FINANCIAL ANALYSIS WITH LIQUIDITY AND PROFITABILITY RATIOS OF PERTAMINA AND CHINA PETROLEUM CORPORATION FROM 2013 TO 2018

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ABSTRACK

The purpose of this study is to measure, find out, and compare the financial performance of Pertamina and China Petroleum Corporation (CPC) companies in Taiwan, as measured by liquidity ratios (Current ratios, quick ratios, and cah ratios) and profitability ratios (Net profit margin, return on assets, return on equity, and gross profit margin ratio) using financial statement data from the two companies starting in 2013 to 2018. With the financial statement data analyzed using descriptive methods and trend analysis, the results of the analysis of the two companies show that Pertamina is more superior to Taiwan's CPC. Suggestions for further research are, it is hoped that researchers can increase the scope of company research with other countries, as well as increase financial ratio research to measure and assess the company's financial performance so that it is more detailed to obtain information.

Keywords: Liquidity ratios, profitability ratios, company comparisons.

LEGITIMATION

I hereby declare that I have checked this project, and I assume this project is adequate in term of scope and quality in Cheng shiu University.

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CHAPTER 1

INTRODUCTION

1.1 Reseach Background

The role of the oil and gas industry as a supplier of energy needs for a country and as a source of income for the country. In Indonesia the oil and gas industry is a mainstay of the government's economic economy, in addition to supplying the energy needs of the oil and gas and natural gas industry, it is also a contributor to foreign exchange for the country.

Company is one form of an organization, which has the aim to get the maximum profit from the business activities carried out. Causing competition among business people to be more competitive to be more effective and efficient in carrying out business activities, so that the profits generated do not decrease and increase so that companies can increasingly compete with each other.

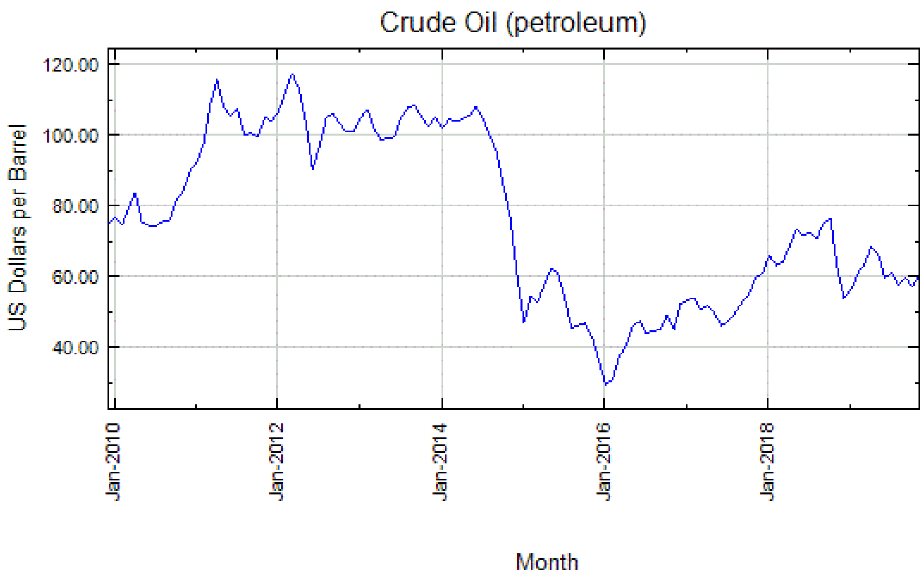
Measurement of the level of company performance is needed to see the progress or shortcomings of the business processes that have been run by the company, and to make a policy decision for the company for the benefit of the company's progress and whatever steps the company must take in the future.

Quoted from Pertamina News, Pertamina and China Petroleum Corporation (CPC), Taiwan signed a Framework Agreement on the development of the Petrochemical complex project worth US $ 6.49 billion. This investment value is the biggest investment in the BUMN Investment Program for the Country which was signed at the Indonesian Investment Forum (IIF) in Bali, Thursday 11 October 2018. The signing was carried out by Pertamina's Managing Director Nicke Widyawati and Taiwan CPC Chair, Mr. Chein Tai, witnessed by the Minister of Economic Coordinator Darmin Nasution and BUMN Minister Rini M Soemarno.

China Petroleum Corporation (CPC) Taiwan is a state-owned Oil and Gas Industry originating from the Republic of China (Taiwan). China Petroleum Corporation (CPC) only has very limited energy resources and is dependent on imports for almost all of its fossil fuel needs, so to meet Taiwan's domestic needs of China Petroleum Corporation (CPC), it must be imported. In the last five years the world oil price has been going up and down very significantly, and has an effect on the amount of the cost of goods sold.

World oil prices experienced ups and downs, in 2013 the price of crude oil surged to the highest position in several years in September. In October the world crude oil price reached US $ 108.76 / barrel, the increase was the highest price since in the six-year decade of calculation from 2013 to 2019. In early 2015 the world price of crude oil began to decline at a price of US $ 47, 11 / barrel, this is due to the abundant supply in the World market. At the beginning of 2019 the world price of crude oil was at a price point of US $ 56.58 / barrel and at the end of 2019 it was at a price of US $ 60.40 / barrel.

Figure 1.1 The price of crude oil in the world in ten years years



source: www.sahamok.com

With the rise and fall of world crude oil prices, of course it is very influential for the Oil and Gas Industry which depends on imports. For Pertamina has an impact on the company's profit decline. That is caused by the ups and downs of world oil prices, seeing from the large Indonesian community so that to meet domestic needs the government must import oil.

From two companies that are equally dependent on oil imports to meet domestic needs, and there is cooperation between Pertamina and CPC Corporation of Taiwan for the Petrochemical project which has the greatest value in the program of state-owned enterprises. How is the ability of both companies to meet their short-term obligations and how efficiently the company uses its assets to generate profits. The measurement is used to analyze the performance of companies that are collaborating with the largest project value of the state-owned enterprise investment program for the country.

Based on the information above, this study aims to compare the financial performance of Pertamina and China Petroleum Corporation. Financial performance was assessed with rstio analysis on liquidity and profitability ratio. This research analyse ratios from 2013 to 2018.

1.2 Research Questions

1. From the perspective of liquidity and profitability ratio, how is Pertamina performing financially?
2. From the perspective of liquidity and profitability ratio, how is China Petroleum Corporation (CPC) Taiwan performing financially?
3. Are Pertamina and CPC different in financial performance regarding liquidity and profitability ratio?

1.3 Research Objectives

1. To measure and know the company's financial performance measured, by the ratio of liquidity and profitability at the company Pertamina.
2. To measure and know the company's financial performance measured, by ratio of liquidity and profitability at the company China Petroleum Corporation (CPC) Taiwan.
3. To see the comparison of financial performance in the company Pertamina and China Petroleum Corporation (CPC) Taiwan.

CHAPTER II

LITERATURE REVIEW

2.1 Background of Pertamina

Pertamina is a national energy company, 100% owned by the Government of Indonesia with the Minister of State-Owned Enterprise (SOE) as the Shareholder Proxy. As a State-Owned Enterprise, the Board of Commissioners and Board of Directors are elected directly by the Government.

The Milestones of Pertamina has started in the 1950s, the Government of the Republic of Indonesia appointed the Army, which later established PT Eksploitasi Tambang Minyak Sumatera Utara to manage oil fields in the Sumatra region. On 10th December 1957, the Company then changed its name to PT Perusahaan Minyak Nasional . In 1960, PT Permina changed its status to a State Enterprise (PN) Permina. Later, PN Permina joined PN Pertamin to become PN State Oil and Natural Gas Mining Company on 20th August 1968.

The government regulated the role of Pertamina through Law No.8 of 1971. Furthermore, through Law No.22 of 2001. Based on Government Regulation No.31 of 2003 dated 18th June 2003, the State Oil and Natural Gas Mining Company changed its name to PT Pertamina (Persero) which engaged in oil and gas business activities from the Upstream Sector to the Downstream Sector.

2.2 Background of China Petroleum Corporation (CPC) Taiwan.

CPC Corporation Taiwan is still stete-owned, and reamin influential when deciding oil retail price in Taiwan. CPC receives susbidies form the government. Because wage of its emplayees is above the average wage of people in Taiwan, therefore CPC is bearing a burden on emplyee salary when it comes to the financial situation of the company.

CPC was founded on 1 June 1946 in Shanghai as Chinese Petroleum Corporation by the government of the Republic of China (ROC, then on Mainland China). With the Kuomintang's retreat to Taiwan after the Chinese Civil War, CPC was transferred from the Council of Resources to the Ministry of Economic Affairs. The company merged all relevant facilities and companies (Japanese 6th Naval Fuel Depot, Teikoku Oil, Nippon Oil, etc.) in Taiwan. Its main businesses include surveying, extracting, refining, transporting, and selling petroleum. It also produces various chemicals and has retail outlets all over Taiwan. CPC's fixing of petrol prices helped Taiwan through the 1970s Energy Crisis.

Taiwan's petroleum industry was a CPC monopoly prior to June 1996. However, deregulation allowed the establishment of privately owned and operated petroleum refinery enterprises, leading to Formosa Plastics Group's launch of Formosa Petrochemical Corporation. In February 2007, the company's board approved name change to "CPC Corporation Taiwan". This was to avoid confusion with PetroChina, the China state-run corporation and was part of government efforts to desinicize Taiwanese entities which have "China" their names. However, the Kuomintang political party argued that the name change is not valid because no legislation was passed in the legislature to support it. KMT believes that the approval of the Legislative Yuan is required before a state-owned company can change its name.

2.3 Financial Performance and Financial Ratios.

Financial performance is the achievement by the company at a certain time by using calculations based on ratio analysis based on financial statements. Performance measurement is considered very important because it aims to assess the effectiveness and efficiency of the company.

According to Jumingan (2009). "Financial performance is a picture of the financial condition in a certain period both regarding aspects of fund raising and fund distribution which are usually measured by indicators of capital adequacy, liquidity, and profitability.

According to Santoro in ismail Nawawi (2013). "That financial performance is a tangible result achieved by a business entity in a certain period that can reflect the level of financial health of a particular business entity and is used to show the achievement of positive results".

Based on the description, financial performance is a picture of the company's achievements in its operational activities both in terms of financial aspects, technological aspects and in the aspects of human resources.

2.3.1 The Purpose of Evaluating Financial Performance

According to Munawir (2004), the purpose of evaluating the company's financial performance is:

1. To find out the level of liquidity, namely the ability of a company to meet financial needs that must be resolved, or the ability of companies to meet financial requirements.
2. To find out the level of solvency, which is the company's ability to meet the requirements of the company's profitability, both short and long-term financial requirements.
3. Knowing the level of profits of a company generate profits in a certain period.
4. know the company's ability to run its business in a stable manner measured by considering the company's ability to pay its debts and pay interest costs on debt on time.

2.3.2 The Benefits, Strengths and Weaknesses of Financial Performance

According to Mulyadi (2004) the benefits of financial performance are:

1. Process organizational operations effectively and efficiently through maximum employee motivation
2. Assist decision-making concerned with employees.
3. Identify employee training and development needs and to provide selection and evaluation criteria for employee training programs.

According to Sofyan Syafri Harahap (2008), financial performance aims as a decision-making tool for parties who use financial statements. The excess of financial performance is as follows:

1. The results of financial performance can open the veil of accounting process errors such as recording errors, accounting errors, number errors, forecast errors, posting errors, and journal errors.
2. Other intentional errors such as not recording, recording unnatural prices, eliminating data income smoothing and others.

According to Muslich (2003), ratio analysis is a useful analysis tool when compared with standard ratios. There are two types of standard ratios that are commonly used. The first is the same ratio from past year's financial statements. The second is the ratio of other companies that have the same characteristics as the analyzed company.

According to Kasmir (2012), financial ratios are activities that compare numbers in the financial statements by dividing one number with another number. Comparisons can be made between one component with other components in one financial statement or between components that exist between financial statements. Then the numbers being compared can be numbers in one period or several periods.

2.4 Liquidity Ratio

According to Sofyan Syafri Harahap (2016), liquidity ratio is a ratio that measures a company's short-term liquidity capability by looking at a company's current assets relative to its current debt. The meaning of this liquidity ratio is to measure the ability of the company, to meet obligations or debt that must be paid immediately with current assets. So the liquidity ratio is important to study, so that it can see whether the company under investigation is able to meet short-term obligations with the current assets of the company that is now.In liquidity ratios, analysis can be done using the following ratios.

2.4.1 Current Ratio

According to Kasmir (2014), current ratio is a ratio to measure a company's ability to pay off its short-term liabilities with current assets. In other words, the current ratio can be used to measure the company's safety margins. The reason why you should choose this ratio if the company cannot pay its short-term obligations, then the company will not be able to pay its obligations in the future.

The meaning is by examining the current ratio we can find out whether the company to be investigated really has a good ability to meet its short-term obligations, so that the company can continue to run and can fulfill its obligations in the future. The formula for calculating the company's current ratio is as follows:

$$\text{Current Ratio} = \frac{\text{Current asset}}{\text{Current liabilities}}$$

2.4.2 Quick Ratio

According to Herispon (2004), quick ratio and current ratio is almost the same as the current ratio, the difference lies in the reduction of one component, namely, where total assets / current assets are reduced by inventory. In this ratio to measure short-term liabilities using the most liquid assets or assets that are closest to cash (fast assets).

Included as quick assets are current assets or current assets that can be quickly converted into cash and close to the book value. so by calculating using this formula, we can find out how much liquid assets the company has to meet short-term obligations. so they can see whether the company is able to meet its short-term obligations with liquid assets owned by the company to be studied.Quick ratios can be calculated as follows:

$$\text{Quick Ratio} = \frac{(\text{Current assets} - \text{Inventory})}{\text{Current liabilities}}$$

2.4.3 Cash Ratio

According to Jumingan (2005), cash ratio is used to measure a company's ability through cash and cash equivalents, to fulfill obligations that must be paid immediately through cash assets owned by the company.

This cash ratio is the most stringent liquidity ratio. This is because the cash ratio is only about assets or faster, shorter, faster, more liquid and easier to use to pay off, smoothly. So by examining this ratio, we can find out whether the company will ask for a temporary approval in short with cash and cash equivalents that are the most easily used by companies in paying off finances well or not. Cash ratios can be calculated as follows:

$$\text{Cash Ratio} = \frac{(\text{Cash and Bank})}{\text{Current liabilities}}$$

2.5 Profitability Ratio

According to Sofyan Syafri Harahap (2008), the profitability ratio illustrates the ability of a company to make a profit through all capabilities, and existing sources such as sales,cash, capital.

According to Hanafi and Halim (2016), this ratio measures a company's ability to generate profits at a certain level of sales, assets, and share capital.

The meaning of examining profitability ratios, is that researchers can see or measure the ability of the company to be detailed. how efficiently the company uses the company's assets and equity to make a profit.

2.5.1 Net Profit Margin

According to Kasmir (2008), net profit margin is one of the ratios used to measure the profit margin on sales. This means that the net profit margin is used to measure how efficiently the management manages the company and also estimates future profitability based on the sales forecast made by the management. By comparing net income with total sales, investors can see what percentage of income is used to pay operating costs and non-operating costs as well as what percentage is left that can pay dividends to shareholders or reinvest in the company. Net Profit Margin ratio can be calculated as follows:

$$\text{Net Profit Margin} = \frac{(\text{Net income after tax})}{\text{Total revenue}}$$

2.5.2 ROA (Return on Assets)

According to Lukas (2008), ROA (Return on Assets) describes the asset turnover measured by sales volume. The greater this ratio the better. This means that assets can spin faster and make a profit. means Return on Assets (ROA) is a ratio that measures how efficient a company is in getting profits from the company in relation to overall resources or the average amount of assets. to generate profits for a period. Return of Assets ratio can be calculated as follows:

$$\text{Return On Assets} = \frac{(\text{Net income after tax})}{\text{Total assets}}$$

2.5.3 ROE (Return On Equity)

According to Syamsuddin (2002), ROE (Return On Equity) is a measurement of income available to owners. Companies (both ordinary shareholders and preferred shareholders) for the capital they invest in the company. The meaning that by calculating using the ROE formula, then we will get information or data. How the company's ability to generate a lot of profits that can be generated by the company from every one dollar invested by shareholders. Return of equity ratio can be calculated as follows:

$$\text{Return On Equity} = \frac{\text{(Net income after tax)}}{\text{Total equity}}$$

2.5.4 Gross Profit Margin

According to Sawir, (2009). Gross profit margin is a ratio that measures the efficiency of controlling cost of goods or production costs, indicating the company's ability to produce efficiently. The meaning that by calculating using the Gross Profit Margin ratio, then we will obtain related information. how efficiently the company uses its materials and labor to, produce and sell its products to make a profit.

This Gross Profit Margin is an important indicator because it can provide information to Management and Investors about how profitable business activities are carried out by a company without calculating indirect costs. This Gross Profit Margin can also provide investors with insights into the company's actual level of health. Gross Profit Margin ratio can be calculated as follows:

$$\text{Gross Profit Margin} = \frac{\text{Gross profit}}{\text{Total revenue}}$$

CHAPTER III

RESEARCH METHOD

3.1 Data Source

The data set is secondary data, acquired from Indonesia Stock Exchange (IDX) and Taiwan Stock Exchange (TWSE). Based on financial statements of state-owned oil and gas business industry listed on IDX and TWSE. Pertamina and China Petroleum Corporation (CPC) in 2013 to 2018

3.2 Data Collection Method

Data collection method in this research is documentary technique. By tracing company annual reports and data related to research variables.

3.3 Population and Sample

3.3.1 Population

According to Sugiyono's research (2011), population is a general area consisting of objects / subjects that have certain quantities and characteristics that are determined by researchers to be studied. The population in this study is a company engaged in the state-owned oil and gas industry**,** namely Indonesia-owned Pertamina, and Taiwan-owned CPC.

3.3.2 Sample

Samples are part of the population used for research objects. The sample in this study is the company's financial statements and annual reports, which are engaged in the state-owned oil and gas industry, namely Indonesia-owned Pertamina, and Taiwan-owned CPC.

3.4 Operational Definition of Variable

3.4.1 Dependent Variables

According to Hatch & Farhady (1982), dependent Variables is the variable which is selected, manipulated and measured by the researcher . Dependent variable in this research is measure the performance of state-owned industrial companies that move in the oil and gas sector. In this research, the Indonesian owned company Pertamina and the Chinese Petroleum Corporation (CPC) are owned by Taiwan. By analyzing the financial statements of the two companies, from 2013-2018.

3.4.2 Independent Variables

According to Hatch & Farhady (1982), described that independent variables is the variable that may affected the dependent variable determined by a researcher.The independent variables in this study are financial ratio analysis, Liquidity ratio and profitability ratio from Indonesian owned companies Pertamina, and Chinese Petroleum Corporation (CPC) owned by Taiwan.

3.4.3 Analysis Method

Analyzing data using descriptive methods (describing problems) and trend analysis. Descriptive method is an assessment based on existing facts and then connect it with related theories and try to conclude it, as a solution to the problems faced by the company. Trend analysis is comparing the company's financial ratios from time to time..

CHAPTER IV

RESULT

4.1 Research Data

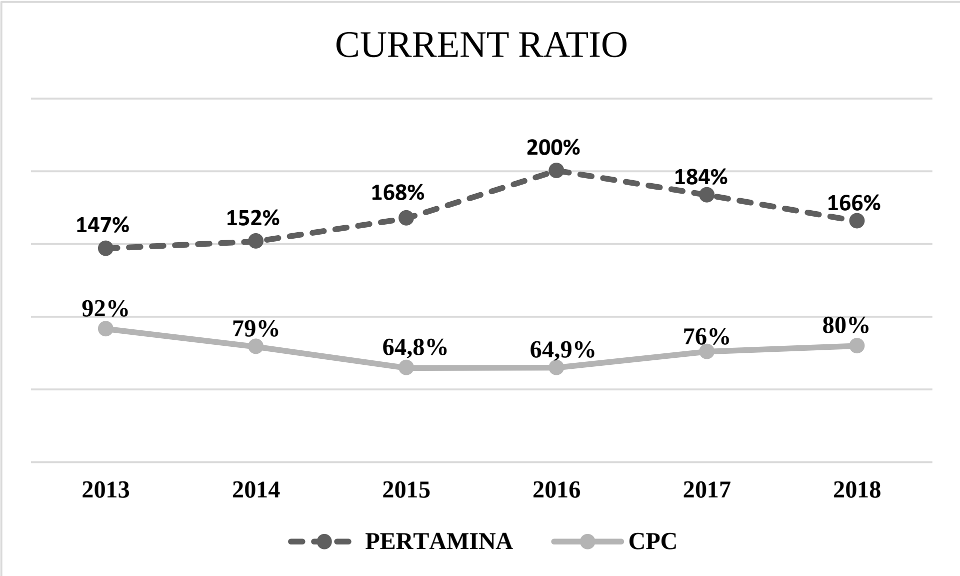
In this study, using secondary data. According to Sekaran in (2003) secondary data is information collected by non-researchers, such as company publications and the web. Secondary data used in this study are annual reports of the state-owned oil industry on the Indonesia Stock Exchange and the Taiwan Stock Exchange from 2013 to 2018.

4.2 Liquidity Ratio

4.2.1 Current Ratio

As explained in the riter litteratur chapter, the Current Ratio is a ratio to measure the company's ability to pay short-term liabilities or debt that are due immediately when billed as a whole. In calculating the current ratio, the financial statements of Pertamina and CPC from 20013 to 20018 are used.

Figure 4.2 Current Ratio of Pertamina and of CPC



	PT PERTAMINA		CPC	
YEAR	CURRENT ASSETS	CURRENT LIABILITIES	CURRENT ASSETS	CURRENT LIABILITIES
2013	USD 24.146.361	USD 16.445.834	TWD 310.891.572	TWD 339.692.379
2014	USD 20.377.755	USD 13.422.078	TWD 258.385.923	TWD 325.561.270
2015	USD 14.329.659	USD 8.546.589	TWD 160.989.013	TWD 248.410.858
2016	USD 16.240.987	USD 8.107.156	TWD 161.478.502	TWD 248.705.643
2017	USD 17.286.806	USD 9.416.989	TWD 179.461.844	TWD 236.341.481
2018	USD 23.154.204	USD 13.972.882	TWD 209.865.686	TWD 262.700.043

Table 4.1 Current Ratio of Pertamina and of CPC

For Pertamina from the calculation results of the analysis of Pertamina's financial statements, the ratio of Pertamina produced 147% in 2013. From the results obtained by Pertamina, showed a value of more than one to one. This means that the results of this calculation show good results, that the company Pertamina can meet its short-term obligations by properly using current assets owned by the company.

In 2014 the calculation reached 152%, this year it increased but not much. Meaning that the company's ability is able to meet its short-term obligations well. This increase was due to the company's current liabilities also decreased, from USD 16,445,834 in 2013 to USD 13,422,078.

In 2015 the calculation reached 168%, this year it increased again. This calculation is good, because the results exceed one to one. meaning the company can fulfill its short-term obligations. This increase was due to the company's current liabilities also decreasing from USD 13,422,078 to USD 8,546,589. Although the company's current assets decreased from USD 20,377,755 to USD14,329,659.

In 2016 the calculation reached 200%, this year it increased again. the company is able to fulfill its short-term obligations well. This increase was due to the company's current assets increased from USD 14,329,659 to USD 16,240,987, and the company's current liabilities again declined from USD 8,546,589 to USD 8,107,156.

In 2017 the calculation got 184% results, this year decreased from the previous year. This decrease was due to an increase in the company's current liabilities from USD8,107,156 in 2016, to USD9,416,989. although this year the company's current assets also increased from USD 16,240,987 in 2016, to USD 17,286,806. despite the decline, the company is still able to meet its current liabilities well by using the company's current assets.

In 2018 the calculation got 166%, this year again declined from the previous year. This decrease was due to an increase in the company's current liabilities by USD 13,972,882 in 2018, previously the company's current liabilities in 2017 amounted to USD 9,416,989. And the company's current assets also increased by USD 23,154,204 in 2018, from 2017 amounting to USD17,286,806. So the company can still fulfill its short-term obligations well.

For CPC from the calculation results of CPC sfinancial statements, the 2013 CPC Corporation ratio was 92% in 2013. From the results obtained by CPC, it shows a value of less than one to one. The results of this calculation show the results are not good, the company CPC short-term liabilities are greater than current assets owned by the company.

In 2014 the calculation reached 79%, this year has decreased. this means that the company's ability is further away to fulfill its short-term obligations well. This decrease was caused by the company's current assets decreased from TWD 310,891,572 in 2013, to TWD 258,385,923 in 2014. And the company's current liabilities also only slightly decreased from TWD 339,692,379 in 2013, to TWD 325,561,270 in the year 2014.

In 2015 the calculation reached 64,8%, this year the results again showed that the company could not fulfill its short-term obligations properly. This decrease was caused by the company's current assets decreased again from TWD 258,385,923 in 2014 TWD 160,989,013 in 2015. And the company's current liabilities also only slightly decreased from TWD 325,561,270 in the previous year, to TWD 248,410,858 2015.

In 2016, the calculation is still 64,9%, this year has not changed from the previous year. the results show that the company has not been able to fulfill its short-term obligations properly. This decrease was caused by the company's current assets which only increased slightly from the previous year at TWD 160,989,013 in 2015, to TWD 161,478,502 in 2016. And the company's current liabilities also have no changes that can change the company's current ratio number from the previous year, in the previous year current liabilities of TWD 248,410,858 became TWD 248,705,643 in 2016.

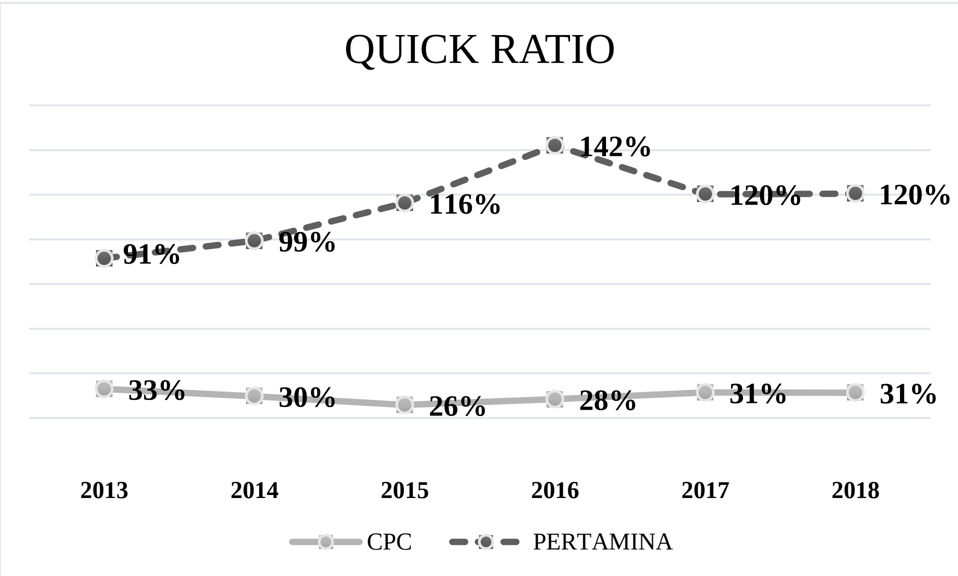
In 2017 it got 76% results, an increase from the previous year. but it still shows that the company has not been able to fully meet the short-term obligations of current assets owned by the company. Changes in the calculation results are due to an increase in the company's current assets from TWD 161,478,502 in the previous year, to TWD 179,461,844 in 2017. And the decrease in the company's current liabilities from TWD 248,705,643 in the previous year, to TWD 236,341,481 in 2017. Although not much has increased, at least the figures produced this year have not declined again, from the previous year.

In 2018, the results will reach 80%, this year's results have increased again from the previous year. although it has improved but the company is still unable to fully fulfill its short-term obligations well. Caused by the company's current liabilities of TWD 262,700,043 which is still greater than the company's current assets of TWD 209,865,686.

4.2.2 Quick Ratio.

As explained in the literature chapter, Quick Ratio is calculated by subtracting inventory from current assets and the remainder divided by current liabilities. Inventories are deducted from the calculation of current assets because inventories are basically current assets that are difficult to convert with cash in a short period of time and there will usually also be a loss if liquidation occurs. In calculating the current ratio, the financial statements of Pertamina and CPC from 20013 to 20018 are used.

Figure 4.3 Quick Ratio of Pertamina and of CPC



YEAR	PT PERTAMINA			CPC		
	CURRENT ASSETS	INVENTORY	CURRENT LIABILITIES	CURRENT ASSETS	INVENTORY	CURRENT LIABILITIES

2013	USD 24.146.361	USD 9.104.487	USD 16.445.834	TWD 310.891.572	TWD 199.089.461	TWD 339.692.379
2014	USD 20.377.755	USD 7.044.630	USD 13.422.078	TWD 258.385.923	TWD 161.541.592	TWD 325.561.270
2015	USD 14.329.659	USD 4.395.068	USD 8.546.589	TWD 160.989.013	TWD 97.038.574	TWD 248.410.858
2016	USD 16.240.987	USD 4.727.594	USD 8.107.156	TWD 161.478.502	TWD 91.025.262	TWD 248.705.643
2017	USD 17.286.806	USD 5.967.627	USD 9.416.989	TWD 179.461.844	TWD 105.356.603	TWD 236.341.481
2018	USD 23.154.204	USD 6.323.165	USD 13.972.882	TWD 209.865.686	TWD 127.704.194	TWD 262.700.043

Table 4.2 Quick Ratio of Pertamina and of CPC

For Pertamina from the calculation results of Pertamina's financial statement analysis, the results of Pertamina's Quick Ratio was 91% in 2013. The results obtained by Pertamina showed a value of less than 100%. This means that the calculation results show unfavorable results, because it shows that the company is good if the results are one in one between current debt and current assets less inventory owned by the company.

In 2014 the calculation reached 99%, this year it has increased. That means the company's ability to meet its short-term obligations is increasing. This increase was caused by a decrease in the company's current liabilities decreased, from USD 16,445,834 in 2013 to USD 13,422,078.

In 2015 the calculation reached 116%, this year increased from the previous year. This calculation shows good results, because it is above the value of 100%. meaning the company can fulfill its short-term obligations. This increase was due to the company's current liabilities decreased from USD 13,422,078 to USD 8,546,589.

Although the company's current assets decreased from USD 20,377,755 to USD 14,329,659. And the diminished value of inventories also decreased from 2014 amounting to USD 9,104,487, to USD 4,395,068 in 2015.

In 2016 the calculation reached 142%, this year it increased again. the company is able to fulfill its short-term obligations well. This increase was due to the company's current assets increased from USD 14,329,659 to USD 16,240,987, while the company's current liabilities again dropped from USD 8,546,589 to USD 8,107,156. And the inventory has increased but the value is not much, which is USD 4,395,068 in 2015, and USD 4,727,594 in 2016.

In 2017 the calculation got 120%, this year it decreased from the previous year. This decrease was due to an increase in the company's current liabilities from USD8,107,156 in 2016, to USD 9,416,989 in 2017. Although this year the company's current assets also increased from USD 16,240,987 in 2016 to USD 17,286,806 but the increase was not much. so the company has decreased this year. And the inventory increased from 2016 amounting to USD 4,727,594, to USD 5.967.627 in 2017.

In 2018 the calculation got 120%, this year again increased from the previous year. This increase was due to an increase in the company's current liabilities by USD 13,972,882 in 2018, previously the company's current liabilities in 2017 amounted to USD 9,416,989. Although the company's current assets also increased by USD 23,154,204, from 2017 amounting to USD 17,286,806. So the company can still fulfill its short-term obligations well. And the inventory decreased from the previous year of USD 7,044,630 in 2017, to USD 6,323,165 in 2018.

For CPC from the calculation results of CPC financial statement analysis, the current CPC ratio is 33% in 2013. From the results obtained by CPC, it shows a value of less than 100%. This means that the results of this calculation show poor results, that the CPC Corporation company cannot fulfill the short-term liabilities of the current assets minus the inventory owned by the company.

In 2014 the calculation was 30%, this year has decreased. this means that the company's ability is further away to fulfill its short-term obligations well. This decrease was caused by the company's current assets decreased from TWD 310,891,572 in 2013, to TWD 258,385,923 in 2014. The company's current liabilities also only slightly decreased from TWD 339,692,379 in 2013, to TWD 325,561,270 in 2014. And the inventory decreased by TWD 199,089,461 in 2013, and by TWD 161,541,592 in 2014, this decrease was not too large so it could not increase the calculation results at the CPC.

In 2015 the results of the calculation were 26%, this year again declined. Results that show that the company cannot fulfill its short-term obligations properly. This decrease was caused by the company's current assets decreased again from TWD 258,385,923 in 2014 TWD 160,989,013 in 2015. The company's current liabilities also only slightly decreased from TWD 325,561,270 in the previous year, to TWD 248,410,858 2015. And in inventory also decreased by TWD 161,541,592 in 2014, and TWD 97,038,574 in 2015.

In 2016, the calculation rose to 28%, this year has not changed from the previous year. the results show that the company has not been able to fulfill its short-term obligations properly. This decrease was caused by the company's current assets which only increased slightly from the previous year at TWD 160,989,013 in 2015, to TWD 161,478,502 in 2017. And the company's current liabilities also have no changes that can change the company's current ratio figures from the previous year, in the previous year, current liabilities of TWD 248,410,858 became TWD 248,705,643 in 2016. And at the company's inventory value of TWD 97,038,574 in 2015, it decreased to TWD 91,025,262 in 2016.

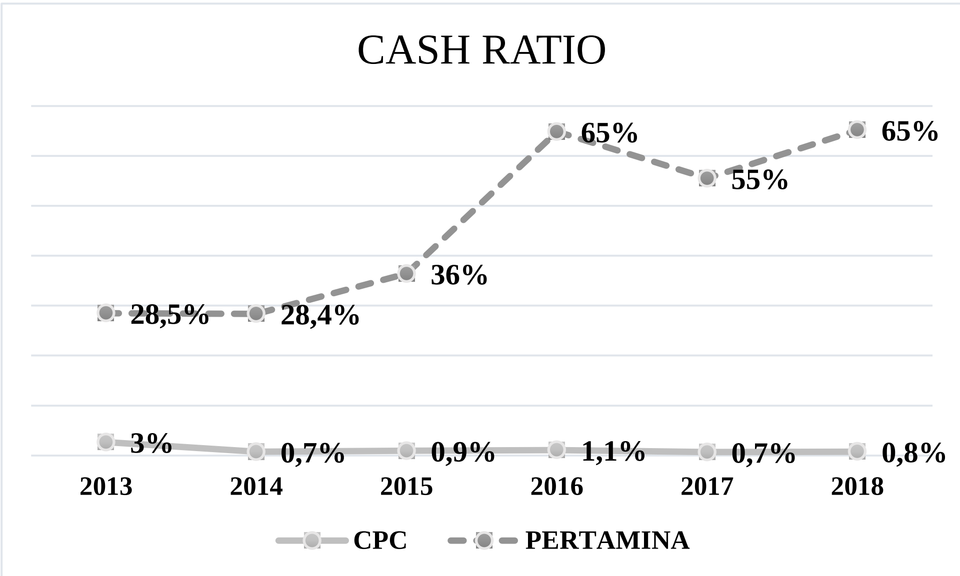
In 2017 it got 31% results, an increase from the previous year. but it still shows that the company has not been able to meet the short-term obligations of current assets owned by the company. Changes in the calculation results are due to an increase in the company's current assets from TWD 161,478,502 in the previous year, to TWD 179,461,844 in 2017. And the decrease in the company's current liabilities from TWD 248,705,643 in the previous year, to TWD 236,341,481 in 2017. And the company's inventory increased by TWD 91,025,262 in 2015, to TWD 105,356,603 in 2017. Although not much has increased, at least the figures produced this year have not declined again, from the previous year.

In 2018, the results will remain at 31%, this year's results have not increased or decreased from the previous year. And the company still cannot fulfill its short-term obligations well. The company's current liabilities increased by TWD 262,700,043 in 2018, from 2017 amounting to TWD 236,341,481. In the company's assets increased by TWD 209,865,686 in 2018, from 2017 amounting to TWD 179,461,844. And the company's inventory has increased from the amount of TWD 105,356,603 in 2017, to TWD 127,704,194 in 2018. If seen that the company's current liabilities which is still greater than the company's current assets so that the calculation results do not increase for the company.

4.2.3 Cash Ratio.

As explained in the literature chapter, the cash cash ratio is used to measure a company's ability through cash and cash equivalents, to meet obligations that must be paid immediately through cash assets owned by the company. In calculating the current ratio, the financial statements of Pertamina and CPC from 20013 to 20018 are used.

Figure 4.3 Cash Ratio of Pertamina and of CPC



	PT PERTAMINA		CPC	
YEAR	CASH AND CASH EQUIVALENTS	CURRENT LIABILITIES	CASH AND CASH EQUIVALENTS	CURRENT LIABILITIES

T	2013	USD 4.686.040	USD 16.445.834	TWD 9.064.218	TWD 339.692.379
	2014	USD 3.809.454	USD 13.422.078	TWD 2.341.177	TWD 325.561.270
a	2015	USD 3.111.066	USD 8.546.589	TWD 2.268.359	TWD 248.410.858
b	2016	USD 5.258.526	USD 8.107.156	TWD 2.664.345	TWD 248.705.643
	2017	USD 5.226.332	USD 9.416.989	TWD 1.561.842	TWD 236.341.481
l	2018	USD 9.112.312	USD 13.972.882	TWD 2.015.092	TWD 262.700.043

e 4.2 Cash Ratio of Pertamina and of CPC

For Pertamina from the calculation results of the analysis of Pertamina's financial statements, the results of Pertamina's cash ratio were 28,5% in 2013. The results obtained by Pertamina showed a value of less than 100%. This means that the calculation results are not good, meaning that the company is only able to cover short-term debt from cash and cash equivalents of the company by 28,5%.

In 2014 the calculation reached 28,4%, this year experiencing the same as the year before. that means the ability of the company is still not able to meet its short-term obligations. This situation was caused by the company's current assets decreased from USD 4,686,040 in 2013 to USD 3,809,454, even this year, the company's current liabilities also decreased, from USD 16,445,834 in 2013 to USD 13,422,078.

In 2015 the calculation reached 36%, this year increased from the previous year. And this calculation is not good, because it is still less than 100%. It means that the company can only fulfill its short-term obligations of 36%, from the cash and cash equivalents owned by the company. This increase was due to the company's current liabilities decreasing from USD 13,422,078 to USD 8,546,589. And the company's cash and cash equivalents also declined from USD 3,809,454 to USD 3,111,066.

In 2016 the calculation reached 65%, this year it increased again. and figures show that the company is only able to pay the company's short-term obligations by only 65%, of its cash and cash equivalents. Has not been able to fulfill its short-term obligations properly. This increase was due to the company's cash and cash equivalents increasing from USD 3,111,066 to USD USD 5,258,526, and the company's current liabilities again decreased from USD 8,546,589 to USD 8,107,156.

In 2017 the calculation got 55%, this year decreased from the previous year. This decrease was due to an increase in the company's current liabilities from USD8,107,156 in 2016, to USD 9,416,989 in 2017. And this year the company's cash and cash equivalents also decreased from USD 5,258,526 in 2016 to USD USD 5,226,332.

In 2018 the calculation gets 65%, this year again increasing from the previous year. This increase was due to an increase in the company's cash and cash equivalents of USD 9,112,312 in 2018, previously the company's cash and cash equivalents in 2017 amounted to USD 5,226,332. Although this year the company's current liabilities also increased from USD 9,416,989 to USD 13,972,882 in 2018.

For CPC from the calculation results of CPC financial statements, the current Taiwan CPC Corporation's cash ratio is 3% in 2013. From the results obtained by CPC it shows a value of less than 100%. this means that the results of this calculation show poor results, that the CPC company cannot fulfill the short-term obligations of cash and cash equivalents held by the company.

In 2014 the calculation was 0,7%, this year has decreased. this means that the company's ability is further away to fulfill its short-term obligations well. This decrease was caused by the company's cash and cash equivalents decreased from TWD 9,064,218 in 2013, to TWD 2,341,177 in 2014. The company's current liabilities also only slightly decreased from TWD 339,692,379 in 2013, to TWD 325,561,270 in 2014.

In 2014 the calculation was 0,9%, this year has not decreased or increased from the previous year. this means that the company's ability is further away to fulfill its short-term obligations well. This decrease was caused by the company's cash and cash equivalents decreased from TWD 9.064.218 in 2013, to TWD 2.341.177 in 2014. The company's current liabilities also only slightly decreased from TWD 339,692,379 in 2013, to TWD 325,561,270 in 2014.

In 2015 the calculation result was 1,1%, this year again there was no increase or decrease. results that show that the company cannot fulfill its short-term obligations properly. This decrease was caused by the company's cash and cash equivalents declining again from TWD 2,341,177 in 2014 TWD 2,268,359 in 2015. The company's current liabilities also only slightly decreased from TWD 325,561,270 in the previous year, to TWD 248,410,858 2015.

In 2016, the calculation is still 0,7%, this year has not changed from the previous year. the results show that the company has not been able to fulfill its short-term obligations properly. This situation was caused by the company's cash and cash equivalents which only increased slightly from the previous year at TWD2,268,359 in 2015, it became TWD 2,664,345 in 2016. And the company's current liabilities also have no changes that can change the company's current ratio figures from the previous year, in the previous year TWD 248,410,858 current liabilities to TWD 248,705,643 in 2016.

In 2017, the calculation is still 0,8%, this year has not changed from the previous year. the results show that the company has not been able to fulfill its short-term obligations properly. This situation was caused by the company's cash and cash equivalents which only slightly increased from the previous year at TWD 2,664,345 in 2016, it became TWD 1,561,842 in 2016. And the company's current liabilities also have no changes that can change the company's current ratio figures from the previous year, the company's current liabilities from TWD 248,705,643 in the previous year, to TWD 236,341,481 in the year 2017.

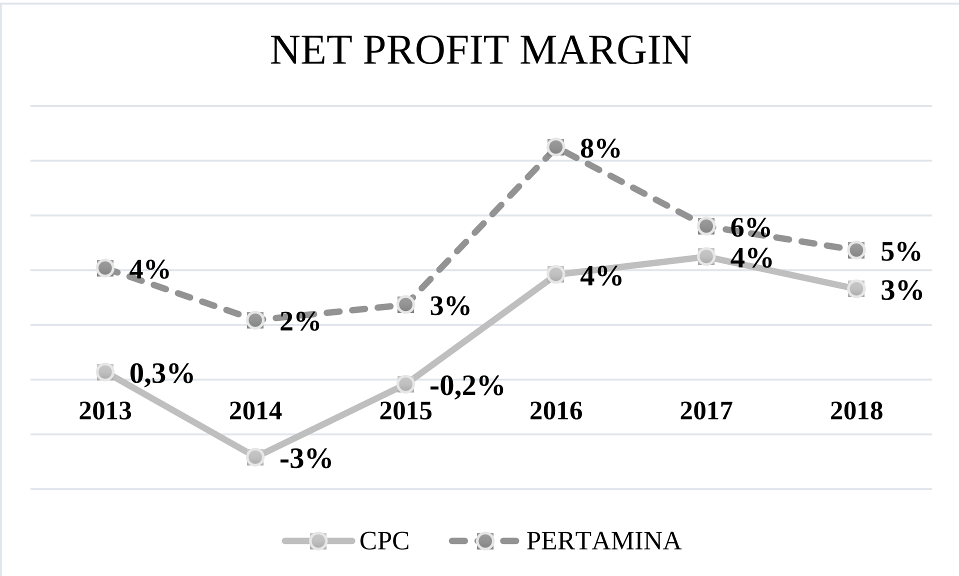
In 2018 the calculation gets 1%, this year again there was no increase or decrease from the previous year. this situation was caused by an increase in the company's current liabilities by TWD 262,700,043 in 2018, previously the company's current liabilities in 2017 amounted to TWD 236,341,481. Although the company's cash and cash equivalents increased by TWD 2,015,092 , from 2017 amounting to TWD 1,561,842.

4.3 Profitability Ratio

4.3.1 Net Profit Margin

As explained in the literature chapter, the ratio of Net Profit Margin is used to measure the percentage of net income of a company to its net sales. This Net Profit Margin shows the proportion of sales remaining after deducting all related costs. In calculating the current ratio, the financial statements of Pertamina and CPC from 2013 to 20018 are used.

Figure 4.5 Net Profit Margin of Pertamina and of CPC



	PT PERTAMINA		CPC	
YEAR	NET PROFIT AFTER TAX	TOTAL REVENUE	NET PROFIT AFTER TAX	TOTAL REVENUE
2013	USD 2.896.463	USD 71.102.102	TWD 3.292.244	TWD 1.187.700.968
2014	USD 1.511.960	USD 70.648.377	TWD (33.754.479)	TWD 1.191.814.302
2015	USD 1.143.629	USD 41.762.680	TWD (1.415.962)	TWD 843.615.422
2016	USD 3.098.778	USD 36.486.744	TWD 29.367.204	TWD 764.629.993

2017	USD 2.407.012	USD 42.959.325	TWD 40.311.563	TWD 896.642.121

Table 4.4 Net Profit Margin Ratio of Pertamina and of CPC

For Pertamina from the calculation results of Pertamina's financial statement analysis, the results of the Pertamina Net Profit Margin ratio were 4% in 2013. The results obtained by Pertamina showed that the net profit generated by the company, only amounted to 4% of the company's net sales.

In 2014 got a yield of 2%, meaning that out of a total of USD 70,648,377 net sales generated, the company was only able to generate 2% of net profit. The decrease from the previous year was due to the company's expense in 2014 which was greater than the previous year.

In 2015 it received a yield of 3%, meaning that out of a total of USD 41,762,680 net sales generated, the company is only able to generate 3% net profit. This year increased from the previous year due to the company's expense in 2015 which was lower than the previous year. And the company's net income has decreased, replaced by government subsidies and export sales of crude oil, natural gas and petroleum products.

In 2016 it got 8% results, meaning that out of a total of USD 36,486,744 net income generated. the company is only able to generate 8% of net profit. This year increased again from the previous year due to the company's cost of goods sold and other direct sales expenses in 2016 which was lower than the previous year. So that when gross profit is reduced by expenses, it generates higher profits than the previous year.

In 2017 it got 6% results, meaning from the total of USD 42,959,325 net income generated. the company is only able to generate 6% net profit. This year decreased from the previous year due to the company's cost of goods sold and other direct sales expenses in 2017, which was higher than the previous year. So when gross profit is reduced by expenses, it produces a smaller profit than the previous year.

In 2018 it got 5% results, meaning from the total of USD 57,933,571 net income generated. the company is only able to generate 5% net profit. This year decreased from the previous year due to income tax expense in 2018 higher than the previous year. So when gross profit is deducted from income tax expense, it produces a smaller profit than the previous year.

For CPC from the calculation results of CPC financial statement analysis, the results of the CPC Net Profit Margin ratio in 2013 was 0,3%. The company got 0,3% results, due to TWD 1,187,700,968 total net sales, far greater than TWD 3,292,244 net profit. the small net profit generated by the company due to the large expenses that must be incurred by the company.

In 2014 it got a result of -3%, which means that of the total revenue generated at divided by TWD (33,754,479) loss. the company suffered a loss from the previous year due to company expenses in 2014 which were greater than the previous year, and the company's sales did not increase which could make the company's profit results increase.

In 2015 it got a -0,2% result, meaning that from the total net sales generated by by the company amounting TWD 843,615,422 divided by TWD (1,415,962), the company incurred losses. the company lost again, but the cost of the company in 2015 was lower than the previous year.

In 2016 it got 4% results, meaning that from the total net sales generated TWD 764,629,993 generated 4% net profit. The increase in the company due to the company's expense in 2016 was lower than the previous year.

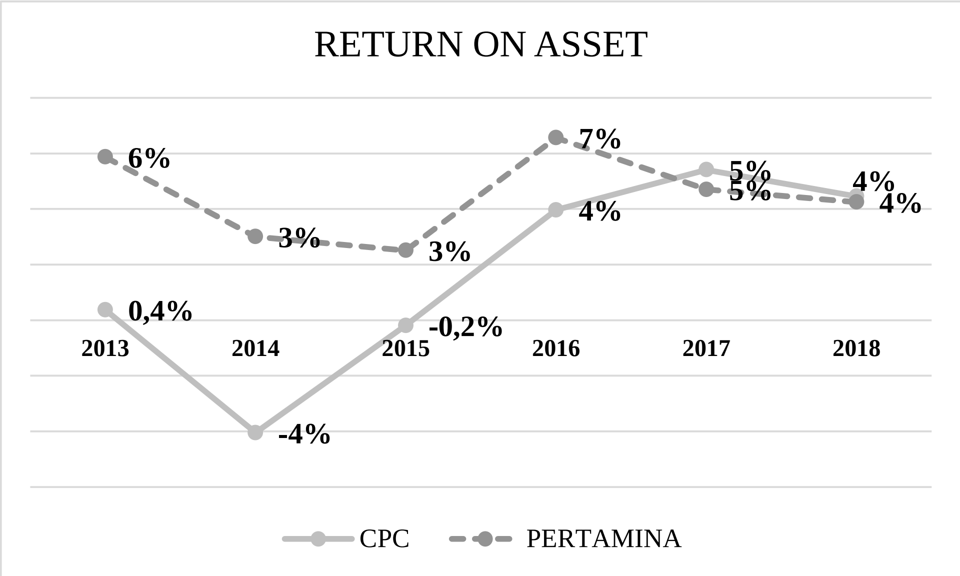
In 2017 it got 4%, meaning that of the total net sales generated TWD 896,642,121 generate 4% net profit. There was an increase in sales in 2017 from the previous year.

In 2018 it got 3% results, meaning that from the total net sales generated TWD 1,034,575,286 generate 3% net profit. There is a decrease from 2017, because the company's costs borne by the company have increased from the previous year.

4.3.2 Return On Asset

As explained in the literature chapter, this Return on Assets Ratio is useful for measuring how efficient a company is in being able to convert the money used to buy assets into net income. In calculating the current ratio, the financial statements of PT Pertamina and CPC Corporation Taiwan from 20013 to 20018 are used.

Figure 4.6 Return on Asset Ratio of Pertamina and of CPC



	PT PERTAMINA		CPC	
YEAR	NET PROFIT AFTER TAX	ASSETS	NET PROFIT AFTER TAX	ASSETS
2013	USD 2.896.463	USD 49.341.871	TWD 3.292.244	TWD 878.930.716
2014	USD 1.511.960	USD 50.327.920	TWD (33.754.479)	TWD 833.704.612
2015	USD 1.143.629	USD 45.518.903	TWD (1.415.962)	TWD 741.965.890
2016	USD 3.098.778	USD 47.213.570	TWD 29.367.204	TWD 740.465.819
2017	USD 2.407.012	USD 51.213.570	TWD 40.311.563	TWD 745.046.121
2018	USD 2.737.556	USD 64.439.375	TWD 34.293.237	TWD 769.496.777

Table 4.5 Return on Asset Ratio of Pertamina and of CPC

For Pertamina from the calculation results of Pertamina's financial statement analysis, the results of Pertamina's ROA ratio in 2013 were 6%. The results obtained by

Pertamina show that the net profit generated by the company, amounting to 6% of the efficiency of assets by the company.

In 2014 it got a 3% yield, meaning that from the use of total assets worth USD 50,327,920 owned by the company, it only generated 3% of net profit. That is because the sales and revenue of the company in 2014 decreased from 2013, and the amount of costs that must be borne by the company.

In 2015 it got a 3% yield, meaning from the use of total assets worth USD 45,518,903 company-owned, only generate 3% net profit. This year there was no increase even the company almost approached the 2% result, because there was a decrease in total assets in the current assets section, and the net profit generated by the company.

In 2016 it got 7% results, meaning that from the use of total assets valued at USD 47,213,570 owned by the company, generated 7% of net profit. This year there was an increase even exceeding the previous three years, because there was an increase in total assets in the current assets section, and the net profit generated by the company also increased by USD 3,098,778, from 2015 worth USD 1,143,629. The increase in net profit due to the cost burden borne by the company is smaller than the previous year.

In 2017 it got 5% results, meaning that from the use of total assets worth USD 51,213,570 owned by the company, it generated 5% of net profit. This year there was a decrease from the previous year, because there was a decrease in net profit generated by the company also declined by USD 2,407,012 in 2017, from 2016 worth USD 3,098,778. The decrease in net profit was due to the cost burden that the company bears is greater than the previous year.

In 2018 it got a 4% yield, meaning that from the use of total assets valued at USD 64,439,375 belonging to the company, it generated 4% of net profit. This year there was a decrease again from the previous year, because there was an increase in the company's total assets but the profit generated did not increase higher than the previous year.

For CPC from the calculation results of the CPC financial statement analysis, the results of CPC ROA ratio in 2013 were 0,4% of the use of total assets worth TWD 878,930,716.The results obtained by CPC show that the net profit generated by the company, amounted to 0,4% of the efficiency of the assets by the company. this is because the net profit generated by the company from the total assets owned by the company the results are small.

In 2014 he got a yield of -4%, which means that of the total assets owned by TWD 833,704,612 divided by TWD losses (33,754,479). The company suffered a loss from the previous year because the company's costs in 2014 were greater than the previous year, and the company's sales did not increase which could make the company's profit results increase.

In 2015 got a result of -0.2%, which means that of the total assets owned by the company amounting to TWD 741,965,890 divided by TWD (1,415,962), the company incurred losses. The company lost again, but the cost of the company in 2015 was lower than the previous year.

In 2016 it got a 4% yield, which means that of the total assets owned by the company amounted to TWD 740,465,819 generate a 4% net profit. The increase in the company due to the company's expense in 2016 was lower than the previous year.

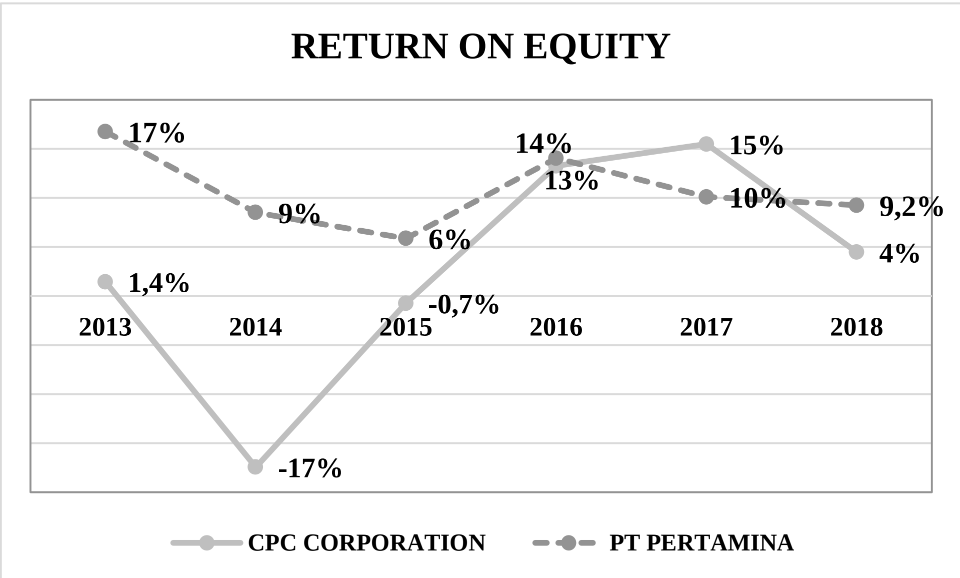
In 2017 got 5%, meaning that the total assets owned by the company amounted to TWD 745,046,121 generate a 5% net profit. There was an increase in sales in 2017 from the previous year.

In 2018 it got a 4% yield, meaning that of the total assets owned by the company amounting to TWD 769,496,777 resulting in a 4% net profit. There is a decrease from 2017, because the company's costs borne by the company have increased from the previous year.

4.3.3 Return on Equity

As explained in the literature chapter, the Return on Equity Ratio to measure a company's ability to generate profits from shareholder investments in that company. In calculating the current ratio, the financial statements of PT Pertamina and CPC Corporation Taiwan are used from 20013 to 20018.

Figure 4.7 Return on Equity Ratio of Pertamina and of CPC



	PT PERTAMINA		CPC	
YEAR	NET PROFIT AFTER TAX	EQUITY	NET PROFIT AFTER TAX	EQUITY
2013	USD 2.896.463	USD 17.289.292	TWD 3.292.244	TWD 227.102.848
2014	USD 1.511.960	USD 18.035.970	TWD (33.754.479)	TWD 193.597.534
2015	USD 1.143.629	USD 19.475.238	TWD (1.415.962)	TWD 192.143.436
2016	USD 3.098.778	USD 22.074.567	TWD 29.367.204	TWD 221.446.148
2017	USD 2.407.012	USD 23.826.354	TWD 40.311.563	TWD 260.417.391
2018	USD 2.737.556	USD 29.610.640	TWD 34.293.237	TWD 769.496.777

Table 4.6 Return on Equity of Pertamina and of CPC

For Pertamina from the calculation results of Pertamina's financial statement analysis, the results of Pertamina's ROE ratio in 2013 were 17%. The results obtained by Pertamina show that the profit generated by the company, amounting to 17% of the results of the efficient use of capital from investing in shares by investors.

In 2014 he got a 9% return, meaning that from using total equity of USD 18,035,970 owned by the company, only generated 9% profit for the company.

In 2015 it got a 6% yield, meaning that of total equity valued at USD 19,475,238. owned by the company, the company only produces 6% profit for the company. The calculation ratio of the previous year fell again from the previous year which amounted to USD 1,143,629 in 2015, from 2014 got a profit of USD 1,511,960.

In 2016 it got a yield of 14%, meaning that of the total equity of USD 22,074,567 owned by the company, the company generated a profit of 14% for the company. The previous year's calculation ratio was USD 1,143,629 in 2015, and in 2016 it had a profit of USD 3,098,778.

In 2017 it got a yield of 10%, meaning that of total equity valued at USD 23,826,354 owned by the company, the company generates a 10% profit for the company. The calculation ratio decreased from the previous year which was USD 3,098,778 in 2016, and in 2017 made a profit of USD 2,407,012.

In 2018 it received a 9,2% return, meaning that of total equity valued at USD 23,826,354 owned by the company, the company generates 9% profit for the company.

For CPC from the calculation results of the CPC financial statement analysis, the results of the 2013 ROE ratio were 1,4%. The results obtained by CPC indicate that profits are generated by the company, amounting to 1% of the results of the use of company equity.

In 2014 he received a return of -17%, which means that from using total equity of TWD 193,597,534 owned by the company, the company experienced a profit and even the company had to suffer losses.

In 2015 it got a result of -0.7%, meaning that of total equity worth TWD 192.143,436. The company still suffered losses, but the losses borne by the company were not as big as the previous year which was -17%.

In 2016 got a result of 13%, meaning that of total equity worth TWD 221,446,148. In 2016 the company experienced an increase from the previous two years, where the previous year the company suffered losses.

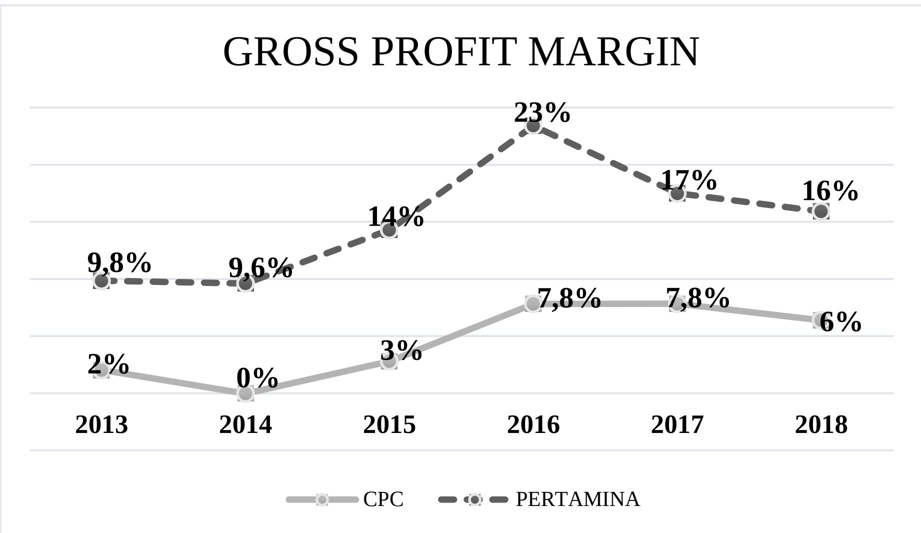
In 2017 it got a 15% yield, meaning that of total equity worth TWD 260,417,391. In 2016 the company increased again from the previous year, where the previous year the company generated a profit of TWD 29,367,204, and in 2017 the company generated a profit of TWD 40,311,563.

In 2018 it got a 4% yield, meaning that of total equity worth TWD 769,496,777. In 2018 the company experienced a decline from the previous year, where the previous year the company made a profit of TWD 40,311,563, and in 2017 the company only generated a profit of TWD 34,293,237. Because the company's total equity is increasing, but the profit generated by the company is still less when divided by the total equity owned by the company.

4.3.4 Gross Profit Margin

As explained in the literature chapter, the ratio of gross profit margin to calculate the percentage of excess gross profit to sales revenue. In calculating the current ratio, the financial statements of Pertamina and CPC are used from 20013 to 20018.

Figure 4.8 Gross Profit Margin Ratio of Pertamina and of CPC



YEAR		VENUE
2013		.700.968
2014		.814.302
2015		.615.422

2016	USD 8.542.511	USD 36.486.744	TWD 59.729.278	TWD 764.629.993
2017	USD 7.514.295	USD 42.959.325	TWD 70.219.952	TWD 896.642.121
2018	USD 9.219.482	USD 57.933.571	TWD 66.058.144	TWD 1.034.575.286

Table 4.7 Gross Profit Margin Ratio of Pertamina and of CPC

For Pertamina from the calculation results of Pertamina's financial statement analysis, the results of Pertamina's GPM ratio in 2013 were 9,8%. show that only 9.8% can be maintained until it becomes gross profit for the company.

In 2014 it got a yield of 9.6%, which means that from revenue and sales of USD 71,102,102 after deducting the operating expenses the company generated a gross profit of 9.6%. 2014 decreased from the previous year due to the company's operating expenses which were greater than the previous year.

In 2015 it yielded 14%, which means that from revenue and sales of USD 41,762,680 after deducting operating costs the company generated 14%. This year the company's operational costs fell from the previous year so that 2015 results were higher than the previous year.

In 2016 it got a yield of 23%, which means that from income and sales of USD 36,486,744 after deducting operational costs, the company generated 23%. This year, the company's operating costs fell again from the previous year so that 2016 results are higher than the previous year.

In 2017 it got a yield of 17%, which means that the results of revenue and sales amounted to USD 42,959,325 after deducting operating expenses, the company generated a profit of 17%. This year the company's operating expenses have increased from the previous year so that the results in 2017 are smaller than the previous year.

In 2018, the yield was 16%, which means that from revenues and sales of USD 42,959,325 after deducting operational costs, the company generated 16%. This year the company's operational costs have increased again from the previous year so the results in 2018 are smaller than 2017.

For CPC from the calculation results of the CPC financial statement analysis, the results of the 2013 CPC GPM ratio were 2%. CPC results show that only 2% can be maintained to become gross profit for the company.

In 2014 he got a yield of 0%, which means that from TWD 1,191,814,302 revenue and sales after deducting operational costs, the company generated a gross profit of 0%. 2014 decreased from the previous year due to the company's operating expenses which were greater than the previous year.

In 2015 it got a 3% yield, which means that from TWD 843,615,422 revenue and sales after deducting the operating costs the company generated 3%. This year the company's operational costs fell from the previous year so that 2015 results were higher than the previous year.

In 2016 it got a yield of 7.8%, which means that from TWD 764,629,993 revenue and sales after deducting operational costs, the company generated 7,8%. This year, the company's operating costs fell again from the previous year so that 2016 results are higher than the previous year.

In 2017 it got a yield of 7.8%, which means that from revenue and sales of TWD 896,642,121 after deducting operational costs, the company generated 23%. This year, gross profit increased from the previous year at TWD 59,729,278 in 2016, to TWD

70,219,952. And this year revenue and sales have increased from TWD 764,629,993 in 2016, to TWD 896,642,121 in 2017. Due to an increase in operating costs the company in 2017 made no increase from the previous year.

In 2018, the yield is 6%, which means that from revenue and sales of TWD 1,034,575,286 after deducting operational costs, the company made a 6% profit. This year the company's operational costs have increased again from the previous year so that the results in 2018 again declined.

4.4 Discussion of Reseach Result

4.4.1 Current Liabilities

In the calculation of six years, Pertamina is still in good numbers. The calculation value is not less than one to one, so it can be said that the company has a fairly good ability despite the ups and downs in fulfilling its short-term obligations using the company's current assets.

In the calculation of six years, the CPC did not achieve a good rating. to measure a company's ability to meet its short-term obligations. This is caused by the amount of the company's current liabilities compared to the company's current assets.

4.4.2 Quick Ratio

In the calculation of two years, Pertamina is still in a bad number. Because the calculation value is not less than 100%, so it can be said that the company has poor ability short term well.

In the calculation of six years, the CPC did not achieve a good rating. To measure the company's ability to meet its short-term obligations from current assets less inventory owned by the company, this is caused by the magnitude of the company's current liabilities compared to the company's current assets. And the company's inventory that has a large value so that when inventory decreases at the time of calculation will increasingly have an impact making the value of the company's fast ratio can not reach good value to see that the company is able to meet the company's short-term obligations.

4.4.3 Cash Ratio

In the calculation of six years, Pertamina is not in a good position to calculate the company's Quick Ratio. The calculation value is less than 100%, so it can be said that the company does not have good enough ability when viewed from calculations using company cash and cash equivalent accounts.

In a six-year calculation, CPC is far from achieving a good rating. to measure a company's ability to meet its short-term obligations when viewed from the calculation of cash ratios. This is caused by the amount of the company's current liabilities is greater than the company's current assets, so that the cash and cash equivalents owned by the company cannot cover the company's short-term liabilities.

4.4.4 Net Profit Margin

In a six-year calculation, Pertamina produced a net profit margin of less than 10%, and experienced ups and downs caused by the ups and downs of the company's cost burden.

In a six-year calculation, CPC generates a net profit margin of less than 10%, and experiences ups and downs caused by fluctuations in company expenses. And the company must suffer losses due to the large cost burden that must be borne by the company rather than the net sales generated by the company.

4.4.5 Return on Asset

In a six-year calculation, Pertamina produces a Return on Assets of less than 10%, meaning that the company is only able to generate profits of less than 10% from the use of assets owned by the company. And experienced ups and downs caused by the ups and downs of the company's net profit due to ups and downs of the cost burden that must be borne by the company.

In a six-year calculation, the CPC generates a Return on Assets of less than 10%, which means that the company is only able to generate a net profit of less than 10% of the use of assets owned by the company. Even three years from 2013-2015 the company suffered losses, ups and downs caused by ups and downs in revenue and sales, and also the cost of the company that must be borne by the company.

4.4.6 Return on Equity

In a six-year calculation, Pertamina produces Returns on Equity that experience ups and downs caused by the ups and downs of the company's net profit from the use of total equity owned by the company. The ups and downs of profits generated are caused by fluctuating company costs and subsidies from the government that fluctuate.

In a six-year calculation, CPC produces Returns on Equity that experience ups and downs are caused by the ups and downs of the company's net profit

4.4.7 Gross Profit Margin

In a six-year calculation, Pertamina produces a tidal gross profit margin ratio due to the ups and downs of the company's operating costs. In 2016 the gross profit margin ratio experienced the highest peak, this was due to the company's operating costs in 2016 which were smaller than in 2013,2014,2015,2017,2018.

In a six-year calculation, CPC produces a tidal Gross Profit Margin ratio, the company's operating costs go up and down. In 2016 and 2017 the ratio of gross profit margin experienced the highest peak, this was caused by the company's operating costs in 2016 and 2017 which were smaller than in 2013,2014,2015,2018.

CHAPTER V

CONCLUSION

5.1 Conclusion

This study aims to determine and measure company performance as measured by liquidity and profitability ratios, at Pertamina and China Petroleum Corporation (CPC) companies in Taiwan. Valuation and measurement using the two companies' financial statements, starting in 2013 to 2019.

The assessment and measurement of the liquidity ratio at Pertamina showed good results, meaning that the company was able to fulfill its short-term obligations well, while the assessment and measurement for the China Petroleum Corporation (CPC) of Taiwan showed that the company was unable to fulfill its short-term obligations well.

The assessment and measurement of profitability ratios at Pertamina's company showed good results, meaning that the level of efficiency of the company to generate profits from the use of assets and equity owned, while the assessment and measurement for China Petroleum Corporation (CPC) Taiwan showed that the company's ability is less to generate profits from use of assets and equity owned by the company.

Comparison of assessment and measurement results using liquidity and profitability ratios between Pertamina and China Petroleum Corporation (CPC) of Taiwan shows that from 2013 to 2019 Pertamina obtained better results than China Petroleum Corporation (CPC) of Taiwan. because the Pertamina company is the only state-owned company in Indonesia, while the CPC is not the only oil and gas company owned by the state of Taiwan and the wages of its workers are above the average wage of people in Taiwan, the CPC bears greater expenditure

5.2 Reseach Limitation and Future Reseach

This research period was limited from 2013 to 2018, to measure the ability of a company's performance to meet short-term obligations using a Liquidity Ratio, and to use a Profitability Ratio to measure a company's ability to generate profits from the use of assets and equity owned by the company. Suggestions for further research are, it is hoped that researchers can increase the scope of company research with other countries, as well as increase financial ratio research to measure and assess the company's financial performance so that it is more detailed to obtain information.

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APPENDICES

PERTAMINA							
YEAR	CR	QR	CshR	NPM	ROA	ROE	GPM
2013	147%	91%	28%	4,1%	6%	4%	10%
2014	152%	99%	28%	2,1%	3%	2%	10%
2015	168%	116%	36%	2,7%	3%	3%	14%
2016	200%	142%	65%	8,5%	7%	8%	23%
2017	184%	120%	55%	5,6%	5%	10%	17%
2018	166%	120%	65%	4,7%	4%	9%	16%

CPC TAIWAN							
YEAR	CR	QR	CshR	NPM	ROA	ROE	GPM
2013	92%	33%	3%	0,3%	0%	1%	2%
2014	79%	30%	1%	-3%	-4,0%	-17%	-1%
2015	65%	26%	1%	-0,2%	-0,2%	-1%	3%
2016	65%	28%	1%	3,8%	4%	13%	8%
2017	76%	31%	1%	4,5%	5%	15%	8%
2018	80%	31%	1%	3,3%	4%	4%	6%