EQUITY: JURNAL EKONOMI

Vol. 08 No (01): 12, 2022
p-ISSN: 1978-3795; e-ISSN: 2721-6721
Posted: 22 Oktober 2022
Accepted: 22 Desember 2022
Published:24-Desember-2022

Market Reaction Analysis of The Performance from The Winners of Asia Sustainability Reporting Rating Award Companies in 2019 – 2021

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Abstract: *Social economic and responsible business is believed to provide opportunities to build competitive advantage, increase market share, and open new markets. This assumption shows that financial and non-financial performance influence the market reaction. The company's non-financial performance can be realized through CSR disclosures disseminated to the public in a sustainability report. On the other hand, the company's financial performance can be seen through the proxies of financial ratios of profitability, liquidity, leverage, and activities as measured using data from the annual report. This study aims to see the effect of the company's performance on the market reaction caused by the information. The sample in this study were all IDX-listed companies that won the Asia Sustainability Reporting Rating Award 2019-2021. So the writer has assumed that the sample in this study has an excellent overall company performance. The data collection methods are historical data sourced from the Indonesian Stock Exchange (IDX). The data used in this research are the company's annual reports and the company's sustainability reports. After passing the classical assumption test stage, the data were analyzed using the multiple regression method. The results show that CSR disclosure, Current Ratio, and Debt to Equity ratio have a positive but insignificant effect. Meanwhile, the Return on Assets and Total Asset Turnover variables significantly positively affect the market reaction. This condition shows that even though the company has won social and environmental awards, financial performance remains a proxy with a more significant influence than non-financial performance.*

Keywords: *Company Performance; Financial Ratio; Market Reaction*

JEL: G12, G32, G34

1. INTRODUCTION

Currently, many competitions and awards are given to companies with sturdy financial and non-financial performance and performance. The existence of this event is an evaluation and appreciation event for the efforts made by the company in providing information in its published annual report. This award also aims to motivate and accelerate corporate sustainability reporting by rewarding outstanding efforts to communicate the company's performance in three aspects (economic, social and environmental). One of the awards shown in Indonesia on an international scale is the Asia Sustainability Reporting Rating Award. This award ceremony has been held since 2005, and the number of participants in this event tends to increase yearly. The increase in participants from this event shows that environmental issues that have become a focus for companies to be improved to become more comprehensive are not only focused on the company's financial performance.

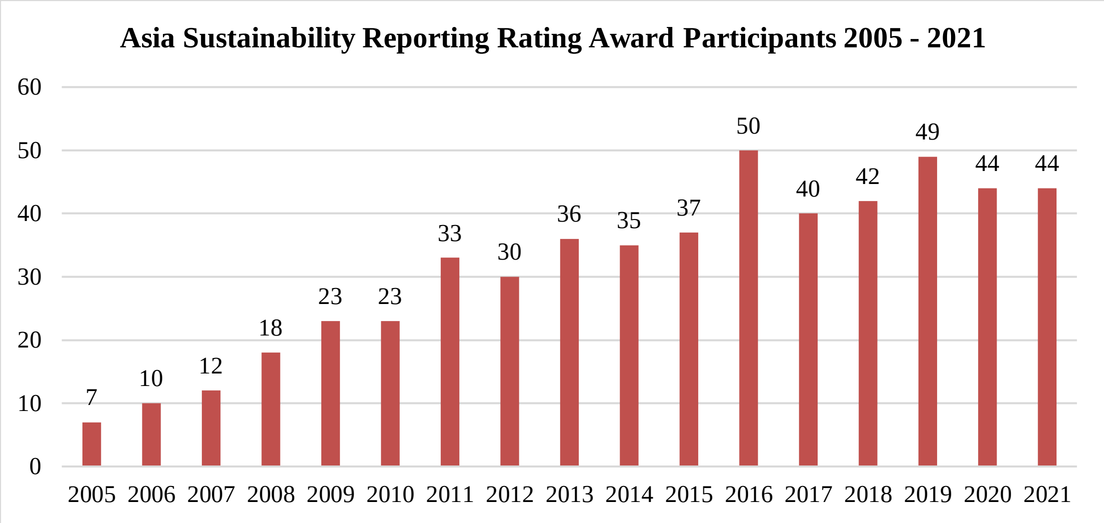

Figure 1. Asia Sustainability Reporting Award Participants 2005 – 2021
Source: ASRA (2022)

For some time before, investors tend to focus on the company's financial performance. This is due to several reasons. For example, investors can know more about the level of returns and profits obtained by looking at the company's financial performance. Through the financial performance reported by the company, investors can see the operating conditions and activities of the company. Yulindasari & Riharjo (2017) stated that Return is the profit level investors enjoy on an investment. Of course, investors (financiers) will not invest without the level of profit enjoyed from an investment. So that investors tend to look at the company's financial condition in making investments.

According to Puspitasari & Asyik (2016), investors need to have some information related to stock prices. Stocks that deserve to be chosen are stocks that can provide a return that aligns with investors' expectations. An accurate stock valuation can minimize risk while helping investors to earn profits. A high stock value will influence investors' reaction, assuming the company has a high-income value. The information needed is information about the company's financial condition and other information that can support investor decision-making, for example, information about the company's environmental performance.

This is in line with the opinion from Samy et al. (2010) whose saying that socially and environmentally responsible business is believed to provide opportunities to build competitive advantage, increase market share and open new markets. Madugba & Okafor (2016) also stated that companies considered to have a solid commitment to corporate social responsibility often show a high ability to attract and retain employees, leading to lower operating costs. The existence of good environmental performance from the company will provide more value that comes from direct cost savings and improved reputation from both investors and consumers (Christoffersen et al., 2013). The increasing demand for stakeholders' interests in social performance has put pressure on corporations to undertake social responsibility reporting in their operations to satisfy the demands and gain public support (Oeyono et al., 2011). Caring for the surrounding social environment is a phenomenon and strategy used by companies to accommodate the needs and interests of their stakeholders.

The implementation of CSR by companies can be realized through CSR disclosures disseminated to the public in an annual report, and companies can be measured through financial performance (Kamatra & Kartikaningdyah, 2015). Based on research conducted by Mohammed et al. (2016), the disclosure of corporate environmental information has a significant positive effect on market reactions. Even according to Garg (2016), with the company's efforts to care about environmental and social issues, CSR performance of companies impacts corporate performance not only for the current year but also for the following years. This shows the importance of the company's role in society. However, on the one hand, some investors prefer not to invest with good quality CSR and disclosure of environmental performance. This is in line with research conducted by C. W. Astuti & Nugrahanti (2015) and Mukti et al. (2013), which states that CSR disclosure does not affect market reactions. This condition can be due to several reasons, one of which is that investors have not received comprehensive information about the quality of companies in the company's environmental performance report.

On the opposite side but still closely related, financial ratios also remain a consideration in making investment decisions by investors. Financial ratios are a proxy for measuring the company's financial performance. Performance is an actual result achieved, sometimes used to show positive results (Nugrahani & Suwitho, 2016). According to Kurniawan & Yasha (2016), the company's financial performance will be reflected in the company's financial ratios. There are four types of ratios that can be used to assess a company's financial performance, namely liquidity ratios, activity ratios, leverage ratios, and profitability ratios (Harjito, 2008).

According to Putri & Christiana (2017) and Wartono (2018), the liquidity ratio significantly influences market reaction. Meanwhile, based on research conducted by Nugrahani & Suwitho (2016) and Pratama & Asyik (2017), the liquidity ratio does not significantly affect the market reaction. Then, the company's activity ratio does not affect the market reaction Nugrahani & Suwitho (2016). Furthermore, the leverage ratio; according to Digdowiseiso (2022); Nugroho (2011); and Shinta & Laksito (2014) states that the company's leverage influences market reaction. Meanwhile, according to Azmy & Vitriyani (2019) and Sutapa (2018), the leverage ratio does not affect the market reaction. On the other hand, the profitability ratios; according to Shinta & Laksito (2014) and Uno et al. (2014) significantly influence the market reaction. Meanwhile, according to Sausan et al. (2020); Siddiq et al. (2020) and Tamuntuan (2015), the profitability ratio does not significantly affect the market reaction.

Based on the above phenomena and several previous studies with mixed results, the authors will research the relationship between financial performance and non-financial performance of companies on market reactions. In this study, we will combine the two companies performances. We assume that the company that won the Asia Sustainability Reporting Rating Award in 2019-2021 is a company with sound financial and non-financial performance so that it can provide market and investor reactions to the information provided disclosed in the annual report.

2. LITERATURE REVIEW

2.1 Signalling Theory

Based on research by Spence (1973), the management tries to provide relevant information that investors can utilize by giving a signal. Connelly et al. (2011) stated that Signalling theory helps describe the behaviour when two parties (individuals or organizations) have access to different information. To meet the information needs, information is needed the company's directors clearly and comprehensively disclose that through the company's performance report. The impetus for presenting accounting information is because there is information asymmetry between management (agent) and stakeholders (principal) (Rokhlinasari, 2016). Information asymmetry or information inequality is a situation that is avoided in a principal relationship where managers have different (better) information about the company's condition or prospects than investors. It is necessary to report good financial performance information to avoid information asymmetry and provide positive signals that affect market reactions.

2.2 Earnings Per Share

According to Jewell & Mankin (2016), EPS is an important ratio. EPS can be used for cross-sectional comparisons of firms' earnings. Analysts and investors used EPS for years before it was first required, and some companies voluntarily provided it in their annual reports. The higher the earnings per share (EPS), the higher the profit received by investors per share owned. This will cause investors to be interested in buying the shares. The interest of investors in buying shares in a company will cause a company's stock price to increase (Aletheari & Jati, 2016). Shittu et al. (2016) and Wijaya (2017) stated that a large Earning Per Share (EPS) is also a measure of a company's success. Earnings per share (EPS) refers to the percentage of a firm profit apportioned to each of the outstanding shares of common stock. The EPS serve as an essential indicator of the profitability of a company. EPS is the most critical measure of performance indicator reported by company management to the shareholders, market and other interested parties. With the investor reaction caused by the value of Earning Per Share (EPS) reported by the company, it can be said that Earnings Per Share (EPS) can be used as a proxy to measure the market reaction. The calculation of Earnings Per Share (EPS) Kasmir (2016) can be done using the formula:

$$\text{EPS} = \frac{\text{Total Earnings}}{\text{Outstanding Shares}}$$

2.3 Corporate Social Responsibility Disclosure

According to Jizi et al. (2014), CSR is the commitment of businesses to contribute to sustainable economic development by working with employees, their families, the local community and society at large to improve their lives in good ways for business and development. CSR has proven beneficial in increasing companies' business profile and reputation at local, national, and international levels (Garg, 2016). Corporate social responsibility disclosure is a medium through which business organizations provide information to stakeholders about their corporate activities in society. These activities may include environmental and ecological issues, employee welfare, energy, community involvement and product/consumer-related matters (Mohammed et al., 2016). Astuti (2019) states that Along with the times, many international organizations provide guidelines for the presentation of Corporate Social Responsibility (CSR) reporting, including the Global Reporting Initiative Sustainability Reporting Guidelines (published by the Global Reporting Initiative (GRI). Sustainability Reporting Guidelines are reporting standards generally accepted and widely used by companies worldwide. This study uses 150 indicators from GRI-G4 as indicators of CSR measurement by giving a score of 1 for each indicator disclosed and a score of 0 for the not disclosed indicators.

$$\text{CSRDIx} = \frac{\Sigma \text{Xix}}{\text{Nx}}$$

2.4 Return on Assets

According to Sutapa (2018), the profitability ratio assesses the company's ability to seek profit. The goal is to see the company's development in a specific period, either a decrease or an increase, and at the same time to look for the causes of these changes. In principle, the higher the company's profitability in obtaining profits, the better it can use its assets productively. Return on Assets is one of the proxies that can be used in calculating profitability ratios. According to Wartono (2018), the higher this ratio, the better the productivity of assets in obtaining net profits. The annual report is a medium of communication with stakeholders who want to gain confidence about how the company generates profits. This information is essential for stakeholders other than investors and creditors, who are usually motivated by economic or financial interests, to determine the company's level of profit. The financial performance information presented in the annual report assumes that the information can influence the market reaction. According to Kasmir (2016), the ROA measurement formula is:

$$\text{ROA} = \frac{\text{Net Profit}}{\text{Total Assets}}$$

2.5 Current Ratio

One of the essential elements in the financial statements used to measure the performance of a company to the level of liquidity current ratio (CR) is a ratio to measure the company's ability to pay short-term obligations or debts that are due immediately when billed as a whole (Kasmir, 2011, 2016). According to Yulindasari & Riharjo (2017), if the current ratio is good, the company's ability will be better to meet its short-term debt and avoid liquidity problems. The higher the current ratio, the better because, the higher the company's ability to pay its short-term debt. The higher the value of the company's shares, the higher the stock return that investors will obtain. With good liquidity conditions, it can be assumed that the signal given by the company will also be positive and affect good market reactions. According to Kasmir (2016), the CR measurement formula is:

$$\text{CR} = \frac{\text{Current Liability}}{\text{Current Assets}}$$

2.6 Debt to Equity Ratio

The solvency ratio is a ratio that measures the extent to which the company's ability to meet its long-term obligations. Not solvable companies are companies whose total debt is more significant than their total assets (Pratama & Asyik, 2017). The debt to Equity Ratio (DER) is a ratio used to measure the debt used by a company compared to its capital. Suppose the company that borrows in large amounts will not be able to pay its debts. A high DER ratio indicates that the company uses debt financing more than equity funding in its operations (Nugrahani & Suwitho, 2016). With this loan capital, the company will have the opportunity to develop its business and operations, which will be assumed to impact the company's performance conditions positively. According to Kasmir (2016) the DER measurement formula is:

$$\text{DER} = \frac{\text{Total Liability}}{\text{Total Equity}}$$

2.7 Total Asset Turnover Ratio

The activity ratio is the ratio used to measure the effectiveness of the company in using its assets (Kasmir, 2011). Total asset turnover is the company's ability to use its assets to generate sales. The higher the total asset turnover, the better because the company has been able to maximize its assets properly (Nugrahani & Suwitho, 2016). A high total asset turnover value will increase investors' interest in investing in the company they choose, which will have an impact on increasing the value of the company's shares and the higher the stock return that investors will choose (Yulindasari & Riharjo, 2017). According to Kasmir (2016), the TATO measurement formula is:

$$\text{DER} = \frac{\text{Sales}}{\text{Total Assets}}$$

3. METHOD

3.1 Population and Method

The data in this study were obtained by collecting historical data from the Indonesian Stock Exchange (IDX). The source of the data obtained in this study is secondary data, namely the financial statements of companies that won the Asia Sustainability Reporting Rating Award listed on the Indonesia Stock Exchange during 2019-2021. Observations show that of the 75 companies that won the award from 2019-2021, only 25 of which are public companies and listed on the Indonesia Stock Exchange. So the sample of this research is 25 companies for three years with 75 research sample observations.

3.2 Analysis Method

The analytical method used to test the hypothesis in this study is descriptive statistics. This method is used to describe the pattern of data distribution in providing an overview of the effect of financial performance and non-financial performance of the company and multiple linear regression to determine the effect of each variable on earnings per share. Multiple linear regression can be done if the model of the study meets the requirements of the classical assumptions consisting of multicollinearity, autocorrelation, heteroscedasticity, and normality. In addition, to test the existing hypotheses, the authors test the coefficient of determination, f-test, and t-test.

4. RESULTS AND DISCUSSION

4.1 Descriptive Statistics

Table 1. Statistic Descriptive Result

Variables	Minimum	Maximum	Mean	Std. Deviation
CSRD	0.287	0.926	0.553	0.141
ROA	-9.840	21.890	3.404	4.377
CR	1.121	271.000	37.988	70.731
DER	-1.700	1132.430	212.340	303.621
TATO	0.000	10.632	0.591	1.247
EPS	-82.000	702.000	124.258	172.215

Source: Author (2022)

Based on the descriptive statistics above results, the CSR disclosure variable has a mean value of 0.553, which means that, on average, the sample companies in this study disclose 83 GRI indicators in their annual reports. This is quite good because the sample companies of this study have succeeded in reporting and informing more than half of the international-based GRI standard indicators. The ROA variable has a mean value of 3,404, CR of 37,988, and DER of 212.34, so this value is pretty good based on the average ROA industry standard (Kasmir, 2011). However, it is different for the TATO variable, which is still below the industry standard average. The turnover ratio is a little bit low, so the profit will tend to decrease.

4.2 Classic Normality Test

4.2.1 Normality Test

Table 2. Normality Test Result

N		68
Normal Parametersa,b	Mean	0.0000000
	Std. Deviation	6.90303519
Most Extreme Differences	Absolute	0.081
	Positive	0.081
	Negative	-0.076
Test Statistic		0.081
Asymp. Sig. (2-tailed)		.200c,d

Source: Author (2022)

This study uses an independent tool, namely Kolmogorov Smirnov (K-S Test) to test the normality of the residual value. The research model has a normal residual value distribution of the Asymp value—Sig (2-tailed) more than 0.05 or 5%. The table above shows the Asymp value. Sig. (2-tailed) of 0.200 (20%). The significant value is greater than 0.05, so it can be concluded that the research data is normally distributed and the regression model meets the normality assumption.

4.2.2 Multicollinearity Test

Table 3. Multicollinearity Test Result

Variabel	Collinearity Statistics	
	Tolerance	VIF
CSRD	**0.882**	**1.134**
ROA	**0.814**	**1.228**

CR	**0.802**	**1.247**
DER	**0.728**	**1.374**
TATO	**0.683**	**1.465**

Source: Author (2022)

The regression model can be good if the independent variables do not have a high correlation. The tool that can be used to test the multicollinearity disorder in this research model is the Variance Inflation Factor (VIF). The research model contains multicollinearity if the VIF value is 10. The multicollinearity test can only be carried out on research models with two or more independent variables or predictors. Suppose the VIF value of CSR, ROA, CR, DER, and TATO disclosures is smaller or less than ten, and the tolerance value is more excellent or more than 0.1. In that case, there is no correlation between the independent variables. So, for all the independent variables used in this study, there were no symptoms of multicollinearity.

4.2.3 Autocorrelation Test

Table 4. Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	1.000[a]	**1.000**	1.000	0.00000013

Source: Author (2022)

The Lagrange-Multiplier test is one of the methods in the autocorrelation test. In contrast, the autocorrelation test is a classical assumption or prerequisite test in regression analysis for time series data patterns. The autocorrelation test was carried out to detect the presence or absence of autocorrelation symptoms. Based on the test, the calculated chi-square value obtained from the number of samples (N) multiplied by the R Square value is 75, while the chi-square table value is 89,391. So it can be assumed that there is no autocorrelation because the calculated chi-square value is smaller than the chi-square table value.

4.2.4 Heteroscedasticity Test

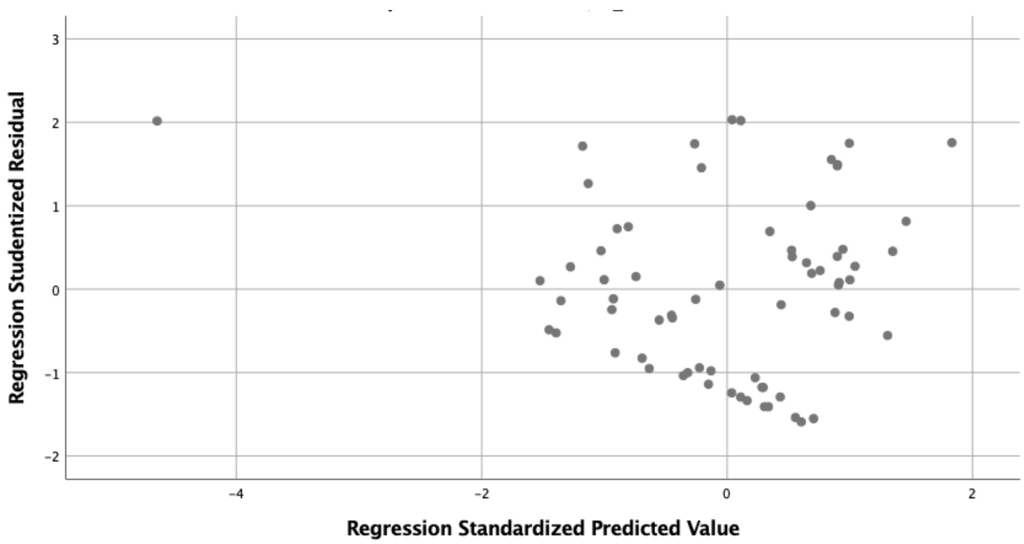

Figure 2. Heteroscedasticity Test Result

Source: Author (2022)

Based on the scatterplot image above, it can be concluded that there is no heteroscedasticity because there is no specific pattern, and the points are spread around the number 0 (Ghozali, 2016).

4.3 Hypothesis Test

4.3.1 Determination Coefficient

Table 5. Determination Coefficient Test Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	**0.465[a]**	**0.216**	0.153	7.17599

Source: Author (2022)

The correlation coefficient (r) is a value used to measure the degree of closeness of the relationship between two variables. In contrast, the coefficient of determination or R-squared value (R-Square) shows the independent variables' percentage or level of ability to predict the dependent variable. The R-Square value is in the range of 0 to 1, then converted into per cent. Based on the test results, the value of R or the coefficient of determination is 46.5%, indicating that the relationship between variables is within moderate criteria (Sugiyono, 2007). The R-Square value in this study of 21.6% indicates that the independent variables in this study, namely CSRD, ROA, CR, DER, and TATO, affect EPS by 21.6%. The remaining 78.4% is explained by other predictors not examined.

4.3.2 F-test

Table 6. F-test Result

Model	F	Sig.
1	3.426	0.008[b]

Source: Author (2022)

Based on these results, it is known that the significance value of the test is 0.008, and the calculated f value is 3.426. The significance value is smaller than alpha 0.005. This shows that the independent variables CSR, CR, DER, and TATO together or simultaneously affect EPS.

4.3.3 t-test

Table 7. t-test Result

Variable	B	t	Sig.
	3.493	0.512	0.610
CSRD	0.825	0.085	**0.932**
ROA	3.022	2.787	**0.007**
CR	0.058	0.283	**0.778**
DER	0.170	1.719	**0.091**
TATO	4.581	2.082	**0.042**

Source: Author (2022)

A partial test was conducted to partially test the independent variable's effect on the dependent variable. This test uses multiple regression analysis with a confidence level of 95% or an alpha value of 5%. After multiple regression analysis is performed, the following regression equation is obtained:

$$\mathbf{EPS = a + 0.825CSRD + 3.022ROA + 0.058CR + 0.170DER + 4.581TATO}$$

Based on the test results presented in the test results in the table above, it can be seen that the variables of Corporate Social Responsibility (CSRD) Disclosure (CSRD), ROA, CR, DER, and TATO, respectively, have a significant value of 0.932, 0.007, 0.778, 0.091, 0.042. based on the results above, the significance value for the CSR, CR, and DER disclosure variables is more significant or not smaller than the alpha value of 0.05. In contrast, the ROA and TATO variables have a value of less than 0.05. This shows that CSR, CR, and DER disclosure has no significant effect on EPS. Meanwhile, ROA and TATO variables have a significant effect on EPS.

4.4 Discussion

4.4.1 Effect of CSR disclosure on market reaction

Based on the results of the tests that have been carried out, the results of the t-test show that the significance value of CSR disclosure is 0.0932, more than the value of 0.05. So, it can be concluded that the first hypothesis, which assumes that CSR disclosure has a positive effect on market reaction, has not been accepted. This is in line with research conducted by Astuti (2019); Kamatra & Kartikaningdyah (2015); and Mukti et al. (2013). The findings in this study break the assumption that the research sample companies that award winners in the quality of disclosure in the environmental and social sector have not been able to significantly influence market reactions that may arise. This shows that the theory in this study, namely the signal theory, has not been fully supported.

There are several reasons why CSR disclosure has not had a significant effect on market reaction. Based on research conducted by Tangngisalu (2021), investors see an environmental performance usually expressed through the disclosure of corporate social responsibility through long-term annual reports. In the short term, investors do not necessarily see this as a factor that can be considered when making investments. In addition, several groups of investors also assume that when the company manages its environment, the company will allocate its costs through environmental disclosures, which can lead to reduced company profits and affect the return to be obtained Dina et al. (2016) and Tunggal & Fachrurrozie (2014).

4.4.2 Effect of profitability on market reaction

Based on the results of the tests that have been carried out, the results of the t-test show that the ROA significance value is 0.007, less than 0.05, so it can be concluded that the second hypothesis, which assumes that profitability has a positive effect on market reaction, is accepted. This is in line with several previous studies Shinta & Laksito (2014) and Uno et al. (2014). The results of this study can support the signal theory, where it can be indicated that the ROA value published by the company can send a positive signal to investors to provide the expected market reaction. Like the two opposites, the result of the significant Effect of ROA on EPS also reinforces the notion that investors in Indonesia are still focused on financial performance compared to the company's environmental performance (Anna & Rinining, 2021).

In addition, based on research conducted by Wartono (2018), if the company has implemented good accounting practices, management, by using ROA analysis techniques, can measure the efficiency of the use of working capital, production efficiency, and the efficiency of the sales department. This shows that the information possessed by ROA can already describe the condition and performance of the company so that it can provide an excellent signal to investors and market reactions. High ROA indicates good company performance. Good company performance will increase stock prices which in turn will have an impact on increasing stock returns. The increase in stock returns makes investors interested in investing in a company which shows that the market reacts positively to the company's performance (Puspitasari & Asyik, 2016). So, it can be concluded that the profitability ratio (ROA) means that the performance appraisal of a company can be seen from the company's ability to generate profits (Irayanti & Tumbel, 2014).

4.4.3 Effect of liquidity on market reaction

Based on the results of the tests that have been carried out, the results of the t-test show that the significance value of CR is 0.778, more than the value of 0.05. So, it can be concluded that the third hypothesis, which assumes that CR has a positive effect on market reaction, has not been accepted. This is in line with previous research Nugrahani & Suwitho (2016) and Pratama & Asyik (2017). One reason why the current ratio as a proxy for measuring the liquidity ratio has not been accepted is the assumption that a high current ratio does not guarantee that a company will pay its maturing debt. This condition is due to unfavorable distribution or proportion of current assets. This will have an impact on reducing the company's profit, so this will also have an impact on reducing the company's Earning Per Share (Digdowiseiso, 2022).

Nugrahani & Suwitho (2016) states that the current ratio is a rough measure that does not consider each component of the current asset's liquidity. This is because, in the current ratio, an inventory component can fluctuate and cause increased costs for the company. In addition, the inventory value has a level of uncertainty that allows the inventory value to decrease due to declining quality. In addition, the current ratio has a weakness, namely that this ratio does not distinguish between types of current assets where some assets are much more liquid than others. Moreover, the other reason is that this study's current ratio cannot be used as a predictor in predicting EPS (Shinta & Laksito, 2014).

4.4.4 Effect of leverage on market reaction

Based on the results of the tests that have been carried out, the results of the t-test show that the significance value of DER is 0.091, more than the value of 0.05. So, it can be concluded that the fourth hypothesis, which assumes that DER has a positive effect on market reaction, has not been accepted. Likewise, the signal theory has not been proven and supports this discovery. This result is in line with previous research Azmy & Vitriyani (2019); Putri & Christiana (2017); Sausan et al. (2020); and Sutapa (2018).

According to Yulindasari & Riharjo (2017), the more outstanding the debt to equity ratio indicates poor company performance. Where the company uses long-term debt as its business funding, this loan capital will increase the risk of non-payment of the loan. However, a riskier decision in investing is expected to provide greater returns, but the burden of uncertainty also arises in line with this. Investors must bear more significant risk, reducing market reaction and investment interest (Shinta & Laksito, 2014). Another reason is the assumption that no matter how much debt is used, it will not affect stock prices and firm value because the use of debt will cause the cost of ordinary equity to rise at the same level (Azmy & Vitriyani, 2019).

4.4.5 Effect of activity on market reaction

Based on the results of the tests that have been carried out, the results of the t-test show that the significance value of TATO is 0.042, more than the value of 0.05. So, it can be concluded that the third hypothesis, which assumes that TATO has a positive effect on market reaction, is acceptable. This is in line with the signal theory, which states that information about the company's activities and performance will provide an excellent signal to investors to influence market reactions (Bliege Bird & Smith, 2005). The results of this study are also in line with research carried out by Nugrahani & Suwitho (2016).

High total asset turnover can attract investors to continue investing in the company and increase the value of shares. A high total asset turnover shows that the more efficient a company is in utilizing its assets, the greater the sales generated by the company (Yulindasari & Riharjo, 2017). Total asset turnover has a significant positive effect on stock returns which states that information on total asset turnover attracts investors in making their investments. Even though the information presented provides an overview of how the assets contained in the company can be returned from investors' results.

5. CONCLUSION AND SUGGESTION

CONCLUSION

Based on the results of the data analysis above, it can be concluded that the company's financial and non-financial performance influence market reaction. This is because there is a positive signal on the information disclosed by the company to the public, so it gives various reactions to it. This is to the results of hypothesis testing that have been carried out; all independent variables in this study significantly influence the dependent variable used. While partially, only ROA (profitability) and TATO (activity) significantly affect EPS. Meanwhile, the CSR, CR, and DER disclosure variables have a positive but insignificant effect.

SUGGESTION

It is hoped that future research will be able to consider measurements for some of the variables used in this study. Such as using ERC and CAR to measure market reaction rather than EPS. In addition, further research can also conduct research on other award winners, which are carried out in Indonesia and other countries.

ACKNOWLEDGMENTS

I would like to thank all of the support from all my mentor and colleague whose already help me throughout the process of this journal.

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