

## **ABSTRAC**

*The development of Islamic banking in Indonesia is still not optimal. The condition of the sharia banking market share is still relatively small compared to the national banking market share, which is 5.55 percent in December 2017.*

*Efficiency is one of method to measure the performance of banks input and output an economic activity unit. The aim of this study is to measure and analyze the efficiency rate of Islamic Banks in Indonesia (study at 12 Islamic Commercial Bank in 2015-2017). In analyzing the data, the writer used Data Envelopment Analysis (DEA) method which used input variables (wadi'ah, temporary syirkah fund, labor cost, and total office) and output variables (income from fund management by bank as Mudharib and other operating income).*

*This research is quantitative. The data used in this study are secondary data sourced from annual financial reports issued by each Islamic bank. The result of this study showed that Islamic banks that have the best of efficiency rate are BMI, BVS, BRIS, BJBS, BSM, BPS, BMSI, and BTPNS because it reaches 100 percent in efficiency rate every year, while the others bank were in fluctuation or even inefficiency for the time there were observed. However, the average efficiency rate in the last 3 years has increased.*

*Keywords : Efficiency Rate, Islamic Bank, BUS, and DEA.*