ABSTRACT

Bank has a financial intermediary role, therefore, a bank must have a good financial performance so that the intermediary function can run well. The ratio can be used as an indicator of a bank's profitability is ROA. ROA is influenced by several banking financial ratios such as CAR, LDR,CIR, NPL, and NIM, while NIM is a good mediator for ROA. NIM is influenced by the variable CAR, LDR, CIR, and NPL. The ratios on commercial banks in Indonesia period 2011-2015 indicates that the NIM and ROA ratios is decreasing. The purpose of this study is to analyze the effect of CAR, LDR, CIR, NPL on ROA with NIM as a mediating variable.

The theory used in this study is managerial efficiency theory of profit where the more efficient a bank that is shown by the greater CAR and LDR, the smaller CIR and NPL, the greater bank profitability. The population used in this study are banks in Indonesia listing in IDX for period 2011-2015. The analysis techniques used in the study conducted is using multiple linear regression analysis. The results showed that the CAR and LDR have positive and significant impact on the NIM and ROA, and on the contrary CIR and NPL have negative and significant effect on NIM and ROA, NIM has positive and significant impact on ROA, NIM mediate the effect of CAR, LDR, ROA, and NPL to ROA.

Keywords : Indonesian Bank, Banks Performance, CAR, LDR, CIR, NPL, NIM, and ROA