

ABSTRACT

This study is performed to examine the effect of DER, *insider ownership*, current ratio, total asset turnover toward *return on asset (ROA)* to impact company value. The objective of this study is to scale and analyze the effect of the company financial ratios performance (DER, insider ownership, current ratio, total asset turnover) toward ROA to impact company value in manufacturing industry over period 2010-2012.

Sampling technique used here is purposive sampling. The data is obtained based on Indonesian Capital Market Directory (ICMD). It is gained sample amount of 15 data. The analysis technique used here is multiple regression with the least square difference and hypothesis test using t-statistic to examine partial regression coefficient and f-statistic to examine the mean of mutual effect with level of significance. In addition, classical assumption is also performed including normality test, multicollinearity test, heteroscedasticity test and autocorrelation test.

During 2010-2012 period show as deviation has not founded this indicate classical assumption that the available data has fulfill the condition to use multi linear regression model. Empirical evidence show only *current ratio* to have influence toward ROA, ROA have influence toward company value.

Keywords: DER, insider ownership, current ratio, total asset turnover, return on asset (ROA), and company value