

## ABSTRACT

*This study aims to examine the effect of environmental performance on financial performance of companies with Corporate Social Responsibility (CSR) Disclosure as an intervening variable. Environmental performance is measured by the performance of companies in the PROPER (Program Penilaian Peringkat Kinerja Perusahaan dalam Pengelolaan Lingkungan Hidup). While the Disclosure of Corporate Social Responsibility CSR is measured by the index. Own company's financial performance is measured by calculating the company's annual return for an annual return is then compared with the manufacturing industry.*

*Samples used in the study was 78 manufacturing companies. Data taken from annual report 2007-2009 period manufacturing companies listed in Indonesia Stock Exchange and participated in PROPER since 2007. The statistical methods used in this study is a simple linear regression analysis to test the effect of environmental performance against the Corporate Social Responsibility Disclosure and multiple linear regression analysis to test the effect of environmental performance and Corporate Social Responsibility Disclosure on corporate financial performance. The data analysis technique and hypothesis testing using SPSS software version 13.*

*The results showed that the environmental performance significantly affect the Corporate Social Responsibility Disclosure. Meanwhile, the second hypothesis indicates that environmental performance does not significantly affect the company's financial performance and results of the third hypothesis suggests that Corporate Social Responsibility Disclosure significant impacts on the company's financial performance. However, the test results showed that statistically the environmental performance of an indirect effect on the financial performance of companies through the Corporate Social Responsibility Disclosure.*

**Keywords** : *Environmental Performance, Corporate Social Responsibility (CSR) Disclosure, PROPER (Program Penilaian Peringkat Kinerja Perusahaan dalam Pengelolaan Lingkungan Hidup), Financial Performance.*