

## **ABSTRACT**

*Indonesia is a country that has the potential to have high economic growth in Asia. The existence of economic growth in Indonesia is certainly a positive thing for the progress of all existing sectors. One sector that is greatly influenced by economic progress is the automotive sector and its components. However, progress in this sector had to stop due to the Covid-19 outbreak which caused progress in this sector to decline significantly. To revive the automotive sector, of course innovation is needed with a lot of capital. This makes the automotive sector and its components use a lot of debt as a source of funding. Innovation in this sector certainly requires support from adequate company assets so that it can encourage increased production and be able to create increased profitability.*

*This research aims to analyze the influence of Capital Structure, Investment Growth and Liquidity on the financial performance of automotive companies and their components listed on the Indonesia Stock Exchange (BEI) for the 2018-2022 period. Capital Structure reflects how a company finances its operations through a combination of debt and equity, while Growth Investment refers to the use of funds or fixed assets to produce automotive products that can increase company value. Liquidity describes a company's ability to meet its financial obligations in a timely manner.*

*The research method used is the multiple linear regression method. The object of this research is automotive companies and their components listed on the Indonesia Stock Exchange (BEI) for the 2018-2022 period. The sampling method used was purposive sampling. The sample used was 15 companies. The research method used is multiple regression analysis. Data was obtained from the company's annual financial reports for 2018-2022. The limitation of this research is that the data it has is very extreme so it is very susceptible to outliers or anomalies which affect the results of the analysis.*

*The research results show that there is a significant influence between Capital Structure (DER) on financial performance (ROA). Meanwhile, Investment Growth and Liquidity (CR) do not have a significant effect on Financial Performance (ROA). This research is expected to provide important insights for financial managers and company stakeholders in managing company finances. Financial managers can use the results of this research to make better decisions regarding optimal capital structure, efficient investment allocation, and appropriate liquidity management. Apart from that, it is hoped that the results of this research can also be a reference for investors and creditors in evaluating the financial performance of a company before making investment decisions or providing loans.*

**Keywords:** *capital structure, investment growth, liquidity, financial performance, and Automotive.*