

ABSTRACT

The purpose of the study to determine the effect of firm size, profitability, financial leverage and net profit margin on the income smoothing. Sampling was purposive sampling technique is the selection of the sample with certain criteria, so that samples obtained in this study a total of 27 banking companies listed in Indonesia Stock Exchange 2009-2012. The data used are secondary data obtained from www.idx.co.id. Technical analysis of the data using logistic regression with program SPSS 22. Income smoothing measured using Eckel index. The results showed that all the independent variables were used are firm size, profitability, financial leverage and net profit margin does not have a significant effect on the income smoothing on banking companies listed in Indonesia Stock Exchange.

Keywords: income smoothing, firm size, profitability, financial leverage and net profit margin.