

ABSTRACT

This study aims to determine the effect of the liquidity ratio, leverage, profitability, activity and size of the company in financial distress Mining companies in Indonesia Stock Exchange simultaneously and partially.

This research is classified as causal research with a total sample of 41 mining companies listed on the Indonesia Stock Exchange during the period 2011-2015.

This study uses financial ratios with niali Altman Z-Score as a predictive classification of companies experiencing financial distress or healthy. Dilakukan the sample selection using purposive sampling method. The data used is secondary data obtained from the web www.idx.co.id. The process of data analysis done first is the classic assumption test before hypothesis test. Statistical method used is multiple regression analysis. The results showed that simultaneous liquidity ratios, profitability, activity significantly influence financial distress, but the size of the company's leverage and no significant effect on fianancial distress.

Keywords: Financial distress, z-score, financial ratios, liquidity, leverage, activity, company size