

ABSTRACT

EFFECT OF EARNING PER SHARE AND DIVIDEND PER SHARE CLOSING PRICE ON THE FOOD AND BEVERAGE COMPANIES LISTED IN INDONESIA STOCK EXCHANGE

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Earnings per share can describe the net income of the company are ready to be distributed to all shareholders. Investors will be more interested in companies that have *high earnings per share*, and *earnings per share* of a company will affect the company's stock price. *Dividend per share* is the total dividend to be distributed to the investor for each share. High dividend per share reflect the company has good prospects as it can pay the *dividend per share* in high quantities. This will attract investors to buy shares, then if the dividend per share of a company valued by investors, the *closing price* of the shares will rise.

This study aims to provide empirical evidence about the effect of *earnings per share*, *dividend per share* against the *closing price* of the company in Indonesia in a research model. Tests carried out on 11 samples of *Food and Beverage* companies listed on the Indonesian Stock Exchange for the period 2007-2012. Hypothesis testing is done by using multiple linear regression analysis were processed by *Statistical Package for the Social Sciences* version 20.

The test results in this study statistically proves that *earnings per share*, *dividend per share* positive effect on the closing price.

Keywords : *Earning per Share, Devidend per Share and Closing Price.*