

## **ABSTRACT**

*Capital structure is an important part of a company's financial structure as a signal to the market about the company's financial management and prospects. Optimal capital structure decisions can increase company value by increasing investor perceptions of the company's stability and growth. The purpose of this study is to analyze the role of capital structure on profitability, company size, business risk on company value with capital structure as an intervening variable in companies listed on the Indonesia Stock Exchange (IDX).*

*This study uses a quantitative approach, secondary data in the form of financial reports or summaries of annual reports from Exporter companies listed on the IDX in the 2019-2023 period. The population that is the focus of the study is Exporter companies listed on the IDX, with a sample size of 50 companies using the purposive sampling method. The analysis technique uses SEM-PLS version 3.2.9.*

*The results of the study are that profitability has a positive and significant effect on company value, company size has a negative but insignificant effect on company value, business risk has a negative but insignificant effect on company value, capital structure has a negative and significant effect on company value. Profitability has a significant negative effect on capital structure, company size has a negative but insignificant effect on capital structure, and business risk has a negative but insignificant effect on capital structure. The results of the mediation test show that if capital structure can mediate the effect of profitability on firm value, capital structure cannot mediate the effect of firm size and business risk on firm value*

**Keywords: Profitability, Firm Size, Business Risk, Capital Structure, and Firm Value**