ABSTRACT

This study aims to examine the impact of Earning Per Share (EPS) and This study aims to examine the effect of Earning Per Share (EPS) and Operating Cash Flow (OCF) on firm value with Return On Equity (ROE) as an intervening variable. The object of research is banking sector companies listed on the Indonesia Stock Exchange (IDX) during the 2020-2024 period. The background of this research is based on the importance of firm value as a performance indicator that reflects the company's success in creating prosperity for shareholders. In the context of the banking sector, increasing firm value is even more crucial because this sector plays a strategic role in supporting economic growth through the provision of financing and financial system stability.

This study uses a quantitative approach with multiple regression methods and mediation tests to evaluate the direct and indirect relationships between variables. Based on signaling theory, EPS and OCF are assumed to affect firm value directly, while ROE acts as a mechanism that strengthens the relationship. The research data were taken from the annual financial statements of banking sector companies and 36 companies were sampled, selected through purposive sampling method.

The results of the study are expected to make a practical contribution to the management of banking companies in formulating financial strategies to improve performance and investment attractiveness. In addition, this study also provides theoretical insights that can enrich academic literature in the field of financial accounting, especially related to the determinants of firm value in the banking sector. This research is expected to be able to answer the challenges for the banking industry in facing the dynamics of the global economy and strict domestic regulations.

Keywords: *Earning Per Share, Operating Cash Flow, Return On Equity, Firm Value, Banking Sector*