

ABSTRACT

Telecommunications companies seize opportunities by creating innovative products, offering and services. So that in 2021 the 5G network officially enters Indonesia and can be used by some users. The higher the revenue growth, the higher the company's added value.

The purpose of this study was to determine the effect of profitability, leverage and dividend policy on company added value by using market value added in telecommunications sub-sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2022.

The research method used is a quantitative research method. The sampling technique used was purposive sampling and the number of samples used in this study were 42 samples consisting of 7 companies with a span of 6 years. The data analysis method used is panel data regression analysis using Eviews 12 software.

The results of this research show that profitability, leverage and dividend policy have a simultaneous effect on the company's added value. Partially, profitability has a positive effect on the company's added value. Leverage and dividend policy have a negative effect on the company's added value.

The research results are expected to contribute both in literature and practice. Companies can increase added value by paying attention to the company's profitability ratios. Investors pay attention to company reports to measure company performance so as to increase the company's added value.

Keywords: Financial Ratio, Kebijakan Dividen, Leverage, Profitabilitas, Value Added