ABSTRACT

This study aims to examine the factors that affect the firm value that can be judged from its stock price in the stock market. Samples in this study were 44 manufacturing companies listed on the Indonesia Stock Exchange, which has published a financial report from 2009-2010.

Methods of analysis in this study using multiple regression analysis. Test multiple regression analysis is used to view the simultaneous influence of the level of profitability, investment decisions, financing decisions and dividend policy are included as independent variables in this study on the firm value.

The results showed that variable levels of profitability investment decisions and dividend policy have a positive influence on firm value, while the variable financing decisions have a negative affect on the firm value.

Key words: firm value, profitability, investment decisions, financing decisions, dividend policy