

ABSTRACT

Capital structure is a very important aspect of the company. The capital structure of a company is divided into internal capital and external capital which is should managed properly to become an optimal capital structure. In the sub company property and real estate sector, most companies still use internal capital as a source of corporate funds. This shows that the company has little debt. Which is good because companies reduce the risk of default, however it is followed by a declining growth rate. Declining growth causes companies more need for external funds in order to avoid bankruptcy in the middle of increasing competition.

This study aims to determine the effect by growth, firm size, tangibility of assets, liquidity, profitability and capital structure. In addition, this study also aims to determine the effect of growth, firm size, tangibility of assets, liquidity and profitability of capital structure in the sub company property and real estate sector listed on the Indonesia Stock Exchange period 2011-2016.

Based on the test results, the company's growth, firm size, tangibility of assets, liquidity, profitability and capital structure indicate the nature of different data. Growth, liquidity and profitability have varied data properties. While the variables of capital structure, firm size and tangibility of assets have the nature of data in groups.

In addition, growth, firm size, tangibility of assets, liquidity and profitability simultaneously have a significant effect on capital structure. Partially it can be concluded that tangibility of assets and liquidity have significant negative effect to capital structure. Firm size has a positive significant effect on capital structure. While growth and profitability does not affect the capital structure.

Based on these results, the management should increase the size of the company to attract investors in investing capital. And investors should pay attention to the low tangibility of assets and liquidity to reduce the risk.

Keywords : *Capital Structure, Growth, Size, Tangibility of Assets, Liquidity, Profitability*