ABSTRACT

Financial report is a reflection of the conditions for a company because in the financial report there were bits on information that is required by the parties concerned with both the internal and external. The high value of the company reflected by investors are expected to increase its interest to invest in the company. The earnings management is to The act of managers to increase (reduce profit) reported at this time over a unit where menajer responsibl, without resulting in increasing (the decline in profitability) long-term economic unit. Each companies should develope the intellectuals capital to face global competition. Intellectual capital is the competitive advantage of the company and expected to increase the value of the company.

This research are categorized as a kind of verificative-descriptive research. The number of the population in this study totaled 48 financial report listed on the Indonesian stock exchange on year 2011-2013. The sample that is used in this research 30 purposive sampling financial report. The data used in this research is secondary data in form of financial reports and annual company in the year 2011-2013 obtained from www.idx.co.id and the web site companies that is contained in the sample. This research use descriptive statistical tests and double regression analysis to obtain a comprehensive picture of the relations between variables in this research.

This research result indicates that earnings management has a significant effect on the value of the company and the intellectual capital influence significantly to the value of the company.

Keywords: earnings management, intellectual capital and value of enterprise