ABSTRACT

The aims of this research is to determine the factors affecting the capital structure for food and beverage companies enlisted in Indonesian Stock Exchange period 2010-2012. The related theories being used in this research are trade-off theory, pecking order theory and others.

This research uses quantitative perspective with multiple regression model. Objects used in this research are food and beverage companies enlisted in Indonesian Stock Exchange period 2010-2012 and 13 objects are investigated.

This research found that profitability and size firm variable have significant negative effects to the capital structure. On the other hand, asset structure and growth of asset variable have insignificant effects to the capital structure.

Keywords: Capital Structure, Profitability, Size Firm, Asset Structure, Growth of Asset