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Pengaruh Return On Asset (ROA), Return On Equity (ROE), *Return On Investment (ROI)*, dan Earning Per Share (EPS) Terhadap Nilai Perusahaan pada industri Otomotif dan Komponennya yang tercatat di BEI

The Influence of Return On Assets (ROA), Return On Equity (ROE), Return On Investment (ROI), and Earning Per Share (EPS) on Company Value in the Automotive industry and its components listed on the BEI

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Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh *Return On Asset (ROA), Return On Equity (ROE), Return On Investment (ROI), dan Earning Per Share (EPS)* terhadap nilai perusahaan pada industri otomotif dan komponennya yang tercatat di Bursa Efek Indonesia (BEI). Perkembangan dunia otomotif yang senantiasa berfluktuasi menuntut perusahaan yang tergabung dalam industri ini agar mampu menjaga keeksistensian mereka dalam menghadapi perubahan situasi, baik domestik maupun mancanegara. Selain itu, perusahaan juga harus berkompetisi dengan pesaing sejenis, baik dari dalam maupun luar negeri. Kemampuan perusahaan dapat dilihat melalui informasi yang terdapat dalam laporan keuangan tahunan. Penelitian ini menggunakan metode *purposive sampling* untuk mendapatkan sampel yang representatif sesuai dengan kriteria yang ditentukan. Alat analisis yang digunakan adalah analisis regresi panel. Hasil penelitian menunjukkan bahwa *Return On Asset (ROA) dan Return On Investment (ROI)* berpengaruh positif, meskipun tidak signifikan, terhadap nilai perusahaan di BEI. Sementara itu, *Return On Equity (ROE) dan Earning Per Share (EPS)* berpengaruh negatif dan juga tidak signifikan terhadap nilai perusahaan di BEI (studi pada industri otomotif dan komponennya).

Kata Kunci: ROA, ROE, ROI, EPS, nilai perusahaan.

Abstract

This study aims to analyse the effect of Return On Asset (ROA), Return On Equity (ROE), Return On Investment (ROI), and Earning Per Share (EPS) on firm value in the automotive industry and its components listed on the Indonesia Stock Exchange (IDX). The development of the automotive world which always fluctuates requires companies incorporated in this industry to be able to maintain their existence in the face of changing situations, both domestic and foreign. In addition, companies must also compete with similar competitors, both from within and outside the country. The company's ability can be seen through the information contained in the annual financial statements. This study uses purposive sampling method to obtain a representative sample in accordance with the specified criteria. The analytical tool used is panel regression analysis. The results showed that Return On Asset (ROA) and Return On Investment (ROI) have a positive, albeit insignificant, effect on firm value on the IDX. Meanwhile, Return On Equity (ROE) and Earning Per Share (EPS) have a negative and also insignificant effect on firm value on the IDX (study on the automotive industry and its components).

Keywords: ROA, ROE, ROI, EPS, company value.

INTRODUCTION

The economy in the current era of globalisation is constantly fluctuating. This can be seen from the development of economic strategies and the increasing competition among large companies, especially those listed on the Indonesia Stock Exchange (IDX). This competitive condition reflects the increasing quality of the company from various aspects. One indicator of company quality is the financial performance reflected in the annual financial statements published on the IDX (Yohendra & Susanty, 2019).This financial report reflects the company's activities and transactions during a certain period, in accordance with established procedures and company policies. The presentation of financial statements is equipped with explanations that are useful for company owners and potential investors, as well as the basis for future financial projections of the company.

Financial statements describe the financial condition and results of operations of a company at a certain time or within a certain period of time. Commonly known types of financial statements include balance sheets, income statements, cash flow statements, and statements of changes in financial position. (Gihon & Togatorop, 2024).To obtain more in-depth information from financial statements, financial statement analysis is required. Through this analysis, we can obtain valid information to make decisions and assess the performance of the company concerned (Risqi & Suyanto, 2022).

Financial performance, based on the analysis of financial statements, can be used as a basis for determining policies for owners, managers, investors, and potential investors. Ratio analysis is very important and commonly used to evaluate the condition and analyse the financial statements of a company. Ratios are also used as a tool to predict company performance in terms of health and quality (Risqi & Suyanto, 2022).The fundamental goal of a company is to make a profit so that it can continue to operate, survive, and compete with other companies. In operating its business, the company will be faced with various risks, one of which is financial risk. This risk, if allowed to drag on, can result in company bankruptcy (Sumilat et al., 2021).

Some companies that face financial risk will resolve it by making loans and merging businesses, or some even close their businesses. One alternative to banks that can be used when facing financial risk is that companies can involve themselves in the capital market to obtain funds in the form of investment (Gihon & Togatorop, 2024).The capital market is a forum that brings together parties who have excess funds with parties who need funds. The capital market can also be interpreted as a place to trade securities that generally have a lifespan of more than one year, such as stocks and bonds. The Indonesian government also thinks that the capital market is the right means and forum to support the acceleration of development and become one of the supporters of Indonesia's economic progress.

The global financial crisis, the impact of which is still being felt today, has affected the performance of the automotive sector in Indonesia. According to a report by the Association of Indonesian Automotive Industries (Gaikindo), car production and sales declined compared to the previous year. Production levels slumped, while sales levels weakened. This decline in sales was caused by the weakening of the Rupiah at that time, which led to an increase in car prices so that consumers delayed buying a car, in addition to the high interest rates from banks and financing institutions affected by the global financing crisis, which hampered the source of financing for car purchases (Sumilat et al., 2021).

The development of the automotive world which always fluctuates requires companies incorporated in the automotive industry to be able to maintain their existence in the face of changing situations, both domestic and foreign (Sumilat et al., 2021) In addition, companies must also compete with similar competitors, both from within and outside the country. The company's ability can be seen through the information contained in the annual financial statements. One of the information that can be obtained from the financial statements is the amount of profit received each year. Companies that are able to maintain their profit stability in the face of these conditions will be able to survive in the

automotive business world (Sari & Jufrizen, 2019).

Maximising firm value has now been agreed as the goal of every company, especially those that are profit-oriented. The value of shares will increase if the value of the company increases, which is characterised by a high rate of return on investment for shareholders (Yohendra & Susanty, 2019).The value of the company not only reflects current performance, but also describes the company's prospects in the future. For companies that have gone public, company value can be measured through stock prices, Price to Book Value (PBV), and Price to Earning Ratio (PER). The higher the stock price, PBV, and PER, the higher the value of the company. For companies that have not gone public, firm value can be measured through book value, which is the difference between total assets and total debt (Utami & Darmawan, 2019).

Price to Book Value (PBV) is one of the indicators in assessing a company. PBV illustrates how much the market values the book value of a company's shares. PBV is calculated by comparing the stock price with the book value per share. The PBV ratio shows the extent to which the company is able to create value relative to the capital invested, so the higher the PBV ratio, the more successful the company is in creating value for shareholders. (Pondaag et al., 2020) The existence of PBV is very important for investors in determining investment strategies in the capital market. Based on the PBV value, investors can also predict stocks that are undervalued or overvalued, so that they can determine investment strategies in accordance with expectations to obtain high dividends and capital gains. One of the ratios that affect PBV is the Profitability Ratio. Profitability ratios consist of two types, namely ratios that show profitability in relation to sales and ratios that show profitability in relation to investment. Profitability related to sales involves gross profit margin and net profit margin. Meanwhile, profitability related to investment involves return on total assets and return on equity. In this case, profitability ratios are focussed on ROA, ROE, ROI, and EPS, where ROI and EPS are the most important.

ROA (Return On Assets) illustrates the extent to which the ability of the assets owned by the company to generate profits. The ROA ratio is obtained by dividing earnings before interest and taxes by the company's total assets. This ratio is used to measure the ability of capital invested in overall assets to generate profits for all investors. The calculation of this ratio shows the effectiveness of management in generating profits related to the availability of the Company's assets (Sari & Jufrizen, 2019).

ROE (Return On Equity) compares net profit after tax with the equity that has been invested by the company's shareholders. This ratio shows the company's ability to generate book value profits for shareholders. ROE is often used to compare two or more companies in terms of good investment opportunities and effective cost management. Growth in ROE value allows the company to increase its future profit potential, thus attracting the attention of investors to invest in the company. Increased investor interest will have an impact on the demand for company shares, so that the stock price becomes high and affects the company's value as measured by PBV (Kusuma Dewi, 2020).

ROI (Return On Investment) is a measure of the company's ability to generate profits that are used to cover the investment that has been issued. ROI is a form of profitability ratio that measures the company's ability with total funds invested in assets used for company operations to generate profits (Sari & Jufrizen, 2019).

Earning Per Share (EPS) is one of the indicators often used by investors in assessing investment decisions. EPS describes the net profit per share that a company is able to achieve when running its operations. In other words, EPS is the profit that shareholders will earn per share. The EPS ratio shows the share of profit earned by investors for each outstanding share. The greater the EPS value, the greater the net profit that the company can distribute to shareholders. An increase in EPS value will attract investor interest and have an impact on increasing stock prices, so that the company's value also increases (Utami & Darmawan, 2019).

Realising the above conditions, researchers are interested in examining the effect of Return On Asset (ROA), Return On Equity (ROE), Return On Investment (ROI), and Earning Per Share (EPS) on Company

Value in the Automotive industry and its components listed on the IDX. This study aims to analyse whether Return On Asset (ROA), Return On Equity (ROE), Return On Investment (ROI), and Earning Per Share (EPS) simultaneously or passively affect the Company's Value in the Automotive industry and its Components listed on the Indonesia Stock Exchange (IDX) (Colline & Anwar, 2021).

METHODS

This study uses the documentation method, which is to search for data on financial reports and company-related information. The data used comes from the financial statements of industrial companies listed on the official IDX website (www.idx.co.id, t.t.).The sample for this research was carried out using a purposive sampling method with the aim of obtaining a representative sample according to the specified criteria (Alviani et al., 2021).The criteria used in this study and companies that meet the criteria can be seen in table 1.

Tabel 1
Research Sample

NO	CRITERIA	CODE	COMPANY NAME	RESULT
1	Automotive industry companies and their components listed on the Indonesia Stock Exchange (IDX)	ASII	PT. Astra Internasional Tbk.	√
		AUTO	PT. Astra Auto Part Tbk.	√
		BOLT	PT. Garuda Metalindo Tbk.	X
		BRAM	PT. Indo Kordsa Tbk.	√
		GDYR	Goodyear Indonesia Tbk.	X
		GJTL	PT. Gajah Tunggal Tbk.	X
		IMAS	PT. Indomobil Sukses Internasional Tbk.	√
		INDS	PT. Indospring Tbk.	√
		LPIN	PT. Multi Prima Sejahtera Tbk.	√
		MASA	PT. Multistrada Arah Sarana Tbk	√
		NIPS	PT. Nipress Tbk	X
		PRAS	PT. Prima alloy steel Universal Tbk	√
		SMSM	PT. Selamat Sempurna Tbk	√
2	Automotive industry companies and their components that have published complete financial reports	ASII	PT. Astra Internasional Tbk.	√
		AUTO	PT. Astra Auto Part Tbk.	√
		BOLT	PT. Garuda Metalindo Tbk.	X
		BRAM	PT. Indo Kordsa Tbk.	√
		GDYR	Goodyear Indonesia Tbk.	X
		GJTL	PT. Gajah Tunggal Tbk.	X
		IMAS	PT. Indomobil Sukses Internasional Tbk.	X
		INDS	PT. Indospring Tbk.	√
		LPIN	PT. Multi Prima Sejahtera Tbk.	X
		MASA	PT. Multistrada Arah Sarana Tbk	X
		NIPS	PT. Nipress Tbk	X
		PRAS	PT. Prima alloy steel Universal Tbk	√
		SMSM	PT. Selamat Sempurna Tbk	√
3	Automotive industry companies and their components that have positive profits	ASII	PT. Astra Internasional Tbk.	√
		AUTO	PT. Astra Auto Part Tbk.	√
		BOLT	PT. Garuda Metalindo Tbk.	X
		BRAM	PT. Indo Kordsa Tbk.	√
		GDYR	Goodyear Indonesia Tbk.	X
		GJTL	PT. Gajah Tunggal Tbk.	√
		IMAS	PT. Indomobil Sukses Internasional Tbk.	X

		INDS	PT. Indospring Tbk.	√
		LPIN	PT. Multi Prima Sejahtera Tbk.	X
		MASA	PT. Multistrada Arah Sarana Tbk	X
		NIPS	PT. Nipress Tbk	X
		PRAS	PT. Prima alloy steel Universal Tbk	X
		SMSM	PT. Selamat Sempurna Tbk	√
4	The company has data, in accordance with the needs and related to this research	ASII	PT. Astra Internasional Tbk.	√
		AUTO	PT. Astra Auto Part Tbk.	√
		BOLT	PT. Garuda Metalindo Tbk.	X
		BRAM	PT. Indo Kordsa Tbk.	√
		GDYR	Goodyear Indonesia Tbk.	X
		GJTL	PT. Gajah Tunggal Tbk.	X
		IMAS	PT. Indomobil Sukses Internasional Tbk.	X
		INDS	PT. Indospring Tbk.	√
		LPIN	PT. Multi Prima Sejahtera Tbk.	X
		MASA	PT. Multistrada Arah Sarana Tbk.	X
		NIPS	PT. Nipress Tbk.	X
		PRAS	PT. Prima alloy steel Universal Tbk.	X
		SMSM	PT. Selamat Sempurna Tbk.	√

Source : *www.idx.co.id*

Description:
√ : Meets the criteria
X : Does not fulfil the criteria

Based on the criteria in table 1, the sample of automotive industry companies and their components in this study were 5 companies. The automotive industry companies and their components that are respondents in this study can be seen in table 2.

Table 2
List of Samples that Meet the Criteria

NO	CODE	COMPANY NAME
1	ASII	PT. Astra International Tbk.
2	AUTO	PT. Astra Auto Part Tbk.
3	BRAM	PT. Indo Kordsa Tbk.
4	INDS	PT. Indospring Tbk.
5	SMSM	PT. Selamat Sempurna Tbk.

Source : *www.idx.co.id*.

This study uses a panel data regression test with a random effect model. (Alviani et al., 2021). The equation used in the multiple regression of panel data with the random effect model is as follows:

$$Y = C + b1X1 + b2X2 + b3X3 + b4X4 + \alpha i + uit$$

Keterangan :
Y = *Company Name*
C = *Costant*
b = Koefisien regresi
X1 = *Return On Asset*
X2 = *Return On Equity*
X3 = *Return On Investment*
X4 = *Earning Per Share*
αi = *fixed Effect* / *Random Effect* pada observasi ke-i
uit = *Standard Error*

RESULTS

Normality test

The commonly used residual normality test is the Jarque-Bera statistical test. If the JB (Jarque-Bera) probability value is greater than the significance level α = 0.05, then the residual data is considered normally distributed. However, if the JB value is smaller than α = 0.05, then the residual data is not normally distributed. For data with large samples (more than 100), the assumption of normality of the residual data can be ignored. The normality test results state that the Jarque-Berra (J-B) value is 0.376615 with a probability of 0.828360. With these results, it can be stated that the data used in this study are normally distributed, because the J-B value is 0.376615 < 2 and the probability value is 0.828360 > 0.05.

The Jarque Berra test determines that if the asymptotic significance in the Jarque Berra test is greater than the significance level (α = 0.05) then the residual data is normally distributed. Looking at the Jarque Berra test results in Figure 1 that the probability value is greater than the significance level (0.376615> 0.05) so that this study has normally distributed residual data.

Multicollinearity Test

The multicollinearity assumption test is intended to determine whether the regression model finds a high or perfect correlation between independent variables.

Table 3
Multicollinearity Test (Correlation Matrix)

	X1	X2	X3	X4
X1	1	0.969811	0.994507	0.119122
X2	0.969811	1	0.975927	0.093451
X3	0.994507	0.975927	1	0.090316
X4	0.119122	0.093451	0.090316	1

Source: Appendix Eviews 10 Output

Table 3 shows the results of the multicollinearity test with a value of more than 0.80 on the three independent variables and only one variable whose value is less than 0.80 so it can be concluded that this study has a multicollinearity problem.

Heteroscedasticity Test

The heteroscedasticity test in this research was carried out using the Glejser test. The Glejser test proposes to regress the absolute residual value (AbsUi) against other independent variables with the following regression equation.

$|Ui| = \alpha + \beta Xi + ui$

If the coefficient of variable X (i.e. β) is statistically significant, it indicates the presence of heteroscedasticity in the model. For the panel data file, the firm value as the dependent variable and the ROA, ROE, ROI, and EPS variables as independent variables so that the regression equation becomes (Ghozali; 99):

$AbsUi = \alpha + \beta ROA + \beta ROE + \beta ROI + \beta EPS + ui$

The results of the heteroscedasticity test using the Glrjser test are presented in Table 4.

Table 4 Glejser Test

Heteroskedasticity Test: Glejser

F-statistic	4.306864	Prob. F(4,25)	0.0087
Obs*R-squared	12.23904	Prob. Chi-Square(4)	0.0157
Scaled explained SS	10.50042	Prob. Chi-Square(4)	0.0328

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	319300.2	201889.3	1.581561	0.1263
X1	-8755488.	12974489	-0.674823	0.5060
X2	9281121.	4531369.	2.048194	0.0512
X3	1671516.	18126059	0.092216	0.9273
X4	165.8993	824.6177	0.201183	0.8422

R-squared	0.407968	Mean dependent var	905174.5
Adjusted R-squared	0.313243	S.D. dependent var	711781.3
S.E. of regression	589858.9	Akaike info criterion	29.56417
Sum squared resid	8.70E+12	Schwarz criterion	29.79770
Log likelihood	-438.4625	Hannan-Quinn criter.	29.63888
F-statistic	4.306864	Durbin-Watson stat	1.947313
Prob(F-statistic)	0.008702		

Source: Appendix Eviews 10 Output

The output display results in table 4 show that the Return On Equity (ROE) variable is significant at 0.05 which indicates heteroscedasticity. Therefore, it can be concluded that the Glejser test indicates heteroscedasticity in the model.

Autocorrelation Test

In this study, the autocorrelation test can be tested using the Durbin-Watson test (DW test) and the Lagrange Multiplier test (LM test).The following are the results of the Durbin-Watson test (DW test).

Table 5 Stasistik Durbin Watson Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1	48052126	39254606	1.224114	0.2345
X2	-24835822	15327290	-1.620366	0.1201
X3	5748566.	53315189	0.107822	0.9152
X4	-7103.837	2916.871	-2.435430	0.0239
C	-941568.8	821457.2	-1.146218	0.2646

R-squared	0.698912	Mean dependent var	1213668.
Adjusted R-squared	0.584212	S.D. dependent var	1732398.
S.E. of regression	1117078.	Akaike info criterion	30.93366
Sum squared resid	2.62E+13	Schwarz criterion	31.35402
Log likelihood	-455.0048	Hannan-Quinn criter.	31.06813

F-statistic	6.093386	Durbin-Watson stat	1.729550
Prob(F-statistic)	0.000416		

The eviews output in table 5 shows that the Durbin-Watson (DW) value is 1.729. The DW value of 1.729 can be concluded that the autocorrelation coefficient is greater than zero. This means that there is positive autocorrelation. The results of the Lagrange Multiplier test (LM test) are shown in table 6:

Table 6 Lagrange Multiplier Test (LM Test)

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.977708	Prob. F(2,23)	0.3913
Obs*R-squared	2.350692	Prob. Chi-Square(2)	0.3087

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1	-3777437.	28782039	-0.131243	0.8967
X2	128545.3	9936857.	0.012936	0.9898
X3	4099593.	40953790	0.100103	0.9211
X4	16.74790	1758.286	0.009525	0.9925
C	35855.59	430916.2	0.083208	0.9344
RESID(-1)	0.191237	0.209542	0.912643	0.3709
RESID(-2)	-0.247722	0.217330	-1.139844	0.2661

R-squared	0.078356	Mean dependent var	1.58E-09
Adjusted R-squared	-0.162072	S.D. dependent var	1163712.
S.E. of regression	1254476.	Akaike info criterion	31.12330
Sum squared resid	3.62E+13	Schwarz criterion	31.45024
Log likelihood	-459.8495	Hannan-Quinn criter.	31.22789
F-statistic	0.325903	Durbin-Watson stat	1.902125
Prob(F-statistic)	0.916503		

Source: Appendix Eviews 10 Output

Fixed Effect Tests

Table 7
Common effect and Fixed effect approaches

	Common Effect		Fixed Effect	
Variable	Coefficient	Prob.	Coefficient	Prob.
C	58433.21	0.8927	-941568.8	0.2646
X1	-32694710	0.2468	48052126	0.2345
X2	-15471013	0.1207	-24835822	0.1201

X3	81168418	0.0453	5748566.	0.9152
X4	-4554.536	0.0154	-7103.837	0.0239

R-squared	0.548772	R-squared	0.698912
Adjusted R-squared	0.476575	Adjusted R-squared	0.584212
Prob(F-statistic)	0.000376	Prob(F-statistic)	0.000416
Durbin-Watson	1.356359	Durbin-Watson	1.729550

Source: Appendix Eviews 10 Output

Table 7 shows the regression results using the common effect and fixed effect models. The regression results of the two models have different results. The fixed effect approach has a larger adjusted R square than the adjusted R-squared of the common effect approach. The Durbin-Watson value in the common effect approach model is smaller than using the fixed effect approach. To determine which model approach is better, the Fixed Effect Tests must be carried out. Test Fixed Effect Tests by looking at the significant F value. If the F value is significant, it means that the fixed effect model is better than the common effect model or in other words, the fixed effect model provides significant added value compared to the common effect model. Fixed effect test results are presented in table 8 as follows:

Tabel 8
Fixed Effect Tests

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	2.617961	(4,21)	0.0642
Cross-section Chi-square	12.137127	4	0.0164

Source: Appendix Eviews 10 Output

The output results in table 8 provide an F value of 2.617 and are significant so that it can be concluded that the fixed effect model is better than the common effect model.

Hausman Test

Hausman statistical testing uses the chi-square distribution. The null hypothesis in the Hausman test is that the fixed effect model estimator and the random effect model are not significantly different.

Table 9

Fixed Effect and Random Effect Approaches

Variable	Fixed Effect Coefficient	Prob.	Random Effect Coefficient	Prob.
C	-941568.8	0.2646	58433.21	0.8798
X1	48052126	0.2345	-32694710	0.1953
X2	-24835822	0.1201	-15471013	0.0835
X3	5748566.	0.9152	81168418	0.0261
X4	-7103.837	0.0239	-4554.536	0.0074
R-squared	0.698912		R-squared	0.548772
Adjusted R-squared	0.584212		Adjusted R-squared	0.476575
Prob(F-statistic)	0.000416		Prob(F-statistic)	0.000376
Durbin-Watson	1.729550		Durbin-Watson	1.356359

Source: Appendix Eviews 10 Output

Table 9 shows the regression results using the fixed effect and random effect models. The regression results of the two models have different results. The fixed effect approach has a larger adjusted R-square than the adjusted R-squared of the random effect approach. The Durbin-Watson value in the random effect approach model is smaller than using the fixed effect approach. To determine which model approach is better, the Hausman test must be carried out. Hausman test results are presented in table 10 as follows.

Table 10
Hausman Test

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	10.471845	4	0.0332

Source: Appendix Eviews 10 Output

Table 10 shows the chi-square statistic value of 10.471 with a P value of 0.033. These results indicate that H0 is accepted so it can be concluded that the better model is the Fixed effect model (FEM). Based on the above test, the value of the panel data regression approach with the fixed effect model obtained an adjusted R2 value of 0.584 or 58.4%. Based on table 11, the panel data regression equation model of the fixed effect model is obtained as follows.

$$Y = -941568.8 + 48052126\ X1 - 24835822\ X2 + 5748566\ X3 - 7103.837\ X4$$

Development of Return On Asset (ROA)

The company that has the highest ROA level is PT Selamat Sempurna Tbk. while the company that has the lowest ROA level is PT Indo Spring Tbk. High ROA occurs because the company's total assets or assets are higher than the total earnings before interest and taxes (EBIT) of the company, in this case the company can generate a higher rate of return on all assets owned by the company in other words this shows the efficiency of the company in managing all its assets to generate revenue compared to other companies. The average ROA shows inconsistent changes, where there

is a decrease and increase. this means that if the ROA is lower, the lower the rate of return that the company can generate and vice versa, the higher the ROA level, the higher the rate of return that the company can generate.

Development of Return on Equity (ROE)

The highest ROE is PT Selamat Sempurna Tbk. The highest ROE shows that the company is able to obtain high net profit than other companies. While the lowest ROE is PT Indo Spring Tbk. This low ROE indicates low net profit due to high operational expenses in the company, the greater the ROE value, the better the company's performance. An increasing ROE indicates that management performance is improving in managing operational financing funds effectively to generate net income.

Development of Return On Investment (ROI)

The highest ROI of PT. Selamat Sempurna Tbk, the highest ROI indicates a positive effect on the company's financial performance in achieving the goal of maximizing company value which will be responded positively by investors so that demand for company shares can increase and can increase the company's share price compared to other companies. While the lowest ROI data is PT Indo Spring Tbk. The average ROI for the entire company shows inconsistent changes, where there is a decrease and an increase as the ROI value increases, the better the company's performance. A high ROI indicates a higher level of efficiency of the company's activities in allocating costs and capital in streamlining the process to generate company profits.

Earning Per Share (EPS)

Development The highest EPS is PT. Selamat Sempurna Tbk. The highest EPS shows that the company is able to obtain profit or net income from a high share compared to other companies. While the lowest EPS is PT Astra Auto Part Tbk. The higher the average EPS, the better the company's performance in generating earnings per share, so that it can increase investor confidence in the company.

Company Value

Development The highest PBV is PT Selamat Sempurna Tbk. the company that has the lowest PBV is PT Indo Spring Tbk. The higher this ratio means the higher the market confidence in the prospects of a company, resulting in the share price of the company will also increase and the lower the PBV will have an impact on the low market confidence in the company's prospects which results in a decrease in demand for shares and subsequently affects the decline in the share price of the company.

DISCUSSION

The Influence of Return On Assets (ROA), Return On Equity (ROE), Return On Investment (ROI), and Earning Per Share (EPS) on Company Value in the Automotive Industry and its Components listed on the IDX

Independent variables (return on assets, return on equity, return on investment, and earning per share) jointly affect firm value. The results of the F value analysis show that these variables have an influence on the value of the Company.

The Effect of Return On Asset (ROA) on Company Value

The Return On Asset (ROA) variable has a positive, but insignificant effect on firm value in the automotive industry and its components on the Indonesia Stock Exchange (IDX). This study is not in line with the results of research (Risqi & Suyanto, 2022), which found that return on assets has a positive and significant effect on firm value.

ROA measures the company's ability to generate profits from all the capital working in the company. Although ROA is not significant in determining firm value, other factors such as the level of equity capital and sales also affect firm value.

Firm value is the perception of investors and is related to the stock price. A high stock price indicates high firm value, and investors pay attention to overall financial performance, including net profit margin (NPM).

The Effect of Return On Equity (ROE) on Company Value

The results showed that the Return On Equity (ROE) variable had a negative and insignificant effect on firm value in the automotive industry and its components on the Indonesia Stock Exchange. Although these results are not in line with research (Risqi & Suyanto, 2022), another study by (Heven Manopo, 2016.) also found that ROE has no effect on firm value. A high ROE attracts investors because it indicates a good return on own capital. However, fluctuations in ROE levels from year to year can affect investor perceptions.

If ROE is low, investors may reduce their invested capital, impacting the demand for shares and the company's share price. ROE is not the only factor that affects firm value, and it is necessary to consider other factors such as net income and equity.

The Effect of Return On Investment (ROI) on Company Value

The results showed that the Return On Investment (ROI) variable had a positive, but insignificant effect on firm value in the Automotive Industry and its Components on the Indonesia Stock Exchange (IDX). Research (Khana, Hendy, Louis, 2023) found that ROI has no significant effect on firm value. Fluctuations in stock prices each year can affect investor perceptions. Apart from ROI, other factors such as stock price also play a role in determining firm value.

The Effect of Earning Per Share (EPS) on Company Value

The Earning per Share (EPS) variable has a negative and significant effect on firm value in the automotive industry and its components on the Indonesia Stock Exchange (IDX). This finding is in line with research (Noermaidah et al., 2020) which found that EPS significantly affects firm value.

The results of the study reveal anomalies in the capital market regarding the relationship between EPS and firm value. Investors often overreact to earnings information (EPS), which can affect stock prices and firm value. Firm value is not only influenced by EPS, but also by other factors such as stock prices and investor expectations.

CONCLUSIONS

The results showed that the Return On Asset (ROA), Return On Equity (ROE), Return On Investment (ROI), and Earning Per Share (EPS) variables simultaneously affect the Company's Value on the Indonesia Stock Exchange (IDX) in the Automotive Industry and its Components. Although ROA and ROI have a positive effect, and ROE and EPS have a negative effect, these results indicate that other factors also affect the value of the Company, such as the economic environment, industry, management, Company strategy, market sentiment and investor perceptions.

ADVICE

1. Companies in the automotive industry and its components should consider four variables (ROA, ROE, ROI, and EPS) that jointly affect firm value.
2. Investors and potential investors need to analyze the company's financial performance before investing.
3. Information from financial reports, including the development of stock prices and internal conditions of the company, can help investors choose the right company.
4. Future research should expand the variables studied, including macroeconomic or monetary factors. Extend the research period and consider other industries besides automotive and its components.

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