

ABSTRACT

This study aims to see the effect of debt, ROA and interest expense for earning management. The manufacturing industry (costumer goods) registered in Indonesia Stock Exchange biginning in 2007 until 2010 period, in this study carried out by the method of data collection and report publication, while the sample is done in a purposive sampling method and the samples taken as many as 28 companies and the number of observations made as many as 112 samples. This study using a multiple linear statistical tests, the result of the analysis showed that a significant negative effect of debt on earning management, ROA significant positive effect on earning management and interest expense significant negative effect on earning management. This study faound that behavior of managers is influencing. The financial reporting process is influenced by factors such as debt, ROA, and interest expense

Keywords : Debt, ROA, Interest expense and Earning Management

