

ABSTRACT

EVA is a financial performance analysis that measures the company's ability to generate added value for investors, MVA (Market Value Added) is the difference between the market value and the capital invested by the investor. This study aims to assess the financial performance and to determine the difference in financial performance among Telecommunication Companies Go Public on the Jakarta Stock Exchange by using the concept of EVA and MVA for the period 2011 to 2016.

The research method used is descriptive quantitative method. The sample is taken by purposive sampling technique with criteria: (1) Telecommunication companies Go public. (2) Telecommunication companies having complete Annual Report and Financial Report data for five consecutive years from 2011-2016.

The conclusion from the research that during the period of 6 years the value of EVA for PT. Telkom is positive while for PT. Indosat and XL Axiata have positive and negative fluctuating EVA values. Value of Market Value Added based on research result has a positive MVA value, indicating that the three companies have succeeded in creating substantial wealth for shareholders and companies. The results of data analysis performed statistically shows that there are significant differences in financial performance of three companies by using EVA and MVA Method.

Advice for the company that the method of Economic Value Added and Market Value Added can be used to describe the development of the company's financial performance and to decide the business strategy in the coming year.

Keywords: *Economic Value Added (EVA), Market Value Added (MVA)*