

## **ABSTRACT**

*This study aims to obtain empirical evidence about the effect of Capital Adequacy Ratio (CAR), Loan Deposit Ratio (LDR), Operating Expenses to Operating Income (BOPO) and Net Interest Margin (NIM) to the Return On Assets (ROA) and determine the variabel that give the dominant influence on the annual report of conventional banks in Indonesia.*

*The populations used in this study were all conventional banks operating in Indonesia. At first, writer totally used 41 conventional banks and then to be 18 conventional banks because this data in transformation to produce for good data. Data was used as a form of financial statements publicized. This study used the purposive sampling method. The data analyses employed the use of multiple linear regression which is previously performed classical assumption, such as normality test, multicollinearity test, autocorrelation test, and heteroskedastisitas test. Hypotesis testing by using the F test and t test.*

*The result from this study indicates that CAR and NIM has not significant influences on ROA. And then, LDR and BOPO has significant influence on ROA. The amount of determination degree test (Adjusted R Square) is equal to 0,661. This means the independent variabels such as CAR, LDR, BOPO and NIM have the impact on ROA of 66,1%. Meanwhile, the remaining 33,9% is explained by other variabels outside the model of this study.*

**Keyword : Capital Adequacy Ratio (CAR), Loan Deposit Ratio (LDR), Operating Expenses to Operating Income (BOPO) and Net Interest Margin (NIM) terhadap Return On Asset (ROA)**