

**RATIO ANALYSIS ON THE Z SCORE IN PREDICTING FINANCIAL  
CONDITION OF MANUFACTURING COMPANY FINANCIAL  
DISTRESS. CASE STUDY IN INDONESIA STOCK EXCHANGE OF  
MANUFACTURING COMPANY**

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Along with the monetary crisis had passed but it still felt to this day as a result, many of the problems experienced by this nation, which is included in the economic aspect is the decline of economic activity as more and more companies go bankrupt since the financial crisis.

The objective of this study is to predict the condition of the *Financial distress* of a company through analyst Z score derived from financial statements.

Z-score analysis of the 23 companies showed that companies that go bankrupt and the company will go bankrupt due to decreased variable  $X_1$ ,  $X_2$ ,  $X_3$ ,  $X_4$ , and  $X_5$ . The decline was caused by: The fall in the value of the variable  $X_1$  and  $X_4$  the majority of the swelling caused by debt, both short-term debt and long-term debt. This suggests that many companies rely on a loan with no anticipation of maturing debt payments.

*Keywords: Z score is a statement that will predict bankruptcy*