THE EFFECT OF FINANCIAL PERFORMANCE AND CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE ON FIRM VALUE

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ABSTRACT

This research is about the influence of financial performance and corporate social responsibility disclosure on firm value with case studies on mining companies that listed on the Indonesia Stock Exchange period 2008-2009. The purpose of this study was to investigate the influence of financial performance and corporate social responsibility disclosure on firm value of mining companies that listed on the Indonesia Stock Exchange period 2008-2009 either partially or simultaneously.

Determination of the sample in this study using purposive sampling and hypothesis testing using multiple regression analysis. From the results of sampling obtained 26 samples annual reports from 13 companies that meet the criteria of the sample. Before conducting tests of hypothesis, the data is checked with classical assumptions. This study used financial leverage and firm size as control variables.

The results of this study show that all hypothesis either partially or simultaneously are not supported by empirical data. It means that four of the variables studied, consisting of financial performance (ROA), corporate social responsibility disclosure (CSRI), financial leverage (LEV), and firm size (SIZE), none of which have a significant effect on firm value (PBV) of mining companies that listed on the Indonesia Stock Exchange period 2008-2009 either partially or simultaneously.

Key words: impact, financial performance, firm value, CSR Disclosure, financial leverage, firm size.