

ABSTRACT

Firm value is an investor's perception of the level of success of a company which is reflected in the stock price compared to the book value (PBV). The higher the firm value, the greater the desire of investors to invest in the company. The high share price will increase the value of the Company and the welfare of investors will be higher. In this study, company value is measured using Price to Book Value (PBV).

The purpose of this study was to determine the effect of Profitability, Liquidity, and Sales Growth on Company Valuation of pharmaceutical sub-sector companies listed on the Indonesia Stock Exchange (IDX) Infrastructure Classification (IC) during the 2018-2022 period.

The population of this study are pharmaceutical sub-sector companies listed on the IDX IC from 2018 to 2022. The sampling technique used was purposive sampling. The sample in this study consisted of 7 companies over a 5 year period so that a total of 35 observation units were obtained. The research methodology uses panel data regression analysis using E-Views version 12 software.

The findings of this study indicate that Profitability, Liquidity, and Sales Growth jointly affect company valuation. Specifically, Profitability has a partial positive effect on company valuation. However, Liquidity and Sales Growth do not have an individual impact on Company Valuation.

Keywords: *firm value, Liquidity, Profitability, Sales Growth*