

ABSTRACT

The manufacturing sector has a more extensive base than other industries, which encourages an increase in performance so that a manufacturing company can survive in competition. Financial performance serves as an indicator for investors to evaluate a company's credibility, with capital structure being a crucial factor in determining the use of funds. The objective of this study is to analyze the impact of company size, current ratio, and sales growth on financial performance, as mediated by capital structure.

This study analyzes a population of 26 manufacturing companies listed on the IDX for the 2015-2021 period, selected through purposive sampling technique. The data analysis method employed is multiple linear regression analysis using SPSS 26 as a data processing tool.

The results showed that working capital turnover has positive significant effect on financial performance, while current ratio sales growth, and capital structure variabels have a significant negative effect on financial performance. Additionally, the study found that capital structure can mediate the relationship between current ratio and sales growth on financial performance, but it cannot mediate the relationship between working capital turnover on financial performance.

Keywords: *Financial Performance, Capital Structure, Current ratio, Sales Growth, Working capital turnover*