

ABSTRACT

The purpose of this research is to examine the difference effect of financial performance on company stock returns in LQ45 index companies before and after Covid-19 Pandemic outbreak in Indonesia. Variables used in the examination are Return on Assets, Return on Equity, dan Earning per Share as the independent variables, and company stock returns as the dependent variable.

This research uses companies that listed in LQ45 index in 2019 by comparing the result of two tests conducted on company's 2018 financial performance before the Covid-19 outbreak and 2019-2021 company financial performance after the Covid-19 outbreak. With a sample of 40 samples for the test before Covid-19 and 94 samples for the test after Covid-19. This Research used purposive sampling method that followed certain criteria for sampling and this research used multiple regression analysis as the analysis method.

The result of this study indicates that before Covid 19 in Indonesia, Return on Assets (ROA) and Return on Equity (ROE) has no significant effect on stock returns. Meanwhile Earning per Share (EPS) has a significant effect on stock returns. Aside from that, during Covid 19 in Indonesia, Return on Assets (ROA) and Return on Equity (ROE) has a significant effect on stock returns but Earning per Share has no effect on stock returns.

Keywords: Return on Assets (ROA), Return on Equity (ROE), Earning per Share (EPS), and Stock Return.