

ABSTRACT

The aim of this study is to examine the effect of corporate risk disclosure on cost of equity capital and firm performance. This study used systematic risk, market to book ratio, leverage, firm size, audit committee independence, and auditors type as control variable.

The population in this study consists of financial firms especially the banking sector in Indonesia Stock Exchange for the period 2015 - 2017. Sample determined with purposive sampling method. Total sample of this research is 102 companies.

This study used multiple regression analysis for hypotheses testing. The results of this study show that corporate risk disclosure has a negative effect on cost of equity capital and corporate risk disclosure has a positive effect on firm performance.

Keywords: Corporate Risk Disclosure, Cost of Equity Capital, Firm Performance.