

Abstract

This study was conducted to examine six independent variables which comprise of Capital Expenditures, Operational consist of, Financial Expenditures, Market to Book Value Ratio, Sales Growth, Operational Cash Flow, and its impact on Working Capital Management, which comprise of Net Liquidity Balance and Working Capital Requirement.

The object of this research are telecommunications companies listed on Indonesia Stock Exchange for the period of 2010-2014, and regularly submit their financial reports to the authority of the BEIj (Bursa Efek Indonesia). Those six telecommunications companies are as follow: PT. Bakrie Telecom Tbk. (BTEL), PT. XL Axiata Tbk. (EXCL), PT. Indosat Tbk. (ISAT), PT. Smartfren Telecom Tbk. (FREN), PT Telekomunikasi Indonesia Tbk. (TLKM), and PT. Trikonsel Oke Tbk. (TRIO).

Keywords: Working capital, financial performance, liquidity, capital budgeting, and capital structure.