This study was aimed to give an empirical evidences about there is or not difference of company’s performance, bidding firms and target firms, before and after the event of merger and acquisitions which showed by financial ratios consist of ratio of liquidities, activities, leverage and profitabilities. The population in this study was all the go public companies except kind of banking and other financing doing merger activities and acquisition of 2001 - 2005. Using the technique of purposive sampling, finally, it was gained 30 companies as the sample of the study which is consist of 16 as bidding firms and 14 as target firms.

In this study, test of data using statistical analyze consist of analyze of Kolmogorov-Smirnov, Wilcoxon Signed Ranks Test and Paired Sample T-Test. The result of the analysis showed that there was no significant difference in financial ratios before and after merger and acquisitions. However several financial ratios in target firms like CR, QR and TAT indicate that there were different significant but temporary and not consistent. From the result of the analysis, it could be concluded that the merger and acquisition had not affect performance for bidding firms and target firms. Concluded that economic aim of merger an acquisition could not be achieved until the end of the second year. This was probably because
of some economical reason dominantly during decision making to merge and acquire, so the synergism as a main motivation in a merger and acquisition could not be achieved.