ABSTRACT

This study aimed to analyze the influence of capital structure, firm size, asset tangibility, managerial ownership, and profitability on firm value of foreign investment status (PMA) companies and domestic investment status (PMDN) companies. This study was also conducted to determine whether there are differences of the effect of independent variables on firm value of PMA companies and PMDN companies.

The companies which become the research objects are 15 foreign investment status (PMA) companies and 37 domestic investment status (PMDN) companies in manufacture sectors which listed in Indonesian Stock Exchange analyzed from the period of 2013-2015.

The analysis technique utilized was multiple regression analysis with a level of significance of 5%. Classic assumption test was conducted on normality test, autocorrelation test, heteroscedasticity test, and multicolinearity test. Chow test has used to determine whether there are differences of the effect of independent variables on firm value of PMA companies and PMDN companies.

The result of this study showed that profitability has significantly positive effect on firm value of PMA companies and PMDN companies. Asset tangibility also has significantly positive effect on firm value of PMA companies and PMDN companies. Meanwhile, managerial ownership has significantly negative effect on firm value of PMA companies and PMDN companies. Capital structure has significantly positive effect on firm value of PMDN companies, but has no effect on firm value of PMA companies. Firm size has significantly positive effect on firm value of PMA companies, but has no effect on firm value of PMDN companies. The result of Chow test showed that there are differences of the effect of independent variables on firm value of PMA companies and PMDN companies.

Keywords: Firm value, capital structure, firm size, asset tangibility, managerial ownership, profitability, Chow test