

ABSTRACT

The purpose of this research is to analyze affect of corporate governance and ownership structure toward capital structure of financial reports to the manufacturing companies listed on the Indonesia Stock Exchange. The examined factors of this research are outside director, board size, audit committee size, managerial ownership and institutional ownership as the independent variable, while the capital structure as the dependent variable.

The populations in this study are all manufacturing companies listed in the Indonesia Stock Exchange in the period 2012-2014. The sample consists of 452 companies listed in the Indonesia Stock Exchange (IDX) and submitted financial reports to Bapepam in the period 2012-2014. The data that was used in this research was secondary data and selected by using purposive sampling method. Model analysis using multiple linear regression analysis. Using the F-test to determine the effect of simultaneous between company characteristics and capital structure. Using t-test to examine the partial correlation of each independent variable on capital structure.

Based on analytical results shows that variable audit committee size and managerial ownership have significant influence toward capital structure, while variable outside director, board size, and institutional ownership doesn't have significant influence toward capital structure.

Keywords: capital structure, outside director, board size, audit committee size, managerial ownership, and institutional ownership.