

ABSTRACT

This study examined the effect of firm growth and financial strength on financial leverage. The variable used in this study are assets growth, profit growth, sales growth, financial strength and assets structure as determinant of financial leverage. Financial leverage calculated by four models: long term debt to total assets (LD/TA), long term debt to fixed assets (LD/FA), total debt to equity capital (TD/EC) and total debt to total assets (TD/TA). The samples in this study are 14 companies that listed in the LQ45 index from 2009 to 2012 with 56 total data observed. The result of this study shows that profit growth does not affect financial leverage. Furthermore, the result shows that sales growth has positively effect on financial leverage. This study also show that assets growth, financial strength and assets structure have negatively effect on financial leverage.

Keywords: Assets Growth, Profit Growth, Sales Growth, Financial Strength, Assets Structure, Financial Leverage.



ABSTRAK

Penelitian ini menguji pengaruh *firm growth* dan *financial strength* terhadap *financial leverage*. Variabel yang digunakan dalam penelitian ini adalah *assets growth*, *profit growth*, *sales growth*, *financial strength* dan struktur aset sebagai determinan dari *financial leverage*. *Financial leverage* diukur dengan menggunakan empat model yaitu *long term debt to total assets* (LD/TA), *long term debt to fixed assets* (LD/FA), *total debt to equity capital* (TD/EC) dan *total debt to total assets* (TD/TA). Sampel yang digunakan dalam penelitian ini adalah 14 perusahaan yang terdaftar dalam indeks LQ45 selama tahun 2009-2012, sehingga total data observasi berjumlah 56. Penelitian ini menunjukkan bahwa, *profit growth* tidak memiliki pengaruh terhadap *financial leverage*. Sementara itu, *sales growth* memiliki pengaruh positif terhadap *financial leverage*. Penelitian ini juga membuktikan bahwa *assets growth*, *financial strength* dan struktur aset berpengaruh negatif terhadap *financial leverage*.

Kata Kunci: *Assets Growth*, *Profit Growth*, *Sales growth*, *Financial Strength*, Struktur Aset, *Financial Leverage*.