ANALYZING FACTORS WHICH INFLUENCE COMPANIES CAPITAL STRUCTURE

Abstract

By
Dwi Farizky

The aim of this research is to examine and to find out empirical evidence on the effect of liquidity, asset structure, and price earn ratio towards capital structure. The samples of this research were property companies which were registered in Indonesian Stock Exchange (BEI) for five consecutive years, from 2009-2013. The total samples were 65 companies. The analytical method used in this research is multiple linear regression analysis. The result of hypothesis testing shows that liquidity has negative influence towards capital structure; assets structure has positive influence towards capital structure; and price earn ratio has negative influence towards capital structure.

Key word: liquidity, asset structure, price earn ratio, and capital structure