

```
In [6]: import pandas as pd  
import numpy as np  
import matplotlib.pyplot as plt
```

```
In [7]: df=pd.read_csv("SHEET_1.csv")
df
```

Out[7]:

	R&D SPEND	ADMINSTRATION	MARKETING	STATE	PROFIT
0	165349.20	136897.80	471784.10	New York	192261.83
1	162597.70	151377.59	443898.53	California	191792.06
2	153441.51	101145.55	407934.54	Florida	191050.39
3	144372.41	118671.85	383199.62	New York	182901.99
4	142107.34	91391.77	366168.42	Florida	166187.94
5	131876.90	99814.71	362861.36	New York	156991.12
6	134615.46	147198.87	127716.82	California	156122.51
7	130298.13	145530.06	323876.68	Florida	155752.60
8	120542.52	148718.95	311613.29	New York	152211.77
9	123334.88	108679.17	304981.62	California	149759.96
10	101913.08	110594.11	229160.95	Florida	146121.95
11	100671.96	91790.61	249744.55	California	144259.40
12	93863.75	127320.38	249839.44	Florida	141585.52
13	91992.39	135495.07	252664.93	California	134307.35
14	119943.24	156547.42	256512.92	Florida	132602.65
15	114523.61	122616.84	261776.23	New York	129917.04
16	78013.11	121597.55	264346.06	California	126992.93
17	94657.16	145077.58	282574.31	New York	125370.37
18	91749.16	114175.79	294919.57	Florida	124266.90
19	86419.70	153514.11	0.00	New York	122776.86
20	76253.86	113867.30	298664.47	California	118474.03
21	78389.47	153773.43	299737.29	New York	111313.02
22	73994.56	122782.75	303319.26	Florida	110352.25
23	67532.53	105751.03	304768.73	Florida	108733.99
24	77044.01	99281.34	140574.81	New York	108552.04
25	64664.71	139553.16	137962.62	California	107404.34
26	75328.87	144135.98	134050.07	Florida	105733.54
27	72107.60	127864.55	353183.81	New York	105008.31
28	66051.52	182645.56	118148.20	Florida	103282.38
29	65605.48	153032.06	107138.38	New York	101004.64
30	61994.48	115641.28	91131.24	Florida	99937.59
31	61136.38	152701.92	88218.23	New York	97483.56
32	63408.86	129219.61	46085.25	California	97427.84

	R&D SPEND	ADMINISTRATION	MARKETING	STATE	PROFIT
33	55493.95	103057.49	214634.81	Florida	96778.92
34	46426.07	157693.92	210797.67	California	96712.80
35	46014.02	85047.44	205517.64	New York	96479.51
36	28663.76	127056.21	201126.82	Florida	90708.19
37	44069.95	51283.14	197029.42	California	89949.14
38	20229.59	65947.93	185265.10	New York	81229.06
39	38558.51	82982.09	174999.30	California	81005.76
40	28754.33	118546.05	172795.67	California	78239.91
41	27892.92	84710.77	164470.71	Florida	77798.83
42	23640.93	96189.63	148001.11	California	71498.49
43	15505.73	127382.30	35534.17	New York	69758.98
44	22177.74	154806.14	28334.72	California	65200.33
45	1000.23	124153.04	1903.93	New York	64926.08
46	1315.46	115816.21	297114.46	Florida	49490.75
47	0.00	135426.92	0.00	California	42559.73
48	542.05	51743.15	0.00	New York	35673.41
49	0.00	116983.80	45173.06	California	14681.40

```
In [8]: x=df.iloc[:, :-1]
x
```

Out[8]:

	R&D SPEND	ADMINSTRATION	MARKETING	STATE
0	165349.20	136897.80	471784.10	New York
1	162597.70	151377.59	443898.53	California
2	153441.51	101145.55	407934.54	Florida
3	144372.41	118671.85	383199.62	New York
4	142107.34	91391.77	366168.42	Florida
5	131876.90	99814.71	362861.36	New York
6	134615.46	147198.87	127716.82	California
7	130298.13	145530.06	323876.68	Florida
8	120542.52	148718.95	311613.29	New York
9	123334.88	108679.17	304981.62	California
10	101913.08	110594.11	229160.95	Florida
11	100671.96	91790.61	249744.55	California
12	93863.75	127320.38	249839.44	Florida
13	91992.39	135495.07	252664.93	California
14	119943.24	156547.42	256512.92	Florida
15	114523.61	122616.84	261776.23	New York
16	78013.11	121597.55	264346.06	California
17	94657.16	145077.58	282574.31	New York
18	91749.16	114175.79	294919.57	Florida
19	86419.70	153514.11	0.00	New York
20	76253.86	113867.30	298664.47	California
21	78389.47	153773.43	299737.29	New York
22	73994.56	122782.75	303319.26	Florida
23	67532.53	105751.03	304768.73	Florida
24	77044.01	99281.34	140574.81	New York
25	64664.71	139553.16	137962.62	California
26	75328.87	144135.98	134050.07	Florida
27	72107.60	127864.55	353183.81	New York
28	66051.52	182645.56	118148.20	Florida
29	65605.48	153032.06	107138.38	New York
30	61994.48	115641.28	91131.24	Florida
31	61136.38	152701.92	88218.23	New York
32	63408.86	129219.61	46085.25	California

	R&D SPEND	ADMINISTRATION	MARKETING	STATE
33	55493.95	103057.49	214634.81	Florida
34	46426.07	157693.92	210797.67	California
35	46014.02	85047.44	205517.64	New York
36	28663.76	127056.21	201126.82	Florida
37	44069.95	51283.14	197029.42	California
38	20229.59	65947.93	185265.10	New York
39	38558.51	82982.09	174999.30	California
40	28754.33	118546.05	172795.67	California
41	27892.92	84710.77	164470.71	Florida
42	23640.93	96189.63	148001.11	California
43	15505.73	127382.30	35534.17	New York
44	22177.74	154806.14	28334.72	California
45	1000.23	124153.04	1903.93	New York
46	1315.46	115816.21	297114.46	Florida
47	0.00	135426.92	0.00	California
48	542.05	51743.15	0.00	New York
49	0.00	116983.80	45173.06	California

```
In [10]: y=df.iloc[:,4]  
y
```

```
Out[10]: 0      192261.83  
1      191792.06  
2      191050.39  
3      182901.99  
4      166187.94  
5      156991.12  
6      156122.51  
7      155752.60  
8      152211.77  
9      149759.96  
10     146121.95  
11     144259.40  
12     141585.52  
13     134307.35  
14     132602.65  
15     129917.04  
16     126992.93  
17     125370.37  
18     124266.90  
19     122776.86  
20     118474.03  
21     111313.02  
22     110352.25  
23     108733.99  
24     108552.04  
25     107404.34  
26     105733.54  
27     105008.31  
28     103282.38  
29     101004.64  
30      99937.59  
31      97483.56  
32      97427.84  
33      96778.92  
34      96712.80  
35      96479.51  
36      90708.19  
37      89949.14  
38      81229.06  
39      81005.76  
40      78239.91  
41      77798.83  
42      71498.49  
43      69758.98  
44      65200.33  
45      64926.08  
46      49490.75  
47      42559.73  
48      35673.41  
49      14681.40  
Name: PROFIT, dtype: float64
```

CONVERTING COLUMN INTO CATEGORICAL COLUMNS

```
In [15]: states=pd.get_dummies(x['STATE'],drop_first=True)
states
```

Out[15]:

	Florida	New York
0	0	1
1	0	0
2	1	0
3	0	1
4	1	0
5	0	1
6	0	0
7	1	0
8	0	1
9	0	0
10	1	0
11	0	0
12	1	0
13	0	0
14	1	0
15	0	1
16	0	0
17	0	1
18	1	0
19	0	1
20	0	0
21	0	1
22	1	0
23	1	0
24	0	1
25	0	0
26	1	0
27	0	1
28	1	0
29	0	1
30	1	0
31	0	1
32	0	0

	Florida	New York
33	1	0
34	0	0
35	0	1
36	1	0
37	0	0
38	0	1
39	0	0
40	0	0
41	1	0
42	0	0
43	0	1
44	0	0
45	0	1
46	1	0
47	0	0
48	0	1
49	0	0

DROP THE STATE COLUMN

```
In [16]: x=x.drop('STATE',axis=1)
```

CONCAT THE DUMMY VARIABLES

```
In [22]: x=pd.concat([x,states],axis=1)
x
```

Out[22]:

	R&D SPEND	ADMINSTRATION	MARKETING	Florida	New York	Florida	New York
0	165349.20	136897.80	471784.10	0	1	0	1
1	162597.70	151377.59	443898.53	0	0	0	0
2	153441.51	101145.55	407934.54	1	0	1	0
3	144372.41	118671.85	383199.62	0	1	0	1
4	142107.34	91391.77	366168.42	1	0	1	0
5	131876.90	99814.71	362861.36	0	1	0	1
6	134615.46	147198.87	127716.82	0	0	0	0
7	130298.13	145530.06	323876.68	1	0	1	0
8	120542.52	148718.95	311613.29	0	1	0	1
9	123334.88	108679.17	304981.62	0	0	0	0
10	101913.08	110594.11	229160.95	1	0	1	0
11	100671.96	91790.61	249744.55	0	0	0	0
12	93863.75	127320.38	249839.44	1	0	1	0
13	91992.39	135495.07	252664.93	0	0	0	0
14	119943.24	156547.42	256512.92	1	0	1	0
15	114523.61	122616.84	261776.23	0	1	0	1
16	78013.11	121597.55	264346.06	0	0	0	0
17	94657.16	145077.58	282574.31	0	1	0	1
18	91749.16	114175.79	294919.57	1	0	1	0
19	86419.70	153514.11	0.00	0	1	0	1
20	76253.86	113867.30	298664.47	0	0	0	0
21	78389.47	153773.43	299737.29	0	1	0	1
22	73994.56	122782.75	303319.26	1	0	1	0
23	67532.53	105751.03	304768.73	1	0	1	0
24	77044.01	99281.34	140574.81	0	1	0	1
25	64664.71	139553.16	137962.62	0	0	0	0
26	75328.87	144135.98	134050.07	1	0	1	0
27	72107.60	127864.55	353183.81	0	1	0	1
28	66051.52	182645.56	118148.20	1	0	1	0
29	65605.48	153032.06	107138.38	0	1	0	1
30	61994.48	115641.28	91131.24	1	0	1	0
31	61136.38	152701.92	88218.23	0	1	0	1
32	63408.86	129219.61	46085.25	0	0	0	0

	R&D SPEND	ADMINISTRATION	MARKETING	Florida	New York	Florida	New York
33	55493.95	103057.49	214634.81	1	0	1	0
34	46426.07	157693.92	210797.67	0	0	0	0
35	46014.02	85047.44	205517.64	0	1	0	1
36	28663.76	127056.21	201126.82	1	0	1	0
37	44069.95	51283.14	197029.42	0	0	0	0
38	20229.59	65947.93	185265.10	0	1	0	1
39	38558.51	82982.09	174999.30	0	0	0	0
40	28754.33	118546.05	172795.67	0	0	0	0
41	27892.92	84710.77	164470.71	1	0	1	0
42	23640.93	96189.63	148001.11	0	0	0	0
43	15505.73	127382.30	35534.17	0	1	0	1
44	22177.74	154806.14	28334.72	0	0	0	0
45	1000.23	124153.04	1903.93	0	1	0	1
46	1315.46	115816.21	297114.46	1	0	1	0
47	0.00	135426.92	0.00	0	0	0	0
48	542.05	51743.15	0.00	0	1	0	1
49	0.00	116983.80	45173.06	0	0	0	0

```
In [23]: from sklearn.model_selection import train_test_split
x_train,x_test,y_train,y_test=train_test_split(x,y,test_size=0.2,random_state=0)
```

```
In [24]: from sklearn.linear_model import LinearRegression
reg=LinearRegression()
reg.fit(x_train,y_train)
```

Out[24]: LinearRegression()

```
In [33]: y_pred=reg.predict(x_test)
```

```
In [34]: x_predict=reg.predict(x_train)
```

```
In [35]: from sklearn.metrics import r2_score
score=r2_score(y_test,y_pred)
print(score*100,'%')
```

93.47068473282425 %

```
In [ ]:
```

