

ABSTRACT

Empirical phenomena found in ratio-ratio PBV, DER, firm size, insider ownership, and the Parliament points to the fact that different from existing theories. In addition, research in the field of capital market indicate a different conclusion. The findings of this research directed to investigating the effect of Debt to Equity Ratio (DER), Insider Ownership, Firm Size, and Parliament to firm value.

Data Debt to Equity Ratio (DER), Insider Ownership, Firm Size, Parliament and the enterprise value derived from the financial statements of companies listed on the Indonesia Stock Exchange period 2011 to 2013. The data were then analyzed using multiple regression test run with the Program SPSS.

Regression testing is done on variables DER proven research showed that significant negative effect on the value of the company while Insider Ownership, Firm Size, Parliament proved no significant effect on the value of the company. This indicates that the increase in the debt funding policy will be able to decrease the value of the company because of the funding policy by increasing the debt will increase the risk for investors that the stock price would stake and the value of the company will also go down. Therefore the company can enhance corporate value by lowering debt

Keywords: *Debt to Equity Ratio, Insider Ownership, Firm Size, DPR, PBV*