ABSTRACT

The purposes of this research are to (1) to understand the difference of finance performance of the company of stock split with the company of non split stock and (2) to understand the difference of expensive level of share price between the company of split stock with the company of non split stock

This research represent the deductive research, that is research type with purpose to test the hypothesis through the theory validation or examination of theory application at certain levying. Data used by this research come from company manufactur enlisted at BEI. The samples are companies with stock split and companies with non stock split at period 2005-2009. Data collected with documentation technique, data collection by searching and collecting secondary data coming form of annual financial statement of Indonesian Market Directory (ICMD) in 2005-2009, where researcher will take the data of NI, EPS, ROE, PER, PBV, at the manufacture companies from a year before stock split and the next year but at the data of asset. Researcher will use the data in the year 2005-2009. Hereinafter, data was analysed by using regression analysis.

Based on statistical examination have been done, it is known that finance performance of stock split companies measured by NI do not differ from the company with non stock split. While finance performance measured by using EPS, ROI, and ROE variables, it is known that there are differences of finance performance among companies with stock split and companies with non stock split. For expensive level of share price measured by the variable PBV, there are differences between companies with stock split with the companies with non stock split. The level of expensive of price measured by the variable of PER between the companies with stock split do not differ from the companies with non stock split.

Keywords: stock split, finance performance, and the expensive level of stock price

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