

ABSTRACT

Infrastructure is an asset to increase the economics country's productivity and the people's standard living. The sustainability of infrastructure development is also a strategic step taken by the government. In carrying out infrastructure development in Indonesia, the government collaborates with construction and building companies to create new infrastructure in Indonesia. The construction and company development need to pay attention to the composition of funding in the capital structure. Capital structure is the financing of company's assets either through self-ownership or from debt.

This research aims to determine the influences of determining factors in the form of profitability, asset structure, company size, sales growth, and liquidity to the capital structure. This research used financial report data of building construction sub-sector companies listed on the Indonesia Stock Exchange for the period 2010 – 2019. The purposive sampling technique used produced 100 samples consisting of 10 companies as samples in this study. To determine the influences of determinants on the capital structure, researchers used multiple linear regression methods. The hypothesis tests used in this study were simultaneous test (F test), partial test (statistical test t), and R² determinant.

The results of this study are Profitability, Asset Structure, Company Size, Sales Growth, and Liquidity simultaneously affect the Capital Structure. Partial profitability, asset structure, company size, and sales growth have no effect on capital structure, but liquidity has an influence on the Capital Structure of the company's building construction sub-sector for the period 2010-2019.

Keywords: capital structure, profitability, asset structure, company size, sales growth, liquidity.