

## **ABSTRACT**

*This research is performed in order to test the influence of variabel, Current Ratio (CR), Debt to Equity Ratio (DER), Total Assets Trunover (TAT), dan Net Profit Margin (NPM) toward Retrurn on Equity (ROE).*

*Methodology research as the sample used propovise sampling with criteria as (1) Manufacturing companies that listed at JSX who provide financial report year ending 31<sup>st</sup> December during the observation period 2005 – 2009, well available at ICMD and annual report. (2) Companies must be the listed at the beginning of the period of observation and not on the delisting until the end of the observation period. (3) The financial report include the value of financial ratios to be studied include ROE, CR, DER, TAT, and NPM. (4) At the beginning of the observation period until the end. Total of 51 samples obtained from 205 firms during the observation period of five years in the manufacturing sector. Available 26 outliyer that lost because extreme data. So sample amount as much 229 during the observation period of five years. Data analysis with multi linier regression of ordinary least square and hypotheses test used partial t - test, simultan F – test at level of significance 5% and adjusted R square.*

*Empirical evidence show as CR, DER, TAT, and NPM to have positive influence toward ROE of manufacturing companies listed in JSX over period 2005 – 2009 at level of significance 5% (as 0,000% each). While, four independent variabel CR, DER, TAT and NPM to have influence toward ROE at level of significance 5% as 0,000%. Predictable of the four variables toward ROE is 97,9% as indicated by adjusted R square that is 97,9% while the rest 2,1% is affected by other factors is not included into the study model.*

*Key words : Current Ratio (CR), Debt to Equity Ratio (DER), Total Asset Trunover (TAT), Net Profit Margin (NPM) and Retrurn on Equity (ROE).*