

ABSTRACT

The main goal of the company is to increase the prosperity of shareholders by maximizing the value of the company. The value of a company reflects the company's performance, which can be seen from the increase in stock prices in the capital market. Firm value is a description of a company's performance that can affect investors' perceptions of a company. High company value is the desire of company owners, because high company value means high shareholder prosperity.

This study aims to determine the variables that affect firm value in the Food and Beverage sub-sector companies listed on the Indonesia Stock Exchange in 2015-2020. Factors that can affect firm value are liquidity, firm size and capital structure. In this study, firm value was measured by Price to Book Value (PBV). The data used in the study were obtained from the annual financial statements for the 2015-2020 period.

The population in this study is the Food and Beverage sub-sector which is listed on the Indonesia Stock Exchange in 2015-2020. The sampling technique used is purposive sampling with a total sample of 12 companies with a research period of 6 years, so that the number of sample units is 72 data. In this research, the analytical method used is descriptive statistical analysis, classical assumption test and hypothesis testing using panel data regression on SPSS25 software.

Based on the test results, the variables of liquidity, firm size and capital structure simultaneously have a significant effect on firm value. Partially, the capital structure variable has no significant effect on firm value, while the liquidity and firm size variables have a significant effect on firm value.

It is suggested that this research can be a good research reference, which can be reviewed using different independent variables and a new time period. For investors, the results of this study can be used as a source of additional information for making investment decisions. For companies, this research can be a decision factor that increases the value of the company, so as to increase the interest of investors to invest in the company.

Keywords: *capital structure, firm size, firm value, liquidity*