

ABSTRACT

Earnings management is management intervention in the financial reporting process with the aim of benefiting himself (the manager). Earnings management is a condition where management intervenes in the process of preparing a financial report for external parties so that it can flatten, increase and decrease profits.

Earnings management can be influenced by several factors, one of which is profitability, financial risk and company growth. So, this study aims to analyze the effect of profitability, financial risk and company growth on mining companies listed on the Indonesia Stock Exchange for the period 2013-2017.

This research is quantitative research. Sample selection is done by purposive sampling method. The data used is secondary data. Data analysis method uses panel data regression analysis. The population of the data in this study are all mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2013-2017, of 41 companies. A sample of 14 companies.

The results of this study indicate that simultaneously Profitability, Financial Risk, and Company Growth have a significant effect on earnings management. Partially profitability has a positive and significant effect on earnings management. Financial risk does not have a significant effect on earnings management. The company's growth does not have a significant effect on earnings management.

Based on the results of this study, states that the profitability variable plays a positive role on earnings management, meaning that if the profitability of the company is high it will be higher as well as how to manage earnings

Keywords: Earning Management, Profitability, Financial Risk, Assets Growth