ABSTRACT

By doing financial performance assessment, a company will be able to recognize the performance that they have reached and the efforts that should be needed to increase the financial performance. A common approach used to assess the financial performance of a company is financial risk analysis and Du Pont method analysis. Using Du Pont analysis based on 5 years period of 2003 until 2007 yields information regarding company's return rate

On this research, writer uses data based on annual report of PT.Indosiar Visual mandiri (IVM) from 2003 to 2007. Based on the annual report from 2003 to 2007, IVM's ROE value is fluctuating as an effect of the net income of IVM. IVM experienced some losses during the 2005 period until 2007 that caused ROE value and ROI value becomes negative. Compared to the similar company, ROI and ROE value of IVM is relatively low.

To increase the financial performance, IVM do several improvements such as: selling several constant assets, building new transmitter, focusing on "in house's program" and a good supply management. These yield better result as indicated by the decrease of debt, increase of rating and share, and also a decrease on other task and program supply.

To increase the IVM's performance on the following years several steps that can be consider to give better output such as quickly responding to the changing taste of viewer, studying existing trends abroad and much more selective on purchasing program supply from other production house.

Key Word: Du Pont Analysis, Ratio Analysis, ROI and ROE