

ABSTRACT

The main goal of the company is to maximize profits as much as possible and the prosperity of its shareholders. The company's other goals are divided into two, namely short-term and long-term goals. The short-term goal is to obtain profits as much as possible, while the long-term goal is to optimize the value of the company (Karina and Titik, 2016).

This study aims to analyze what factors can affect company value. This study intends to determine whether the independent variables (company size and profitability) have a simultaneous or partial effect on the dependent variable (firm value).

This study uses a population of companies belonging to the LQ-45 index listed on the Indonesia Stock Exchange for the period 2014 to 2017. This study used a purposive sampling technique and obtained 28 companies with a 4-year research period, so that 112 sample data were obtained. The method of data analysis in this study is panel data regression using Eviews 9 software.

Firm size and profitability have an effect on the company value simultaneously. For investors, it is expected to be able to pay attention to the variable size of company profitability that has a significant and not significant effect on the value of the company before making a decision in investing in the capital market.

Keywords: Company Value, Company Size, Profitability