ABSTRACT

The financial performance of a company is an overview of company achievement in company operations during a certain period. Financial statements become a source of information to see the success of a company because good or bad financial performance is measured by the net profit generated during a certain period. Therefore, the company must be able to generate net profit and has a strategy to achieve good financial performance.

The aim of this study is to find out the influence of hedging activities measured with the dummy variable, firm size measured by Ln Total Aset, and leverage measured with Debt to Equity Ratio (DER) on the financial performance of a company proxied with Return on Asset (ROA) in coal industries listed on Indonesia Stock Exchange of 2017-2021.

The population of the study was coal industries listed on Indonesia Stock Exchange (IDX) for five years, from 2017 to 2021. Sample selection used purposive sampling and obtained 15 companies over a period of five years so that 75 samples were obtained to observe. The analysis method used panel data regression using Eviews 12. The secondary data used is taken from the financial statements of a company.

The results of the study showed that hedging activities, firm size, and leverage simultaneously had a significant influence on financial performance. Partially, hedging activities and firm size had a significant and positive influence on financial performance. Meanwhile, leverage partially had a negative and significant influence on financial performance.

The results of this study are expected to be a reference for improving financial performance. This study is expected to help coal industries pay attention to factors that can influence financial performance so that the company can determine appropriate strategies for business continuity. Moreover, investors are expected to pay attention to the financial conditions of a company before investing.

Keyword: *Company Financial Performance, Firm Size, Hegding and Leverage.*