

## ABSTRACT

*This research was conducted to examine the effect of ownership structure and financial ratio on financial distress. Variables used in the examination are managerial ownership, institutional ownership, operating capacity, leverage, and growth opportunity as the independent variables, also financial distress as the dependent variable.*

*The samples of this research are retail companies listed in Indonesian Stock Exchange from 2018 – 2021. The samples are based on a purposive sampling method with certain criteria(s). Based on the criteria the samples obtained 124 data. The method used is hypothesis testing by using multiple linear regression test.*

*The result showed that institutional ownership institutional have a positive effect on financial distress. However leverage has a negative affect on financial distress. Meanwhile managerial ownership, operating capacity, and growth opportunity have no effect on financial distress*

*Keywords : Managerial ownership, institutional ownership, operating capacity, leverage, growth opportunity, and financial distress.*

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