ABSTRACT

Indri Sepfriani, title ***"The Influence of Free Cash Flow and Return On Asset to Firm Value Study at Telecommunication Sector Companies in Indonesia Stock Exchange Period 2007- 2013"***
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Firm value became very important to the firm because investors always consider it before make investment decision. The purpose of this research to determine the development of Free Cash Flow, Return On Asset and Firm Value, and also to know the influence of Free Cash Flow and Return On Asset to Firm Value partially and simultaneously.

This research uses the sample telecommunications sector companies in Indonesia Stock Exchange period 2007-2013. The method used is descriptive and verifikatif method. While the data used are secondary data that is financial statements of telecommunication sector companies period 2007-2013. Statistical test used is the classical assumption test, multiple linear regression analysis, correlation analysis, analysis coefficient of determination, t test and F test.

The result show that simultaneously Free Cash Flow and Return On Asset have a significant effect to Firm Value. Partially, Free Cash Flow have no significant effect to Firm Value. While Return On Asset have a significant effect to Firm Value.

Keyword : Free Cash Flow, Return On Asset, and Firm Value.