

**THE IMPACT OF FINANCIAL PERFORMANCE
ON FIRM VALUE IN INDONESIA STOCK EXCHANGE WITH DEVIDEND
POLICY AS MODERATION VARIABLE**

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ABSTRACT

The development of property business in Indonesia today can be said to be very advanced. It can be seen from the rampant construction of residential houses, apartments, and offices. This development also encourages the growth of new developers. In addition, the property has also become a major alternative to investing. However, in reality, the development of share prices in the sector of Property, Real Estate & Building Constructions has an average index of the lowest when compared to other sectors. It becomes interesting to study, because of the development sector of the Property, Real Estate & Building Construction is one indicator of a country's economic growth. Measurement of the performance of the company is one of the indicators used by investors to assess a company on the market price of such shares on the stock exchanges in Indonesia.

The purpose of this study was to obtain empirical evidence about the impact of the financial performance of the company's value with dividend policy as a moderating variable. The populations in this research were companies financial statements listed in the Indonesia Stock Exchange. Property company listed on the Indonesia Stock Exchange as many as 57 companies. Companies that dividend payout ratio is positive. After it population limitation to 38 company property. Data collected was processed by using multiple linear regression techniques to test the interaction (Moderate Regression Analysis).

The results showed that there is a significant impact of financial performance towards the corporate value. At the same time, the dividend policy as variable moderating also has a positive effect on the firm value. The implication of this research is it can put forward some suggestions, firstly, financial performance requires attention both investors and potential investors to assess a company. Secondly, property companies need to pay attention to liquidity and leverage in order to have the financial flexibility in achieving a good firm value for external parties.

Keywords: financial performance, corporate value, and dividend policy