

**ABSTRACT**

**FINANCIAL LEVERAGE AND EPS AND INFLUENCE ON THE PRICE  
OF THE SHARES IN PT SEMEN CIBINONG TBK AND PT SEMEN  
GRESIK TBK**

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The capitalization systems of company consists of equity and loan capital. Increased use of debt affect the level of financial leverage. Greater financial leverage in PT Semen Cibinong Tbk must be followed by the growing its EPS. PT Semen Gresik Tbk has a higher EPS growth, while the use of low debt. Low level of EPS growth of PT Semen Cibinong Tbk followed by low stock prices compared with the average price of shares in PT Semen Gresik Tbk. So, problem raise the author is “Whether the financial leverage and EPS did not significantly influence the price of shares in PT Semen Cibinong and PT Semen Gresik?”

The hypothesis was taken from financial leverage and EPS does not have a significant influence on the price of shares and PT Semen Cibinong Tbk PT Semen Gresik Tbk 1999-2008. The purpose of this study to determine the effect of financial leverage and EPS to the stock price of PT Semen Cibinong Tbk and

PT Semen Gresik Tbk. Test equipment used is linear regression analysis, t, f, and two different test average.

Based on the calculation of linear regression analysis in PT Semen Cibinong Tbk acquired  $R^2 = 11.6\%$ , which means that donations from the financial leverage and EPS to the stock price sebesar  $11.6\%$ , and the rest influenced by other variables that are not observed in this study. Meanwhile, PT Semen Gresik Tbk  $R^2 = 87.9\%$ , and the rest is not influenced by other variables observed. Thus the financial leverage and EPS in PT Semen Cibinong Tbk no significant effect on stock prices, while in PT Semen Gresik Tbk has a significant financial leverage and EPSnya no significant effect on its stock price. Based on the results from two different test that shows the average price of the shares of both companies does not significantly differ or, in other words, do not different. Both company's shares have risen, although the price of shares in PT Semen Cibinong Tbk lower than PT Semen Gresik Tbk.