

## ABSTRACT

*The Purpose in this research is to analyze if variable Non Performing Loan Growth, Loan Growth, and Net Interest Margin have an effect on Loan Loss Provision (LLP) in Indonesia conventional and Islamic bank. This research motivated by the importance of LLP for bank, that also shown through several examples of events where some bank deal with financial problem due to insufficient LLP. Moreover there are inconsistent result from some previous research about the effect of Non Performing Loan Growth, Loan Growth, and Net Interest Margin toward Loan Loss Provision.*

*This research using purposive sampling method by taking several samples of conventional and Islamic bank in Indonesia and then be analyze by multiple regression test to find out the relationship between several independent variable toward LLP in addition, chow test was also conducted to determine wheter there were differences in the effects of the independece variables toward LLP amongst conventional and Islamic bank.*

*The results of multiple regression test from this study show that in conventional bank Non Performing Loan Growth and Net Interest Margin has significant positive effect toward LLP but in Islamic Bank just Non Performing Financing Growth that has positive and significant effetc toward LLP. Meanwhile, from the results of the chow test, it can be concluded that there are differences in the effect of independent variables on LLP between conventional banks and Islamic banks.*

**Kata kunci : LLP, NPL growth, Loan Growth, Net Interest Margin**