

ABSTRACT

The purpose of this study was to determine the company size, profitability, and asset structure has an influence on the capital structure of the manufacturing companies listed on the Stock Exchange 2008-2010 period. The population in this study are all manufacturing companies listed on the Stock Exchange. The samples are all manufacturing companies listed on the Stock Exchange in the period 2008-2010. Samples were taken by using purposive sampling. The number of samples used as many as 194 companies. This study uses multiple regression analysis. The test results indicate that the first hypothesis (H1) which states a positive effect of firm size on capital structure, accepted. The second hypothesis (H2) stated profitability negatively affect capital structure, accepted. The third hypothesis (H3) stated asset structure negatively affect capital structure, rejected. The fourth hypothesis (H4) stating company size, profitability, and asset structure together influence the capital structure, accepted.

Keywords: company size, profitability, asset structure and capital structure