

ABSTRACT

The main goal of a company is to get the maximum profit to achieve good company value. The value of a company can be said to be good if the company's performance is also good. If the value of the company is high, it will attract the attention of investors to invest in the company. Based on signal theory, investors will receive signals in the form of information on a company to determine which company is the best to invest in.

This study aims to determine the effect of profitability, managerial ownership and capital structure on firm value in property and real estate sub-sector companies listed on the Indonesia Stock Exchange for the 2016-2020 period simultaneously or partially.

This study uses quantitative methods with secondary data sources. The population of this study is the property and real estate sub-sector companies listed on the Indonesian stock exchange for the 2016-2020 period and the sample of this research is 80 companies. The sample selection technique in this study was purposive sampling and testing in this study used descriptive statistical tests and panel data regression analysis using eviews-9 software to determine all relationships between variables in the study.

The results of this study indicate that simultaneously the variables of profitability, managerial ownership and capital structure have an influence on firm value. Partially, the profitability and managerial ownership variables have no significant effect on firm value. While the capital structure variable partially has a significant positive direction on firm value in property and real estate sub-sector companies listed on the Indonesia Stock Exchange for the 2016-2020 period.

It can be concluded that the capital structure has a significant positive effect on the value of the company because the greater the capital owned by the company, the greater the company's ability to develop its business so that the company's operational activities can run optimally which is reflected in the increase in company value.

Keywords: *Capital Structure, Firm Value, Managerial Ownership, Profitability*