Keywords: The Influence of Company’s Financial Performance to Share Return

This research is an empirical study in 19 (nineteen) Food and Beverage Companies, which have been listed in BEJ for 2 years, period of 2002-2004, under the title “The Influence of Company’s Financial Performance to Share Return at Food and Beverage Company that have been listed in BEJ”. Technique of data analysis is used analysis of double linier regression, F-Test and T-Test. The aims of this research are to test whether there is influence of monetary ratio which deputized by DER, CR, ROE, and PER to share return and also to test among financial performance measuring instrument of DER, CR, ROE, and PER which have the most effect to share return. In this research, writer took two hypotheses, they are: there is simultaneous effect between DER, CR, ROE, and PER to share return, and partially, Return on Equity has strong effect to the share return.

The analysis instruments that is used to know whether there is influence between financial performance to share return by using analysis of double linier regression, F-Test and T-Test. And also some tests to know the existence of trouble to the data that will be tested, such as test of data normality, auto-correlation test, multicolinearity test and heterokedastisity test. From the result of double linear regression test, it can be known that variables of DER, CR, ROE, and PER do not influence to share return simultaneously. Its means that the first proposed hypothesis is denied, but base on hypothesis test (T-Test) shows that only variable of CR, which has partial effect to share return, while its remain, DER, ROE, and PER don’t have significant effect to share return.

Base on the analysis result, hence it can be concluded that it would be better if the investor necessarily to give more attention to financial performance in making decision to invest. And CR has role as the guidance for making decision because it has a significant influence to share return.