

*Research Article*

## Effect of Dividend, Profitability, and Interest Rates on Firm Value with Leverage as Moderating

Pardomuan Sihombing<sup>1\*</sup>, Natanael Pranata<sup>2</sup>, Yohanes Kwee<sup>3</sup>

<sup>1</sup> Faculty of Economics and Business, Mercu Buana University, Jakarta

<sup>2,3</sup> Master of Economics, Faculty of Economics and Business, Trisakti University, Jakarta

Received: 03-04-2024; Accepted: 24-04-2024

### Abstract

This research aims to determine the effect of dividend policy, profitability, and interest rates on firm value with leverage as a moderating variable in coal sector firms listed on the Indonesia Stock Exchange. The sampling method uses purposive sampling, with several predetermined criteria, the number of samples is 12 coal sector firms. This research uses panel data analysis. The appropriate panel data model in research uses a fixed effects model. The research results show that dividend policy, profitability, and interest rates have no effect on firm value, and leverage as a moderating variable can strengthen the relationship between dividend policy and profitability on firm value. Companies that use leverage can improve firm performance so that firm value increases. Managerial implications stem from these findings. Executives should adopt dividend policies aligned with firm growth objectivesbalancing shareholder returns with reinvestment opportunities. Enhancing profitability through operational efficiency and strategic decision-making remains paramount. Additionally, monitoring interest rate fluctuations enables proactive management of financing costs and investment decisions. This study examines the influence of dividend policy, profitability, and interest rates on firm value, with leverage acting as a moderating variable. The findings provide valuable insights for managerial decision-making.

Keywords: Dividends, Profitability, Leverage, Firm Value, Interest Rates.

JEL Classification: G3, G32, G35

How to cite: Sihombing, P., Pranata, N., Kwee, Y., (2024). Effect of Dividend, Profitability, and Interest Rates on Firm Value with Leverage as Moderating, *Research of Finance and Banking (RFB)* 2(1), 14-24

Corresponding author: Pardomuan Sihombing ([pardomuan.sihombing@mercubuana.ac.id](mailto:pardomuan.sihombing@mercubuana.ac.id))



This is an open-access article under the [CC-BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) international license.

## 1. Introduction

The Covid pandemic that has occurred since 2019 has impacted all sectors and affected the world economy (Qarnain et al., 2021). The economy in Indonesia also has an impact and indirectly creates competition between firms. Companies are required to be able to maintain or obtain high profits by paying attention to operational and financial conditions. Companies have long-term goals to increase their value by maximizing profits from available resources. (Hasanudin, 2022). Investors use firm value to predict a firm's success. Value is often linked to stock price, as a higher stock price indicates a firm's value. (Bon &Hartoko, 2022). Investment opportunities greatly influence stock market value. If management publishes investment opportunities in financial reports, this indicates future growth of the firm that can increase its value.

One important part of efforts to increase firm value is the dividend policy. Net profit after tax can be given to shareholders as dividends or reinvested as retained earnings. Part of the profits is usually divided into dividends, and the other part is reinvested. Therefore, management must establish a policy regarding the number of profits that must be divided into dividends. (Sasongko, 2019). Research conducted by Cindy & Ardini (2023), Timotius & Setyawan (2023), and Endri & Fathony (2020) stated that dividend policy has a positive effect on firm value. A positive direction means that the greater the dividends distributed to shareholders will increase the value of the firm. However, in contrast to research conducted by Hasanudin (2022), Bon & Hartoko (2022) stated that dividend policy does not influence firm value.

Investors look at how the firm can generate profits. Profitability is the result of management's efforts to maximize the assets it owns, which makes it attractive to shareholders and firm owners. Research conducted by Dessriadi et al (2022), Husna & Satria (2019), stated that profitability has a positive effect on firm value. A positive direction means that greater profitability will increase firm value. However, in contrast to research conducted by Hidayat & Khotimah (2022), Palupi & Hendiarto (2018), and Kolamban et al. (2020) stated that profitability does not influence firm value.

Leverage can affect firm value because investors will see the firm's ability to manage debt well to finance activities that would not otherwise occur. (Dessriadi et al., 2022). Research conducted by Timotius & Setyawan (2023), Sasongko (2019), and Parida et al. (2022) stated that leverage has a positive effect on firm value. The positive direction means that the greater the leverage, the greater the firm value; however, in contrast to research conducted by Kolamban et al. (2020), Rachmi & Heykal (2020) and Yuwono & Aurelia (2021) state that leverage does not influence the firm value.

One of the external factors that influence the value of a firm is interest rates; high-interest rates indicate that stock prices will fall. (Sari et al, 2022), Because investors prefer to invest their money in bank deposits, which are risk-free investments, this means that share prices will fall if interest rates are high, which has an impact on firm value. Research conducted by Antoro & Hermuningsih (2018), Sari et al. (2022), and Pangestuti & Louisa (2020) stated that interest rates have a negative effect on firm value. The negative direction means that the higher the interest rate will reduce the value of the firm. However, this is different from research conducted by Fuad & Wandari (2018), Sartika et al. (2019), and Pradana (2021), which state that firm value has a positive influence on firm value.

## 2. Literature Review and Hypothesis

### Literature Review

#### Capital Market

The capital market is a situation where sellers and buyers can negotiate the exchange of a commodity or group of commodities. The capital market is a market where debt with a maturity of one year or more and equity instruments can be traded. The definition of the capital market is a place where parties who have more funds meet parties who need funds and carry out securities buying and selling activities. Thus, the capital market is a market that buys and sells securities with a term of more than one year. Securities traded on the capital market, such as shares, bonds, and mutual funds.

#### The value of the firm

Companies strive to obtain maximum profits, but the main goal is to increase their value. (Hasanudin, 2022). It is very important to know a firm's values because they reflect its performance and can influence investors' perceptions of it (Hapsoro & Falih, 2020). This is shown by the increase in the firm's share price, which shows investor confidence in the firm. High share prices can attract investors to make investment decisions (Ifada et al., 2019). Because firm value shows prosperity for shareholders, firm owners want the firm value to be high. This is because share value shows a firm's ability to achieve its goals. (Yuwono & Aurelia, 2021). One of the assessment ratios for firm value is price-to-book value. This ratio can be an illustration of how much the market appreciates the book value of the firm. The greater the PBV value, it shows that the firm has high trust of investors (Fuad & Wandari, 2018).

**Signal Theory**

According to Spence (2017), when a gesture or signal gives a signal, the sender, or owner of the information, tries to provide the relevant piece of information to the recipient, who will then change their behavior according to what they understand about the signal. Signaling theory explains why firms are encouraged to provide financial report data to external parties. Because there is information asymmetry between the firm and parties outside the firm, firms prefer to provide information. (Chaidir et al., 2022).

Signaling theory assumes that firm management benefits more because they have more accurate information about the firm than investors who do not have information. This will result in information asymmetry between interested parties. However, the problem of information asymmetry can be anticipated by providing signals from management to investors (Salman et al., 2020).

**Dividend Policy**

Management chooses whether the firm's net profits should be reinvested as retained earnings or distributed to shareholders as dividends. The higher this percentage, the more dividends are provided to shareholders, ensuring firm profits and attracting other investors to buy. (Wahjudi, 2020). According to Dividend Irrelevance theory (Miller & Modigliani, 2019), it states that firm dividends do not influence share prices. Dividends are usually cash payments made from a firm's profits to its shareholders as a reward for investing in the firm. According to Gordon (2021) and Lintner (2023), this theory states that investors prefer dividends from stock investments to potential capital gains due to the inherent uncertainty associated with capital gains. According to this theory, investors prefer the certainty of dividend payments over the potential for much higher future capital gains. According to the clientele effect theory (Brigham & Houston, 2018), according to this theory, shareholders have different preferences for dividend policy. Two groups of investors have different views; the first group prefers that firms pay higher dividends because investors need funds at this time; on the other hand, the other group prefers the profits earned by the firm to be retained as retained earnings because this group of investors does not need money now. So, the information released by management in the form of dividend payments will be used as a consideration for investors to invest in the firm (Salman et al., 2020).

**Profitability**

Profitability shows how well a firm uses its assets to generate profits and shareholder value. Profitability shows how well a firm can generate revenue despite its costs within a certain time. This ratio reveals how well a firm utilizes its assets to generate profits (Jihadi et al., 2021). In the same way, when investors see the good condition of a firm, they will be attracted to invest in that firm, which in turn will generate profits for them. (Yuwono & Aurelia, 2021). This study will use Return on Assets (ROA), which is a type of profitability ratio. ROA is a measuring tool used in a firm's ability to gain profits and assess its effectiveness in gaining profits (Ichsan et al., 2021). This research uses profitability because it is considered capable of having a positive impact in terms of the profits generated by the firm, which will have an impact on increasing firm value.

**Interest rate**

Interest rates are also an important factor for investors and businesses because they rely on them for investment and increasing production capacity by making loans to banks (Verma & Bansal, 2021). Interest rates are a benchmark in economic activities that have an impact on banking financial activities, inflation, investment, and currency movements in a country. In this research, the BI rate is the interest rate issued by Bank Indonesia. Serves as a signal of monetary policy. The BI Rate is also the basic reference for interest rates for commercial banks in Indonesia (Fuad & Wandari, 2018).

**Leverage**

In terms of choosing financing, leverage is the policy used by the firm to make funding decisions. This can be used to determine how well a firm can pay its debt with the equity it has. (Astakoni & Wardita, 2020). In a firm's capital structure, the essence of the trade-off theory is to

compare the profits and losses resulting from the use of debt. Ideally, the benefits that arise should be greater so additional debt can be allowed. Pecking order theory focuses on asymmetric information costs. This approach assumes that the firm prioritizes its financing strategy based on the most pressing needs. Internal financing is the first method of choice, followed by debt financing and issuing new shares as a last resort. This research calculates leverage by comparing total debt with total equity. This research will use leverage as a moderating variable because it is considered capable of moderating the independent variable in increasing firm value.

### Conceptual Framework

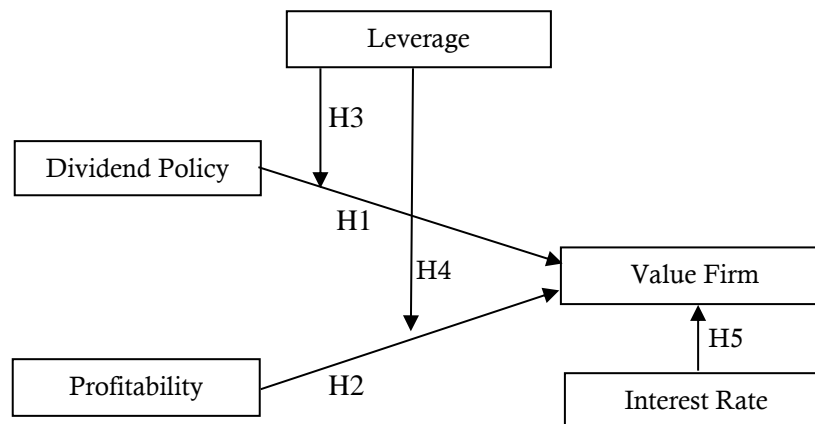


Figure 1. Conceptual Framework

### Hypothesis

#### The Effect of Dividend Policy on Firm Value

Management sets a dividend policy to distribute net profits to shareholders as dividends or reinvest in the firm as retained profits (Bon & Hartoko, 2022). When a business has a stable target dividend payout ratio and can increase it, investors will perceive management as showing progress in the firm's earnings forecast. This shows investors that management and the board of directors fully believe in better financial conditions than the share price. This increase in dividends will have a significant impact on share prices, which will then have a significant impact on firm value (Fadjar et al., 2021). Research conducted by Cindy & Ardini (2023), Timotius & Setyawan (2023), and Endri & Fathony (2020) stated that dividend policy increases firm value. Based on the results of the description and previous research, the hypothesis proposed is as follows:

**H1: Dividend policy has a positive effect on firm value.**

#### The Effect of Profitability on Firm Value

According to Husna & Satria (2019), High profitability shows good prospects for the firm, so investors will view it positively, increasing the value of the firm. Because the firm managed to record an increase in profits, this indicates that good performance will generate positive sentiment for investors and increase the firm's share price. An increase in share prices in the market will also increase the firm's value. Research conducted by Dessriadi et al. (2022), Husna & Satria (2019), stated that profitability increases firm value. Based on the results of the description and previous research, the hypothesis proposed is as follows:

**H2: Profitability is thought to have a positive influence on firm value.**

#### The Effect of Leverage as a Moderating Dividend Policy on Firm Value

According to Trade Theory, firms benefit more from using debt as funding for their business activities because it can reduce the tax burden. That way, the firm can place its funds for investment or finance business activities that are profitable for the firm. Research conducted by Salman et al. (2020) and Laksmi and Budiarta (2020) shows that leverage can strengthen the relationship between dividend policy and firm value because the firm can use debt in the right way, which

allows it to increase profits and increase dividends. Accepted by shareholders and increases its value.

**H3: Leverage is thought to strengthen the relationship between dividend policy and firm value.**

#### **The Effect of Leverage as a Moderating Profitability on Firm Value**

The decision to use debt efficiently will affect the value of the firm, whereas leverage will also affect the firm's profitability (Sunny & Surjadi, 2021). If the firm believes that by taking on debt the firm will have good prospects, then management can communicate to investors. Companies use debt so that the firm becomes better. This will be a good signal so that it will increase firm value (Munthe, 2018). Based on research conducted by Sunny and Surjadi (2021), Fauziah and Sudiyatno (2020), and Munthe (2018) stated that leverage can moderate the effect of profitability on firm value. Based on the results of the description and previous research, the hypothesis proposed is as follows:

**H4: Leverage is thought to strengthen the relationship between profitability and firm value.**

#### **The Effect of Interest Rates on Firm Value**

The interest rates issued by Bank Indonesia will influence investors' investment decisions. If the BI rate rises, it will cause deposit interest rates to increase, so investors will prefer to switch from investing in shares to investing in banking products. This will have an impact on demand for shares, will cause share prices to decline, and will reduce firm value. If bank deposit interest increases, banks will increase loan interest, and firms that have loans from banks will experience a decrease in firm profits so that share prices and firm value will fall.

**H5: Interest rates are thought to have a negative influence on firm value.**

### **3. Data and Method**

#### **Population and Sample**

##### **Research Population**

The population is all subjects (objects, firms, events) or research objects. This research looked at 32 coal firms listed on the Indonesia Stock Exchange from 2018 to 2022.

##### **Research Sample**

The sample influences the population size and its characteristics. In this research, the purposive sampling method was used to take firm samples. This means that samples will be selected based on certain criteria, and the goal of this method is to produce a representative sample that fits those criteria.

##### **Method of collecting data**

Secondary data, obtained indirectly through intermediary media, is used in research. Data is obtained from firm documents and records relating to the issues to be discussed. In this research, the data collection method is documented by collecting secondary data published on the IDX website and coal firm websites in the 2018 - 2022 period used in the research, then processing it using analysis and hypothesis testing.

##### **Data analysis method**

This research uses panel data regression analysis. In carrying out this analysis and testing, the Eviews 9 program analysis tool was used.

##### **Panel Data Regression Analysis**

The data used in this research is panel data. Panel data is a collection of quantities obtained across several individuals, collected at even time intervals, and ordered chronologically. Panel data has the main advantage of being robust against several types of violations of classical assumptions, so panel data does not need to test classical assumptions. One of the advantages of using panel data is that by combining time series and cross-section data, the resulting data is more informative, more varied, with a lower level of collinearity between variables, and with a greater degree of freedom, so that the estimation data is more efficient, can see the dynamics of change and is able to learn complex behavioral models and minimize bias. The equation used in this research for panel data



regression is as follows:

$$Y = \alpha + \beta_1 \text{DPR} + \beta_2 \text{ROA} + \beta_3 \text{SBI} + \beta_4 \text{DER} + \beta_5 \text{DPR} * \text{DER} + \beta_6 \text{ROA} * \text{DER} + \varepsilon \quad (1)$$

#### 4. Results

##### Descriptive Statistical Analysis

Descriptive statistical analysis produces a general description of the research variables consisting of average value, median value, maximum value, and minimum value. The results of the research's descriptive statistical analysis are shown here.

**Table 1. Descriptive Statistics**

	DPR	ROA	SBI	DER	PBV
Mean	0.437857	0.176175	0.047600	0.803562	2.238167
Median	0.377350	0.119900	0.050000	0.636000	1.495000
Maximum	1.496800	0.602600	0.060000	2.484800	23.70000
Minimum	0.000000	0.000200	0.035000	0.096500	0.500000
Std. Dev.	0.384473	0.165521	0.009727	0.585410	3.126138
Skewness	0.548613	1.258647	-0.124675	1.087784	5.616605
Kurtosis	2.545625	3.550223	1.394850	3.657635	38.47521
Jarque-Bera	3.525904	16.59878	6.596707	12.91395	3461.689
Probability	0.171538	0.000249	0.036944	0.001570	0.000000
Sum	26.27140	10.57050	2.856000	48.21370	134.2900
Sum Sq. Dev.	8.721346	1.616429	0.005582	20.21958	576.5915
Observations	60	60	60	60	60

Source: Data processing results (2023)

Based on Table 1, it is known that there are 60 observation data. In the price-to-book value (PBV) variable, it is known that the resulting average value is 2.24. The lowest value of 0.5 was owned by PT Astrindo Nusantara Infrastruktur Tbk in 2021; in that year, it recorded the lowest sales compared to previous years, which caused many sales actions to be carried out by investors, while PT Bayan Resources Tbk owned the highest value of 23.7. In 2022, that year's sales profit will increase from the previous year due to rising global coal prices.

##### Results of Panel Data Regression Model Selection

Each research model was tested to determine the most suitable one. The Chow and Hausman tests were conducted on each model.

##### Test Chow

The Chow test is used to determine which panel data regression model should be used, whether the common effect model or the fixed effect model. This test was carried out using the Eviews 9 program. The hypotheses created are as follows:

**Table 2. Chow Test**

effects Test	Statistic	d.f.	Prob.
Cross-section F	3.166958	(11,42)	0.0034
Cross-section Chi-square	36.240641	11	0.0002

Source: Data processing results (2023)

Based on the Chow test results in Table 2, the probability value of the Chi-square cross-section is  $0.0002 < 0.05$ , which means the probability value is smaller than Alpha 0.05 so that H1 is accepted, meaning the fixed effect model is the right model to compare with the common effect model.

**Hausman test**

The Hausman test is defined as a test to select the best model, namely between the fixed effect model and the random effect model. This test was carried out using the Eviews 9 program. The hypotheses created are as follows:

**Table 3. Hausman Test**

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	15.993153	6	0.0138

Source: Data processing results (2023)

Based on the Hausman test in Table 3, the probability value of the random cross-section is  $0.0138 < 0.05$ , so  $H_0$  is rejected and  $H_1$  is accepted, meaning that the fixed effect model is the right model to be used in this research.

**t Test Results**

The statistical test is a test used to prove the significance of the independent variable on the dependent variable individually.

**Table 4. Statistical t-Test**

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.490926	2.046968	0.728359	0.4704
DPR	1.568406	1.856872	0.844650	0.4031
ROA	-8.104425	4.433080	-1.828170	0.0746*
SBI	9.729214	31.22723	0.311562	0.7569
DER	1.273943	1.424535	0.894287	0.3763
DPR*DER	7.276229	2.788144	-2.609703	0.0125**
ROA*DER	17.36246	5.470191	3.174014	0.0028***

Source: Data processing results (2023)

The results of the regression test show that the Return on Assets (ROA) variable has a significant influence on the Depreciation-to-Asset (DPR) ratio with a t-statistic of -1.828170 and a probability of 0.0746, which means ROA tends to influence DPR, but not significant. The D RDER variable shows a significant influence on the DPR with a t-statistic of -2.609703 and a probability of 0.0125, and the ROADER variable also shows a significant influence on the DPR with a t-statistic of 3.174014 and a probability of 0.0028. In the given regression table, information regarding the Hausman test, Breusch-Pagan, and R-squared value is not available. Therefore, it cannot be determined the appropriate regression model (CEM, FEM, or REM) based solely on the available information.

**5. Discussion****The Effect of Dividend Policy on Firm Value**

Based on the results of hypothesis testing, it is concluded that the dividend payout ratio does not affect the value of coal sector firms listed on the Indonesian Stock Exchange for the period 2018 - 2022. The results of this research show that dividend distribution is not the main objective of investors in buying shares. If the dividend policy paid to shareholders increases, it will not affect the value of the firm. In this research, the value of the firm is not determined by dividend payments; instead, a firm's value is based on the earning power of its assets. A decrease in dividend payments will increase the firm's capital. The results of this research are in line with the results of previous research conducted by Hasanudin (2022), and Bon & Hartoko (2022), which stated that dividend policy does not influence firm value.

**The Influence of Profitability on Firm Value**

Based on the results of hypothesis testing, it is concluded that return on assets has a negative effect on the value of coal sector firms listed on the Indonesian Stock Exchange for the period 2018 - 2022. Return on Assets is a ratio that describes the extent to which the assets owned by

the firm can generate profit or gain. A higher ROA will increase investors' confidence in the firm's performance and the firm will have an impact on investors' decisions to invest in their shares so that the value of the firm will also increase. The negative influence of ROA on firm value can be caused by a high ROA not guaranteeing that the firm's value will increase due to the phenomenon of foreign funds not wanting to enter firms that are not environmentally friendly. Negative influences can also occur because the firm's profits cannot reflect the size of the firm. Apart from that, there was a decrease in profits from the previous year, which had a negative impact on firm value. The results of this research are in line with the results of previous research conducted by Sukmawardini & Ardiansari (2018) and Palupi & Hendiarto (2018), which stated that return on assets has a negative effect on firm value.

#### **The Effect of Interest Rates on Firm Value**

Based on the results of hypothesis testing, it is concluded that interest rates do not affect the value of coal sector firms listed on the Indonesian Stock Exchange for the period 2018 - 2022. An increase in interest rates will encourage people to save and be reluctant to invest in the real sector. Investors will also bear the burden of rising interest rates in the form of increased interest costs for firms. People want to avoid bearing the risk of investing at high costs. As a result, investment will not grow. Investment will not grow. The results of this research are in line with the results of previous research conducted by Antoro and Hermuningsih (2018), stating that interest rates do not affect firm value. Supported by another research conducted by Pangestuti & Louisa (2020) and Sari et al. (2022)

#### **Leverage Moderates the Effect of Dividend Policy on Firm Value**

Based on the results of hypothesis testing, it is concluded that leverage can moderate the influence of dividend policy on the value of coal sector firms listed on the Indonesian Stock Exchange for the period 2018 - 2022. According to research findings, leverage strengthens the relationship between dividend policy and firm value. This shows that when firms with a high level of leverage implement a dividend payment policy, investors will respond well and perceive the firm's value to be higher. The results of this research are in line with the results of previous research conducted by Salman et al. (2020) and Laksmi and Budiarta (2020), stating that leverage can moderate the influence of dividend policy on firm value.

#### **Leverage Moderates the Effect of Profitability on Firm Value**

Based on the results of hypothesis testing, it is concluded that leverage can moderate the effect of profitability on the value of coal sector firms listed on the Indonesian Stock Exchange for the period 2018 - 2022. Managers can provide information to investors if the business prospects will be profitable with debt. The profits generated by the firm are higher than the expenses arising from the use of debt that the firm must pay. This information is a positive signal that will increase firm value (Fauziah & Sudiyatno, 2020). In line with the results of previous research conducted by Sunny and Surjadi (2021), Fauziah & Sudiyatno (2020), and Munthe (2018), who said that leverage could strengthen the relationship between profitability and firm value.

### **6. Conclusion**

Based on the research results, the following are the conclusions obtained in this research: Dividend policy does not affect firm value. The results of this research indicate that there are other objectives than dividend distribution of investors in buying shares. Profitability has a negative effect on firm value. The results of this research indicate that management is unable to manage its assets well. Interest rates do not affect firm value. The results of this research indicate that the interest rate will not influence investors' investment decisions; leverage is able to moderate the influence of the Dividend Policy on firm value. The results of this research show that leverage can increase dividend distribution, and leverage is able to moderate the influence of profitability on firm value. The results of this research show that leverage can increase firm profits. Managerial implications: By understanding the intricate interplay among these factors, managers can make informed decisions to enhance firm value effectively. A comprehensive understanding of dividend policy's impact on shareholder wealth, profitability's contribution to



sustainable growth, and interest rates' influence on financing costs enables managers to optimize capital structure decisions. Moreover, recognizing leverage as a moderating factor provides insights into balancing risk and return trade-offs. Ultimately, integrating these findings into managerial practices empowers firms to navigate dynamic market conditions and drive long-term value creation.

## Recommendation

It is hoped that further research recommendations will help other researchers to conduct more in-depth and comprehensive research on the influence of dividends, profitability, leverage, and interest rates on firm value.

## References

- Antoro, dwi A., & Hermuningsih, S. (2018). Kebijakan Dividen dan BI Rate Sebagai Pemoderasi Likuiditas, Profitabilitas dan Leverage Terhadap Nilai Perusahaan Perbankan yang Terdaftar di BEI Tahun 2011-2017. *Upajiwadewantara*, 2(1), 58–75. <https://doi.org/10.26460/mmud.v2i1.3070>
- Astakoni, I. M. P., & Wardita, I. W. (2020). Keputusan Investasi, Leverage, Profitabilitas, dan Ukuran Perusahaan Sebagai Faktor Penentu Nilai Perusahaan Manufaktur. *Jurnal Ekonomi, Bisnis Dan Akuntansi*, 19(1), 10–23. <https://doi.org/10.22225/we.19.1.1576.10-23>
- Bon, S. F., & Hartoko, S. (2022). The Effect of Dividend Policy, Investment Decision, Leverage, Profitability, and Firm Size on Firm Value. *European Journal of Business and Management Research*, 7(3), 7–13. <https://doi.org/10.24018/ejbmr.2022.7.3.1405>
- Brigham, E. F., & Houston, J. F. (2018). *Fundamentals of Financial Management* (15th ed.). Cengage e-Learning.
- Chaidir, R., Rosidi, R., & Andayani, W. (2022). The Effect of Policy on Debt and Profitability With Firm Values With Corporate Governance As Moderate Variables. *International Journal of Research in Business and Social Science* (2147- 4478), 10(8), 39–46. <https://doi.org/10.20525/ijrbs.v10i8.1492>
- Cindy, M. T., & Ardini, L. (2023). Pengaruh Kebijakan Dividen, Kebijakan Hutang dan Profitabilitas Terhadap Nilai Perusahaan. *Jurnal Ilmu Dan Riset Akuntansi*, Volume 12(2).
- Dessriadi, G. A., Harsuti, H., Muntahanah, S., & Murdijaningsih, T. (2022). Pengaruh Kebijakan Dividen, Leverage dan Profitabilitas terhadap Nilai Perusahaan LQ-45 yang Terdaftar di Bursa Efek Indonesia. *Ekonomis: Journal of Economics and Business*, 6(1), 195. <https://doi.org/10.33087/ekonomis.v6i1.506>
- Endri, E., & Fathony, M. (2020). Determinants of firm's value: Evidence from financial industry. *Management Science Letters*, 10(1), 111–120. <https://doi.org/10.5267/j.msl.2019.8.011>
- Fadjar, A., Purnama Nugraha, A., & Sarifudin, D. (2021). The Effect of Dividend Policy (Dpr) And Debt to Equity Ratio on Firm Value (Pbv) In The Consumer Non-Cyclicals Sector Companies That Registered In Idx On Period. In *Tu Kish Journal of Computer and Mathematics Education*. 12(11). <https://doi.org/10.17762/turcomat.v12i11.6059>
- Fauziah, I. N., & Sudiyatno, B. (2020). Pengaruh Profitabilitas dan Pertumbuhan Perusahaan Terhadap Nilai Perusahaan Dengan Struktur Modal Sebagai Variabel Moderasi. *Dinamika Akuntansi, Keuangan Dan Perbankan*, 9(2), 107–118. <https://doi.org/10.24912/jmk.v2i2.7925>
- Fuad, M., & Wandari, A. (2018). Pengaruh Struktur Modal dan Faktor Eksternal terhadap Nilai Perusahaan (Studi pada PT. Bank Central Asia, Tbk). *Jurnal Manajemen Dan Keuangan*, 7(1), 32–46. <https://doi.org/10.33059/jmk.v7i1.755>
- Gordon, M. J. (2021). Security and a Financial Theory of Investment Security and a Financial Theory of Investment. *The Quarterly Journal of Economics*, 74(3), 472–492. <https://doi.org/10.2307/1883062>
- Hapsoro, D., & Falih, Z. N. (2020). The Effect of Firm Size, Profitability, and Liquidity on The Firm Value Moderated by Carbon Emission Disclosure. *Journal of Accounting and Investment*, 21(2). <https://doi.org/10.18196/jai.2102147>
- Hasanudin. (2022). The Impact of the Price Earnings Ratio (PER), the Debt-to-Equity Ratio (DER), and the Dividend Payout Ratio (DPR) on the Price Book Value (PBV) of Trading Companies Listed on the Indonesia Stock Exchange (IDX) from 2015 to 2019. *Budapest International Research and Critics Institute (BIRCI-Journal)*, 5(1), 4395–4404. <https://doi.org/10.33258/birci.v5i1.4148>

- Hidayat, I., & Khotimah, K. (2022). Pengaruh Profitabilitas dan Ukuran Perusahaan terhadap Nilai Perusahaan sub sektorkimia. *Jurnal Ilmiah Akuntansi Kesatuan*, 10(1), 1–8. <https://doi.org/10.37641/jiakes.v10i1.1175>
- Husna, A., & Satria, I. (2019). Effects of Return on Asset, Debt to Asset Ratio, Current Ratio, Firm Size, and Dividend Payout Ratio On Firm Value. *International Journal of Economics and Financial Issues*, 9(5), 50–54. <https://doi.org/10.32479/ijefi.8595>
- Ichsan, R. N., Suparmin, S., Yusuf, M., Ismal, R., & Sitompul, S. (2021). Determinant of Sharia Bank's Financial Performance during the Covid-19 Pandemic. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(1), 298–309. <https://doi.org/10.33258/birci.v4i1.1594>
- Ifada, L. M., Faisal, Ghazali, I., & Udin. (2019). Company attributes and firm value: Evidence from firms listed on Jakarta Islamic index. *Revista ESPACIOS*, 40(37), 11–23.
- Jihadi, M., Vilantika, E., Hashemi, S. M., Arifin, Z., Bachtiar, Y., & Sholichah, F. (2021). The Effect of Liquidity, Leverage, and Profitability on Firm Value: Empirical Evidence from Indonesia. *Journal of Asian Finance, Economics and Business*, 8(3), 423–431. <https://doi.org/10.13106/jafeb.2021.vol8.no3.0423>
- Kolamban, D., Murni, S., Baramuli. (2020). Analysis of the Effect of Leverage, Profitability and Firm Size on Firm Value in The Banking Industry Registered On The IDX. 8(3), 174–183.
- Laksmi, I. A. S. D., & Budiarta, I. K. (2020). Pengaruh Kebijakan Dividen terhadap Nilai Perusahaan dengan Kebijakan Hutang sebagai Variabel Moderasi. *E-Jurnal Akuntansi*, 30(12), 3041. <https://doi.org/10.24843/eja.2020.v30.i12.p04>
- Lintner, J. (2023). Dividends, Earnings, Leverage, Stock Prices, and the Supply of Capital to Corporations. *The R view of Economics and Statistics*, 44(3), 243–269. <https://doi.org/10.2307/1926397>
- Miller, M. H., & Modigliani, F. (2019). Dividend Policy, Growth, and the Valuation of Shares. *The Journal of Business*, 34(4), 411–433. <https://doi.org/10.1086/294442>
- Modigliani, F., & Miller, H. M. (2019). Corporate Income Taxes and the Cost of Capital: A Correction. *The American Economic Review*, 54(3), 433–443.
- Munthe, I. L. S. (2018). The Effect of Profitability On Firm's Value With Capital Structure As Moderating Variable At Manufacturing Firm Industry Consumer Goods Sub Sector Food And Beverage 2014-2017. *Jurnal Ilmiah Akuntansi Dan Finansial Indonesia*, 1(2).
- Palupi, R. S., & Hendiarto, S. (2018). Kebijakan Hutang, Profitabilitas dan Kebijakan Dividen Pada Nilai Perusahaan Properti & Real Estate. *Jurnal Ecodemica*, 2(2).
- Pangestuti, D. C., & Louisa, A. M. (2020). The Influence of Internal and External Factors on Firm Value. *European Journal of Business and Management Research*, 5(5). <https://doi.org/10.24018/ejbmr.2020.5.5.492>
- Parida, P., Surasni, N. K., Suryawati, B. N., & Hidayati, S. A. (2022). Kebijakan Dividen Sebagai Pemoderasi Dan Pengaruhnya Terhadap Likuiditas, Leverage Dan Profitabilitas Pada Nilai Perusahaan. *Jurnal Ilmu Sosial Dan Pendidikan*, 6(1). <https://doi.org/10.58258/jisip.v6i1.2784>
- Pradana, I. Y. (2021). Effect of Leverage, Growth, Firm Size, Dividend Policy, and Interest Rate on Firm Value. *Dinas i International Journal of Economics, Finance and Accounting*, 2(3), 316–327. <https://doi.org/10.38035/dijefa.v2i3>
- Qarnain, S. S., Muthuvel, S., & Bathrinath, S. (2021). Review of government action plans to reduce energy consumption in buildings amid the COVID-19 pandemic outbreak. *Mater als Today: Proceedings*, 45, 1264–1268. <https://doi.org/10.1016/j.matpr.2020.04.723>
- Rachmi, I. F., & Heykal, M. (2020). The Effect of Liquidity, Leverage, Profitability, Dividend Payout Ratio, and Price Earning Ratio on Firm Value. *Journal of Archaeology of Egypt/Egyptology*, 17(7), 2967–2977.
- Salman, I., Firmansyah, A., & Widyaningrum, M. R. (2020). Peran Leverage Sebagai Pemoderasi: Revaluasi Aset Tetap, Kebijakan Dividen, Nilai Perusahaan. *Jurnal Magister Akuntansi Trisakti*, 7(2), 171–190. <https://doi.org/10.25105/jmat.v7i2.7810>

- Sari, A. R., Hermuningsih, S., & Maulida, A. (2022). Pengaruh keputusan investasi, keputusan pendanaan, profitabilitas, dan tingkat suku bunga (BI Rate) terhadap nilai perusahaan pada perusahaan manufaktur di BEI tahun 2016-2020. *FORUM EKONOMI*, 24(1), 1–12. <https://doi.org/10.30872/jfor.v24i1.10475>
- Sartika, umidewi, Siddik, sa'adah, & Choiriyah. (2019). Pengaruh Inflasi, Suku Bunga, Nilai Tukar dan Produk Domestik Bruto Terhadap Nilai Perusahaan. *Jurnal Ilmu Manajemen*, 9(2). <https://doi.org/10.32502/jimn.v9i2.XXXX>
- Sasongko, B. (2019). The Effect of Debt Equity Ratio, Dividend Payout Ratio, and Profitability on the Firm Value. *The International Journal of Business Management and Technology*, 3(5).
- Spence, M. (2017). Job Market Signaling. *The Quarterly Journal of Economics*, 87(3), 355–374. <https://doi.org/10.2307/1882010>
- Sukmawardini, D., & Ardiansari, A. (2018). The Influence of Institutional Ownership, Profitability, Liquidity, Dividend Policy, and Debt Policy on Firm Value. *Management Analysis Journal*, 7(2).
- Sunny, G. E., & Surjadi, L. (2021). Faktor yang Mempengaruhi Nilai Perusahaan Dengan Struktur Modal Sebagai Variabel Moderasi. *Jurnal Multiparadigma Akuntansi*, III (4), 1670–1680. <https://doi.org/10.24912/jpa.v3i4.15277>
- Timotius, & Setyawan, I. R. (2023). Pengaruh Pertumbuhan, Leverage, Profitabilitas, dan Kebijakan Dividen Terhadap Nilai Perusahaan. *Jurnal Manajerial Dan Kewirausahaan*, 05(01), 56–65. <https://doi.org/10.24912/jmk.v5i1.22513>
- Verma, R. K., & Bansal, R. (2021). Impact of macroeconomic variables on the performance of stock exchange: a systematic review. *International Journal of Emerging Markets*, 16(7), 1291–1329. <https://doi.org/10.1108/IJOEM-11-2019-0993>
- Wahjudi, E. (2020). Factors affecting dividend policy in manufacturing firms in Indonesia Stock Exchange. *Journal of Management Development*, 39(1), 4–17. <https://doi.org/10.1108/JMD-07-2018-0211>
- Yuwono, W., & Aurelia, D. (2021). The Effect of Profitability, Leverage, Institutional Ownership, Managerial Ownership, and Dividend Policy on Firm Value. *Journal of Global Business and Management Review*, 3(1), 15. <https://doi.org/10.37253/jgbmr.v3i1.4992>