ABSTRACT

ANALYSIS OF FACTORS AFFECTING DEBT POLICY IN THE COMPANY IN INDONESIA STOCK EXCHANGE LISTING

By

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This study was conducted to determine whether the Business Risk, Profitability, Asset structure and size affect the Company's corporate debt policy. Variables used in this study is the Business Risk, Profitability, Asset Structure and size of the company, while the dependent variable is the Debt Policy proxied by debt to asset ratio (DAR).

The sampling technique used purposive sampling techniques on the companies included in the Indonesia Stock Exchange (BEI) during the observation that 2011-2013. During the three years of observation of the sample obtained as many as 34 companies. The hypothesis in this study were tested using multiple regression analysis to examine the effect of independent variables on the dependent variable.

The results showed that the risk Bissnis and structure of assets has an influence on debt policy, while profitability and company size has no influence on debt policy.

Keywords: Asset Structure, Business Risk, Company Size, Debt Policy, Profitability