ABSTRACT

Company value is a company performance that can describe the current state of the company and can describe the company's opportunities in the future. Companies that have gone public will offer shares to investors, the company will hope to get a lot of demand for shares from the market. Investors will see the company's value to measure the company's performance. Management can be said to be successful if the company value expected by the company is achieved in accordance with the target.

This study aims to determine the effect of non-performing loans, loan to deposit ratio, and net interest margin on firm value simultaneously or partially. The research method in this study is quantitative. Data analysis using descriptive statistics and panel data regression with the help of the Eviews 12 application. The population in this study is bank subsector companies on the Indonesia Stock Exchange for the 2019-2021 period. This study did not include regional commercial banks and Islamic banks. The sampling technique used was purposive sampling and 111 samples were obtained.

The results of the study simultaneously show that the variables of non-performing loans, loan to deposit ratio, and net interest margin affect firm value. While partially the first variable, namely non-performing loans, has a negative effect on firm value, the second variable, namely loan to deposit ratio, has a negative effect on firm value, the third variable, namely net interest margin, has no effect on firm value. This study is expected to add references regarding the influence of financial ratios owned by banking companies on firm value. For further research, other independent variables can be added.

Keywords: non performing loan, loan to deposit ratio, net interest margin, firm value