

ABSTRACT

The financial statements are a major source of information for most investors and analysts with the aim of providing information on the financial position, financial performance, and cash flows of entities that benefit most reporters in economic decision making. As a basis for investment decision making, the presented financial information should be understandable, reliable, relevant and transparent.

This research is conducted to know the effect of return on assets, earnings per share, dividend per share, debt to assets ratio, and current ratio as dependent variable to shareholder investment decision as independent variable. This research uses quantitative method. The data used are data from the financial statements of three telecommunication companies listed in Indonesia Stock Exchange Period 2010-2015, then data is processed using Eviews with panel data regression analysis, coefficient of determination, F test method and t test.

Based on the results of the research, it can be seen that simultaneously ROA, EPS, DPS, DAR, and CR have significant effect on shareholder investment decision and partially only ROA which have significant effect on shareholder investment decision.

Keywords: *Financial Statements, Investment Decisions, Shareholders*