ASSET REVALUATION AS A MODERATION VARIABLE FACTORS THAT AFFECT THE VALUE OF THE COMPANY

Fitri Khofifah[1], Emy Widyastuti[2]
Faculty of Islamic Economics and Business, Universitas Islam Negeri Salatiga[1, 2]
Corresponding Email: emywidyastuti@uinsalatiga.ac.id

Abstract

This study aims to determine the effect of Liability, Investment Opportunity Set and Fixed Asset Intensity on Firm Value with Asset Revaluation as a moderating variable. The case study was conducted on manufacturing companies listed in the Jakarta Islamic Index (JII) for the 2017-2021 period. This study uses a quantitative approach with a population of 8 manufacturing companies whose shares are listed in the JII. The sample used was 40 selected through the Purposive Sampling method. This study uses secondary data analyzed using multiple linear regression and Moderated Regression Analysis (MRA). The results of the study indicate that liability has a positive insignificant effect on firm value, Investment Opportunity Set has a positive significant effect on firm value, Fixed Asset Intensity has a negative insignificant effect on firm value, asset revaluation cannot moderate liability, Investment Opportunity Set and Fixed Asset Intensity on firm value.

Keywords: *Liability, Investment Opportunity Set, Fixed Asset Intensity, Company Value, Asset Revaluation*

INTRODUCTION

At the end of 2021, as many as 30 companies were listed on the Jakarta Islamic Index (JII). The more companies listed in JII, the tighter the competition in these companies. Increased competition conditions will force companies to maximize their efficiency in order to realize the company's goals that have been set. The resolution of every company is to develop the value of the company because it is very beneficial to the shareholders. If the stock price rises, the value of the company also rises (Putu & Kartika, 2019). The value of a company is an indicator for investors to predict the success of a company which is often associated with stock prices because a high stock price indicates a high company (Rahayu et al., 2020).

There are 2 indicators that can affect the value of a company, namely *Price to Earning Ratio* (PER) and *Price to Book Value* (PBV). The first indicator is PER, which serves as a tool to compare *capital gains* with corporate income received by shareholders. A high PER ratio can affect the company's growth so that it will increase the company's value.

The second indicator is PBV which serves as a comparative tool between *capital gains* and stock book value. PBV can explain a company's ability so that it can affect the perspective of potential investors. If the PBV value is greater than one, then the company is in good condition so that it can be interpreted that the market value has a lower book value than the value of the shares owned by a company. On the other hand, if the PBV value is lower than one, then the company is in a bad state, it can be interpreted that the market value has a low value compared to the company's book value, so that the interest of capital owners in investingtheir capital also decreases (Lisa, 2018).

The factors that can affect the company's value either directly or indirectly are *Liability*, *Investment Opportunity Set* (IOS), and *Fixed Asset Intensity*. The first factor is *Liability*. *Liability* affects the value of a company because *Liability* can reduce tax payments. Stock prices can rise when the debt owned by the company falls. Increasing debt can cause the company's value to decrease because the costs incurred are greater than the use of debt itself (Sagala, 2020). Based on research by Sagala (2020), Rahayu et al., (2020), Kurnia (2017), Evansyah (2016) and (Kodongo et al., 2015) revealed that *liability* has a positive effect on the company's value. However, in contrast to the Murni (2019) study which revealed that *liability* has a negative effect on the company's value.

The second factor is *the Investment Opportunity Set* (IOS). IOS is said to affect the value of a company because IOS is the most important part of the market value, so the series of *Investment Opportunity Sets* can influence the thinking of directors, *owners*, financiers and creditors towards the company. The size of the *Investment Opportunity Set* depends on the costs that the manager will prove for the future, at this point it is the decision of the investment that will later get a greater return. IOS is an investment option that can be made for the future. The increase in the company's wealth will bring a positive direction to the company's development and is considered a positive signal for investors. IOS provides a broader clue where value is defined as the value of a company that is proxies with IOS (Giriati, 2016). Based on the research of Dharmendra (2017), Umdiana (2017), Kadek et al (2016), Febrianty & Mertha (2021) and Dharmawan (2019), it shows that IOS has a positive influence on the value of companies. However, this study has a difference with the research conducted by Nikmah & Amanah (2019), Suryanawa (2017) which found that IOS has a negative influence on the value of companies.

The third factor that can affect a company's value is *Fixed Asset Intensity*. *Fixed Asset Intensity* has a relatively large contribution in adjusting the company's operational activities.

The value of investment in fixed assets is quite high where fixed assets are the company's assets that receive from half of the company's equity. A large level of *fixed assets* can lead to an increase in the company's production capacity and profits in the future, so it can affect the value of the company from an investor' s point of view.A large proportion of fixed assets will affect the company's decision to revaluate fixed assets. This is because fixed assets are used in most of the company's operational activities, so the increase in fixed assets is expected to increase the company's profits in the future which will affect the company's value (Missonier-Piera, 2007). Based on research by Dharmendra (2017) and Seng & Su (2010), it was found that *Fixed Asset Intensity* has a positive influence on the value of a company. However, this study has a difference with Meirdiani (2019) which revealed that *Fixed Asset Intensity* has a negative influence on the company's value.

Revaluation or revaluation of assets owned by the company due to an increase in the value of assets in the market or a decrease in the value of assets in the financial statements due to devaluation or other reasons that cause the company's value in the financial statements to no longer reflect fair value (Meirdiani, 2019). The information submitted to investors must be complete, accurate and timely, because this information can be used as an analysis tool in making investment decisions. According to Dharmendra (2017), the accounting information submitted to the company can provide *a signal* that the company has good performance in the future, so that investors will be interested in trading stocks. The company revaluation of fixed assets not only presents financial statements to be more accurate in making a decision, but can also increase the company's value. This can make it easier for companies to find additional funds either from bank loans or stock sales, as well as increase the company's fixed asset burden in the future so that it can reduce the company's tax burden.

This study was conducted to test and analyze factors that affect the company's value, because the results of previous studies have given inconsistent results. This study has a difference from the previous research, which lies in the revaluation of assets which is used as a moderating variable. Asset revaluation as a moderating variable is expected to increase the company's value because the gap in information asymmetry both provided to internal and external parties of the company will be narrowed.

The company's management will use accounting methods in running the company when its debts increase. Companies also need to revaluate assets through management fees to determine investment opportunities in the future so that they can generate high returns. Asset revaluation at a high fixed asset ratio is expected to increase the company's value. Based on

this background presentation, this study was conducted to analyze asset revaluation as a moderation variable of factors that affect the company's value.

LITERATURE REVIEW

Signaling Theory

Signaling Theory was initiated by Spence (1973) who emphasized that through the transmission of signals, the party who has the information tries to provide information that will be used by the party receiving the information which will then respond according to the interpretation of the received signal. *Signalling theory* is a management effort in conveying direction to investors about management's view of the opportunities owned by the company (Novalio & Nindito, 2016).

Signaling Theory can direct a good way to the prospects that will be carried out by a company in the future, so that it will give rise to an action that can provide a clue to the owner of capital. Dividend change information will cause the stock price to rise. This information is very important for an investor because basically this information presents an overview or record of the company both in the past and in the future, so that if the company's value is in good condition, the *signal* received by investors will be positive and vice versa if the company's value is not in good condition, then *the signal* received will be negative. This is because investors in investing have a desire to make a profit, so if the company's value is not in good condition, it can have an impact on investor interest (Sujana, 2019). Low information asymmetry will cause companies to maximize their corporate value.

Company Values

Company value is a response of a capital owner to the success of the company which can later be linked to stock price and profitability or in other words sell the company at a rate that has been agreed upon by the prospective buyer. The goal of the company is to maximize the value of the company. The value of shareholders can be maximized if it is followed by an increase in the value of the company (Mariva et al., 2022).

Liability

Liability is an obligation that must be paid by a creditor for the purchase of goods or services on credit with the agreement between the two parties concerned. *Liability* concerns a creditor's compliance in paying off his obligations in the future (Hasiara, 2017).

Investment Opportunity Set

Investment Opportunity Set is a burden that has been determined in the future by the administration in order to get a large exchange rate, so that at this time it will be a pleasure in investing which will later get high profits (Astuti & Efni, 2015).

Fixed Asset Intensity

Fixed Asset Intensity is a way to determine the number of assets used in asset elements, both current assets and fixed assets. The intensity of fixed assets can determine the number of fixed assets a company owns from the total balance sheet of a company and illustrate the high level of investment a company has in each of its fixed assets. (Sitepu, 2019).

Asset Revaluation

Revaluation of fixed assets is a readjustment of fixed assets to the book value of assets approaching their fair value. Elements of real assets, plants, and equipment whose fair value can be reliably determined, after being recognized as assets, can be included in the revaluation amount, i.e. the fair value on the revaluation date will be reduced by the accumulated depreciation and impairment losses that occur after the date of revaluation (Atikasari & Handayani, 2017).

RESEARCH FRAMEWORK

According to the results of previous research and theoretical presentation, a research framework with the following variable scheme was formed:

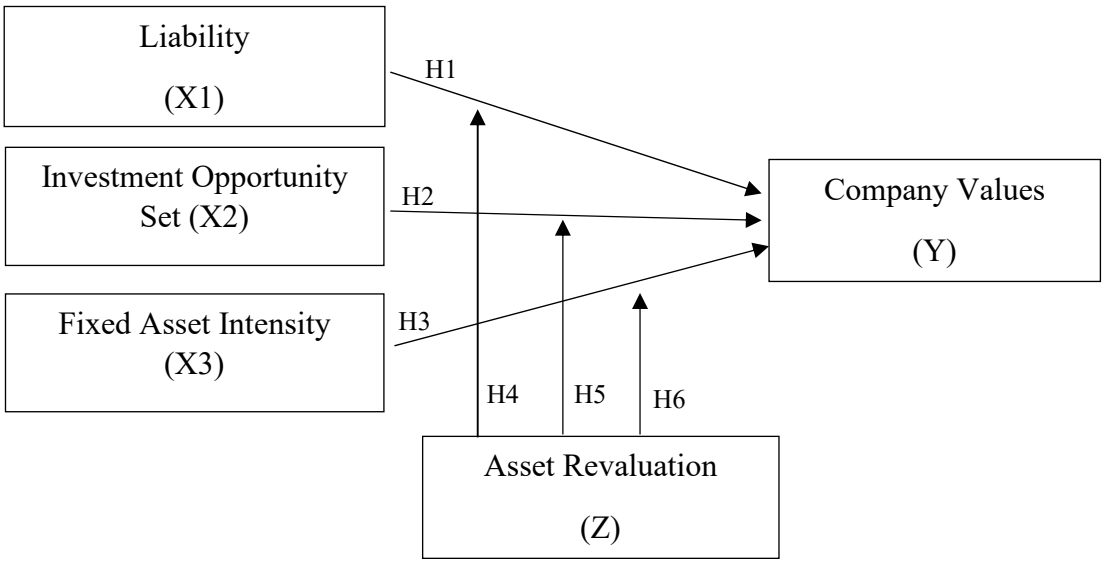


Figure 1. Research Outline

HYPOTHESIS DEVELOPMENT

The Effect of *Liability* on Company Value

A company is declared unable to pay its long-term debts if the company's total debt increases so that the funds given by creditors also increase. This causes investors to be more cautious in investing their assets because it can pose a great risk. Therefore, the company must balance between how much debt is taken and the funds obtained by the company in paying off the debt. High corporate debt is caused by *financial distress* that causes the company's value to fall. Changes that occur in the debt ratio will affect the value of the company either positively or negatively (Cheng et al., 2010). This research conducted by Sholatika (2022) and Murni (2019) stated that *liability* has a negative influence on the company's value. So, the following hypothesis is proposed:

H1: *Liability* Negatively Affects Company Value

The Effect of *Investment Opportunity Set* on Company Value

The Investment Opportunity Set is the relationship between current and future expenses as a result of investment decisions to gain company value. The relationship between *the Investment Opportunity Set* and the company's value is a signal to a company where investors will give a positive signal to the company if the company has a high IOS. With this, it will be more promising in the *future returns*. Companies that invest in low risk will make it easier for the company to achieve its goals. High profitability will allow high dividends thereby increasing the stock price (Umdiana, 2017). IOS provides a broader indication where value is defined as the value of the company that is proxies through IOS. However, in general, it can be concluded that IOS is the relationship between current expenditure and future expenditure with value as a result of investment decisions to generate company value (Giriati, 2016). This research was conducted by Dharmendra (2017), Umdiana (2017), Kadek et al (2016) and Dharmawan (2019) who stated that *Investment Opportunity Set* has a positive influence on the value of the company. This is also in line with the research conducted by Fauziyah (2017). Based on this description, the following hypothesis is proposed:

H2: *Investment Opportunity Set* has a positive effect on the Company's Value.

The Effect of *Fixed Asset Intensity* on Company Value

Fixed Asset Intensity reflects the amount of investment a company has in its fixed assets. The role of fixed assets is very important to support the company's operational activities. Investment in each company will produce larger fixed assets so that these fixed assets can be said to be the wealth of a company, most of which is from the company's capital. Fixed asset intensity describes the size of fixed assets in relation to the company's total assets. An increase in fixed assets can affect companies in evaluating fixed assets. Revaluation of fixed assets allows companies to demonstrate lower debt ratios as well as increase their credibility as a result of higher asset values thus attracting investors (Jaggi & Tsui, 2001). This research was conducted by Dharmendra (2017) and Seng & Su (2010) who stated that *Fixed Asset Intensity* has a positive influence on the value of a company. Hereby, the following hypothesis is proposed:

H3: *Fixed asset intensity* has a positive effect on the company's value.

The Effect *of Liability* on Company Value with Asset Revaluation as a Moderating Variable

The existence of high debt causes companies to limit their ability to invest, so it can affect the wealth of shareholders. An increase in debt on the balance sheet will result in considerable risks, so that there will be a decrease in the value of the company. Therefore, company management tends to prefer to revaluate assets, with this asset revaluation can help increase the value of the company. This research was conducted by Dharmendra (2017) and Seng & Su (2010) which stated that *liability* to the value of a company can be moderated by asset revaluation so that the following hypotheses can be proposed:

H4: Asset Revaluation Moderates the Relationship of *Liability* to Company Value

The Effect of *Investment Opportunity Set* on Company Value with Asset Revaluation as a Moderation Variable

Investment Opportunity Set is an investment opportunity whose coverage depends on the costs that have been determined by management in the future so that the existence of investment opportunities can generate higher *returns*. The development of increased investment makes a good signal for companies in developing their businesses, so investors consider this signal as good news, this good signal can affect an investor's perspective on the company's financial performance which can ultimately affect the company's value. This research was conducted by Dharmendra (2017) who stated that *the Investment Opportunity*

Set on the value of the company can be moderated by asset revaluation so that the following hypotheses can be proposed:

H5: Asset Revaluation Moderates the Relationship of *Investment Opportunity Set* to Company Value

The Effect of *Fixed Asset Intensity* on Company Value with Asset Revaluation as a Moderation Variable

Asset revaluation can provide benefits to the company, if the value of its fixed assets is greater than the proportion of total assets. This is expected to increase the business, so that profits in the future can increase. Increased profits can affect the value of a company because fixed assets of large value such as acquisition costs will later be amortized as long as the benefits of the asset show the true value of the asset, or in other words the value of the asset loses its meaning. This research was conducted by Meirdiani (2019) and Seng & Su (2010) which revealed that *Fixed Asset Intensity* to the value of a company can be moderated by asset revaluation so that the following hypotheses can be proposed:

H6: Asset revaluation moderates the relationship between *fixed asset intensity* and company value.

RESEARCH METHODS

This type of research is included in quantitative research, where the population is 30 manufacturing companies listed in JII for the 2017-2021 period. The sample determination was carried out using *purposive sampling* with the criteria of 1) companies with shares that have been registered during 2017-2021, 2) publishing complete financial statements 2017-2021, 3) having complete data related to the variables used. with a sample of 40 companies taken using *purposive sampling* techniques. Thus, a sample of 8 manufacturing companies registered in JII 2017-2021 was obtained.

$$Y = a + B1X1 + B2X2 + B3X3 + Z + B4(X1Z) + B5(X2Z) + B6(X3Z) + e$$

Where **Y** is the Company Value, **a is a** Constant, B1-B5 is a Coefficient, X1 is *a Liability*; X2 is *the Investment Opportunity Set*; X3 is *Fixed Asset Intensity*; Z is Asset Revaluation, B4 (X1Z) is the interaction between *liability* and asset revaluation, B5 (X2Z) is the interaction between *investment opportunity set* and asset revaluation, B6 (X3Z) is the interaction between *fixed asset intensity* and asset revaluation, E: Error.

DEFINITION OF OPERATIONAL CONCEPT

Independent Variables

Independent variables are variables that cause the occurrence of bound variables. *Liability, Investment Opportunity set* and *Fixed Asset Intensity* are the variables used as independent variables in this study.

1. *Liability* is all the company's assets and threats that the company can be responsible for in the future, so that it can affect stock returns. In this study, *Liability* is calculated by the *Debt-to-Equity Ratio*. *Liability* is calculated by a ratio scale given the DER symbol. The formula of DER is as follows:

$$DER = \frac{Total\ Liability}{Total\ Equity} \times 100\%$$

2. *Investment Opportunity Set*

   The Investment Opportunity Set is the value of opportunities and options to invest in the future, so that these opportunities can affect large opportunities. *The Investment Opportunity Set* can be calculated using *Tobin's Q.* The value *of Tobin's Q* describes a state of investment opportunities that a company has. Here is the formula from *Tobin's Q*:

$$Tobin'Q = \frac{EMV + D}{EBV + D} \times 100\%$$

1. *Fixed Asset Intensity*

   Fixed Asset Intensity is a provision on how much cost is needed for each asset component, both current assets and fixed assets. *Fixed Asset Intensity* can ascertain the company's total fixed assets rather than the company's total assets and describes the amount of the company's investment in the company's fixed assets. *Fixed Asset Intensity* can be measured using the company's total assets which are then divided by total assets. The formula for *Fixed Asset Intensity* is:

$$Intensity = \frac{Book\ Value\ of\ Total\ Fixed\ Asset}{Total\ Asset} \times 100\%$$

Dependent Variables

Dependent variables are variables that can be affected by independent variables. The dependent variable used in this study is the value of the company. The formula for calculating the company's value is *Price To Book Value* (PBV). Here is the formula of PBV:

$$PBV = \frac{Stock\ Price}{Book\ Value} \times 100\%$$

$$Book\ Value = \frac{Total\ Equity}{Number\ of\ Shares\ Outstanding} \times 100\%$$

Moderation Variables

Moderation variables are variables that are used to strengthen or weaken the direct relationship between independent variables and bound variables (Liana, 2009). The researcher uses asset revaluation as a moderation variable. The formula for calculating asset revaluation is *dummy.*

Results and Discussion

Descriptive Statistics

This test provides an overview and description of the information so that it is easier to understand. Here is a table of data that has been tested:

Table 2
Descriptive Statistics

	X1	X2	X3	Z	Y
Mean	1.077125	294.3954	0.431600	0.200000	373.7656
Median	0.644150	281.3313	0.317000	0.000000	371.0900
Maximum	3.088800	572.6716	1.313400	1.000000	7686141
Minimum	0.144600	116.7871	0.058100	0.000000	126.4905
Std. Dev.	0.947751	146.7599	0.293629	0.405096	180.3746
Skewness	0.769566	0.237916	1.014017	1.500000	0.258443
Kurtosis	2.053006	1.555126	4.073934	3.250000	1.827679
Jarque-Bera	5.442879	3.856797	8.777090	15.10417	2.735844
Probability	0.065780	0.145381	0.012419	0.000525	0.254636
Sum	43.08500	11775.82	17.26400	8.000000	14950.62
Sum Sq. Dev.	35.03102	839999.7	3.362491	6.400000	1268865.
Observations	40	40	40	40	40

Stationary Test Results

Table 3

Stationary Test Results

No	Daftar Variabel	Uji Akar	Prob.	Keterangan

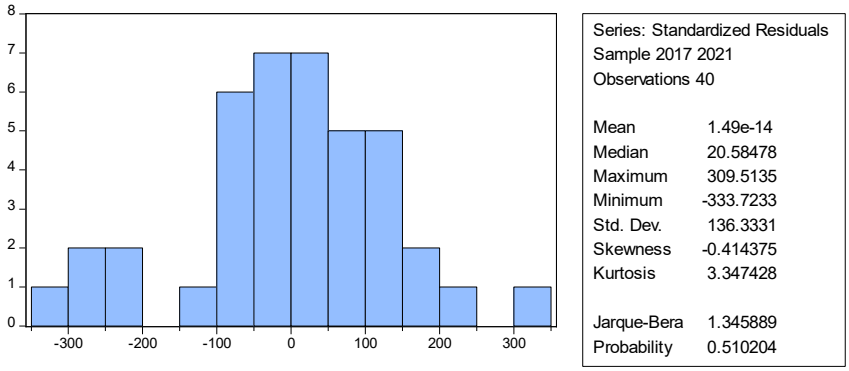
1.	*Liability* (X1)	Hadri	0.0000	Stasioner
2.	*Investment Opportunity set* (X2)	Hadri	0.0005	Stasioner
3.	*Fixed Asset Intensity* (X3)	Hadri	0.0000	Stasioner
4.	Revaluasi Aset (Z)	Hadri	0.0023	Stasioner
5.	Nilai Perusahaan (Y)	Hadri	0.0000	Stasioner

Table 2 shows that all variables have a *Probability Value* of less than 0.05 (5%) which states that all independent, dependent and moderation variables have met the data stationary criteria so that the data is feasible to be passed on to the next test.

Results of the Classic Assumption Test

Table 3

Results of the Classic Assumption Test



The *Kolmogorov-Smirnov* test is used to determine the normality of each variable. It is known that the *Jarque-Bera value* of 1.345889 and the prob value of 0.510204 > 0.05 are declared normal.

Autocorrelation Test

Table 4

Autocorrelation Test Results *Breusch Pagan-Godfrey*

F-statistic	2.156146	Prob. F (2,31)	0.1328

Obs*R-squared	4.884749	Prob. Chi-Squared (2)	0.0870

The results of the test of table 4 state that the probability value *of chi-square* is 0.0870 > 0.05 which means that there is no autocorrelation in the regression model used.

Multicollinearity Test

Table 5

Multicollinearity Test Results

	X1	X2	X3
X1	1.000000	-0.051268	0.160122
X2	-0.051268	1.000000	0.474381
X3	0.160122	0.474381	1.000000

The results of the test of table 5 show that the correlation values between independent variables in this study are X1, X2, X3 < 0.90, so that the conclusion between the variables in this study is said to be that there is no *multicollinearity.*

Heteroscedasticity Test

Table 6

Heteroscedasticity Test Results

F-statistic	0.702444	Prob. F (6,33)	0.6497
Obs*R-squared	4.530113	Prob. Chi-squared (6)	0.6053
Scaled explained SS	3.253027	Prob. Chi-squared (6)	0.7765

The results of the test of table 6 above can be concluded that the *probability value* of all independent variables to the residual square is greater than the p-value, which is 0.05 so that in this research there is no heterokedasticity.

Hypothesis Test

Coefficient of Determination Test (R^2)

Table 7

Coefficient of Determination Test Results (R^2)

R-Squared	0.426886	Mean dependent var	55.92696
Adjusted R-Squared	0.322684	S.D. dependent var	56.31736
S.E. of regression	46.34875	Sum squared resid	70890.83
F-statistic	4.096698	Durbin-Watson stat	1.223643
Prob (F-statistic)	0.003523		

Table 7 shows that the *Adjusted R-squared* value is 0.322684 which means the ability to describe the bound variable is 32.26% while the remaining 67.74% is described by other variables outside the study.

Simultaneous Test (F)

Table 8

Simultaneous Test Results (F)

R-Squared	0.426886	Mean dependent var	55.92696
Adjusted R-Squared	0.322684	S.D. dependent var	56.31736
S.E. of regression	46.34875	Sum squared resid	70890.83
F-statistic	4.096698	Durbin-Watson stat	1.223643
Prob (F-statistic)	0.003523		

Table 8 above, it is concluded that the Prob value (F-statistic*)* is 0.003523 < 0.05 So it can be concluded that *liability*, *investment opportunity set* and *fixed asset intensity* can simultaneously affect the value of the company.

Partial Test (T)

Table 9

Partial Test Results (T)

Variabel	Coefficient	Prob.
C	310.9464	0.0001
X1	14.27249	0.6428
X2	0.753616	0.0022

X3	-358.9994	0.0063

The results of the *output* test conducted using *Eviews* in table 9 above can be summarized as follows:

Liability (*X1*)

The test table states that the regression coefficient value is 14.27249 and *the probability value is 0.6428 which means that liability* (X1) has a positive and insignificant relationship with the company value variable.

***Investment Opportunity Set (*X2)**

The test table states that the regression coefficient value is 0.753616 and *the probability value is 0.0022 which means that the Investment Opportuniy Set* (X2) has a positive and significant relationship with the company value variable.

Fixed Asset Intensity (*X3*)

The test table states that the regression coefficient value is -358.9994 and *the probability value is 0.0063 which means that Fixed asset intensity* (X3) has a negative and significant relationship with the company value variable.

Uji *Moderating Regression Analysis* (MRA)

Tabel 10

Variabel	Coefficient	Std. Error	t-Statistic	Prob.
C	310.9464	70.90970	4.385103	0.0001
X1	14.27249	30.49486	0.468029	0.6428
X2	0.753616	0.226781	3.323098	0.0022
X3	-358.9994	123.1355	-2.915483	0.0063
X1_Z	-0.057063	0.031304	-1.822881	0.0774
X2_Z	-0.084791	0.068702	1.234190	0.2254
Z3_Z	-0.073429	0.057355	-1.280247	0.2094

***Moderating Regression Analysis* Test Results (MRA)**

The results of the test in table 10 using the *eviews* application produce a conclusion as

follows:

***Liability* moderated Asset Revaluation**

The test table states that the regression coefficient value is 0.057063 and *the probability value is 0.0774 which means that liability* (X1) has a negative and insignificant relationship with the company value variable after being moderated by asset revaluation.

***Investment Opportunity Set* Moderated Asset Revaluation**

The test table states that the regression coefficient value is 0.084791 and *the probability value is 0.2258 which means that the Investment Opportunity Set* (X2) has a positive and insignificant relationship with the company value variable (Y) after being moderated by asset revaluation.

***Fixed Asset Intensity* Moderated Asset Revaluation**

The test table states that the regression coefficient value is -0.073429 and *the probability value is 0.2094 which means that Fixed Asset Intensity* (X1) has a negative and insignificant relationship with the company value variable (Y) after being moderated by asset revaluation.

DISCUSSION

***Liability* to Company Value**

From the results of the above test, it can be concluded that *liability* has a positive and insignificant influence on the value of the company, so H1 is rejected where most investors in investing do not pay much attention to the value of their DER because the value of DER tends not to affect the stock price in the capital market. Investors are more likely to pay attention to the company in getting *income* than how much debt is used to make a profit. So that the high and low level of debt has no effect on the high or low value of the company. This discussion is inversely proportional to *the signaling theory* which states that investors prefer to pay off both from long-term and short-term payments in determining the good or bad of a company. Debt financing should not be used indefinitely but should pay attention to the optimal rate where the increase in debt does not increase the value of a better company. Changes in the debt ratio will positively or negatively affect the company's value. The order of use of the capital structure must be in the form of retained earnings, debt and new rights issue (Cheng et al., 2010).

Based on the description above, this study has similarities with the research conducted by Qurrotulaini & Anwar (2021) which explains that *liability* has no influence on

the company's value. In contrast to research conducted by Purba et al., (2018), Evansyah (2016) and Kurnia (2017) that *liability* has a positive and significant influence on the value of a company.

***Investment Opportunity Set* on Company Value**

From the results of the above test, it can be concluded that *the Investment Opportunity Set* has a significant positive influence on the company's value. It can be said that companies with large IOS can prove that their market value is also increasing on these stocks, so that these stocks are preferred by investors and at the same time can maximize the share price. The high value of the company is due to the increase in the share price. This explanation is strengthened by *Signaling Theory* which reveals that the increase in market value is due to the existence of detailed information about the company, so that investors are easier to obtain information related to stock prices. This information can be used as a decision in investing.

Based on the description above, this study has similarities with the research conducted by Umdiana (2017) which reveals that *the Investment Opportunity Set* has a positive and significant influence on the company's value. In contrast to the statements made by Nikmah & Amanah (2019) and Giriati (2016) which revealed that *the Investment Opportunity Set* has a negative and insignificant influence on the company's value**.**

***Fixed Asset Intensity* to Company Value**

Based on the results of the above test, it can be concluded that *Fixed Asset Intensity* has a significant negative influence on the company's value, so H3 is rejected. Some investors in investing do not look at it in terms of their assets, but investors pay more attention to the company's condition. Where the condition of this company is a determinant in getting greater profits. If the company is in good condition, many investors will also invest so that the profits that the company will get will be greater. Meanwhile, if the company is not in good condition, potential investors will be hesitant to invest in the company, so this can affect the company's value.

This discussion has a difference with *Signaling Theory* where in this theory it is revealed that assets can affect the value of the company because the higher the value of the asset, the higher the value of the company. Based on this description, this study has similarities with research conducted by Meirdiani (2019) which revealed that *Fixed Asset Intensity* has a negative effect on the value of the company. In contrast to the statements made by Dharmendra (2017) and (Jaggi & Tsui, 2001) which reveal that *Fixed Asset Intensity*

has a positive and significant effect on the value of the company.

***Liability* to Company Value with Asset Revaluation as a Moderating Variable**

Based on the MRA test, it was stated that asset revaluation could not moderate between *liability* and company value, so H4 was rejected. This is due to companies that still rely on internal sources, so companies that are experiencing growth and still need large funds will not revaluate assets in improving debt ratios. *Signaling theory* states that investors prefer to pay off, either from long-term or short-term payments in determining the good or bad of a company. Debt financing should not be used indefinitely but should pay attention to the optimal rate where the increase in debt does not increase the value of a better company. Changes in the debt ratio will positively or negatively affect the value of the company. The order of use of the capital structure must be in the form of retained earnings, debt and new rights issue (Cheng et al., 2010).

Based on the description above, this study has similarities with research conducted by Meirdiani (2019) and Warseno (2021) which revealed that asset revaluation cannot moderate liability to the value of the company. This study has a difference with the thinking of Dharmendra (2017) which revealed that asset revaluation can moderate the relationship *between liability* and company value.

***Investment Opportunity Set* on Company Value with Revaluation as a Moderating Variable**

Based on the MRA test, it was stated that the revaluation of assets could not moderate between *the Investment Opportunity Set* and the value of the company, so H5 was rejected. This is because in achieving the company's target only through investment activities, of course this will affect newly developed companies because they cannot support the process of company activities. Companies that are still growing will definitely need greater costs, so this situation does not allow companies to conduct asset revaluations.

From the description above, this study has similarities with research conducted by Warseno (2021) and Meirdiani (2019) which concluded that asset revaluation cannot moderate the *investment opportunity set* to the value of the company. This study has a difference with the thinking carried out by Dharmendra (2017) which revealed that asset revaluation can moderate the *investment opportunity set* against the company's value.

***Fixed Asset Intensity* on Company Value with Revaluation as a Moderating Variable**

Based on the MRA test, it was stated that asset revaluation could not moderate between the *Fixed Asset Intensity* variable and the company's value, so H6 was rejected. *A company's high Fixed Asset Intensity* indicates that the percentage of fixed assets owned by

the company is also large. With the high value of the company's fixed assets, it can affect the company in revaluating the company's assets and the costs incurred for revaluation have also increased. The costs incurred can reduce the company's profits and can reduce the value of the company.

From the description above, this study has similarities with the research conducted by Meirdiani (2019) that asset revaluation is not able to moderate the fixed *asset intensity* to the company's value. This study has a difference from the research conducted by Dharmendra (2017) which revealed that asset revaluation can moderate between *fixed asset intensity* and value

CONCLUSION

The results of this study can be concluded that *liability* has a positive and insignificant effect on the company's value. Most investors in investing do not care about the value of their DER, but investors pay more attention to the company's ability to make a profit. Furthermore, *the Investment Opportunity Set* has a positive and significant influence on the company's value. This means that with a large increase in the value of IOS it can increase the value of the company, so that investors will have more trust in the company. *Fixed Asset Intensity* has a significant negative influence on the value of the company. This is because investors who invest do not look at their assets but pay more attention to the company's condition. Asset revaluation cannot moderate *liability* to the company's value because the company still uses internal funds in running its business, so that companies that are still developing cannot conduct asset revaluation. Asset revaluation also cannot moderate *the investment opportunity set* against the company's value. This is because the company in achieving its goals only through investment. This decision does not support the company's development process because in this case the company that is still developing still needs considerable funds. Finally, asset revaluation cannot moderate between *fixed asset intensity* and company value. The high proportion of the company's fixed assets has an impact on the revaluation of the company's assets, if the costs incurred are too much compared to the income generated as a result of which the company's value decreases. However, if the expenses incurred are low compared to the income generated, this will affect the increase in the company's value.

Suggestion

1. The researcher hopes that the next researcher can add variables that are expected to affect the company's value such as company size, *sustainability report*, profitability, dividend policy, etc.
2. For further research, it is hoped that it can increase shareholders in valuing the company through the price *earnings ratio*, *stock revanue* and *price cash flow ratio methods*.
3. The researcher hopes that the next researcher will be able to research on a wider object, so that he is not driven by data and samples from only one company, but can also research from other industrial companies. With this, it is possible to produce a more extensive conclusion.
4. The researcher hopes that the next researcher can add other moderating variables to strengthen or weaken the relationship between independent variables and dependent variables.

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