

EXPLORING FIRM VALUE THROUGH VALUE INVESTING: EVIDENCE FROM LARGE-CAP COMPANIES ON THE INDONESIA STOCK EXCHANGE

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Info Article Received : 01 April 2026 Revised : 04 May 2026 Accepted : 02 June 2026 Publication : 30 June 2026	Abstract: <i>This study aims to examine the effect of the Price-Earnings Ratio (P/E), Debt to Equity Ratio (DER), Return on Assets (ROA), and Return on Equity (ROE) on Price to Book Value (PBV) in large-cap companies listed on the Indonesia Stock Exchange in 2026. A quantitative research approach was employed using secondary data selected through purposive sampling. Hypothesis testing was conducted using multiple linear regression analysis with the assistance of IBM SPSS Statistics. The findings indicate that P/E, DER, ROA, and ROE each have a positive and statistically significant effect on PBV, both individually and simultaneously. The coefficient of determination ($R^2 = 0.481$) shows that 48.1% of the variation in firm value can be explained by the four independent variables, while the remaining 51.9% is influenced by other factors outside the scope of this study. These results suggest that valuation ratios, capital structure, and profitability are important determinants of firm value and provide empirical support for the application of value investing strategies in evaluating large-cap companies within the Indonesian capital market.</i> Abstrak: Penelitian ini bertujuan untuk menganalisis pengaruh Price-Earnings Ratio (P/E), Debt to Equity Ratio (DER), Return on Assets (ROA), dan Return on Equity (ROE) terhadap Price to Book Value (PBV) pada perusahaan berkapitalisasi besar yang terdaftar di Bursa Efek Indonesia pada tahun 2026. Penelitian ini menggunakan pendekatan kuantitatif dengan memanfaatkan data sekunder yang dipilih melalui teknik purposive sampling. Pengujian hipotesis dilakukan menggunakan analisis regresi linear berganda dengan bantuan perangkat lunak IBM SPSS Statistics. Hasil penelitian menunjukkan bahwa P/E, DER, ROA, dan ROE masing-masing maupun secara simultan berpengaruh positif dan signifikan terhadap PBV. Nilai koefisien determinasi ($R^2 = 0,481$) menunjukkan bahwa 48,1% variasi nilai perusahaan dapat dijelaskan oleh keempat variabel independen tersebut, sedangkan 51,9% sisanya dipengaruhi oleh faktor-faktor lain di luar cakupan penelitian ini. Temuan ini menunjukkan bahwa rasio valuasi, struktur modal, dan profitabilitas merupakan determinan penting dalam pembentukan nilai perusahaan serta memberikan dukungan empiris terhadap penerapan strategi value investing dalam mengevaluasi perusahaan berkapitalisasi besar di pasar modal Indonesia.
Keywords: Price-Earnings Ratio, Debt to Equity Ratio, Return on Assets, Return on Equity, Price to Book Value, Value Investing Kata Kunci: Price-Earnings Ratio, Debt to Equity Ratio, Return on Assets, Return on Equity, Price to Book Value, Value Investing.	
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INTRODUCTION

The capital market drives national economic growth by channeling funds from surplus to deficit units (Khairan, 2019). The development of Indonesia's capital market has shown a very positive tendency in recent years, as evidenced by an increase in the number of investors and stock trading activity. By May 2025, there were 7,001,268 Single Investor Identification (SID) numbers belonging to Indonesian stock investors. In addition, the total number of capital market investors had surpassed 17 million SIDs by mid-2025.

This increase reflects the public's high interest in capital market investments as well as rising financial literacy in Indonesia (Rahmadewi et al., 2024). Although the number of investors continues to rise, Indonesia's capital market still faces various challenges. Throughout 2025, the Indonesian stock market came under pressure due to global economic uncertainty, outflows of foreign capital, and increased scrutiny from international institutions regarding the transparency and governance of Indonesia's capital market.

MSCI and S&P Dow Jones have even paid special attention to share ownership structures, free-float levels, and market integrity—factors that could potentially affect global investor confidence. These conditions have prompted regulators to implement various reforms, such as raising free-float requirements and strengthening issuer transparency to improve the quality of Indonesia's capital market.

This situation indicates that investors can no longer rely solely on stock price movements or market sentiment when making investment decisions (Ramadani et al., 2026). Conversely, investors increasingly need an investment approach that can identify companies with strong fundamentals so they can generate sustainable returns. One approach widely used by both institutional and long-term investors is value investing.

The concept of value investing, introduced by Benjamin Graham and later developed by Warren Buffett, emphasizes that stocks should be bought when they are trading below their intrinsic value (undervalued) (Hidajat, 2021). Thus, investment decisions are based more on a company's fundamental analysis than on short-term stock price fluctuations. One of the most important indications that investors take into account when making investment decisions is a company's worth.

The value of a firm, which is typically assessed using the price to book value ratio (Anisafitri, 2026; Isnawati, 2026) reflects the market's assessment of its future

prospects. The PBV compares a stock's market value to the company's book value. The market appreciates the company's prospects more as the PBV value increases. On the other hand, a low PBV is typically seen as a sign that the shares are undervalued and that if the company's fundamentals support future value growth, there might be a chance for investment returns.

This study focuses on large-cap companies listed on the Indonesia Stock Exchange. Large-cap companies were selected because they generally have more stable fundamentals, high stock liquidity, large market capitalization, and are the primary targets of both institutional and foreign investors (Hendarsih & Harjunawati, 2020). In addition, large-cap companies are relatively more resilient to economic volatility than small-cap companies, making them more representative for testing the concept of value investing.

Selecting a sample based on market capitalization also provides insight into how investors evaluate large companies that are the main drivers of the Indonesian capital market. Investors analyze a number of key ratios that reflect a company's financial status in addition to the share price when evaluating its worth. One often used ratio, the Price to Earnings Ratio, shows how much a stock is worth in comparison to its earnings per share.

This proportion is essential for assessing whether a company's capacity to earn money makes a stock undervalued or overvalued. Furthermore, the Debt to Equity Ratio evaluates a company's capital structure by comparing equity to total debt. Although a corporation's value can be increased by an ideal level of leverage, too much debt may raise financial risk and undermine investor confidence.

Moreover, a company's profitability plays a crucial role in assessing its worth. Return on Assets evaluates how effectively a company can produce profits using all its assets, whereas Return on Equity shows the returns that shareholders earn on their investments. Firms boasting high ROA and ROE typically demonstrate superior operational efficiency, which enhances investor trust and leads to a rise in corporate value, as indicated by the book value ratio. While the connection between fundamental ratios and a company's value has been thoroughly examined, past research still reveals discrepancies, highlighting a gap in understanding.

Some studies indicate that the Price Earnings Ratio positively influences the Book Value, as it captures expectations regarding the company's profit growth (Sugiarto, 2017). Conversely, other research suggests that the P/E ratio does not

consistently account for variations in PBV, given that it is subject to market dynamics and industry factors. Similarly, concerning the DER, certain studies propose that DER positively impacts firm value by optimizing capital structure, while others report a negative influence due to heightened financial risk (Listyawati & Kristiana, 2021). Inconsistencies are also evident in findings related to ROA and ROE, with some research suggesting that profitability enhances firm value, while others find no significant correlation (Putra et al., 2023).

In light of recent advancements in the Indonesian capital market, the increasing number of investors, the significance of employing value investing techniques, and the persistent discrepancies in earlier research outcomes, this study is crucial to undertake. The objective of this research is to examine how the P/E, DER, ROA and ROE affect the PBV of large-cap firms listed on the Indonesia Stock Exchange. The findings of this research are anticipated to enhance the literature within the realms of financial accounting and investment and to provide guidance for investors in implementing value investing strategies by analyzing fundamental elements that impact a company's worth.

METHOD

This research utilizes a quantitative methodology through explanatory analysis to investigate how the P/E, DER, ROA, and ROE influence the PBV of large cap firms listed on the IDX. The data for this study is derived from secondary sources, including annual financial statements and market data released by the IDX, as well as company annual reports and financial data services like Stockbit and IDX. The study population consists of all firms listed on the Indonesia Stock Exchange for the year 2026. The sample was selected through purposive sampling, based on specific criteria such as being large cap companies (with a market capitalization exceeding 1 trillion Rupiah), possessing data on the P/E, DER, ROA, ROE, and PBV, and not having been delisted during the study period.

Consequently, a total of 354 companies were identified for observation in 2026. Data collection was carried out using the documentation method, while data analysis was executed with SPSS 27. This analysis included descriptive statistical analysis, classical assumption tests, multiple linear regression analysis, hypothesis testing through t-tests and F-tests, as well as the coefficient of determination (R^2). The regression model used in this study is formulated as $PBV = \alpha + \beta_1(P/E) + \beta_2(DER) +$

$\beta_3(\text{ROA}) + \beta_4(\text{ROE}) + \varepsilon$, to measure the extent of the influence of each independent variable on firm value, as proxied by the PBV ratio.

RESULTS AND DISCUSSION

Results

Descriptive Statistical Analysis

Table 1. Statistic Descriptive

Variabel	MIN	MAX	Mean	Standar Deviasi
Price-Earnings Ratio	0.67	2263.41	61.69	215.32
Debt to Equity Ratio	0.00	13.94	0.62	1.16
Return on Assets (ROA)	0.02	35.82	7.02	6.49
Return on Equity (ROE)	0.04	242.32	14.85	18.04
Price to Book Value	0.06	355.40	4.50	20.72

Source: Processed data, 2026.

According to the findings from descriptive statistics, the PER averages 61.69, accompanied by a standard deviation of 215.32, which suggests a considerable variation in PER values among different companies. DER presents a mean of 0.62 and a standard deviation of 1.16, reflecting a relatively low degree of corporate leverage. ROA and ROE exhibit means of 7.02 and 14.85, respectively, signifying that companies are generally capable of generating profits from their assets and equity. In contrast, the P/B ratio has a mean of 4.50 and a standard deviation of 20.72, indicating substantial disparities in company valuations within the sample under study.

Classical Assumption Tests

Multicollinearity Test

**Table 2. Multicollinearit Test
Coefficients**

Mdl	Var.	B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	8.089	1.369	–	5.911	0	-10.781	-5.398	–	–	–	–	–
	X1	0.027	0.004	0.282	7.219	0	0.02	0.034	0.295	0.36	0.279	0.977	1.023
	X2	13.679	0.867	0.765	15.77	0	11.973	15.385	0.572	0.645	0.608	0.633	1.58
	X3	1.234	0.176	0.387	7.028	0	0.889	1.579	0.006	0.352	0.271	0.492	2.034
	X4	0.42	0.067	0.366	6.258	0	0.552	0.288	0.116	0.318	0.241	0.435	2.298

Sources: SPSS 2026

The findings from the multicollinearity assessment presented in the Coefficients table reveal that all independent variables possess a Tolerance value exceeding 0.10 and a Variance Inflation Factor (VIF) below 10. Specifically, the P/E exhibits a Tolerance value of 0.977 and a VIF of 1.023; the DER shows a Tolerance value of 0.633 and a

VIF of 1.580; ROA has a Tolerance value of 0.492 and a VIF of 2.034, while the ROE displays a Tolerance value of 0.435 and a VIF of 2.298. These findings suggest that there are no indications of multicollinearity among the independent variables within the regression model. Consequently, none of the independent variables exhibit a high degree of correlation with each other, rendering them appropriate for application in multiple linear regression analysis (Nadirah et al., 2022).

Autocorrelation Test

**Table 3. Autocorrelation Test
Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	0.693	0.481	0.475	15.01854	0.481	80.724	4	349	0	1.882

Keterangan:

- Predictors: (Constant), X4, X1, X2, X3
- Dependent Variable: Y

Data Source: SPSS 2026

Based on the outcomes of the autocorrelation test outlined in the Model Summary table, the Durbin-Watson (DW) value was identified as 1.882. With a sample size (n) of 354 and 4 independent variables (k), the Durbin-Watson Table at a 5% significance level shows values of $dL = 1.791$ and $dU = 1.838$. The upper limit is determined as $4 - dU = 2.162$. Therefore, the Durbin-Watson value adheres to the condition $dU < DW < 4 - dU$, specifically $1.838 < 1.882 < 2.162$. This indicates that the regression model does not exhibit either positive or negative autocorrelation, which implies that the residuals are independent (Ghozali, 2011). Consequently, the assumption of the absence of autocorrelation in the regression model has been satisfied, making the regression model appropriate for additional analysis.

The absence of autocorrelation suggests that the residual values are randomly distributed and are not systematically influenced by the residuals from preceding observations. This condition is particularly important because autocorrelation may bias the estimation of standard errors, thereby affecting the validity of hypothesis testing and statistical inference. Since the Durbin-Watson statistic falls within the acceptance region, the regression coefficients can be interpreted with greater confidence, as the independence assumption of the error terms has been fulfilled. Furthermore, the results indicate that the estimated model provides stable and reliable parameter estimates, minimizing the possibility of serial dependence among observations. The fulfillment of this classical assumption strengthens the overall robustness of the regression model and

enhances the credibility of the empirical findings. Therefore, the model is considered statistically adequate for explaining the relationships between the independent variables and the dependent variable and can be confidently employed for further regression analysis, hypothesis testing, and interpretation of the research results.

Heteroscedasticity Test

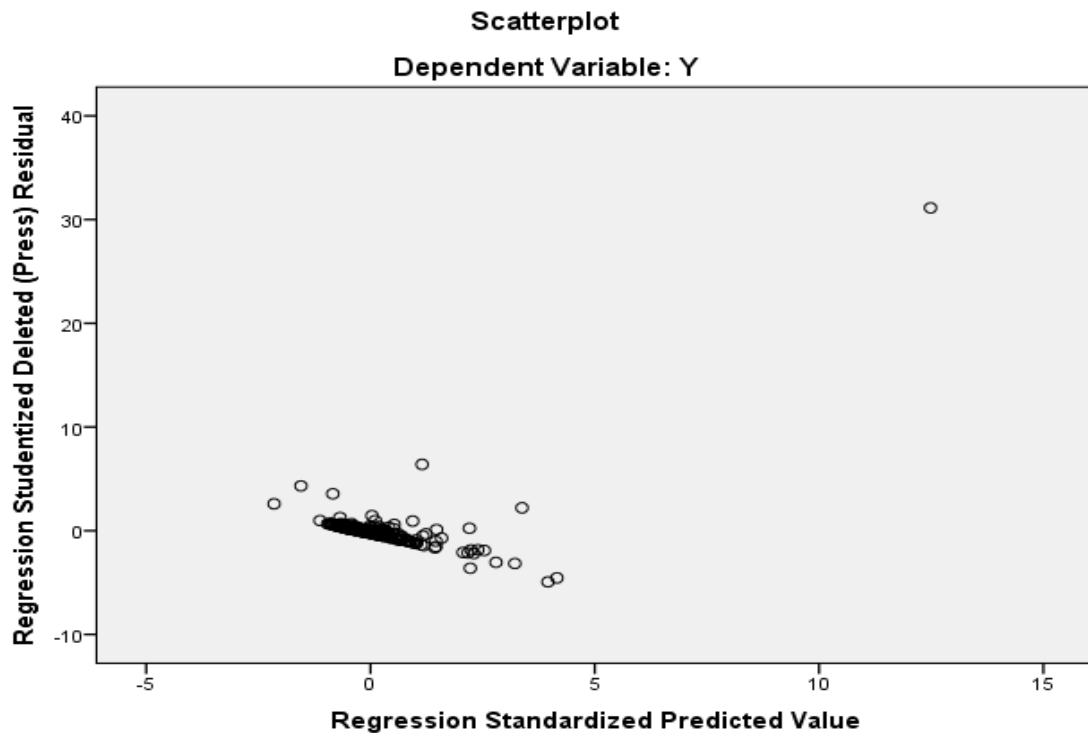


Figure 1. Heteroscedasticity Test
Data Source: SPSS 2026

The results of the heteroscedasticity test, as illustrated by the scatterplot, reveal that the majority of the residual points are randomly distributed both above and below the zero line on the Y-axis, without forming any discernible patterns such as wavy, conical, or flared shapes. This observation suggests that, overall, the regression model does not demonstrate heteroscedasticity, thereby satisfying the assumption of homoscedasticity. However, there exists one observation that is significantly distant from the data distribution, which indicates the presence of an extreme value. Nonetheless, given that most of the data points remain randomly distributed and do not exhibit a systematic pattern, the existence of this outlier does not imply the presence of heteroscedasticity within the regression model (Ghozali, 2016). Thus, the regression model is suitable for further analysis.

Normality Test

**Table 4. Normality Test
One-Sample Kolmogorov-Smirnov Test**

Statistik	Nilai
N	354
Normal Parameters	
Mean	0
Std. Deviation	14.9332
Most Extreme Differences	
Absolute	0.224
Positive	0.224
Negative	-0.18
Kolmogorov-Smirnov Z	4.221
Asymp. Sig. (2-tailed)	0.308

Keterangan:

a. Test distribution is Normal.

b. Calculated from data.

Data Source: SPSS 2026

The statistical analysis results from the normality test conducted using the Kolmogorov-Smirnov method indicate that a total of 354 data points were analyzed. Additionally, the Asymp. Sig. (2-tailed) value was found to be 0.308. This significance value of 0.308 exceeds the threshold of 0.05 (Ghozali, 2016). Therefore, it can be concluded that the data are normally distributed.

Multiple Regression Analysis

Table 5. Coefficients

Model	Variabel	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
1	(Constant)	8.089	1.369	—	5.911	0
	X1	0.027	0.004	0.282	7.219	0
	X2	13.679	0.867	0.765	15.77	0
	X3	1.234	0.176	0.387	7.028	0
	X4	0.42	0.067	0.366	6.258	0

Data Source: SPSS 2026

The analysis of data through multiple linear regression yielded the regression coefficients presented in the Coefficients Table. In this study, the dependent variable is the PBV, whereas the independent variables include the P/E, DER, ROA, and ROE. Utilizing the values of the Unstandardized Coefficients (B), the following regression equation was derived:

$$\text{PBV} = 8,089 + 0,027(\text{P/E}) + 13,679(\text{DER}) + 1,234(\text{ROA}) + 0,420(\text{ROE})$$

The model uses unstandardized coefficients, which are interpreted as follows.

1. The constant (α) = 8.089 signifies that if the P/E, DER, ROA, and ROE are held constant or set to zero, the estimated PBV is 8.089.

2. The coefficient for the Price-to-Earnings Ratio (P/E) (β_1) = 0.027 indicates that with a 1-unit increase in P/E, while keeping all other variables constant, the PBV will rise by 0.027 units. This positive coefficient suggests that a higher price-to-earnings ratio correlates with an increased valuation of the company as represented by the PBV.
3. The coefficient for the DER (β_2) = 13.679 implies that a 1-unit increase in the DER, assuming all other variables are constant, will result in a 13.679 unit increase in the PBV. This indicates that effectively managed debt can enhance the market's perception of a firm's value.
4. The coefficient for the ROA (β_3) = 1.234 indicates that for each 1-unit increase in ROA, while keeping all other variables constant, the PBV will increase by 1.234 units. This positive coefficient suggests that a company's efficiency in utilizing its assets to generate profits leads to a higher valuation in the eyes of investors.
5. The coefficient for the ROE (β_4) = 0.420 indicates that for every 1-unit increase in ROE, assuming all other variables remain constant, the PBV will increase by 0.420 units. This positive coefficient implies that a company's ability to generate profits from its equity enhances its value, as reflected in the PBV ratio.

Hypothesis Testing

Simultaneous Test (F-Test)

Table 6. F-Test.

Anova					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	72,831.31	4	18,207.83	80.724	0
Residual	78,719.20	349	225.556	—	—
Total	151,550.51	353	—	—	—

Keterangan:

- Dependent Variable: Y
- Predictors: (Constant), X4, X1, X2, X3

Data Source: SPSS 2026

According to the ANOVA results presented in the table, the regression model produced an F-value of 80.724 with a corresponding significance value (Sig.) of 0.000. Since the significance level is lower than the predetermined alpha level of 0.05, the null hypothesis (H_0) is rejected, while the alternative hypothesis (H_a) is accepted. These findings indicate that the independent variables, namely Price Earnings Ratio (P/E), Debt-to-Equity Ratio (DER), Return on Assets (ROA), and Return on Equity (ROE), simultaneously have a statistically significant effect on Price-to-Book Value (PBV). This result confirms that the proposed regression model is statistically significant and

capable of explaining variations in firm value as measured by PBV. Furthermore, the significant F-test demonstrates that the independent variables collectively contribute meaningful explanatory power to the model, indicating that at least one of the regression coefficients differs significantly from zero. Therefore, the model is considered appropriate for further interpretation of the individual regression coefficients and for testing the proposed research hypotheses.

Partial Test (t-Test)

Table 7. T-test Coefficients

Model	Variabel	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
1	(Constant)	8.089	1.369	—	5.911	0
	X1	0.027	0.004	0.282	7.219	0
	X2	13.679	0.867	0.765	15.77	0
	X3	1.234	0.176	0.387	7.028	0
	X4	0.42	0.067	0.366	6.258	0

Keterangan:

• Dependent Variable: Y

Source: Processed data, 2026.

According to the Coefficients table, every independent variable exhibits a significance value of 0.000 (which is less than 0.05) and a computed t-value that exceeds the critical t-value. Given a sample size of $n = 354$ and $k = 4$ independent variables, the degrees of freedom (df) are calculated as $354 - 4 - 1 = 349$, leading to a critical t-value of 1.966 at a 5% significance level (two-tailed). Consequently, each hypothesis can be interpreted in the following manner. The statistical analysis reveals that the Price-to-Earnings Ratio (P/E) is statistically significant, with a t-statistic of 7.219 and a p-value of 0.000. Given that the calculated t-statistic is higher than the critical value (1.966) and the p-value is well below the 0.05 significance threshold, the alternative hypothesis (H_1) is accepted. This suggests that P/E exerts a significant positive influence on the dependent variable. This indicates that the P/E significantly and positively affects the PBV. Therefore, a higher P/E ratio corresponds to a higher valuation of the company as indicated by the PBV (Sugiarto, 2017). P/E and PBV exhibit a positive correlation in the realm of fundamental analysis. The P/E ratio serves as an indicator of how much investors are willing to pay for a company's earnings, whereas the PBV assesses a company's worth by comparing its market price to its book value (Rumere, 2025; Sumantika, 2025; Susiatin et al., 2024). A higher P/E ratio signifies increased investor confidence in the company's future, leading to an upward

trend in both stock prices and PBV values. Consequently, it can be concluded that, in theory, the P/E ratio positively influences the PBV.

According to the t-test analysis, the Debt-to-Equity Ratio (DER) produced a t-statistic of 15.770 and a significance value of 0.000. As the calculated t-statistic exceeds the critical value of 1.966 and the significance level is lower than 0.05, the alternative hypothesis (H_2) is supported. Therefore, DER significantly influences the dependent variable. This suggests that the DER has a significant and positive impact on the PBV. In essence, variations in a company's leverage ratio contribute to an increase in its overall value. DER and the PBV are interconnected with a company's capital structure (Annisa & Chabachib, 2017). The DER reflects the ratio of debt utilized in comparison to equity for financing a company's operations. The judicious use of debt can enhance a company's performance and convey a favorable message to investors, thus elevating the company's value as indicated by the PBV (Firdaus, 2019). Consequently, theoretically, the DER is anticipated to positively influence the PBV ratio, provided that the debt level remains within optimal thresholds and is capable of generating profits that surpass the cost of debt (Annisa & Chabachib, 2017) (Ferina et al., 2015).

The results of the hypothesis testing indicate that the Return on Assets (ROA) variable obtained a t-statistic of 7.028 and a significance value of 0.000. Because the calculated t-statistic is greater than the critical value of 1.966 and the significance level is below 0.05, the alternative hypothesis (H_3) is supported. Therefore, ROA significantly affects the dependent variable. This suggests that ROA has a significant and positive influence on PBV. In essence, the more effectively a company can generate profits from its assets, the greater its perceived value among investors. The positive correlation between ROA and PBV arises because ROA indicates a company's proficiency in profit generation through asset utilization (Firdaus, 2019). A higher ROA signifies that a company is managing its assets more efficiently to yield profits. This efficiency conveys a favorable message to investors, enhancing their confidence in the company's future and consequently elevating its stock price (Halik, 2018). Consequently, PBV ratio is likely to rise as well. Thus, theoretically, ROA is anticipated to exert a positive effect on PBV (Harlan & Wijaya, 2022).

The hypothesis testing results reveal that the Return on Equity (ROE) variable is statistically significant, with a calculated t-statistic of 6.258 and a p-value of 0.000. As the calculated t-statistic is higher than the critical value (1.966) and the p-value is below

the 0.05 significance threshold, the null hypothesis (H_0) is rejected while the alternative hypothesis (H_4) is accepted. Accordingly, ROE has a significant effect on the dependent variable. This suggests that ROE has a significant and positive influence on PBV. Consequently, as a company's return on equity increases, its value, as indicated by PBV, also rises. The relationship between ROE and PBV is positive because ROE reflects a company's capacity to generate profits from the capital invested by its shareholders (Al Umar & Savitri, 2020). A higher ROE results in greater returns for shareholders, which in turn enhances investor confidence in the company's future prospects (Ramdana & Yuniati, 2017) (Untari et al., 2020). This increased confidence is likely to boost demand for the stock, leading to a rise in its market price, which ultimately elevates the price-to-book value (PBV). Therefore, theoretically, ROE is anticipated to positively affect PBV (Hasania, 2016). All independent variables, specifically the P/E, DER, ROA, and ROE, exert a positive and significant influence on the PBV. This is supported by the computed t-values for each variable, which exceed the critical t-value of 1.966, along with significance values of 0.000, which is less than 0.05.

Coefficient of Determination (R^2)

Table 8. Coefficient of Determination (R^2)

Model	R	R Square	Adjusted R Square
1	.693 ^a	.481	.475

a. Predictors: (Constant), X4, X1, X2, X3

b. Dependent Variabel: Y

Data Source: SPSS 2026

According to the findings from the coefficient of determination test presented in the Model Summary table, the R-squared (R^2) value was determined to be 0.481. This suggests that the variables P/E, DER, ROA, and ROE together account for 48.1% of the variation in PBV, with the remaining 51.9% attributed to other variables not included in this research model. Furthermore, an Adjusted R-Square value of 0.475 was calculated, indicating that after accounting for the number of independent variables and the sample size, the model's capacity to explain the variation in PBV is 47.5%, while 52.5% is affected by external factors not considered in the model.

CONCLUSION

This study investigates the effects of the Price-to-Earnings Ratio (P/E), Debt-to-Equity Ratio (DER), Return on Assets (ROA), and Return on Equity (ROE) on the

Price-to-Book Value (PBV) of large-cap companies listed on the Indonesia Stock Exchange in 2026. Using a quantitative approach, secondary data were analyzed through multiple linear regression with IBM SPSS Statistics. The results indicate that P/E, DER, ROA, and ROE have positive and significant effects on PBV, both individually and simultaneously. The coefficient of determination ($R^2 = 0.481$) shows that these variables explain 48.1% of the variation in PBV, while the remaining 51.9% is influenced by other factors. The findings highlight the importance of valuation, capital structure, and profitability in enhancing firm value.

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