THE EFFECT OF LEVERAGE, RETURN ON ASSETS, COMPANY SIZE AND SALES GROWTH ON COMPANY VALUE

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ABSTRACT

This research is to determine the effect of leverage, return on assets, company size and sales growth on company value (Empirical Study of Manufacturing Companies listed on the Indonesia Stock Exchange for the 2018-2021 period). The object of this research is a manufacturing company in the consumer goods industry sector that is listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period. This study used a purposive sampling method. The sample used is 98 samples in 2018-2021. The data analysis technique used is multiple linear regression analysis. The results of this study indicate that leverage and return on assets have a positive effect on firm value, but company size and sales growth have no effect on firm value.

KEYWORDS: *leverage, return on assets, company size, sales growth, firm value*

INTRODUCTION
Research Background
Along with the rapid development of the industrial world, to face increasingly competitive competition, business people in establishing a company have the goal of increasing the value of the company by increasing the prosperity of company owners and shareholders. High corporate value is supported by company goals, especially the goal of increasing the company in order to achieve shareholder prosperity (Wicaksana, Djaelani and ABS, 2018). The higher the stock price, the higher the value of the company where the prosperity of the shareholders will increase and be more secure.

In this case, the role of management and shareholders is needed to determine the amount of profit and prosperity that will be obtained by the company. Paying attention to the prosperity of shareholders or investors is one of the duties of a manager in a company. This happens because investors focus on stock prices or market values with the aim of knowing the development of the company's value. The investors themselves have the main goal, namely to improve their welfare by expecting the benefits to be obtained in owning shares. Usually the information needed by investors is reliable, competent information with the investor's position as a potential owner of the company by purchasing the company's shares.

The value of the company will be considered as the condition of a company, if the value of the company is good then it is certain that the company is good and vice versa if the value of the company is considered bad then the company is also bad. According to Rakasiwi, Pranaditya and Andini (2017), shareholder value will increase if the company value increases which is characterized by a high rate of return on investment to shareholders. For companies that are still private or have not yet gone public, usually the value of the company is determined by an appraisal agency or an appraisal company.

In facing increasingly competitive competition in the industrial world and in all corporate sectors, companies must be able to survive by carrying out various methods, one of which is the company improving the company's performance. There are many factors that affect a company's value, namely external and internal factors. These external factors can maximize the value of the company in the form of interest rates, fluctuations in foreign currency values and capital market conditions, but internal factors are the management and managers of the company.

The following is data from five companies in the consumer goods industry sector listed on the Indonesia Stock Exchange (IDX) for the 2015-2017 period as follows:

Table 1.1
Stock Price Data of Five Companies in the Goods Industry Sector
Consumption Listed on the IDX for the 2018-2020 period

Code Issuer	Issuer Name	Stock price (IDR)		
		2018	**2019**	**2020**
INDF	Indofood Sukses Makmur Tbk, PT	5,175	7,925	7,625
HMSP	Handjaya Mandala Sampoerna Tbk	94,000	3,830	4,730
BRAND	Merck Tbk	6,775	9,200	8,500
TCID	Mandom Indonesia Tbk	16,500	12,500	17,900
BREAD	Nippon Indosari Corporindo Tbk, PT	1.265	1,600	1.275

Based on Table 1.1 and Figure 1.1, from the five stock price data above the average share price of these companies experienced fluctuations from 2018-2020. At PT Indofood Sukses Makmur Tbk, the share price in 2018-2019 has increased by Rp. 2,750 and in 2019-2020 it has decreased by Rp. 300. Then, PT Handjaya Mandala Sampoerna Tbk share price in 2018-2019 decreased by Rp. 90,170, this was due to a stock split in 2019 in the hope of making HMSP's share price more affordable and attracting more investors, especially retail, to conduct HMSP stock transactions (source: http://market.bisnis. com). After carrying out a stock split in 20120 there was an increase of Rp. 4,730. At PT Merck, Tbk stock price in 2018-2019 has increased by Rp. 2,425 and in 2020-2021 it has decreased by Rp. 700 means the share price at PT Merck Tbk has fluctuated. At PT Mandom Indonesia Tbk, the share price in 2018-2019 has decreased by Rp. 4,000 and in 2019-2020 it has increased by Rp. 5,400. Then PT Nippon Indosari Corporindo Tbk in 20188-2019 experienced an increase of Rp. 335 and in 2016-2017 it decreased by Rp. 325. Then PT Nippon Indosari Corporindo Tbk in 20188-2019 experienced an increase of Rp. 335 and in 2016-2017 it decreased by Rp. 325. Then PT Nippon Indosari Corporindo Tbk in 20188-2019 experienced an increase of Rp. 335 and in 2016-2017 it decreased by Rp. 325.

Based on the analysis that has been carried out by researchers, the stock prices of the five sample companies listed on the Indonesia Stock Exchange (IDX) are not in line with the theory that should have happened. This shows that fluctuating or fluctuating stock prices will be closely related to the ups and downs of the company's value in the eyes of the market in general. Share prices are shaped by market conditions. If demand is too high, market expectations are very optimistic about a company and vice versa, if market expectations are very low, the company will be considered unfavorable, so the stock price will fall. There are a number of underlying factors that can cause stock prices to rise and fall. In general, these factors are internal factors and external factors. One of the main factors causing stock prices to go up and down that must always be observed in investing in stocks. The company fundamentals that are reflected in the financial statements will take control of the trend of its stock prices. Stocks of companies that have good fundamentals will cause the trend of their stock prices to rise. Meanwhile, shares of companies that have bad fundamentals will cause a downward trend in their stock prices. (source: https://www.sahamok.com/).

Formulation of the problem
Based on the background above, the main problem is the difference in research results from previous researchers. Based on the description above, the questions in this study can be formulated as follows:
1. Does Leverage affect the value of the company?
2. Does Return On Asset affect the value of the company?
3. Does Company Size affect the value of the company?
4. Does Sales Growth affect the value of the company?

LITERATURE REVIEW
Signal Theory (Signalling Theory)
Signaling Theory is an action taken by the company's management that provides guidance to investors about how management views the company's prospects (Brigham and Houston, 2011: 186). Signaling Theory emphasizes to management the importance of an information issued by the company on investment decisions of parties outside the company. Signal theory also suggests how a company should be able to provide signals to each user of

financial statements. The signal given is in the form of information about the condition of the company to owners or interested parties in the company.

The Value of the Company
According to Van Horne (1998) cited in Rodoni and Ali (2014) what is meant by firm value. "Value is represented by the market price of the company's common stock which in turn is a function of the firm's investment, financing and dividend decision". The stock market price shows a central assessment of all market participants, the stock market price is a barometer of company performance. So from this definition it can be concluded that firm value is the perception of investors towards the company, which is often associated with stock prices. High stock prices make the company value high as well.

According to Husnan and Pudjiastuti (2015:84-85) this ratio compares the share price per share with the book value of equity per share. The higher the PBV, the better the investors' assessment of a company. The price book value (PBV) formula according to Fahmi (2014: 85) is as follows:

$$PBV = \frac{Market\ Price\ per\ Share}{Book\ Value\ per\ Share}$$

Leverage
According to Fahmi (2014: 75), the leverage ratio is a measure of how much a company is financed with debt. The use of debt that is too high will endanger the company because the company will be included in the extreme leverage category, namely the company is trapped in a high level of debt and it is difficult to let go of the debt burden. Because of that, the company should have to balance how much debt is worth taking and from which sources can be used to pay debts. Regarding the debt to equity ratio, Joel G.Siegel and Jae K.Shim define it as "a measure used in analyzing financial statements to show the amount of collateral available to creditors". Say the debt to equity ratio formula is:

$$DER = \frac{Total\ Debt\ (Debt)}{Equity}$$

Profitability
According to Fahmi (2014: 81) the profitability ratio is a ratio that measures the effectiveness of management as a whole which is aimed at the size of the profit level obtained in relation to sales and investment. The better the profitability ratio, the better it describes the company's ability to achieve high profits. According to Kasmir (2017: 197), profitability ratios also have goals and benefits not only for business owners or management, but also for parties outside the company, especially those who have relationships or interests with the company.

There are several ways to measure the size of profitability, one of which is *return on assets* (ROAs). ROA shows the company's ability to use all of its assets to generate profit after tax. This ratio is important for management to evaluate the effectiveness and efficiency of the company's management in managing all of the company's assets. The greater the ROA, the more efficient use of company assets or in other words the same amount of assets can generate greater profits, and vice versa. The formula for return on assets (ROA) is:

$$ROA = \frac{Earnings\ After\ Taxes}{Total\ Assets}$$

Company Size
According to Hery (2017:11-12), in general size can be interpreted as a comparison of the size or size of an object. If this understanding is related to a company or organization, then company size can be interpreted as a comparison of the size of the business of a company or organization. Basically, company size is divided into 3 categories, namely large firms, medium firms, and small firms. The size of the company is considered capable of influencing the value of the company because the larger the size or scale of the company, the easier it will be for

the company to obtain funding sources, both internal and external. The size of the company will affect the ability to bear the risks that may arise from various situations faced by the company. Large companies have lower risks than small companies. This is because large companies have greater control over market conditions so that they are able to face economic competition. The following is a formulation in knowing company size according to Rodoni and Ali (2014: 193) as follows:

$$Size = Ln\ Total\ Company\ Assets$$

Sales Growth
According to Fahmi (2018: 82), the growth ratio is the ratio that measures the ability of a company to maintain its position in the industry and in general economic development. This growth ratio is commonly seen from various aspects, namely in terms of sales, earnings after tax (EAT), earnings per share, dividends per share, and market price per share. The growth ratio used can be seen in terms of sales (sales). According to Sudana (2011: 57), the percentage of sales approach is a method of financial planning, in which all accounts in the company's financial statements change depending on the prediction of the company's sales level. Companies with relatively stable levels of sales can be more secure in obtaining more loans and bear higher fixed costs compared to companies with unstable sales (Brigham and Houston, 2011:52). Sales growth is calculated as follows:

$$\frac{Penjualan\ tahun_t - Penjualan\ tahun_{t-1}}{Penjualan\ tahun_{t-1}}$$

Hypothesis Formulation
Effect of Leverage on Firm Value
The leverage ratio is the ratio used to measure the extent to which company assets are financed with debt in Rakasiwi, Pranaditya and Andini (2017). According to Wicaksana, Djaelani and ABS (2018), the higher the debt a company has to carry out its operational activities, the smaller the profits that investors get, this is due to the company's responsibility to fulfill its obligations to creditors. Research conducted by Suwardika and Mustanda (2017) states that leverage has a significant effect and has a positive direction on firm value.

H1   : *leverage* positive effect on firm value.

The Effect of Return On Assets on Firm Value
Return On Assets (ROA) is a measuring tool to determine the level of return on investment by comparing the profit after tax with the total assets owned by the company. The better the return on assets produced by the company means the better the company will be in paying returns to shareholders, so that the company can provide a good signal to investors and can also increase the value of the company. Research conducted by Syadiana, Rodoni and Putri (2015) states that return on assets affects firm value.

H2   : *Return on assets* positive effect on firm value.

The Effect of Company Size on Firm Value
Firm size in this study is one of the factors that influence firm value. According to Yusuf and Soraya (2014) in Amijaya (2016), company size is the size or amount of assets owned by the company, indicated by the natural logarithm of total assets. The larger the size of the company, then there is a tendency for more investors to pay attention to the company. This is because large companies tend to have more stable conditions than small companies.

H3   : Firm size has a positive effect on firm value.

Effect of Sales Growth on Company Value
Sales in a company reflect the performance of the company provided that it is not followed by an increase in costs or expenses that exceed sales growth. The greater the sales volume, the profit generated by the company also increases. Sales growth is the increase in the number of sales from year to year. According to Sofyaningsih

and Hardiningsih (2011) in Amijaya (2016) Signaling theory states that increased sales can convince investors that the company will provide high returns if followed by high operating efficiency.

H4: Sales growth has a positive effect on firm value.

RESEARCH METHODS
Research Samples and Data Collection Methods
In this research, causal research is used, namely research that aims to test hypotheses about the effect of one or more independent variables on the dependent variable. In this study the independent variables used were leverage, return on assets (ROA), firm size and sales growth to the dependent variable, namely firm value proxied by the ratio of price book value (PBV). This research is also included in quantitative research, which is an objective research approach, including the collection and analysis of quantitative data and using statistical testing methods (Hermawan and Kristaung, 2014: 4)

The type of data used in this study is quantitative, namely data expressed by numbers indicating the magnitude of the value of the variable under study. The data source in this study is secondary data, namely research data obtained based on annual reports or financial reports that have been audited and published by the Indonesia Stock Exchange (IDX) during the 2018-2021 period. Based on the specified sampling, it can be seen that the number of manufacturing companies in the consumer goods industry sector that meet the requirements as a research sample consists of 26 companies.

RESULTS AND DISCUSSION
Descriptive statistics
Descriptive statistics are used to provide an overview or description of a data seen from the average value (mean), standard deviation value, maximum and minimum. The average (mean) is the average in the research data set. The standard deviation is the amount of variation of the data used for the average value (mean) for each variable in a study. Maximum is the largest value of a series of data. Minimum is the smallest value in a group of data. The following are the results of the descriptive statistics as follows:

Table 4.1
Descriptive Statistical Test Results
Descriptive Statistics

	N	Minimum	Maximum	Means	std. Deviation
PBV	98	.2703	30.1682	4.255966	5.5640688
DER	98	.0800	1.8200	.635913	.4306901
ROA	98	.0090	.5267	.113443	.0902385
SIZE	98	25.7957	32.2010	28.859767	1.5938517
SALESGROWTH	98	-.2044	.3254	.068723	.0866536
Valid N (listwise)	98				

Source : SPSS Output Version 21

Table 4.1 above shows that the amount of data (N) used in this study was 98 data samples. The data is taken from the financial statements of companies in the consumer goods industry sector that are listed on the Indonesia Stock Exchange for the 2018–2021 period. Based on table 4.1 above, it can be explained as follows. It can be seen that the company value has an average (mean) value of 4.255966 with the lowest (minimum) value of 0.2703 in 2018 which was produced by PT Wilmar Cahaya Indonesia Tbk. The highest value (maximum) of 30.1682 in 2019 was generated by PT Multi Bintang Indonesia Tbk and a standard deviation value of 5.5640688. Leverage with a Debt to Equity Ratio proxy has the highest (maximum) value of 1.8200 in 2021 which was produced by PT Kimia Farma Tbk. The lowest (minimum) value of 0.0800 in 2018 and 2019 was produced by PT Industri Jamu and Farmasi Sido Muncul Tbk, which means the company only has debt of 0.0800. The average value (mean) is 0.635913 and the standard deviation value is 0.4306901. Return On Assets (ROA) produces the lowest (minimum) value of 0.9% in 2021 owned by PT Sekar Bumi Tbk. The highest value (maximum) of 52.67% in 2019 was generated by PT Multi Bintang Indonesia Tbk. The standard deviation value is 92.2385% and the average value (mean) is 11.3443%. Company size by proxy size produces an average value (mean) of 28.859767 with the lowest (minimum) value of 25.7957 in 2018 and 2020 which was produced by PT

Pyridam Farma Tbk. The highest value (maximum) is 32, 2010 in 2018 produced by PT Indofood Sukses Makmur Tbk. The standard deviation value is 1.5938517. Sales growth resulted in the lowest (minimum) value of -0.2044 in 2015 which was owned by PT Delta Djakarta Tbk. The highest value (maximum) of 0.3254 in 2019 is owned by PT Akasha Wira International Tbk. The standard deviation value is 0.0866536 and the average value (mean) is 0.068723.

Classical Assumption Test Results
Normality test
The normality test aims to test whether the residual or confounding variables in the regression model have a normal distribution. The normality test used in this study is to use the One Sample Kolmogorov-Smirnov Test (1-Sample KS), that is, if the Asymp. Sig. (2-tailed) > 0.05 then Ho is accepted. Following are the results of the normality test using the Kolmogorov-Smirnov Test:

Table 4.2
Normality Test Results
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		98
Normal Parameters, b	Means	.0000000
	std. Deviation	2.00699451
Most Extreme Differences	absolute	.067
	Positive	.067
	Negative	-.056
Kolmogorov-Smirnov Z		.659
asymp. Sig. (2-tailed)		.777

a. Test distribution is Normal.
b. Calculated from data.

By looking at the results of the Kolmogorov-Smirnov test in table 4.2, it can be seen that the Kolmogorov-Smirnov value is 0.659 with a significance in Asymp. Sig. (2-tailed) of 0.777. Because the value shows above the significance value, namely $0.777 > 0.05$, it can be concluded that the data in this study are normally distributed and meet the requirements of the normality test.

Multicollinearity Test
Multicollinearity test is used to show whether there is a linear relationship between the independent variables in the regression model. A good regression model does not have multicollinearity. To test the presence or absence of multicollinearity in a regression model is to look at the tolerance value and VIF (Variance Inflation Factor), that is, if the tolerance value ≥ 0.10 and VIF ≤ 10, then there is no multicollinearity in the study, whereas if the tolerance value $\leq 0, 10$ and VIF ≥ 10, then there is multicollinearity. The following are the results of the multicollinearity test:

Table 4.3
Multicollinearity Test Results
Coefficientsa

Model		Collinearity Statistics	
		tolerance	VIF
1	(Constant)		
	DER	.962	1040
	ROA	.957	1045
	SIZE	.954	1048
	SALESGROWTH	.952	1,051

a. Dependent Variable: PBV

Based on table 4.3 above, it can be seen that the results of the tolerance values of the four independent variables are all greater than 0.10 and the VIF (Variance Inflation Factor) value is less than 10. It can be concluded that the regression model does not have multicollinearity or the non-multicollinearity assumptions are met.

Heteroscedasticity Test
Heteroscedasticity test is used to test whether in the regression model there is an inequality of variance of the residuals one observation to another. If the variance from the residual of one observation to another observation remains, then it is called homoscedasticity and if it is different it is called heteroscedasticity. A good regression model is one that has homoscedasticity or does not have heteroscedasticity. To determine the existence of symptoms of heteroscedasticity in this study is to use the Park test. The following are the results of the heteroscedasticity test:

Table 4.4
Heteroscedasticity Test Results
Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	std. Error	Betas		
(Constant)	7,389	4,672		1,581	.117
DER	1,055	.602	.177	1,753	083
1 ROA	5,569	2,880	.195	1934	056
SIZE	-.299	.163	-.185	-1,834	.070
SALESGROWTH	-3,071	3007	-.103	-1,021	.310

a. Dependent Variable: LnU2i
Source : SPSS Output Version 21

Based on table 4.4 it can be shown that all independent variables show significant results, namely above 0.05. So it can be concluded that all of these independent variables do not occur heteroscedasticity.

Autocorrelation Test
The autocorrelation test aims to test whether in the linear regression model there is a correlation between the confounding errors in period t and the residual errors in the t-1 (previous) period. If there is a correlation then there is called an autocorrelation problem. To detect the presence or absence of autocorrelation using the Run Test.

Table 4.5
Autocorrelation Test Results
Run Test

	Unstandardized Residuals
Value test	-.02697
Cases < Test Value	49
Cases >= Test Value	49
Total Cases	98
Number of Runs	48
Z	-.406
asymp. Sig. (2-tailed)	.685

a. Median
Source : SPSS Output Version 21

Based on table 4.5 above, it can be seen that the Asymp. Sig. (2-tailed) is 0.685 greater than 0.05. So it can be concluded that there is no autocorrelation between residual values.

Model Fitment Test Results
Determination Coefficient Test (R^2)

The coefficient of determination test (R^2) essentially measures how far the model's ability to explain the variation of the dependent variable. The value of the coefficient of determination is between zero and one. The small R^2 value means that the ability of the independent variables to explain the variation in the dependent variable is very limited. Meanwhile, a value close to one means that the independent variables provide almost all the information needed to predict the variation of the dependent variable. Each additional one independent variable, then R^2 must increase regardless of whether the variable has a significant effect on the dependent variable. The following are the results of the test for the coefficient of determination (R^2):

Table 4.6
Test Results for the Coefficient of Determination (R^2)
Summary modelb

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.933a	.870	.864	2.0497013

a. Predictors: (Constant), SALESGROWTH, ROA, DER, SIZE
b. Dependent Variable: PBV
Source : SPSS Output Version 21

Based on table 4.6 above, it can be explained that the coefficient of determination R Square is 0.870 or (87%). This means that the effect of Leverage, Return On Assets, Company Size and Sales Growth on Company Value is 87%. In other words, the variation of the independent variables used in this model is able to explain 87% of the dependent variable and the rest (100% - 87% = 13%) are influenced by other variables outside of this study.

Statistical Test F

The F statistical test basically shows whether all the independent or independent variables included in the model have a joint or simultaneous influence on the dependent or dependent variable. Following are the results of the simultaneous significant test (statistical test F) as follows:

Table 4.7
Statistical Test Results F
ANOVAa

	Model	Sum of Squares	Df	MeanSquare	F	Sig.
1	Regression	2612,291	4	653,073	155,446	.000b
	Residual	390,719	93	4,201		
	Total	3003010	97			

a. Dependent Variable: PBV
b. Predictors: (Constant), SALESGROWTH, ROA, DER, SIZE
Source : SPSS Output Version 21

Based on table 4.7 above, it can be seen that the Fcount value is 155.446 and is significant at 0.000. While the Ftable value is 2.47 when compared to an alpha value of 0.05 (5%) which is smaller. Thus Fcount > Ftable (155.446 > 2.47), so it can be concluded that the independent variables jointly affect The value of the company.

Hypothesis Test Results
Statistical Test t

The t statistical test basically shows how far the influence of one explanatory/independent variable individually explains the variation of the dependent variable. The following are the results of the t test calculations:

Table 4.8
Statistical Test Results t

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
		B	**std. Error**	**Betas**		
1	(Constant)	-8,211	3,825		-2,146	.034
	DER	4,844	.493	.375	9,832	.000
	ROA	52,957	2,358	.859	22,461	.000
	SIZE	.125	.134	.036	.936	.352
	SALESGROWTH	-3,367	2,462	-.052	-1,368	.175

a. Dependent Variable: PBV

Source : SPSS Output Version 21

Based on table 4.8 it can be seen that the t test value and the significant results of the testers. The results of the t statistical test between each independent variable on the dependent variable can be explained as follows:

1. Effect of Leverage on Firm Value
Based on the results of the t statistical test above, it can be seen that leverage has a t-count value of 9.832 with a significance probability value (sig.) of 0.000, this shows that the t-table is equal to and the leverage significance value is below the alpha significance of 5% (α=5 %) or 0.000 < 0.050. Thus t-count > t-table (9.832 > 1.661) and the significance value is less than 0.050 with a positive coefficient, this means that the test results show that leverage has a positive and significant effect on firm value. So it can be concluded that hypothesis 1 (H1) is accepted.

2. Effect of Return On Assets on Firm Value
Based on the results of the t test above, it can be seen that the return on assets has a t-count value of 22.461 with a significance probability value (sig.) of 0.000, this shows that the t-table is equal to and the significance value of return on assets is below the alpha significance value of 5%. (α=5%) or 0.000 < 0.050. Thus t-count > t-table (22.461 > 1.661) and the significance value is less than 0.050 with a positive coefficient, the results of the t test indicate that return on assets has a positive and significant effect on firm value. So it can be concluded that hypothesis 2 (H2) is accepted.

3. Effect of Company Size on Firm Value
Based on the results of the t-test above, it can be seen that company size has a t-count value of 0.936 with a significance probability value (sig.) of 0.352, this shows that the t-table is equal to and the significance value of company size is above the alpha significance value of 5% (α = 5%) or 0.352 > 0.050. Thus t-count < t-table (0.936 < 1.661) and a significance value greater than 0.050 with a positive coefficient, the results of the t test indicate that firm size has a positive and insignificant effect on firm value. So it can be concluded that hypothesis 3 (H3) is rejected.

4. Effect of Sales Growth on Company Value
Based on the results of the t test above, it can be seen that sales growth has a t-count value of -1.368 with a significance probability value (sig.) of 0.175, this shows that the t-table is equal to and the significance value of sales growth is above the alpha significance value of 5% (α=5%) or 0.175 > 0.050. Thus t-count < t-table (-1.368 < 1.661) and a significance value greater than 0.050 with a positive coefficient, the t-test results show that sales growth has a negative effect and no significance on firm value. So it can be concluded that Hypothesis 3 (H3) is rejected.

CONCLUSION
Based on the results of the analysis and testing in this study regarding the effect of leverage, return on assets, firm size and sales growth on company value in consumer goods industry sector companies listed on the Indonesia Stock Exchange (IDX) during the 2018-2021 period, so below there are the following conclusions:

1. Leverage has a positive and significant effect on firm value. This is because leverage is a funding policy related to the company's decision to finance the company's needs.
2. *Return On Assets* positive and significant effect on firm value. This is because a high return on asset (ROA) value illustrates the company's ability to maximize existing resources in obtaining maximum profits for the company.
3. Company size has a positive and insignificant effect on firm value. This is because the size of the company (size) describes the size of a company which describes the size of a company indicated by total assets, total sales and average total assets.
4. Sales Growth has a negative and insignificant effect on Company Value. This is because sales growth is an indicator of demand and competitiveness in an industry. In a sales company, ups and downs are normal because ups and downs in getting profits are also common in a company because of competition in the business world.

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