YAYASAN AKRAB PEKANBARU
Akrab Juara : Jurnal Ilmu-ilmu Sosial
Volume 11 Nomor 1 Edisi Februari 2026 (216-228)

18

THE EFFECT OF LEVERAGE ON PROFITABILITY WITH FIRM VALUE AS A MODERATING VARIABLE IN INVESTMENT COMPANY SUB-SECTOR COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE 2014-2024

Iin Syofia Yandra, Zachari Abdallah, Nurapni Jami Putri
Sekolah Tinggi Ilmu Ekonomi Sakti Alam Kerinci Sungai Penuh
(Naskah diterima: 1 January 2026, disetujui: 28 January 2026)

Abstract

This study aims to determine the Effect of Leverage on Profitability with Company Value as a Moderating Variablein Investment Company Sub Sector Companies listed on the Indonesia Stock Exchange in 2014-2024. The Dependen Variable is this Study is Profitability, the Independen Variable is Leverage while Moderation is Company Value. The pupolation in the study is 11 companies from 2014-2024. Only 1 company meet the criteria, so the data used is 10 data. The results of this study prove that partially Leverage does not have a significant effect on Profitability. Simultaneously, the Leverage and Company Value variables have a significant effect on Profitability. The Application of Company Value does not moderate Leverage on Profitability.
Keywords: *Profitability, Leverage, and Firm Value*

Abstrak

Penelitian ini bertujuan untuk mengetahui Pengaruh *Leverage* Terhadap Profitabilitas Dengan Nilai Perusahaan Sebagai Variabel Moderasi Pada Perusahaan SubSektor *Investment Company* Yang Terdaftar Di Bursa Efek Indonesia Tahun 2014-2024. Variabel Dependen dalam Penelitian Ini adalah Profitabilitas, Variabel Independen adalah Leverage sedangkan Moderasi adalah Nilai Perusahaan. Populasi dalam penelitian ini ada 11 Perusahaan dari tahun 2014-2024. Perusahaan yang memenuhi kriteria hanya 1 perusahaan, maka data yang digunakan sebanyak 10 data. Metode yang digunakan penelitian ini adalah Metode Analisis Regresi Moderasi. Hasil Penelitian ini membuktikan bahwa secara partial Leverage berpengaruh secara signifikan terhadap Profitabilitas. Secara simultan variabel *Leverage* dan Nilai Perusahaan berpengaruh Signifikan Terhadap Profitabilitas. Penerapan Nilai Perusahaan tidak memoderasi *Leverage* Terhadap Profitabilitas.
Kata Kunci: Profitabilitas , *Leverage*, Dan Nilai Perusahaan

I. INTRODUCTION

The current rapid development of companies is driving many companies to expand their operations to gain market share. This has led to increasingly intense business competition between companies. A company is an organized, established, and operating organization/institution that is inextricably linked to the economic laws and fundamental principles of companies in general.

Business competition in Indonesia is inextricably linked to economic, social, political, and technological conditions. Increasing business competition requires companies to implement various innovations and business strategies to achieve good performance and survive amidst the competition.

Increasing company value is a long-term goal that companies should achieve, which is reflected in the market price per share. Investors' assessment of a company can be observed through the price movements of its shares traded on the stock exchange for publicly traded companies.

Companies listed on the stock exchange operate in several sectors, including nine sectors: trade, services, and investment. This sector has

98 subsectors, one of which is the investment company subsector. An investment company is an investment company engaged in the business of investing joint capital with investors in financial securities. An investment company is a business entity, either privately or publicly owned, that manages, sells, and markets funds to the public. The primary business of investment companies is holding and managing securities for investment purposes, but they typically offer a variety of investment funds and services to investors. Investment is one solution to economic problems. As time progresses, many things must be prepared for both long-term and short-term needs. Investing is like preparing for the future, as everyone needs investments to protect their assets from depreciation due to inflation.

Company development can be reviewed by management through financial performance assessments using ratio analysis. This ratio analysis can be used by financial managers and other stakeholders to assess a company's health.

Previous research by Gunde et al. (2017) entitled "Analysis of the Effect of Leverage on Profitability in Manufacturing Companies in the Food and Beverages Sub-Industry Listed on the Indonesia Stock Exchange (2012-2015)" (see Figure 1). The results of the analysis through hypothesis testing, simultaneously Debt to Asset Ratio and Debt to Equity Ratio do not have a significant effect on Profitability. Partially there is a significant effect of Debt to Asset Ratio and Debt to Equity Ratio on Profitability. In the study of Kopong & Nurzanah, (2016) entitled The Effect of Growth Opportunity and Company Size on Profitability with Company Value as a Moderating Variable in Manufacturing Companies Listed on the Indonesia Stock Exchange for the 2011-2014 Period. The results of this study prove that partially, the Growth Opportunity variable has a significant effect on Profitability, and the Company Size variable has a significant effect on Profitability. Simultaneously, the Growth Opportunity and Company Size variables have a significant effect on Profitability. Moderation of the Application of Company Value strengthens the effect of Growth Opportunity on Profitability. However, Company Value weakens the effect of Company Size on Profitability. Growth Opportunity has a significant influence on profitability, this shows that the higher the growth opportunity of a company, the higher the profit that the company will generate. Company Size has a significant influence on Profitability, this shows that, if the company size is large, the level of profit obtained will also be large, and vice versa, Growth Opportunity and Company Size have a significant influence in relation to Profitability, because the higher and greater the company's opportunity to grow, the better it will be for the company, as well as Company Size, if the company size is large or the company scale is large, the easier it will be for the company to obtain funding sources both internally and externally. Company Value as a Moderating Variable does not strengthen (weaken) Growth Opportunity on Profitability, this shows that Growth Opportunity is an opportunity for a company's growth.

In this study, the authors applied sampling criteria. The sampling criteria included:

1. Investment companies listed on the stock exchange.
2. Investment companies with complete financial reports from 2014 to 2024.
3. Companies that generated profits during the study period.

II. THEORETICAL STUDIES

Signaling Theory

Signaling Theory is used as a grand theory, a method used by company management to convey signals to investors regarding the company's condition through company information. This information includes financial reports, market conditions, stock prices, or other information related to the company. This information is then used as consideration by investors when making investment decisions (Heliani & Elisah, 2022).

According to Martono et al., as cited in Yusri (2020), signaling theory is a theory that examines signs that describe a company's condition. Signaling theory states that high-quality companies will intentionally send signals to the market, thus enabling the market to distinguish between high-quality and low-quality companies.

Profitability

According to Kasmir (2016), profitability is a ratio used to assess a company's ability to generate profits. This ratio also measures the effectiveness of a company's management. This is indicated by the profit generated from sales and investment income. This ratio indicates the company's level of efficiency. A better profitability ratio indicates a company's level of satisfaction with its high profit margins. The following is a table of standard industry average profitability ratios according to Kasmir (2019):

Table 1. Standard Profitability Ratios

Rasio Profitabilitas		
Jenis	Standar Industri	Keterangan
NPM	.>20%	Baik
ROA	>30%	Baik
ROE	>40%	Baik
GPM	>24,90%	Baik
OPM	>10,20%	Baik

Leverage

According to Fahmi (2018), the leverage ratio measures the extent to which a company is financed by debt. According to Kasmir (2016), leverage is defined as: "A ratio used to measure the extent to which a company's assets are financed by debt."

The following is a table of standard industry average leverage ratios. According to Kasmir (2019), it is as follows:

Table 2. Standard Leverage Ratios

Rasio Leverage			
Jenis	Standar		Keterangan
DER	90%	<90%	Baik
		>90%	Tidak Baik
DAR	35%	<35%	Baik
		>35%	Tidak Baik
LTDER	10%	<10%	Baik
		>10%	Tidak Baik

Company Value

According to Hery (2017), company value is a specific condition achieved by a company, reflecting public trust and appreciation for the company after undergoing a process of activities over several years, from the company's founding to the present. Investors consider the company's condition and the smooth running of its operations. Company value is related to share price; if the price rises, the company's value will increase.

The following table shows the standard industry average leverage ratios according to Fernando (2024):

Table 3. Standard Company Value Ratios

Rasio Nilai Perusahaan			
Jenis	Standar		Keterangan
PBV	10%	<10%	Kurang Baik
		>10%	Baik
PER	20%	<20%	Kurang Baik
		>20%	Baik
EPS	10%	<10%	Kurang Baik
		>10%	Baik

III. RESEARCH METHODS

In this study, the population was securities companies listed on the Indonesia Stock Exchange between 2014 and 2024 for 10 years. The sample was selected using purposive sampling, a technique that uses specific considerations. The sampling criteria were investment companies listed on the Indonesia Stock Exchange between 2014 and 2024, with positive profits and complete published financial data required for this study.

Of the 11 investment companies, one was selected as a sample, PT Multipolar Technology Tbk. Therefore, the sample size for this study was one (1) company over a 10-year period.

In this study, the researcher used quantitative data. The data source was secondary. This study aimed to empirically test the effect of leverage on profitability, with firm value as a moderating variable. The data collection technique used in this study was Library Research, a secondary data collection method that utilizes theories and concepts by reviewing various literature and previous research closely related to the research problem. Data was also collected online from the official website of the Indonesia Stock Exchange (IDX) (www.idx.co.id).

The data used in this study were sourced from the IDX Fact Book, Morningstar: Independent Investment Research, the annual reports of each sample company during the study period, data from the official Indonesia Stock Exchange website, and other relevant websites as needed.

The independent variable in this study is Leverage (X), the dependent variable is Profitability (Y), and the moderating variable is Firm Value (Z).

Operational Definition of the Variable

Profitability

Profitability is measured using Return on Equity (ROE) using the following formula according to Kasmir (2016):

$$ROE = \frac{Earning\ After\ Interest\ And\ Tax}{Equity}\ x\ 100\%$$

Leverage

Leverage is measured using the Debt to Equity Ratio (DER) using the following formula according to Kasmir (2016):

$$DER = \frac{Total\ Debt}{Equity}\ x\ 100\%$$

Company Value

Company value is measured using the Price Earnings Ratio (PER) using the following formula according to Brigham & Houston (2018):

$$PER = \frac{Harga\ Per\ Saham}{Laba\ Per\ Saham}$$

Moderated Regression Analysis

According to Ghozali (2018), Moderated Regression Analysis (MRA) is a moderated regression analysis that uses an analytical approach that maintains sample integrity and provides a basis for controlling the influence of moderating variables. In this study, the data was processed using computer software, the Statistical Package for Social Science (SPSS). The regression model developed is Moderated Regression Analysis, as follows:

$$Y = \alpha + b1X + b2Z + b3X * Z + e$$

IV. RESEARCH RESULTS

Moderated Regression

Moderated regression analysis contains interaction elements resulting from the multiplication of independent variables. This test is used to determine whether the moderating variable can strengthen or weaken the relationship between the independent and dependent variables. To determine the effect of leverage on profitability with company value as a moderating variable in investment companies listed on the Indonesia Stock Exchange from 2014 to 2024, the following table shows:

Table 4. Moderated Regression Test Results

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-17,954	11,171		-1,607	,159
	Log X	4,272	2,194	2,566	1,947	,099
	Log Z	5,801	4,364	5,398	1,329	,232
	Log X*Z	-1,208	,857	-6,028	-1,410	,208

a. Dependent Variable: LogY

From the table above, the multiple linear regression equation model can be obtained as follows:

$$Y = -17.954 + 4.272X + 5.801Z - 1.208X*Z + e$$

Coefficient of Determination

Coefficient of determination analysis is an analysis conducted to show the portion of the total variance in the dependent variable that is explained or accounted for by the variance in the independent variables. Therefore, the coefficient of determination is the ability of the independent variable to influence the independent variable, as shown in the following table:

Table 5. Coefficient of Determination Results

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,851[a]	,725	,587	,38999

a. Predictors: (Constant), LogX*Z, LogX, LogZ

The table above shows that the R (Coefficient of Determination) is 0.851, with (KD = $R^2 \times 100\%$) = (KD = $0.851^2 \times 100\% = 72.42\%$). This means that the influence of the independent variable Leverage (X) on the dependent variable Profitability (Y), moderated by the variable Firm Value (Z), is 72.42%. The remaining 27.58%, calculated from 100% - 72.42% = 27.58%, is the contribution of variables other than the regression equation.

t-Test (Partial)

t-Test of the Effect of Leverage (X) on Profitability (Y)

Table 6. t-Test Results

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-3,308	2,058		- 1,607	,147
	LogX	1,215	,403	,729	3,017	,017

a. Dependent Variable: LogY

The table above yields a calculated t-value of 3.017, and the t-table is obtained using the formula df = n-k (10-2). Where n is the number of samples multiplied by the number of years, and k is the variable in the regression equation, df = 8, resulting in a t-table of 2.306. Given that the Leverage (X) variable has a calculated t-value of 3.017 and a t-table value of 2.306, the calculated t-value is > t-table (3.017 > 2.306), and the significance level is 0.017 < 0.05. Therefore, H0 is rejected and Ha is accepted. This indicates that Leverage (X) has a significant effect on Profitability (Y) in investment companies listed on the Indonesia Stock Exchange from 2014 to 2024.

t-Test: The Effect of Leverage (X) on Profitability (Y) with Firm Value (Z) as a Moderating Variable

Table 7. Moderation Test Results

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-17,954	11,171		-1,607	,159
	Log X	4,272	2,194	2,566	1,947	,099
	Log Z	5,801	4,364	5,398	1,329	,232
	Log X*Z	-1,208	,857	-6,028	-1,410	,208

a. Dependent Variable: LogY

From the table with a significance level of 5% and a data set of 10, the t-table obtained is df = n-k (10-4=46), which results in df = 6, resulting in a t-table of 2.447. The calculated t-value for the interaction between Leverage (X) and Firm Value (Z) is -1.410, bringing the t-table value to 2.447. t-test < t-table (-1.410<2.447) and a sig. value of 0.208>0.05. Therefore, H0 is accepted and Ha is rejected. The conclusion is that there is no effect of Leverage on

Profitability with Firm Value as a moderating variable in investment companies listed on the Indonesia Stock Exchange from 2014-2024.

F Test (Simultaneous)

Table 8. F Test Results

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2,098	2	1,049	6,044	,030[b]
	Residual	1,215	7	,174		
	Total	3,313	9			

a. Dependent Variable: LogY

b. Predictors: (Constant), LogZ, LogX

Based on the table above, the calculated f value for the Leverage (X) and Firm Value (Z) variables is 6.035, with an f table obtained using the formula df1 = k - 1 (3 - 1 = 2) and df2 = n - k (10 - 3 = 7), where k is the number of independent and dependent variables, and n is the number of years. Therefore, the f table obtained from f1:f2 is 2:7, with a value of 4.74. Therefore, it can be concluded that the calculated f > f table (6.044 > 4.74) and the significance value is 0.030 < 0.05. Therefore, H0 is rejected and Ha is accepted, indicating a significant influence between Leverage (X) and Firm Value (Z) on Profitability (Y) in investment companies listed on the Indonesia Stock Exchange from 2014 to 2024.

DISCUSSION

The Effect of Leverage on Profitability

The results of this study indicate that leverage significantly impacts profitability at PT Multipolar Technology, an Investment Company subsector company listed on the Indonesia Stock Exchange from 2014 to 2024. This is evidenced by the calculated t value > t table (3.017 > 2.306) and a significance value of 0.017 < 0.05. Therefore, H0 is rejected. Ha is accepted, indicating a significant effect of leverage on profitability at PT Multipolar Technology, an Investment Company subsector company.

This is in line with the theory that leverage is a ratio used to estimate the extent to which a company's assets are covered by its liabilities. Companies with high levels of debt are more likely to engage in profit manipulation. This is because the greater a company's debt, the greater the consequences or risks to equity holders, which can include the risk of failure to repay debts on time. This is supported by the research results of Gunde et al. (2017), which stated that leverage impacts profitability.

The results of this discussion highlight the effect of leverage on profitability at PT Multipolar Technology, an Investment Company subsector company. These results align with the average leverage data, which, according to industry standards, represents a good DER (DER) below 90%. The average leverage of PT Multipolar Technology, an investment company sub-sector company, is above 90%, at 174.87%, categorized as a poor DER. According to industry standards, a good ROE (ROE) is above 40%. Meanwhile, the average ROE of PT Multipolar, an investment company sub-sector company, is below 40%, at 21.85%, categorized as a poor ROE due to the company's increasing debt each year.

The Effect of Leverage and Firm Value on Profitability

The f-test results show a calculated f-value > f-table (6.044 > 3.20) and a significance value of 0.030 < 0.05. Therefore, H0 is rejected and Ha is accepted. This indicates that leverage (X) and firm value (Z) significantly influence profitability (Y) in investment companies listed on the Indonesia Stock Exchange from 2014 to 2024.

Based on the above research results, this research aligns with research by Mabruroh & Anwar (2022) and Yandra (2024), which states that leverage and firm value significantly influence profitability.

The discussion of the influence of leverage and firm value on profitability aligns with the results of the industry average, which is poor DER, coupled with increasing debt levels and excessively low PER standards. A lower share price will reduce investor confidence in the company's performance prospects.

The Effect of Leverage on Profitability with Firm Value as a Moderating Variable

The t-test results obtained a calculated t value < t table (-1.410 < 2.447) and a significant value of 0.208 > 0.05. Therefore, H0 is accepted and H1 is rejected. The conclusion is that leverage, moderated by firm value, has no effect on profitability. This means that firm value is not a moderating variable and weakens the influence of leverage on profitability at PT Multipolar Technology, a company in the investment company subsector.

In this case, the Firm Value variable does not moderate the effect of leverage on profitability. The Price Earnings Ratio (PER) cannot increase or decrease leverage when profitability is high or low. Data analysis shows that a higher Price Earnings Ratio (PER) does not affect the effect of leverage on profitability. This study rejects signaling theory, which states that firm value cannot moderate leverage's impact on profitability, thus, this information cannot be used as a signal to investors to invest in the company.

The results of this study align with those of Abdallah (2021) and Heliani & Elisah (2022), which state that firm value does not moderate the effect of leverage on profitability. Therefore, it is unclear whether firm value strengthens or weakens the independent variables in this study.

V. CONCLUSION

Based on the data analysis and discussion, the following conclusions can be drawn:

1. Leverage significantly impacts profitability in investment companies listed on the Indonesia Stock Exchange from 2014 to 2024. This is demonstrated by the calculated t-value > t-table (3.017 > 2.306) and a significance value of 0.017 < 0.05. Therefore, H0 is rejected and Ha is accepted for investment companies listed on the Indonesia Stock Exchange from 2014 to 2024.
2. Leverage and firm value simultaneously significantly impact profitability in investment companies listed on the Indonesia Stock Exchange from 2014 to 2024. This is demonstrated by the calculated f-value > f-table (6.044 > 4.74) and a significance value of 0.030 < 0.05. Therefore, H0 is rejected and Ha is accepted for investment companies listed on the Indonesia Stock Exchange from 2014 to 2024.
3. The effect of leverage on profitability, moderated by firm value, has no effect on investment companies listed on the Indonesia Stock Exchange in 2014-2024. This is evidenced by the calculated t<ttable (-1.410<2.447) and a sig. 0.208>0.05. Therefore, H0 is accepted and Ha is rejected for investment companies listed on the Indonesia Stock Exchange in 2014-2024.
4. The influence of each independent variable on the dependent variable, namely leverage, firm value, and profitability, for investment companies listed on the Indonesia Stock Exchange in 2014-2024 is 72.42%, while the remaining 27.58%, calculated from 100%-72.42% = 27.58%, is the contribution of variables other than the regression equation.

REFERENCES

Abdallah, Z. (2021). Peran Moderasi Nilai Perusahaan Pada Pengaruh Risiko Kredit Dan Tingkat Kecukupan Modal Terhadap Tingkat Profitabilitas. *Al Fiddhoh: Journal of Banking, Insurance, and Finance*, *2*(2), 37–55. https://doi.org/10.32939/fdh.v2i2.948

Brigham, E. f, & Houston, J. F. (2018). *Manajemen Keuangan, Edisi Kedelapan*. Erlangga.

Fahmi, I. (2018). *Analisis Laporan Keuangan*. Alfabeta.

Fernando, J. (2024). *Rasio Harga terhadap Pendapatan (P/E): Definisi, Rumus, dan Contoh*. https://www.investopedia.com/terms/p/pric e-earningsratio.asp#:~:text=Berapa Rasio Harga terhadap Pendapatan,lalu sektor lain dan pasar.

Ghozali, I. (2018). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 25 (9th ed.)*. Badan Penerbit Universitas Diponegoro.

Gunde, Y. M., Murni, S., & Rogi, M. H. (2017). Analisis Pengaruh Leverage Terhadap Profitabilitas Pada Perusahaan Manufaktur Sub Industri Food And Beverages Yang Terdaftar Di BEI (Periode 2012-2015). *Jurnal EMBA*, *5*(3), 4185–4194.

Heliani, H., & Elisah, S. (2022). Pengaruh Profitabilitas, Makroekonomi, Firm Size Terhadap Financial Distress Dengan Nilai Perusahaan Sebagai Variabel Moderating. *Owner*, *6*(4), 4142–4155. https://doi.org/10.33395/owner.v6i4.1080

Hery. (2017). *Kajian Riset Akuntansi*. PT.Grasindo.

Kasmir. (2016). *Analisis Laporan Keuangan*. PT Raja Grafindo Persada.

Kasmir. (2019). *Analisis Laporan Keuangan*. PT Raja Grafindo Persada.

Kopong, Y., & Nurzanah, R. (2016). PENGARUH GROWTH OPPORTUNITY DAN UKURAN PERUSAHAAN TERHADAP PROFITABILITAS DENGAN NILAI PERUSAHAAN SEBAGAI VARIABEL MODERATING PADA PERUSAHAAN MANUFAKTUR YANG TERDAFTAR DI BURSA EFEK INDONESIA Periode 2011-2014. *Jurnal Akuntansi Manajerial (Managerial Accounting Journal)*, *1*(1), 116–133. https://doi.org/10.52447/jam.v1i1.743

Mabruroh, M., & Anwar, S. (2022). Pengaruh Green Accounting, Ukuran Perusahaan, Dan Leverage Terhadap Financial Performance Dengan Nilai Perusahaan Sebagai Variabel Moderasi. *Journal of Economic, Bussines and Accounting (COSTING)*, *5*(2), 1776–1778. https://doi.org/10.31539/costing.v6i1.3659

Yandra, I. S. (2024). PENGARUH EARNING PER SHARE (EPS), DEBT TO EQUITY RATIO (DER) DAN NET PROFIT MARGIN (NPM) TERHADAP HARGA SAHAM

PT. ASTRA AGRO LESTARI TBK. *Jurnal Bina Bangsa Ekonomika*, *17*(2), 1955-1968.

Yusri, A. Z. dan D. (2020). Teori Akutansi: Sebuah Pemahaman untuk Mendukung Penelitian di Bidang Akuntansi Cetakan. In *Jurnal Ilmu Pendidikan* (Vol. 7, Issue 2).