

ABSTRACT

This study aimed to determine whether the company size, profitability, liquidity, and asset structure has an influence on the capital structure of bank that listed in Indonesia Stock Exchange from 2008-2010. The population in this study are all banking companies listed on the Stock Exchange. The samples are all banking companies listed on the Stock Exchange in the period 2008-2010. Samples were taken by using purposive sampling method. Total samples are 26 companies. This study used multiple regression analysis. The test results indicate that the first hypothesis (H1) stated liquidity effect on capital structure, accepted. The second hypothesis (H2) stated profitability affect the capital structure, accepted. The third hypothesis (H3) that states the size of the company affects the capital structure, accepted. The fourth hypothesis (H4) stated asset structure affect capital structure, accepted. The fifth hypothesis (H5) expressing all variables jointly affect the capital structure.

Keywords: Liquidity, Profitability, Firm Size, Asset Structure and Capital Structure.