

ABSTRACT

The main purpose of a company is to maximize the value of the company. Value of a company usually influenced by either financial performance or non-financial factors. Financial performance could be reflected by it's profitability and leverage. In addition, the performance of non-financial factors such as Good Corporate Governance (GCG) also serves as mutually supporting synergies enterprise value creation. Where the good implementation of Good Corporate Governance (GCG) within the company could be reflected in the CGPI scores that the company obtained. However Based on the fact that there was a company that listed on the Indonesia Stock Exchange which has a CGPI score, though the good financial performance of the company followed by increasing of CGPI score, but it does not make the value of the company increases.

The population in this study are the financial statements of companies which are listed on the Indonesia Stock Exchange that has a CGPI score period 2010-2013. Based on the criteria for determining the sample, nine companies would be observed for 4 years. The analysis method used in this study using two multiple linear regression models with GCG as a moderating variable.

The result shows that there are significant influence between financial performance before and after moderated by GCG toward corporate value simultaneously. Partially, profitability variables showed significantly influence the value of the company before and after moderated. However, financial performance with leverage proxies has no significant effect on the value of the company both before and after moderated by GCG.

Keyword : Firm Value, Financial Performance, Profitability, Leverage, Good Corporate Governance