ABSTRACT

***Nurjanah.2011**. The Influence Of Return On Equity and Earning Per Share to Share Price at the Telecommunication's Company listing in IDX. Majoring in Management. Economy Faculty. Universitas Komputer Indonesia.*

The research was conducted on Telecommunication's Companies listed on the Stock Exchange. The purpose of this study was to determine the development of ROE (Return On Equity), EPS (Earning per share), stock price, ROE and EPS and the effect on stock prices.

The method used in this study is qualitative and quantitative methods. The sample in this study are the three companies listed telecommunication sector on IDX in the period 2006 to 2010 in accordance with the criteria set by the researcher. The test statistic used is the calculation of Pearson correlation, multiple regression analysis, determination coefficient, hypothesis testing, and also using the program SPSS 15.0 for windows application as a tool of analysis.

The results showed that simultaneous ROE and EPS has a positive effect on stock prices by the value of the correlation coefficient of 0.90. Large influence of simultaneous ROE and EPS to the stock price is 80.92% as indicated by the value of R Square of 0.8092, and the balance of 19.08% influenced by other factors such as ROI, DER, PER, as well as liquidity and solvency ratios . Partially, the ROE does not significantly influence the stock price with a significance value smaller than the critical value (0.039 <2.145). While the EPS has a positive effect on stock prices with a correlation coefficient of 0.726 and has a significant influence with the t count value is greater than t table (3.656> 2.145). Thus, only the variable EPS influence on stock prices, but investors also need to consider other fundamental factors are not examined in this study.

Keywords: Return On Equity, Earning Per Share, dan stock price