

ABSTRACT

THE EFFECT OF NET PROFIT MARGIN, DEBT TO EQUITY RATIO, CASH RATIO, AND FIRM SIZE ON FINANCIAL DISTRESS IN THE AVIATION SECTOR LISTED ON THE INDONESIA STOCK EXCHANGE

By:

**Sandrina Cintya Rachmadilla
NPM. 223402097**

Under the Supervision of:

Supervisor I : Dewi Permata Sari, S.E., M.M.

Supervisor II : Adhitya Rahmat Taufiq, S.E., M.Si.

This study aim to analyze the condition of net profit margin, debt to equity ratio, cash ratio, firm size, and financial distress, as well as to examine the effect of net profit margin, debt to equity ratio, cash ratio, and firm size on financial distress in the aviation sector listed on the Indonesia stock exchange for the period 2020-2024. This study employs an explanatory research design with a quantitative approach. Secondary data were used, and samples were collected through a total sampling technique, encompassing the entire population of three companies. Panel data regression was used as the analytical method with the aid of E-Views 12 software. The results indicate that all aviation sector companies were on average in a state of financial distress throughout the study period. Net profit margin has no effect of financial distress. Debt to equity ratio has an effect on financial distress. Cash ratio has no effect on financial distress. Firm size has no effect on financial distress in the aviation sector listed on the Indonesia stock exchange for the period 2020-2024.

Keywords: *Net Profit Margin, Debt to Equity Ratio, Cash Ratio, Firm Size, Financial Distress*

ABSTRAK

PENGARUH *NET PROFIT MARGIN*, *DEBT TO EQUITY RATIO*, *CASH RATIO*, DAN *FIRM SIZE* TERHADAP *FINANCIAL DISTRESS* PADA SEKTOR PENERBANGAN YANG TERDAFTAR DI BEI

Oleh:

Sandrina Cintya Rachmadilla
NPM. 223402097

Di bawah Bimbingan:

Pembimbing I	: Dewi Permata Sari, S.E., M.M.
Pembimbing II	: Adhitya Rahmat Taufiq, S.E., M.Si.

Penelitian ini bertujuan untuk menganalisis kondisi *net profit margin*, *debt to equity ratio*, *cash ratio*, *firm size*, dan *financial distress*, serta menganalisis pengaruh *net profit margin*, *debt to equity ratio*, *cash ratio*, dan *firm size* terhadap *financial distress* pada sektor penerbangan yang terdaftar di Bursa Efek Indonesia periode 2020-2024. Penelitian ini merupakan penelitian eksplanatori dengan pendekatan kuantitatif. Data yang digunakan adalah data sekunder dengan teknik pengambilan sampel jenuh, sehingga seluruh populasi yang berjumlah tiga perusahaan dijadikan sampel penelitian. Metode analisis yang digunakan adalah regresi data panel dengan bantuan perangkat lunak E-Views 12. Hasil penelitian menunjukkan bahwa seluruh perusahaan sektor penerbangan rata-rata berada dalam kondisi *financial distress* sepanjang periode penelitian. *Net profit margin* tidak berpengaruh terhadap *financial distress*. *Debt to equity ratio* berpengaruh terhadap *financial distress*. *Cash ratio* tidak berpengaruh terhadap *financial distress*. *Firm size* tidak berpengaruh terhadap *financial distress* pada sektor penerbangan yang terdaftar di Bursa Efek Indonesia periode 2020-2024.

Kata Kunci: *Net Profit Margin*, *Debt to Equity Ratio*, *Cash Ratio*, *Firm Size*, *Financial Distress*