THE INFLUENCE OF TOTAL ASSET TURNOVER AND DEBT TO EQUITY RATIO TO PROFIT GROWTH
(A case study in Sub Sector Pharmaceutical Listed in Indonesia Stock Exchange Period 2010-2014)

ABSTRACT

The study arranged in sub sector of pharmaceutical listed in Indonesia Stock Exchange period 2010-2014. An actual problem occurred in 2014 when the net profit in concerned business has decrease, whereas increasing sales volume by additional fixxed asset involves new construction of plant and machinery as the instrument. It expected that additional asset can increase the business profit, but unable in increase the benefit and profit as sales price of product was established by government. The study intends to find out total influence of total asset turnover and debt to equity ratio on increasing benefit partially. A method used in research is descriptive and verification with quantitative approach. The analytical model is dual linear regression analysis. By the result study shows that (1) total asset turnover has influence significantly to the profit growth development in sub sector of pharmaceutical listed in Indonesia Stock Exchange period 2010-2014.. (2) Debt to equity ratio influence negatively to the profit growth development in sub sector of pharmaceutical listed in Indonesia Stock Exchange period 2010-2014.

***Keywords**: Total asset turnover, Debt to equity ratio, Profit growth.*