

ABSTRACT

This study aims to analyze the influence between profitability, net profit margin, financial leverage, company size, auditor reputation, and winner/loser stock towards income smoothing on manufacturing companies listed in Indonesia Stock Exchange for periods 2013-2017. The populations in this study are 271 companies. The samples has taken by purposive sampling technique, this study uses 275 samples of 55 companies. The data used is secondary data from the official IDX website, the method of data analysis is used binary logistic regression analysis with software IBM Statistical Package for Social Science (SPSS).

Based on the analysis that have been made the results are net profit margin positive influence income smoothing, while profitability and winner/loser stock have negative have negative effects. Financial leverage, ukuran perusahaan, and auditor reputation variables have no effects towards income smoothing.

Keywords: income smoothing, profitability, net profit margin, financial leverage, firm size, auditor reputation, and winner/loser stock.