

## ABSTRACT

### THE EFFECT OF DISCLOSURE TO COST OF EQUITY CAPITAL

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The purpose of this research is to examine the effect of disclosure to cost of equity capital. Twenty nine listed companies in Indonesian Stock Exchange (BEI) selected based on certain criteria were used as research sample.

Data are collected of annual report from website of BEI and are analyzed by using statistical tool multiple regression. The hypotheses tested was conducted by implementing panel data method for period of 2009 -2011 with Eviews 6.

The result of this research support of the first hypothesis that mandatory disclosure (WJB) have negative effect to cost of equity capital (BYMDL) but does not support of the second hypothesis that voluntary disclosure (SKRL) have vegative effect to cost of equity capital (BYMDL). And for control variable, size (NPSR) have effect to cost of equity capital (BYMDL).

Key words: Mandatory disclosure, voluntary disclosure, and cost of equity capital