THE INFLUENCE OF COMPANY PERFORMANCE
TOWARD STOCK PRICE OF PT. XL AXIATA TBK
FROM 2008 - 2014

Hidayat Ihsan Abditama and Sylviana Maya Damayanti
School of Business and Management
Institut Teknologi Bandung, Indonesia
hidayat.ihsan@sbm-itb.ac.id

Abstract. Nowadays, Information and telecommunication sector had been increased highly. It is essential for the investors to make the profitable investment like stock market investment value. It is becoming the main reason to makes the company managers more intensively to catch these opportunity and create the creative and comprehensive planning for good company performance that increase the value of companies itself. One of that is the PT. XL Axiata Tbk. that ever success be the biggest operator in second position in Indonesia. These studies explore the influence of company performance toward stock price of PT. XL Axiata Tbk. in the form of financial ratios assessment. This study examines seven financial ratios that represent five basic category of financial ratio. There are Profitability, Liquidity, Activity, Debt, and Market Ratio. ROA, Current, Asset Turnover, DER, EAR, PER and Dividend Payout ratio was used as independent variable. Whereas stock price becoming the dependent variable. This study use the balance sheet income statement and capital adequacy report each four quarter during period 2008 to 2014 as well as implementing regression time series analysis method. This study indicate that only ROA that has positive significant relationship toward stock price. And the other way, DER, EAR and PER has negative significant relationship toward stock price. This study also indicate that ROA, PER and DPR is in step with profit movement, and Current, Asset turnover, DER and EAR is in step with revenue movement of PT. XL Axiata Tbk. from 2008 to 2014.

Keywords: Company Performance, Financial Ratio, Linear Regression Time Series, Telecommunication, XL Axiata

Introduction

Globalization has becoming a usual issue in this era which more and more blossomed out the technology. It looked of more country in the world have used many kind of technology and developed it so it almost all over tools uses technology. However this globalization is still has more impact until now more over to the future. Particularly in the telecommunication Era that people more and more easily to access and exchange information without connect in one place or time. Certainly it provided by developing good facilities that increasing quantity and quality of firm telecommunication.

BPS (2013) noted achieve 510 Company in 2013 that continue increase from period before. It showed that Indonesia has the interested market telecommunication industry. Yasser (2014) state that Indonesia also placed in second position the fastest growing internet population in last five years 2009-2013 with 430% growth. It is emerging the opportunity every country especially Indonesia increase telecommunication business industry to support Indonesia economic growth. Based on APJII (*Asosiasi Penyelenggara Jasa Internet Indonesia* 2013), Indonesia Internet user projection achieves 139 million users in 2015. This is becoming a good prospect for the operator cellular to increase their revenue and profit. According BPS *Statistic Indonesia* (2013), the number of customer telephone subscribers in 2013 has exceeded three hundred and forty million subscribers. This value exceeds the total population in 2013 was 249 million people, it explain that almost all user is mobile user (BPS, 2013). Certainly, every manager in each company endeavor to improve value of company

which strengthen financial company performance characteristic. Like PT. XL Axiata Tbk. as one of big operator telecommunication in Indonesia that endeavors to catch this chance. So it can interest the more investors to invest and strengthen the stock price value of company in Stock Exchange. Researcher chose this company because PT. XL. Axiata Tbk. shows interest phenomena in the middle of technology improvement. It showed that more and more increase the revenue of this company from 2008 – 2014 but with the profit of company that decline tendency. The most serious condition is 2014 that loss achieves more minus nine hundred and seventeen billion rupiah (IDX, 2015). With this fact the researcher wants to assess the company performance of PT. XL Axiata Tbk from 2008 – 2014. Despitefully, the level stock price of PT. XL Axiata Tbk. shows very fluctuate that increase tendency. So researcher also wants to determine the influence of company performance toward stock price of PT. XL Axiata Tbk. from 2008 to 2014.

Literature

XL Profile and Revenue Profit Issue
According Alif (2014), cited from teknologidunia.com state that PT. XL Axiata Tbk. has noted as the second biggest provider in Indonesia. It estimated, XL has more 40 million customers and 22 towers and has been acquisition Axis as in the fifth position. The company is still improving the existents in public that more increasing customer every years. In the journey of telecommunication business, XL has experience financial performance improvement. Indeed it has become familiar in Internet web information as like as cited from xl.co.id about many events from 2008 to 2014. According to Director of XL, Hasnul Suhaimin that sited from xl.co.id, revenue growth in 2008 noted 45% more than revenue growth in 2007. It happen increases market of segment of customer XL. There are also any increasing debt because a lot of investment allocation and capital expenditure.

According to Communication and Information ministry, Tifatul Sembiring, cited from kompas.com, if acquisition suspended, the country will loss in BHP (frequent rent used). It became the important event for XL to increase more value and performance of company.Financial report of PT. XL Axiata Tbk. from 2008 to 2014 shows interest phenomena that shows the different state. There is the revenue each year that experience increasing, IDX Website (2015) but there is also shows declining the profit of PT. XL Axiata Tbk. from 2010-2014. Revenue in 2008 placed of 12,155 billion rupiah continues experiencing constant increasingly each year until 2014 of 23,460 billion rupiah. This is caused by increasing the user of customer and internet data periodically, XL (2015). It should support to get better profit to the future for seven years. But in fact it has showed that loss in 2008 placed of (15) billion rupiah become more and more declining for seven years. The firm is seriously gets big enough loss of (917) billion rupiah in the end December 2014.

Company Performance
Rubianti (2013), state that Performance is a knowledge or achievement that reached because specific act. Her research is financial ratio analysis of company performance PT. Admiral Lines Tanjung Pinang Branch. The result state that Liquidity ratio shows in above standard industry. Profitability ratio shows below the average industry. But in totality, Company performance is still in a good. Jupri (2014), studied about analysis ratio rent ability, liquidity, and Solvability to KUD performance. There are ROA, ROE, Current ratio, Quick ratio, Debt to Asset and Debt to equity ratio was used as variable. These study state that the KUD Performance shows good and efficient performance.There are two analysis of company performance is Time-seriese and combined analysis. Combine analysis analyze the comparison with average industries uses cross sectional. Time series analysis evaluates performance over time. Comparison of current to past performance, using ratios, enables analysists to assess the firm's progress. Developing trends can beseen by using multiyear comparison, (Lawrence J. & Chad J., 2012)

Financial Ratio Briefly

Lawrence J. & Chad J (2012) state that ratio analysis involves methods of calculating and interpreting financial ratios to analyze and monitor the firm's performance Financial Performance that contains ratio analysis draws the condition of company performance. With time series method it can evaluate over time research. the researcher only used the time series. Financial ratio analysis has five parts there is liquidity ratio, activity ratio, debt ratio, profitability ratio and market ratio (Lawrence J. & Chad J., 2012).

Review of the Prior Research

Ferrer, Rodiel C. Alger Tang (2012) studied about the impact of merger and acquisition, financial ratios on stock price among the industrial firms in the Philippines. The sample of this study is financial ratio to year-on-year change in stock price among publicly listed industrial companies during the year 2006 to 2010. Then variable that used is merger and acquisition transactions, profitability ratio include Return on Equity and Return on Assets ratio, liquidity ratios include Current and Quick ratio, activity ratio include Total Assets Turnover and Payables Turnover ratio, leverage ratios include Debt to Equity and Equity to Asset ratio, market performance ratio include Price Earnings and Dividend Payout ratio, and the last is industry subsector as an independent variable. Then, stock price is as dependent variable. From the analysis relationship, the result is only three financial ratio significantly affected the explained variable. These ratios were the asset turnover, price-earnings ratio and the dividends pay-out ratio.

Abimantrana, Alep Pradipta (2014) studied about the influence of financial performance on stock price around publication date of financial statements. This study used sample of food and beverage companies which are listed in LQ-45 at Indonesia stock exchange in the period of 2010-2012. This research applied purposive sampling technique with 15 samples of companies and use multiple regression method. There are ROI, ROE, DER, CR, NPM, PBV and EPS as independent variable. Stock price change is as dependent variable. So this study result that ROI, ROE and EPS has positive significant influence the stock price.

Hutabarat & Simanjuntak (2013), studied about the relationship between financial ratio and stock prices of telecommunication companies of Indonesian stock excange telecommunication sub sector indices. This study uses three telecommunication company from 2007-2011 data. there are PT. Indosat, PT. Telkom, and Inovisi company. This study uses six independent variable for each company. The study indicate that only ROA and NPM that has positive significant relationship to stock price of PT. Telkom.

Methodology

Data Collection

To collect the data, this research mainly uses secondary data. The data needed is Balance sheet, income statement, and capital adequacy report of PT. XL Axiata Tbk. from 2008 to 2014 for fours quartile ended. So the population of this research is all of financial period publish since PT. XL Axiata Tbk. listing in IDX Indonesia Stock Exchange from 2005 to 2014. The researcher only uses one sample there is PT. XL Axiata Tbk. from period 2008 to 2014 and for stock price changes, (David M., Timothy C., & Mark L., 2011).

Research Method

The data use Regression time series data that analyzed using OLS regression method. This regression uses hypotheses-test and Classic Test Assumption to interpret the model regression. Hypotheses consist of Coefficient determination R^2, F-test and t-test. Classic test Assumption consist of Multicollinearity, Autocorrelation, Heterocedasticity and Normality test.

Independent Variables

Table 1. Formula of Seven Independent Variable of Financial Ratio
(Source: Lawrence J., 2012)

Variable	Formula
ROA	Return on Assets = $\frac{Earning}{Total\ Assets}$
CR	Current Ratio = $\frac{Current\ Assets}{Current\ Liabilities}$
AT	Asset Turnover = $\frac{Sales}{Total\ Assets}$
DER	Debt to Equity = $\frac{Total\ Debt}{Total\ Equity}$
EAR	Equity to Assets = $\frac{Total\ Equity}{Total\ Assets}$
PER	Price to Earning = $\frac{Market\ Price}{Earning}$
DPR	Dividend Payout = $\frac{Dividen}{Total\ Earning}$

Researcher uses these seven independent variables. That chooses one until two ratios from each category of five because company performance should draw the all of them.

3.4 Hypothesis

This research consists of company performance as the seven main independent variable and stock price as dependent variable. Following are the hypothesis for this research:

H_0 : there is not any significant relationship between company performance toward stock price change

H_1 : there is any significant relationship between company performance toward stock price change

The hypothesis of this research is there is any statistical significant relationship between company and stock price of PT. XL Axiata Tbk. from 2008 – 2014. The financial ratios in this research will represent to be company performance. It is also become the unique in this research that analyze the company performance of PT. XL Axiata Tbk. It will analyze seven financial ratios that will draws more the financial condition of company based on five category financial ratios. There are Profitability, Liquidity, Activity, Debt, and Market ratios

Multivariable Regression Formula

The researcher import data observation to multi variable linier regression model analysis. It uses time series analysis regression. *Time Series* is asset of observations on the values that a variable takes at different times, Gujarati (2004). So this method focuses in time period serially. It will show the functions that explain Coefficient between Dependent variable Y of each independent variable X. There is the general formula time series regression that can said in statistic such as below:

$$Yt = \alpha + B_1 X_{1,t} + B_2 X_{2,t} + .. + B_k X_{k,t} + Et$$

That can write as: Yt = Xt B +Et

Where: Bk = Constant Variable Regression

α = Constant Coefficient Regression

Et = error term

Yt = Dependent Variable

Xt = Independent Variable

Et show the residual constant. Bk shows the Coefficient Regression of each independent variable. So it shows how much the influence of change independent variable can convert to the change of dependent variable. Bk is can be negative (-) or positive (+). For the negative (-) Bk show the influence of change independent variable can convert contradictory to change of dependent variable. And the other way for the positive (+) Bk shows the influence of change independent variable can convert in same direction to change of dependent variable (Thamrin, 2012).

Result and Discussion

Company Characteristic Performance Assessment
This researcher chose seven the financial ratio to represent the company characteristic performance. There are ROA, Current, Asset Turnover, Debt to Equity, Equity to Asset, Price Earnings and Dividend Payout ratio. One of the reasons is like the first literature Ferrer (2012) that has been chosen the ten ratios that can represent all of five basic category of financial ratio. Other reason is three ratios and others ratio has included and represented by the seven ratios so researcher removes these three ratios. There are ROE, Quick, and Payable Turn Over. Like as research method, it will draw the seven ratio movement for seven years period in quarter. This is seven ratios that will connect to company event:
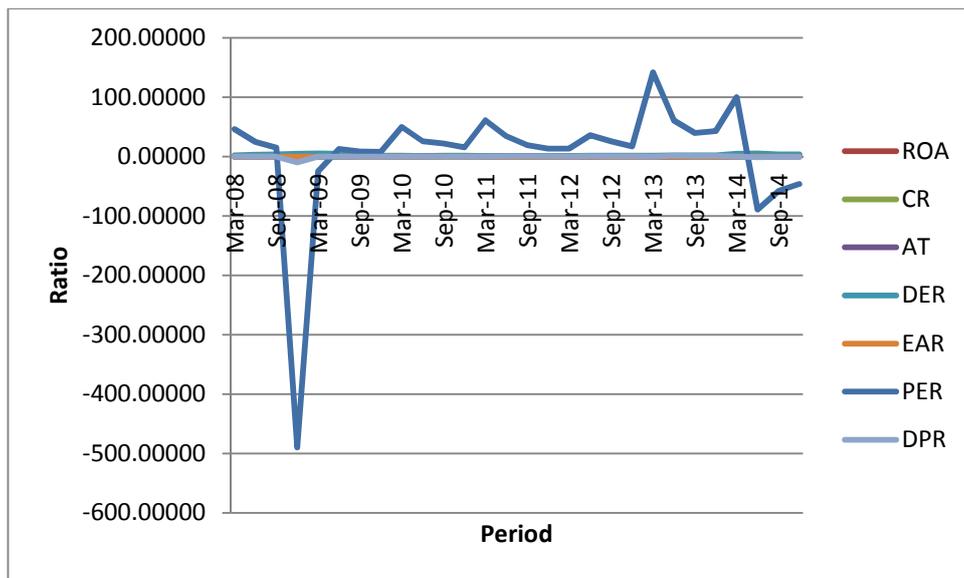

Figure 1. Movements of Seven Financial Ratios from 2008 to 2014

(Source: IDX Website)

If the complete seven ratios outlined together, result is like the figure above. There are far range movement between two ratios and other ratio. The other ratio looked constant but the one ratios are PER have fluctuate movement. There minus value that is logic because the EPS value is negative (2) in Dec 2008 so the PER value become negative (490). It happened because the declining of price stock that together with declining of Earning. This condition caused the Price of XL is becoming very cheaper. It will effect bad to company if the EPS in negative value because investor will think double to hold. From the figure above, it explain that from 2009 to 2013 the PER of XL is in fluctuate positive value that effect good to company because the stock price of XL is crowded in market. If the figure looked closely it will draw the other six other ratio that looked constant. So there is the figure below:
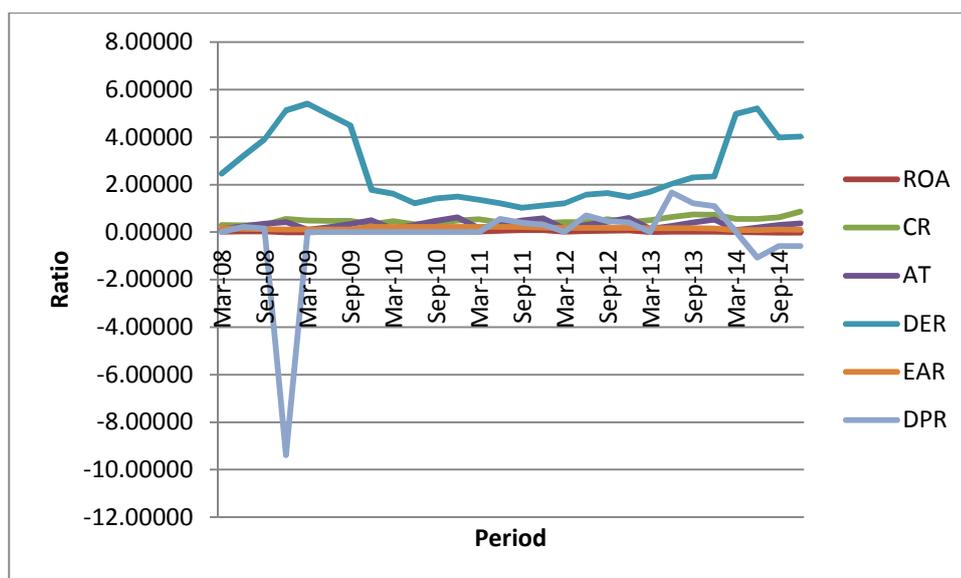
Figure 2.Movements of Five Financial Ratios from 2008 to 2014

(Source: IDX Website)

After looked closely, there is DER and DPR that shows different movement with four other ratios. There are ROA, CR, AT, and EAR ratios. DER ratio moves in different direction with ratios before (PER). There are two maximum level of DER; first is in March 2009 that debt is 5.40 times and second is in June 2014 that debt is 5.20 times. These two explain that XL achieves optimum uses of debt from the total of equity by shareholder with the increasing risk. Especially, this condition becomes a good for investor because they pay cheap to get more debt. And also XL gets more external financing to increase capex and expansion to generate more profit. It proves that increasing revenue and profit from March 2009 to December 2013. So it is in step with interest phenomena of XL from 2009 to 2013 and out step in the end of December 2014 that has negative profit company. It explain the optimum debt cannot generate more profit that caused by other factor like increasing expenses in the end of December 2014.And other way with DER is DPR ratio that has two optimum negative values. First, in December 2008, the DPR is -9.38 times and the second, in September 2014, the DPR is -0.59 times. It is logic because XL announces the dividend after the announcement of the year ended financial report if it is in profit. If before year ended is profit and current year ended is loss so the value of DPR is negative. And this ratio is in step with profit of XL from 2008 to 2014 but not to revenue of XL.

Other four ratio looked constant movement for seven periods. It only looked little movement of ROA, Current, Asset Turn Over and EAR ratios. As Profitability ratio, ROA is in step with profit of XL movement that increase from 2008 to 2013 and decrease in end 2014. It caused of increasing expenses that cannot covered by increasing revenue. Actually the condition is a good for six year from 2008 to 2013 but bad in last year in 2014. And then Current ratio that is in increasing movement from 2008 to 2014. The increasing value is from 29.6 % to 86.4 %. This is a good condition because the company increasing short financing ability to cover the short liability. This increasing is in step with increasing revenue XL from 2008 to 2014. Asset turnover also is in increasing movement from 2008 to 2014. The increasing value is from 12.8 % to 36.8 %. This is to be a good condition where XL manage more productive the all of his asset company. This is in step with increasing revenue XL from 2008 to 2014. The last is Equity to Asset ratio is in decreasing tendency from 2008 to 2014. The decreasing is from 16.4 % to 10.1 %. This is in good condition because from year to year the asset is increases toward equity that shareholder hold. This is in step with revenue but is in other way direction.

Researcher also indicates that there it connected with five basic category ratio, first, as Profitability ratio, ROA is in step with profit of XL movement. So the condition is a good for six year from 2008 to 2013 but bad in last year in 2014. Second, as Liquidity ratio, current ratio is in increasing movement from 2008 to 2014 that increasing value is from 29.6% to 86.4%. So it is good condition because the company increasing short financing ability to cover the short liability. Third, as Activity ratio, Total Asset turnover also is in increasing movement from 2008 to 2014 that increasing value is from 12.8 % to 36.8 %. So it is a good condition where XL manage more productive the all of his asset company.

Forth, as Debt ratio, there are two maximum level of DER; first is in March 2009 that debt is 5.40 times and second is in June 2014 that debt is 5.20 times. These two, explain that XL achieves optimum uses of debt from the total of equity by shareholder with the increasing risk. Especially, this condition becomes a good for investor because they pay cheap to get more debt. And also XL gets more external financing to increase capex and expansion to generate more profit. The Equity to Asset ratio is in decreasing tendency from 2008 to 2014. The decreasing is from 16.4% to 10.1%. This is in good condition because from year to year the asset is increases toward equity that shareholder hold. The last, as Market ratio, PER ratio explain from 2009 to 2013, the PER of XL is in fluctuate positive value that effect good to company because the stock price of XL is crowded in market (more liquid). DPR is other way with PER and also it divide after the year ended of earning so DPR will show after showing of increasing profit.

So from the two figures above that draw for seven years, if it connect with the interest phenomena of increasing revenue and decreasing profit of XL, it show that there are three ratio that in step with profit movement from 2008 to 2014 (ROA, PER and DPR Ratios). It shows a good condition in 2008 to 2013 but a bad condition in the end 2014. It caused by other factor there is the increasing expenses that would not covered by increasing Revenue Company. And then there are four ratio that in step with revenue movement from 2008 to 2014 (CR, AT, EAR and DER ratios). All over ratio is in good condition that can support the increasing of Revenue. This condition is caused by ratio that formed by the condition of profit and revenue of PT. XL Axiata Tbk.

Descriptive Statistic

Table 2. Descriptive Statistic *(Source: SPSS Software)*

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SP	28	980.00	6650.00	4133.7500	1769.01397
ROA	28	-.02	.11	.0343	.03318
CR	28	.29	.86	.4840	.14570
AT	28	.09	.63	.3292	.16036
DER	28	1.02	5.41	2.6548	1.52080
EAR	28	.08	.23	.1665	.04685
PER	28	-490.00	141.89	4.5585	106.46435
DPR	28	-9.39	1.67	-.1586	1.88750
Valid N (listwise)	28				

From the table above, all independent variable use same unit type. Dependent variable use price level unit type. Max value of SP is 6650 point that happen in September 2012 and Min value of 980 point in December 2008. SP has standard deviation of 1769.01 is less than mean value of 4133.75 point that it shows that shows that it has good deviation value. Because each variable that has SD

more than Mean it means that the data variable is too far from the Mean average. It is the same with all independent variable.

Hardly all independent variable has SD less than Mean value except PER. It is signaling good deviation of six independents variable toward spread of mean. There are ROA, CR, AT, DER, EAR and DPR variable. From of six ratios there is only ROA that has negative minimum level value of -0.02 follow PER but not in significant negative value. It happens in September 2008. But PER has deep negative value Minimum of -490 that shows very bad the deviation of these data observation. It is becoming the unique characteristic. PER has SD of 106.46 is 23x more than mean level. Because only one variable that has bad deviation, so the all data still can give good model to regression.

Multivariable Linear Regression Analysis
Based on the Regression statistic measure with SPSS, there are the table summery of coefficient regression bellow:

Table 3. Coefficient Regression Model *(Source: SPSS software)*

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	11699.285	3434.797	
	ROA	40242.084	17100.879	.755
	CR	4243.557	2127.669	.350
	AT	-2566.129	2383.249	-.233
	DER	-1413.849	393.428	-1.215
	EAR	-33950.094	12776.978	-.899
	PER	-22691.837	7951.474	-.494
	DPR	74.900	530.165	.021

From the table above it show the unstandardized coefficients B for every independent variable that can interpret how influences them to change of Stock Price as a formula. The coefficient of formula is below:

Stock Price = 11730.673 + 38961.092 ROA,t + 4204.181 CR,t – 2330.479 AT,t –
1420.208 DER,t -33892.759 EAR,t -22491.464 PER,t – 18.336 DPR,t

The formula above interprets every variable as below:
    a. The constant α value is 11,730.673 is state based standard error 3,395.809 that stock price value become 11,730.673 IDR at zero value of all independent variable. It is not actually means but for show the every coefficient variable it needs a constant value.
    b. ROA variable has 38,961.092 coefficient positive that means every increasing 100 % in ROA so stock price will increase 38,961.092 IDR/share.
    c. CR variable has 4,204.181 coefficient positive that means every increasing 1 times in CR so stock price will increase 4,204.181 IDR/share.
    d. AT variable has -2,330.497 coefficients negative that means every increasing 1 times in AT so stock price will decrease 2,330.497 IDR/share.
    e. DER variable has -1,420.208 coefficient negative that means every increasing 100 % in DER so stock price will decrease 1,420.208 IDR/share.
    f. EAR variable has -33,892.759 coefficient negative that means every increasing 100 % in EAR so stock price will decrease 33,892.759 IDR/share.
    g. PER variable has -22,491.464 coefficients negative that means every increasing 1 times in PER so stock price will decrease 22,491.464 IDR/share.
    h. DPR variable has -18.336 coefficient negative that means every increasing 1 times in DPR so stock price will decrease 18.336 IDR/share.

Coefficient of Determination (R^2)

<div align="center">

Table .4 Coefficient of Determination (R^2)
(Source: SPSS software)
Model Summary[b]

</div>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.858[a]	.736	.644	1055.78557

a. Predictors: (Constant), DPR, AT, CR, DER, PER, ROA, EAR
b. Dependent Variable: SP

From the table of Model R^2 Summary above, researcher use adjusted R Square to interpret the model regression. It shows that Adjusted R^2 of 0.644 point that can interpret 64.40% to the change of stock price level. It indicates that seven independent variable of this research has enough portion to influence the change of stock price. There is 1-64.40% = 35.60% is the value that explains of other factor that can influence the dependent variable. The other factor can explain from other financial ratio from five basic categories except this seven ratio analysis (ROE, Current, Asset Turn Over, Asset to Equity, Equity to Asset, Price to Earnings and Dividend Payout Ratios).

F-Test
Iqbal (2013), F-test uses to know what is independent variable can significantly influence toward dependent variable with simultaneously. F-test basically shows all variable influence together and hypotheses zero H_0 is not same with zero value. If Bk as constant of all variable is not same with 0 so F-test is accepted.

<div align="center">

Table 5. One Way Anova F-test
ANOVA[a]

</div>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	62200417.732	7	8885773.962	7.972	.000[b]
	Residual	22293663.518	20	1114683.176		
	Total	84494081.250	27			

a. Dependent Variable: SP
b. Predictors: (Constant), DPR, AT, CR, DER, PER, ROA, EAR

From the table above the F-test value is 7.972 that show more than F-table of 2.37 at 5% significant level with n=28 data of observation. And degree of Freedom dF is more than 20 so based on the theory. Then the significant value of 0.000[b] is less than 5 % at significant level so, all independents have significant relationship toward dependent variable with simultaneously. Based on the research method, if F-test has passed it can be used to accept and reject the hypotheses to get the significant relationship toward stock price simultaneously. So the result shows that it rejects H_0 that means accepted H_1. So the hypothesis of this research has been answered that there is any significant relationship between company performances toward stock price.

t-Test
t-test is uses to know the significant relationship individually each variable independent to dependent variable. This is the t-table measurement t-test:

Table 6. Coefficient Regression and t-test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	11730.673	3395.809		3.454	.003
	ROA	38961.092	18265.894	.731	2.133	.046
	CR	4204.181	2196.329	.346	1.914	.070
	AT	-2330.497	2638.789	-.211	-.883	.388
	DER	-1420.208	379.965	-1.221	-3.738	.001
	EAR	-33892.759	13081.091	-.898	-2.591	.017
	PER	-22491.464	7656.056	-.490	-2.938	.008
	DPR	18.336	143.677	.020	.128	.900

a. Dependent Variable: Stock Price

From the table above hardly all independent variable is more than t-table 1.70329 except AT and DPR ratio that has 0.883 and 0.182 for t value. So this ratio individually is not has significant relationship toward dependent variable. Based t-test above it also shows that AT and DPR that has not significant relationship individually to the stock price. At 5 % significant level, there are four from seven independent variable have significant level less than 5 %. There are ROA, DER, EAR and PER respectively of 0.046, 0.001, 0.017 and 0.008. And three of independent variables have not significant relationship toward dependent variable. There are CR, AT, and DPR respectively of 0.070, 0.388 and 0.900.

Then it will be discussed and compared with the prior research for each independent variable so researcher can get the result for PT. XL Axiata Tbk compare with prior research. So it will describe in below:

1. ROA has positive significant relationship toward stock price. This result is similar with three prior research by Abimantrana (2013), Pradipta (2012) and Hutabarat (2013).

2. CR has no a significant relationship toward stock price. It is similar with literature by farrer (2012). But if uses 10 % significant level the CR can including into significant relationship. It proves that PT XL Axiata Tbk has different case with prior research.

3. AT has no a significant relationship toward stock price. This result is similar with all prior research. There is not prior research that says AT has a significant relationship toward stock price.

4. DER has negative significant relationship toward stock price. This result is not similar with prior research by Farrer (2012). It proves that PT. XL Axiata Tbk. influenced enough by Debt management like DER.

5. EAR and PER has negative significant relationship toward stock price. This result is not similar with prior research. Ferrer (2012), state that EAR and PER has positive significant relationship toward stock price. It also prove that the EAR and PER condition between in Philippine by Farrer (2012) and in PT. XL Axiata Tbk. have positive difference in the influencing of stock price.

6. DPR has not a significant relationship toward stock price. This result is not similar with Ferrer (2012). It proves that PT. XL Axiata Tbk has not stable dividend payment each year. Because there are more two years that company cannot

payout the dividend because minus of Earning. It also happens because revenue of company cannot cover the increasing of operation expenses of this company.

Conclusion and Recommendation

Based on the analysis method above, researcher concludes that there are two main point of conclusion that will be describe below:

1. From all discussion for each five category researcher found that there are three ratios that in step with profit movement from 2008 to 2014 (ROA, PER and DPR Ratios). It shows a good condition in 2008 to 2013 but a bad condition in the end 2014. It caused by other factor there is the increasing expenses that would not covered by increasing Revenue Company. And then, there are four ratios that is in step with revenue movement from 2008 to 2014 (CR, AT, EAR and DER ratios). All over ratio is in good condition that can support the increasing of Revenue. It proves that all independent variable that represent company performance is caused and formed by the condition of profit and revenue of PT. XL Axiata Tbk.

2. From the statistic test in analysis, researcher find that there is any significant relationship of company performance toward stock price of PT. XL Axiata Tbk. from 2008 to 2014 in simultaneously. It proves with f-test regression linear model of 0.000^b significant. It is in very good result because it closes zero error. And also, three ratios that has no significant level. There are Current, Asset Turnover, and Dividend Payout ratios respectively of 0.070, 0.388 and 0.900 that more than 5% significant level. It also explains that the different case of PT. XL Axiata Tbk than other prior research.

   Researcher found that four ratios have significant relationship toward stock price. There are ROA, DER, EAR and PER respectively of 0.046, 0.001, 0.017 and 0.008. ROA has positive significant relationship toward stock price with the high constant value of regression model of 38,961.092. It means that ROA has big enough influence. DER, EAR and PER have negative significant relationship. DER is in the second position that has high constant value of regression model of -33,892.759. It means that DER has big enough influence to decrease value of stock price.

Based on the analysis method above, researcher has two recommendations to management of PT. XL Axiata Tbk. First, Company Manager should create the best comprehensive planning to get increasing of revenue and generate increasing profit of Company. Because it will form good ratio analysis that in the future can increase value of company in stock market and also company has more healthy company performance. There are some strategy to achieve best increasing revenue and profit strategy is, Increase the customer user with interested tariff and advertisement with efficient to decrease the increasing expenses from year to year. Consider the optimum debt to create more sales but decrease the risk with best expectation and liquidity. And the second, Company manager should more pay attention to increase ROA that has high positive significant level. It does to keep positive profit or increase of the company. The manager can decrease the uses of asset that has less productive. Then company manager also keep the DER, EAR and PER ratio in stable condition so it cannot decrease the value of XL stock price.

In addition, Researcher also hopes to next researcher to add more the observation data to make the comprehensive model regression to get the better calculation. The next researcher can research other company in different industries with more comprehensive model than this study.

Reference

Abimantrana, A. P. (2013). THE INFLUENCE OF FINANCIAL PERFORMANCE ON STOCK PRICE AROUND PUBLICATION DATE OF FINANCIAL STATEMENTS.

Alif. (2014, January 16). *XL Axiata Sebagai Provider terbaik nomor 2 di Indonesia*. Retrieved August 23, 2014, from TeknologiDunia.com: http://www.teknologi.com/xl/provider-bagus-xl-axiata-sebagai-provider-terbaik-nomor-2-di-indonesia.html

BPS, S. T. (2013). Retrieved 2015, from Badan Pusat Statistik Indonesia: www.bps.go.id

David M., L., Timothy C., K., & Mark L., B. (2011). *Business Statistics* (Fifth Edition ed.). (M. Pfaltzgraff, Ed.)

Fatmawati, A. (2013). Analisis Pengaruh Rasio Aktifitas, Rasio Profitabilitas dan Rasio terhadap Return Saham Perusahaan Grosir dan Ritel yang terdaftar dalam Daftar Efek Syariah. *Jurnal Studi Ekonomi-Keuangan Islam, Vol. 3No. 1 September*, 1-76.

Ferrer, R. C. (2012). The Impact of Merger and Acquisition, Financial Ratios on Stock Price among the Industrial Firms in the Philippines. *De La Salle University, Manila, Philippines*, -.

Gujarati. (2004). *Basic Econometrics Fourth Editions.* The McGraw-Hill Companies.

Guteksi. (2013). *Grafik Pengguna Internet Indonesia*. Retrieved 2015, from Gudang Teknologi Informasi: http://guteksi.blogspot.com/p/jumlah-pengguna-internet-indonesia.html

Hidayat, A. (2012, 09). *Uji Statistik*. Retrieved 08 19, 2014, from Statistikian: http://www.statistikian.com/2012/09/uji-normalitas-dengan-kolmogorov-smirnov.html

Hidayat, A. (2012, 09). *Uji Statistik*. Retrieved 08 19, 2015, from Statistikian: http://www.statistikian.com/2013/01/uji-park.html

Hutabarat, F., & Simanjuntak, D. (2013). The Relationship between Financial Ratio and Stock Price of Telecomunication Companies of Indonesia Stock Exchange telecommunication subsector indices. *Jurnal Ekonomi*, 227-232.

IDX. (2015). *Financial Report Publication.* Retrieved 2015, from Indonesia Stock Exchange: http://www.idx.com

Indah, E. N. (2013). Profitabilitas terhadap Return Saham pada Perusahaan Pertambangan Batu Bara yang Terdaftar di BEI Tahun 2009-2011. *Manajemen Fakultas Ekonomi Universitas Muhammadiyah Surakarta*, 10.

Iqbal, M. S. (2013). Pengolahan Data gengan Regresi Linier Berganda (dengan SPSS). 17.

Jupri, S. (2014). Analisis Rasio RLS (Rentabilitas, Liquiditas, dan Solvabilitas) pada KUD Dwi Tunggal Kecamatan Bulua Pesantren Kabupaten Kebumen. *Pendidikan Ekonomi FKIP Universitas Muhammadiyah Purworejo*, 1-6.

Lawrence J., G., & Chad J., Z. (2012). *Principles of Managerial Finance* (Thirteenth Edition ed.). (D. Battista, Ed.) England: Pearson.

Pradipta, G. (2012). The Influance of Financial Ratio Towards Stock Price. *JIM Fakultas Ekonomi dan Bisnis*, 1-25.

Rubianti, N. (2013). Analisa Rasio Keuangan Untuk Menilai Kinerja Perusahaan. *Akuntansi Fakultas Ekonomi Universitas Maritim Raja Ali Haji*, 1-17.

Sunaryo, S., & Siagian, T. H. (2011). Mengatasi Masalah Mutikolinearitas dan Outlier dengan Pendekatan Robpca (Stusi Kasus Analisis Regresi Angka Kematian Bayi di Jawa Timur). *Jurnal Matematika, Saint dan Teknologi*, 1-10.

Thamrin, Y. (2012). *Analisis Current Ratio (CR) dan Debt Equity Ratio (DER) Terhadap Return Saham Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia.* Makassar: Manajeme Fakultas Ekonomi dan Bisnis Universitas Hasanuddin.

Yasser, P. (2014, 03 13). *Dalam 5 Tahun Terakhir Jumlah Pengguna Internet Indonesia naik 430 persen (Grafik)*. Retrieved 04 28, 2015, from TECHINASIA: http://id.techinasia.com/dalam-5-tahun-terakhir-jumlah-pengguna-internet-indonesia-naik-430-persen-grafik/