

ABSTRACT

To invest in industry, it is necessary for an investor to see the financial performance of a company by paying attention to the company's as seen from the profitability benchmark. Profitability also has an important meaning for a company to carry out operational activities, because in general a company could not survive without the ability to generate profits.

This study aims to determine the effect of working capital, firm size, company efficiency (TATO), liquidity (CR), leverage (DER), and leverage (LDAR) on profitability (ROE and EPS) in manufacturing companies listed in the Indonesia Stock Exchange 2014-2019. This research used purposive sampling and obtained 18 companies with a research period of 6 years. The data analysis method in this research is panel data regression analyses using eviews 11 software.

The results of this study indicate that simultaneously working capital, firm size, company efficiency (TATO), liquidity (CR), leverage (DER), and leverage (LDAR) have a significant effect on profitability (ROE and EPS). While partially working capital has a significant positive effect on profitability (ROE and EPS). Firm size has no significant effect on a positive direction on profitability (ROE), however it has a significant positive effect on profitability (EPS). Company efficiency has a significant positive effect on profitability (ROE and EPS). Liquidity (CR) has no significant positive effect on profitability (ROE) and has no negative effect on profitability (EPS). Leverage (DER) and leverage (LDAR) have no significant effect in a negative direction on profitability (ROE and EPS).

Keywords: *working capital, company size, company efficiency (TATO), liquidity (CR), leverage (DER), leverage (LDAR), profitability (ROE), and profitability (EPS)*