

CHAPTER V

CLOSING

A. Conclusion

Based on the result that was explained in the previous chapter, the researcher finally had some point of conclusion as below:

- a. Financial performance of the companies can measure company performance by calculating financial ratio (liquidity ratio, leverage ratio, profitability ratio and book value of equity to book value of total liabilities) of each company then inserted to Altman Z-score formula.
- b. The companies that listed in Indonesian Stock Exchange and become go public does not always mean have good financial performance. The result of the research presented some samples that listed companies are either totally in gray area which means suffered financial problems or partially in gray area during research period.
- c. Vice versa from point b, not all delisting company suffered financial problems. When a company decides to delisting from Indonesian Stock Exchange (IDX) does not means it was in bankrupt situation. Some companies delisted because they are merging with another company or going private company. That is known as voluntary delisting.

B. Suggestion

- a. Being go public by listed in IndonesiaSn Stock Exchange (IDX) need trust from public investor. Investor will take consideration on company condition and credibility. It is needs for a company to evaluate the financial performance periodically thus a company able to maintain the sustainability and detect if there is bankruptcy indication. The company able to set some strategies involving Z-score formula simulation.
- b. Investor needs also to investigate financial performance and trace the track record before invest to that company. If there are some bankruptcy indications, investor needs to take consideration moreover when the Z-score value is close to 1.1. But, if the company Z-score value is high from 2.6, it indicates a good company.
- c. Selecting more than 2 companies in delisting company to more enhance the reliability of the future study.