

ABSTRACT

This study aims to analyze and describe the effect of Liquidity, Asset Structure, and Sales Growth on Capital Structure with Profitability as a Moderating Variable in Manufacturing Companies Listed on the Indonesia Stock Exchange for the 2017-2021 period.

In this study, sampling was carried out using a purposive sampling technique through certain criteria. Researchers have succeeded in obtaining a sample size of 35 manufacturing companies and the data analysis technique used in this study is multiple linear regression analysis.

The results showed that: (1) Liquidity has a significant negative effect on Capital Structure with a significance value of 0.045; (2) Asset Structure has a significant positive effect on Capital Structure with a significance value of 0.046; (3) Sales Growth has a significant positive effect on Capital Structure with a significance value of 0.021; (4) Profitability has a significant negative effect on Capital Structure with a significance value of 0.014; (5) Profitability is unable to moderate the effect of liquidity on capital structure with a significance value of 0.286; (6) Profitability is unable to moderate the effect of asset structure on capital structure with a significance value of 0.788; (7) profitability is not able to moderate the effect of sales growth on capital structure with a significance value of 0.306. The results of testing the coefficient of determination obtained an Adjusted R² value of 0.131 or 13.1%. This shows that the variable capital structure is influenced by independent variables, namely liquidity, asset structure, and sales growth of 13.1%, while the remaining 86.9% is explained by other variables outside the variables of this study.

Keywords: Liquidity, Asset Structure, Sales Growth, Capital Structure, Profitability