

Profit Margin And Capital Structure: An Empirical Relationship

Nikolaos P. Eriotis
University of Athens

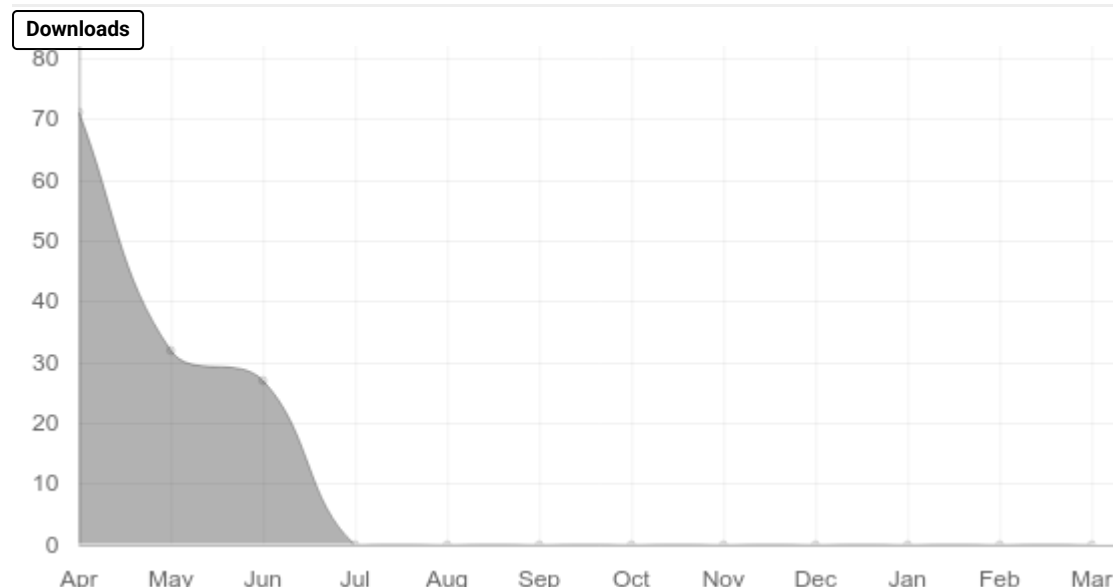
Zoe Frangouli
Athens University of Economics and Business

Zoe Ventoura-Neokosmides
Athens University of Economics and Business

Keywords

Abstract

This study constitutes an attempt to investigate the relationship between debt-to equity ratio and firm's profitability, taking into consideration the level of firms' investment and the degree of market power. The study uses panel data for various industries, covering the period 1995-96. The main conclusions of our study are: a) firms which prefer to finance their investment activities through self-finance are more profitable than firms which finance investment through borrowed capital; b) firms prefer competing with each other than cooperating; c) firms use their investment in fixed assets as a strategic variable to affect profitability.



Abstract 4013 | PDF Downloads 7425

[PDF](#) (../../../../../index.php/JABR/article/view/2118/2095)

Published
Apr 1, 2002

DOI <https://doi.org/10.19030/jabr.v18i2.2118> (<https://doi.org/10.19030/jabr.v18i2.2118>)

Eriotis, N. P., Frangouli, Z., & Ventoura-Neokosmides, Z. (2002). Profit Margin And Capital Structure: An Empirical Relationship. *Journal of Applied Business Research (JABR)*, 18(2). <https://doi.org/10.19030/jabr.v18i2.2118>

More Citation Formats ▾

Issue

Vol. 18 No. 2 (2002) ([../.../..../index.php/JABR/issue/view/232](http://.../index.php/JABR/issue/view/232))

Section

Articles

Make a Submission ([../.../..../index.php/JABR/about/submissions](http://.../index.php/JABR/about/submissions))

Current Issue

- »  ([../.../..../index.php/JABR/gateway/plugin/WebFeedGatewayPlugin/atom](http://.../index.php/JABR/gateway/plugin/WebFeedGatewayPlugin/atom))
- »  ([../.../..../index.php/JABR/gateway/plugin/WebFeedGatewayPlugin/rss2](http://.../index.php/JABR/gateway/plugin/WebFeedGatewayPlugin/rss2))
- »  ([../.../..../index.php/JABR/gateway/plugin/WebFeedGatewayPlugin/rss](http://.../index.php/JABR/gateway/plugin/WebFeedGatewayPlugin/rss))



Published since 1985

ISSN 0892-7626 (print), ISSN 2157-8834 (online)

The Journal of Applied Business Research (JABR) welcomes articles in all areas of applied business and economics research.

[About the Journal](#) ([../../../../index.php/JABR/about](#))

[Editorial Team](#) ([../../../../index.php/JABR/about/editorialTeam](#))

[Submissions](#) (<https://www.cluteinstitute.com/submissions/>)

[Contact](#) ([../../../../index.php/AJBE/about/contact](#))

[Become a Reviewer](#) (<https://www.cluteinstitute.com/journal-reviewer-application/>)

CONTACT

Email: Journals@CluteInstitute.com (<mailto:Journals@CluteInstitute.com>)

Phone: +1 303-904-4750

Website: www.CluteJournals.com (/)

Address: 8119 Shaffer Parkway A102, Littleton, CO 80127 United States
