

ABSTRACT

Firm value is an important reflection of whether or not a company's performance is good. The value of the company is determined by the supply and demand mechanism on the stock exchange, which can be seen in the stock price. The main investor consideration in looking at the company's performance is to see the high or low value of the company.

The purpose of this study is to determine the effect of net profit margin, dividend policy, and leverage on firm value with the control variable of firm size in Mining Sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021.

The population in this study is the Mining Sector which is listed on the Indonesia Stock Exchange (IDX) in 2017-2021. The sampling technique used is purposive sampling and the number of samples used in this study is 150 samples consisting of 14 companies with a research period of 5 years. The data analysis method uses panel data regression analysis using Eviews 9 software by carrying out several testing stages.

Results of this study indicate that the net profit margin, dividend policy and leverage with the control variable firm size have a simultaneous effect on firm value. Partially, net profit margin and leverage has a positive effect on firm value. Meanwhile, dividend policy have no effect on firm value.

This research is expected to help potential investors in determining the amount of firm value, one of which is using price to book value calculations with several calculation factors with the independent variable net profit margin, dividend policy and leverage.

Keywords: Firm value, Net Profit Margin, dividend policy, leverage, and firm size.