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Analysis Of Solvability And Profitability Ratio To Measure Financial Performance At Pt Gudang Garam Tbk

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Abstract

This study aims to analyze the financial performance of PT Gudang Garam Tbk based on solvency and profitability ratios. The solvency ratio is measured using the Debt to Asset Ratio (DAR), while the profitability ratio is measured using Return on Assets (ROA). The research method used is a quantitative descriptive method using secondary data in the form of PT Gudang Garam Tbk's financial statements listed on the Indonesia Stock Exchange during the study period. Data analysis was performed by calculating financial ratios and then comparing them with applicable industry standards. The results show that PT Gudang Garam Tbk's DAR is in fairly good condition, despite fluctuating annually, indicating that the company is still able to manage its liabilities against its assets. Meanwhile, the ROA value indicates the company's ability to generate profits from total assets employed, despite a tendency for declining profitability due to industry pressures and changing economic conditions. Overall, PT Gudang Garam Tbk's financial performance based on solvency and profitability ratios shows a fairly stable condition. However, the company needs to improve operational efficiency to maintain profitability.

Keywords: financial performance, solvency ratio, Debt to Asset Ratio (DAR), profitability ratio, Return on Assets (ROA), PT Gudang Garam Tbk.

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INTRODUCTION

BACKGROUND

The company is one of the element important in the economy plays a role in create mark add, open field work, and push growth economy national. In operate activity his business, company sued For capable manage source Power in a way effective and efficient so that it can stay in the middle competition growing business tight. One of the aspects that become attention main in evaluate success company is performance financial performance reflect ability company in produce profit, fulfill obligations, as well as guard stability its operations in term short and term long.

Financial performance something company own a very important role in control activity companies in the future , which can known through report Financial Performance is something analysis conducted For see to what extent a company has carry out with use rules implementation finance in a way good and right (Fahmi, 2020)

Report finance functioning as a recording information medium all over activity economy company as well as become base in evaluate performance management, predicting condition future finances, and assess position company for interested parties such as investors, creditors, and internal management. Assessment of a bank's financial performance can be done through financial reports prepared periodically. finance is reports showing condition finance company at the time This or in something period certain (Kasmir, 2019) .

In study this , focus analysis directed at the ratio solvency and ratio profitability , because both of them play a role important in describe ability company in fulfil obligation term long as well as its effectiveness in produce profit from activity operational ratio solvency is the ratio used For measure to what extent total assets company financed by debt (Kasmir, 2019) . One of the common indicators used For measure ratio solvency is *Debt to Asset Ratio (DAR). DAR* is debt ratio used For measure comparison between total debt and total assets (Kasmir, 2019) . In other words, how much big asset company financed by debt or how much large company debt influential to management assets. The more tall mark *DAR*, increasingly high level of dependency company to external funds in financing its assets, which means risk finance companies are also increasingly tall.

Temporary that , the ratio profitability is ratio For evaluate ability company in produce profit (Kasmir, 2019) . Ratio This show level efficiency company in utilise source existing power For get benefits. One of the frequent indicators used For measure profitability is *Return on Assets (ROA). ROA* is one of the ratio profitability used For

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measure eligibility company in create profit (Kasmir, 2019) . Increasingly tall mark *ROA,* the more effective company in manage his assets For produce profit.

PT Gudang Garam Tbk (GGRM) conducted an IPO (*Initial Public Offering*) or listed on the Indonesia Stock Exchange on August 27, 1990. This company capable do production various type cigarette that is clove cigarettes, hand -rolled clove cigarettes and machine -rolled clove cigarettes (www.gudanggaramtbk.com). report PT Gudang Garam Tbk 's financial position balance sheet and profit make a loss .

Table 1. Data on Total Debt, Total Assets, Net Profit at PT Gudang Garam Tbk. (Stated in millions of rupiah).

YEAR	Total Debt	Total Assets	Net profit
2015	Rp. 25,497,504	Rp. 63,505,413	Rp. 6,452,834
2016	Rp. 23,387,406	Rp. 62,951,634	Rp. 6,672,682
2017	Rp. 24,572,266	Rp. 66,759,930	Rp. 7,755,347
2018	Rp. 23,963,934	Rp. 69,097,219	Rp. 7,793,068
2019	Rp. 27,716,516	Rp. 78,647,274	Rp. 10,088,704
2020	Rp. 19,668,941	Rp. 78,191,409	Rp. 7,647,729
2021	Rp. 30,676,095	Rp. 89,964,369	Rp. 5,605,321
2022	Rp. 30,706,651	Rp. 88,562,617	Rp. 2,779,742
2023	Rp. 31,587,980	Rp. 92,450,823	Rp. 5,324,516
2024	Rp. 23,022,685	Rp. 84,939,276	Rp. 980,804

Source : data accessed via (https://www.idx.co.id)

Based on table 1 above results analysis report finances of PT Gudang Garam Tbk experience decrease in the company's total debt in 2016 amounting to Rp. 23,387,406, in 2018 amounting to Rp. 23,963,934, decrease back in 2020 amounting to Rp. 19,668,941, and experienced increase in 2021 of Rp.30,676,095, in 2022 of Rp.30,706,651, in 2023 of Rp.31,587,980, and in 2024 of Rp.23,022,685. this increase in total debt show that the Company needs addition source funding external For support working capital needs, such as purchase material standard, distribution products, as well as financing continuous operations growing. In terms of total assets, the company also experienced decrease in 2016 of Rp.62,951,634 and in 2020 of Rp.78,191,409, a decrease back in 2022 amounting to Rp.88,562,617, and a decrease in 2024 amounting

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to Rp.84,939,276. Experiencing significant increase in 2023 of Rp.92,450,823. The decrease in total assets caused by the load depreciation to buildings, machinery and equipment production whose value reduce from time to time, and impact the COVID-19 pandemic in 2020. Meanwhile from side profit clean experience increase in 2016 of Rp.6,672,682, in 2017 it increased amounting to Rp.7,755,347, in 2018 amounting to Rp.7,793,068, experiencing a significant increase in 2019 of Rp.10,088,704, however Then decrease sharp until only Rp.980,804 in 2024. The decrease profit clean caused by increasing burden operational like cost production and increase burden excise cigarettes, impact the COVID-19 pandemic in 2020, and changes trend shopping consumers.

Based on condition said, research This is For knowing and analyzing ratio solvency and profitability in evaluate performance finances of PT Gudang Garam Tbk during period 2015-2024. With notice condition industry dynamic cigarettes and changes in environment external and internal company research This aim For give valuable insights for stakeholders interests, including investors, management companies, regulators, and market analysts.

IDENTIFICATION OF PROBLEMS

1. Happen fluctuations in the total value of debt during period 2015 to 2024 at PT Gudang Garam Tbk.
2. Happen fluctuations in the total value of assets during period 2015 to 2024 at PT Gudang Garam Tbk.
3. Happen decline profit clean during period 2020, 2021, 2022 and 2024 at PT Gudang Garam Tbk.

FORMULATION OF THE PROBLEM

1. How much Good ratio measured solvency use ratio *Debt to Asset Ratio* at PT Gudang Garam Tbk?
2. How much Good ratio measured profitability use ratio *Return on Assets* at PT Gudang Garam Tbk?

RESEARCH PURPOSES

1. For knowing and analyzing how much Good ratio measured solvency use ratio *Debt to Asset Ratio* at PT Gudang Garam Tbk.
2. For knowing and analyzing how much Good ratio measured profitability use ratio *Return on Assets* at PT Gudang Garam Tbk.

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LITERATURE REVIEW

THEORITICAL REVIEW

1. Financial statements

Report finance is description condition finance and results business something company at the time certain or term time certain (Harahap, 2021) . Purpose of the report finance For provide information finance something entity , both at the time certain as well as in the period certain useful for a number of big users in taking decision Good internal and external parties who have interest to company (Kasmir, 2019) . As for the types report finances which include is, report profit loss, report cash flow, report change position finance and records on report finance.

2. Ratio Finance

Ratio Finance is activity compare the existing numbers in report finance with method share One number with number other (Kasmir, 2019) . Types of ratios finance covering ratio Liquidity, Profitability Ratio, Solvency Ratio, Activity Ratio. The financial ratios used for this research variable are the solvency ratio containing *the Debt to Asset Ratio (DAR)* and the profitability ratio containing the profitability of *Return on Assets (ROA).*

3. Ratio Solvency

Ratio Solvency or leverage ratio is the ratio used For measure to what extent assets company financed with debt (Kasmir, 2019) . This means How many big debt burden borne company compared to with its assets. The purpose of the ratio Solvency is For evaluate ability company in fulfil all over his obligations, both term short and term long, and measure level risk financial challenges faced. The more tall ratio solvency, then the more big level dependence company against debt, so that risk finance and potential difficulty in fulfil obligations are also increasing high. On the other hand, the higher low ratio solvency show that company more Lots using own capital compared to debt, so that condition finance tend more safe and stable. Ratio Solvency used that is *Debt to Asset Ratio (DAR).*

a. Debt to Asset Ratio (DAR)

Debt to Assets Ratio is debt ratio used For measure comparison between total debt and total assets (Kasmir, 2019) . The ratio For evaluate to what extent the company can use sources of debt for funding its assets. The more tall mark *DAR,* the more big level dependence company to external funds in financing its assets, which means risk finance

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companies are also increasingly height. Calculation his consists of from distribution amount of company debt with its total assets.

$$DAR = \frac{Total\ Utang}{Total\ Aset}\ X\ 100\%$$

Source: Kasmir (2019)

***Table 2. Debt to Assets Ratio* assessment standards**

Component	Industry Standards	Category	
		Good	Not good
Debt to Assets Ratio	35%	<35%	>35%

Source: Kasmir (2017)

2. Ratio Profitability

Ratio Profitability is ratio For evaluate ability company in look for profit (Kasmir, 2019) . The purpose of the ratio profitability is For evaluate ability company in produce profit as well as measure effectiveness management in manage source power owned. Standard profitability can seen with compare ratio company with the industry average. If the ratio company is above the industry average, then can it is said good, whereas if below, then its performance not enough Good.

a. Return on Assets (ROA)

Return on Assets is one of the ratio profitability used For measure ability company in produce profit with utilise all over assets owned (Kasmir, 2019) . The goal that is For measure bank's ability to produce profit from all over assets owned, assess efficiency bank management in manage asset as well as know level bank profitability in something period certain. increasingly tall ROA value then the more Good bank performance in produce profit from assets owned. On the other hand, a low ROA value show bank's ability to produce profit Still less than optimal. Factors that influence ROA are level data collection or sale company, efficiency cost operational company as well as company capital structure.

***Table 3. Return on Assets* assessment standards**

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$$ROA = \frac{Laba\ Bersih}{Total\ Aset}\ X\ 100\%$$

Source: Kasmir (2019)

Component	Industry Standards	Category	
		Good	Not good
Return on Asset	30%	>30%	<30%

Source: Kasmir (2017)

b. RESEARCH HYPOTHESIS

Hypothesis is answer temporary to formulation problem research that is true Still must tested through data collection and analysis (Hery, 2020) .

a. Hypothesis statistics

1) H_0 : μ_0 >35% Ratio Measured solvency use *Debt to Asset Ratio* at PT Gudang Garam expected not enough Good.

H_a : μ_0 <35% Ratio Measured solvency use *Debt to Asset Ratio* at PT Gudang Garam expected Good.

2) H_0 : μ_0 <30% Ratio Measured profitability use *Return on Assets* at PT Gudang Garam expected not enough Good.

H_a : μ_0 >30% Ratio Measured profitability use *Return on Assets* at PT Gudang Garam expected Good.

b. Hypothesis study

1. For knowing and analyzing how much Good ratio measured solvency use ratio *Debt to Asset Ratio* at PT Gudang Garam Tbk.
2. For knowing and analyzing how much Good ratio measured profitability use ratio *Return on Assets* at PT Gudang Garam Tbk.

RESEARCH METHODOLOGY

TYPES OF RESEARCH

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Types of research is form or approach research used For collect, analyze, and interpret data according to with objective study (Sarwono, 2022) . The type of research used in study This is study descriptive with approach quantitative research descriptive is research that aims For describe in a way systematic characteristics something population or phenomenon certain based on the data collected, good in form quantitative and qualitative, without give treatment to variables studied (Sugiyono, 2019) Research This aim For knowing and analyzing Ratio Solvency *(DAR)* and Ratio Profitability *(ROA)* in measure performance finance at PT Gudang Garam Tbk.

RESEARCH INSTRUMENT

Instrument study is tool aids selected and used by researchers For collect data for activities the become systematic and more easy done (Nasution, 2016) . Instruments used in study This is a list of tables report finances at PT Gudang Garam Tbk which include report balance sheet containing total assets, total liabilities and reports profit losses that include profit clean 10 years 2015-2024 period.

RESEARCH POPULATION AND SAMPLE

Population is a generalization area consisting of from objects/subjects that have quality and characteristics certain conditions determined by researchers to be studied and then withdrawn in conclusion (Sugiyono, 2019) . Population in study This is report finances at PT Gudang Garam Tbk, since the IPO in 1990, August 27th to 2024.

The sample is part from amount or characteristics possessed by the population (Hutami, 2024) . Sample in study This is report annual report of PT Gudang Garam Tbk for 10 years, namely 2015 to 2024, which includes data on total assets, total debt, and profit clean.

Taking technique samples used in study This is *purposive sampling*. *Purposive sampling* is technique determination sample with consideration certain (Lenaini, 2021) .

RESEARCH LOCATION

Research location is place or a specific area selected by the researcher For carry out activity research to obtain the necessary data in accordance with objective study (Margono, 2020) . In study this , the author do research at PT Gudang Garam Tbk , a manufacturing company engaged in in the field industry cigarette The largest in Indonesia, headquartered in Kediri, East Java, is located at Jl. Semampir II/1, Kediri, East Java, 64121, Indonesia.

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DATA COLLECTION TECHNIQUE

Documentation data collection techniques is technique data collection with method record the data that has been There is in form documents, okay in the form of writing, pictures, or other monumental works (Sugiyono , 2019). The data collection techniques used in study This is documentation and studies library.

1. Documentation

   Documentation is technique data collection for collect data from sources that include notes and documents (Gunawan, 2016) . Document the can in the form of reports, archives, and notes official. Document the can in the form of report finance finance, archives companies, statistical data, and notes official other relevant with variables research. Types of documentation used in study This is report finance from PT Gudang Gudang TBK during period 2015-2024, which was obtained via the website www.idx.co.id.

2. Literature review

   Literature study is technique data collection with stage studies review to existing books, literature, journals, notes and reports the relationship with problem solved, (Ramadhani et al., 2024) . Type of study library in study This covers search information through books, journals, articles scientific, and other relevant literature with variables and problems study.

DATA ANALYSIS TECHNIQUES

Data analysis is the process of identifying, coding, and interpreting data (Creswell, 2024) . Research This use method analysis with using the SPSS computer program Version 20. The technique data analysis used:

1. Analysis Descriptive

a. Analysis *Debt to Asset Ratio* (DAR)

Debt to Asset Ratio (DAR) is debt ratio used For comparison between total debt and total assets (Kasmir, 2019) . The ratio This show proportion between debt and assets owned company. The more tall mark *DAR,* the more big dependence company to party outside (creditors).

***Table 4. Debt to Assets Ratio* assessment standards**

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Component	Industry Standards	Category	
		Good	Not good
Debt to Assets Ratio	35%	<35%	>35%

Source: Kasmir (2017)

b. *Return on Assets (ROA)* Analysis

Return on Assets (ROA) is one of the ratio profitability used For measure eligibility company in create profit (Kasmir, 2019) . *ROA* is used For measure effectiveness management in manage assets to obtain profit clean. The more tall mark *ROA,* the more Good ability company in produce profit of total assets owned.

Table 5. Assessment standards *Return on Asset*

Component	Industry Standards	Category	
		Good	Not good
Return on Asset	30%	>30%	<30%

Source: Kasmir (2017)

2. Analysis Statistics

a. t test

The T-test, or One Sample T-Test Method, is a test using a single sample and comparing the average to a constant value. To test this hypothesis, a one-sample t-test is used with the following formula (Sugiyono, 2017) :

$$t = \frac{X \quad u_0}{s/\sqrt{n}}$$

Where:
t = t-count value
X = Average value
u_0 = Hypothesized value s = Sample standard deviation

With the provision that if t count is greater than t table with a significance rate of 5% (t count> t table), then Ha is accepted and Ho is rejected,

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conversely if t count is smaller than t table (t count< t table) then Ho is accepted and Ha is rejected.

RESEARCH RESULT

DISCUSSION OF DATA ANALYSIS RESULTS

1. Data Analysis
   a. Analysis Descriptive
      a) Debt to Asset Ratio (DAR) Analysis

Table 6. Assessment Results *Debt to Asset Ratio (DAR)* at PT Gudang Garam Tbk

TAHUN	TOTAL UTANG	TOTAL ASET	DAR (%)	STANDAR RASIO	KETERANGAN
2015	Rp 25.497.504	Rp 63.505.413	40	<35%	Kurang Baik
2016	Rp 23.387.406	Rp 62.951.634	37	<35%	Kurang Baik
2017	Rp 24.572.266	Rp 66.759.930	37	<35%	Kurang Baik
2018	Rp 23.963.934	Rp 69.097.219	35	<35%	Baik
2019	Rp 27.716.516	Rp 78.647.274	35	<35%	Baik
2020	Rp 19.668.941	Rp 78.191.409	25	<35%	Baik
2021	Rp 30.676.095	Rp 89.964.369	34	<35%	Baik
2022	Rp 30.706.651	Rp 88.562.617	35	<35%	Baik
2023	Rp 31.587.980	Rp 92.450.823	34	<35%	Baik
2024	Rp 23.022.685	Rp 84.939.276	27	<35%	Baik
Rata-Rata	Rp 26.079.998	Rp 77.506.996	33,9	<35%	Baik

Source: processed secondary data, 2026

Debt to Asset Ratio (DAR) is ratio that shows how much big asset company financed by debt. The more low mark *DAR*, increasingly Good condition solvency company Because show more dependence small on debt. Based on table, value *DAR* of PT Gudang Garam Tbk in the 2015–2024 period is in the range of 25 % to 40%. overall, value *DAR* for 10 years final is at in category good, which means company capable guard structure funding with Healthy without dependence over- indebtedness.

Average *DAR value* during period the is around 33.9%, and the figure this also reflects condition good solvency. With level Relative *DAR* stable and tends to decreased in some year lastly, the company show good ability in manage assets and liabilities so that still be in condition healthy finances.

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b). Return on Assets (ROA) Analysis

Table 7. Assessment Results *Return on Assets (ROA)* at PT Gudang Garam Tbk

TAHUN	TOTAL ASET	LABA BERSIH	ROA (%)	STANDAR RASIO	KETERANGAN
2015	Rp 63.505.413	Rp 6.452.834	10	>30%	Kurang Baik
2016	Rp 62.951.634	Rp 6.672.682	11	>30%	Kurang Baik
2017	Rp 66.759.930	Rp 7.755.347	12	>30%	Kurang Baik
2018	Rp 69.097.219	Rp 7.793.068	11	>30%	Baik
2019	Rp 78.647.274	Rp 10.088.704	13	>30%	Baik
2020	Rp 78.191.409	Rp 7.647.729	10	>30%	Baik
2021	Rp 89.964.369	Rp 5.605.321	6	>30%	Baik
2022	Rp 88.562.617	Rp 2.779.742	3	>30%	Baik
2023	Rp 92.450.823	Rp 5.324.516	6	>30%	Baik
2024	Rp 84.939.276	Rp 980.804	1	>30%	Baik
Rata-Rata	Rp 77.506.996	Rp 6.110.075	8,3	>30%	Baik

Source: processed secondary data, 2026

Return on Asset (ROA) is ratio that measures ability company in produce profit with utilise all over the assets he owns. The more tall mark *ROA*, then the more Good performance company Because show efficiency in use asset For get profit. Based on table, value *ROA* of PT Gudang Garam Tbk for the 2015–2024 period is in the range of 1% to 13 %. mark *ROA* for 10 years the Still be under standard ratio of 30%, so that categorized No Good according to the standard used. This is show that company Not yet capable maximize his assets optimally in produce profit. Average *ROA value* by 8.3%, which also reflects condition performance less than optimal profitability during period study.

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b. Analysis Statistics

a. One Sample t-Test

Table 8. One Sample t-Test

One-Sample Test

	Test Value = 35					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Debt to Asset Ratio	-,763	9	,465	-1,100	-4.36	2.16

Source: Data processed by SPSS, 2026

Based on table 8 above, obtained t - value *Debt to Asset Ratio* -0.763 < t table value 1.812 means H_0 accepted and H_1 rejected. With thus mark *debt to asset ratio* <35% expected No Good

Table 9. One Sample t-Test

One-Sample Test

	Test Value = 30					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
RETURN ON ASSET	16,916	9	,000	21,700	-24.60	-18.80

Source: Data processed by SPSS, 2026

Based on table 9 above, obtained t - value *Return on Asset* -16.916 < t table value 1.812 means H_0 accepted and H_1 rejected. With thus mark *Return on Asset* <30% expected No Good.

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a. Discussion Study

1. Financial Performance Analysis Based on Ratio Solvency

Based on results testing hypothesis Ratio Measured solvency use *Debt to Asset Ratio* (DAR) at PT Gudang Garam Tbk No can accepted, because the calculated t value (-0.763) is more small from t table value (1.812) and value significance *Debt to Asset Ratio* of more than 0.465 big from alpha (0.05). So that can concluded that condition performance measured finances use *Debt to Asset Ratio (DAR)* at PT Gudang Garam Tbk 2015–2024 period in condition not enough good. This is show that tall or low proportion assets financed by debt, as measured through DAR, no in a way direct reflect condition finance different companies in a way statistics from standard designated industry by 35%.

Findings This in line with study Chairunnisa et al (2025) and Purwanto et al (2022) which concludes that solvency company cigarette tend not enough Good Because be under industry standards. However, it is different with study Sulistiowati & Ratih (2023) and Salsabila (2023) which states that company cigarettes listed on the Indonesian Stock Exchange in general Still capable guard its solvency is at a good level although face pressure industry and fluctuations condition economics. Research the confirm that ratio solvency such as DAR and DER are indicator important in evaluate stability finance company cigarettes, because capable reflect ability company in fulfil obligation term length Fluctuations that occur Still is at within reasonable limits and not show existence improvement significant risk.

2. Financial Performance Analysis Based on Ratio Profitability

Based on results testing hypothesis Ratio Measured profitability use *Return on Assets* (ROA) at PT Gudang Garam Tbk can accepted, because t value -16.916 < t table value 1.812. So that can concluded that condition performance measured finances use *Return on Assets* (ROA) at PT Gudang Garam Tbk 2015–2024 period in condition not enough good. This is show that ability company in produce profit of total assets owned Still not optimal, so that effectiveness utilization asset in create profit Not yet capable reach expected standards. Low this ROA value indicates that company Not yet can maximize use all over source power possessed For increase profitability in a way efficient.

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Findings This in line with study Asanik & Giovanni (2021) and Kharismatika & Utomo (2024) who concluded that profitability company cigarette tend experience pressure, marked with low ability company in produce profit from assets used. Conditions the can influenced by the increase cost operational, competition an increasingly growing industry tight, and pressure external like increase excise cigarettes and change pattern consumption society. However, the results study This different with study Aini et al (2021) and Orlando et al (2024) which states that a number of company cigarettes listed on the Indonesian Stock Exchange are still capable guard level its profitability is in the good category although face various challenge industry and fluctuations condition economics. Research the confirm that ratio profitability such as ROA is indicator important in evaluate efficiency management asset company, because capable reflect ability management in optimize all over assets owned For produce profit. Fluctuations ROA value that occurs during period study show existence dynamics in performance operational company, however in a way overall Not yet show level stable profitability in accordance with expected standards.

RESEARCH CONCLUSION

Research Conclusion

Based on results analysis ratio solvency and profitability at PT Gudang Garam Tbk period 2015–2024, can concluded that performance finance company show varying conditions at each measured ratio:

1. Analysis ratio Solvency through *Debt to Asset Ratio (DAR)* show that PT Gudang Garam Tbk is at in condition healthy finances. DAR value *during* period study is in the range of 25%–40%, with an average of 33.9%, which means company No own high dependency against debt. This is describe that structure funding company is at in condition safe and stable, so that risk finances covered company relatively low.
2. Ratio Profitability through *Return on Asset (ROA)* shows less than optimal conditions. The *ROA value* of PT Gudang Garam Tbk is in the range of 1%–13%, with an average of 8.3%, all of which be under standard ratio profitability used in research, namely 30%. Condition This indicates that company Not yet capable manage his assets with effective For produce profit.
3. *Debt to Asset Ratio (DAR)* show that the calculated t value (-0.763) is more small from the t table (1.812) so that H_0 is accepted and H_a is rejected, with thus mark

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debt to asset ratio (DAR) <35% expected No good. Meanwhile *Return on Asset (ROA)* show the calculated t value (-16.916) is more small from t table value (1.812), so H_0 accepted and H_a rejected. With thus mark *Return on Asset* <30% expected No Good.

Suggestion

1. COMPANY

Companies also need to strengthen marketing strategies and market expansion for increase sale so that profitability can increased. The company needs to do innovation product as well as adapt strategy to dynamics industry cigarettes are increasing increasingly competitive and regulatory strict.

2. NEXT RESEARCHERS

Research result this is so that you can used as reference for other researchers especially those who want to research more carry on about analysis ratio solvency and profitability For evaluate performance finances at PT Gudang Garam Tbk, with method expand research areas, increase amount population, as well as study deepened Again with use method different research so that get even better results.

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