

COMPARATIVE ANALYSIS OF PROFITABILITY RATIOS IN BEVERAGE COMPANIES (CASE STUDY OF PT ULTRAJAYA MILK INDUSTRY AND PT CISARUA MOUNTAIN DAIRY TBK)

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ARTICLE INFORMATION	ABSTRACT
<i>Article History:</i> Received 02 Agustus, 2025 Revised 22 Agustus, 2025 Published 25 Oktober, 2025 <i>Keyword:</i> <i>Financial Performance</i> <i>Profitability</i>	<i>This study aims to identify and analyze the comparison of one financial ratio, namely the Profitability Ratio, between two beverage companies listed on the Indonesia Stock Exchange: PT Ultrajaya Milk Industry Tbk (ULTJ) and PT Cisarua Mountain Dairy Tbk (CMRY). The analysis focuses on the Gross Profit Margin (GPM), Operating Profit Margin (OPM), Net Profit Margin (NPM), and Return on Assets (ROA). The research method employed is descriptive research using quantitative data. Data collection was conducted by downloading the annual reports of PT Ultrajaya Milk Industry Tbk and PT Cisarua Mountain Dairy Tbk from the official website of the Indonesia Stock Exchange. The results indicate that PT Cisarua Mountain Dairy Tbk (CMRY) has better profitability ratios, with a GPM of 41.58% in 2023 compared to PT Ultrajaya Milk Industry Tbk (ULTJ) at 32.41%, as well as higher OPM, NPM, ROA, and ROE. These findings reflect the efficiency of PT Cisarua Mountain Dairy Tbk (CMRY) in managing production costs, operations, and assets. This study provides insights for investors and management in evaluating company performance and financial strategies.</i> .
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1. Introduction

The beverage industry plays an important role in Indonesia's economy, especially with the increasing demand for dairy products and their derivatives consumed by people of all ages. The growth of this industry is driven by increasing public awareness of the importance of health, so that demand for products such as milk, yogurt, and protein-based beverages continues to increase. Two major companies that dominate this sector are PT Ultrajaya Milk Industry Tbk (ULTJ) and PT Cisarua Mountain Dairy Tbk (CMRY), both of which focus on the dairy and dairy products segment. Financial reports are a key tool for companies in providing useful financial information to stakeholders for decision-making. One of the key components of financial reports is the profitability ratio, which measures a company's ability to generate profits from its resources. Ratios such as Gross Profit Margin (GPM), Operating Profit Margin (OPM), Net Profit Margin (NPM), and Return on

Assets (ROA) provide an overview of a company's effectiveness in utilizing sales, assets, and costs to generate profits. These ratios are important indicators for investors and other stakeholders in evaluating a company's performance. Previous research shows that profitability ratio analysis can provide a clear picture of a company's financial performance and enable comparisons between companies in the same industry. (Marcelina, 2013), through research on food and beverage companies that

Listed on the Indonesia Stock Exchange, found that profitability ratios such as Net Profit Margin (NPM) and Gross Profit Margin (GPM) can be used to measure a company's ability to generate gross profit and net profit. The study revealed significant differences in profitability levels between companies in this sector, making profitability ratios an important tool for investors in assessing company performance. In addition, research (Nugroho, 2016) reveals that the Return on Assets (ROA) ratio is effective in measuring a company's ability to utilize assets to generate profits. A high ROA reflects the effectiveness of asset utilization and indicates better profitability. In the beverage sector, where assets such as production and distribution facilities play a major role, ROA is a key indicator in assessing operational efficiency. This study aims to analyze the profitability of PT Ultrajaya Milk Industry Tbk (ULTJ) and PT Cisarua Mountain Dairy Tbk (CMRY) as two leading companies in the milk-based beverage sector. This study is expected to provide a deeper understanding of the competitive position of both companies and the factors that influence their financial performance. The findings of this study are expected to be useful for investors and company management in understanding the elements that support profitability, so that they can be used as a basis for investment decisions and company management strategies.

2. Literatur Review

2.1. Financial Ratios

Financial ratios are analytical tools used to evaluate a company's financial condition by comparing various elements in its financial statements. These tools provide an overview of a company's performance and financial health, while also helping to assess whether the company has achieved its financial targets (Kasmir, 2011). (Munawir, 2010) states that financial ratios enable companies to compare their performance with competitors in the same industry and serve as a reference for management in decision-making. These financial ratios are grouped into several categories, such as liquidity, solvency, activity, and profitability ratios.

2.2 Profitability Ratios

Profitability ratios are a type of financial ratio used to assess the extent to which a company is able to generate profits. These ratios are a key indicator of a company's operational efficiency and its ability to generate profits (Hery, 2013) explains that profitability ratios are an important tool for assessing a company's performance from a profitability perspective. This ratio is also used to measure the extent to which a company can effectively utilize its assets and equity to generate profits. Several profitability ratios that are often used to analyze a company's financial performance include:

- Gross Profit Margin (GPM)

Gross Profit Margin (GPM) is used to measure the percentage of gross profit to sales. This ratio illustrates how much revenue remains after deducting the cost of goods sold (COGS). (Kasmir, 2011) states that GPM is an initial indicator of profitability that reflects a company's ability to manage production costs efficiently. The higher the GPM value, the greater the gross profit that can be generated from sales.

- Operating Profit Margin (OPM)

Operating Profit Margin (OPM) calculates the percentage of operating profit generated from each sale. This ratio shows the efficiency of a company in managing operational expenses, such as administrative and marketing costs. According to (Harahap, 2008), OPM is an important indicator for assessing a company's ability to generate profits before taking into account non-operating costs and taxes.

- Net Profit Margin (NPM)

Net Profit Margin (NPM) measures the percentage of net profit to sales after taxes and all expenses are deducted. This ratio shows how much revenue can be allocated as net profit. (Istiningrum, 2011) explains that a high NPM indicates that a company is able to control costs effectively, thereby generating maximum profits from sales. The higher the NPM, the more optimal the net profit that can be given to shareholders.

- Return on Assets (ROA)

Return on Assets (ROA) shows how effectively a company utilizes its assets to generate profits. This ratio measures a company's ability to generate profits based on its total assets. (Nugroho, 2016) states that a high ROA indicates management efficiency in using assets to generate profits.

- Return on Equity (ROE)

Return on Equity (ROE) is used to evaluate a company's ability to generate profits for shareholders from invested equity capital. According to (Riyanto, 2008), ROE is an important indicator for investors because it shows the rate of return on their investment. A high ROE indicates a company's ability to manage investment capital to generate optimal profits.

3. Research Methodology

3.1 Research Design

This study uses a quantitative descriptive method to evaluate and compare the profitability performance of two beverage companies, namely PT Ultrajaya Milk Industry Tbk (ULTJ) and PT Cisarua Mountain Dairy Tbk (CMRY). The quantitative descriptive method was chosen to provide a detailed picture of the financial condition of both companies through profitability ratio analysis.

3.2 Research Object

The objects of this study are PT Ultrajaya Milk Industry Tbk and PT Cisarua Mountain Dairy Tbk, both of which are companies engaged in the beverage industry with a primary focus on the production and distribution of milk and milk-based products.

3.4 Type and Source of Data

The data used in this study is secondary data in the form of annual financial reports published by both companies in 2022. The data sources were taken from the official website of the Indonesia Stock Exchange (IDX) and publicly available company financial reports.

3.5 Data Collection Techniques

Financial report data was obtained by downloading the annual reports of PT Ultrajaya Milk Industry Tbk and PT Cisarua Mountain Dairy Tbk from the official website of the Indonesia Stock Exchange or from the respective companies' websites. The financial reports analyzed were income statements and balance sheets, which were needed to calculate profitability ratios.

3.6 Data Collection Techniques

Data analysis in this study was conducted by calculating the following profitability ratios:

1. *Gross Profit Margin* (GPM) to measure the percentage of gross profit from net sales. The GPM formula is as follows:

$$GPM = \frac{\text{Gross Profit}}{\text{Sales}} \times 100\%$$

2. *Operating Profit Margin* (OPM) to measure the company's efficiency in managing operating costs. The OPM formula is as follows:

$$OPM = \frac{\text{Operating Profit}}{\text{Sales}} \times 100\%$$

3. *Net Profit Margin* (NPM) measures the percentage of net profit to net sales, which indicates the company's ability to generate net profit from sales. The NPM formula is as follows:

$$NPM = \left(\frac{\text{Net Income}}{\text{Sales}} \right) \times 100\%$$

4. *Return on Assets* (ROA) measures a company's effectiveness in using its assets to generate net profit. The ROA formula is as follows:

$$ROA = \frac{Net\ Income}{Total\ Assets} \times 100\%$$

5. *Return on Equity* (ROE) measures. The ROE formula is as follows:

$$ROE = \frac{Income\ After\ Tax}{Total\ Equity} \times 100\%$$

4. Results and Discussion

The results of the profitability ratios for PT Ultrajaya Milk Industry Tbk and PT Cisarua Mountain Dairy Tbk for the 2022-2023 period are as follows:

A. Gross Profit Margin (GPM)

ULTJ (2022): Sales of IDR 7,656,252 million, Gross Profit of IDR 2,457,088 million

$$GPM\ UL TJ\ 2022 = \frac{2,457,088}{7,656,252} \times 100\% = 32.1\%$$

ULTJ (2023): Sales of IDR 8,302,741 million, Gross Profit of IDR 2,691,571 million

$$GPM\ UL TJ\ 2023 = \frac{2,691,571}{8,302,741} \times 100\% = 32.4\%$$

CMRY (2022): Sales of IDR 6,378,348 million, Gross Profit of IDR 2,668,493 million

$$GPM\ CMRY\ 2022 = \frac{2,668,493}{6,378,348} \times 100\% = 41.8\%$$

CMRY (2023): Sales of IDR 7,772,910 million, Gross Profit of IDR 3,232,728 million

$$CMRY\ GPM\ 2023 = \frac{3,232,728}{7,772,910} \times 100\% = 41.6\%$$

The *Gross Profit Margin* calculation shows that CMRY is higher than UL TJ, both in 2022 and 2023. This indicates that CMRY has higher production cost efficiency or product selling price bargaining power.

B. Operating Profit Margin (OPM)

CMRY (2022): Operating profit of IDR 1,254,607 million. Sales amounted to IDR 6,378,348

$$\text{OPM CMRY 2022} = \frac{1,254,607}{6,378,348} \times 100\% = 19.7\%$$

CMRY (2023): Operating profit of IDR 1,414,904 million. Sales of IDR 7,772,910 million.

$$\text{CMRY OPM 2023} = \frac{1,414,904}{7,772,910} \times 100\% = 18.2\%$$

ULTJ (2022): Operating Profit IDR 1,271,497 million. Sales of IDR 7,656,252 million.

$$\text{OPM ULTJ 2022} = \frac{1,271,497}{7,656,252} \times 100\% = 16.6\%$$

ULTJ (2023): Operating Profit IDR 1,456,073 million. Sales of IDR 8,302,741 million.

$$\text{OPM ULTJ 2023} = \frac{1,456,073}{8,302,741} \times 100\% = 17.5\%$$

ULTJ (2023): Net Profit IDR 1,186,161 million. Sales of IDR 8,302,741 million.

ULTJ (2022): Net Profit of IDR 965,486 million. Sales of IDR 7,656,252 million.

$$\text{ULTJ NPM 2022} = \frac{965,486}{7,656,252} \times 100\% = 12.6\%$$

$$\text{M ULTJ 2023} = \frac{1,186,161}{8,302,741} \times 100\% = 14.3\%$$

The results of the above calculations show that CMRY has a higher *Net Profit Margin* in both years compared to ULTJ, indicating CMRY's greater ability to generate net profit from each sale obtained.

CMRY (2022): Total Assets IDR 6,223,251 million. Net Profit IDR 1,060,582

$$\text{ROA CMRY 2022} = \frac{1,060,582}{6,223,251} \times 100\% = 17\%$$

CMRY (2023): Total Assets IDR 7,046,857 million. Net Profit IDR 1,241,780

$$\text{ROA CMRY 2023} = \frac{1,241,780}{7,046,857} \times 100\% = 17.6\%$$

C. Return on Assets (ROA)

ULTJ (2022): Total Assets IDR 7,376,375 million. Net Profit IDR 965,486

$$\text{ULTJ ROA 2022} = \frac{965,486}{7,376,375} \times 100\% = 13.1\%$$

ULTJ (2023): Total Assets IDR 7,523,956 million. Net Profit IDR 1,186,161

$$\text{ROA ULTJ 2023} = \frac{1,186,161}{7,523,956} \times 100\% = 15.8\%$$

The ROA calculation shows that CMRY is higher than ULTJ. This indicates that CMRY is more effective in using its assets to generate profit.

(2023): Profit after Tax IDR Capital of IDR

$$\text{ROE ULTJ 2023} = \frac{1,186,161}{6,686,968} \times 100\% = 17.7\%$$

CMRY (2022): Profit after Tax IDR Capital of IDR

$$\text{ROE CMRY 2022} = \frac{1,060,582}{5,258,332} \times 100\% = 20\%$$

CMRY (2023): Profit after Tax IDR Capital of IDR

$$\text{ROE CMRY 2023} = \frac{1,241,780}{5,941,328} \times 100\% = 20.9\%$$

The ROE calculation results show that CMRY is higher than ULTJ. This indicates that CMRY is better at managing invested capital to generate maximum profits compared to ULTJ.

5. Conclusion And Recommendations

5.1. Conclusion

Based on the results of the analysis conducted, it can be concluded that PT Cisarua Mountain Dairy Tbk (CMRY) showed superior performance in terms of profitability compared to PT Ultrajaya Milk Industry Tbk (ULTJ) in 2022 and 2023. This is demonstrated by the higher Gross Profit Margin (GPM), Operating Profit Margin (OPM), Net Profit Margin (NPM), Return on Assets (ROA), and Return on Equity (ROE) ratios of PT Cisarua Mountain Dairy Tbk (CMRY). This advantage reflects PT Cisarua Mountain Dairy Tbk (CMRY)'s greater effectiveness in managing production and operational costs, as well as asset utilization to generate profits. The results of this study are expected to serve as a reference for investors in evaluating investment potential, as well as for company management in designing strategies to increase competitiveness. support and kindness given be rewarded with the best from God Almighty.



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