

ABSTRACT

In carrying out its business activities the bank is required to always be in a healthy state. A healthy bank will build public trust in the bank. One indicator of a company is believed to be in the LQ45 index and for a company to continue to maintain public confidence is to apply the principles of Good Corporate Governance. Fundamental factors that affect one of them is the profitability of the company by measuring Return On Asset and Return On Equity.

The purpose of this study is to determine the effect of profitability on the value of the company and the influence of GCG in the relationship to the banking companies on the LQ45 index in the period 2013-2015. Is a quantitative study with 4 samples of banking companies.

The result of this research shows that GCG can affect ROA to company value while GCG does not affect ROE to company value and GCG can not influence ROA and ROE relationship together to company value.

Keywords : ROA, ROE, GCG, banking, LQ45