ABSTRACT

Capital structure is a comparison between the company's debt and capital used to finance the company. Conducting capital structure analysis is considered important in a company because it can evaluate long-term risks and prospects for the level of income earned by the company while carrying out its activities. This study aims to determine the effect of liquidity, business risk, sales growth, managerial ownership, institutional ownership and asset structure on capital structure by using profitability as a moderating variable. The population used in this study are energy sector companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period. The research data used in this study were 215 observational data. Data analysis techniques used in this study are descriptive statistics and regression moderation analysis using Eviews 12 software. The results show that Liquidity (X1), Business Risk (X2), Sales Sales (X3), Managerial Ownership (X4), Institutional Ownership (X5) and Asset Structure (X6) simultaneously affect the Capital Structure variable. While partially it shows that liquidity (X1), sales growth (X3), managerial ownership (X4), institutional ownership (X5) and asset structure (X6) have no effect on capital structure, Business Risk (X2) has an effect on business risk, and profitability is able to moderate the effect of asset structure on capital structure.

Keywords : Capital Structure, Asset Structure, Business Risk, Profitability