

Abstract

Capital structure is a balance between equity capital from internal company with capital from outside the company. Given the many factors that affect the capital structure, this study analyzes the influence factors of profitability, liquidity, sales growth, firm size and managerial ownership of the capital structure of manufacturing companies listed on the Stock Exchange. The purpose of this study was to examine and determine the effect of profitability, liquidity, sales growth, firm size and managerial ownership of the capital structure of manufacturing companies listed on the Stock Exchange in the period 2008-2010.

Sampling method used in this study is the method of purposive sampling is the sampling method based on certain criteria. The number of samples used in this study based on the criteria of a total of 17 manufacturing companies. The study was conducted in the period 2008-2010. So the observation data obtained at 51 observation data. The analysis used was multiple regression analysis, which is preceded by a test consisting of the assumption of classical test for normality, heteroscedasticity test, test of multicollinearity and autocorrelation. Hypothesis testing is using F test and t test.

The results of data analysis or regression results indicate that simultaneous profitability, liquidity, sales growth, firm size and managerial ownership affect the company's capital structure. While partial variable that significantly influence the liquidity and capital structure of firm size. While the variable profitability, managerial ownership and sales growth had no significant effect of capital structure. The magnitude of the coefficient of determination (Adjusted R Square) is equal to 0.853. This means that the dependent variable is 85.3% of capital structure can be described by five independent variables, namely profitability, liquidity, sales growth, firm size and managerial ownership. While the rest of 14.7% is explained by the variables of capital structure or other causes outside the model.

Keywords: capital structure, profitability, liquidity, sales growth, firm size and managerial ownership.