

ABSTRACT

This study aims to determine the effect of capital adequacy ratio (CAR), net interest margin (NIM), equity to total assets ratio (EAR), bank size and non-performing loan (NPL) on bank profitability as measured using return on assets (ROA).

The sample used in this study is the banking sector companies listed on the Indonesia Stock Exchange (IDX) in the 2016-2020 period. The sample data used were 40 banks with the data collection method using the purposive sampling method. Methods of data analysis in this study using multiple regression analysis methods.

The results of this study show that NIM and bank size have a significant positive effect on ROA; while NPL has a significant negative effect on ROA; then CAR and EAR has no significant positive effect on ROA. The re