ABSTRACT

Firm value is reflection of the public’s assessment of the corporation’s performance in general which is often associated with stock price. Maximizing the firm value is the main goal of the corporation, because by maximizing the firm value also means to maximize the prosperity of the shareholders. This research is meant to find out the influence of bank’s health to the firm value and bank size as the moderating variable of bankings which are listed in Indonesia Stock Exchange.

Bank’s health level factors by evaluating of risk profile, good corporate governance, earnings, and capital. Method measured by NPL, self-assessment, ROA, CAR to firm value (PBV). Based on the completeness of data, there are only 10 banks to the period observation in 2008-2017 that able to be analyzed. The analysis used is data panel regression model and moderated regression analysis with Eviews 10 and Microsoft Office Excel 2010.

The results of this research indicate that NPL, GCG, ROA, CAR to the value of the company contributed 75.36% and the remaining 24.64% influenced by other factors that do not exist in this research. ROA is the most dominant factor affecting firm value. The result of simultaneous show that NPL, GCG, ROA, CAR have significant effect to firm value. The result of the research shows that NPL has significant and negative influence to the firm value, GCG has significant and positive influence to the firm value. ROA has significant and positive influence to the firm value. CAR has significant and positive influence to the firm value. Moderately, bank size is able to moderate relationship between GCG on Firm Value.

Keywords: Firm Value, Risk Profile, Good Corporate Governance, Earnings, Capital, Bank Size,