

ABSTRACT

Financial distress is a condition when the financial position of a company is getting down before bankruptcy or liquidation. Financial distress is marked by the company's inability to fulfill its liability.

This study aims to determine the effect of simultaneous and partial between liquidity, profitability, leverage and sales growth to financial distress in property and real estate companies listed on Indonesia Stock Exchange in 2013-2017.

This research uses quantitative method. Sampling's technique used in this research is purposive sampling. The sample in this research is 38 samples in the period of 5 years and the total of all samples is 190 samples. The analysis technique used in this research is logistic regression's analysis using SPSS 24.0 application.

Based on the result of this research, liquidity, profitability, leverage and sales growth variables simultaneously have significant effect to financial distress, where all variables can influence financial distress as 61,3% and the rest of 38,7% influenced by other factors outside this research's variables. Partially, liquidity proxied by Current Ratio (CR) has a positive effect on financial distress, and profitability proxied by Return on Asset (ROA) has a negative effect on financial distress while other variables (leverage) proxied by Debt to Asset Ratio (DAR) and sales growth has no significant effect to financial distress.

From the result of this research, which show there is negative influence between profitability to financial distress, the investor must be more careful in taking investment decision by not only focusing on high profit company, but also pay attention from the whole company's financial report. And for the company's management, must maximize the use of assets in order to earn profits and avoiding company from financial distress.

Keywords: *Financial Distress, Liquidity, Leverage, Profitability, Sales Growth*