

ABSTRACT

Measurement of financial performance based on values such as Economic Value Added (EVA), Market Value Added (MVA) has attracted the attention of investors, policy makers and researchers in recent time because based on the literature have the advantage and the ability to reflect the actual valuation of a company. On the other hand, the measurement of financial performance of companies are still largely based on traditional measurements such as, among others Earning per Share (EPS), Return on Assets (ROA), Return on Equity (ROE) to analyze the company's financial performance and make strategic investments.

The main objective of this study was to examine the influence of Economic Value Added (EVA) and Earning per Share (EPS), Return on Assets (ROA), Return on Equity (ROE) on shareholder value as represented by Market Value Added (MVA) on telecommunication operator companies which listed on the Indonesia Stock Exchange (IDX) with the observation period 2011-2016.

From the results of research on the financial performance of EVA, EPS, ROA, ROE and MVA, Telkom is the best company among Indosat, XL and Smartfren throughout the period.

Result of data panel regression on simultan test shown independent variables EVA, EPS, ROA and ROE have positive and significant influence on MVA dependent variable. On partial test results shown EVA variable has a positive significant, ROE has a negative significant, while EPS, ROA has no significant influence on MVA.

The results of the research can be used to influence the development of literature EVA, EPS, ROA, ROE against MVA as well as in the practical world provide insights to managers, shareholders, investors, practitioners and experts to assess the valuation of telecommunication companies industry during this time.

Keywords : *Economic Value Added (EVA), Earning per Share (EPS), Return on Asset (ROA), Return on Equity (ROE), Market Value Added (MVA)*