

## **ABSTRACT**

*Firm value is a crucial measure that reflects investor perceptions of a company's performance and future potential. A high firm value indicates that the company is capable of generating optimal returns and increasing shareholder wealth. This study aims to determine the effect of profitability, dividend policy, and capital structure on firm value in food and beverage manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the period 2019–2023.*

*The research adopts a quantitative approach using panel data regression analysis. The population includes food and beverage manufacturing companies listed on the IDX. The sample was selected using purposive sampling, and after the outlier test, 13 companies were obtained, resulting in 60 observation data points over five years. Profitability is measured using Return on Assets (ROA), dividend policy using Dividend Payout Ratio (DPR), and capital structure using Debt to Equity Ratio (DER). Firm value is measured with Tobin's  $Q$  ratio.*

*The results show that profitability, dividend policy, and capital structure simultaneously have a significant influence on firm value. However, partially, only profitability has a positive and significant effect on firm value. Dividend policy and capital structure do not show a significant individual impact. These findings suggest that profitability is a key factor considered by investors in assessing firm value, while other financial decisions like dividend distribution and capital structure appear to have less influence in this context.*

*This study is expected to serve as a useful reference for investors and company managers in evaluating and improving firm value through financial performance.*

**Keywords:** *firm value, profitability, dividend policy, capital structure*