THE INFLUENCE OF INTELLECTUAL CAPITAL DISCLOSURE AND PROFITABILITY ON COMPANY VALUE

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Abstrak
Tujuan Utama - Penelitian ini bertujuan untuk mengetahui pengaruh *intellectual capital disclosure* dan profitabilitas terhadap nilai perusahaan.
Metode - Metode pengambilan sampel yang digunakan adalah purposive sampling dengan jumlah sampel perusahaan sektor manufaktur sebanyak 67 perusahaan pada perode 2018 sampai 2020. Uji hipotesis menggunakan analisis regresi linear berganda dan uji F yang diolah menggunakan *software* SPSS.
Temuan Utama – Hasil pengujian menunjukkan masing-masing variabel *intellectual capital disclosure* dan profitabilitas berpengaruh positif terhadap nilai perusahaan. Serta secara simultan variabel *intellectual capital disclosure* dan nilai perusahaan berpengaruh positif terhadap nilai perusahaan. Hasil pengujian hipotesis menunjukan *intellectual capital disclosure* dan profitabilitas merupakan informasi yang dianggap sebagai sinyal positif oleh investor sehinga membantu meningkatkan nilai perusahaan.
Implikasi Teori dan Kebijakan – Implikasi dari penelitian ini ditujukan pada perusahaan dan peneliti selanjutnya. Implikasi dari penelitian ini menyimpulkan bahwa pelaporan pengungkapan *intellectual capital disclosure* dan profitabilitas perusahaan merupakan informasi positif yang akan memenuhi kebutuhan informasi investor sehingga meningkatkan nilai perusahaan.
Kebaruan Penelitian – Penelitian ini menggunakan proksi yang berbeda dalam mengukur variabel penelitian dan juga terdapat perbedaan pada perusahaan dan tahun penelitian.

Kata Kunci: *Intellecetual Capital Disclosure*; Nilai Perusahaan; Profitabilitas.

Abstract
Main Purpose *- This study aims to determine the effect of intellectual capital disclosure and profitability on company value.*
Method *- The sampling method used is purposive sampling with a sample of 67 companies in the manufacturing sector in the period 2018 to 2020. The hypothesis test uses multiple linear regression analysis and the F test which is processed using SPSS software.*
Main Findings *- The test results show that each variable of intellectual capital disclosure and profitability has a positive effect on company value. And simultaneously variable intellectual capital disclosure and company value have a positive effect on company value. The results of hypothesis testing show that intellectual capital disclosure and profitability are information that is considered a positive signal by investors so that it helps increase the value of the company.*
Theory and Practical Implications *- The implications of this research are aimed at companies and future researchers. The implication of this study concludes that the disclosure of intellectual capital disclosure and company profitability is positive information that will meet the information needs of investors so as to increase company value.*
Novelty *- This study uses different proxies in measuring research variables and there are also differences between companies and years of research.*

Keywords: *Company Value; Intellectual Capital Disclosure; Profitability.*

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INTRODUCTION

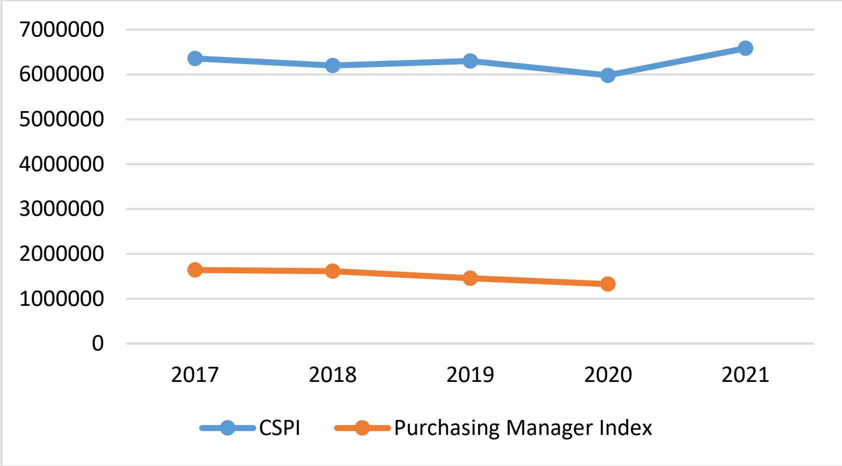
The abundant natural wealth owned by the state of Indonesia, which is a developing country and the growth that continues to increase every year, makes domestic and foreign investors interested in investing in companies in Indonesia. One of these natural resources can be seen in the manufacturing sector where the manufacturing sector is a major contributor in improving the economy in Indonesia. In investing, investors are selective and take various considerations in determining the company to invest in. This causes competition between companies to increase.

Companies will maximize the value of their shares where the value of these shares is a reflection of the value of the company. The high value of the company illustrates that the company has a high share price and optimal company performance and shows prosperity for its owners. According to Fitria (2016) company value is the willingness of prospective buyers to pay the price of a company if the company is sold. Meanwhile, Lestari & Sapitri (2016) explain the sacrifices of investors who are willing to spend in order to get the company shown by companies that have a market value of company assets that is greater than the book value of the company. The explanation above shows that the main focus of investors is on the value of the company's shares where the value of the shares will show the value of the company. This statement is in line with Amrizal & Rohmah (2017) which reveals that the value of the company can provide maximum prosperity for shareholders if there is an increase in the company's share price. Based on this statement, it is known that the high share price is in line with the high prosperity of shareholders.

According to Theory of the Firm, the main goal of the company is to maximize the company's wealth or value (value of the firm) (Angela, 2016). The value of the company is the price of the company that buyers are willing to buy if the company is sold, and if the company's shares are offered to the public, the share price is a reflection of the value of the company, so that with an increase in the share price, it is certain that shareholders will become rich or prosperous (Sunarsih, 2016). The definition of company value according to Ross et al., (2013) is a market value which if the company's share price increases it will provide maximum prosperity to shareholders.

The price paid by investors for the company's shares in the market reflects how the value of a company is. Judging from the higher level of difference between the stock price and the book value of the shares owned by the company, it shows that the company has a hidden value. More appreciation for a company that comes from investors is believed to be due to the intellectual capital owned by the company (Chen et al.,2005).

In 2019 there was a phenomenon where the index of the manufacturing sector which consisted of three main sectors, namely the consumer goods sector, various industries, the basic industry and chemical sectors weakened and showed a less than excellent performance. In October 2019 there was a phenomenon that the manufacturing Purchasing Manager Index (PMI) declined again and was the cause of the correction of the Composite Stock Price Index (CSPI) with a significant level to 47,7 which was previously at a significant level of 49,1.



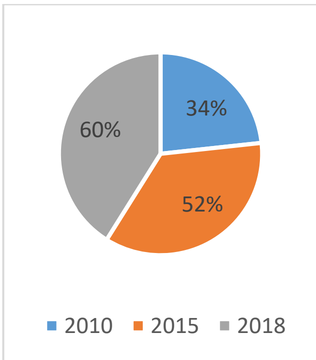
Source: idx.co.id processed, 2022

Figure 1. Chart of Composite Stock Price Index Movements for 2017-2021 and Manufacturing Sector Index (Purchasing Manager Index) 2017-2020

Based on these two phenomena, it can be concluded that the stock price is a reflection of the value of the company itself, if the share value is high it can be interpreted that the value of the company is good (Sunarsih, 2016). On the other hand, both phenomena show that manufacturing sector companies have poor scores. It can be concluded that the shareholders are in a less prosperous condition. Therefore, competition between companies is increasing.

Sujoko & Soebiantoro (2007) revealed that company value is an investor's perception of the company's level of success in managing resources which is reflected in its share price. Ulum (2009) revealed that one of the important factors in creating value in modern business is human capital. Human capital is related to the skills, abilities, and knowledge that the company's workforce has in managing economic resources sourced from internal (equity/capital) or external (debt/loans) (Santiani, 2018). According to Lestari & Sapitri (2016) Intellectual Capital (IC) is information and knowledge to generate value in the company that is used in work. Based on this, Intellectual capital is one of the company's knowledge resources in the form of employees, customers, processes or technology that the company uses to create value for the company.

Providing information to investors is important for companies because the information reported is a picture of investors in their decision to invest. Disclosure of intangible assets which is non-financial information that is very important for investors (Devi et al., 2017). Intellectual capital disclosure is the level of disclosure owned by the company on intellectual capital that has been identified as a set of intangible assets that encourage value creation because it has the ability to drive organizational performance (Bontis, 1998). The intellectual capital disclosure of a company is reported through an annual report. Based on this, intellectual capital disclosure is very important to attract investors to invest in companies which will then increase the value of the company.



Source: processed, 2022

Figure 2. Companies that disclose intellectual capital

There is a phenomenon in which several empirical findings in Indonesia show that the disclosure of intellectual capital of companies listed on the Indonesia Stock Exchange (IDX) is still low. Suhardjanto & Wardhani (2010) found that only 34% of companies had disclosed intellectual capital, while the results of Uzliawati's (2015) research showed an increase, namely 52% of companies had made intellectual capital disclosures. The percentage increase in intellectual capital disclosure is still below 60% while intellectual capital information is important for companies and investors where Price Waterhouse Coopers, which is one of the Big Four accounting companies together with Deloitte, EY (Ernst & Young Global Limited), and KPMG identified that intellectual Capital disclosure is an important strategy for companies. In addition, Price Water House conducted a survey related to the 10 most important types of information needed by investors, the survey results showed three of them, namely financial information, two types in the form of company internal data (competitive landscape and strategic direction), the other five types are intangible (experience of management team, market size, market growth, speed to market, and market share). Intellectual capital disclosure in the company's annual report is still voluntary. Disclosure of intellectual capital information in the annual reports of public companies does not yet have regulations that require disclosure, resulting in companies having the choice not to disclose their intellectual capital (Aini, 2018).

The above phenomenon explains the importance of intellectual capital disclosure for companies that are disclosed in the company's annual report, because this is important information needed by investors which is a long-term picture of the company. In addition, the existence of intellectual capital disclosure is expected to be able to attract investors to make decisions to invest in the company and result in an increase in the value of the company.

In addition to intellectual capital, another factor that can affect company value is profitability. Profitability is the ratio that companies use to assess the company's ability to generate profits (Yanti & Darmayanti, 2019). If the company is well managed by the manager, the costs the company incurs will be smaller so that the profit generated will be greater which in turn affects the increase in stock prices and also increases the value of the company. This explanation is in line with Wiagustini (2013) which explains that the profitability of a company will show a measure of the effectiveness of the company's management in managing the company and show the company's ability to earn profits. When there is an increase in profit, it gives an idea that the company has good performance so that it becomes a signal for capital owners or investors to invest which then results in an increase in the value of the company. Investors in investing their shares of course have the goal of getting a return, where the high profit generated by the company will also increase investors' return expectations, resulting in an increase in the value of the company (Yanti & Darmayanti, 2019).

There was a phenomenon in the third quarter of 2018, where as many as 78% of companies recorded a net profit. This is indicated by an increase in financial performance from the previous period on several accounts, namely income accounts by 10%, net income accounts by 12%, and total assets accounts by 6%. Among these companies, the manufacturing sector was one of the sectors that posted the largest percentage increase in net profit, namely Basic Industry and Chemical (idx.co.id, quoted on June 3, 2022).

The above phenomenon explains the importance of profitability for the survival of the company. Increasing the profitability of a company will attract investors to invest by increasing the possibility of getting a return so that the investment made will increase the value of the company.

Increasing the value of the company can be achieved if there is cooperation between company management and other components including shareholders and stakeholders in making financial decisions aimed at maximizing capital. However, in increasing the value of the company, a conflict of interest usually arises between the owner of the company and the management, which is called an agency conflict so that it becomes the cause of the agency problem. Agency problems can occur because of information asymmetry, where company management has more information than shareholders. Therefore, it is necessary to disclose information in accordance with the needs of shareholders such as information on the intellectual capital of a company. This information will be a picture of shareholders in investing. In addition, of course, information on the profitability of a company will also be considered by shareholders to invest.

This study uses stakeholder theory as a grand theory. According to Ulum (2009) Stakeholders are a group of people or individuals who are characterized by being able to have an influence on the company's activities or can also be influenced by the company's activities. Based on stakeholder theory, company management is expected to carry out activities that are considered important by stakeholders and these activities are reported back to stakeholders. This theory states that all stakeholders have the right to be provided with information regarding the impact of the company's activities on them (for example, sponsorship, pollution, security initiatives, etc.), even when the information is not chosen by them and even in the survival of the company. , they cannot directly play their role.

This study also uses Agency Theory which is a theory that explains the relationship between the principal (principal) and the agent (agent), in this case the principal is the shareholder, while the agent is the management. In practice maximizing company value, conflicts often occur due to manager actions that are not in accordance with the wishes of the principal (Jensen & Meckling, 1976). This causes a difference of interest so that there is a conflict of interest between the agent and the principal. This conflict is called an agency conflict. Agency conflicts are caused by information asymmetry or information gaps between agents and principals where the agent is the provider of information and the principal is the user of information (Aini, 2018). The existence of this agency conflict causes agency costs, namely the monitoring costs that the principal spends. Companies can reduce agency costs by means of companies that can disclose information including intellectual capital disclosure as a form of responsibility for management performance to stakeholders (Zuliyati & Wahyuningrum, 2018).

In addition, this study uses signaling theory which emphasizes the importance of the information that the company releases in the investment decision of parties outside the company. Brigham & Houston (2011) suggest that signaling theory explains how companies should provide signals to users of financial statements. The signal is in the form of information related to what management has implemented to realize the owner's wishes. Management tries to disclose private information which also with the company's consideration that the information is in great demand by investors and shareholders, especially if the information is good news, so that it can encourage investors to invest in the company. Good news information will have an impact on market reactions when the information is received by the market. Positive market reactions to good news information received will encourage higher company value Devi et al (2017). From an economic point of view, companies will disclose information if the information can increase the value of the company.

The proxy used for each variable is where the intellectual capital disclosure is proxied by the intellectual capital disclosure index to see the components of the intellectual capital disclosure disclosed, and for profitability the proxy used is Return On Assets (ROA). Return on assets is used to see how the effect of company returns or profits resulting from company activities used to run the company, where the profit is seen from the value of the company proxied by Tobin's Q which provides an overview of the extent to which the creation of company value is relative to the amount of capital invested. . In this study, companies in the manufacturing sector in 2018-2020 are listed on the Indonesia Stock Exchange.

This study aims to determine the effect of intellectual capital disclosure and profitability on company value as measured using the

Intellectual Capital Disclosure Index (ICDI), Return On Assets (ROA) and Tobin's Q.

METHOD

In this study, the object to be studied is intellectual capital disclosure, profitability and company value. Meanwhile, the subjects in this study are manufacturing sector companies listed on the Indonesia Stock Exchange (IDX) in 2018-2020.

This study uses a quantitative research approach with descriptive and verification methods using descriptive and verification methods. In this quantitative approach, it is necessary to have hypotheses and tests using analytical techniques and statistical tests. The reason the researcher uses a quantitative approach is because the data taken from the research is in the form of numbers or numbers and processed using mathematical or statistical calculation techniques.

Descriptive method is the method used to describe according to the facts of the research object being analyzed and interpreted (Siregar, 2014). The verification method is a study of a population or sample that aims to test a predetermined hypothesis.

The International Federation of Accountants (IFAC) classifies intellectual capital into three categories, namely Organizational Capital, Relational Capital, and Human Capital. Organizational capital concerns intellectual capital property and infrastructure assets.

Table 1. Classification of Intellectual Capital

Organizational Capital	***Relational Capital***	***Human Capital***
Intellectual Property:	• *Brand*	• *Know-how*
• *Patents*	• *Customers*	• *Education*
• *Copyrights*	• *Customer Loyalty*	• *Vocational qualification*
• *Design rights*	• *Backlog orders*	• *Work-related knowledge*
• *Trade secret*	• *Company names*	• *Work related competencies*
• *Trademarks*	• *Distribution channels*	• *Enterpreneurial spirit, innovativeness, proactive and reactive abilities, changeability*
• *Service marks*	• *Business collaborations*	• *Psychometric valuation*
Infrastructure Assets:	• *Licensing agreements*	
• *Management philosophy*	• *Favourable contracts*	
• *Corporate culture*	• *Franchising agreements*	
• *Management processes*		
• *Information systems*		
• *Networking systems*		
• *Financial relations*		

Source: (Ulum, 2009)

In this study, intellectual capital disclosure was measured by the Intellectual Capital Cisclosure Index (ICDI) which refers to that used by the International Federation of Accountants (IFAC), ∑ij D is the total number of components reported and ∑ij AD component is the total number of components that should be reported with the following formula:

$$\boldsymbol{ICDI = \frac{\sum ij\ D\ komponen}{\sum ij\ AD\ komponen}}$$

In this study, the profitability variable is measured by Return On Assets (ROA) taken from the company's annual report or financial statements. The formula used is as follows:

$$\boldsymbol{ROA = \frac{Earning\ After\ Interest\ and\ Tax}{Total\ Assets}}$$

Company value is measured using the Tobin's Q indicator Market value of all outstanding shares obtained by multiplying the closing share price by the number of outstanding shares (MVS), Total Debt (D), and Total Asset (TA), with the following formula:

$$\boldsymbol{Tobin'sQ = \frac{MVS + D}{TA}}$$

According to Sugiyono (2018), the population is defined as a generalization area consisting of objects or subjects that have certain characteristics and qualities that researchers set to study and draw conclusions. The population in this study were all

manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2018-2020, totaling 178 companies.
In this study, the sample technique used is purposive sampling. Purposive sampling is a sample that is determined by certain considerations. The sample in this study was 67 manufacturing companies listed on the Indonesia Stock Exchange (IDX) with a research period of 3 (three) consecutive years, so the total sample obtained was 201 (67 times 3 years). The criteria used in determining the sample are as follows:

Table 2. Sample Criteria

No.	Kriteria	Jumlah
1.	Manufacturing sector companies listed on the Indonesia Stock Exchange in 2018-2020.	163
2.	Manufacturing sector companies that do not publish annual reports and financial statements for 2018-2020.	(41)
3.	Manufacturing sector companies that do not submit annual and financial reports using Rupiah (Rp).	(29)
4.	Manufacturing sector companies that do not disclose the closing stock price on December 31 in 2018-2020.	(26)
	Number of Samples	67
	Total Sample 67 x 3 years	201

In this study, the analytical technique used is descriptive statistical analysis. Descriptive statistics are statistics that are used to analyze data by describing or describing the data that has been collected as it is without intending to make conclusions that apply to the public or generalizations.

This study uses an outlier test to eliminate extreme data that causes the data to be not normally distributed. Next, the classical assumption test is performed (normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test). Hypothesis testing in this study uses multiple linear regression with the following formula:

$$\boldsymbol{Y = a + \beta_1 X1 + \beta_2 X2}$$

Description:
Y = Company value
a = Constant
$\beta1$, $\beta2$ = Regression coefficient
X1 = Intellectual capital disclosure
X2 = Profitability

This study also uses the simultaneous test (F) to test the regression relationship which is carried out simultaneously which has the aim of knowing whether together the independent variables have a significant effect on the dependent variable. The significance level used in the F test is 0.05. If the significant value is less than 0.05 then the independent variable has a simultaneous effect on the dependent variable. The basis for decision making The F test also looks at the comparison between F_{count} and F_{table}.

RESULTS AND DISCUSSION

Results

Descriptive Statistics

Table 3. Descriptive Statistics Test Results

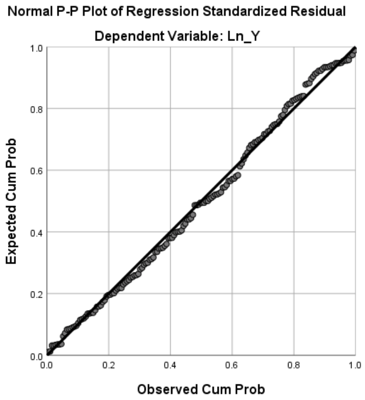
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
ICD	164	.44828	.89655	.6461318	.06085936
Profitabilitas	164	.00041	.20556	.0534287	.03919972
Nilai Perusahaan	164	.36331	3.26460	1.2027984	.66878694
Valid N (listwise)	164				

Source: SPSS Data Processing Results

Based on Table 3. the intellectual capital disclosure variable as measured by the Intellectual Capital Disclosure Index (ICDI), the profitability variable as measured by Return On Assets (ROA), and the company value variable as measured by Tobin's Q show a standard deviation value that is smaller than the mean value. This shows good data results and the distribution of small data variables and the absence of large enough gaps.

Normality Test



Source: SPSS Data Processing Results

Figure 3. Normality Test Results

Based on Figure 3. the points are close and follow the diagonal line. This shows that the data is normally distributed.

Multicollinearity Test

Table 4. Multicollinearity Test Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Correlations			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.906	.216		4.186	.000					
	Ln_X1	.811	.409	.146	1.980	.049	.145	.154	.146	1.000	1.000
	Ln_X2	.151	.034	.328	4.466	.000	.328	.332	.328	1.000	1.000

a. Dependent Variable: Ln_Y

Source: SPSS Data Processing Results

Based on Table 4 the tolerance value is 1,000 and the VIF value is 1,000. This shows that the tolerance value is 1,000 > 0.10 and the VIF value is 1,000 < 10, so it can be concluded that there is no multicollinearity between independent variables in a regression model.

Autocorrelation Test

Table 5. Autocorrelation Test Results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.359[a]	.129	.118	.49235	.129	11.922	2	161	.000	1.845

a. Predictors: (Constant), Ln_X2, Ln_X1

b. Dependent Variable: Ln_Y

Source: SPSS Data Processing Results

Based on Table 5. the number of n is 164 and the number of independent and dependent variables is k = 3. Based on this basis, the dU value is 1.76934. Table 4.4 shows the results of the Durbin-Watson value of 2.131. This shows a value of 1.76934 < 1.845 < 2.23066, so it can be concluded that there is no autocorrelation.

Glejser Test

Table 6. Glejser Test Results

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.548	.123		4.466	.000
	Ln_X1	.087	.232	.029	.373	.710
	Ln_X2	.033	.019	.134	1.715	.088

a. Dependent Variable: Abs_Res

Source: SPSS Data Processing Results

Based on Table 6. the significance values for the variables X1 and X2 are shown at 0.710 and 0.088. The significance value of the X1 and X2 variables shows a value > 0.05, so it can be concluded that there are no symptoms of heteroscedasticity.

Multiple Linear Regression Test

Table 7. Multiple Linear Regression Test Results

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.906	.216		4.186	.000
	Ln_X1	.811	.409	.146	1.980	.049
	Ln_X2	.151	.034	.328	4.466	.000

a. Dependent Variable: Ln_Y

Source: SPSS Data Processing Results

Based on Table 7. above, the following multiple linear regression equation is obtained.

$$\boldsymbol{Y = 0,906 + 0,811X1 + 0,151X2}$$

The constant value based on the multiple linear regression equation is a positive value of 0.906. A positive constant value indicates a positive influence from the independent variable, namely intellectual capital disclosure and profitability. It can be concluded that if there is an increase in the independent variable by one unit, then the dependent variable (company value) will increase or be fulfilled. And if the independent variable is considered constant, it can be predicted that the independent variable (company value) is 0.906.

The regression coefficients of intellectual capital disclosure (X1) and profitability (X2) variables are positive at 0.811 and 0.151, respectively. This can mean that if there is an increase in intellectual capital disclosure and profitability, it will also cause an increase in the value of the company and vice versa if there is a decrease. positive regression coefficient indicates a positive relationship between intellectual capital disclosure and profitability to company value. If intellectual capital disclosure and profitability increase by one unit, the company value will increase by 0.811 and 0.151, respectively.

F Test Results

Table 8. F Test Results (Simultaneous)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.780	2	2.890	11.922	.000[b]
	Residual	39.028	161	.242		
	Total	44.809	163			

a. Dependent Variable: Ln_Y

b. Predictors: (Constant), Ln_X2, Ln_X1

Source: SPSS Data Processing Results

Based on Table 8. the F_{table} value is 3.05 while the F_{count} value is shown in Table 8., which is 11.922. It can be concluded that $F_{count} > F_{table}$ which is 11.922 > 3.05 and also a significance value of 0.000 < 0.05. So it shows that the variable intellectual capital disclosure (X1) and profitability (X2) have a simultaneous positive effect on company value (Y).

Discussion

This study aims to determine the effect of intellectual capital disclosure on company value. After testing, this study found that intellectual capital disclosure had a positive effect on company value. The more components of the company's intellectual capital disclosure, the more it will describe the condition of the company so that the information can be a positive signal to investors which will then increase the value of the company. Based on the results of research, manufacturing sector companies listed on the IDX in 2018-2020 are aware of the importance of disclosing their resources through this voluntary disclosure, namely intellectual capital disclosure.

Information disclosure of intellectual capital disclosure is in line with stakeholder theory and signaling theory, which is information needed by investors which is received as a positive signal which then changes the trading volume of shares caused by investors paying more shares with large intellectual capital ownership so that it will increase the value of the company (Chen Chen). et al., 2005). The results of this study indicate that investors capture information on intellectual capital disclosure as a positive signal that helps in making investment decisions. It also shows that intellectual capital disclosure is able to minimize the information asymmetry between management and shareholders or investors. The more components of intellectual capital disclosure that are disclosed will increase investor confidence because investors assume that the components managed by the company will be able to encourage maximum company performance, thus encouraging investors to trade shares which then increase the value of the company.

The results of this study support research conducted by Devi et al., (2017); Rivandi (2018); Subaida et al., (2018); and Rivandi & Septiano (2021) which explain that intellectual capital disclosure has a positive effect on company value, because the higher or wider the disclosure of intellectual capital disclosure, the more convincing investors to invest in the company.

This study aims to see the effect of profitability on company value. After testing, this study found that profitability has a positive effect on company value. The higher the level of profitability. Based on this research, it shows that the manufacturing sector companies listed on the Indonesia Stock Exchange in 2018-2022 managed to maximize the use of their resources in generating profits so that the company's future prospects are getting better, which in turn will increase profitability, which will increase the value of the company.

Companies effectively and efficiently are good at managing their assets to get returns. This is in line with stakeholder theory and signaling theory which explains profitability information as an investor's need to make a positive signal that shows good company prospects in the future, so that investor confidence in getting returns (returns) is getting bigger and helps in making investment decisions. This will increase the demand for investors' shares which then with a high demand for shares will increase the share price and company value. This study shows good ROA results which indicate that the company's performance in managing their assets in generating profits is good.

The results of this study support research conducted by Raningsih & Artini (2018); Dewi & Abundanti (2019); and Yanti & Darmayanti (2019) which explains that profitability has a positive effect on company value because higher profitability indicates good company performance in generating profits. from the management of its assets which then attracts investors to buy company shares as a result of their consideration of the company's profitability.

The results of multiple linear regression testing that have been carried out show that intellectual capital disclosure and profitability simultaneously have a positive effect on company value.

Intellectual capital disclosure as voluntary information disclosed by the company contains assets consisting of human capital, organizational capital, and structural capital. Disclosure of this information will add to the picture of what resources are owned by the company as outlined in the annual report, so that investors receive the signal as a positive signal that provides clarity on the company's resources, thereby reducing information asymmetry and being able to meet the information needs of investors in meeting the needs of investors. their information needs. The more intellectual capital disclosure disclosed by the company will further increase investor confidence to invest which will then increase the company's share price and increase the value of the company.

Profitability measured by using the Return on Assets (ROA) ratio shows how companies use their asset resources to create profits that will later be able to return or exceed their original assets. It also explains that the higher the company's profitability shows the company's good performance in managing company resources. Investors have hopes that with the large profitability of the company, investors will get the results (return) that will be received if they invest in the company. That is, the high profitability of the company will increase the value of the company.

Intellectual capital disclosure and profitability are important information that needs to be disclosed by companies as investors need in describing and assessing the condition of the company. Intellectual capital disclosure and profitability are also in line with stakeholder theory and signaling theory as factors that affect company value. intellectual capital disclosure and profitability. Investors see both information as positive signals that describe the current and future condition of the company.

CONCLUSION

Intellectual capital disclosure has a positive effect on company value. This shows that the higher the intellectual capital disclosure in a company, the better the company's image created in the eyes of the public. Therefore, in this case, it shows that companies that can maximize the company's intellectual capital will be able to create competitive advantages and added value. For these advantages and added value, it can increase the value of the company. Investors will have an overview of the company and help them in the decision-making process, so that the company is able to attract investors to invest.

Profitability has a positive effect on company value. This shows that if the profitability of a company increases, it can be said that the company's performance is good in managing their assets or resources in obtaining company profits. So that a high level of profitability indicates a high profit of the company on its assets which then investors have more hope to get results (return) and the purchase of company shares by investors will increase the value of the company.

Intellectual capital disclosure and profitability simultaneously have a positive effect on company value. This shows that the higher the disclosure of intellectual capital disclosure and profitability will improve the image of the company so that it can convince investors to invest in the company, so that it will increase the value of the company. In addition, intellectual capital disclosure and profitability show ownership of company resources and management of these resources by company management in an effort to create good profits.

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