ABSTRACT

The national food and beverage industry continues to show positive performance by growing to 9.82 percent or Rp192.69 trillion in the third quarter of 2016. Food and beverage companies are not too affected by the economic conditions that occur in Indonesia. Although in general food and beverage companies have increased, but there are some food and beverage companies that experience a decline in profits, profit or profit increases tend to be stable.

This study aims to test the financial ratios consisting of current ratio, debt ratio, and net profit margin in predicting changes in profits of food and beverage manufacturing companies listed in Indonesia Stock Exchange (BEI) in 2012 - 2016.

Population in this research is financial report and annual report from manufacturing company of food and beverage subsector that listed in Indonesia Stock Exchange (BEI) year 2012 until 2016. Sampling technique used is purposive sampling. The sample of this research as many as 9 companies that meet the criteria. Data analysis method in this research is panel data regression method Random Effect (REM) using Eviews 9 program.

The result of the research shows that the prob (F statistic) value is 0.060594> 0.05 then Ho is accepted which means the current raio, debt ratio and net profit margin simultaneously or together have no significant effect on the change of profit in manufacturing company of food and beverage sub sector year 2012-2016. While the test partially obtained the result of current ratio variable has prob. 0.0218 <0.05, in accordance with the decision provision that H0 is rejected, which means the current ratio partially has an effect on the change of profit, the variable debt ratio has prob. 0.0514> 0.05, in accordance with the provisions of decision making that H0 is accepted which means debt ratio partially has no effect on profit changes, net profit margin variable has prob. 0.0112 <0.05, in accordance with the decision provision that H0 is rejected which means net profit margin partially has a significant effect on the change of profit

Based on the result of the research above, it shows that there is no significant influence between current ratio, debt ratio and net profit margin on profit change, due to the increase of debt ratio if offset by the increase of current *ratio, the impact of the increase of debt does not affect the company performance. While partial testing of debt ratio does not affect the changes in earnings, the inability of debt ratio affects profits change is possible because the results of the use of debt funds to finance the assets used by the company is not able to cover the entire interest expense to be paid by the company resulting in a decrease in profits earned even the company losses, while the current ratio and net profit margin have a significant effect on profit changes*

Keywords: current ratio, debt ratio, net profit margin, profit change