

Abstract

The multifinance companies have the fluctuative leverage in 2000-2005. This study aims to analyze between independence variables (asset tangibles, firm size, profitability, dan business risk) and corporate leverage policy according to the research before. Leverage policy in this study is measured by ratio between long-term liabilities to total asset.

Collecting data method with documentary uses summary of financial statement in ICMD 2000 and 2005 years. Sampling from Indonesian Stock Exchange that listed for six years (2000 to 2005). Using purposive sampling with pooling method, this study has 8 multifinance companies with 48 data. To explain the influence between variables and to test hypothesis, this study uses multiple linear regression in SPSS vers 11.5 program.

The result analysis hypothesis in regression 0.05 of significance proved for leverage only hypothesis 3 that is firm size variable with significantly 0.048 and coefficient correlations 0.292, also hypothesis 4, that is business risk variable with significantly 0.000 and coefficient correlations 0.685.

Key Word : Asset Tangibles, Firm Size, Profitability, dan Business Risk.