

ABSTRACT

This study aimed to verify the effect of Company's Size (SIZE), Return On Asset (ROA), Loan to Deposit Ratio (LDR), Operating Expenses to Operating Income (OEIOI), Non-Performing Loans (NPL), and Net Open Position in Foreign Exchange (NOPFE) of the Capital Adequacy Ratio (CAR).

The writer used the secondary data. The writer also used a purposive sampling. The analysis tool used the classical assumption test, multiple linear regression analysis, the coefficient of determination, T-Test statistical and F-Test statistical.

The result of the study shows that there is no deviation of classical assumption, indicating that the available data has been qualified to be used as the multiple linear regression model. Based on the result of the regression testing, the writer obtained a regression equation: $CAR = 22,416 + 0,217 SIZE - 1,029 ROA + 0,037 LDR - 0,134 OEIOI - 0,380 NPL + 0,047 NOPFE$. The hypothesis testing the writer concluded that: Loan to Deposit Ratio (LDR) has significant positive effect on Capital Adequacy Ratio (CAR), Return On Asset (ROA), Operating Expenses to Operating Income (OEIOI) and Non Performing Loan (NPL) has significant negative effect on Capital Adequacy Ratio (CAR), and Company's Size (SIZE) and Net Open Position in Foreign Exchange (NOPFE) has no significant effect on the Capital Adequacy Ratio (CAR). The value of Adjusted R Square is 13.7 % this means that the amount of influence exerted by variables Company's Size (SIZE), Return On Asset (ROA), Loan to Deposit Ratio (LDR), Operating Expenses to Operating Income (OEIOI), Non-Performing Loans (NPL), and Net Open Position in Foreign Exchange (NOPFE) to the changes that occur in the Capital Adequacy Ratio (CAR) is 13,7%, while the 86,4% is explaining by other variables outside the model.

Keyword :Capital Adequacy Ratio (CAR),Company's Size (SIZE), Return On Asset (ROA), Loan to Deposit Ratio (LDR), Operating Expenses to Operating Income (OEIOI), Non-Performing Loans (NPL), and Net Open Position in Foreign Exchange (NOPFE)