## *ABSTRACT*

*This study was conducted to examine the effect due to the Merger Synergy Operating to Stock Return. The variables used are the Sales Growth, Return on Assets, Net Profit Margin, Earnings Per Share, and BI Rate, on Stock Return Smartfren. the period of the 1st quarter of 2007 to the first quarter of 2015. The focus of this study was to measure and analyze the influence of these variables on Stock Return. This study is expected to be useful for the parties concerned, such as management companies, academics, investors, and for the development of financial theory.*

*The sampling technique used is purposive sampling with criteria: (1) a company engaged in the business of Telecommunications, (2) Telecommunication Company merged in 2010. Data were obtained from the company's quarterly financial statements and the publication of Indonesian Capital Market Directory. The analysis technique used is multiple regression with the ordinary least square and hypothesis testing using t-statistic to test the partial regression coefficient and f-statistic to examine the simultaneously influences. The analysis showed that the variable Return On Assets, Sales Growth, Net Profit Margin, Earnings Per Share and SBI simultaneously not significant to Smartfren's Stock Return in the period of the 1st quarter of 2007 to the first quarter of 2015. The t-test statistic from this study indicate that the only variable Return On Asset and Earning Per Share are partially affect the Stock Return. The predictive capability of five variables on Stock Return of 15.4%. However, when drafted new regression equation, the predictive ability of the remaining two variables to Return Equity 14.98%. Synergies in Smartfren's merger process does not work as a whole, since the postal costs are still high and can not be controlled resulting in lower profitability and lower Smartfren's Stock Return.*



***Keywords: Mergers, Return on Assets, Sales Growth, Net Profit Margin, Earnings Per Share, Interest Rates, Stock Return***