

ABSTRACT

The research objective is to determine whether there are impact of the company's performance, the quality audit, the profitability of the company, and the company's size to the earnings management behavior telecommunication companies in Southeast Asia. The populations are telecommunication companies in Southeast Asia. Samples are 28 telecommunications companies in Southeast Asia in 2008-2014. There are 189 research data that has been tested. Data is tested by regression analysis.

The result shows that the earnings management behavior telecommunication companies in Southeast Asia are influenced by the change of company's performance, profitability and company's size. The audit quality not impact earnings management behavior because audit quality of the big 4 auditors as same as with non big 4 auditors. This is supported by the opinion of Lulseged Hunt (2007) that the auditor 4 major markets has dropped drastically, especially after the global influence of the Sarbanes-Oxley Act in 2002. Another possibility to explain the auditors have little incentive to report conservatively because the lack of auditor litigation in several countries in Southeast Asia.

Keywords: Earning management behaviour, telecommunications companies, the company's performance, profitability, company size, Southeast Asia.