



THE EFFECT OF SHARIA FINANCING ON COMPANY VALUE WITH PROFITABILITY AS A MODERATION VARIABLE IN SHARIA BANKING IN INDONESIA

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Abstract

This research is to look at the influence of Murabahah, Mudharabah and Musyarakah on Company Value with Profitability as a moderating variable in Indonesian sharia banking for the 2019-2022 period. This research data can be accessed on the official website www.ojk.co.id. The sampling technique in this research used purposive sampling to obtain 11 companies. The data analysis technique in this research uses Panel Data Regression and MRA methods with the Eviews 10 application tool. The research results found by researchers are that Murabahah has a positive and insignificant effect on company value (PBV), Mudharabah has a positive and insignificant effect on company value (PBV), Musyarakah has a positive and significant effect on company value (PBV). Profitability is unable to moderate Murabahah, Mudharabah and Musyarakah in Indonesian sharia banking for the 2019-2022 period.

Keywords: *Company Value (PBV), Profitability (ROA), Murabahah, Mudharabah, and Musyarakah*

INTRODUCTION

Company value is the condition of the banking picture which is assessed by operational performance, this performance has gained the trust of the public and aims to maintain ongoing activities..According to Sari and Subardjo (2018), the company's value is reflected in the share market price of the company going public.This shows that high share prices will follow high company value. Price book value (PBV), price sales ratio (PER), and sales value per share (EPS) are some indicators of company value.Purchasing decisions are a process where consumers recognize the problem (Didik, 2022). PBV is a ratio that shows how much a company is able to create relative company value through the amount of capital invested (Brigham, 2018). Profitability is the main measure of a company's success as a result of many policies and decisions. If the company's profitability is good, stakeholders consisting of creditors, suppliers and investors will see the extent to which the company can generate profits from company sales and investments (Samosir, 2017). This profitability ratio consists of Return On Equity (ROE), Return On Assets (ROA), Gross Profit Margin (GPM), Operating Profit Margin (OPM) and Net Profit Margin (NPM). The ratio used in research to measure profitability is Return On Assets (ROA).

A murabahah contract is a contract used for buying and selling investment goods or personal goods. Murabahah contracts are contracts that dominate financing. According to Pradita, (2019), murabahah financing is considered to provide high trust for customers because the acquisition price and profits are mutually agreed upon.A mudharabah agreement is an agreement made between a capital manager and a capital provider.If in carrying out business activities there is a loss or a profit is made, then these two things will be borne together in accordance with the agreement at the beginning of the formation of the cooperation agreement (Putri, 2017). A musyarakah contract is a contract that combines capital by two or more people with the aim of running a business with the aim of making mutual profits but the manager gets the right to management or management wages, the profits obtained are shared together and the losses are borne jointly.

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LITERATURE STUDY AND HYPOTHESIS

Murabahah positive effect on Company Value.

The decision made by a banking company in disbursing funds is murabahah. (Tito, 2014) states that company value is influenced positively and significantly by funding decisions, therefore if funding carried out by sharia banking increases, the value of the company will also increase. The research results of Anshori (2017) explain that profitability is influenced positively and significantly by profitability. Wulandari's (2017) research results show that profitability in a bank is significantly influenced by murabahah.

Mudharabah has a positive effect on company value

Mudharabah is a sale and purchase agreement with mutual profits plus the cost price. Andrian's (2012) research results show that because there is a moderation structure in the research, moderation creates a relationship between capital and company value. So that the moderating variable strengthens the relationship between capital and company value.

Profitability strengthens the murabahah value of the Company.

A sale and purchase agreement carried out by sharia banking with the aim of making a profit, a sale and purchase agreement carried out by including the profit at the beginning of the contract is the definition of murabahah. Research conducted by Sultan (2021), murabahah influences company value by the presence of moderating or profitability variables. So it is concluded that if murabahah increases, the value of the company will also increase.

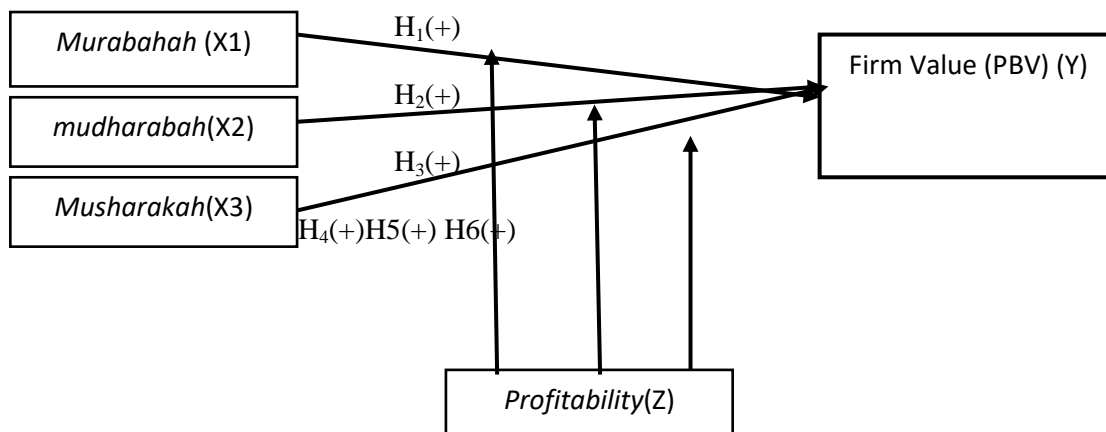
Profitability strengthens the mudharabah of the company's value.

Mudharabah financing is financing provided by banks to customers who request capital to build a business. According to research conducted by Sultan (2021), mudharabah can influence company value by the existence of moderating variables in sharia banking. This means that increasing mudharabah also increases company value and profitability in banking.

Profitability strengthens musyarakah towards company value

Musyarakah financing is a combination of capital carried out to run a business where the profits are shared equally and the losses are borne jointly. Research conducted by Rahmawati (2017) states that the value of the company is influenced by musyarakah financing through profitability, meaning that if musyarakah financing increases, the value of the company will also increase. Good prospects or performance in a company can be seen in profitability. If profitability increases then job prospects will also be good.

CONCEPTUAL FRAMEWORK



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Figure 1.1 Framework of Thought

Research Hypothesis

The hypothesis designed by the researcher is as follows:

- H1: Murabaha has a positive but not significant effect on company value on sharia banking in Indonesia.
- H2: Mudharabah has a positive and insignificant effect on company value in Islamic banking in Indonesia.
- H3: Musyarakah has a positive and insignificant effect on the company's value in sharia banking in Indonesia.
- H4: profitability is not able to moderate murabahah on company value in sharia banking in Indonesia.
- H5: profitability is not able to moderate mudharabah on company value in sharia banking in Indonesia.
- H6: Profitability is not able to moderate musyarakah on company value in Islamic banking in Indonesia.

RESEARCH METHODS

This research uses a quantitative method by looking at the results of financial reports for each sharia banking in 2018-2022 which aims to see the effect of sharia financing on company value in sharia banking in Indonesia. The objects used in the research are murabahah, mudharabah and musyarakah financing.

Data types and sources

This research is categorized as correlational and uses a quantitative approach. In the research, the data used was obtained from the financial reports of each sharia banking which were accessed via www.ojk.co.id and on the respective sharia banking websites. The data source in this research is secondary data, namely financial reports that have been issued by each sharia banking from 2018-2022 which can be accessed at www.ojk.co.id and in each sharia banking.

Research population and sample.

In this research, the population used is all sharia banks registered with the Financial Services Authority (OJK). In 2023, 13 sharia banking companies will be registered with the OJK. The sample used in this research is sharia banking in 2018-2022. The data used in this research comes from sharia banking financing reports issued by the Financial Services Authority (OJK). The characteristics of sample selection are as follows:

**Table 1.1
Sample selection criteria**

No	Criteria	Amount
1.	Sharia banking in Indonesia registered with the Financial Services Authority (OJK)	13
2.	Sharia banking that does not issue sharia financing and does not consistently publish financial reports for the 2018-2022 period	1
3.	Sharia banking that is not more than 5 years old according to the year of research	1
	Number of samples	11

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Research Sample

Table 1.2
Research sample

No	Code	Company name	Information	
			Yes	No
1.	BPDA	PT. Aceh Sharia Bank		O
2.	BRKS	PT BPD Riau Kepri Syariah	P	
3.	BNTB	PT BPD West Nusa Tenggara Syariah	P	
4.	BBMI	PT. Bank Muamalat Indonesia	P	
5.	BVIV	PT. Bank Victoria Sharia	P	
6.	BJBS	PT. Bank Jabar Banten Syariah	P	
7.	BRIS	PT. Indonesian Sharia Bank, Tbk		O
8.	MEGA	PT. Bank Mega Syariah	P	
9.	PNBS	PT. Bank Panin Dubai Syariah, Tbk	P	
10.	KBBS	PT. Bukopin Sharia Bank	P	
11.	BCAS	PT. BCA Syariah	P	
12.	BTPS	PT. National Sharia Pension Savings Bank, Tbk	P	
13.	BANK	PT. Aladin Syariah Bank, Tbk	P	

Operational definition of variables

Table 1.3
Operational Definition of Variables

Variable	Definition	Indicator	Scale
Murabaha	<i>Murabahais</i> what is done to goods by increasing profits and is known by the buyer for the added profits. (Moh. Mufid, 2019)	Total murabahah financing expenditure	Ratio
Mudharabah	Mudharabah is cooperation carried out by several people to run a business by dividing profits based on a profit sharing ratio, with the owner of the funds only being responsible for financial losses. (Syaiful Bahri, 2022).	Total mudharabah financing expenditure	Ratio
Musharakah	Musyarakah is a combination of capital funds carried out with the aim of running a business with profits shared based on an agreement and losses borne based on the capital provided. (Syaiiful Bahrii, 2022).	Total musyarakah financing expenditure	Ratio
Profitability	Profitability is a condition that states the company's ability to generate profits so that it can add value to stakeholders through calculating the ROA value. (Yudhanti and Listianto 2021).	<i>Return Assets</i> (ROA) =Net profit Total assets	<i>On</i> Ratio

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Company Value	Company value is the image that the Company obtains regarding the Company's performance. Company value is usually related to share price.	<i>Price to Book Value</i> (PBV) = share price / book value per share	Ratio
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Descriptive statistics

Descriptive statistical analysis is an analysis used to determine the average value (mean), maximum value (maximum), minimum value (minimum), and standard deviation values and observations contained in the research. In this research, descriptive analysis can be seen in the following table:

Table 1.4 Descriptive Statistics

	PBV	LN_MRH	LN_MDR	LN_MSJ	Z
Mean	1.614613	5.604599	3.686312	4.278915	0.032542
Median	0.519372	5.974654	5.042741	5.562549	0.008127
Maximum	8.247433	6.876848	6.863233	7.342048	1.188687
Minimum	0.000184	0.000000	0.000000	0.000000	-0.097777
Std. Dev.	2.164969	1.466132	2.574888	2.722225	0.162183
Observations	55	55	55	55	55

Data Source Processed by Researchers, 2024

Based on table 1.4 above, it can be seen that there were many observations made to assess company value (PBV) in this research, totaling 55 observations. The lowest value of company value (PBV) in this research is 0.000184 and the highest value is 8.247433. The mean (average) value of company value (PBV) in this study was 1.614613 with a standard deviation value of 2.164969. The average value is smaller than the standard deviation value which shows that the company value (PBV) in sharia banking in Indonesia for the 2018-2022 period, the data experienced high fluctuations.

Correlation analysis

Correlation analysis is an analysis that aims to see how big the relationship is between the dependent and the independent. In this research, the correlation analysis obtained can be seen in the table below:

Table 1.5 Correlation Analysis

Probability	PBV	LN_MRH	LN_MDR	LN_MSJ	Z
PBV	1,000000 ----- -----				
LN_MRH	0.220917 1.649041 0.1051	1,000000 ----- -----			
LN_MDR	0.085523 0.624910 0.5347	0.250668 1.885073 0.0649	1,000000 ----- -----		
LN_MSJ	0.204048 1.517420 0.1351	0.224272 1.675401 0.0997	0.481553 4.000105 0.0002	1,000000 ----- -----	
Z	0.001724 0.012552 0.9900	0.023908 0.174100 0.8625	0.064406 0.469861 0.6404	0.087937 0.642684 0.5232	1,000000 ----- -----

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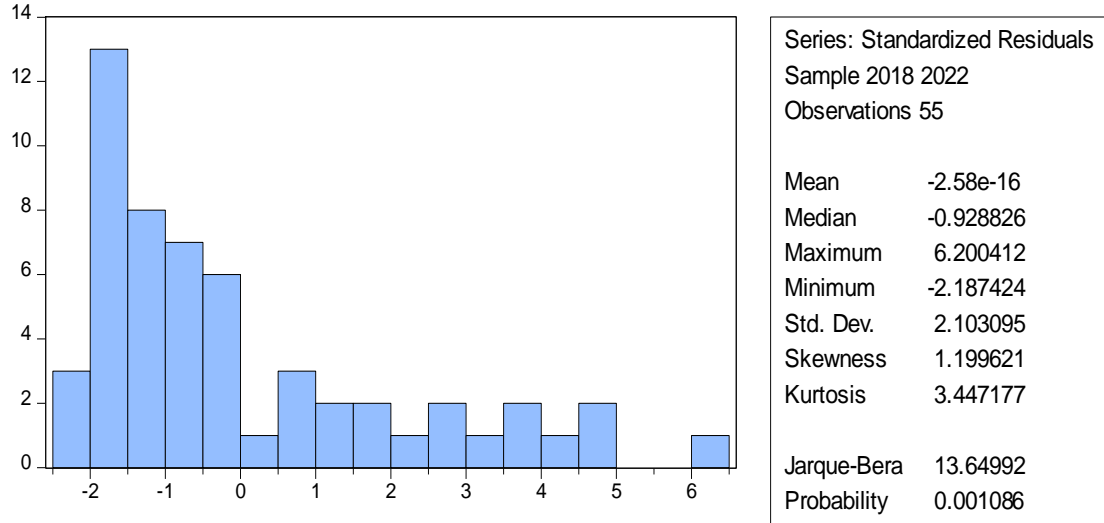
Based on table 1.5 above, you can see all the correlations (relationships) of the variables used in this research. The correlation between the independent variables (LN MRH, LN MDR, and LN MSY) with the dependent variable Company Value (PBV) can be seen in the column. company value (PBV). The results of the correlation analysis between the independent and dependent variables in this research are as follows:

1. *Murabahah (LN MRH)* positively and not significantly correlated at the 10% level with firm value (PBV) with a value of 0.1051.
2. *Mudharabah (LN MDR)* positively and not significantly correlated at the 10% level with firm value (PBV) with a value of 0.5347.
3. *Musyarakah (LN MSY)* positively and not significantly correlated at the 10% level with firm value (PBV) with a value of 0.1351.
4. Profitability (Z) is positively correlated and not significant at the 10% level with firm value (PBV) with a value of 0.9900.

Classic Assumption Test

Normality Test

The data normality test is used with the aim of testing that in the regression model the independent and dependent variables have a normal data distribution. Data that has a normal or close distribution is a very appropriate regression model to use. Decision making in the regression model has the following basis (Basuki and Prawoto, 2017): If the Jarque-Bera (JB) value is smaller than the table chi-square value and the probability value is greater than 0.05. So this shows that the data is normally distributed. However, if the Jarque-Bera (JB) value is greater than the table chi-square value and the probability value is smaller than 0.05. So this shows that the data used in the research is not normally distributed. The results of the Jarque Bera Test in this research are as follows:



Data Source Processed by Researchers, 2024

Figure 1.6 Normality Test

Based on the image above, the standard error used is (5%), while in the table the probability value for the Jarque-Bera test is 0.001086. Therefore, it can be concluded that the data has an abnormal distribution in this study. However, because the data in this study is in the form of panel data, where each cross section has different data trends each year, the assumption of normality can be ignored (Gujarati & Porter, 2012).

Multicollinearity Test

The multicollinearity test is a linear relationship between independent variables in multiple regression (Widarjono, 2010). To see the correlation that occurs in each variable, a multicollinearity

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test is used. If there is no correlation in the independent variables, then the regression model is the best to use in research (Ghozali Imam, 2005). The multicollinearity test is a test that aims to see disturbances in research data. The test results have a multicollinearity problem if the correlation coefficient value is > 0.85 (Napitupulu et.al, 2021). In this study, the results of the multicollinearity test can be seen:

Table 1.7 Multicollinearity Test

	PBV	LN_MRH	LN_MDR	LN_MS Y	Z
PBV	1	0.2209166544568	0.0855234945625	0.2040484416534	0.0017241521532
		302	8879	428	3807
LN_M	0.2209166544568	1	0.2506677193332	0.2242717811979	0.0239075960681
RH	302		402	108	2903
LN_M	0.0855234945625	0.2506677193332	1	0.4815530858679	0.0644063642449
DR	8879	402		458	6702
LN_MS	0.2040484416534	0.2242717811979	0.4815530858679	1	0.0879374323008
Y	428	108	458		8736
Z	0.0017241521532	0.0239075960681	0.0644063642449	0.0879374323008	1
	3807	2903	6702	8736	

Data Source Processed by Researchers, 2024

Based on table 1.7 above, the researcher concluded that in this study there was no multicollinearity, this is because all the variables in this study had correlation values below 0.8. LN MRH, LN MDR, LN MSY, and Z are all independent variables in this study that have no correlation.

Heteroscedasticity Test

The aim is to test whether in the regression model there is inequality of variance from the residuals of one observation to another. If the variance from the residual from one observation to another is constant, it is called homoscedasticity and if it is different it is called heteroscedasticity. The results of the heteroscedasticity test can be seen in the table below and are as follows:

Table 1.8 Heteroscedasticity Test with Glejser

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	-0.050847	0.618836	-0.082166	0.9348
LN_MRH	0.252954	0.109258	2.315197	0.0247
LN_MDR	-0.073530	0.069197	-1.062626	0.2931
LN_MS Y	0.140548	0.065134	2.157819	0.0358
Z	-0.638631	0.953003	-0.670125	0.5059

Data Source Processed by Researchers, 2024

Based on table 1.8 above, it can be seen that the probability values for all independent variables in this study are above 0.05, so researchers can conclude that this data is free from symptoms of heteroscedasticity.

MRA panel data regression

Model retrieval techniques

Test Chow

The Chow test is a test carried out to select the best model between the Common Effect Model (CEM) and the Fixed Effect Model (FEM). Gujarati and Porter (2012) said that the basis for decision making in the Chow test is by looking at probability. If the Chow test results are significant (probability < 0.05) then the selected model is FEM and if the Chow test results are not significant (probability > 0.05) then the selected model is CEM. The Chow Test results in this research are as follows:

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Table 1.8 Chow Test

Effects Test	Statistics	df	Prob.
Cross-section F	10.536898	(10.40)	0.0000
Chi-square cross-section	70.971765	10	0.0000

Data Source Processed by Researchers, 2024

Based on Table 1.8 above, it can be seen that the probability value in the Chi Square line is 0.0000. This value is within the standard error tolerance value in this study, namely 0.05. Therefore, based on the results of the Chow test, the best model in this research is the Fixed Effect Model (FEM), so it is necessary to carry out the Hausman test to select the best model between the Fixed Effect Model (FEM) and the Random Effect Model (REM).

Hausman test

The Hausman test is used to compare the Fixed Effect Model (FEM) and the Random Effect Model (REM). Decision making by looking at probability values for random cross-sections. If the p value > 0.05 then the model chosen is REM. But if p < 0.05 then the model chosen is FEM. The Hausman test results can be seen in the table below as follows:

Table 1.9 Hausman Test

Test Summary	Chi-Sq. Statistics	Chi-Sq. df	Prob.
Random cross-section	0.626763	4	0.9600

Data Source Processed by Researchers, 2024

Based on table 1.9 above, it can be seen that the Hausman test has a probability value 0.9600 > 0.05. In other words, the Hausman test selects the random effect model (REM) as the appropriate model, so that data estimation and hypothesis testing in this study uses panel data regression with the Random Effect Model (REM), therefore it will be continued with the Lagrange Multiplier (LM) test. to get the best model between the Common Effect Model (CEM) and the Random Effect Model (REM).

Lagrange Multiplier (LM) Test

The LM test is used to select a random effect model or common effect model. The test can also be called the random effect model significance test developed by Bruesch-Pagan (1980). The LM Bruesch-Pagan test is based on the residual values from the common effect model method. The LM value is calculated using the formula:

- N : Number of individuals
- Q : Number of time periods
- E : Residual method *common effects model*

The null hypothesis is that the intercept and slope are the same (common effect model). The LM test is based on a chi-square distribution with a degree of freedom equal to the number of independent variables. If the LM statistical value is greater than the critical value of the chi-square statistic, then we reject the null hypothesis, meaning that a more precise estimate from panel data regression is the random effect model. On the other hand, if the LM statistic value is smaller than the critical value of the chi-square statistic, then we accept the null hypothesis, which means the common effect model is better to use. The results of the Lagrange Multiplier Test can be seen in the table below as follows:

Table 1.10 Lagrange Multiplier Test

Null (no rand. effect) Alternatives	Cross-section	Period	Both
	One-sided	One-sided	
Brusch-Pagan	50.03158 (0.0000)	1.150195 (0.2835)	51.18177 (0.0000)

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Based on table 4.8 above, it can be seen that the Lagrange Multiplier Test has a probability value $0.0000 < 0.05$. So it can be concluded, the Lagrange Multiplier Test chooses the random effect model (REM) as the best model, so that data estimation and hypothesis testing in this research uses panel data regression with the Random Effect Model (REM).

Panel Data Regression Estimation

Table 2.1 Panel Data Regression Estimates with Random Effect Model (REM)

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	0.230276	1.198392	0.192154	0.8484
LN_MRH	0.106505	0.147475	0.722190	0.4735
LN_MDR	0.039459	0.147302	0.267880	0.7899
LN_MS_Y	0.147786	0.117882	1.253673	0.2158
Z	0.294900	1.179297	0.250065	0.8036
R-squared	0.049604	Mean dependent var	0.397792	
Adjusted R-squared	-0.026428	SD dependent var	1.208820	
SE of regression	1.224689	Sum squared resid	74.99317	
F-statistic	0.652413	Durbin-Watson stat	1.505950	
Prob(F-statistic)	0.627888			

Data Source Processed by Researchers, 2024

Based on table 2.1 above, the equations in this research can be arranged as follows:

$$PBV = 0.230276 + 0.106505 \text{ LN MRH} + 0.039459 \text{ LN MDR} + 0.147786 \text{ LN MSY} + 0.294900 \text{ Z} + \text{eit} \dots \dots \dots$$

Based on the equation above, it can be seen that the constant value in this study is 0.230276. This shows that if (LN MRH, LN MDR, LN MSY and Z) have no value (value 0), then the company value (PBV) will remain constant with a value of 0.2302. Meanwhile, the murabahah variable (LN MRH) has a positive relationship with company value (PBV) with a coefficient value of 0.106505. This shows that if murabahah is added by 1% it will increase the company value (PBV) by a value of 0.1065.

Moderated Regression Analysis (MRA) Estimation

Table 2.2 Moderation Estimates with Random Effect Model (REM)

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	-0.334452	0.889277	-0.376095	0.7085
LN_MRH	0.178709	0.141824	1.260074	0.2139
LN_MDR	0.049005	0.129459	0.378539	0.7067
LN_MS_Y	0.144929	0.109901	1.318716	0.1937
Z	-13.44249	13.28150	-1.012122	0.3167
XMRH_Z	5.907427	3.159535	1.869714	0.0678
XMDR_Z	-2.855699	4.216697	-0.677236	0.5016
XMSY_Z	-0.610527	4.420567	-0.138111	0.8907
R-squared	0.134386	Mean dependent var	0.967756	
Adjusted R-squared	0.005465	SD dependent var	1.576882	
SE of regression	1.572567	Sum squared resid	116.2295	
F-statistic	1.042391	Durbin-Watson stat	0.989625	
Prob(F-statistic)	0.415077			

Data Source Processed by Researchers, 2024

Based on table 2.2 above, the Moderated Regression Analysis MRA equation in this research can be arranged as follows:

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$$PBV = -0.334452 + 0.178709 \text{ LN MRH} + 0.049005 \text{ LN MDR} + 0.144929 \text{ LN MSY} - 13.44249 * Z + 5.907427 \text{ LN MRH} * Z - 2.855699 \text{ LN MDR} * Z - 0.610527 \text{ LN MSY} * Z + \text{eit} \dots\dots\dots$$

Based on the equation above, it can be seen that the constant value in this study is -0.334452. This shows that the values of LN MRH, LN MDR, LN MSY, Z, LN MRH *Z, LN MDR *Z and LN MSY *Z are 0, so the company value will decrease with a value of -0.3344. Meanwhile, murabahah (LN MRH) has a positive relationship with company value (PBV) with a regression coefficient value of 0.178709. This value shows that if the murabahah (LN MRH) is added by 1% it will increase the company value (PBV) by a value of 0.1787.

Discussion

Partial testing

The Effect of Murabahah on Company Value (PBV)

From Table 4.9 Panel Data Regression Estimates with Random Effect Model, it can be seen that murabahah (LN MRH) has a t-count value of 0.722190 with a probability value of 0.4735. The probability value is classified as not statistically significant at 10%. So researchers can draw the conclusion that the murabahah variable (LN MRH) has a positive and insignificant effect on company value (PBV) on sharia banking in Indonesia for the 2018-2022 period. In other words, H1 in this study is rejected. The results of this research are in line with research conducted by (Sari and Anshori, 2017), (Jaurino and Renny Wulandari, 2017) (Slamet Raharjo, 2019) which suggests that profitability is influenced by murabahah positively and significantly

The Effect of Mudharabah on Company Value (PBV)

From Table 4.9 Panel Data Regression Estimates with Random Effect Model, it can be seen that Mudharabah (LN MDR) has a tcount value of 0.267880 with a probability value of 0.7899. The probability value is classified as not statistically significant at 10% so that researchers can draw the conclusion that the variable Mudharabah (LN MDR) positive and insignificant effect on company value (PBV) on sharia banking in Indonesia for the 2018-2022 period. In other words, H2 in this study is rejected. In Yan's research (Ahmad Nawawi, 2018), (Slamet Raharjo, 2019) (Andi Sultan, 2021), which is in line with the findings which state that mudharabah financing has an effect on company value through the profitability of Islamic commercial banks in Indonesia.

The Influence of Musyarakah on Company Value (PBV)

Judging from Table 4.9 Panel Data Regression Estimates with Random Effect Model, it can be seen that Musharakah (LN MSY) has a tcount value of 1.253673 with a probability value of 0.2158. The probability value is classified as not statistically significant at 10% so that researchers can draw conclusions that the variable Musharakah (LN MSY) positive and insignificant effect on company value (PBV) on sharia banking in Indonesia for the 2019-2022 period. In other words, H3 in this study is rejected. The results of this research are in line with research conducted by Anjani (2016), Pratama, Martika and Rahmawati (2017), (Andi sultan, 2021) who said that the level of profitability is influenced by financing deliberation.

MRA testing

Analysis of the Moderating Effect of Profitability with Murabahah on Company Value (PBV)

From table 4.10 MRA Regression Estimates with Random Effect Model It can be seen that the interaction between murabahah (LN MRH) and profitability with a t value of 1.869714 with a probability value of 0.0678. This probability value is not statistically significant at the 10% level. It can be concluded that profitability (ROA) is unable to moderate the influence of murabahah (LN MRH) on company value (PBV) in Islamic banking in Indonesia for the 2018-2022 period. Thus, H4 in this study is rejected. From table 4.10 MRA Regression Estimates with Random Effect Model it can be seen that the interaction between Mudharabah (LN MDR) and profitability with a t value of (-0.677236) with a probability value of 0.5016. This probability value is not statistically significant at the 10% level. It can be concluded that profitability (ROA) is unable to moderate the influence of

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Mudharabah (LN MDR) on company value (PBV) in Islamic banking in Indonesia for the 2018-2022 period. This means that H5 in this study is rejected.

Analysis of the Effect of Profitability Moderation with Musyarakah on Company Value (PBV)

From table 4.10 MRA Regression Estimates with Random Effect Model (REM) it can be seen that the interaction between Musyarakah (LN MSY) on profitability with a t value of (-0.138111)with a probability value of 0.8907. This probability value is not statistically significant at the 10% level. It can be concluded that profitability (ROA) is unable to moderate the influence of Musyarakah (LN MSY) on company value (PBV) in Islamic banking in Indonesia for the 2018-2022 period. This means that H6 in this study is rejected.

Conclusion

1. *Murabahah (LN MRH)* has a positive and insignificant effect on firm value (PBV) on sharia banking in Indonesia for the 2019-2022 period. This indicates that *Murabahah (LN MRH)* high, it will increase company value (PBV). This means that even though it does not have a significant effect, the increase or increase in *Murabahah* activity can result in an increase in company value in Islamic banking in Indonesia. One of the reasons why *Murabahah* does not affect company value is that the behavior of investors in sharia banks tends not to carry out active trading in the capital market which is characterized by a relatively low frequency of buying and selling shares. It is possible that they sell shares when they need cash, not speculation, because speculating in sharia trading contains elements of *gharar*.
2. *Mudharabah (LN MDR)* has a positive effect on company value (PBV) and is not significant on company value on sharia banking in Indonesia for the 2018-2022 period. This indicates that *Mudharabah (LN MDR)* high, it will increase company value (PBV). This means that an increase in *mudharabah* participation levels can increase funding sources for Islamic banks, as well as expand their investment base and portfolio. One of the reasons *mudharabah* is unable to influence company value is that in *mudharabah* practice, profits are not guaranteed and depend on business performance.
3. *Musyarakah (LN MSY)* has a positive effect on company value and is not significant on company value (PBV) on sharia banking in Indonesia for the 2018-2022 period. This indicates that *Musyarakah (LN MSY)* If there is an increase, it will increase the company value (PBV), although the increase may not be significant, it means that the presence of *musyarakah* tends to make a positive contribution to increasing company value. This is because with *musyarakah*, the company can obtain additional capital from several partners.
4. The interaction between *Murabahah (LN MRH)* and profitability can be concluded that moderation (profitability) is not able to moderate (LN MRH) the company value (PBV) in Islamic banking in Indonesia for the 2018-2022 period. This means that profitability is not able to moderate the relationship to company value.
5. The interaction between *mudharabah (LN MDR)* and profitability can be concluded that the profitability variable is unable to moderate the effect of *mudharabah (LN MDR)* on firm value (PBV) in sharia banking in Indonesia for the 2018-2022 period. This means that profitability is not able to strengthen or weaken the relationship to company value.
6. The interaction between *musyarakah (LN MSY)* and profitability can be concluded that the profitability variable is unable to moderate the influence of *musyarakah (LN MSY)* on firm value (PBV) in sharia banking in Indonesia for the 2018-2022 period. This means that profitability moderates (strengthens and weakens) the relationship to company value.

Suggestion

1. For companies, managers must pay attention before carrying out *Murabahah*, *mudharabah* and *Musyarakah* with other sharia companies because the results of this research are that *Murabahah*, *mudharabah* and *Musyarakah* affect the value of the company positively, which means that if

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financing continues to increase, it will increase the value of the company and the profitability obtained by large companies. This is very influential for company managers to make considerations by analyzing sharia companies before collaborating or investing capital.

2. It is recommended for future researchers to be able to identify other variables or other proxies that can strengthen or weaken (moderate) the influence of sharia financing in sharia banking on company value.
3. It is hoped that future research will expand the sample and use other sectors to analyze company value and use the Y Tobin's Q and PER variables.

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