Objective Capital Structure is the firm’s mixture of debt and equity. The objective of this study is to determine several factors that expected have influence to the capital structure of companies in Indonesia. In this study, will be analyses the company’s profitability, size, and tangibility that have relationship with leverage. Furthermore, which factor that influenced the capital structure in consumer goods industry.

Method In this research using descriptive statistics analysis to measure whether there is relationship between Leverage with ROA, Total asset and Tangibility. This research using 33 companies of consumer goods industry in 2003 to 2007. The scope of this study is financial data obtained from Jakarta Stock Exchange.

Results and Conclusion The findings of this study, that there is negative relationship between profitability and leverage, unclear relationship between company’s size and leverage, and positive significant relationship between tangibility and leverage.

Key words
Capital structure, Leverage, Consumer goods industry.