

## **ABSTRACT**

*Capital structure is a balance between the use of their own capital with the use of debt, which means how much equity and how much debt to be used, so it can be made into consideration in taking the capital structure policy. Given the many factors that affect the capital structure of the firm, this study will analyze the influence of profitability, price earnings ratio, asset structure, operating leverage and sales growth on corporate capital structure in real estate and property. The purpose of this study is to investigate and analyze the effect of profitability, price earnings ratio, asset structure, operating leverage, and sales growth on the capital structure of real estate and property companies listed on the Indonesia Stock Exchange (IDX) the period of 2008 to 2011 .*

*The samples used in this study as many as 20 real estate companies and property where the method used is purposive sampling is a sampling method that takes an object with certain criteria. Number of samples in accordance with the criteria specified by 20 real estate companies and property on the Indonesia Stock Exchange (IDX) using pooled data is that the study sample (n) is obtained as much as 80 observations. Data analysis using regression test analysis tools are preceded by the classical assumption that consist of a normality test, multicollinearity, autocorrelation and heteroscedasticity test trials. Hypothesis testing is done by using the F test and t test.*

*Results of data analysis or regression results indicate that simultaneous profitability, price earnings ratio, asset structure, operating leverage, and sales growth, affect the capital structure. While partially variables that affect the capital structure is profitability, asset structure, operating leverage, and sales growth partially variable price earning ratio does not affect the capital structure. The coefficient of determination (adjusted R square) is equal to 0.521. This means that 52.1 percent of the capital structure of the dependent variable can be explained by the five independent variables are profitability, price earnings ratio, asset structure, operating leverage, and sales growth while the remaining 47.9 percent of the capital structure described by variable or other causes outside the model.*

*Keywords: Capital Structure, Profitability, Price Earning Ratio, Asset Structure, Operating Leverage, Sales Growth.*