

**THE IMPACT OF CAPITAL STRUCTURE ON FIRM VALUE OF  
MANUFACTURING COMPANIES LISTED ON INDONESIA STOCK  
EXCHANGE IN PERIOD 2015-2017**

**THESIS**

**Presented as Partial Fulfillment of the Requirements for  
the Bachelor Degree (S1) in International Financial Accounting Program,  
Faculty of Business and Economics, Universitas Atma Jaya Yogyakarta**



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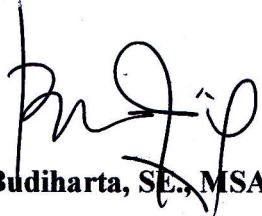
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## AUTHENTICITY ACKNOWLEDGEMENT

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Is real my own thinking and writing. I fully acknowledge that my writing does not contain other's or parts of other's writing, except for those that have been cited and mentioned it in the references

Yogyakarta, June 12rd 2019



Rikardo Fernandez

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Yogyakarta, June 12rd 2019



Rikardo Fernandez

## MOTTO

There are some people who do not afraid to die, what they are afraid of not really

living...

(By: anonymous)

In the end, it does not even matter

(By: Chester Bennington (RIP))



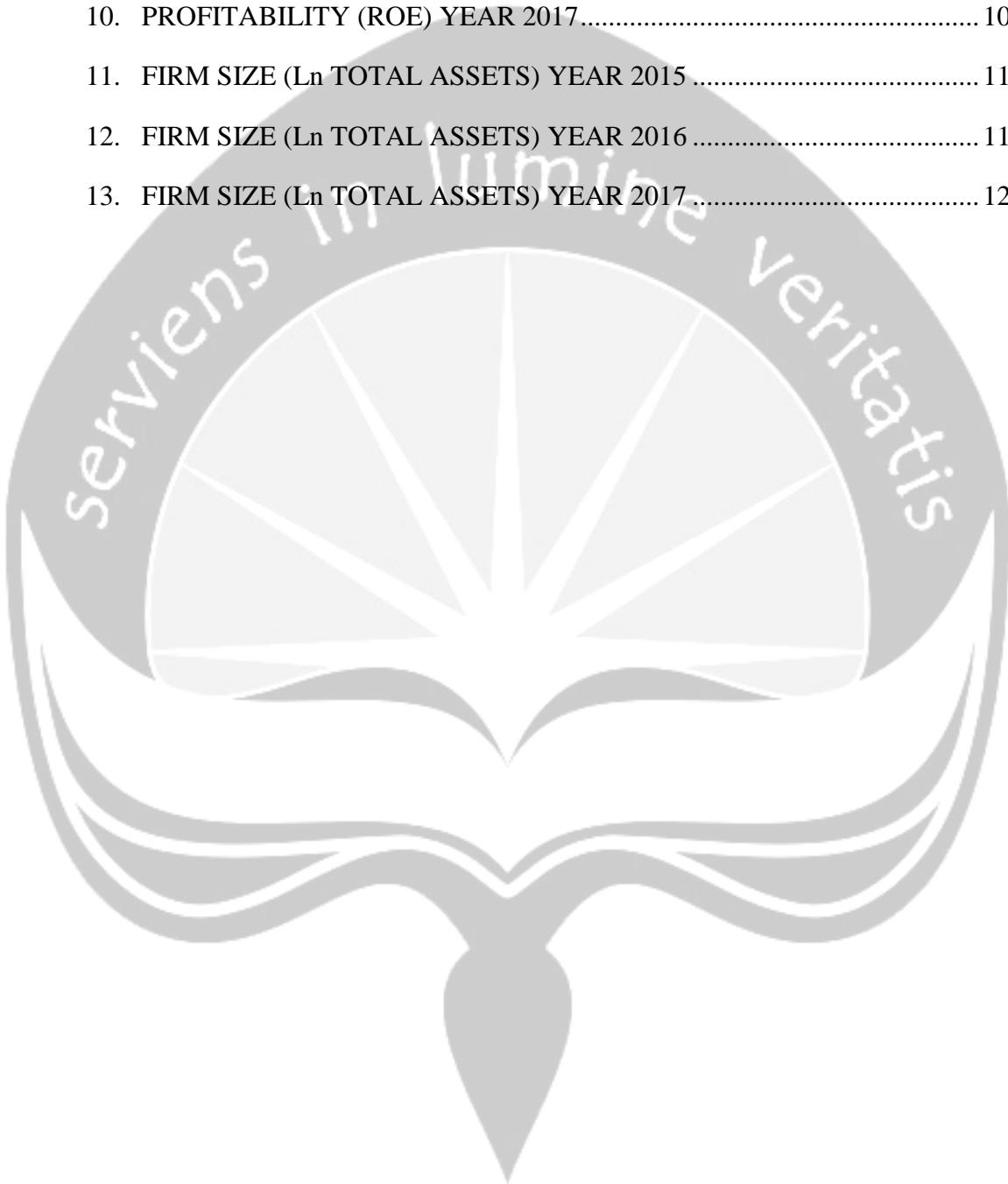
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**Abstract**

This research examines the impact of capital structure on firm value of manufacturing company listed on Indonesia Stock Exchange. Capital structure would be measured using debt to equity while for the firm value would be represented in market share price which measured by using Tobin's Q. The population in this research is all manufacturing companies listed in Indonesia Stock Exchange (IDX) year 2015-2017. Samples are taken using purposive sampling technique. The research uses 79 samples which are taken from 165 manufacturing companies listed in Indonesian Stock Exchange (IDX) for year 2015-2017.

The result of this research shows that capital structure has no significant impact to the firm value. This research concludes that capital structure does not affect firm value significantly. Firm value will not be affected by composition of capital structure which is decided by company as financing decision.

*Keywords:* Capital Structure, Firm Value, Profitability, and Firm Size