

**ANALYSIS THE INFLUENCE OF SIZE COMPANY, PROFITABILITY
AND PRICE OF SHARES TOWARD INCOME SMOOTHING PRACTICE
IN THE OTOMOTIF COMPANY LISTED AT INDONESIA STOCK
EXCHANGE**

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ABSTRACT

The aim of this study to examine the influence of size of the company, profitability and price of shares toward income smoothing practice in the otomotif company listed at Indonesia Stock Exchange. Eckel Index is used to determine the income smoothing practice.

The study was using 9 otomotif company listed in Indonesia Stock Exchange, with period between 2009 – 2012. This research uses multiple linear regression model through several stages of testing. Phases of testing begins with assuming classical test which includes testing multikolonieritas, autocorrelation and heterokedastisitas, then proceed with hypothesis test that includes the F test, T test, and koefisien test determination (R^2).

The result of the study showed that profitability has significant influence to income smoothing. Size of the company and price of shares did not have significant influence to income smoothing.

Keywords : size of the company, profitability and price of shares.