

ABSTRACT

NUR HASANAH. 2014. *Thesis. Title: "Analysis of the Effect of Financial Ratios to Profit Growth (Case Study on the Mining Sector Companies Go Public Listed in BEI Period 2006-2012)"*

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Keywords CR, QR, DER, DR, NPM, GPM, ROA, ROE, IT, CAT, FAT, TAT and Profit Growth

The purpose of this research is to examine the effect of financial ratios that include variable Current Ratio (CR), Quick Ratio (QR), Debt To Equity Ratio (DER), Debt Ratio (DR), Net Profit Margin (NPM), Gross Profit Margin (GPM), Return on Assets (ROA), Return on Equity (ROE), Inventory Turnover (IT), Current Assets Turnover (CAT), Fixed Assets Turnover (FAT), and Total Assets Turnover (TAT) to profits growth.

The researcher used quantitative approach in analyzing the data. The data is obtained by purposive sampling method with some criteria (1) mining company listed in BEI and consistent during the period of the research (2006 to 2012), (2) mining Company provides financial data during the period of the research (2006 to 2012), (3) the Company did not generate negative profits during the period 2006 to 2012. Then the data is tested with the classical assumption that includes free multicollinearity, not autocorrelation, not heteroscedasticity, and the data were normally distributed.

The results of multiple regression analysis show that the variable CR, NPM, CAT dan FAT partially are bring positive significant effect on profits growth. While variable QR, DER, DR, GPM, ROA, ROE, IT, dan TAT had no significant effect on profits growth. Indeed, from the twelve variables used in this study (CR, QR, DER, DR, NPM, GPM, ROA, ROE, IT, CAT, FAT and TAT) simultaneously (synchronously) bring significant effect on profits growth. Capability of all the independent variables affect the dependent variable is equal to 84.1%. It is expected that the company pay more attention to all of the variables for better profit growth.