

ABSTRACT

Umi Bariro. 2014, Thesis. Title: "Effect of Component Information Content of Cash Flow Statement, Net Income and Earnings Per Share (EPS) Return on Equity (Empirical Study on LQ45 Companies Listed in Indonesia Stock Exchange Year 2009-2012)"

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Keywords : Stock *Return*, Cash Flow, Net Income, Earnings Per Share (EPS)

Capital markets is a means to mobilize funds which collected from society to various sectors which commit investments. The main goal of these investments is maximizing return. Initially, investors who commit invesments by buying stocks in capital market will analyze companies condition so that their invesments obtain returns. Obtaining returns is the main objective of commerce activities in capital market. The objective of this research is acknowledging the influence of cash flow statement information, net income, and earning per share (EPS) towards stock returns of LQ45 companies on Indonesia Stock Exchange (IDX) in the year of 2009-2012.

The sampling technique using purposive sampling method, in order to obtain a sample of 15 issuers. Methods of data collection using the documentation with secondary data sources. Data analysis model that is used in analyzing the effect of cash flow, net income and earnings per share (EPS) on stock returns is a classic assumption test, multiple regression analysis and hypothesis testing.

The results of this study indicate that simultaneous variable cash flow, net income and earnings per share (EPS) have a significant effect on stock returns as evidenced by F count > T table ($3.957 > 2.37$) with a significance level of 0.004. While the partial results of the study showed that the operating cash flow variables have a significant effect on stock returns seen from t count of ($2.086 > 2.000$) with a significance level of 0.004. For variable earnings per share (EPS) also have a significant effect on stock returns visible from the t value of ($2.481 > 2.000$) with a significance level of 0.001. While the variable cash flows of investment, financing and net income have no significant effect on stock returns. This is because the significance value above 0.05. This indicates that investors consider the information flow and operating cash earnings per share (EPS) for making economic decisions.