratio	1,042	Non Multikolinieritas

Source : analysis SPSS

From the table above, it can be seen that has a tolerance value more than 0.1 and VIF less than 10 ($VIF < 10$). Based on the results of table above, it can be concluded that there is no multicollinearity in regression model.

c. Autocorrelation test

Autocorrelation test aims to test whether there is correlation between the bullies error in t period and bullies error in $t-1$ period (previous) in linear regression model. If there is any correlation so it is called as autocorrelation problem. Autocorrelation arises because of sequential observations over time related to each other (Ghozali, 2011:111). To determine whether there is autocorrelation or not, it can be seen from the value of Durbin Watson. A good regression model is a regression that free from autocorrelation if the calculated value of Durbin Watson lies on no autocorrelation ($dU < dw < 4 - dU$). Autocorrelation test results can be seen in the table below.

Table 14 Autocorrelation test

Model Summary ^ψ					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,526 ^a	,277	,223	,32585	2,047

a. Predictors: (Constant), Debt Ratio, Sales Growth, Price Earning Ratio

b. Dependent Variable: ROA

Based on the result, testing on regression model produces dw statistic of 2.047. In this research the number of observations (n) are 48 and independent variables (k ') of 3 variables, will yield an upper limit (dU) of 1.6708. Autocorrelation result of regression model indicate that data is located on $du < dw < 4 - du$. It can be concluded that there is no autocorrelation in regression model used.

d. Heteroscedasticity test

Heteroscedasticity test aims to test whether there is inequality variance of residual from one observation to others in regression model. If residual variance from one observation to others is remains the same so it is called as homoscedasticity and if different is called as heteroscedasticity (Ghozali, 2011:139). In this research, heteroscedasticity test is done by using a Gletzer test, make a regression between independent variable with its absolute error. Test results with Gletzer method as shown in Table 14 as follows:



Tabel 15 Heteroscedasticity test

Correlations			abs_res2
Spearman's rho	Sales Growth	Correlation Coefficient	,092
		Sig. (2-tailed)	,554
		N	44
	Price Earning Ratio	Correlation Coefficient	,295
		Sig. (2-tailed)	,052
		N	44
	Debt Ratio	Correlation Coefficient	-,173
		Sig. (2-tailed)	,262
		N	44

Source: analysis spss

Based on table 15 above, p-value of all variables is greater than $\alpha = 0.05$. From this test it can be concluded that the assumptions of homoscedasticity has been met.

4. Multiple Linear Regression Analysis

Regression analysis is used to calculate the influences of independent variables, namely, Sales Growth (X1), Price Earning Ratio (PER) (X2), and Debt Ratio (X3) toward its dependent variable ROA

a. Multiple Linear Regression Equation

Regression equation is obtained by using SPSS for Windows ver. 15, where the processed regression is presented in the following table:

Table 16 Analysis regression with SPSS Windows Ver 15

		Coefficients ^a					Collinearity Statistics	
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	-,665	,189		-3,525	,001		
	Sales Growth	-,175	,146	-,163	-1,197	,239	,976	1,024
	Price Earning Ratio	-2,507	,666	-,514	-3,763	,001	,969	1,031
	Debt Ratio	,031	,294	,014	,105	,917	,960	1,042

a. Dependent Variable: ROA



From the table is obtained multiple linear regression equation as follows:

$$Y = -0,665 - 0,175 X_1 - 0,2507 X_2 + 0,031 X_3 + \varepsilon$$

Where :

- Y : ROA
- X1 : Sales Growth
- X2 : Price Earning Ratio
- X3 : Debt ratio

b. The coefficient of Determination (R^2)

The coefficient of determination is used to see the contribution of independent variable toward dependent variable. From the calculated analysis, was obtained the value of R^2 (coefficient of determination) and the coefficient of correlation (R) as the following table:

Table 17 Coefficient of Determination

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,526 ^a	,277	,223	,32585	2,047

a. Predictors: (Constant), Debt Ratio, Sales Growth, Price Earning Ratio
 b. Dependent Variable: ROA

Based on the table above, it is obtained the coefficient of determination R^2 of 0.277. The coefficient of determination (R^2) is used to measure the accuracy of a regression, the greater R^2 the more precise of regression, whereas the smaller value of R^2 the less precise of regression line. The coefficient of determination has a value between 0 and 1 ($0 \leq R^2 \leq 1$). With coefficient of determination (R^2) of 0.277, it means that the coefficient is between 0 and 1 ($0 \leq 0.277 \leq 1$). Coefficient of

determination value of R^2 is 0.277, it means that 27.7 ROA variables is explained by sales growth variable, PER and debt ratio, while the remaining 72.3% is explained by other variables that is not addressed in this research.

5. Hypothesis Testing Results

a. f Hypothesis Testing

f hypothesis testing is using F testing. It is used to know whether the results of regression analysis is significant or not, if the results are significant, then H_0 is rejected and H_1 is accepted, whereas if the results are not significant, then H_1 is accepted and H_0 is rejected.

Table 18 f test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1,627	3	,542	5,107	,004 ^a
	Residual	4,247	40	,106		
	Total	5,874	43			

a. Predictors: (Constant), Debt Ratio, Sales Growth, Price Earning Ratio
b. Dependent Variable: ROA

Based on table of F testing hypothesis, in F distribution table, is obtained the value of F table with degrees of freedom (df) $n_1 = 3$ and $n_2 = 40$ is equal to 5.107. If the F value count results in the table compared to F tabel, then F count is greater than F table ($5.107 > 2.839$). In addition, in Table 4.5 are also obtained p-value of 0004. If p-value compared to $\alpha = 0.05$ then p-value is smaller than $\alpha = 0.05$. From these two comparisons can be made decisions that H_0 is accepted with $\alpha = 0.05$.

So it can be concluded that there is simultaneously significant effect between X1 until X3 towards ROA.

b. t Hypothesis Testing

t hypothesis testing is using t test (partial). This test is used to determine each independent variable in partial have a significant effect to dependent variable, besides is used to determine which variable is the most dominant. If the results are significant, then Ho is rejected and HI accepted, whereas if the results are not significant, then HO is accepted and HI rejected. It can be said as follows:

$t \text{ count} > t \text{ table}$ or $-t \text{ count} < -t \text{ table} = \text{significant}$

$t \text{ count} < t \text{ table}$ or $-t \text{ count} < -t \text{ table} = \text{not significant}$

Table 19 t test

		Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VF
1	(Constant)	-.665	.189		-3,525	.001		
	Sales Growth	-.175	.146	-.163	-1,197	.239	.976	1,024
	Price Earning Ratio	-2,507	.666	-.514	-3,763	.001	.969	1,031
	Debt Ratio	.031	.294	.014	.105	.917	.960	1,042

a. Dependent Variable: ROA

a. Sales Growth Variable

t test between X1 (sales growth) with Y ROA) show that t count = -1.197. While t table ($\alpha = 0.05$: db residual = 48) is equal to 2.021.

Because $t \text{ count} < t \text{ table}$ $-1.197 < 2.021$ then the influence of X1 (sales growth) is not significant at $\alpha = 5\%$. It means that hypothesis Sales Growth – ROA is rejected, so it can be concluded that ROA is not significantly influenced by Sales Growth. Sales Growth



variables are not significant due to the change of Sales Growth average of sampled companies is not followed by the changing ROA.

b. Price Earning Variable

t test between X2 (PER) with Y (ROA) show that t count = -3,763.

While t table ($\alpha = 0,05$; db residual = 48) is equal to 2,021.

Because t count > t table $-3,763 > 2,021$ then the influence of X2

(PER) is significant negative at $\alpha = 5\%$. It means that hypothesis

Price Earning Ratio – ROA is accepted, so it can be concluded that

ROA is significantly negative influenced by Price Earning Ratio.

Because closing price in 2008-2010 has decreased so negative effect on the ROA.

c. Debt Ratio Variable

t test between X3 (debt ratio) and Y (ROA) show that t count =

0.105. While the t table ($\alpha = 0.05$: db residual = 48) is equal to

2.021. Because t count < t table $0.105 < 2.021$ then the influence of

X3 (debt ratio) is not significant at $\alpha = 5\%$. It means that Debt

Ratio – ROA is rejected, so it can be concluded that ROA is not

significantly influenced by Debt Ratio. Debt ratio variables are not

significant due to the change of debt ratio average of sampled

companies is not followed by the changing ROA.

Based on t test knowing that the independent variable which has a significantly negative effect of dependent variable (ROA) is Price Earning Ratio significant at alpha level of 5%, while the most dominant influence in this research is Price Earnings Ratio as well, because of the three independent variable's used only Price Earnings Ratio variable has a significant negative effect, closing price on 2008-2010 has decreased.

