

## **ABSTRACT**

*This study purpose to provide empirical evidence of corporate governance and intellectual capital as influence mechanism to financial performance. This study use independent commissioner proportion, commissioner board size and direction board size as mechanism of corporate goverance.*

*Data used in this study was secondary, annual report and financial reporting from chemical and basic industry sectors, the various sectors of the industry and the consumer goods industry sectors listed on the Stock Exchange in 2013-2015. The population of this study was 419 companies from chemical and basic industry sectors, the various sectors of the industry and the consumer goods industry sectors listed on the Stock Exchange in 2013-2015 The sample of this study was 298 companies. The sample drawn by sample selection criteria. The analysis used to answer the study objectives is to use multiple regression.*

*The result of the research show the effect of direction board size and intellectual capital to financial performance, where independent commissioner proportion and commissioner board size do not effect to financial performance. For the manager, financial performance information used in decision making to determine the policy to be taken.*

*Keywords: Independent Commissioner Proportion, Commissioner Board Size, Directors Board Size, Intellectual Capital, Financial Performance*