

CORPORATE REPORTING IN COMPARISON OF FINANCIAL PERFORMANCE OF PT MAYORA INDAH TBK AND PT SIANTAR TOP TBK AS AN ALTERNATIVE INVESTMENT

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ABSTRACT

The purpose of study is to determine the health of the company by comparing which companies are more attractive to invest. This study uses 2 samples of food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange from 2014 to 2018. The data analysis technique used is a fundamental analysis consisting of five ratios namely; liquidity ratios, solvency, activity, profitability, market value, and sensitivity analysis. The results showed in 2014 to 2018 that the highest liquidity ratio was PT Mayora Indah Tbk. The best solvency ratio is PT Siantar Top Tbk. The highest activity ratio is PT Siantar Top Tbk. The highest profitability ratio is PT Mayora Indah Tbk. The highest market value ratio is PT Siantar Top Tbk. And a sensitivity analysis of Net Present Value (NPV) proves that these two companies are worth investing. As a result, PT Siantar Top is more attractive to invest because is more efficient, healthy and has a low market value with high company value.

Keywords: *Fundamental Analysis, Sensitivity Analysis, and Investment Decisions*

1. INTRODUCTION

The development of the food and beverage industry in Indonesia is growing rapidly. The food and beverage industry has a greater opportunity to continue to develop which can increase economic growth. The food and beverage industry is projected to remain one of the mainstay sectors supporting national manufacturing and economic growth next year. For this reason, the government continues to maintain the availability of raw materials needed by the food and beverage industry to be more productive and globally competitive.

The opportunity to invest in the food and beverage sector is very promising, because the market is still wide open with a large population. The biggest investment realization was the food and beverage sector, which amounted to Rp 29.14 trillion. While the chemical industry has an investment value of Rp. 28.97 trillion, metal goods, computers, electronic goods, and machinery amounting to Rp. 18.89 trillion, transportation equipment Rp. 5.53 trillion, and textiles and apparel in the amount of Rp. 4.65 trillion.

The main instruments that can be used as alternative investments for investors are stocks and bonds. One of the media that can be used as alternatives for funding sources is the capital market through a process of going public. Before making an investment, you must know how healthy the company will be invested. The financial statement of the company is important in measuring the level of financial performance of the company to make investment. This requires an analysis that takes into account various factors, such as company performance, business competition analysis, industry analysis, and economic analysis. Therefore, in this study will use Ratio analysis and sensitivity analysis as a benchmark for investors to find out which companies are in good condition and can be chosen for investment.

Based on the background described above, the authors take research with the title "CORPORATE REPORTING COMPARISON OF FINANCIAL PERFORMANCE PT MAYORA INDAH TBK WITH PT SIANTAR TOP TBK IN INFLUENCING INVESTMENT DECISIONS (Period 2014 - 2018)".

2. LITERATURE REVIEW

In this study we take several references in terms of understanding and calculating ratios, and sensitivity analysis through the books of Stephen A. Ross (2010), Charles H. Gibson (2012), Kasmir (2008), Kasmir (2010), and previous research journals, Retrieval of financial data and profiles of PT Mayora Indah Tbk and PT Siantar Top Tbk through the IDX.co.id website in 2014-2016, and the official website of PT Mayora Indah Tbk and PT Siantar Top Tbk in 2017-2018.

According to Fahmi (2012), financial performance is an analysis conducted to see the extent to which a company has carried out using the rules of financial implementation properly and correctly.

Ratios Analysis

According to the Indonesian Financial Solutions (ID), fundamental analysis is an analysis that studies the fundamental conditions of a company including studying the company's financial ratios, and is generally used to determine the shares to be bought or sold. In this study the Liquidity Ratios used are Current Ratio, and Quick Ratio.

1) Liquidity Ratio

According to the American Association of Individual Investors (2011), liquidity ratios are used to determine a company's ability to meet its short-term debt obligations. In this study the Liquidity Ratios used are Current Ratio, and Quick Ratio.

a. Current Ratio

According to Novia Widya Utami (2018), this ratio will determine the extent to which the company's current assets can be used to cover short-term liabilities.

b. Quick Ratio

According to Novia Widya Utami (2018), this ratio will show the ability of companies to pay short-term liabilities by using more liquid assets or assets that are closest to cash. The Quick Assets are current assets or current assets that can be quickly converted into cash.

2) Solvency Ratio (Leverage Ratio)

According to Raharjaputra (2009: 200), solvency ratios measure the extent to which companies finance their businesses by comparing the funds themselves have deposited with the number of loans from creditors. The smaller this ratio is better because the portion of debt to assets. (Munir, 2018) there was a relationship between a debt repayment and return on stakeholder on food- beverage company.

The solvency / leverage ratio used by researchers is:

a. Debt to Total Assets Ratio (Total Debt to Total Asset Ratio)

According to the journal Vikram Destian (2017), this ratio is a comparison between current debt and long-term debt and the sum of all known assets.

b. Debt to Total Equity Ratio (Debt to Equity Ratio)

This ratio is a comparison between debt and equity regarding company funding which shows the ability of own capital to fulfill all obligations (Vikram Destian, 2017).

3) Activity Ratio

According to Florenz C (2012), the activity ratio is the ratio used to assess the efficiency of a company in the utilization of all resources or assets (assets) owned by a company. The activity ratios used in this study are as follows:

a. Turnover Asset (Total Asset Turnover)

Total asset turnover measures the efficiency of managing all company assets (Fraser & Ormiston, 2004). The greater this ratio, the better the operational conditions of the company.

b. Working Capital Turnover Ratio

According to Kasmir in Caesarani (2014) working capital turnover is one of the ratios to measure or assess the effectiveness of company working capital during a certain period. (Munir, 2017) Working capital is one of the most important financial decisions in the company that can increase the company's value

c. Fixed Asset Turnover Ratio

The fixed assets turnover ratio is the ratio used to measure whether a company has fully used fixed asset capacity or not (Fraser & Ormiston (2004).

d. Inventory Turnover

According to Denny Erica (2018), inventory turnover is the ratio used to measure the number of times the funds invested in this inventory during one period.

4) Profitability Ratio

According to Astuti (2004: 36) argues that profitability is the ability of a company to generate profits and the only most important measure of profitability is net income. As for what is included in this ratio are:

a. Profit Margin

According to Novia Widya Utami (2018), profit margin is a comparison between net sales minus cost of goods sold and level of sales, this ratio illustrates the gross profit that can be achieved from total sales. Return on Assets (Return on Asset). Return on Assets is a ratio used to measure the ability of capital invested in total assets to generate net profits (Fraser & Ormiston, 2004).

b. Return on Equity

Return on Equity is a ratio used to measure the ability of own capital to generate profits for all shareholders, both ordinary shares and preferred shares (Fraser & Ormiston, 2004)

5) Market Value

According to Karunia Saputra Hidayat (2019), the market value ratio is the company's profitability, risk, management quality, and many other factors reflected in share prices and safety. Therefore, the market value ratio indicates market valuation of the value of a company's securities. Researchers use 2 (two) ratios, namely:

a. Price to Earning Ratio

According to Budi Kho (2017), Price to Earning Ratio is used to assist investors in making a decision whether to buy certain company shares.

b. EV / EBITDA

According to Dini Onasis (2016), Enterprise Value or EV in short, is a measurement of the total value of a company, often used as an alternative in measuring the company's market capitalization. Market capitalization of a company is simply calculated by multiplying the number of shares outstanding in that company by the price per share. So EV is similar to market capitalization.

Sensitivity Analysis

According to Stephen A. Ross (2010), sensitivity analysis is an analysis conducted to determine the effect of changes in production parameters to changes in production system performance in generating profits. By conducting a sensitivity analysis, the possible consequences of these changes can be known and anticipated in advance. (Monita, Rahayu; Munir, 2019) The evaluation using Discounted Cash Flow in one food company is quite good, and it has an impact on the assessment of sensitivity analysis which shows that the company is said to be worthy of investment.

The formula is:

$$\text{NPV Analisa Sensitivitas} = \sum_{n=0}^n \frac{(\Delta \text{Benefits} - \Delta \text{Cost})}{(1+WACC)^n}$$

The sensitivity analysis used by researchers using the Widght Average Cost Capital (WACC) method. Weighted average cost of capital (WACC) is a cost of

capital calculation based on the portion of the debt (debt) and equity (equity) of the company. The following calculations are used to calculate WACC as follows:

$$WACC = \left(\frac{\text{Equity}}{\text{Equity} + \text{Debt}} \times \text{Cost of Equity} \right) + \left(\frac{\text{Debt}}{\text{Debt} + \text{Equity}} \times \text{Cost of Debt} \right) (1 - tc)$$

3. RESEARCH METHODOLOGY

This research method uses a quantitative descriptive approach. The data used in this study are secondary data, which is the main source of data is the Indonesia Stock Exchange Capital Market Reference Center, because the data obtained in this study data that has been recorded on the Indonesia Stock Exchange or also known as IDX (Indonesia Stock Exchange). In addition, other sources also from companies taken in this study are PT Mayora Indah Tbk and PT Siantar Top Tbk. The data are in the form of financial reports related to research issues, annual financial reports taken from 2014 to 2018.

4. RESULT AND DISCUSSION

The researchers used Fundamental Analysis consisting of liquidity ratios, solvency, activity, profitability, market value, and sensitivity analysis.

Ratios

A. Liquidity Ratio

Following are the results of liquidity ratio calculation as follows:

No.	Code	Year	Rasio Likuiditas			
			Current Ratio	Industry	Quick Ratio	
1.	MYOR	2014	2,089937	2,06	1,458405	1,45
2.		2015	2,365337		1,805845	
3.		2016	2,250172		1,703403	
4.		2017	2,386027		1,978021	
5.		2018	2,654598		1,951105	
6.		Average	2,349214		1,779356	
1.	STTP	2014	1,484188	2,06	0,909406	1,45
2.		2015	1,57887		1,040124	
3.		2016	1,650968		1,148849	
4.		2017	2,640899		1,807726	
5.		2018	1,848464		1,385476	
6.		Average	1,840678		1,258316	

Source: Data processed

PT Mayora Indah Tbk's Current Ratio and Quick Ratio increased except in 2016 which decreased, this was due to increased inventory on current assets and short-term bank loans which increased on current liabilities. And the average of 2.34 is said to be good and liquid because it is above the industry standard. PT Siantar Top Tbk's Current Ratio and Quick Ratio have increased except in 2018, this is due to an increase in

inventory so that the current assets have increased a lot. And the average of 1.84 is said to be not good because it is below the industry standard.

B. Solvency Ratio

No.	Code	Year	Solvency Ratio	
			Debt to Asset Ratio	Debt to Equity Ratio
1.	MYOR	2014	0,604094	1,525853
2.		2015	0,542044	1,183617
3.		2016	0,51516	1,062552
4.		2017	0,506944	1,028167
5.		2018	0,514399	1,059305
6.		Average	0,536529	1,171899
1.	STTP	2014	0,520345	1,084833
2.		2015	0,47446	0,902805
3.		2016	0,500039	1,000156
4.		2017	0,408832	0,691565
5.		2018	0,37428	0,598159
6.		Average	0,455591	0,855503

Source: Data processed

Debt to asset ratio and Debt to equity ratio of PT Mayora Indah Tbk decreased in 2014-2017 but increased in 2018, this was due to an increase in long-term bank debt. So that total assets and equity cannot cover the increase in debt. And PT Mayora Indah Tbk is said to have been unable and inefficient in covering all of its debt using its assets and equity. Debt to asset ratio and Debt to equity ratio of PT Siantar Top Tbk tended to decrease except in 2016, due to an increase in bond debt, business debt, and work benefit debt in that year. This is said to be good because the ratio tends to decrease and PT Siantar Top Tbk is able to pay off its bank loans in 2016 and 2018. And that means PT Siantar Top Tbk is able to cover all its debts by using its assets and equity.

C. Activity Ratio

No.	Code	Year	Activity Ratio					
			Total Asset Turnover	Industry	Working Capital Turnover	Fixed Asset Turnover	Inventory Turnover	
1.	MYOR	2014	1,375907	1,08	4,174215	3,952312	7,204130	
2.		2015	1,306453		3,443932	3,929972	8,404294	
3.		2016	1,420009		3,779031	4,754590	8,640658	
4.		2017	1,395607		3,357218	5,218836	11,40472	
5.		2018	1,367735		3,052104	5,650329	7,178479	
6.		Average	1,373142		3,561300	4,701208	8,566458	
1.	STTP	2014	1,276590		1,08	8,322366	2,517000	7,010652
2.		2015	1,325442			7,926632	2,528487	8,516992
3.		2016	1,124892			7,243793	2,374657	9,391163
4.		2017	1,206185			4,796775	2,509759	9,447059
5.		2018	1,074402			4,923869	2,579002	9,023413
6.		Average	1,201502			6,642687	2,501781	8,677856

Source: Data processed

PT Mayora Indah Tbk's total asset turnover has fluctuated every year. Therefore, that the average of 1.37 is still said to be good and efficient because it is above the industry standard. PT Mayora Indah Tbk's Working Capital Turnover has decreased until the end of this year due to increased working capital, and is said to be inefficient and means that PT Mayora has not been able to generate sales from its working capital. PT Mayora Tbk's Fixed Asset Turnover is said to be quite good because the ratio tends to increase and is not excessive in the addition of fixed assets. And the Inventory Turnover of PT Mayora Indah Tbk is said to be efficient in 2014-2017 but in 2018 making inventory turnover inefficient because the increased ratio caused by the inventory which increased quite a lot.

PT Siantar Top Tbk's total asset turnover has also fluctuated every year. The average of 1.20 is still said to be good and efficient because it is above the industry standard. Working Capital Turnover has decreased until the end of this year due to increased working capital but able to grow at the end of 2018. Fixed Asset Turnover is said to be quite good because the ratio tends to increase and is not excessive in the addition of fixed assets. And the Inventory Turnover is said to be efficient in 2014-2017 but in 2018 making inventory turnover inefficient because the increased ratio caused by the inventory which increased quite a lot.

D, Profitability Ratio

No.	Code	Year	Profitability Ratio					
			Profit Margin	Industry	Return on Asset	Industri	Return on Equity	Industry
1.	MYOR	2014	0,02890	0,08	0,03977	0,10	0,10046	0,18
2.		2015	0,08436		0,11022		0,24068	
3.		2016	0,07567		0,10746		0,22164	
4.		2017	0,07834		0,10934		0,22176	
5.		2018	0,07316		0,10007		0,20607	
6.		Average	0,06809		0,09337		0,19812	
1.	STTP	2014	0,05696	0,08	0,07271	0,10	0,15160	0,18
2.		2015	0,07298		0,09674		0,18408	
3.		2016	0,06624		0,07452		0,14905	
4.		2017	0,07645		0,0922		0,15599	
5.		2018	0,09023		0,0969		0,1549	
6.		Average	0,07257		0,08663		0,15913	

Source: Data processed

Profit Margin of PT Mayora Indah Tbk experienced fluctuations and at the end of 2018 it tends to decrease. So the average is 0.06. This is said to be not good because it is below industry standards. Return on Assets of PT Mayora Indah Tbk tends to increase but decreases in 2018, the average is 0.09. This is said to be not good because it is below industry standards. And the average Return on Equity of 0.19 is said to be good because it is above the industry standard. This means that PT Mayora is only able to get a net profit from its total equity. Meanwhile, PT Siantar Top Tbk's Profit Margin has fluctuated and by the end of 2018 it is likely to increase. So the average is 0.07. This is still said to be not good because it is below industry standards. Return on Assets tends to increase until the end of 2018 but the average is still below the industry standard.

And Return on Equity of PT Siantar Top Tbk is still below the industry standard which indicates that PT Siantar Top Tk has not been able to generate net profit from sales, assets, and equity. Even so PT Siantar Top Tbk is still able to grow at the end of the year and racism is close to industry standards.

E. Market Value

No.	Code	Year	Market Value Ratio			
			Price to Earning Ratio	Industry	EV/EBITDA	Industry
1.	MYOR	2014	114,8093	18,26	14,8725	11,48
2.		2015	54,4505		14,8726	
3.		2016	26,4857		7,5157	
4.		2017	27,6921		8,1239	
5.		2018	33,2757		9,40653	
6.		Average	35,4742		10,9582	
1.	STTP	2014	30,5155	18,26	6,68194	11,48
2.		2015	21,2683		5,96300	
3.		2016	23,9922		6,2334	
4.		2017	26,4396		6,8464	
5.		2018	19,2579		5,5515	
6.		Average	24,2947		6,2552	

Source: Data processed

PT Mayora Indah Tbk's Price to Earning Ratio decreased but increased again in 2018. This fluctuation was caused by a declining share price in 2015-2016, from Rp30,500 to Rp1,645 due to PT Mayora Indah Tbk doing a stock split. But the average is still above the industry standard, meaning that this company still has an expensive price. From the EV / EBITDA calculation the average is still below the industry standard. This is said to be good, and means that this company has a high price and high company value. However, Price to Earning Ratio of PT Mayora Indah Tbk experienced fluctuations and decreased in 2018. Therefore, the average of 24.29, which it indicates good ratio because below the industry standard. In addition, EV / EBITDA is below industry standards. This means that PT Siantar Top Tbk has a cheap price with high company value.

Sensitivity Analysis

Before knowing the results of the sensitivity analysis, researchers used the WACC method to enter into the sensitivity analysis formula. Following is the calculation of the Weight Average Cost Capital (WACC) method as follows:

No.	Code	Year	WACC
1.	MYOR	2014	4,8227
2.		2015	5,2930
3.		2016	2,0184

4.		2017	1,9198
5.		2018	0,3356
6.		Average	2,8779
1.	STTP	2014	1,4848
2.		2015	3,7824
3.		2016	2,7242
4.		2017	1,0417
5.		2018	1,9402
6.		Average	2,1946

Source: Data processed

Weight Average Cost Capital of PT Mayora Indah Tbk and PT Siantar Top Tbk experiencing fluctuations, this is due to the different portion of debt and equity each year. In addition, it includes risk free, Indonesian market risk and beta to determine the feasibility of an investment. After knowing the average of the WACC, the researchers entered into the sensitivity analysis formula using the Net Present Value as follows:

No.	Code	Year	NPV sensitivity analysis
1.	MYOR	2014	13.226.286.312
2.		2015	58.195.059.573
3.		2016	17.804.543.031
4.		2017	5.546.098.447
5.		2018	1.460.475.880
6.		Total	96.232.463.243
1.	STTP	2014	32.727.215.048
2.		2015	16.245.464.779
3.		2016	4.570.474.527
4.		2017	1.507.774.672
5.		2018	822.023.163
6.		Total	55.872.952.188

Source: Data processed

The result of the sensitivity analysis of Net Present Value shows that the companies PT Mayora Indah Tbk and PT Siantar Top Tbk are eligible to be invested because of the positive and large Net Present Value results. In each company, PT Mayora Indah Tbk amounted to 96,232,463,243. and PT Siantar Top Tbk amounting to 55,872,952,188.

Comparison of PT Mayora Indah Tbk's Financial Performance with PT Siantar Top Tbk

Based on the results of the analysis from 2014 to 2018, the assessment will be carried out by looking at the average results of each ratio by giving points from each company that has a higher ratio and is above the industry standard and

is said to be liquid. The following financial performance evaluation table is as follows:

Financial Performance Rating PT Mayora Indah Tbk with PT Siantar Top Tbk
Period 2014-2018

Variable	PT Mayora Indah Tbk (a)	PT Siantar Top Tbk (b)	Industry	Point	
				(a)	(b)
Liquidity					
1. Current Ratio	2,34	1,84	2,06	1	0
2. Quick Ratio	1,77	1,25	1,45	1	0
Leverage					
1. Debt to asset Ratio	0,54	0,45	-	0	1
2. Debt to Equity Ratio	1,17	0,85	-	0	1
Activity					
1. Total Asset Turn Over	1,37	1,20	1,08	1	1
2. Working Capital Turn Over	3,56	6,64	-	0	1
3. Fixed Asset Turn Over	4,70	2,50	-	1	0
4. Inventory Turn Over	8,56	8,67	-	0	1
Profitabilitas					
1. Profit Margin	0,06	0,07	0,08	0	0
2. Return on Asset	0,09	0,08	0,10	0	0
3. Return on Equity	0,19	0,15	0,18	1	0
Nilai Pasar					
1. Price to Earning Ratio	35,47	24,29	25,83	0	1
2. EV/EBITDA	10,95	6,25	11,48	1	1
Sensitivity Analysis					
NPV Normal	96.232.463.243	55.552.584.136	-	1	1

Source: Data processed

Based on the table above the points obtained from the previous financial performance comparison table then when added up the superior ones are PT Siantar Top Tbk, with points worth 8 (eight) and PT Mayora Indah Tbk worth 7 (seven). The company that has the best financial performance is PT Siantar Top Tbk and the second best financial performance company is PT Mayora Indah Tbk. PT Mayora Indah Tbk is already good and good towards financial performance but the stock price surged in 2014 and 2015 which made the Price to Earning Ratio high and was above the industry standard so that it was still said to be expensive while PT Siantar Top Tbk was said to be cheap due to the Price to Earning Ratio low and below industry standards. Thus, researchers will provide the right investment decision for investors.

Investment Decision

Researchers decided to choose PT Siantar Top Tbk. PT Mayora Indah Tbk has a liquid ratio as well, but PT Mayora Indah Tbk has a share price that is still said to be expensive. Although PT Mayora Indah Tbk has greater asset, debt, equity, sales and net profit ownership than PT Siantar Top Tbk. But with the greater ownership does not guarantee that PT Mayora Indah Tbk is better and more efficient than PT Siantar Top Tbk. The reasons for researchers giving investment decisions to investors are as follows:

- PT Siantar Top Tbk is able to cover its debt with ownership of assets and equity. Where in 2017 the company was able to reduce long-term bank loans from Rp50,011,725,558 to Rp14,687,647,768. In addition, trade payables, expenses to be paid, and short-term debt obligations also decreased. And in 2018 able to pay off long-term bank debt after deducting a one-year maturity from Rp14,687,647,768 to Rp0 (in full). High risk bank debt if it cannot pay it off because it will be subject to bank interest and here PT Siantar Top Tbk is able to pay it off. Compared to PT Mayora Indah Tbk, which increased its debt in 2018, from Rp430,241,716,384 to Rp 1,831,798,049,055. In addition, the company PT Siantar Top Tbk was able to reduce its long-term bond debt in 2018, from Rp498,298,611,105 to Rp199,383,242,197. Therefore the leverage ratio (Debt Ratio) of PT Siantar Top Tbk which tends to decrease compared to PT Mayora Indah Tbk which tends to increase.
- PT Siantar Top Tbk's activity ratio of total assets (Total assets Turn Over), Working Capital Turn Over, Fixed Asset Turn Over, and Inventory Turn Over are said to be efficient because of the ratio which tends to increase. Even though the fixed asset turnover ratio, and the average inventory turnover is greater than PT Mayora Indah, PT Siantar Top Tbk is not far behind the ratio and is still said to be safe because the ratio is tend to experience growth.
- PT Siantar Top Tbk has a profit margin (Profit Margin) above the industry standard and proves that the company is able to get a net profit from its sales. In addition, sales also continue to increase every year.
- PT Siantar Top Tbk has sales that continue to increase every year, so that it can grow and increase ownership of assets and net profits owned by the company. In addition, the profitability ratio is not too far from industry standards.
- Altman Z score of PT Siantar Top Tbk which is above 2.99. This means that the company is safe and sound and far from bankruptcy.

- A large and positive Net Present Value at PT Siantar Top Tbk is 55,552,584,136 which means this company has a high value and is healthy to invest.

PT Siantar Top Tbk. PT Mayora Indah Tbk is not a good or unhealthy company, both companies are good, efficient and healthy companies. However, from the calculations and analysis conducted by researchers that PT Siantar Top Tbk is more attractive to invest because it is more efficient, healthier and has a low market value with high company value.

5. CONCLUSION AND RECOMMENDATION

Based on the results of an analysis of the financial performance of the company PT Mayora Indah Tbk with PT Siantar Top Tbk that has been carried out, it can be concluded several conclusions as follows:

1. PT Mayora Indah Tbk's liquidity ratio when viewed from the average Current Ratio and Quick Ratio ratios are said to be liquid because they are above the industry standard. This means that the company is able to use its assets in fulfilling its short-term obligations well while the average PT Siantar Top Tbk in Current Ratio and Quick Ratio is below the industry standard so that it shows that it is not efficient in liquidity ratios.
2. The solvency ratio of PT Mayora Indah Tbk when viewed from the average ratio of Debt to Asset Ratio and Debt to Equity Ratio shows that the company's performance is not good because the ratio tends to increase as well as long-term bank loans which increased in 2018 while PT Siantar Top Tbk said to be efficient and safe because the ratio tends to decrease and can reduce and pay off long-term bank loans in 2018.
3. The activity ratio of PT Mayora Indah Tbk and PT Siantar Top Tbk when viewed from the average ratio is said to be good and efficient except for the Working Capital Turnover of PT Mayora Indah Tbk which is said to be inefficient because the ratio tends to increase until 2018.
4. PT Mayora Indah Tbk's profitability ratio when viewed from the average Return on Equity ratio is said to be efficient and good because it is above the industry standard, while PT Siantar Top Tbk is still inefficient in Profit Margin, Return Asset, and Return On Equity because it is below industry standard. Even so PT Siantar Top Tbk can still develop because the ratio is not too far from industry standards.
5. The market value ratio of PT Siantar Top Tbk on Price to Earning Ratio and EV / EBITDA is said to be better and more attractive to investors because the average is below the industry standard which means the company is cheap with high company value while PT Mayora Indah Tbk it is still said to be expensive because the average Price to Earning Ratio is above the industry standard even though EV / EBITDA is still below the industry.
6. Sensitivity analysis of Net May Value (NPV) of PT Mayora Indah Tbk and PT Siantar Top Tbk declared worthy of investment because of the large and positive NPV results, namely 96,232,463,243 and 55,552,584,136, respectively.

7. Comparison of the two companies shows that PT Siantar Top Tbk is more attractive to invest because the results of the points of greater advantage from PT Mayora Indah Tbk are worth 8 (eight) and PT Mayora Indah Tbk is worth 7 (seven).
8. The investment decision from this research is the company PT Siantar Top Tbk because it has proven that PT Siantar Top Tbk is more attractive to invest because the market price is cheap with a high company value with an average fundamental ratio that tends to increase and the results of this analysis also strengthened by a large and positive Net Present Value sensitivity analysis of 55,552,584,136.

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