

TABLE OF CONTENTS

Abstract.....	vi
Table of contents.....	viii
1. Introduction.....	1
1.1 Background.....	1
1.2 Research Question.....	4
1.3 Research Objectives.....	4
1.4 Research benefit.....	4
2. Literature Review.....	5
2.1 The definition of capital structure.....	5
2.2. Capital Structure Theory.....	5
2.2.1 The Modigliani-Miller theorem.....	6
2.2.2. The Trade-Off Model.....	6
2.2.3. Pecking Order Theory.....	7
2.2.4. Market Timing Theory.....	8
2.3. The Determinants of Capital Structure.....	9
2.3.1 Dependent variables	
2.3.1.1 Leverage.....	9
2.3.2. Independent variables	
2.3.2.1. Profitability.....	10
2.3.2.2. Tangibility of assets.....	11
2.3.2.3. Firm size.....	12
2.3.2.4. Growth opportunity.....	12
3. Research method.....	14
3.1. Data sample.....	14
3.2. Study variables.....	15
3.3. Data analysis	16
4. Results and Discussion.....	18
4.1. Descriptive statistics.....	18
4.2. Regression results	21
4.3. Tests of robustness.....	26
4.4. Limitations of study.....	27
5. Conclusion.....	29
6. References.....	31