

ABSTRACT

Graphical disclosure is one of the voluntary disclosure form used by the company in making the annual report. Disclosure in the form of graphs helps users to understand information in annual report better than the narrative text or tables of numbers. Shareholder as one of the annual report's users uses this information in making decisions that will affect the stock value of the company. This study aims to examine the effect of the graphical disclosure to the firm value.

Graphical disclosure as the dependent variable in this study consists of two variables, namely graphical selectivity which is measured by the level of disclosure of the four main key variables (KFV) and graphical distortion which is measured by Graphical Discrepancy Index (GDI). Firm value as an independent variable is measured by the Tobins'Q ratio. Size of the company (Ln Total Assets) and profitability (ROA) are control variables. The sample of this study is all companies listed on the Indonesia Stock Exchange in Kompas 100 stock index period August-January 2011-2013. By using purposive sampling method, this study obtained 160 samples. Data analysis technique that is used to test the model is multiple regression analysis with SPSS 20 applications.

A significant negative relationship was observed between graphical selectivity and firm value. Meanwhile, graphical distortion does not have a significant relationship to firm value. Among control variables, only profitability has significant relationship to firm value.

Keywords: voluntary disclosure, graphical disclosure, graphical discrepancy index, GDI, firm value, size of the company, profitability, ROA, Kompas 100