

ABSTRACT

This study aims to analyze the effect of asset structure, profitability, company size, and company growth on capital structure in companies listed in the LQ45 Index during the 2018–2023 period. The dynamics of capital structure before, during, and after the COVID-19 pandemic reveal discrepancies between classical capital structure theories and empirical conditions, thus requiring further examination. The research uses secondary data from the annual financial reports of companies consistently included in the LQ45 Index throughout the observation period. A total of 24 companies were selected as the sample using the purposive sampling method. Data were analyzed using panel data regression with the Fixed Effect Model (FEM) determined through the Chow test and Hausman test.

The results show that: (1) asset structure has a positive and significant effect on capital structure, (2) profitability has a negative and significant effect on capital structure, (3) company size has a positive and significant effect on capital structure, and (4) company growth has no significant effect on capital structure. These findings support both the Trade-Off Theory and Signalling Theory, indicating that the capital structure decisions of LQ45 companies are influenced by a combination of internal factors as well as market conditions and economic dynamics.

This research is expected to provide theoretical contributions to the literature on capital structure and practical references for companies and investors in formulating optimal financing strategies amidst economic uncertainty.

Keywords: *Asset Structure, Profitability, Company Size, Company Growth, Capital Structure, LQ45*

