

ABSTRACT

DIAN SAFITRI (200912001), Analysis of the effect of investment decisions, dividend policy, size and ownership structure on firm value food and beverages are listed on the Indonesia Stock Exchange 2009-2011 period.

The research was carried out on food and beverages companies listed in Indonesia Stock Exchange. This study aims to determine whether the value of the firm is influenced by the variable investment decisions, dividend policy, firm size and ownership structure.

Maximum value of the company is said to be seen on how high the market valuation of the shares in a company, the higher the market pass judgment on a company (stock) the higher the value of established companies that can optimally.

Firm value proxied using *Price to Book Value* the company's share price divided by book value per share of such shares. Investment decisions by choosing the model *Capital Asset Pricing Model* (CAPM) by using proxy *required rate of return*, expected rate of return of a portfolio of securities or securities equal to the risk free rate plus a risk premium, risk premium on *Capital Asset Pricing Model* (CAPM) is the result of a number of risk multiplied by the market risk. Dividend policy using a proxy *Dividen Payout Ratio* (DPR) shows the percentage of earnings paid to shareholders in cash, firm size by calculating total net sales and Ownership structure by focusing on institutional ownership using proxy *INST* where the total institutional ownership in the firm divided by the total shares outstanding in the company.

The results obtained under the Partial Test (*t* test) where the outcome is a decision variable is the outcome variable investasidimana investment decisions and ownership structure have influence and positively related to firm value, while the test is based on Simultaneous (*F* test) variable investment decisions, dividend policy, firm size (Size) as well as the ownership structure has an influence and positively related to firm value.

Keyword: Investment decisions, dividend policy, firm size (Size), ownership structure, institutional ownership