

## **ABSTRACT**

### ***THE EFFECT OF PROFITABILITY AND OPERATING LEVERAGE ON FIRM VALUE***

*(Survey Of Textile And Garment Industry Companies Listed On The Indonesian Stock Exchange For The 2017-2021 Period)*

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*This study aims to determine (1) Profitability, Operating Leverage, and Firm Value in Textile and Garment Sub Sector Companies Listed on the Indonesia Stock Exchange in 2017-2021 (2) Partial Effect of Profitability, and Operating Leverage on Firm Value in Sub Companies The Textile and Garment Sector Listed on the Indonesia Stock Exchange for 2017-2021 (3) The Simultaneous Effect of Profitability and Operating Leverage on Company Value in Textile and Garment Sub-Sector Companies Listed on the Indonesia Stock Exchange for 2017-2021. In this study, based on purposive sampling criteria, 6 companies were obtained as samples. The data used is secondary data in the form of prospectuses from Textile and Garment Sub-Sector companies listed on the Indonesia Stock Exchange for 2017-2021 obtained through the official website of the Indonesia Stock Exchange [www.idx.co.id](http://www.idx.co.id) and the official website of the related company. The data analysis technique used is panel data regression analysis. Based on the results of research and data processing, it shows that: (1) Profitability, Operating Leverage, and Firm Value have varying values in Garment Textile Sub Sector companies listed on the Indonesia Stock Exchange in 2017-2021 (2) Profitability has a positive and insignificant effect on Firm Value, Operating Leverage has an insignificant positive effect on Firm Value (3) Profitability and Operating Leverage simultaneously have a positive and insignificant effect on Firm Value.*

*Keywords: Profitability, Operating Leverage, Firm Value.*