

ABSTRACT

This study aims to analyze whether there is differences in financial performance before and after IFRS adoption and the differences in value of firm before and after the convergence of IFRS. This research is a modification of the research by Nurisya and Wardoyo (2013) in Indonesia with the different in variables, objects, and samples. Based on research by Nurisya and Wardoyo (2013) implementation of IFRS has no impact on the bank's financial performance.

The method used is the probability sampling. The samples in this study using simple random sampling with a total of 138 firm observations. Wilcoxon Signed Rank Test was used to test two hypotheses, whether there is differences in profitability before and after the convergence of IFRS and whether there is differences in the value of firm before and after the convergence of IFRS.

Results showed that there are differences in the value of firm before and after the convergence of IFRS. While there is no difference before and after the company's profitability convergence of IFRS. The implications of this research are a lot of companies that profit after implementation of IFRS reduced compared to before the implementation of IFRS.

Keywords : financial performance, value of firm