ABSTRACT

This research aims to analyze the influence of Operating Expenses Operating Income (BOPO), Financing to Deposits Ratio (FDR), Return On Asset (ROA) and the principle of financing buying and selling or Ba'i to Non Performing Financing (NPF) Case study on Indonesian Islamic banks in 2011-2016.

The number of sample used in this research were 10 banks. Secondary data were obtained from financial statements can be downloaded from the official website of each bank and the official website of Bank Indonesia covering the period of 2011 until the end of 2016. The analytical method used in this research is Multiple Linear Regression Analysis where previously performed classical assumption that includes Normality Test, Multicollinearity Test, Autocorellation Test, and Heteroskedastisitas Test with a significance level of 5%.

The study found that Financing To Deposit Ratio (FDR) and the principle of financing buying and selling or Ba'i have positively effect on non performing financing (NPF). Meanwhile, then Return On Assets (ROA) are significant but negatively influenced to the Non Performing Financing (NPF) of Indonesian Islamic bank. Operating Expenses Operating Income (BOPO) have negatively insignificant effect on Non Performing Financing (NPF) of Indonesian Islamic bank. Based on the coefficient determination, variable Operating Expenses Operating Income (BOPO), Financing to Deposits Ratio (FDR), Return On Asset (ROA),and prinsip pembiayaan jual beli have 90,3% effect against Non Performing Financing (NPF).While the remaining 9,7% is influenced by other variables that are not used in this study.

Keywords:Operating Expenses Operating Income (BOPO), Financing to Deposits Ratio (FDR), Return On Asset (ROA), prinsip pembiayaan jual beli, kredit risk and Non Performing Financing (NPF).