

## **ABSTRACT**

*The purpose of financial statements is to provide information regarding the financial position, financial performance, cash flow entities that benefit the majority of users of financial statements in making economic decisions. Therefore, companies are not allowed to provide misleading information and in accordance with applicable regulations. Basically, the financial statements is one important source of information used by investors to assess the company's performance. Information net income can be used as a basis for assessing how much the value of return investors of every share bought. ERC can be simply defined as the change in stock price resulting from the issuance of the financial statements by the company. Generally, when a company makes a profit, such profits will raise the company's stock price. Vice versa if the company suffers a loss it will lower the price of its shares. However, there are some events that are not in line with the theory, which leads to changes in the value of the ERC.*

*The purpose of this study is to determine how much influence corporate social responsibility, company size, capital structure and profitability of the earnings response coefficient either simultaneously or partially.*

*The samples are banks listed on the Indonesia Stock Exchange (IDX) in the period 2010 to 2014 were consistently present financial statements in the period and also carry out research and present a report on CSR in the study period. The selected sample results are as many as 28 banks out of 42 banks listed on the Stock Exchange in the period 2010-2014.*

*Hypothesis testing results indicate that jointly disclosure of Corporate Social Responsibility (CSR), company size, capital structure, and affect the profitability of the ERC, with a coefficient of determination of 8.30%. Partial test shows that CSR affect the ERC. In the meantime, company size, capital structure, and profitability does not affect the ERC.*

*Based on these results, the authors try to give suggestions for further research to add other variables such as the persistence of earnings, gain information, systematic risk, and reputation of the firm, as well as extend the research time and using the sector in addition to banking, such as manufacturing and mining listed on Indonesia Securities Exchange (IDX).*

***Keywords: Corporate Social Responsibility, company size, capital structure, Profitability, Earnings Response Coefficient***