

ABSTRACT

Capital structure is a description of the form of financial proportion of the company that is between the capital owned from debt and own capital (shareholder's equity) which became the source of financing a company. The optimal capital structure is a capital structure that can optimize the balance between risk and return so as to maximize stock prices. In this case the company in determining the capital structure of the company needs to consider the various variables that affect the capital structure. Capital structure is an important issue for the company, because the good of the capital structure will have a direct effect on the company's financial position.

The food and beverage industry in Indonesia is very interesting to be an object by researchers to be observed because food and beverage companies are one of the sectors interested by investors in the current economic development. The reason for the selection of the food and beverage sector is a sector that can survive in the midst of the economic condition of Indonesia and is one of the excellent prospects where all the people in their life need food and drink.

This study aims to examine the effect sales growth, profitability, and liquidity on capital structure in manufacturing factory food and beverages sector sub listed in Indonesia Stock Exchange for year 2014-2016. In this study, the company that will be the object of research is a food and beverages in manufacturing factory food and beverages sector sub listed in Indonesia Stock Exchange.

Population in this research is food and beverage company listed in Indonesia Stock Exchange year 2014-2016. Samples of selected company data based on a purposive sampling criteria are as many as 13 companies. The data collected is by using secondary data. The analysis technique used in this research is panel data regression analysis.

Based on the results of the study proves that sales growth significantly affect the capital structure, profitability has no significant affect the capital structure, and liquidity significantly effect the capital structure.

Keywords: Sales Growth, Profitability, Liquidity, and Capital Structure