ABSTRACT

Hidya Pratami Lastari "The Influence Of Dividend Payment And Return On Equity To Share Price (Case Study In PT Kimia Farma Ltd Year 2003-2010)" Under Supervision By Linna Ismawati SE.,M.Si

Dividend payments and return on equity (ROE) to be one benchmark for investors in making decisions to invest in a company. PT Kimia Farma Ltd in 2008 to increase profits this is because the asset and net sales increased. An increase in profit in the company in order to maintain investor confidence. The purpose of this study was to determine the progress of dividend payment, the return on equity, to determine the effect of dividend payment, return on equity and to determine the effect of dividend payment and return on equity on share price partially and simultaneously at PT Kimia Farma Ltd

the research method used in this research is descriptive research method (qualitative) by using analysis verifikatif development and research methods (quantitative) by using a statistical test analysis of the path analysis, pearson correlation, a test of determination and hypothesis testing using t test to test partial and 5% significancelevel using SPSS 17 for windows.

The result of these research show that growth conditions of dividend payment, return on equity and share price on PT Kimia Farma Ltd in 2003-2010 continued to fluctuate. Dividend payments relation with the return on equity is strong but not direction. Relation dividend payments and return on equity with share price be partially is low and unidirectional. While simultaneously for the effect of dividend payments and return on equity is very low at only effect of 3,8%.

Keywords: Dividend Payment, Return On Equity, Share Price