

ABSTRACT

Capital market presence in Indonesia was marked by many investors began to invest their shares in real estate and property industry. Working capital in the company is a vital role for the sustainability of the company's performance, because it can be ascertained working capital to run the activities of any company that needs funds, whether the funds derived from loans or from their own capital.

The company's short-term goal in general is to achieve maximum profit and sustainable for the company to grow and remain in operation. Profits of an enterprise can be measured by the success of the company and the company's ability to use assets productively, there by earnings or profitability of a company can be determined by comparing the income earned in a given period by the total assets or total capital.

This study will aim to determine the influence of working capital management, which consists of inventories, receivables period and the cash conversion cycle as the independent variable and profitability are proxied through the ROI as the dependent variable.

The population in this study is the property and real estate company listed on the Indonesia Stock Exchange in 2012-2014. There are 47 companies were included and 63 data are processed. Methods of data analysis in this research is panel data regression methods Random Effects Model (REM) using Eviews software version 8.1.

The results showed that the inventory and cash conversion cycle has no influence partially on profitability, accounts receivable period negatively affect profitability. And simultaneously supplies, accounts receivable period and the cash conversion cycle effect on profitability.

Keywords: *Working Capital Management, Inventory, Accounts Receivable Period, Cash Conversion Cycle, Profitability*