ABSTRACT

**THE INFLUENCE OF FINANCIAL PERFORMANCE ON THE RETURN OF FOOD AND BEVERAGES SHARES LISTED IN INDONESIAN STOCK EXCHANGE**

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**Yogyakarta, 2016**

This research aimed to study the influence of financial performance on the return of food and beverages shares in Indonesian Stock Exchange in 2012-2014. The independent variables are *Return on Asset* (ROA), *Return on Equity* (ROE), and *Debt to Equity Ratio* (DER); while the dependent variable is the share return. Several methods are evaluated and compared to measure independent variables performance to explain the share return acquired by the investors.

The research sample consists of 27 sets of data from 12 companies for the period of two years, and the data are obtained from official publication of the Indonesian Stock Exchange site ([www.idx.co.id](http://www.idx.co.id)). This research used double regression method to observe the relationship between each independent variables on the share return.

The results show that DER has positive influence on the share return, while ROA and ROE do not have positive influence on the share return.

**Keywords: Return on Asset (ROA), Return on Equity (ROE), Debt to Equity Ratio (DER), Share Return**