ABSTRACT

ANALYSIS OF FUNDING POLICY BASED ON GROWTH OF ASSETS, PROFITABILITY AND TANGIBILITY (CASE STUDIES ON COMPANIES IN THE CONSUMER GOODS SECTOR MANUFACTURING INDONESIA STOCK EXCHANGE PERIOD 2012-2014)

By

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This research aims to test the influence of growth of assets (GOA), profitability (ROI), and tangibility (TANGI) against debt equity ratio approaches on the trade-off theory on manufacturing consumer goods sectors companies were listed on the Indonesia stock exchange. The study sample consisted of 33 sectors of consumer goods that are listed on the Indonesia stock exchange (idx) of the period of 2012-2014. The sample was selected using a purposive sampling. Hypothesis testing using multiple linear regression models with panel data approach.

The results showed that the variable growth of assets (GOA) effect significantly to debt equity ratio and variable profitability (ROI) and tangibility (TANGI) influential insignificant against a debt equity ratio. Simultaneously there was significant influence between the growth of assets (GOA), profitability (ROI), and tangibility (TANGI) against debt equity ratio. And approach the trade-off theory on research is evident.

Keywords: Debt Equity Ratio, Growth Of Assets (GOA), Profitability (ROI), Tangibility (TANGI), Trade-off Theory.