

## **ABSTRACT**

*The objective of this research is to examine the influence of Earnings Management to Firm Value and the influence Corporate Governance as the moderating variable in relations between Earnings Management and Firm Value. Four proxies used for Corporate Governance Practices are Manajerial Ownership, Institusional Ownership, Independent Commissioner, Audit Quality. Company size is use as a control variable. The value of the firm is measured by using proxy Tobin's Q and the earnings management is measured with discreationary accrual by modified jones model (1995).*

*The research sample is non-financial sector in 2005-2008 by using method of purposive sampling. There are 73 company fulfilling criterion as this research sample. The method analysis of this research used multiple regression analysis.*

*The result of study show that the earnings management bring negative influence to firm value. Result of the test to moderate variable shows that independen commissioners and audit quality are moderating variable between earnings management and firm value.*

*Keyword: Corporate Governance, Earnings Management, Manajerial Ownership, independent commisioner, Institusional Ownership, dan Audit Quality.*