

ABSTRACT

Profit measurement in a company is very important because it can further check the performance that has been done in order to get optimal profit. In insurance companies, the factors that can be used to measure profits include premium income, investment returns, and Risk Based Capital.

This study aims to determine the effect of premium income, investment returns and risk-based capital on the profits of insurance companies listed on the Indonesia Stock Exchange (IDX) for the 2015-2020 period.

The research method used is descriptive and verification methods. The population of this study are 16 insurance companies listed on the Indonesia Stock Exchange during the 2015-2020 period. The sampling technique used was purposive sampling method which resulted in 6 companies that met the criteria. The data analysis method of this research is using the classical assumption test, multiple regression analysis and the coefficient of determination. While the hypothesis testing used is the statistical method of partial test (t test) and Simultaneous Test (F test) using SPSS statistical IMB version 25.

These results show that partially the Premium Income variable has an effect on profit, investment returns have an effect on profit, and Risk Based Capital has an effect on profit. Then simultaneously the variables of Premium Income, Investment Return and Risk Based Capital have an effect on Profit.

Keywords: Premium Income, Investment Return, Risk Based Capital and Profit