# ABSTRACT

Chrysella Natalie/ 30150459 / 2019 / *Value Relevance of Profit, Book Value, and Cash Flow to Share Price at Manufacturing Industries that Registered in Indonesia Stock Exchange Period 2015-2017*  / Mulyani, S.E,M.Si.

*The capital market has been provided with abundant information available to the investor. Information represents a fundamental demand to the investor in the decision making. The value relevance of the accounting information is a concept that is closely related to the concept of usability in accounting information Value relevance is useful for investigating the empirical relationship between stock market values ​​and accounting information included to assess the effect of accounting figures in a firm's fundamental assessment. Financial statements used by the company to deliver information.* *Published financial statements must be able to capture and summarize the true value of the company. Accounting information in financial statements can be a benchmark for an enterprise's value increase that can increase stock prices. This research aims to analyze the influence of the value relevance of accouting information contained in profit, book value, and cash flow to share prices.*

*The grand theories of this research are efficient market theory, clean surplus theory,and signaling theory. Clean surplus theory is talking about predicting and analyzes function of financial statement. Market efficient theory is talking about quality of the information itself. And signaling theory is talking about how the information impacts the community.*

*The population of this study is manufacturing companies listed in Indonesia Stock Exchange that has a profit during the study period 2015–2017. The number of population are 20 companies that are observed within 3 years, in order to obtain a total of 60 observations. Data technic analysis that used for analizing in this research are pooling, classical assumption, statistic descriptive test, F-test, t-test, and coefficient determination of R square by using SPSS 20.0 . The company’s data source obtained from* [*www.idx.co.id*](http://www.idx.co.id)*.*

*The result form the proved that data can be pooled. For the t-test the conclusions, only profit and book value that have value relevance to the share price with each result 0.000 < 0.05, and for cash flow it doesn’t have value relevance to the share price with result 0.231 > 0.05. For the F-test the result at 0.000 < 0.05 said that profit, book value and cash flow have a value relevance to the share price. For the coefficient of determination of R square test told us that all variables can describe variation of the share price by 75.9%.*

*This research shows that cash flow doesn’t have a value relevance to the share price, book value has a value relevance to the share price, and profit has a value relevance to the share price.*

*Keyword : Value Relevance, Profit, Book Value, Cash Flow, Share Price*