

## ABSTRACT

**Riri Novianti, 3020611047. 2010. An Analysis of Financial Performance of PT. Timah (Persero) Tbk.**

*Each company has to do something if it wants to survive among many competitors like managing the company's finance properly and effectively. Finance is an important thing to determine the company's performance. An analysis of financial ratio is very important for a company not only to perceive its financial position but also to find out its financial performance and its achievements. This research discussed about the financial performance analysis of PT. Timah (Persero) Tbk based on the liquidity, solvency, activity, and profitability in 2005-2009. The research method was quantitative research using numbers. The analysis technique used was an analysis of financial ratio. Overall, for five years, from 2005 to 2009, the company's financial performance was still in good condition. Based on the company's liquidity, although it had fluctuation, the company's ability to pay off its short-term debt was not too significant. Solvency of the company was also still quite good because it was still in the solvable condition which the company's assets can still cover its debts. Mean while, based on the activity ratio, although in the year of 2008-2009, collecting accounts receivable and inventory turnover was relatively long, but the assets turnover did not decrease too significant. Based on the profitability ratio, the whole years increased, except in 2008 and in 2009. There was a significant decreased profitability in 2009, but it was not too significant in 2008.*

Keyword : Financial performance, liquidity, solvency, activity, profitability