

ABSTRACT

The purpose of the study was to determine the effect of Ownership Structure on Corporate Value through Financial Performance. Ownership structure is proxied by foreign share ownership and public share ownership, Corporate value is proxied by Tobin's Q and the financial performance indicator is ROE.

Population and samples of companies listed on the SRI KEHATI Exchange 2018-2022. The number of samples used was 25 companies with a sampling method, namely non-probability sampling with the type of method, namely saturated sampling. Data obtained through Bloomberg and financial reports from the official IDX website. Data analysis in this study used the Partial Least Square (PLS) method with SmartPLS software.

The results of the study revealed that the ownership structure, represented by foreign ownership and public ownership, did not exhibit a significant impact on corporate value. Nevertheless, it was noteworthy that foreign ownership demonstrates a statistically significant and positive influence on corporate value by means of the company's financial performance. On the other hand, public ownership exhibited a significant and negative influence on corporate value through the financial performance of the company. This indicated that the financial performance of the company fully mediates the relationship between ownership structure and corporate value.

Keywords : Foreign ownership, Public ownership, Corporate value, Financial Performance

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