ABSTRACT

This research examined to test whether the effect of capital structure, consisting of Debt to Equity Ratio, Debt to Asset Ratio, Long Term Debt to Equity Ratio and Long-term Debt to Asset Ratio of profitability. Operationally, this research aims to examine empirically: the influence of capital structure to profitability.

This research using data Telecommunications Industry financial statements obtained from the Indonesia Stock Exchange, the company's official website and Icamel and the period 2002 to 2014. The data collection method used is purposive sampling and obtained as much as 2 sample companies. Furthermore, testing of the entire hypothesis in this study using multiple regression analysis by using Eviews 7 software.

The result show capital structure consisting with Debt to Equity Ratio, Debt to Asset Ratio, Long Term Debt to Equity Ratio and Long-term Debt to Asset Ratio simultaneously significant effect on profitability both before and after the global crisis in the telecommunications industry listed on the Indonesia Stock Exchange, while partially Debt to Equity Ratio, Debt to Asset Ratio, Long Term Debt to Equity Ratio also have a significant impact on profitability in the moments before the global crisis, while Long Term Debt to Asset Ratio has no significant effect on profitability while before global crisis. Meanwhile, after the global crisis Debt to Equity Ratio, Debt to Asset Ratio, Long Term Debt to Equity Ratio and Long-term Debt to Asset Ratio does not have a significant impact on profitability in the telecommunications industry. This study also indicate where there are differences in profitability Return on Equity consisting with the global crisis and after the global crisis in the telecommunications industry listed on the Indonesian Stock Exchange.

Key Words : *Capital Structure* , *Deb to Equity Ratio, Debt to Asset Ratio, Long term Debt to Equity Ratio dan Long term Debt to Asset Ratio*, *Return on Equity, Profitability*.