

**ABSTRACT**

*Title : The Effect of Sales Growth, Profitability and Company Size on Firm Value in the Basic and Chemical Industries Listed on the Indonesia Stock Exchange in the period 2014-2018*

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*The background in this research is an increase in the value of the company as measured by the company's stock price in the basic and chemical industries. Besides that, there is a difference between theory and reality regarding the relationship of sales growth, profitability and company size variables to the firm's value.*

*This study aims to analyze the effect of sales growth, profitability and company size on firm value in the basic and chemical industries in the 2014-2018 period. The sampling technique used in this study is purposive sampling technique with company criteria in the basic and chemical industries which published the 2014-2018 financial statements. The data used in this study were obtained from annual financial reports on the official website of the Indonesia Stock Exchange with a total sample of 27 companies. Data analysis method in this research is multiple linear regression analysis which was previously tested by classical assumptions. Hypothesis testing uses the *F* statistical test, the *t* statistical test and the Adjusted *R*<sup>2</sup> determination coefficient test with a significance level of 11.6%.*

*The results showed that the independent variables simultaneously (significance test *F*) affect on firm value with a significance level of 0.020. While partially (*t* test) shows that the variable of sales growth has no effect on firm value, profitability has a positive and significant effect on firm value, and company size has no effect on firm value. The adjusted *R*<sup>2</sup> value of 0.116 can be interpreted as the ability of the three independent variables to explain on firm value at 11.6% while the rest is explained by other factors.*

*Keywords: firm value, sales growth and company size*