## **ABSTRACT**

This research is motivated by fluctuations in the value of companies in the Basic Materials sector listed on the Indonesia Stock Exchange (IDX) during the 2020-2024 period. Company value is an important indicator for measuring a company's performance and prospects in the eyes of investors. Based on signalling theory, companies with good performance will send positive signals to the market, thereby increasing investor confidence in future growth prospects.

This study aims to determine whether capital structure, profitability, and company size have a significant effect on company value. This study uses secondary data obtained from the annual financial reports of companies in the Basic Materials sector listed on the IDX during the 2020-2024 period to examine the relationship between these variables.

The population used in this study is all major companies in the Basic Materials sector listed on the IDX during the 2020-2024 period. The sample was selected using a purposive sampling method, resulting in 18 companies over a five-year study period, with a total of 90 observations. The data analysis technique used was quantitative analysis using panel data regression and descriptive statistical calculations.

Capital structure is measured using the Debt-to-Equity Ratio (DER), profitability using Return on Equity (ROE), firm size using the natural logarithm of total assets, and firm value using Price to Book Value (PBV).

The results show that the independent variables, capital structure, profitability, and firm size, simultaneously influence the dependent variable, firm value. Partially, the independent variables of capital structure and firm size influence the dependent variable, firm value, while the independent variable of profitability has no effect on the dependent variable, firm value.

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