

ABSTRACT

This study aims to determine differences in the acquirer's financial performance before and after the acquisition of the companies listed in the Indonesia Stock Exchange (BEI). The sample was selected using purposive sampling method and 16 companies that are listed in the Indonesia Stock Exchange within the acquisition period from 2001 to 2005 have been selected as sample. The dependent variables used in this study are financial ratio measurement such as return on asset, earning per share, debt to equity ratio, current ratio, net profit margin, and total asset turnover. The study period is 4 years before and 4 years after the acquisition period. This study uses quantitative approach with Wilcoxon Signed Rank Test. The result of the study shows that there are significant differences in the acquirer's financial performance before and after the acquisition period based on financial ratio measurements as mentioned above.

Keyword: *Acquisition, financial performance, listed company*

