

ABSTRACT

The Effect of Profitability and Leverage on Corporate Value In Real Estate Companies

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Corporate value can provide an overview of past performance and future prospects of a company. In making rational decisions, investors need a complete, accurate, and timely information. Companies can disclose information such as the implementation of profitability and leverage. With these two disclosures of information, public's confidence for the company will increase, thus increasing the corporate value. This research aims to obtain evidence that profitability and leverage have an effect on corporate value, in thirty three real estate sub sector for three years (2015-2017). The results of this study indicate that (1) profitability has effects on corporate value; (2) leverage has effects on corporate value; and (3) the profitability and leverage simultaneously have an influence on the corporate value.

Keywords: Profitability, Leverage, Corporate Value

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