# Analysis Of Financial Ratio to Company Value

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Research Article

# Analysis Of Financial Ratio to Company Value

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**Abstract**
This study was conducted to determine the effect of financial ratios on firm value in the consumer goods industry sector listed on the Indonesia Stock Exchange for the period 2015 – 2019. The independent variables used are Return on Total Assets, Current ratio, Debt To Total Assets, Total Assets Turnover and Price Earning Ratio with the dependent variable is Company Value (PBV). The sample selected in this study were 6 companies using purposive sampling method. The data analysis method used was panel data regression test using eviews9 which previously had descriptive statistical analysis and classical assumption tests. The results showed that ROA, CR, DAR, TATO, and PER have an effect on firm value. The independent variables, namely ROA, CR, DAR, TATO, and PER were able to explain the dependent variable, namely the firm value of 81%. However, the results of the partial study stated that only CR, TATO, and PER variables had a positive and significant effect on firm value.

**Keywords**
ROA, CR, DAR, TATO, PER, PBV

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# Introduction

The value of the company is very important for the company, because the main goal of the company itself is to increase the value of the company. A high company value is the desire of every investor because a high value indicates the prosperity of the shareholders. This is in accordance with the opinion expressed by (Marchetti et al., 2005)which states that the main goal of companies that have gone public is to increase the prosperity of the owners or shareholders through increasing the value of the company. Firm value is defined as investors' perception of the company's level of success which is often associated with stock prices. The value of the company can provide prosperity for every shareholder if the share price in a company continues to increase. High stock prices will have an impact on high company value, thereby increasing market confidence in the company's current performance and on the company's prospects in the future (Harningsih, Agustin, & Setiawan, 2019). Firm value can be measured by Price to Book Value. Price to Book Value describes how much the market appreciates the book value of a company's stock. Price to Book Value gives a signal to investors whether the price we pay or invest in the company is too high or not so that it can help provide an overview of the risk to investors if the company closes. Increasing the value of the company (Price Book Value) is an achievement that is in accordance with the wishes of the owners, because with the increase in the value of the company, the welfare of the owners will also increase. Therefore, to find out how the value of the company in the consumer goods industry sector, the researchers used Financial Ratios to measure the overall management effectiveness as indicated by the profits obtained. The ratios used are Liquidity Ratios, Leverage Ratios, Activity Ratios, Profitability Ratios and Valuation Ratios.

# Literature Review

## The value of the company

(Mardiyanto, 2009) states that firm value is the present value of a series of cash inflows that will be generated by the company in the future. (Marchetti et al., 2005)also explains that the value of companies that have gone public is reflected in the market price of the company's shares. Meanwhile, the value of companies that have not gone public will be realized if the company is to be sold (total assets and company prospects, business risks, business environment and others).It can be concluded that company value is a condition that has been achieved by a company whose value can be seen or assessed in the form of a company's share price. Price Book Value is the result of the comparison between the stock price and the book value. (Astutik, 2017) states that the activity of financial ratios as measured by ROA, CR, SG, DER, and TATO has a simultaneous effect on firm value as measured by PBV, but only ROA and DER variables have a partially positive effect on value. company. Research conducted by (Kushartono & Nurhasanah, 2017)shows that financial ratios as measured by CR, DER, ROA, TATO, and PER have a simultaneous effect on firm value as measured by PBV, but only the variables DER, ROA, and PER are partially positive effect on firm value. This is in line with the results of research conducted by (Nafisah, Halim, & Sari, 2018) which shows that the financial ratios as measured by ROA, DER, CR, ROE, PER, TATO, and EPS have a simultaneous influence on firm value, but only the variables ROA, CR, PER, TATO, and EPS which partially affect the firm value.
According to (Sarkar, Gill, Whitehead, & Crawford, 2003) financial ratios are divided into four types of ratio models, namely:

1. Liquidity Ratio: this ratio is used to measure the amount of money available to pay short-term and long-term costs.
2. Profitability Ratio: this ratio is used to measure and help control revenue, namely by increasing sales, increasing margins, getting greater benefits from spending costs, and or a combination of these three things.
3. Efficiency Ratio: This ratio is used to measure and control the company's operations. This ratio complements other ratios to help companies increase revenue by assessing important transactions, such as loan utilization, inventory control, and asset management

4. Share Capital Ratio: this ratio is used mainly by investors to determine whether he buys shares of a company or not.

## Liquidity Ratio

Liquidity Ratio is the ratio used to measure the company's ability to meet short-term liabilities (debt) with current assets. Current Ratio is used to measure short-term solvency by comparing Current Assets with short-term liabilities. According to (Jariah, 2016)the value of the company is determined by the company's ability to generate profits. If high liquidity will reduce the profit generated, the value of the company will also decrease. This is in line with previous research conducted by (Rompas, 2013) which found that Current Assets had a significant effect on firm value. However, this is contrary to the research conducted by (Sukiyasa & Sukoco, 2013)and (Nurhayati, 2013)According to (Sukiyasa & Sukoco, 2013)) that liquidity has no effect on firm value because liquidity is a description of the company's ability to settle its short-term obligations, while the value of the company is long-term oriented. Therefore, liquidity does not have a significant effect on firm value.

## Profitability Ratio

Profitability is one of the important indicators to assess a company. Profitability is not only used to measure the company's ability to generate profits but also to determine the company's effectiveness in managing its resources. The profitability ratio measures the success of management as indicated by the profit generated by sales and investment. This profitability growth is marked by changes in the profit margin on sales. With a high level of profitability means the company will operate at a low cost level which will ultimately generate high profits. Profitability ratio is the ratio used to measure the company's ability to earn profits. The company's profitability can be calculated using the return on assets. Return on Total Assets is the ratio used to measure the overall effectiveness of the company in generating profits with all assets owned. Research conducted by (Ulupui, 2019)), (Rasmini, Wirakusuma, & Yuniasih, 2014), (Ista, Rita, & Abrar, 2016)states that ROA has a significant positive effect on firm value. The positive direction indicates that if the company's Return On Total Assets increases, the company's value also increases.

## Leverage Ratio

Leverage ratio is a ratio used to measure how much leverage is borne by the company, in other words it shows the amount of company funding needs financed by debt. Debt to total assets, used to measure the proportion of sources of funds obtained by debt. Research conducted by (Riggs & Bartholomaeus, 2018)) shows that if the company uses more and more long-term debt to finance its assets, it can increase the value of the company. DAR has a significant effect on firm value. This is in accordance with the trade off theory where companies can take advantage of debt as a tax savings and other costs compared to the sacrifice of paying interest. This is in accordance with the Signaling theory which states that when a company uses internal funds to fund its business, investors will see it as a significant positive signal because investors' perception when a company uses debt means that the company has the ability to increase capacity and pay debts. However, the results of this study contradict the research conducted by (Nurhayati, 2013)which states that the Debt to Assets Ratio has no effect on firm value.

## Activity Ratio

Activity Ratio is the ratio used to measure the effectiveness of the company in carrying out its operations. Total Asset Turnover is the ratio used to measure the effectiveness of asset management in generating sales. The greater the turnover rate, the more effective asset management is. So the greater this ratio, the better the company, which means that assets can rotate faster in achieving profits and show the more efficient use of overall assets in generating

sales, (Carbonella & Kasmir, 2015). The higher the total asset turnover value shows the more effective the company's assets in generating profits for the company, and shows opportunities for investors to invest and trigger the company's stock price to rise (Carbonella & Kasmir, 2015). This theory is supported by research conducted by (Kushartono & Nurhasanah, 2017)), which shows that total asset turnover has a significant effect on firm value.

### Rating Ratio

One of the valuation ratios can be measured by the Price Earning Ratio, which is the ratio used to evaluate the owner's assessment of the share value. (Ryadi & Sujana, 2014) state that a company with a high price earning ratio describes the company's stock price is high, an increase in stock price will provide capital gains which is an element of return, so that an increase in stock price will increase the value of the price earning ratio, and increase the return of shares the company. (Margaretha & Damayanti, 2008) stated that the price earning ratio has a positive and significant effect on stock returns. The higher the price earning ratio of a company's shares, the price per share will tend to increase, so that the company will earn profits that can increase the value of the company. This is supported by research from (Prasetyorini, 2013) which states that the price earning ratio has a positive effect on firm value. The results of this study are in line with research conducted by (Rakhimsyah & Gunawan, 2011)which states that the higher the price earning ratio, the higher the value of the company in front of investors because a high price earning ratio will give the view that the company is in good health and shows company growth. In addition, this research is also supported by (Mabruroh, Riswan, & Lestari, 2015) which states that the price earning ratio has a positive and significant effect on firm value. This means that the higher the investment made by the company has an impact on increasing the value of the company.

### Hipotesis

$H_1$: = Return on Assets, Current ratio, Debt To Total Assets, Total Asset Turnover, and Price Earning Ratio affect the value of the company
$H_2$: = Return on Assets has an effect on firm value
$H_3$: = Current Assets Ratio has an effect on firm value
$H_4$: = Debt To Assets Ratio has an effect on firm value
$H_5$: = Total Asset Turnover has an effect on firm value
$H_6$: = Price Earning Ratio has an effect on firm value

## Research Methods

The data analysis method used in this research is the panel data regression test which previously had descriptive statistical analysis and classical assumption tests. This study uses purposive sampling, namely the technique of determining the sample with certain considerations (Sukiyasa & Sukoco, 2013).
The sampling criteria in this study include:

1. The sample is the consumption industry sector companies that are listed consecutively on the Indonesia Stock Exchange during the 2015-2019 period.
2. Companies that have published financial reports that present the required financial ratio data for 2015 – 2019
3. Financial statements using rupiah currency and the fiscal year closing December 31.

# Research Result

## Descriptive Statistical Analysis

**Table 1**
Descriptive Statistical Test Results

| | X1 | X2 | X3 | X4 | X5 | Y |
|---|---|---|---|---|---|---|
| Mean | 3.192667 | 39.37433 | 1.364000 | 25.21200 | 3.642667 | 10.67667 |
| Median | 2.315000 | 44.16500 | 1.310000 | 21.56000 | 3.615000 | 9.680000 |
| Maximum | 8.630000 | 60.00000 | 3.100000 | 60.77000 | 7.450000 | 22.29000 |
| Minimum | 1.180000 | 14.63000 | 0.550000 | 2.800000 | 0.630000 | 2.890000 |
| Std. Dev. | 2.232262 | 15.20189 | 0.734502 | 14.97702 | 2.017284 | 5.986391 |
| Skewness | 1.275950 | -0.504656 | 1.049028 | 0.712719 | 0.164180 | 0.641408 |
| Kurtosis | 3.313212 | 1.796049 | 3.328473 | 2.830425 | 2.160435 | 2.303332 |
| Jarque-Bera | 8.262866 | 3.085261 | 5.637170 | 2.575783 | 1.015862 | 2.663704 |
| Probability | 0.016060 | 0.213818 | 0.059690 | 0.275852 | 0.601739 | 0.263988 |
| Sum | 95.78000 | 1181.230 | 40.92000 | 756.3600 | 109.2800 | 320.3000 |
| Sum Sq. Dev. | 144.5068 | 6701.825 | 15.64532 | 6505.020 | 118.0136 | 1039.269 |
| Observations | 30 | 30 | 30 | 30 | 30 | 30 |

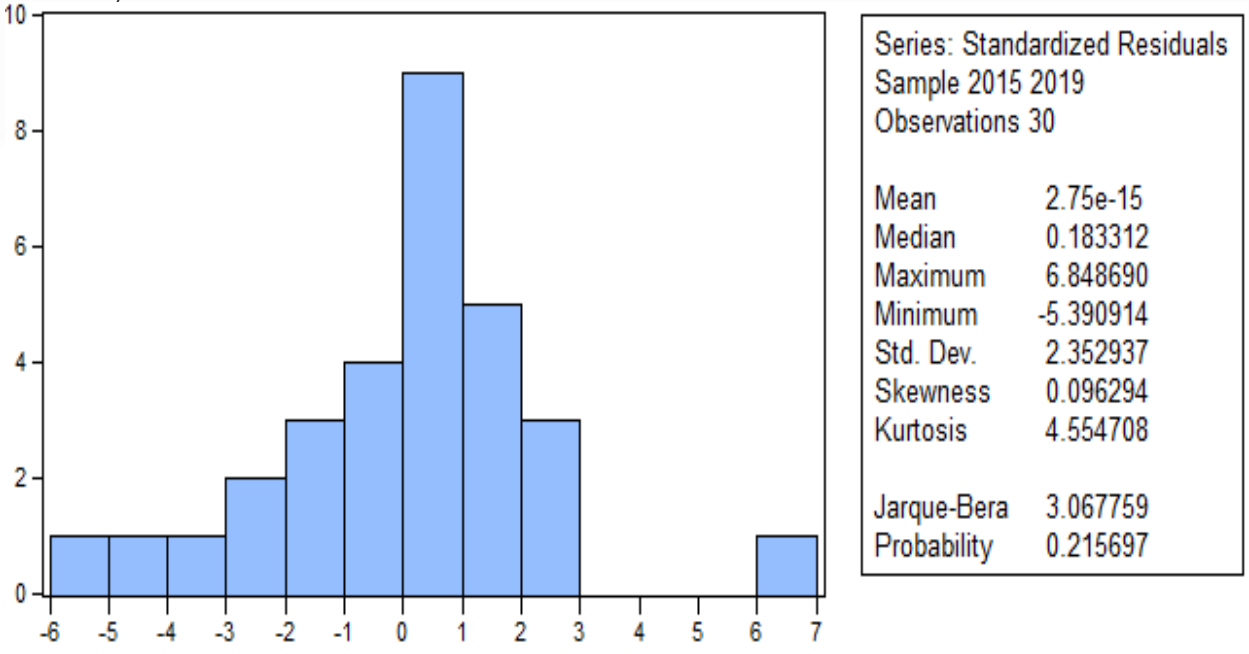
Table 1 provides an overview of the sample characteristics used in this study including the minimum and maximum values of each variable data, sample mean (mean), and standard deviation for each variable. In this study, observations of 30 observations were obtained from 6 samples of companies in the consumer goods sector multiplied by the research period of 5 years. The mean (average) value is 10.68 with a minimum value of 2.89 and a maximum value of 22.29 and a standard deviation of 5.99.

## Classic Assumption Test

Before using the panel data regression analysis tool, the variable must pass the classical assumption test first. This is done so that the research model can use panel data regression analysis. The following is the classic assumption test used in the study:

## Normality Test

**Table 2**
Normality Test Results



Based on the picture above, the probability value of 0.22 is obtained, which exceeds the significance value of 0.05, it can be interpreted that the data is normally distributed. In this case, it shows that the regression model is feasible to use because it meets the assumption of normality.

## Multicollinearity Test

**Table 3**
Multicollinearity Test Results

| | X1 | X2 | X3 | X4 | X5 |
|---|---|---|---|---|---|
| X1 | 1.000000 | -0.850067 | -0.328461 | -0.249171 | 0.086193 |
| X2 | -0.850067 | 1.000000 | 0.153261 | 0.223093 | 0.218500 |
| X3 | -0.328461 | 0.153261 | 1.000000 | -0.480376 | -0.581849 |
| X4 | -0.249171 | 0.223093 | -0.480376 | 1.000000 | 0.480397 |
| X5 | 0.086193 | 0.218500 | -0.581849 | 0.480397 | 1.000000 |

Based on table 3, it can be seen that the ROA, CR, DAR, TATO, and PER variables have a correlation value between variables less than 0.90. So it can be interpreted that the five variables are free from multicollinearity problems.

## Heteroscedasticity Test

**Table 4**
Heteroscedasticity Test Results
**Heteroskedasticity Test: White**

| F-statistic | 1.383764 | Prob. F (20,9) | 0.3167 |
|---|---|---|---|
| Obs*R-squared | 22.63809 | Prob. Chi-Square (20) | 0.3069 |
| Scaled explained SS | 25.75098 | Prob. Chi-Square (20) | 0.1742 |

**Source:** Data Processing Results (2021)

The Prob Chi-square value of 0.31 exceeds the significance value of 0.05, which means that there is no heteroscedasticity problem in the study.

## Data Model Selection

In the panel data for selecting the best model, the analysis phase is carried out by estimating the Common Effect, Fixed Effect, and Random Effect models (Yusra, Hadya, & Egawati, 2017).

**Table 5**
Chow Test
**Redundant Fixed Effects Tests**
**Equation: MODEL_FEM**
**Test cross-section fixed effects**

| Effects Test | Statistic | d.f. | Prob. |
|---|---|---|---|
| Cross-section F | 0.942448 | (5,19) | 0.4764 |
| Cross-section Chi-square | 6.646571 | 5 | 0.2483 |

**Source:** Data Processing Results (2021)

The value of the cross-section Chi-square is 0.25, the value is greater than 0.05, so the model selected for testing the data of this research panel is the Fixed Effect Model.

**Table 6**
Lagrange Multiplier Test
**Lagrange Multiplier Tests for Random Effects**
**Null hypotheses: No effects**
**Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided (all others) alternatives**

| | Test Hypothesis | | |
|---|---|---|---|
| | **Cross-section** | **Time** | **Both** |
| Breusch-Pagan | 1.981160 (0.1593) | 0.014724 (0.9034) | 1.995884 (0.1577) |
| Honda | -1.407537 -- | -0.121341 -- | -1.081080 -- |
| King-Wu | -1.407537 -- | -0.121341 -- | -1.028800 -- |
| Standardized Honda | -0.440473 -- | 0.106370 (0.4576) | -3.603558 -- |
| Standardized King-Wu | -0.440473 -- | 0.106370 (0.4576) | -3.464235 -- |
| Gourierioux, et al.* | -- | -- | 0.000000 (>= 0.10) |
| ***Mixed chi-square asymptotic critical values:** | | | |
| 1% | 7.289 | | |
| 5% | 4.321 | | |
| 10% | 2.952 | | |

berdasarkan tabel diatas, nilai Both sebesar 0,16 dimana nilai tersebut lebih besar dari 0,05 maka model yang terpilih untuk uji data panel penelian ini adalah model Common Effect Model

## Simultaneous Significance Test

Prob (F-statistic) of 0.00 <0.05 so that the variables X1 X2 X3 X4 and X5 simultaneously (simultaneously) affect Y. So, H1 is accepted.

## Coefficient of Determination:

The adjusted R – squared value of 0.81 (81%) means that the Y variation can be explained by X1 X2 X3 X4 and X5 by 81%, while the rest (100% - 81% = 19%) is explained by other variables outside the model.

## Partial Significance Test:

- Prob X1 value is 0.4452 > 0.05 so that it rejects H2, namely X1 has no effect on Y
- Prob X2 value is 0.0193 <0.05 so that accepting H3 is X2 has an effect on Y
- Prob X3 value is 0.4190 > 0.05 so rejecting H4 that is X3 has no effect on Y
- Prob X4 value is 0.0000 <0.05 so that accepting H5, namely X4 has an effect on Y
- The prob value of X5 is 0.0013 < 0.05 so that it accepts H6, namely X5 affects Y

## Panel Data Regression

**Table 7**
Common Effect Model
**Dependent Variable: Y**
**Method: Panel Least Squares**
**Date: 05/24/21 Time: 21:23**
**Sample: 2015 2019**
**Periods included: 5**
**Cross-sections included: 6**
**Total panel (balanced) observations: 30**

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|---|---|---|---|---|
| C | 19.07500 | 5.304916 | 3.595722 | 0.0015 |
| X1 | 0.441730 | 0.569115 | 0.776170 | 0.4452 |
| X2 | -0.195862 | 0.078094 | -2.508037 | 0.0193 |
| X3 | -0.788793 | 0.959339 | -0.822225 | 0.4190 |
| X4 | -0.239124 | 0.046609 | -5.130454 | 0.0000 |
| X5 | 1.374821 | 0.378311 | 3.634105 | 0.0013 |
| R-squared | 0.845513 | Mean dependent var | | 10.67667 |
| Adjusted R-squared | 0.813329 | S.D. dependent var | | 5.986391 |
| S.E. of regression | 2.586448 | Akaike info criterion | | 4.915304 |
| Sum squared resid | 160.5531 | Schwarz criterion | | 5.195544 |
| Log likelihood | -67.72957 | Hannan-Quinn criter. | | 5.004956 |
| F-statistic | 26.27067 | Durbin-Watson stat | | 2.185743 |
| Prob(F-statistic) | 0.000000 | | | |

**Source:** Data Processing Results (2021)

Linear regression analysis of panel data in this study used the Common Effect Model method.

# Research Discussion

### The Effect of Return on Assets, Current Assets, Debt to Total Assets, Total Asset Turnover, Price Earning Ratio on Company Value in consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019

Based on the F test that has been carried out, the results obtained Prob (F-statistic) of 0.00 which means that the variables ROA, CR, DAR, TATO, and PER simultaneously (simultaneously) affect the firm value. This means that the first hypothesis ($H_1$) in this study is accepted. The value of the company in the consumer goods industrial sector can be explained by ROA, CR, DAR, TATO, and PER of 81%, while the remaining 19% is explained by other variables outside the model.

### The Effect of Return on Assets on Company Value in consumer goods industrial sector companies listed on the Indonesian stock exchange for the period 2015 – 2019.

Based on the significance test that has been carried out, the prob value is greater than 0.05 so that the Return On Assets variable has no effect on firm value. This means that the second

hypothesis ($H_2$) in this study is rejected. The results of this study are not in accordance with the results of research conducted by (Ista et al., 2016)which states that Return On Assets has an effect on firm value (PBV). This is also contrary to the theory put forward by (Yansari, 2014) which states Return on Assets is a form of profitability ratio which is intended to be able to measure the company's ability with the overall funds used for the company's operations to generate profits. Profitability proxied by using Return on Assets does not have a partial significant effect on Firm Value, because in some periods there is an increase in assets owned without being followed by an increase in profit. So that shareholders view that the company's performance is less effective in using its assets. Return on Assets is used by management to focus on short-term goals that are more profitable than long-term goals. This makes shareholders pay less attention to the ROA indicator in making investments. The results of this study are in line with research conducted by (Putra & Juniariani, 2017)which states that the Profitability variable as measured by Return On Assets has no significant effect on Firm Value.

## Effect of Current Asset Ratio on firm value in consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019

Based on the significance test that has been carried out, the prob value is smaller than 0.05 so that the Current Asset Ratio variable affects the firm value. This means that the third hypothesis ($H_3$) in this study is accepted. The results of this study indicate that high liquidity can indicate available funds for dividend payments, finance company operations and investments so that company performance is getting better. The results of this study are also supported by the results of research conducted by (Rompas, 2013). Therefore, the liquidity ratio is a ratio used to measure the level of a company's ability to meet short-term financial obligations on time. A high level of liquidity reduces the company's failure to meet short-term financial obligations to creditors and vice versa. The high or low this ratio will affect the interest of investors to invest their funds. The greater this ratio, the more efficient the company in utilizing the company's current assets. (Mabruroh et al., 2015). However, the results of this study contradict the research conducted by (Nurhayati, 2013), which concludes that the Current Ratio has no effect on firm value.

## The effect of the Debt to Total Asset Ratio on the value of the company in the consumer goods industrial sector companies listed on the Indonesian Stock Exchange for the period 2015 – 2019

The results of the significance test obtained that the prob value was greater than 0.05 so that the Debt to total asset ratio variable had no effect on firm value. This means that the fourth hypothesis ($H_4$) in this study is rejected. The results of this study support previous research conducted by (Nafisah et al., 2018) which states that the Debt to Assets Ratio has no effect on firm value. The focus of investors is not on the company's DAR value, which means that the DAR value does not affect investors' interest in considering decisions in buying shares. Investors prefer to pay attention to the company's prospects compared to the DAR level, so that the increase or decrease in the DAR value is not followed by the rise and fall of the PBV value. However, this is contrary to the theory according to (Perdana, 2010) in a previous study which showed that DAR had a positive effect on firm value as measured by PBV.

## The effect of Total Asset Turnover on firm value in consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019

The results of the significance test state that the prob value is smaller than 0.05 so that the Total Asset Turnover variable affects the firm value. This means that the fifth hypothesis ($H_5$) in this study is accepted. The higher the TATO value means that the turnover owned by the company is getting better, it can be said that the total assets owned by the company are able to get sales effectively and efficiently, so the higher the value of the TATO, the more investors will like the company because it is considered that the company is able to manage its assets optimally. This

indicates that companies that have high asset turnover indicate that the total assets are smaller than sales so that they can obtain maximum profit. Where the company that gets the maximum profit is a company that can manage its company performance well such as the use of company assets. Management of the use of company assets requires an asset turnover that uses its various assets effectively so that it can turn it into sales and will earn a profit. The results of this study are in line with previous research conducted by (Astutik, 2017), (Alivia & Chabachib, 2013), (Annisa & Chabachib, 2017)), and (Dom, Madzlan, Nur, Hasnan, & Misran, 2016) which suggested that TATO has a positive and significant effect on firm value. However, this study is not in line with research conducted by (Utami & Prasetiono, 2016), (Sukiyasa & Sukoco, 2013), and (Sutrisno & Yulianeu, 2017) which state that total asset turnover has no significant effect on price to book value.

### The effect of Price Earning Ratio on firm value in consumer goods industrial sector companies listed on the Indonesian stock exchange for the period 2015 – 2019.

Based on the significance test that has been done, the prob value is smaller than 0.05 so that the Price Earning Ratio variable affects the firm value. This means that the sixth hypothesis ($H_6$) in this study is accepted. The impact of the price earning ratio reflects a good indicator to determine stock returns in the future, where the higher the price earning ratio, the higher the price per share of a company and indicates a good company value, so that the company's shares are included in the blue chip market. capital. The results of this study are in line with the results of research conducted by (Sartini & Purbawangsa, 2014), (Gayatri & Mustanda, 2014), and (Kushartono & Nurhasanah, 2017) which state that PER has a positive and significant effect on firm value.

## Conclusion

1. Simultaneous test results show that Return on Total Assets, Current Ratio, Debt to Total Asset Ratio, Total Asset Turnover, and Price Earning Ratio have a significant effect on firm value in consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019
2. Profitability Ratios as measured by Return on Total Assets have no significant effect on company value in consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019
3. The Liquidity Ratio as measured by the Current Ratio has a significant effect on the value of the company in the consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019
4. The Leverage Ratio as measured by Debt to Total Assets has no significant effect on firm value in consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019
5. Activity Ratio as measured by Total Asset Turnover has a significant effect on company value in consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019
6. The Valuation Ratio as measured by the Price Earning Ratio has a significant positive effect on the value of the company in the consumer goods industrial sector companies listed on the Indonesia Stock Exchange for the period 2015 – 2019
7.

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