# ABSTRACT

Michael Tanubrata / 33150115 / 2019 / The Impact of Profitability, Dividends, Leverage, Firm Size, and Firm Growth on Firm Value with Accounting Conservatism as a Moderator in Manufacturing Firms Listed on Indonesian Stock Exchange for the Period of 2015-2017 / Advisor: Sugi Suhartono, S.E., M.Ak.

The competitiveness in Indonesian market has experienced rapid development, since a lot of new firms has emerged to make the market increasingly tight and competitive. All firms compete to survive in this competitive environment by maximizing the efficiency of resources utilization to increase the firm value in the eyes of investors. The purpose of this research is to determine the impact of profitability, dividends, leverage, firm size, and firm growth on firm value, also to determine whether accounting conservatism is able to moderate the impact of profitability, dividends, leverage, firm size, and firm growth on firm value.

This research is based on Signalling Theory, which says that the firm should provide signals through financial statements to shareholders to reduce asymmetric information. Agency Theory also underlies this research because of the relationship between agents and principal, where agents are assumed to be a rational economic people that will try to make decisions that benefit themselves and create agency problems.

This research uses secondary data in the form of audited financial statements from Indonesian Stock Exchange. The sampling process uses a purposive sampling method, with criterias set by the researcher. The selected sample size is 50 manufacturing firms per year, which will be 150 samples in total. Hypothesis testing is done by using Moderated Regression Analysis.

The 3-year data has been tested with Pooling Test and Classical Assumptions Tests so the data can be used simultaneously. The Simultaneous Significance Test result shows that profitability, dividends, leverage, firm size, and firm growth have simultaneous impact on firm value. Individual Parameter Significance Test result shows that profitability, leverage, and firm size have a positive impact on firm value, also accounting conservatism isn’t able to moderate the impact of all the independent variables on firm value.

From the results of this research, it can be concluded that profitability, leverage, and firm size have a positive impact on firm value, while dividends and firm growth have no impact on firm value. Another conclusion obtained is that accounting conservatism isn’t able to moderate the impact of all the independent variables on firm value.

Key words: Firm Value, Tobin’s Q, Profitability, Dividends, Leverage, Firm Size, Firm Growth, Accounting Conservatism