ABSTRACT

INFLUENCE OF CORPORATE SIZE, RISK BUSINESS, WORKING CAPITAL CYCLE OF CAPITAL STRUCTURE AND PROFITABILITY
(At Manufacture Companies That List At BEI)

by

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The research purpose is to prove empirically an influence of corporate size, business risk, working capital turnover and profitability toward capital structure. This research using manufacture factories which are listing on 2008-2011 of Indonesia stock exchange (IDX). The research is using secondary data that obtained from www.idx.co.id, Indonesian capital market directory (ICMD), and www.duniainvestasi.co.id. Sampling technique that used on this research is purposive sampling. Where as the sample quantity on this research is about 23 corporates. Hypothesis testing is done by using multiple linear regression analysis.

The results of analysis showed that the working capital turnover variable are not influence to the capital structure with level of significance is more than 5%. Business risk variables is proved positive and significantly toward capital structure. While corporate size variable and profitability is proved positive influence and no significantly toward capital structure. Be shared equally (corporate size, business risk, working capital turnover and profitability) is significantly proved toward dividend policy at less 5% level. Prediction ability from those variables toward dividend policy is about 13,9%. As showed from adjusted R square is about 13,9% and while the rest 86,1% be affected by another factors that are not contain on this research.

Keywords: Capital Structure, Corporate Size, Business Risk, Working Capital Turnover, and Profitability.