ABSTRACT

Title : The Influence of Liquidity, Solvability, and Company Size on the

Firm Value in Food and Beverage Sub-Sector Manufacturing

Companies Listed on the Indonesia Stock Exchange for the period

2013-2017

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Major : Accounting

The company value reflects the present value of the expected income in the future. The function of financial management is to maximize the value of the company. The purpose of this study is to examine the Effect of Liquidity, Solvability and Company Size on the Firm Value in Food and Beverage Sub-Sector Manufacturing Companies that are Listed on the Indonesia Stock Exchange for the period 2013-2017. The population in this study is the food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange with the research period from 2013 to 2017, which amounted to 78 companies. The sample in this study was chosen using a purposive sampling method with predetermined criteria so that 14 companies could be collected with 70 financial statements. The data analysis technique used in this study is multiple linear regression analysis.

The results of statistical tests show that liquidity has a positive and significant effect on firm value. Solvability has a positive and significant effect on firm value. Company size has no influence on company value. While simultaneous liquidity, sovability, and company size have a significant effect on firm value. The results shown by the adjusted R square are 0.221 which means that it can be stated that Cash Ratio, Debt to Equity Ratio, and Company Size affect the company value by 22.1% and the remaining 77.9% is explained by other factors not included in the model This regression, these factors include macroeconomic conditions, profitability, and dividend policy.

Keywords: Liquidity, Solvability, Company Size, and Firm Value.

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