

ABSTRACT

The value of a company is a valuation given by the investors to measure the condition and performance of a company that is reflected in the market price of its stock. The management team of a company must improve the company's performance in order for the stock price in the market to also increase.

The purpose of this study is to determine the influence of capital structure, investment decisions, and dividend policy on company value with profitability, liquidity, and company size as control variables in pharmaceutical sub-sector companies listed on the on the Indonesia Stock Exchange (IDX) in 2015-2022.

The population in this study is the pharmaceutical sub-sector listed on the Indonesia Stock Exchange (IDX) in 2015-2022. The sampling technique used in this study was purposive sampling and the number of samples used in this study was 64 samples consisting of 8 companies with a research period of 8 years. The data analysis method uses panel data regression.

The results of this study show that capital structure, investment decisions, and dividend policy, with control variables of profitability, liquidity, and company size, have a simultaneous impact on company value. Partially, capital structure, investment decisions, and dividend policy with these control variables have no effect on company value. Among the control variables profitability does not affect company value, while liquidity and firm size has a negative effect on company value.

This study is expected to provide insights for potential investors by calculating the price book value (PBV) as one of the indicators for measuring company value, considering independent variables capital structure, investment decisions, and dividend policy, along with control variables profitability, liquidity, and company size.

Keywords : Company value, capital structure, investment decisions, and dividend policy