

## ***ABSTRACT***

Earning Per Share (EPS) is the rate of return per share. The rate of return is affected by capital structure. Capital structure policy adopted by the company. It is necessary for the optimal capital structure for the company, where it will minimize the opportunity cost of capital and maximize wealth for shareholders.

The optimal capital structure is a situation where the risks and expected returns balanced so that the stock price can be maximized. With the optimal capital structure will generate favorable financial leverage for the company, it will be characterized by high levels of Earning Per Share produced by the company.

The object of this study is a sub-sector company listed on the Indonesian Stock Exchange and the 2010-2014 period and the number of samples obtained by 5 companies with the passing phase of purposive sampling in accordance with the criteria needed for research.

This research is categorized into types of descriptive research and verification methods. Data used in this study belong to the type of secondary data such as annual reports and financial statements of the company from 2010 to 2014 which can be obtained from the website [www.idx.co.id](http://www.idx.co.id). The method of analysis of this research using panel data regression analysis to obtain a comprehensive picture of the relationship between the variables of the other variables.

The results in this study indicate that the Financial Leverage (DAR and DER) No significant effect on EPS. Partially DAR no significant effect on EPS and DER no significant effect on EPS.