**ABSTRACT**

Stevanie / 28150079 / 2019 / Analysis of Changes in Companies’ Performance Before and After Mergers and Acquisitions on Non-Financial Companies in Indonesia Stock Exchange for Period Year 2012-2016 / Advisor: Mr. Bonnie Mindosa S.E., M.B.A.

Merger and acquisition are one of many growth strategies that can be undertaken by a firm in order to gain competitive advantages. Acquisition is a take over of one company and merger is business combination from two different companies become one entity that still alive and the others is liquidate. Merger also can form a new entity.

This research aims to examine the effect of merger and acquisition activities on the company's financial performance which can be measured by using financial ratios, such as current ratio, net profit margin, return on assets, and debt to equity. This research provides evidence about the comparison of financial performance before and after mergers and acquisitions.

This research using purposive sampling method and selected sample of this research consist 35 companies listed on the Indonesia Stock Exchange in 2012-2016. This research is using paired sample t-test and Wilcoxon test.

The result from this research showed current ratio (CR), return on asset (ROA) and debt to equity (DER) did not show significantly difference after merger and acquisitions. But the net profit margin (NPM) showed difference after merger and acquisitions significantly.

The conclusion from this research, there are not significantly differences for financial performance before and after merger and acquisition.

**Keywords**: Mergers and Acquisitions, Financial Ratio, Paired Sample t Test, Wilcoxon Signed Rank Test, SPSS 20.0.