ABSTRACT

This study seeks to examine the accrual-based earnings management and manipulation of real activity on stock returns. The research sample used in this study are manufacturing companies listed on the Stock Exchange during the study period 2011-2013. The variables studied were accrual earnings management and manipulation of real activity and stock returns. The analysis technique used in this research is multiple linear regression.

This research was conducted with quantitative methods to the company's financial statements for 2011-2013. The total sample is 83 companies, which are determined through purposive sampling method. Methods of hypothesis testing using different test t-test and multiple linear regression.

The results showed there is a positive influence between accrual earnings management as measured by discretionary accruals (DA) to stock return companies listed on the Indonesia Stock Exchange during 2011-2013. Then the manipulation of real activity (RAM) showed positive results to stock return companies listed on the Indonesia Stock Exchange during 2011-2013.

Keywords:*Earnings Management,Discretonary Accruals (DA), Manipulation of Real Activity (RAM) and Stock Return.*