

ABSTRACT

Firm value is experiencing a downward trend is a problem that must be resolved. It is not firm's main objective of maximizing shareholder wealth. This study aimed to analyze the effect of the debt to equity (DER), sales growth (SG), current ratio (CR), and total asset turnover (TATO) to the price to book value (PBV) with return on equity (ROE) as a variable intervening.

Population in this research using manufacturing companies in Indonesia Stock Exchange in the period 2010-2015. Sampling technique used is purposive sampling with 34 companies selected according to predetermined criteria. The analysis technique used is the analysis using SPSS program, which previous research data has passed the test classic assumptions.

The first regression model showed that the DER has a negative effect on ROE and significantly affect ROE. Sales Growth and TATO has a significant and positive effect on ROE. Meanwhile, CR does not have an impact on ROE. The second model shows that ROE has a significant and positive effect on the level of 5% on PBV. CR significant and positive effect on the level of 10% on PBV. Meanwhile, SG, TATO, and DER does not have effect on PBV, the study also showed that the ROE mediating influence between SG and TATO on PBV.

Keyword: DER, Sales Growth, CR, TATO, ROE, dan PBV.