

**THE EFFECT OF EARNINGS PER SHARE ON ABNORMAL RETURN
IN INDONESIA**

THESIS

Presented as Partial Fulfilment of the Requirement for the

Degree of Sarjana Ekonomi (S1) in Accounting Program

Faculty of Business and Economics

Universitas Atma Jaya Yogyakarta



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FACULTY OF BUSINESS AND ECONOMICS

UNIVERSITAS ATMA JAYA YOGYAKARTA

2021 THESIS



UNIVERSITAS ATMA JAYA YOGYAKARTA
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Letter of Statement

No. 438/J/I

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13th March 2021

AUTHENTICITY ACKNOWLEDGEMENT

I hereby declare that the thesis with the title:

THE EFFECT OF EARNINGS PER SHARE ON ABNORMAL RETURN IN INDONESIA

Is really my own thinking and writing. I fully knowledge that my writing does not contain other or part of other writing, except for those that have been cited and mentioned in the references.

Yogyakarta, March 13th 2021



Albertius Galang Prabawa

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All thanks to the Lord for all His blessing that the researcher could done every process and complete the thesis with the title “The Effect of Earnings per Share on Abnormal Return in Indonesia”.

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Yogyakarta, March 13th 2021

Signed,

A handwritten signature in black ink, appearing to be 'Albertius Galang Prabawa', written in a cursive style.

Albertius Galang Prabawa

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Abstract

This research tries to find the effect of earnings per share on abnormal return in LQ 45 list in Indonesia. Population selected in this research is all type of companies which listed on LQ 45 for 1 year in row from 2016-2018. Purposive sampling technique used to take the samples which results in 110 samples from total 66 companies that fulfil the criteria of samples in this research.

Result concluded from this research will shows that earnings per share has positive non-significant impact to abnormal return. Net profit margin also has positive beta but non-significant impact on abnormal return. Meanwhile, return on asset and leverage shows that it has negative and non-significant impact to abnormal return. This study find that investor might not see earnings per share as information content that have no impact to market reaction.

Keywords: Earnings Per Share, Leverage, Return on Asset, Net Profit Margin, Abnormal Return