

ABSTRACT

The purpose of this study was to analyze the influence profitability, business risk, liquidity, growth rate, and size of company capital structure and its impact on the value of the company in manufacturing companies listed on the Stock Exchange 2005-2010.

This study used a sample of 85 companies manufacturing a *purposive sampling* method. Data obtained by the publication of the Indonesian Capital Market Directory (ICMD). The analysis technique used is multiple regression analysis and path analysis with LISREL program assistance.

The results showed a negative effect on the profitability of capital structure and positive effect on firm value, profitability does not affect the value of the company through capital structure, business risk, but no significant negative effect on capital structure, liquidity is a positive influence on the capital structure, the growth rate of a positive effect on the structure capital, a positive effect of firm size and capital structure on firm value, firm size has positive effect on firm value is not through capital structure and capital structure of the company have a positive effect on firm value. Keywords: Profitability, Business Risk, Liquidity, Growth rate, size of company, Capital Structure and Firm Value

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