

ABSTRACT

This study aims to determine the condition of Equity Ratio, Cost of Efficiency, Profitability as measured by Return On Assets, and firm value, as well as determine how much influence Equity Ratio and Cost of Efficiency to the Profitability as measured by Return On Assets at the 18 Banking in Indonesia Stock Exchange period 2008 – 2015. Sample in this study amounted to 18 companies. This study use descriptive and verification and mix method. Methods of data analysis used in this research is multiple linier regression analysis, hypothesis test such as F test and t test, multiple correlation analysis, and coefficient determination analysis simultaneous and partial. Previously the first classical assumption test to determine the accuracy of linier regression analysis. The result of this research showed that simultaneously and Equity Ratio and Cost of Efficiency have a significant influence toward Profitability as measured by Return On Assets. Variables that have dominant influences is Equity Ratio. The result of this research showed that simultaneously and partially Profitability as measured by Return On Assets have a significant influence toward firm value.

Keywords : Equity Ratio, Cost of Efficiency, Profitability (Return On Assets), and Firm Value.