

ABSTRACT

This study purpose to analyze the effect of profitability, leverage and cash holding on firm value with company size as a moderating variable in banking companies listed on the Indonesia Stock Exchange in 2017-2021.

In this study, sampling was carried out using a purposive sampling method through certain criteria. Researchers have managed to get a total sample of 21 banking companies. The data analysis technique used in this study is multiple regression analysis and moderation regression analysis.

The results showed that: (1) Profitability has a positive and significant influence on firm value; (2) Leverage has a negative and significant effect on firm value; (3) Cash Holding has a positive and significant influence on firm value; (4) Company size has a positive and significant influence on firm value; (5) company size is not able to strengthen the relationship between profitability and firm value; (6) Firm size is able to strengthen the relationship between leverage and firm value; (7) Company size is able to strengthen the relationship between cash holding and firm value. The results of the simultaneous significance test show that Profitability, Leverage, Cash holding, and Firm Size simultaneously have a significant positif effect on Firm Value. While the results of testing the coefficient of determination obtained an Adjusted R-Square value of 0.323 which indicates that Profitability, Leverage, Cash holding, and company size affect firm value with a percentage of 32.3%. The other 67.7% is influenced by other factors not examined in this study

Keywords: Profitability, Leverage, Cash Holding, Firm Size, Firm Value