

ABSTRACT

The success of a company in running its business and gaining the trust of its shareholders is important because the shareholders are the parties who will provide capital to the company. But in terms of companies the high cost of equity capital can reduce corporate profits thereby reducing the value of the company. For this reason, controlling the cost of equity capital is very important for the company.

The purpose of this study was to determine the effect of Independent Commissioners, Institutional Ownership, Frequency of Audit Committee Meetings and Intellectual Capital Disclosure on Equity Costs. registered on the Indonesia Stock Exchange, namely in the Infrastructure, Utilities and Transportation sectors. The data used in this study were taken from the official websites of the Indonesia Stock Exchange and Yahoo Finance.

The population in this study are service companies engaged in the Infrastructure, Utilities, Transportation sectors which are listed on the Indonesia Stock Exchange in 2014-2018. The sampling technique uses purposive sampling method and obtained 15 companies with a research period of 5 years, in order to obtain 75 data the sample. The method of data analysis uses panel data regression analysis.

The results of the research show that it simultaneously affects the cost of equity. Partially only 2 variables that affect the cost of equity, namely the Independent Commissioner has a positive effect and the Frequency of Audit Committee meetings has a positive effect.

Based on the results of this study the company can consider the number of institutional ownership and committee meetings to be able to emphasize the Cost of Equity. And it is expected for investors to invest their capital in companies that can pay attention to the cost of equity.

Keywords: Cost of Equity, Independent Commissioners, Institutional Ownership, Frequency of Audit Committee Meetings, Intellectual Capital Disclosure