

ABSTRACT

This study aims to examine the ability of profit, aggregate operating cash flows, and component of operating cash flows to predict future operating cash flows. The population of this study are companies which is listed in Indonesia Stock Exchange (IDX) except companies in financial sector. Samples are choosed by using purposive sampling method. Samples which are obtained for this study are 21 companies. Examination of hypothesis using multiple regression analysis method with the aid of SPSS ver. 15 for windows. This study use 3 prediction model. And also, the accuracy of prediction model are examined by comparing the prediction errors.

The results of this study indicates that profit and component of operating cash flows have the ability to predict future operating cash flows. While aggregate operating cash flows doesn't have the ability to predict future operating cash flows. And also profit, aggregate operating cash flows and component of operating cash flows have different ability to predict future operating cash flows.

Keywords : Profit, Aggregate operating cash flows, component of operating cash flows, and future operating cash flows.