

## **ABSTRACT**

*This study aimed to verify the influence of geographic diversification, operation diversification and corporate governance mechanisms to earnings management on Manufacturing companies listed in Indonesia Stock Exchange period 2014. The variables tested in this study consisted the geographic diversification, operation diversification, institutional ownership and audit committee.*

*This study using purposive sampling method in determining the number of samples used, obtained 69 Indonesia manufacturing companies, 57 manufacturing companies in Australia and 61 manufacturing companies in Singapore. Test performed include : descriptive statistics, classical assumptions, regression, F test, t test, chow test and coefficient of determination. Result of the study : 1) the geographic diversification positively affects to earnings management in Indonesia, Australia and Singapore. 2) the operation diversification positively affects to earnings management in Indonesia. 3) the operation diversification negatively affects to earnings management in Australia and Singapore. 4) the institutional ownership did not affects to earnings management in Indonesia, Australia and Singapore. 5) the audit committee did not affects to earnings management in Indonesia, Australia and Singapore. 6) there are differences in the practice level of earnings management in Indonesia, Australia and Singapore. 7) there are differences effect of geographic diversification, operation diversification and corporate governance mechanisms on earnings management between Indonesia-Australia and Indonesia-Singapore. 8) there are not differences effect of geographic diversification, operation diversification and corporate governance mechanisms on earnings management between Australia-Singapore.*

*Keywords : Geographic diversification, operation diversification, institutional ownership, audit committee and earnings management.*