ABSTRACT

This study will try to examine the effect of financial ratios such as Price Earning Ratio (PER), Debt To Equity Ratio (DER), and Dividend Payout Ratio (DPR) to the value of the company is proxied by Price To Book Value (PBV). The research sample was in the form of sample firms LQ 45 which is years of observations's the period 2008 to 2010. The number of sample firms by 15 companies. The conclusions obtained among others that this study was able to prove the influence of Price Earning Ratio (PER) is a positive effect on firm value. The second hypothesis states that the Debt To Equity Ratio (DER) negatively affect the value of the company proved to be accepted in this study. This study is further proved the receipt of the third hypothesis which states that the Dividend Payout Ratio (DPR) positive effect on firm value.

Keywords: Price Earning Ratio (PER), Debt To Equity Ratio (DER), Dividend Payout Ratio (DPR), Price To Book Value (PBV)