

## ABSTRACT

### ***THE EFFECT OF FIXED ASSET VALUE, DEPRECIATION EXPEND, AND LABOR COST ON COMPANY PROFITABILITY. (Empirical Study on Consumer Non Cyclical Companies Listed on the IDX in 2020-2023)***

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*This study aims to analyze the Effect of Fixed Asset Value, Depreciation, and Labor Costs on the Profitability of Consumer non-cyclicals Companies. This study uses secondary data obtained through annual financial reports of companies listed on the Indonesia Stock Exchange in 2020 - 2023. The study is grounded in agency theory, which explains the existence of conflicting interests between managers and company owners in the management of resources, particularly assets and operating expenses. The sample consists of 64 companies selected through purposive sampling, and hypothesis testing is conducted using panel data regression analysis with EViews 12 software. The results indicate that fixed asset value and depreciation expense have a significant influence on profitability, while labor cost does not show a significant effect. Simultaneously, the three independent variables are found to influence company profitability. These findings imply that the effectiveness of asset and labor management plays an important role in enhancing financial performance and further reinforce the relevance of agency theory within the context of non-cyclical consumer goods companies.*

*Keywords: Fixed Assets, Depreciation, Labor Cost, Profitability, Agency Theory, EViews..*