

ABSTRACT

Profitability is a financial ratio that shows the company's ability to earn profits. Profitability is used to see the company's performance or progress and is also useful for evaluating companies during that period to plan future business strategies. The high level of profitability indicates that the company has a good management of earnings management.

This research was aiming to find out the effect of Liquidity, Leverage and Sales Growth on company profitability. The influence of liquidity, leverage and sales growth simultaneously or simultaneously on the profitability of the company. And to determine the effect of liquidity, leverage and sales growth partially or individually on the profitability of the company.

In this research Liquidity variables will be proxied by Current Ratio ("CR"). Leverage variable in this research will be proxied by Debt to Asset Ratio (DAR). The Profitability variable in this research will be proxied using Return on Asset Ratio ("ROA") and Sales Growth variables by calculating the growth ratio itself.

Data collection methods used in this study are secondary data sources obtained from data on financial statements of property and real estate sector companies listed on the Indonesia Stock Exchange for the period 2014-2017. The number of samples used was 92 samples from 23 companies. The method used in this study is panel data regression and t test and f test by processing data using Eviews software.

Based on the test results obtained, variable liquidity, leverage and sales growth simultaneously do not affect the profitability of the company. Partially it was concluded that the variable liquidity (CR) and sales growth (SG) did not significantly influence the profitability of the company. While the leverage variable has a positive and significant effect on the profitability of the company.

Keywords: Leverage, Liquidity, Profitability, Sales Growth