ABSTRACT

THE EFFECT OF SHORT-TERM DEBT, LONG-TERM DEBT AND

WORKING CAPITAL ON PROFITABILITY

(Survey on Manufacturing Companies in The Food and Beverage Sub Sector Listed on The Indonesian Stock Exchange From 2010-2019)

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This study aims to determine (1) short-term debt, long-term debt, working capital and profitability in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange for the 2010-2019 period, (2) the effect of short-term debt, long-term debt and working capital on profitability partially in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange for the 2010-2019 period, (3) The effect of short-term debt, long-term debt and working capital on profitability together in sub-manufacturing companies food and beverage sector listed on the Indonesia Stock Exchange for the 2010-2019 period. In this study, obtained 7 companies as samples based on purposive sampling criteria. The data used is secondary data in the form of company annual reports for 2010-2019 obtained through the official website of the Indonesia Stock Exchange www.idx.co.id. The research method used is descriptive, quantitative analysis research method with a survey approach. The analytical technique used is panel data regression analysis with the Eviews 12 tool. Based on the results of research and data processing results show that: (1) Short-term debt, long-term debt, working capital and profitability have fluctuating values in manufacturing companies in the food sub-sector. and beverage listed on the Indonesia Stock Exchange for the period 2010-2019, (2) Partially short-term debt, long-term debt and working capital have a positive effect on company profitability, (3) Short-term debt, long-term debt and working capital simultaneously have an effect significant positive on company profitability.

Keyword: Short-Term Debt, Long-Term Debt, Working Capital and Profitability