

ABSTRACT

The objectives of the research are to find out empirical evidence of the effect of legal origin, international status, operation diversification, firms size, and corporate governance on earnings management by Asian Pasific companies listed on New York Stock Exchange (NYSE). The corporate governance mechanism of this research are ownership concentration, composition board of commissioner and audit quality. This research uses 84 Asian Pasific companies listed on NYSE as a sample, during the 2008-2010 year period of observation. The research of hyphotesis were tested using multiple regression analysis. The result of this research show that: (1) legal origin had no influence on earnings management (2) International status had significantly positive influence on earnings management (3) Operation diversification had no influence on earnings management (4) Firms size had significantly negative influence on earnings management (5) Ownership concentration had no influence on earnings management (6) Composition board of commissioner had significantly negative influence on earnings management (7) Audit quality had no influence on earnings management.

Keyword : *earnings management, legal origin, international status, operation diversification, firms size, corporate governance mechanism, ownership concentration, composition board of commissioner, audit quality.*