

ABSTRACT

Capital structure is an equalization between the use of own capital and the use of loan, it means how much the own capital and how much the loan that will be used can produce an optimal capital structure. Considering the amount of influential factors to capital structure, but the variables of this research are firm size, business risk, profitability, assets growth and sales growth. The aim of this research is to know and to evaluate the influence between the firm size, business risk, profitability, assets growth and sales growth to capital structure of real estate and property sector which listed in Indonesian Stock Exchange in 2005-2008 period.

The method of the research is purposive sampling which define as a sample of taking method which take an object by certain criteria. The amount of sample which require to the criteria are 18 real estate and property company in Indonesian Stock Exchange by using pooled data method then resulting 72 observation data, but in normality test 13 data must be ommited, so only 59 data will be used as observation data. Data analysis use linier regression analysis method which initial by classic asumtion test, which is consist of normality test, multikoleniarity test, autocorelation test and heterokedastisitas test. The hypotesis evaluation done by use of F test anf t test.

The result of this research found that partially Firm Size and Business Risk variable which significantly influence to capital structure while Profitability, Assets Growth, and Sales Growth are not significantly influence to capital structure. The amount of adjusted R square is 0,242 it means 24,2 percentage dependent variable is capital structure can be explained by five independent variable, they are firm size, business risk, profitability, assets growth and sales growth, but 75,8 percentage capital structure explained by other variable outside.

Keywords : Capital Structure, Firm Size, Business Risk, Profitability, Assets Growth, Sales Growth