ABSTRACT

The main objective of this study is to find out the determinant factors of insurance companies profitability in Indonesia period 2011-2014. Insurance company is the one of financial institution that gives effect on condition and economic growth in trading activities. As it is necessary to control the quality of insurance performance which is to see the level of profitability by using Return on Assets ratio. This study uses panel data of 10 insurance companies from annual financial statement data published from 2011 to 2014. Analysis method that used in this research is multiple regression for panel data. Independent variables in this research are Risk Based Capital (RBC), Premium Growth, Size and Loss ratio while dependent variable is Return on Assets (ROA). This study indicates that Premium Growth has positive influence and significant to ROA; however Size is negative significant related to ROA. But, RBC and Loss ratio have insignificant relationship with ROA.

Keyword*: Return on Asset, Risk Based Capital, Premium Growth, Size, Loss Ratio, Insurance Company, Profitability.*